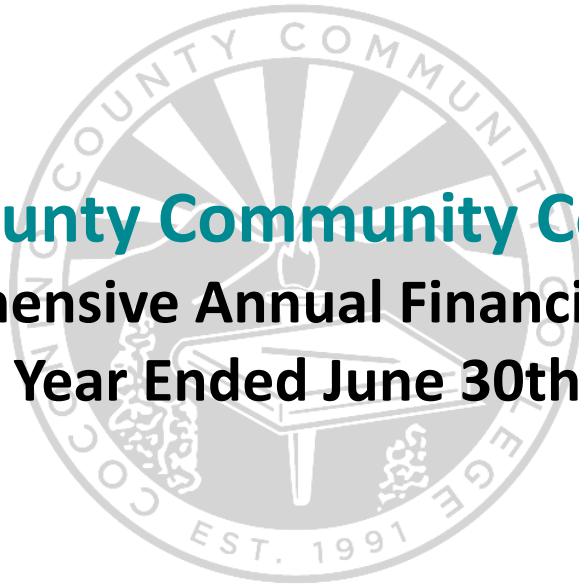


# **Coconino County Community College District**

## **Comprehensive Annual Financial Report**

### **Fiscal Year Ended June 30th, 2013**



The above photograph represents a new season and how growth and change are ever-present in nature. CCC students follow the same pattern as they develop into the future leaders of Coconino County.

Photograph by Michael Capps



# **COCONINO COUNTY COMMUNITY COLLEGE DISTRICT**

## **Comprehensive Annual Financial Report**

Prepared by  
**District Business and Administrative Services Office**

**Fiscal Year Ended June 30, 2013  
(July 1, 2012 – June 30, 2013)**



**Coconino County Community College District  
Comprehensive Annual Financial Report  
Fiscal Year Ended June 30, 2013**

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# **Introductory Section**





November 12, 2013

To the Residents of Coconino County Community College District:

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

We at Coconino Community College (CCC) are proud of our record for sound fiscal management. For 18 consecutive years the CCC accounting team has been honored with the Certificate of Achievement for Excellence in Financial Reporting by the Government Finance Officers Association of the United States and Canada. With the most recent strategic plan, we are on a path for greater success and achievement.

In 2008, Coconino Community College implemented a financial sustainability plan, which is recognized nationwide by our peers. This plan, still in place today, is critical, especially during the economic downturn. Even though it offsets the impacts of continued State funding cuts, it is not enough. The College has cut beyond a sustainable level and is now asking for your consideration of a property tax override. CCC has the lowest property tax rate and highest tuition rate of all community colleges in the State of Arizona. Our State aid, which used to make up 45% of our budget, has been reduced to less than 8% of our funding.

Since its inception in 1991, CCC has strived to strengthen communities, train students for jobs and change lives. Some 10,000 northern Arizona students enroll in credit and non-credit classes annually. The property tax override would provide \$4.5 million annually in order to continue our core missions of providing career and technical education, preparing students within the educational pipeline seeking associate's and bachelor's degrees and beyond, and providing workforce development, lifelong learning, and training for employees at local and regional companies.

Working together, we have accomplished much. The lingering downturn in the economy, the growing scarcity of state and federal dollars and the increasing costs of education continue to challenge our resources and dedicated staff, who serve our students with the highest quality services. You have our promise that we will continue to evaluate our operations to ensure that we are conducting the business of higher education efficiently and effectively.

I am pleased to present this report as another example of CCC's commitment to good stewardship of your tax dollars while meeting the educational needs of the communities and students we serve.

Sincerely,

A blue ink signature of Leah L. Bornstein, written in a cursive style.

Leah L. Bornstein Ph.D.

President



November 12, 2013

To the Citizens of Coconino County Community College District:

We are pleased to provide you with the Comprehensive Annual Financial Report (CAFR) of the Coconino County Community College District (the District) for the fiscal year ended June 30, 2013.

Arizona Revised Statutes (A.R.S.) §41-1279.07 requires community college districts of Arizona to prepare an annual budgeted expenditure limitation report and annual financial statements prepared in accordance with generally accepted accounting principles. The Auditor General or a certified public accountant or public accountant performing the annual audit shall attest to the expenditure limitation report and financial statements. This report is published to fulfill the requirements for the annual financial statements for the fiscal year ended June 30, 2013. The expenditure limitation report is published separately.

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

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

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

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

### **Reporting Entity**

The District is an independent reporting entity within the criteria established by generally accepted accounting principles (GAAP) and the Governmental Accounting Standards Board (GASB). Although the District shares the same geographic boundaries of Coconino County, financial accountability for all activities related to public community college education in Coconino County is exercised solely by the District. In accordance with GASB Statement No. 61, the financial reporting entity consists of a primary government and a component unit. Coconino County

Community College District is a primary government because it is a special-purpose government that has a separately elected governing body, is legally separate, and is fiscally independent of other state and local governments. In accordance with GASB Statement No. 61, the financial activity of the Coconino Community College Foundation is presented as a component unit of the District. The District is not included in any other governmental financial reporting entity.

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

As a political subdivision of the State of Arizona, the Coconino County Community College District is subject to the oversight of the District's Governing Board (the Board), which is comprised of five elected members, representing each of the five precincts of the county. These members are elected for six-year terms on a staggered basis. The Board is granted full authority from the Arizona Revised Statutes to manage the business and educational needs of the District. The administrative staff is responsible for the daily operation of the District.

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

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

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

The District embraces the philosophy of shared governance, which is the process by which the College community, including administration, employees, students and public when appropriate, respectfully share responsibility for reaching collective decisions on issues related to the College District. This governance model includes the College Council, which provides strategic oversight and advisory functions, and oversees policies and procedures for the College. The College Council consists of the College President, the Vice President for Academic Affairs, the Vice President for Business and Administrative Services, the Dean of Arts and Sciences, the Dean of Career and Technical Education, the Executive Director of Community and Corporate Learning, the Director of the Page/Lake Powell campus, the Director of Institutional Advancement, the



Director of Human Resources, the Director of Financial Aid, the Director of Student Services, the Director of Enrollment Services/Registrar, the Chief Technology Officer, the Administrative Assistant to the Vice President of Business & Administrative services, one faculty member, one part-time faculty member, one staff representative, and one student representative.

### *History*

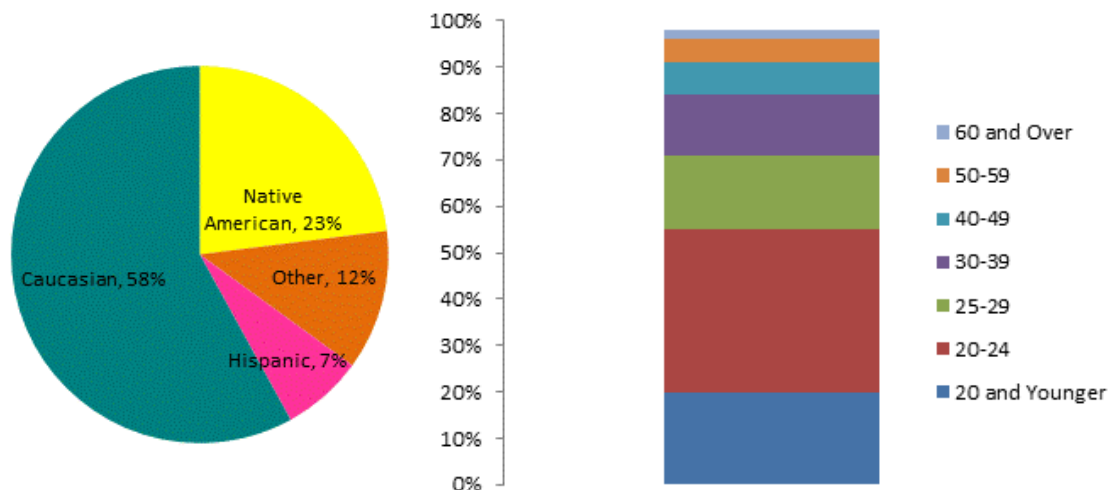
The citizens of Coconino County in November of 1990 established the District under the provisions of legislation enacted by the Arizona State Legislature in 1971. In May 1991, the District's funding was approved through special election, and operations began on July 1, 1991. The District boundaries are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

When the District began in 1991, it initially expected to serve 600 students per year. Nearly 1,000 students registered the first semester. Since then, enrollment has increased dramatically. Today the District enrolls approximately 9,200 annually (duplicated headcount).

In June of 1992 CCC began the process of seeking affiliation with the Commission on Institutions of Higher Education of the North Central Association of Colleges and Schools. In 1996 CCC received initial accreditation from the Commission on Institutions of Higher Education. The first commencement was held in 1993 with three graduates.

### *Student Population*

Coconino Community College serves a diverse population of students each year. Most are Coconino County residents; 56 percent are female; 74 percent are seeking a degree or certificate; and, more than 12 percent are high school students earning college credit. Nine percent are people who already have bachelor's or advanced academic degrees. Information on student age and ethnicity is shown in the charts below.





## *Geography/Population*

Coconino County is located in the northern portion of the State and encompasses an area of approximately 12 million acres. Its boundaries include the cities of Page, Fredonia, Tuba City, Grand Canyon, Williams, Sedona, and Flagstaff, as well as other smaller cities and towns, and all the unincorporated areas of the County. The County's 2010 population was 134,421 by the U.S. Census Bureau.

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

Tribal Lands comprise 38.4 percent of the County and are home to the Navajo, Hopi, Paiute, Havasupai, and Hualapai tribes. The U.S. Forest Service and Bureau of Land Management control 33.3 percent of the land; the state of Arizona owns 9.5 percent; the National Park Services controls 6.8 percent; and the remaining 12 percent is owned by individuals or corporations.

## **Local Economy**

The share of the County's labor force is heavily weighted towards government, trade, and service employment. Relative to the rest of the state, the work force employed by government is high at 25% of the workforce. Part of the reasons for the large number of government workers in the County include the presence of several major national parks, Tribal Lands and the high percentage of the total area in county public lands.

The state and national economy has improved over the year and this trend is expected to continue in the short-term. County unemployment rates as of July 2013 (7.9%) are slightly below state (8.3%) levels but slightly higher than national levels (7.4%). The District must contend with the continued limited funding from the State. The District is committed to improving and offering additional services to meet the County needs. These efforts are achieved through careful monitoring of costs, innovative partnerships, cost saving opportunities, and seeking new revenue sources.

## **Long Term Strategic Financial and Operational Planning**

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

The District has developed unique partnerships within the community, which continue to result in significant savings to our taxpayers. Partnerships with the City of Page and Northern Arizona University have resulted in donations of land for the construction of two of our three campuses. These donations and other partnering initiatives continue to provide leverage and maximum return on the community's investment in education.

### *Budget*

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

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

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

### *Sustainable Financial Plan*

In Spring 2008, the District developed a Sustainable Financial Plan (the Plan), to insure the College would survive and thrive in spite of state funding cuts. The cuts have shifted responsibility from the state to local funding sources and the students themselves. The District is currently maintaining Level II of the Plan. The Plan levels are:

- Level I – Efficiencies. Level I includes such measures as instituting a hiring “chill”, implementing an out of state travel freeze, increasing class size, reducing dues and subscription costs, reducing paper costs, and reducing utility costs.
- Level II – Critical. On top of the measures identified in Level I, Level II includes reorganizing divisions/departments, eliminating some positions, closing the Williams Learning Center for the summer session, and instituting a four ten-hour day summer work schedule at all other locations.
- Level III – Crisis. Level III is most serious and would include a reduction in work force and potential closing of facilities.

The Plan was developed keeping in mind that long-term sustainability is the ability to maintain services and infrastructure while maintaining a healthy financial position.

### *Property Tax Override*

Even with the implementation of the sustainable financial plan, CCC is facing financial difficulties. With the lowest primary property tax rate of all community colleges in the State of Arizona, significant enrollment increases serving many more than originally planned, along with the highest tuition rate per credit hour in the State, another solution is needed. CCC is asking the voters to consider a seven-year property tax override for \$4.5 million per year in order to continue our core missions.

### **Core Missions**

Coconino Community College has three core missions, described below.

1. Provide career and technical education that is much needed in northern Arizona, including: nursing, fire science and paramedic instruction.
2. Prepare students within the educational pipeline seeking bachelor's degrees and beyond through programs such as the award winning transition program of CCC2NAU, STEM classes and high school programs where students earn college credit while still in high school.
3. Provide training for employees at local and regional companies, workforce development and lifelong learning opportunities for all Coconino County residents.

In Coconino County, CCC graduates make up:

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

### *Financial Reporting*

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

## *Debt Administration*

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

## **Major Initiatives**

### *CCC2NAU*

In collaboration with Northern Arizona University (NAU), the District had developed a unique partnership known as the CCC2NAU program. This is an award winning program designed to help students earn their CCC associates degree and have a seamless transition from CCC to NAU to earn bachelor's degrees in a most effective way. A designated advisor works with the student to develop an academic plan to suit their particular needs. Program features include:

- No participation fee
- No separate application or application fee for admission to NAU
- Automatic transfer of credits
- Advisement from a professional cross-trained in both career and academic advising
- An orientation program
- A free, one-credit, first-year experience course
- Free access to many services, such as the NAU library, computer lab, and athletic events
- Access to low-cost or discounted services, programs, and events, including
  - Theatre, symphony, and other performances
  - Meal plans and Dining Dollars (discounted dining on the NAU campus)
  - Health center and recreational facilities

The CCC2NAU program began with the Fall 2008 term with 16 students enrolled. Currently, there are over 1,200 students enrolled in this program. The outcomes of this successful initiative show the CCC2NAU students have higher retention rates, higher graduation rates, and higher NAU GPAs than their peers.

### *Workforce Development*

The District has initiated a concentrated effort over the past several years to provide communities with more occupational and technical training. As a result of voter approved Proposition 301 that was passed in 2000, the state of Arizona imposed a 0.6% sales tax to assist in this effort. The use of these funds is restricted to workforce development programs, such as the nursing program and construction technology management. To meet the unique interests of individuals and groups within the service area of the District, customized workforce training services were developed. In addition, the District has responded to community education needs by offering more noncredit personal enrichment and professional development learning opportunities.

### *Efficiency through Partnerships*

As student population and required services continue to increase it is essential that the District maximize its efficiency. To this end, the District has established relationships with partners in education. Beginning in FY11, CCC partnered with NAU to implement a groundbreaking model for improving library services to community college students while leveraging resources between the two institutions of higher learning. Through the Coconino Association for Vocations, Industry and Technology (CAVIAT) program, CCC partners with five different high school districts in the County to provide career and technical education (CTE) programs to High School Students.

The District is finding efficiencies by developing new instructional programs that can be fully funded by the fee revenue they generate, and is continuing to seek external funding through the Coconino Community College Foundation.

### *Growth*

Throughout its history, the District's full time student equivalency (FTSE) has grown an average of over 7% per year, from 491 in fiscal year 1992 to 2,100 for fiscal year 2013. CCC experienced greater than average growth during the economic downturn and enrollment had dropped to the historical level of growth as the economy has begun to recover. This growth has corresponded to many changes over the years including increases in personnel as well as facilities.

### **GFOA Certificate of Achievement**

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement in Excellence in Financial Reporting to Coconino Community College for its comprehensive annual financial report for the year ended June 30, 2012. This was the eighteenth consecutive year that the Coconino County Community College District has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement

Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

### **Acknowledgment**

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

Respectfully submitted,



Jami Van Ess, Vice President  
Business and Administrative Services



Siri Mullaney, Director  
Accounting and Finance Department



Government Finance Officers Association

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

Presented to

**Coconino County  
Community College District  
Arizona**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**June 30, 2012**

A handwritten signature in black ink, reading "Jeffrey R. Emer". The signature is fluid and cursive.

Executive Director/CEO



## **Coconino County Community College District**

### **Principal Officers**

#### **District Governing Board**

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

Ms. Patricia Garcia, Member, District 2

Mr. Jack Hadley, Member, District 3

Mr. Patrick Hurley, Chair, District 4

Mr. Lloyd Hammonds, Member, District 5

#### **Senior Administration**

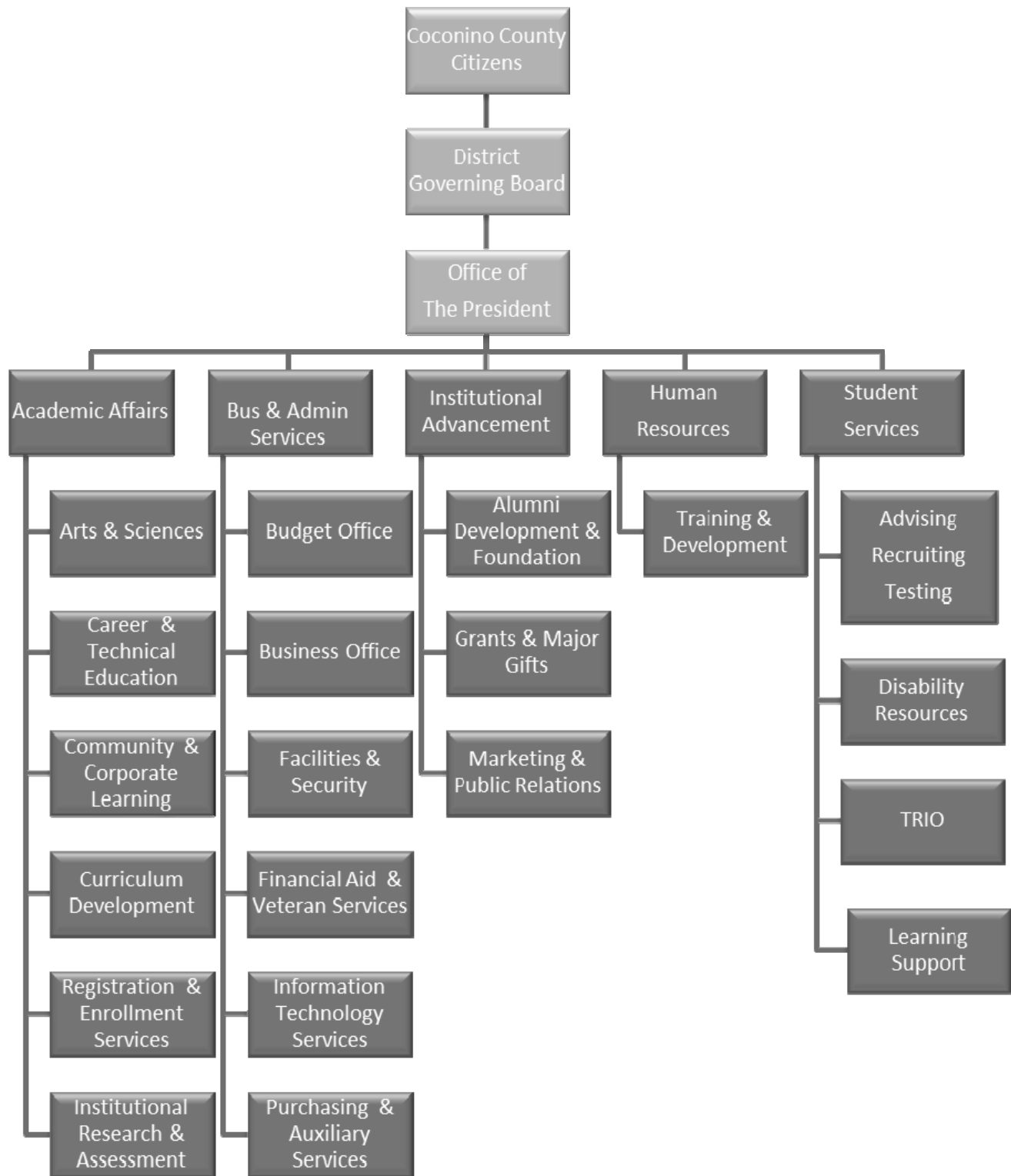
Dr. Leah L. Bornstein, President

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

Dr. Russ Rothamer, Vice President for Academic Affairs

# Coconino County Community College District

## Organizational Chart





## Vision, Mission, Purposes & Core Values

### Vision

Leading our communities in lifelong learning.

### Mission

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

### Purposes

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

- **General Education** to provide learners with the foundation of a liberal education, including lifelong learning.
- **Transfer Education** to provide learners with the curriculum necessary to transfer to baccalaureate institutions.
- **Occupational Education** to provide learners with the skills and knowledge necessary to pursue occupational careers.
- **Continuing Education** to provide all learners with continuing education learning opportunities.
- **Developmental Education** to provide the curriculum necessary to prepare learners for college and the workplace.
- **Economic Development** to respond quickly in the advancement of regional economic development goals.
- **Technology Integration** to provide state-of-the-art technological education and training opportunities.
- **Student Services** to facilitate access to the college and to support learners' attainment of educational goals.
- **Cultural and Community Service** to provide programs that celebrate cultural diversity and awareness, encourage volunteer service, support community awareness, protect public welfare, and support fine and performing arts.

## **Core Values**

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

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

# **Financial Section**



## Independent Auditors' Report

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

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

We have audited the accompanying financial statements of the business-type activities and discretely presented component unit of the Coconino County Community College District (the "District") as of and for the year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise the District's *basic financial statements as listed in the table of contents*.

### ***Management's Responsibility for the Financial Statements***

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

### ***Auditors' Responsibility***

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the discretely presented component unit. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the discretely presented component unit is based solely on the report of the other auditors. We conducted our audit in accordance with U.S. generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. The financial statements of the discretely presented component unit were not audited by the other auditors in accordance with *Government Auditing Standards*.

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

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

### ***Opinions***

In our opinion, based on our audit and the report of the other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities and discretely presented component unit of the Coconino County Community College District as of June 30, 2013, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with U.S. generally accepted accounting principles.

### ***Other Matters***

#### ***Required Supplementary Information***

U.S. generally accepted accounting principles require that the accompanying Management's Discussion and Analysis and Postemployment Health Care Benefits Schedule of Funding Progress on pages 19-28 and on page 57, respectively, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with U.S. generally accepted auditing standards, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

#### ***Supplementary and Other Information***

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



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

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

In accordance with *Government Auditing Standards*, we have also issued our report dated October 28, 2013, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

REDW LLC

Phoenix, Arizona  
October 28, 2013

# **Coconino County Community College District**

## **Management's Discussion and Analysis**

### **Fiscal Year Ended June 30, 2013**

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, 2013. Please read it in conjunction with the transmittal letter, which precedes this section, and the financial statements, which immediately follow.

#### **Using This Annual Report**

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

The *Statement of Net Position* reflects the financial position of the District at June 30, 2013. It shows the assets owned or controlled, related liabilities and other obligations, and the categories of net position. Net position is an accounting concept defined as total assets less total liabilities, and as such, represents the institutional equity or ownership in the total assets of the District.

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

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

The *Statement of Revenues, Expenses, and Changes in Net Position* reflects the results of operations and other changes for the year ended June 30, 2013. It shows the revenues and expenses, both operating and nonoperating, reconciling the beginning net position amount to the ending net position amount, which is shown on the Statement of Net Position described above.

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

**Coconino County Community College District  
Management's Discussion and Analysis  
Fiscal Year Ended June 30, 2013**

The *Statement of Cash Flows* reflects the inflows and outflows of cash and cash equivalents for the year ended June 30, 2013. It shows the cash activities by type, reconciling the beginning cash and cash equivalents amount to the ending cash and cash equivalents amount, which is shown on the Statement of Net Position, described above. In addition, this statement reconciles cash flows used for operating activities to the operating loss shown on the Statement of Revenues, Expenses, and Changes in Net Position, described above.

Although the primary focus of this document is on the results and activity for fiscal year 2012-13 (FY2013), comparative data is presented for the previous fiscal year 2011-12 (FY2012). This Management's Discussion and Analysis (MD&A) uses the prior year as a reference point in illustrating issues and trends for determining whether the institution's health may have improved or deteriorated.

**Coconino County Community College District**  
**Management's Discussion and Analysis**  
**Fiscal Year Ended June 30, 2013**

**Condensed Financial Information**

***Net Position***

	<i>As of June 30, 2013</i>	<i>As of June 30, 2012</i>	<i>Percent Change</i>
Current assets	\$ 18,253,719	\$ 17,275,068	5.7%
Capital assets, net	25,522,312	26,910,176	-5.2%
<b>Total assets</b>	<b>43,776,031</b>	<b>44,185,244</b>	<b>-0.9%</b>
Other liabilities	2,091,300	2,587,813	-19.2%
Long-term liabilities	12,227,826	13,710,909	-10.8%
<b>Total liabilities</b>	<b>14,319,126</b>	<b>16,298,722</b>	<b>-12.1%</b>
Net investment in capital assets	14,266,407	14,062,318	1.5%
Restricted net position	382,732	524,737	-27.1%
Unrestricted net position	14,807,766	13,299,467	11.3%
<b>Total net position</b>	<b>\$ 29,456,905</b>	<b>\$ 27,886,522</b>	<b>5.6%</b>

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

	<i>For the Year Ended June 30, 2013</i>	<i>For the Year Ended June 30, 2012</i>	<i>Percent Change</i>
Operating revenues	\$ 6,305,018	\$ 6,906,700	-8.7%
Operating expenses:			
Educational and general	20,435,814	20,662,155	-1.1%
Auxiliary enterprises	47,934	38,715	23.8%
Depreciation	1,152,473	1,175,634	-2.0%
Total operating expenses	21,636,221	21,876,504	-1.1%
Operating loss	(15,331,203)	(14,969,804)	2.4%
Nonoperating revenues and expenses	16,901,586	17,318,158	-2.4%
Increase in net position	1,570,383	2,348,354	-33.1%
Net position, beginning of year	27,886,522	25,538,168	9.2%
<b>Net position, end of year</b>	<b>\$ 29,456,905</b>	<b>\$ 27,886,522</b>	<b>5.6%</b>

# Coconino County Community College District

## Management's Discussion and Analysis

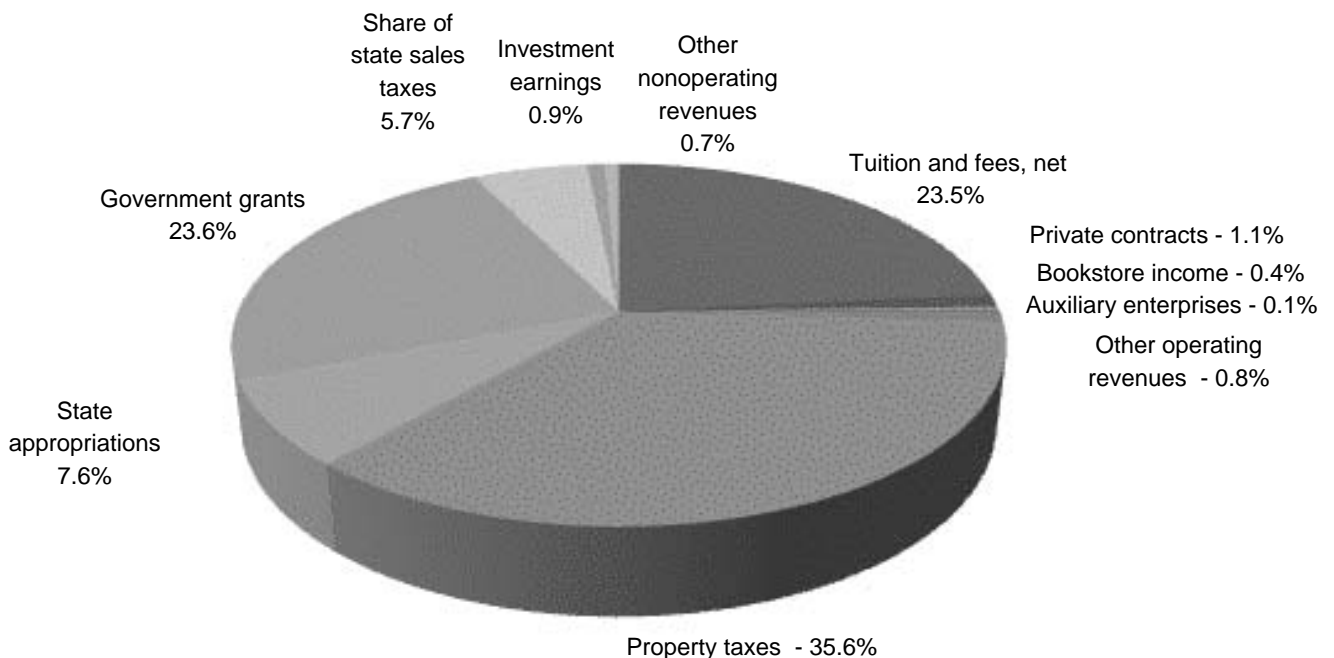
### Fiscal Year Ended June 30, 2013

The following schedule presents a summary of revenues for the fiscal year ended June 30, 2013 with comparative totals for June 30, 2012.

<i>Revenues by Source</i>	FY2013		FY2012		Increase/(Decrease)	
	Amount	Percent of Total	Amount	Percent of Total	Amount	Percent of Change
<b><u>Operating revenues</u></b>						
Tuition and fees, net of scholarship allowances	\$ 5,720,395	23.5%	\$ 6,163,152	24.9%	\$ (442,757)	-7.2%
Private contracts	260,268	1.1%	404,497	1.6%	(144,229)	-35.7%
Bookstore income	107,165	0.4%	118,141	0.5%	(10,976)	-9.3%
Auxiliary enterprises	30,427	0.1%	27,959	0.1%	2,468	8.8%
Other operating revenues	186,763	0.8%	192,951	0.8%	(6,188)	-3.2%
Total operating revenues	6,305,018	25.9%	6,906,700	27.9%	(601,682)	-8.7%
<b><u>Nonoperating revenues</u></b>						
Property taxes	8,665,876	35.6%	8,623,940	34.9%	41,936	0.5%
State appropriations	1,847,900	7.6%	1,836,000	7.4%	11,900	0.6%
Government grants	5,756,880	23.6%	6,595,409	26.7%	(838,529)	-12.7%
Share of state sales taxes	1,397,232	5.7%	385,512	1.6%	1,011,720	262.4%
Investment earnings	220,413	0.9%	267,391	1.1%	(46,978)	-17.6%
Other nonoperating revenues	165,553	0.7%	98,974	0.4%	66,579	67.3%
Total nonoperating revenues	18,053,854	74.1%	17,807,226	72.1%	246,628	1.4%
<b>Total revenues</b>	<b>\$ 24,358,872</b>	<b>100.0%</b>	<b>\$ 24,713,926</b>	<b>100.0%</b>	<b>\$ (355,054)</b>	<b>-1.4%</b>

### Revenues by Source FY2013

(\$24,358,872 Total)



# Coconino County Community College District

## Management's Discussion and Analysis

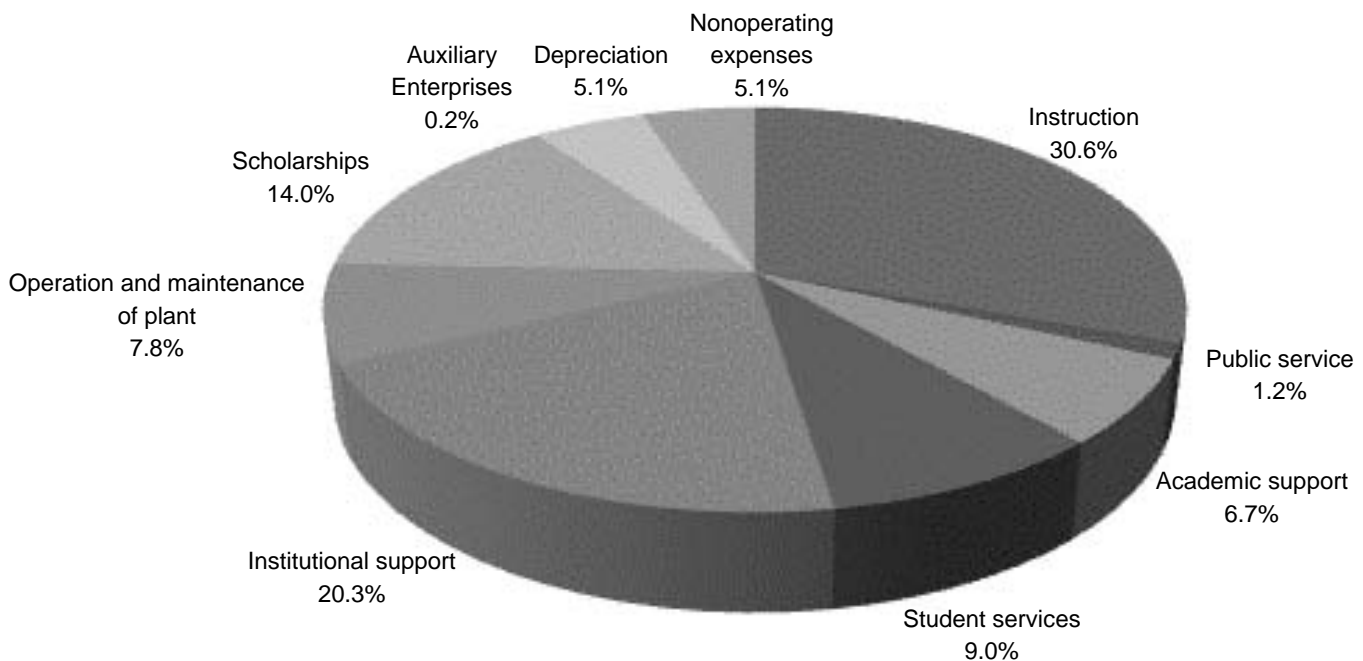
### Fiscal Year Ended June 30, 2013

The following schedule presents a summary of expenses for the fiscal year ended June 30, 2013, with comparative totals for June 30, 2012.

<i>Expenses by Function</i>	FY2013		FY2012		Increase/(Decrease)	
	Amount	Percent of Total	Amount	Percent of Total	Amount	Percent of Change
<b><u>Operating expenses</u></b>						
Education and general:						
Instruction	\$ 6,968,576	30.6%	\$ 7,288,136	32.6%	\$ (319,560)	-4.4%
Public service	277,784	1.2%	290,157	1.3%	(12,373)	-4.3%
Academic support	1,530,442	6.7%	1,806,664	8.1%	(276,222)	-15.3%
Student services	2,057,591	9.0%	1,997,462	8.9%	60,129	3.0%
Institutional support	4,625,012	20.3%	4,199,373	18.8%	425,639	10.1%
Operation and maintenance of plant	1,782,987	7.8%	1,626,559	7.3%	156,428	9.6%
Scholarships	3,193,422	14.0%	3,453,804	15.4%	(260,382)	-7.5%
Auxiliary enterprises	47,934	0.2%	38,715	0.2%	9,219	23.8%
Depreciation	1,152,473	5.1%	1,175,634	5.2%	(23,161)	-2.0%
Total operating expenses	21,636,221	94.9%	21,876,504	97.8%	(240,283)	-1.1%
<b><u>Nonoperating expenses</u></b>						
Interest expense on debt	430,536	1.9%	462,038	2.1%	(31,502)	-6.8%
Loss on disposal of capital assets	721,732	3.2%	27,030	0.1%	694,702	2570.1%
Total nonoperating expenses	1,152,268	5.1%	489,068	2.2%	663,200	135.6%
<b>Total expenses</b>	<b>\$ 22,788,489</b>	<b>100.0%</b>	<b>\$ 22,365,572</b>	<b>100.0%</b>	<b>\$ 422,917</b>	<b>1.9%</b>

### Expenses by Function FY2013

(\$22,788,489 Total)



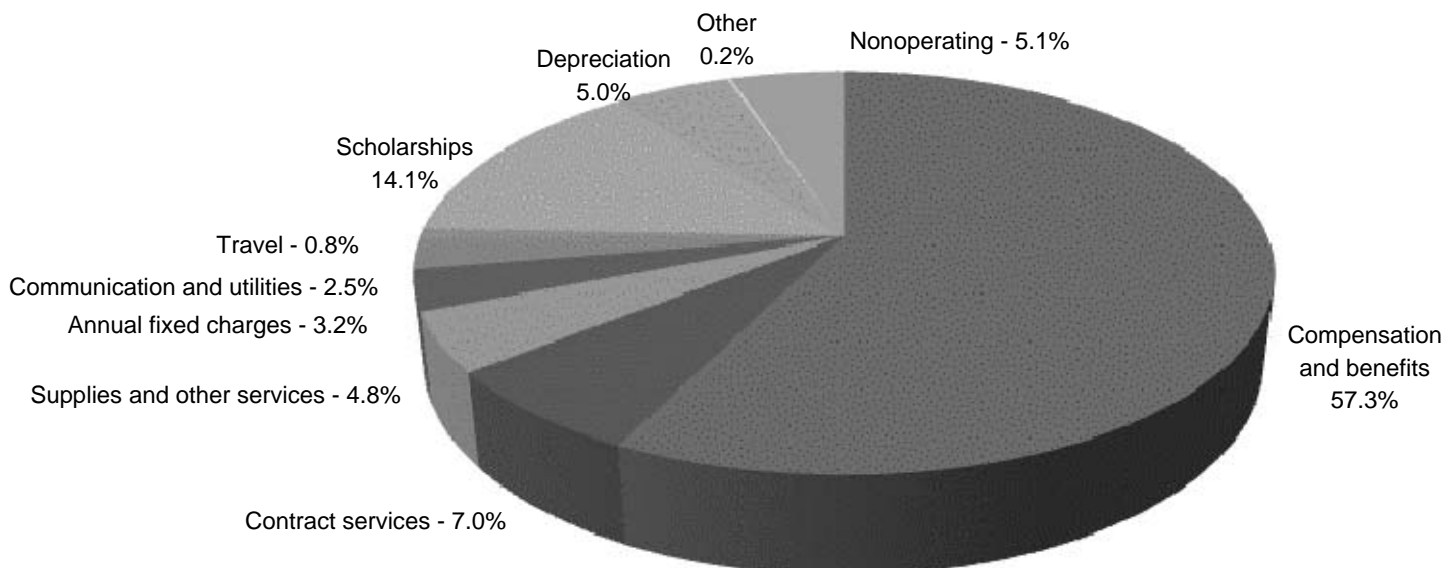
# Coconino County Community College District Management's Discussion and Analysis Fiscal Year Ended June 30, 2013

The following schedule presents a summary of expenses by natural classification for the fiscal year ended June 30, 2013, with comparative totals for June 30, 2012.

<i>Expenses by Natural Classification</i>	FY2013		FY2012		Increase/(Decrease)	
	Amount	Percent of	Amount	Percent of	Amount	Percent of
		Total		Total		Change
<u>Operating expenses</u>						
Compensation and benefits	\$ 13,060,466	57.3%	\$ 12,758,430	57.0%	\$ 302,036	2.4%
Contract services	1,597,439	7.0%	1,985,619	8.9%	(388,180)	-19.5%
Supplies and other services	1,085,058	4.8%	899,227	4.0%	185,831	20.7%
Annual fixed charges	741,161	3.2%	799,964	3.6%	(58,803)	-7.4%
Communication and utilities	560,778	2.5%	552,591	2.5%	8,187	1.5%
Travel	178,235	0.8%	172,865	0.8%	5,370	3.1%
Scholarships	3,209,879	14.1%	3,467,383	15.5%	(257,504)	-7.4%
Depreciation	1,152,473	5.0%	1,175,634	5.2%	(23,161)	-2.0%
Other	50,732	0.2%	64,791	0.3%	(14,059)	-21.7%
<b>Total operating expenses</b>	<b>21,636,221</b>	<b>94.9%</b>	<b>21,876,504</b>	<b>97.8%</b>	<b>(240,283)</b>	<b>-1.1%</b>
<u>Nonoperating expenses</u>						
Interest expense on debt	430,536	1.9%	462,038	2.1%	(31,502)	-6.8%
Loss on disposal of capital assets	721,732	3.2%	27,030	0.1%	694,702	2570.1%
<b>Total nonoperating expenses</b>	<b>1,152,268</b>	<b>5.1%</b>	<b>489,068</b>	<b>2.2%</b>	<b>663,200</b>	<b>135.6%</b>
<b>Total expenses</b>	<b>\$ 22,788,489</b>	<b>100.0%</b>	<b>\$ 22,365,572</b>	<b>100.0%</b>	<b>\$ 422,917</b>	<b>1.9%</b>

## Expenses by Natural Classification FY2013

(\$22,788,489 Total)





**Coconino County Community College District  
Management's Discussion and Analysis  
Fiscal Year Ended June 30, 2013**

**Financial Highlights and Analysis**

**Statement of Net Position**

The District's overall financial position continues to improve in fiscal year 2013. Total net position for the District increased by \$1,570,383, or 5.6%, from fiscal year 2012 to fiscal year 2013. The main explanation for this increase is that the District was 2% under their operating budget resulting in a net position increase. The District budgeted a \$1 million General Fund contingency, which was not expended.

Current assets increased by 5.7% with the largest increase in cash and investments offset by a drop in receivables. Student receivables decreased 47% due to an extensive collections effort throughout the year. The Williams Campus was donated to the Williams Unified School District during the year, which along with current year depreciation resulted in a decrease in the net value of non-current assets by 5.2%. Current liabilities decreased 19.2%, with the majority of the decrease being in deferred revenues. This is a result of our declining FTSE trend that continued into FY13. Registrations for future terms have fallen resulting in a lower amount of pre-payments for future terms, compared to the prior year at this time. More detail on FY13 assets and liabilities can be found on the Statement of Net Position.

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

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

The District has four major revenue sources that account for 90.3% of revenues. These are tuition and fees, property taxes, state appropriations, and government grants and contracts. Total revenue for the District decreased \$355,054, or 1.4%, in fiscal year 2013 from the fiscal year 2012 total. Operating revenues decreased 8.7% due to a drop in enrollment, which was slightly offset by an increase in nonoperating revenues of 1.4%. Changes in each revenue source are described below:

- Tuition and fees (net of scholarship allowances) decreased \$443 thousand, or 7.2%. The District Governing Board adopted a \$2 per credit hour resident tuition rate increase (2.4% rate increase). This tuition rate increase was offset by a 10.9% decrease in total FTSE compared to the prior year.
- Private contracts decreased \$144 thousand, or 35.7%. Community and corporate learning contracts for training decreased \$106 thousand with some other small decreases in other private grants.
- The College collects a percentage of sales from the Bookstore through a contract with a third party vendor. Bookstore income decreased \$11 thousand, or 9.3%, which is reflective of the drop in FTSE.
- Auxiliary enterprises revenue increased \$2,468 or 8.8% from FY 2012. The majority of this revenue is commission received from vending sales, which were down in FY 2013 but offset by an increase in private grants received from the United Way.

**Coconino County Community College District  
Management's Discussion and Analysis  
Fiscal Year Ended June 30, 2013**

- Property taxes increased only \$42 thousand, or 0.5% in total. Coconino Community College is allowed 2% primary levy growth each year, plus growth for new construction, which led to an increase in primary collections. The voter approved secondary levy funds the annual debt service requirements and this levy declined due to fund balance carryover.
- State appropriations increased \$12 thousand, or 0.6% as a result of a small estimated FTSE growth between FY11 and FY10. These revenues are based on the State Aid formula.
- Government grants decreased \$839 thousand, or 12.7%. The majority of the decrease is in PELL awards, which is pass-through funding to students. There was also a drop due to expenses in FY 2012 for the USDA grant that was a one-time allocation of \$300,000.
- Coconino Community College receives workforce development funding from State sales taxes. This is based on a percentage of taxable sales and this revenue increased 3% or about \$12 thousand from FY 2012. From these funds we also received our capital allocation of \$1 million that is one-time capital funding for the construction of the Lone Tree Campus.
- Investment earnings decreased \$47 thousand, or 17.6%, due to a decline in realized investment earnings.
- Other nonoperating revenue increased \$67 thousand, or 67.3%, due to an increase in in-lieu taxes.

Total operating expenses decreased by \$240 thousand, or 1.1%, from fiscal year 2012 to fiscal year 2013. The expense classifications primarily responsible for the decrease are as follows:

- Instruction expenses decreased \$320 thousand, or 4.4%. This is a result of a decrease in dual enrollment expenses as well as a drop in community and corporate learning expenses that corresponds to the revenue decrease discussed in that section.
- Public service expenses decreased \$12 thousand or 4.3%. This decrease is due to a decline in Small Business Development Center expenses for personnel.
- Academic support expenses decreased \$276 thousand, or 15.3%. This is due to vacancies in the Institutional Research department, a drop in expenses related to the USDA grant, and a decrease in non-capital IT equipment replacements compared to FY 2012.
- Student services expenses increased \$60 thousand, or 3%. The cost of staffing for both Financial Aid and Registration led to this increase.

**Coconino County Community College District  
Management's Discussion and Analysis  
Fiscal Year Ended June 30, 2013**

- Institutional support expenses increased \$426 thousand, or 10.1% over FY 2012. This is due to a variety of increases including expenses related to the community education campaign of 2012-2013, wage increases resulting from filling positions that were vacant last fiscal year, end of year IT software and equipment purchases and other contract annual increases.
- Operation and maintenance of plant expenses increased \$156 thousand, or 9.6% due to an increase in deferred maintenance projects.
- As discussed in the revenue section, scholarship expenses decreased between FY 2013 and FY 2012 due to the decline in student PELL.
- Auxiliary enterprises expenses increased \$9 thousand, or 23.8%, for expenses related to student activities and the purchase of replacement calculators that are available to students for rent. These expenses are funded by a portion of vending revenue.

**Capital Asset and Debt Administration**

Capital assets are defined as those items costing over \$5,000 and which have a normal useful life of more than one year. The District has created renewal and replacement (R&R) schedules for all of its facilities, as well as technology. The schedules are updated annually and funds are invested and designated for this purpose. As of June 30, 2013, these funds amounted to approximately \$9.1 million.

**Capital Assets**

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

	<b>FY 2013</b>	<b>FY 2012</b>	<b>Percent Change</b>
Land	\$ 1,089,000	\$ 1,089,000	0.0%
Buildings	22,695,251	24,227,240	-6.3%
Improvements other than buildings	840,823	819,108	2.7%
Equipment	704,149	716,682	-1.7%
Vehicles	31,096	46,925	-33.7%
Construction in progress	161,994	11,221	1343.7%
<b>Total capital assets</b>	<b>\$ 25,522,313</b>	<b>\$ 26,910,176</b>	<b>-5.2%</b>

Total long-term liabilities decreased by a net amount of \$1,483,083 or 10.8% from fiscal year 2012. At June 30, 2013, the District had one bond issue outstanding, consisting of a general obligation refunding bond issue with an original amount of \$17,135,000. Total long-term bonded debt outstanding at June 30, 2013, is \$11,085,000.

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

**Coconino County Community College District  
Management's Discussion and Analysis  
Fiscal Year Ended June 30, 2013**

**Current Factors Having Probable Future Financial Significance**

The community college system-wide appropriation for state aid is provided by A.R.S. §15-1466. The formula is based on the current base and enrollment growth. During the past decade state aid to community colleges was cut drastically. Although state aid funding of \$3,130,800 represented 45.8% of total revenues in fiscal year 2001, fiscal year 2013 state aid funding of \$1,847,000 only represents 7.6% of total revenues. The one-time capital allocation of \$1 million is not expected to recur. State aid funding for fiscal year 2014 is appropriated at \$1,840,400, a slight decrease from FY2013. Due to this historical funding trend, it is anticipated the trend of declining aid may continue. CCC has incorporated state aid funding loss projections into their long-term planning scenarios and has developed a plan to balance the budget with future funding reductions. To accommodate the decline in state aid, tuition has increased from \$33 per credit hour in fiscal year 2001 to \$90 per credit hour (including the technology fee) in fiscal year 2013, a 173% increase over this thirteen-year period. For fiscal year 2014, a \$2 tuition increase was approved, bringing the current tuition rate to \$92 per credit hour (including the technology fee). A tuition increase for fiscal year 2015 is being considered.

Coconino Community College also has the lowest property tax rate in the State of Arizona. Property tax revenue growth is capped, but CCC has the ability to ask voters for an override to the primary rate. In November of 2013 CCC will hold an election to ask voters to approve a seven year, \$4.5 million annual override to help offset the funding decreases from the State and to help maintain core programs.

Community colleges across the nation experienced higher than average enrollment growth due to the poor economic conditions over the past several years. National trends indicate enrollment is beginning to fall as the job market has improved and the unemployment rate has dropped. CCC began to see this trend in FY2012 and have been impacted by additional enrollment drops in FY2013. Our projection is for FTSE to stabilize in FY2014 as we continue to receive enrollment from neighboring states. Long-term financial planning scenarios address this decline.

**Requests for Information**

This discussion and analysis is designed to provide a general overview of the Coconino County Community College District's finances for all those with an interest in such matters. Questions concerning any of the information provided in this Comprehensive Annual Financial Report or requests for additional financial information should be addressed to the Director of Accounting and Finance, Coconino County Community College District, 2800 S. Lone Tree Road, Flagstaff, AZ 86001.

**Coconino County Community College District**  
**Statement of Net Position - Primary Government**  
**June 30, 2013**

	<u>Business-Type Activities</u>
<b>Assets</b>	
Current assets:	
Cash in bank and on hand	\$ 218,511
Cash and investments held by the County Treasurer	17,046,336
Investments	68,052
Receivables:	
Property taxes (net of allowances of \$58,084)	224,629
Government grants and contracts	266,582
Other (net of allowances of \$166,423)	395,012
Inventories	7,803
Prepaid items	26,793
Total current assets	<u>18,253,718</u>
Noncurrent assets:	
Capital assets, not being depreciated	1,250,994
Capital assets, being depreciated, net	24,271,319
Total noncurrent assets	<u>25,522,313</u>
Total assets	<u>43,776,031</u>
<b>Liabilities</b>	
Current liabilities:	
Accounts payable	509,521
Accrued payroll and employee benefits	957,182
Deferred revenues	576,208
Deposits held in custody for others	48,389
Current portion of compensated absences payable	91,025
Current portion of long-term debt	1,620,000
Total current liabilities	<u>3,802,325</u>
Noncurrent liabilities:	
Compensated absences payable	469,914
Long-term debt	10,046,887
Total noncurrent liabilities	<u>10,516,801</u>
Total liabilities	<u>14,319,126</u>
<b>Net Position</b>	
Net investment in capital assets	14,266,407
Restricted:	
Expendable:	
Debt service	382,732
Unrestricted	14,807,766
Total net position	<u>\$ 29,456,905</u>

See accompanying notes to financial statements.

**Coconino County Community College District**  
**Statement of Financial Position - Component Unit**  
**June 30, 2013**

	<u>Coconino Community College Foundation</u>
<b>Assets</b>	
Current assets:	
Cash and cash equivalents	\$ 143,171
Investments, at market	<u>734,917</u>
Total Current Assets	<u>878,088</u>
 Total Assets	 <u><u>\$ 878,088</u></u>
 <b>Liabilities</b>	
Deferred revenue	\$ 2,500
CC College payable	<u>24,726</u>
Total Current Liabilities	<u>27,226</u>
 <b>Net Assets</b>	
Unrestricted	184,622
Temporarily restricted	301,809
Permanently restricted	<u>364,431</u>
Total Net Assets	<u>850,862</u>
 Total Liabilities and Net Assets	 <u><u>\$ 878,088</u></u>

See accompanying notes to financial statements.

**Coconino County Community College District**  
**Statement of Revenues, Expenses, and Changes in Net Position - Primary Government**  
**Year Ended June 30, 2013**

	Business-Type Activities
Operating revenues:	
Tuition and fees (net of scholarship allowances of \$1,515,901)	\$ 5,720,395
Private contracts	260,268
Bookstore income	107,165
Auxiliary enterprises	30,427
Other	186,763
Total operating revenues	<u>6,305,018</u>
Operating expenses:	
Educational and general:	
Instruction	6,968,576
Public service	277,784
Academic support	1,530,442
Student services	2,057,591
Institutional support	4,625,012
Operation and maintenance of plant	1,782,987
Scholarships	3,193,422
Auxiliary enterprises	47,934
Depreciation	1,152,473
Total operating expenses	<u>21,636,221</u>
Operating loss	<u>(15,331,203)</u>
Nonoperating revenues (expenses):	
Property taxes	8,665,876
State appropriations	1,847,900
Government grants	5,756,880
Share of state sales taxes	1,397,232
Investment earnings	220,413
Other nonoperating revenue	165,553
Interest expense on debt	(430,536)
Loss on disposal of capital assets	(721,732)
Total nonoperating revenues (expenses)	<u>16,901,586</u>
Income before other revenues, expenses, gains, or losses	1,570,383
Increase in net position	<u>1,570,383</u>
Total net position, July 1, 2012	<u>27,886,522</u>
Total net position, June 30, 2013	<u>\$ 29,456,905</u>

See accompanying notes to financial statements.



**Coconino County Community College District**  
**Statement of Activities - Component Unit**  
**Year Ended June 30, 2013**

	Coconino Community College Foundation			
	Unrestricted	Temporarily Restricted	Permanently Restricted	TOTAL
Revenue, Gains and Other Support				
Public contributions	\$ 214,859	\$ 174,096	\$ 24,780	\$ 413,735
Revenues	19,065	33,337	-	52,402
Investment earnings	12,170	10,578	-	22,748
Realized gain on investments	4,929	9,567	-	14,496
Unrealized gain on investments	9,996	19,099	-	29,095
Net assets released from restrictions	179,673	(196,798)	17,125	-
Total Revenue, Gains and Other Support	440,692	49,879	41,905	532,476
Expenses and Losses				
Program services	363,684	-	-	363,684
Supporting services	59,805	-	-	59,805
Total Expenses and Losses	423,489	-	-	423,489
Increase in Net Assets	17,203	49,879	41,905	108,987
Net Assets, beginning of year, as restated	167,419	251,930	322,526	741,875
Net Assets, end of year	\$ 184,622	\$ 301,809	\$ 364,431	\$ 850,862

See accompanying notes to financial statements.

**Coconino County Community College District**  
**Statement of Cash Flows - Primary Government**  
**Year Ended June 30, 2013**

	Business-Type Activities
<b>Cash flows from operating activities:</b>	
Tuition and fees	\$ 7,297,937
Private contracts	268,437
Bookstore receipts	111,153
Auxiliary enterprises	25,665
Other receipts	186,763
Payments for employee wages and benefits	(12,962,160)
Payments to suppliers and providers of goods and services	(4,305,666)
Payments to students for scholarships	(4,725,780)
Net cash used for operating activities	<u>(14,103,651)</u>
<b>Cash flows from noncapital financing activities:</b>	
Property taxes - primary	6,837,492
State appropriations	1,847,900
Government grants	5,766,872
Share of state sales taxes	1,397,232
Other nonoperating receipts	144,397
Federal direct lending receipts	3,942,643
Federal direct lending disbursements	(3,942,643)
Deposits held in custody for others received	1,514,881
Deposits held in custody for others disbursed	(1,582,912)
Net cash provided by noncapital financing activities	<u>15,925,862</u>
<b>Cash flows from capital and related financing activities:</b>	
Property taxes - secondary	1,855,839
Other nonoperating receipts	21,156
Purchases of capital assets	(486,342)
Principal paid on capital debt	(1,545,000)
Interest paid on capital debt	(477,488)
Net cash used for capital and related financing activities	<u>(631,835)</u>
<b>Cash flows from investing activities:</b>	
Interest received on investments	<u>220,413</u>
Net cash provided by investing activities	<u>220,413</u>
Net increase in cash and cash equivalents	1,410,789
Cash and cash equivalents, July 1, 2012	15,922,110
Cash and cash equivalents, June 30, 2013	<u>\$ 17,332,899</u>

See accompanying notes to financial statements.

(continued)

**Coconino County Community College District**  
**Statement of Cash Flows - Primary Government**  
**Year Ended June 30, 2013**  
**(continued)**

	Business-Type Activities
<b>Reconciliation of operating loss to net cash used for operating activities:</b>	
Operating loss	\$ (15,331,203)
Adjustments to reconcile operating loss to net cash used for operating activities:	
Depreciation	1,152,473
Increase in OPEB obligation	121,512
Changes in assets and liabilities:	
Increase in:	
Prepaid items	(8,658)
Decrease in:	
Other receivables	394,435
Inventories	4,878
Accounts payable	(68,192)
Accrued payroll and employee benefits	(10,563)
Deferred revenues	(345,690)
Compensated absences payable	(12,643)
Net cash used for operating activities	<u><u>\$ (14,103,651)</u></u>

<b>Reconciliation of cash and cash equivalents to the Statement of Net Position:</b>	
Cash in bank and on hand	\$ 218,511
Cash and investments held by the County Treasurer	17,046,336
Investments	68,052
Cash and cash equivalents	<u><u>\$ 17,332,899</u></u>

**Noncash investing, capital, and noncapital financing activities:**

**Amortization of premium on bonds.**

The District amortized \$75,517 of premium on general obligation refunding bonds.

**Amortization of bond issuance costs.**

The District amortized \$28,565 of prepaid bond issuance costs.

See accompanying notes to financial statements.

**Coconino County Community College District**  
**Notes to Financial Statements**  
**June 30, 2013**

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

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

**A. Reporting Entity**

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

The Coconino Community College Foundation is a legally separate, tax-exempt organization. It acts primarily as a fund-raising organization that receives gifts and bequests, administers those resources, and disburses payments to or on behalf of the District for scholarships and support of District programs. Although the District does not control the timing or amount of receipts from the Foundation, the Foundation's restricted resources can 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, 2013, the Foundation distributed \$151,009 to the District for both restricted and unrestricted purposes. Complete financial statements for the Foundation can be obtained from the Advancement Office, Coconino County Community College District, 2800 S. Lone Tree Road, Flagstaff, AZ 86001.

**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.

**Coconino County Community College District**  
**Notes to Financial Statements**  
**June 30, 2013**

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

A statement of net position provides information about the assets, deferred outflows of resources, liabilities, deferred inflows of resources, and net position of the District at the end of the year. Assets and liabilities are classified as either current or noncurrent. Net position is classified according to external donor restrictions or availability of assets to satisfy District obligations. Net investment in capital assets represents the value of capital assets, net of accumulated depreciation, less any outstanding debt incurred to acquire or construct the assets. Expendable restricted net position represent grants, contracts, gifts, and other resources that have been externally restricted for specific purposes. Unrestricted net position consists of all other resources, including those that have been designated by management to be used for other than general operating purposes.

A statement of revenues, expenses, and changes in net position provides information about the District's financial activities during the year. Revenues and expenses are classified as either operating or nonoperating, and all changes in net position are reported, including capital contributions. Operating revenues and expenses generally result from exchange transactions. Accordingly, revenues such as tuition and bookstore are considered to be operating revenues. Other revenues, such as property taxes, state appropriations, and government grants, are not generated from exchange transactions and are considered to be nonoperating revenues. Operating expenses include the cost of sales and services, administrative expenses, and depreciation on capital assets. Other expenses, such as interest expense on debt, are considered to be 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 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 imposed by the provider have been met. Internal activity is eliminated using a charge-back method, charging user departments and reducing expenses in the department providing the service. It is the District's policy to first apply restricted resources when an expense is incurred for purposes when both restricted and unrestricted net positions are available.

**C. Cash and Investments**

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

**Coconino County Community College District**  
**Notes to Financial Statements**  
**June 30, 2013**

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

**D. Inventories**

The supplies inventory is stated at cost by specific identification.

**E. Capital Assets**

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

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

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

**F. Investment Earnings**

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

**G. Compensated Absences**

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

The PTO plan is for the purpose of providing benefit eligible employees the opportunity to take time off work without loss of compensation. At June 30 of each year, an employee may carry forward two times his/her maximum accrual for the year. Any unused PTO in excess of two times the annual accrual rate is forfeited. Upon termination or if an employee becomes ineligible for benefits, the employee will be paid, at his/her rate of pay at the time of termination, a lump sum based upon consecutive years of service. At no time can the

**Coconino County Community College District**  
**Notes to Financial Statements**  
**June 30, 2013**

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

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

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

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

**H. Scholarship Allowances**

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

**Note 2 - Deposits and Investments**

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

**Deposits** - At June 30, 2013, the carrying amount of the District's deposits was \$216,839 and the bank balance was \$521,468. The District does not have a formal policy with respect to custodial credit risk.

**Coconino County Community College District**  
**Notes to Financial Statements**  
**June 30, 2013**

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

**Investments**—The District's investments at June 30, 2013, were as follows:

<b>Investment Type</b>	<b>Amount</b>
County Treasurer's investment pool	\$ 17,046,336
State Treasurer's investment pool 5	68,052
	<u>\$ 17,114,388</u>

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

*Credit risk*—The District does not have a formal policy with respect to credit risk. Credit risk for the District's investments at June 30, 2013 was as follows:

<b>Investment Type</b>	<b>Rating</b>	<b>Rating Agency</b>	<b>Amount</b>
County Treasurer's investment pool	Unrated	Not applicable	\$ 17,046,336
State Treasurer's investment pool 5	AAAF/S1+	Standard & Poor's	68,052
			<u>\$ 17,114,388</u>

*Interest rate risk*—The District does not have a formal policy with respect to interest rate risk. At June 30, 2013, the District had the following investments in debt securities:

<b>Investment Type</b>	<b>Amount</b>	<b>Weighted Average Maturity in Years</b>
County Treasurer's investment pool	\$ 17,046,336	3.58
State Treasurer's investment pool 5	68,052	0.07
	<u>\$ 17,114,388</u>	

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

<b>Cash, deposits and investments:</b>		<b>Statement of Net Position:</b>	
Cash on hand	\$ 1,672	Cash in bank and on hand	\$ 218,511
		Cash and investments held by the County	
Amount of deposits	216,839	Treasurer	17,046,336
Amount of investments	17,114,388	Investments	68,052
	<u>\$ 17,332,899</u>		<u>\$ 17,332,899</u>



**Coconino County Community College District**  
**Notes to Financial Statements**  
**June 30, 2013**

**Note 3 - Other Receivables**

Other receivables are shown net of related allowances for uncollectibles. A summary for other receivables at June 30, 2013, follows:

	<b>Receivable</b>	<b>Allowance</b>	<b>Net Receivable</b>
Vendor	\$ 113,843	\$ -	\$ 113,843
Student	447,190	166,423	280,767
Employee	402	-	402
	<u>\$ 561,435</u>	<u>\$ 166,423</u>	<u>\$ 395,012</u>

**Note 4 - Capital Assets**

Capital asset activity for the year ended June 30, 2013, was as follows:

	<b>Balance July 1, 2012</b>	<b>Increases</b>	<b>Decreases</b>	<b>Balance June 30, 2013</b>
Capital assets not being depreciated:				
Land	\$ 1,089,000	\$ -	\$ -	\$ 1,089,000
Construction in progress	11,221	150,773	-	161,994
Total capital assets not being depreciated	<u>1,100,221</u>	<u>150,773</u>	<u>-</u>	<u>1,250,994</u>
Capital assets being depreciated:				
Buildings	32,907,254	-	993,960	31,913,294
Improvements other than buildings	1,179,389	103,106	-	1,282,495
Equipment	2,760,641	232,463	-	2,993,104
Vehicles	266,946	-	-	266,946
Total capital assets being depreciated	<u>37,114,230</u>	<u>335,569</u>	<u>993,960</u>	<u>36,455,839</u>
Less accumulated depreciation for:				
Buildings	8,680,014	810,257	272,228	9,218,043
Improvements other than buildings	360,280	81,392	-	441,672
Equipment	2,043,960	244,995	-	2,288,955
Vehicles	220,021	15,829	-	235,850
Total accumulated depreciation	<u>11,304,275</u>	<u>1,152,473</u>	<u>272,228</u>	<u>12,184,520</u>
Total capital assets being depreciated, net	<u>25,809,955</u>	<u>(816,904)</u>	<u>721,732</u>	<u>24,271,319</u>
Capital assets, net	<u>\$ 26,910,176</u>	<u>\$ (666,131)</u>	<u>\$ 721,732</u>	<u>\$ 25,522,313</u>

**Coconino County Community College District**  
**Notes to Financial Statements**  
**June 30, 2013**

**Note 5 - Long-Term Liabilities**

The following schedule details the District's long-term liability and obligation activity for the year ended June 30, 2013:

	Balance July 1, 2012	Additions	Reductions	Balance June 30, 2013	Due within 1 year
Bonds payable:					
General obligation refunding bonds	\$ 12,630,000	\$ -	\$ 1,545,000	\$ 11,085,000	\$ 1,620,000
Premium on general obligation refunding bonds	350,401	-	75,517	274,884	-
Prepaid bond issuance costs	(132,543)	-	(28,565)	(103,978)	-
OPEB obligation	289,469	121,512	-	410,981	-
Compensated absences payable	573,582	267,943	280,586	560,939	91,025
	<u>\$ 13,710,909</u>	<u>\$ 389,455</u>	<u>\$ 1,872,538</u>	<u>\$ 12,227,826</u>	<u>\$ 1,711,025</u>

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

In prior years, the District defeased certain general obligation bonds by placing the proceeds of new bonds in an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and the liability for these defeased bonds are not included in the District's financial statements. At June 30, 2013, the following outstanding bonds were considered defeased:

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

Bonds outstanding at June 30, 2013, were as follows:

<b>Description</b>	<b>Original Amount</b>	<b>Maturities</b>	<b>Interest Rates</b>	<b>Outstanding Principal</b>
General obligation refunding bonds, Series 2009	\$ 17,135,000	annually through 7/1/2019	2.00% - 5.00%	\$ 11,085,000

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

**Coconino County Community College District**  
**Notes to Financial Statements**  
**June 30, 2013**

**Note 5 - Long-Term Liabilities (concluded)**

The following schedule details debt service requirements to maturity for the District's bonds payable at June 30, 2013:

Year Ending June 30	General Obligation Refunding Bonds	
	Principal	Interest
2014	\$ 1,620,000	\$ 438,863
2015	1,690,000	394,313
2016	1,785,000	332,413
2017	1,885,000	266,225
2018	1,985,000	200,250
2019	2,120,000	106,000
Total	<u>\$ 11,085,000</u>	<u>\$ 1,738,064</u>

**Note 6 - Risk Management**

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

The District provides life, accidental death and dismemberment, disability, medical, and dental insurance benefits to its employees and their dependents through a pooled trust, the Northern Arizona Public Employees Benefit Trust (NAPEBT), currently composed of the City of Flagstaff, Coconino County, Flagstaff Unified School District, and the District. The NAPEBT is self-funded through an agreement with the participating members and NAPEBT administers the plan. The members' employee and employer contributions are paid to pay benefits and administrative expenses. If the District withdraws from the NAPEBT, it is responsible for its proportionate share of any claims' run-out costs, including claims reported but not settled, claims incurred but not reported, and administrative costs. If the NAPEBT were to terminate, the District would be responsible for its proportional share of any trust deficit.

**Note 7 - Operating Leases**

The District leases the land on which the Fourth Street campus resides. The lease agreement is classified as an operating lease for accounting purposes. Rental expenses under the terms of the operating lease were \$41,681 for the year ended June 30, 2013.

The operating lease has a remaining noncancelable term of 11 years, and allows four renewal options for eleven years each. Rental payments may be adjusted every five years based on changes in the Consumer Price Index (CPI). The future minimum rental payments required under the operating lease at June 30, 2013, were as follows:

**Coconino County Community College District**  
**Notes to Financial Statements**  
**June 30, 2013**

**Note 7 - Operating Leases (concluded)**

Year ending June 30		
2014	\$	41,681
2015		41,681
2016		41,681
2017		41,681
2018		41,681
2019 - 23		208,405
2024		41,681
Total minimum lease payments	\$	<u>458,491</u>

**Note 8 - Pension and Other Postemployment Benefits**

**A. Pension Benefits**

Arizona State Retirement System

Plan description - The District contributes to a cost-sharing, multiple-employer defined benefit pension plan; a cost-sharing, multiple-employer defined benefit health insurance premium benefit plan; and a cost-sharing, multiple-employer defined benefit long-term disability plan, all of which are administered by the Arizona State Retirement System. The Arizona State Retirement System (through its Retirement Fund) provides retirement (i.e., pension), death, and survivor benefits; the Health Benefit Supplement Fund provides health insurance premium benefits (i.e., monthly subsidy); and the Long-Term Disability Fund provides long-term disability benefits. Benefits are established by state statute. The System is governed by the Arizona State Retirement System Board according to the provisions of A.R.S. Title 38, Chapter 5, Article 2.

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

Funding policy - The Arizona State Legislature establishes and may amend active plan members' and the District's contribution rates. For the year ended June 30, 2013, active plan members were required by statute to contribute at the actuarially determined rate of 11.14 percent (10.9 percent retirement and 0.24 percent long-term disability) of the members' annual covered payroll and the District was required by statute to contribute at the actuarially determined rate of 11.14 percent (10.25 percent for retirement, 0.65 percent for health insurance premium, and 0.24 percent for long-term disability) of the members' annual covered payroll.

**Coconino County Community College District**  
**Notes to Financial Statements**  
**June 30, 2013**

**Note 8 - Pension and Other Postemployment Benefits (continued)**

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

	<b>Retirement Fund</b>	<b>Health Benefit Supplement Fund</b>	<b>Long-Term Disability Fund</b>
Year ended June 30			
2013	\$ 730,533	\$ 46,326	\$ 16,879
2012	676,181	43,161	16,444
2011	575,840	37,707	15,978

**Optional Retirement Plan**

Plan description—In September 2001, the District implemented an Optional Retirement Plan (ORP), allowing the employee to opt out of the Arizona State Retirement System and establish a defined contribution account with one of three independent providers: ING Life Insurance and Annuity Company; Variable Annuity Life Insurance Company (VALIC); or Teachers Insurance and Annuity Association/College Retirement Equities Fund (TIAA-CREF). The ORP generally provides retirement, death, long-term disability, and survivor benefits. The ORP is intended to constitute a qualified plan within the meaning of Section 401(a) of the Internal Revenue Code of 1986 (the Code), as amended, and to constitute a qualified pick-up plan within the meaning of Section 414 (h)(2) of the Code, and is authorized by A.R.S. Title 15, Chapter 12, Article 3. Plan contributions are invested, at the direction of each participant, in one or more funding vehicles available to participants under the ORP. ORP contributions are held for the exclusive benefit of the participants.

Funding policy—The District Governing Board establishes and may amend active plan members' and the District's contribution rates. For the year ended June 30, 2013, active participants were required to contribute 11.33 percent (10.90 percent retirement and 0.43 percent long-term disability) of the members' annual covered payroll. The District was required to contribute 11.33 percent (10.90 percent retirement and 0.43 percent long-term disability) of the members' annual covered payroll.

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

	<b>Retirement Fund</b>	<b>Long-Term Disability Fund</b>
Year ended June 30		
2013	\$ 114,101	\$ 4,503
2012	90,802	3,754
2011	68,791	4,378

**Coconino County Community College District**  
**Notes to Financial Statements**  
**June 30, 2013**

**Note 8 - Pension and Other Postemployment Benefits (continued)**

**B. Postemployment Health Care Benefits**

The District follows Governmental Accounting Standards Board Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions* (GASB Statement No. 45), for certain postemployment health care benefits provided by the Northern Arizona Public Employee Benefit Trust (NAPEBT). Under the requirements of GASB Statement No. 45, the actuarially determined liability of \$742,389 as of July 1, 2012, is being amortized over 30 years at a level dollar amount.

Plan description – The District, as part of the NAPEBT, has a single-employer plan for postemployment health care benefits. The District subsidizes the premium rates paid by retirees by allowing them to participate in the District's health care plan at a reduced or blended group (implicitly subsidized) premium rates for both active and retired employees. These rates provide an implicit rate subsidy for retirees because, on an actuarial basis, their current and future claims are expected to result in higher costs to the plan on average than those of active employees. The District does not cover any explicit subsidies.

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

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

Funding policy – Benefit provisions are pursuant to the District's policy and can be amended by the District Governing Board. The District has not advance-funded or established a funding methodology for the annual Other Post Employment Benefit (OPEB) costs or the net OPEB obligation. For the 2012-13 fiscal year, four retirees received postemployment healthcare benefits.

The District's contributions for the current and 2 preceding years and the required contributions were as follows:

**Coconino County Community College District**  
**Notes to Financial Statements**  
**June 30, 2013**

**Note 8 - Pension and Other Postemployment Benefits (continued)**

Year ended June 30	Annual Required Contribution	Contribution Toward the OPEB Cost
2013	\$ 126,257	\$ -
2012	101,838	11,064
2011	101,838	-

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

Description	Amount
Normal cost (service cost for one year)	\$ 77,206
Amortization of the unfunded actuarial:	
Accrued liability	43,614
Adjustment for timing to end of fiscal year	5,437
Interest on normal cost and amortization	-
<b>Annual required contribution (ARC)</b>	<b>126,257</b>
Interest on net OPEB obligation	13,026
Adjustment to annual required contribution	(17,771)
Annual OPEB Cost	121,512
Contribution toward the OPEB cost	-
Increase in net OPEB obligation	121,512
Net OPEB obligation, beginning of year	289,469
Net OPEB obligation, end of year	<u><u>\$ 410,981</u></u>

Funded Status and Fund Progress – As of June 30, 2013, the actuarial accrued liability for benefits was \$742,389 and is unfunded. The covered payroll (annual payroll of active participating employees as of the actuarial valuation date) was \$6,584,526 while the ratio of the unfunded actuarial accrued liability to the covered payroll was 11.27%.

Actuarial Methods and Assumptions – Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about future employment and

**Coconino County Community College District**  
**Notes to Financial Statements**  
**June 30, 2013**

**Note 8 - Pension and Other Postemployment Benefits (concluded)**

termination, mortality, and health care trends. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. Projections of benefits for financial reporting purposes are based on the substantive plan provisions, as understood by the employer and participating members, and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and participating members. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and actuarial value of assets, consistent with the long-term perspective of the calculations.

**Method/Assumption**

Valuation date	July 1, 2013
Actuarial cost method	Entry Age Normal
Initial amortization period, level dollar amortization method, open period	30 years
Remaining amortization period as of July 1, 2013	29 years
Investment rate of return	4.50%
Medicare coverage age	65
Retirement and disability age	ASRS assumptions
Health care cost trend range	5% - 9%
Participation assumption	75%
Active members	127
Retirees currently receiving benefits	4
Inflation Rate	5%

**Note 9 - Operating Expenses**

The District's operating expenses are presented by functional classification in the Statement of Revenues, Expenses, and Changes in Net Position – Primary Government. The operating expenses can also be classified into the following:

Compensation and benefits	\$ 13,060,466
Contract services	1,597,439
Supplies and other services	1,085,058
Annual fixed charges	741,161
Communication and utilities	560,778
Travel	178,235
Scholarships	3,209,879
Depreciation	1,152,473
Other	50,732
Total	<u><u>\$ 21,636,221</u></u>



**Coconino County Community College District**  
**Notes to Financial Statements**  
**June 30, 2013**

**Note 10 - Discretely Presented Component Unit Disclosures**

Coconino Community College Foundation

1. Nature of Activities and Summary of Significant Accounting Policies

*Nature of the Organization*

Coconino Community College Foundation was founded in 1993 under Arizona law as a non-profit corporation. The mission of the Foundation is to promote the purposes and goals of Coconino Community College (CC College), thereby enhancing the opportunities of Coconino residents. It is the fund raising organization for the solicitation, receipt and management of all private gifts, donations, and contributions, including gifts-in-kind. Funds are disbursed exclusively for charitable and educational purposes within the meaning of the Internal Revenue Code Section 501(c)(3), including providing scholarships and financial aid, to fulfill the research, teaching and service functions of the College, and to make or receive grants and loans of corporate property for the purposes of the College.

*Basis of Accounting*

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

*Financial Statement Presentation*

The Foundation reports information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets. In addition, the Foundation is required to present a statement of cash flows.

*Functional Expense Reporting*

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

*Income Taxes*

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

The Foundation files information tax returns with the US federal and Arizona state governments. With few exceptions, the Foundation is no longer subject to US federal and

**Coconino County Community College District**  
**Notes to Financial Statements**  
**June 30, 2013**

**Note 10 - Discretely Presented Component Unit Disclosures (continued)**

state income tax examinations by tax authorities for years before 2009 (federal) and 2008 (Arizona) as of the year ended June 30, 2013.

*Contributions and Life Annuity Gifts*

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

*Promises to Give*

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

The Foundation had no unconditional promises to give as of June 30, 2013. A discount rate of 3% would be used in computing the present value of these receivables if applicable.

*Donated Goods and Services*

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

*Cash and Cash Equivalents*

The Foundation considers all short-term investments with an original maturity of three months or less to be cash equivalents. Reinvested investment earnings reported on the Statement of Cash Flows represent reinvested interest and dividends.

*Investments*

Investments in marketable securities with readily determinable fair values and all investments in debt securities are reported at their fair values in the Statements of Financial Position. Realized and unrealized gains and losses are included in the Statement of Activities. Donated securities are received directly into the Fidelity Investments account at market value as of the date executed. On an annual basis, all investment income shall be calculated and then allocated between unrestricted, temporarily restricted, and permanently restricted net assets in accordance with the Foundation's policy.

**Coconino County Community College District**  
**Notes to Financial Statements**  
**June 30, 2013**

**Note 10 - Discretely Presented Component Unit Disclosures (continued)**

*Date of Managements' Review*

Management has reviewed events subsequent to June 30, 2013 up through the financial statements report date, August 28, 2013, to evaluate their effect on the fair presentation of the financial statements. As of the report date, there have been no events subsequent to June 30, 2013 that are required to be disclosed in order to present fairly the financial position and changes in net assets of the Foundation.

**2. Use of Estimates**

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

**3. Cash and Cash Equivalents**

The following were included in cash and cash equivalents as of June 30, 2013:

Checking	\$ 86,679
Petty cash	253
Fidelity cash account	56,239
	<u>\$ 143,171</u>

The Federal Deposit Insurance Corporation insures accounts up to \$250,000 per institution. As of June 30, 2013 the Foundation did not maintain cash balances in excess of this amount in their checking account. Funds deposited with Fidelity Investments are protected by the SIPC up to a ceiling of \$500,000 including a maximum of \$250,000 for cash claims. Management is aware of the risks involved and monitors these accounts regularly to keep potential risk of loss to a minimum.

**4. Fair Value Measurements**

The fair value of the investments as discussed in the next footnote is measured at June 30, 2013 and is determined by reference to Level 1 inputs, which include quoted prices obtained from the principal market for the individual securities.

**5. Investments**

Investments are stated at fair market value as of June 30, 2013. Unless specific prohibitive clauses are contained in the gift instruments, funds are pooled for investment purposes.

**Coconino County Community College District**  
**Notes to Financial Statements**  
**June 30, 2013**

**Note 10 - Discretely Presented Component Unit Disclosures (continued)**

The market value and cost of the Foundation's investments at June 30, 2013 is as follows:

	Market Value	Cost
Common stock	\$ 402,971	\$ 260,552
Corporate bonds	311,844	310,564
Mutual funds	20,102	20,035
	<u>\$ 734,917</u>	<u>\$ 591,151</u>

The following schedule summarizes investment returns and their classification in the statement of activities for the year ended June 30, 2013:

	Unrestricted	Temporarily Restricted	Total
Investment earnings	\$ 12,170	\$ 10,578	\$ 22,748
Net realized and unrealized gains (losses)	14,924	28,667	43,591
Total investment return	<u>\$ 27,094</u>	<u>\$ 39,245</u>	<u>\$ 66,339</u>

**6. Donated Materials and Services**

During the year ended June 30, 2013 the Foundation received the following materials and services that were donated to assist the Foundation. The value of donated materials and services is readily quantifiable and accordingly, these amounts have been recorded as revenues and expenses in the accompanying financial statements.

Audit & accounting fees	\$ 2,970
Payroll in kind	170,535
Operating costs	9,070
Facilities in kind	11,787
Paleta 2 Paleta	2,583
	<u>\$ 196,945</u>

For the year ended June 30, 2013 the Foundation received a few hundred hours of volunteer time to assist with its program. These hours are not recorded in the financial statements because they are not for specific professional services and are not readily quantifiable.

Donated professional audit and accounting services for the fiscal year ended June 30, 2013 were \$2,970.

**Coconino County Community College District**  
**Notes to Financial Statements**  
**June 30, 2013**

**Note 10 - Discretely Presented Component Unit Disclosures (cotinued)**

For the year ended June 30, 2013, the Foundation received a substantial amount of wood-shop tools that were not readily quantifiable and therefore not recorded in these financial statements.

**7. Restrictions on Net Assets**

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

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

**8. Related Party Transactions**

Coconino Community College contributes to the Foundation certain supporting services per a written contract. Employees of the college perform the Foundation accounting and administrative duties. The amounts included in unrestricted public contributions for these services were \$170,535 for the year ended June 30, 2013. In the opinion of management, such transactions were on substantially the same terms as those that would prevail with other unrelated persons and entities.

**9. Cash Flow Information**

There were no non-cash investing transactions during the year ended June 30, 2013 .

The Foundation paid interest of \$252 as of June 30, 2013. There were no income taxes paid during the year ended June 30, 2013.

**10. Concentration Risk**

During the year ending June 30, 2013, two donors' gifts comprised 54.69% of total support and revenue.

**11. Schedule of Functional Expenses**

The Foundation's functional expenses as of June 30, 2013 are as follows:

**Coconino County Community College District**  
**Notes to Financial Statements**  
**June 30, 2013**

**Note 10 - Discretely Presented Component Unit Disclosures (continued)**

	Program Expenses	Support Services	Total
Development staff expense	\$ 178,939	\$ -	\$ 178,939
Facilities expense	-	11,787	11,787
Grants, scholarships, and awards	181,304	-	181,304
Interest expense	-	252	252
Investment fees	-	6,603	6,603
Marketing	3,441	-	3,441
Meeting expenses	-	5,952	5,952
Miscellaneous expenses	-	3,621	3,621
Postage	-	1,497	1,497
Printing and copying	-	2,476	2,476
Professional fees	-	16,628	16,628
Supplies	-	10,989	10,989
Total	<u>\$ 363,684</u>	<u>\$ 59,805</u>	<u>\$ 423,489</u>

**12. Contingent Liability**

For the year ended June 30, 2013, the Foundation had scholarships that have been awarded but not paid in the amount of \$53,175. These scholarships are awarded in two payments, with the first payment given upon enrollment for the fall semester; the second payment is made conditionally upon enrollment for the spring semester. As the scholarships are contingent upon enrollment and paid out over the following fiscal year they are not recorded as a liability as of June 30, 2013.

**13. Endowment Funds**

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

The Board of Directors of the Foundation has interpreted the Uniform Prudent Management of Institutional Funds Act (UPMIFA) as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the Foundation classifies as permanently restricted net assets the original value of gifts donated to the permanent endowment and the original value of subsequent gifts to the permanent endowment. The remaining portion of the donor-restricted endowment fund that is not classified in permanently restricted net assets is classified as temporarily restricted net assets until those amounts are appropriated for expenditure by the Foundation in a manner consistent

**Coconino County Community College District**  
**Notes to Financial Statements**  
**June 30, 2013**

**Note 10 - Discretely Presented Component Unit Disclosures (continued)**

with the standard of prudence prescribed by UPMIFA. In accordance with UPMIFA, the Foundation considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds: (1) the duration and preservation of the various funds, (2) the purposes of the donor-restricted endowment funds, (3) general economic conditions, (4) the possible effect of inflation and deflation, (5) the expected total return from income and the appreciation of investments, (6) other resources of the Foundation, and (7) the Foundation's investment policies.

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

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

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

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

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

**Coconino County Community College District**  
**Notes to Financial Statements**  
**June 30, 2013**

**Note 10 - Discretely Presented Component Unit Disclosures (continued)**

not to make any award for the year, in which case the amount of such earnings and income shall be carried forward to the next academic year.

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

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

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

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

Coconino Community College Foundation's Endowment Funds consisted of the following at June 30, 2013:

	Temporarily Restricted	Permanently Restricted	Total
Balance, June 30, 2012	\$ 14,906	\$ 322,526	\$ 337,432
Contributions received	657	24,780	25,437
Interest & dividends earned	11,004	-	11,004
Transfers to corpus	-	17,125	17,125
Scholarships awarded	(13,650)	-	(13,650)
Administrative fees	(6,444)	-	(6,444)
Balance, June 30, 2013	<u>\$ 6,473</u>	<u>\$ 364,431</u>	<u>\$ 370,904</u>

As noted above, it is not the policy of the Coconino Community College Foundation Board of Directors to adjust the principal balance of its Endowment Funds for investment account market fluctuations. Therefore, the balances stated above have had investment earnings added to them but no adjustments made for unrealized market gains.

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



**Coconino County Community College District**  
**Notes to Financial Statements**  
**June 30, 2013**

**Note 10 - Discretely Presented Component Unit Disclosures (continued)**

accumulation to it, and any income from it, consistent with management policies of the Board, or its designee. An Endowment Fund will earn income according to Board policy if it maintains the minimum balance required for earning income.

Certain scholarships ended in fiscal year 2013 and the remaining balances totaling \$17,125 were transferred to corpus in permanently restricted net position.

**14. Restatement**

During the year ended June 30, 2013, management discovered an error in the amount of liability due to Coconino Community College for the year ended June 30, 2012. The result of this error was an understatement of previously reported expenses of \$25,223 and a corresponding understatement of previously reported current liabilities at June 30, 2012. Beginning net assets at July 1, 2012 have been restated to correct this error.

**Coconino County Community College District**  
**Required Supplementary Information**  
**Postemployment Health Care Benefits**  
**Schedule of Funding Progress**  
**June 30, 2013**

Actuarial Valuation Date (5)	Fiscal Year Ended June 30	Actuarial Value of Plan Assets	Actuarial Accrued Liability Entry Age (1)	Unfunded Actuarial Accrued Liability (3)	Funded Ratio (2)	Covered Payroll	Actuarial Liability as a Percentage of Covered Payroll
7/1/2009	2011	\$ -	\$ 614,734 (4)	\$ 614,734	0.00	\$ 6,506,901 (4)	9.45 %
7/1/2012	2012	-	742,389	742,389	0.00	6,383,803	11.63

Notes:

- (1) The Entry Age Actuarial Cost Method is used to determine the Plan's funding requirements.
- (2) The percentage funded is derived by dividing the actuarial value of plan assets by the actuarial accrued liability.
- (3) The unfunded actuarial accrued liability is the actuarial accrued liability minus the actuarial value of plan assets.
- (4) Based on data from an actuarial valuation report as of June 30, 2012, dated August 24, 2012.
- (5) For the purposes of GASB Statement 45, the District performs actuarial valuations once every three years.
- (6) The next actuarial valuation date will be added in 2014 when it becomes available.

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

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

# Statistical Section

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

## **Financial Trends**

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

## **Revenue Capacity**

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

## **Debt Capacity**

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

## **Demographic and Economic Information**

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

## **Operating Information**

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



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

(dollars in thousands)

	<u>2012-13</u>	<u>2011-12</u>	<u>2010-11</u>	<u>2009-10</u>	<u>2008-09</u>	<u>2007-08</u>	<u>2006-07</u>	<u>2005-06</u>	<u>2004-05</u>	<u>2003-04</u>
Net investment in capital assets	\$ 14,266	\$ 14,062	\$ 13,113	\$ 12,310	\$ 10,996	\$ 10,597	\$ 10,372	\$ 9,841	\$ 9,164	\$ 8,850
Restricted - expendable	383	525	509	1,960	2,780	3,056	2,739	2,500	2,838	3,025
Unrestricted	<u>14,808</u>	<u>13,300</u>	<u>11,916</u>	<u>7,912</u>	<u>5,932</u>	<u>4,626</u>	<u>4,442</u>	<u>3,780</u>	<u>3,576</u>	<u>3,701</u>
Total primary government net position	<u>\$ 29,457</u>	<u>\$ 27,887</u>	<u>\$ 25,538</u>	<u>\$ 22,182</u>	<u>\$ 19,708</u>	<u>\$ 18,279</u>	<u>\$ 17,553</u>	<u>\$ 16,121</u>	<u>\$ 15,578</u>	<u>\$ 15,576</u>

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

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

(dollars in thousands)

	<u>2012-13</u>	<u>2011-12</u>	<u>2010-11</u>	<u>2009-10</u>	<u>2008-09</u>	<u>2007-08</u>	<u>2006-07</u>	<u>2005-06</u>	<u>2004-05</u>	<u>2003-04</u>
Instruction	\$ 6,969	\$ 7,288	\$ 6,658	\$ 6,765	\$ 6,981	\$ 6,916	\$ 6,564	\$ 6,393	\$ 5,631	\$ 4,837
Public service	278	290	284	182	139	143	113	133	180	214
Adademic support	1,530	1,807	1,582	1,807	2,289	2,367	2,118	2,113	1,957	1,693
Student services	2,058	1,997	1,771	1,685	1,696	1,610	1,540	1,412	1,380	1,372
Institutional support	4,625	4,199	3,940	3,791	4,129	3,838	3,614	3,175	3,135	2,901
Operation and maintenance of plant	1,783	1,627	1,553	1,521	1,590	1,495	1,280	1,280	1,212	1,195
Scholarships	3,193	3,454	3,988	3,690	1,701	1,376	1,321	1,249	1,388	1,282
Auxiliary enterprises	48	39	33	25	20	33	28	19	19	19
Depreciation	1,152	1,176	1,170	1,104	1,080	1,041	1,061	1,129	1,127	1,130
Total operating expenses	<u>21,636</u>	<u>21,877</u>	<u>20,979</u>	<u>20,570</u>	<u>19,625</u>	<u>18,819</u>	<u>17,639</u>	<u>16,903</u>	<u>16,029</u>	<u>14,643</u>
Interest expense on debt	430	462	493	519	996	905	958	1,013	1,064	1,128
Loss on disposal of capital assets	722	27	-	-	-	-	-	-	-	-
Total nonoperating expenses	<u>1,152</u>	<u>489</u>	<u>493</u>	<u>519</u>	<u>996</u>	<u>905</u>	<u>958</u>	<u>1,013</u>	<u>1,064</u>	<u>1,128</u>
Total expenses	<u>\$22,788</u>	<u>\$22,366</u>	<u>\$21,472</u>	<u>\$ 21,089</u>	<u>\$ 20,621</u>	<u>\$ 19,724</u>	<u>\$ 18,597</u>	<u>\$ 17,916</u>	<u>\$ 17,093</u>	<u>\$ 15,771</u>

(percent of total expenses)

	<u>2012-13</u>	<u>2011-12</u>	<u>2010-11</u>	<u>2009-10</u>	<u>2008-09</u>	<u>2007-08</u>	<u>2006-07</u>	<u>2005-06</u>	<u>2004-05</u>	<u>2003-04</u>
Instruction	30.6 %	32.6 %	31.0 %	32.0 %	34.0 %	35.0 %	35.2 %	35.7 %	32.9 %	30.6 %
Public service	1.2	1.3	1.3	0.9	0.7	0.7	0.6	0.7	1.1	1.4
Adademic support	6.7	8.1	7.4	8.6	11.1	12.0	11.4	11.8	11.5	10.7
Student services	9.0	8.9	8.2	8.0	8.2	8.2	8.3	7.9	8.1	8.7
Institutional support	20.3	18.8	18.4	18.0	20.0	19.4	19.4	17.7	18.3	18.4
Operation and maintenance of plant	7.8	7.3	7.2	7.2	7.7	7.6	6.9	7.1	7.1	7.6
Scholarships	14.0	15.4	18.6	17.5	8.2	7.0	7.1	7.0	8.1	8.1
Auxiliary enterprises	0.2	0.2	0.2	0.1	0.1	0.2	0.2	0.1	0.1	0.1
Depreciation	5.1	5.2	5.4	5.2	5.2	5.3	5.7	6.3	6.6	7.2
Total operating expenses	<u>94.9</u>	<u>97.8</u>	<u>97.7</u>	<u>97.5</u>	<u>95.2</u>	<u>95.4</u>	<u>94.8</u>	<u>94.3</u>	<u>93.8</u>	<u>92.8</u>
Interest expense on debt	1.9	2.1	2.3	2.5	4.8	4.6	5.2	5.7	6.2	7.2
Loss on disposal of capital assets	3.2	0.1	-	-	-	-	-	-	-	-
Total nonoperating expenses	<u>5.1</u>	<u>2.2</u>	<u>2.3</u>	<u>2.5</u>	<u>4.8</u>	<u>4.6</u>	<u>5.2</u>	<u>5.7</u>	<u>6.2</u>	<u>7.2</u>
Total expenses	<u>100.0 %</u>	<u>100.0 %</u>	<u>100.0 %</u>	<u>100.0 %</u>	<u>100.0 %</u>	<u>100.0 %</u>	<u>100.0 %</u>	<u>100.0 %</u>	<u>100.0 %</u>	<u>100.0 %</u>

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

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

(dollars in thousands)

	<u>2012-13</u>	<u>2011-12</u>	<u>2010-11</u>	<u>2009-10</u>	<u>2008-09</u>	<u>2007-08</u>	<u>2006-07</u>	<u>2005-06</u>	<u>2004-05</u>	<u>2003-04</u>
Compensation and benefits	\$ 13,061	\$ 12,758	\$ 12,040	\$ 11,931	\$ 12,443	\$ 12,207	\$ 11,776	\$ 11,161	\$ 10,247	\$ 9,251
Contract services	1,597	1,986	1,528	1,627	1,800	1,473	1,086	920	932	843
Supplies and other services	1,085	899	831	808	960	1,126	785	884	981	800
Annual fixed charges	741	800	650	654	769	644	697	710	561	476
Communication and utilities	561	553	517	565	664	659	628	563	542	528
Travel	178	173	160	130	131	234	195	190	145	202
Scholarships	3,210	3,467	3,988	3,690	1,703	1,376	1,321	1,251	1,390	1,304
Depreciation	1,152	1,176	1,170	1,104	1,080	1,040	1,061	1,129	1,127	1,129
Other	51	65	95	61	75	60	90	95	104	110
Total operating expenses	<u>21,636</u>	<u>21,877</u>	<u>20,979</u>	<u>20,570</u>	<u>19,625</u>	<u>18,819</u>	<u>17,639</u>	<u>16,903</u>	<u>16,029</u>	<u>14,643</u>
Interest expense on debt	430	462	493	519	996	905	958	1,013	1,064	1,128
Loss on disposal of capital assets	722	27	-	-	-	-	-	-	-	-
Total nonoperating expenses	<u>1,152</u>	<u>489</u>	<u>493</u>	<u>519</u>	<u>996</u>	<u>905</u>	<u>958</u>	<u>1,013</u>	<u>1,064</u>	<u>1,128</u>
Total expenses	<u>\$ 22,788</u>	<u>\$ 22,366</u>	<u>\$ 21,472</u>	<u>\$ 21,089</u>	<u>\$ 20,621</u>	<u>\$ 19,724</u>	<u>\$ 18,597</u>	<u>\$ 17,916</u>	<u>\$ 17,093</u>	<u>\$ 15,771</u>

(percent of total expenses)

	<u>2012-13</u>	<u>2011-12</u>	<u>2010-11</u>	<u>2009-10</u>	<u>2008-09</u>	<u>2007-08</u>	<u>2006-07</u>	<u>2005-06</u>	<u>2004-05</u>	<u>2003-04</u>
Compensation and benefits	57.3 %	57.0 %	56.1 %	56.6 %	60.4 %	61.8 %	63.4 %	62.3 %	60.0 %	58.6 %
Contract services	7.0	8.9	7.1	7.7	8.7	7.5	5.8	5.1	5.5	5.3
Supplies and other services	4.8	4.0	3.9	3.8	4.7	5.7	4.2	4.9	5.7	5.1
Annual fixed charges	3.2	3.6	3.0	3.1	3.7	3.3	3.7	4.0	3.3	3.0
Communication and utilities	2.5	2.5	2.4	2.7	3.2	3.3	3.4	3.1	3.2	3.3
Travel	0.8	0.8	0.8	0.6	0.6	1.2	1.0	1.1	0.8	1.3
Scholarships	14.1	15.5	18.6	17.5	8.3	7.0	7.1	7.0	8.1	8.3
Depreciation	5.0	5.2	5.4	5.2	5.2	5.3	5.7	6.3	6.6	7.2
Other	0.2	0.3	0.4	0.3	0.4	0.3	0.5	0.5	0.6	0.7
Total operating expenses	<u>94.9</u>	<u>97.8</u>	<u>97.7</u>	<u>97.5</u>	<u>95.2</u>	<u>95.4</u>	<u>94.8</u>	<u>94.3</u>	<u>93.8</u>	<u>92.8</u>
Interest expense on debt	1.9	2.1	2.3	2.5	4.8	4.6	5.2	5.7	6.2	7.2
Loss on disposal of capital assets	3.2	0.1	-	-	-	-	-	-	-	-
Total nonoperating expenses	<u>5.1</u>	<u>2.2</u>	<u>2.3</u>	<u>2.5</u>	<u>4.8</u>	<u>4.6</u>	<u>5.2</u>	<u>5.7</u>	<u>6.2</u>	<u>7.2</u>
Total expenses	<u>100.0 %</u>	<u>100.0 %</u>	<u>100.0 %</u>	<u>100.0 %</u>	<u>100.0 %</u>	<u>100.0 %</u>	<u>100.0 %</u>	<u>100.0 %</u>	<u>100.0 %</u>	<u>100.0 %</u>

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

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

(dollars in thousands)

	2012-13	2011-12	2010-11	2009-10	2008-09	2007-08	2006-07	2005-06	2004-05	2003-04
Tuition and fees (net of scholarship allowance)	\$ 5,720	\$ 6,163	\$ 6,011	\$ 5,181	\$ 4,970	\$ 4,340	\$ 4,286	\$ 3,700	\$ 3,144	\$ 2,618
Private contracts	260	405	248	188	154	195	212	131	241	276
Bookstore income	107	118	93	86	76	76	56	45	42	38
Auxiliary enterprises	30	28	32	26	24	31	22	23	22	21
Other operating revenues	187	193	197	195	142	148	139	146	(2) 125	(2) 108
Total operating revenues	<u>6,304</u>	<u>6,907</u>	<u>6,581</u>	<u>5,676</u>	<u>5,366</u>	<u>4,790</u>	<u>4,715</u>	<u>4,045</u>	<u>3,574</u>	<u>3,061</u>
Property taxes	8,666	8,624	8,434	8,341	8,241	7,787	7,620	7,274	7,033	6,685
State appropriations	1,848	1,836	2,679	2,679	2,994	3,335	3,322	3,148	3,025	2,905
Government grants and contracts	5,757	6,595	6,272	6,212	4,480	3,152	3,080	(3) 2,841	(3) 2,552	(3) 2,466
Share of state sales taxes	1,397	(1) 386	383	377	404	454	456	425	370	(1) 1,348
Investment earnings	220	267	249	278	411	508	414	318	185	170
Other nonoperating revenues	166	99	230	(5) 230	(4) 14					
Total nonoperating revenues	<u>18,054</u>	<u>17,807</u>	<u>18,247</u>	<u>17,887</u>	<u>16,544</u>	<u>15,236</u>	<u>14,892</u>	<u>14,006</u>	<u>13,165</u>	<u>13,574</u>
Total revenues before other revenues and gains	<u>\$ 24,358</u>	<u>\$ 24,714</u>	<u>\$ 24,828</u>	<u>\$ 23,563</u>	<u>\$ 21,910</u>	<u>\$ 20,026</u>	<u>\$ 19,607</u>	<u>\$ 18,051</u>	<u>\$ 16,739</u>	<u>\$ 16,635</u>

(percent of total revenues)

	2012-13	2011-12	2010-11	2009-10	2008-09	2007-08	2006-07	2005-06	2004-05	2003-04
Tuition and fees (net of scholarship allowance)	23.5 %	24.9 %	24.2 %	22.0 %	22.7 %	21.7 %	21.9 %	20.5 %	18.8 %	15.7 %
Private contracts	1.1	1.6	1.0	0.8	0.7	0.9	1.0	0.7	1.5	1.8
Bookstore income	0.4	0.5	0.4	0.4	0.3	0.4	0.3	0.3	0.3	0.2
Auxiliary enterprises	0.1	0.1	0.1	0.1	0.1	0.2	0.1	0.1	0.1	0.1
Other operating revenues	0.8	0.8	0.8	0.8	0.6	0.7	0.7	0.8	0.7	0.6
Total operating revenues	<u>25.9</u>	<u>27.9</u>	<u>26.5</u>	<u>24.1</u>	<u>24.4</u>	<u>23.9</u>	<u>24.0</u>	<u>22.4</u>	<u>21.4</u>	<u>18.4</u>
Property taxes	35.6	34.9	34.0	35.4	37.6	38.9	38.9	40.3	42.0	40.2
State appropriations	7.6	(6) 7.4	10.8	11.4	13.7	16.7	16.9	17.4	18.1	17.5
Government grants and contracts	23.6	26.7	25.3	26.3	20.5	15.7	15.8	15.7	15.2	14.8
Share of state sales taxes	5.7	1.6	1.5	1.6	1.8	2.3	2.3	2.4	2.2	8.1
Investment earnings	0.9	1.1	1.0	1.2	1.9	2.5	2.1	1.8	1.1	1.0
Other nonoperating revenues	0.7	0.4	0.9	0.0	0.1	0.0	0.0	0.0	0.0	0.0
Total nonoperating revenues	<u>74.1</u>	<u>72.1</u>	<u>73.5</u>	<u>75.9</u>	<u>75.6</u>	<u>76.1</u>	<u>76.0</u>	<u>77.6</u>	<u>78.6</u>	<u>81.6</u>
Total revenues	<u>100.0 %</u>	<u>100.0 %</u>	<u>100.0 %</u>	<u>100.0 %</u>	<u>100.0 %</u>	<u>100.0 %</u>	<u>100.0 %</u>	<u>100.0 %</u>	<u>100.0 %</u>	<u>100.0 %</u>

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

- (1) The District received \$1,000,000 from share of state sales taxes for deferred maintenance in fiscal year 2003-04 and in fiscal year 2012-13  
(2) Nonoperating revenues were properly reclassified to operating revenues in fiscal year 2006-07. For comparability purposes, prior years have been reclassified.  
(3) Government grants and contracts were reclassified to nonoperating revenues in fiscal year 2007-08. For comparability purposes, prior years have been reclassified.  
(4) General obligation bonds were refunded in fiscal year 2008-2009.  
(5) Other nonoperating revenues resulted from a reclassification of in-lieu and property excise tax from "property taxes" to "other nonoperating revenues."  
(6) State budget reductions have resulted in a significant drop in State Appropriations as a percentage of total revenues.

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

(dollars in thousands)

	<u>2012-13</u>	<u>2011-12</u>	<u>2010-11</u>	<u>2009-10</u>	<u>2008-09</u>	<u>2007-08</u>	<u>2006-07</u>	<u>2005-06</u>	<u>2004-05</u>	<u>2003-04</u>
Income (loss) before other changes in net position	\$ 1,570	\$ 2,348	\$ 3,356	\$ 2,474	\$ 1,289	\$ 302	\$ 1,010	\$ 135	\$ (353)	\$ 864
Capital appropriations	-	-	-	-	-	424	421	383	356	319
Capital gifts	-	-	-	-	140	-	-	25	-	-
Total change in net position	<u>\$ 1,570</u>	<u>\$ 2,348</u>	<u>\$ 3,356</u>	<u>\$ 2,474</u>	<u>\$ 1,429</u>	<u>\$ 726</u>	<u>\$ 1,431</u>	<u>\$ 543</u>	<u>\$ 3</u>	<u>\$ 1,183</u>

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



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

<b>Fiscal Year</b>	<b>Statutory Expenditure Limitation</b>	<b>(1)</b>	<b>Budgeted Expenditures Subject to the Limitation</b>	<b>(2)</b>	<b>Unused Legal Limit</b>
2004	\$ 10,723,076		\$ 10,723,075		\$ 1
2005	11,075,088		11,075,087		1
2006	12,566,670		12,566,669		1
2007	13,231,427		13,231,426		1
2008	13,287,083		13,287,082		1
2009	12,957,557		12,957,556		1
2010	14,146,598		14,146,597		1
2011	16,038,742		14,585,517		1,453,225
2012	15,833,517		15,500,935		332,582
2013	15,525,510		15,525,509		1

Source: District records.

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

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

<b>Fiscal Year</b>	<b>Total Tax Levy (1)</b>	<b>Collected within the Fiscal Year of the Levy</b>		<b>Collections in Subsequent Years</b>	<b>Total Collections to Date</b>	
		<b>Amount</b>	<b>Percentage of Levy</b>		<b>Amount</b>	<b>Percentage of Levy</b>
2004	\$ 6,504,040	\$ 6,459,745	99.32 %	\$ 43,561	\$ 6,503,306	99.99 %
2005	6,714,598	6,570,730	97.86	143,868	6,714,598	100.00
2006	7,049,570	6,938,140	98.42	111,430	7,049,570	100.00
2007	7,358,011	7,240,945	98.41	116,314	7,357,259	99.99
2008	7,620,713	7,450,465	97.77	167,766	7,618,231	99.97
2009	8,199,374	7,942,306	96.86	253,016	8,195,322	99.95
2010	8,147,389	7,926,032	97.28	215,374	8,141,406	99.93
2011	8,424,133	8,073,310	95.84	337,755	8,411,065	99.84
2012	8,573,088	8,314,386	96.98	228,265	8,542,651	99.64
2013	8,622,949	8,391,991	97.32	-	8,391,991	97.32

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

(1) Tax levy is based on the levy limits of the calendar year at June 30. Amounts represent adjusted tax levy for each year as of June 30, 2013.

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

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

Tax Year		Assessed Value						Enterprise Zone
		Utilities	Commercial	Vacant/ Agriculture	Residential	Railroads	Historic	
2003	Primary	\$ 255,187	\$ 297,565	\$ 174,423	\$ 481,484	\$ 15,857	\$ 2,314	\$ 200
2003	Secondary	255,187	302,990	189,384	495,712	17,065	2,327	998
2004	Primary	240,410	310,610	186,317	534,776	16,846	1,007	375
2004	Secondary	240,410	318,520	201,576	558,559	18,786	1,044	1,876
2005	Primary	238,464	326,562	207,823	590,946	17,941	1,054	608
2005	Secondary	238,464	333,713	225,164	617,419	19,467	1,070	3,037
2006	Primary	235,209	343,392	229,727	662,437	21,050	1,062	115
2006	Secondary	235,209	369,659	265,428	709,899	22,105	1,165	526
2007	Primary	236,638	371,049	262,501	757,337	17,520	1,160	130
2007	Secondary	236,638	411,811	331,057	886,140	19,133	1,322	595
2008	Primary	239,843	397,175	299,266	875,050	17,392	1,231	146
2008	Secondary	239,843	442,124	402,069	1,103,234	19,301	1,453	640
2009	Primary	248,299	407,295	330,841	987,455	14,955	1,292	182
2009	Secondary	248,299	444,948	434,785	1,174,036	17,239	1,529	802
2010	Primary	275,480	404,652	341,972	1,072,490	14,315	1,953	224
2010	Secondary	275,480	427,513	397,449	1,134,935	16,755	2,157	941
2011	Primary	235,287	402,970	336,997	973,394	15,701	1,936	474
2011	Secondary	235,287	410,962	354,772	980,209	17,272	2,076	863
2012	Primary	234,448	391,280	315,866	944,927	18,779	1,969	-
2012	Secondary	234,448	393,752	322,418	947,568	19,096	2,017	-
		Assessed Value						Total Net Assessed Value as a Percent of Total Value
		Environmental Technology	Certain Improvements on Government Property	Total Assessed Value	Less: Exempt Property	Net Assessed Value	Total Direct Tax Rate	
2003	Primary	\$ 766	\$ 103	\$ 1,227,899	\$ 111,231	\$ 1,116,668	\$ 0.4098	\$ 8,260,359 13.52 %
2003	Secondary	766	127	1,264,556	113,074	1,151,482	0.1677	8,526,470 13.50
Total weighted direct tax rate							0.2869	
2004	Primary	1,906	110	1,292,357	118,240	1,174,117	0.4065	8,862,299 13.25
2004	Secondary	1,913	127	1,342,811	120,585	1,222,226	0.1595	9,238,836 13.23
Total weighted direct tax rate							0.2805	
2005	Primary	1,811	116	1,385,325	121,545	1,263,780	0.4031	9,623,676 13.13
2005	Secondary	1,817	127	1,440,278	123,301	1,316,977	0.1494	10,034,155 13.12
Total weighted direct tax rate							0.2736	
2006	Primary	2,013	125	1,495,130	127,167	1,367,963	0.3920	10,583,070 12.93
2006	Secondary	2,094	133	1,606,218	132,875	1,473,343	0.1349	11,396,634 12.93
Total weighted direct tax rate							0.2587	
2007	Primary	2,206	131	1,648,672	134,414	1,514,258	0.3717	11,900,974 12.72
2007	Secondary	2,322	131	1,889,149	144,327	1,744,822	0.1148	13,799,611 12.64
Total weighted direct tax rate							0.2342	
2008	Primary	2,306	129	1,832,538	144,355	1,688,183	0.3652	13,552,305 12.46
2008	Secondary	2,417	129	2,211,210	153,731	2,057,479	0.0991	16,687,281 12.33
Total weighted direct tax rate							0.2190	
2009	Primary	2,578	131	1,993,027	152,252	1,840,775	0.3369	15,087,936 12.20
2009	Secondary	2,629	131	2,324,397	168,546	2,155,851	0.0898	17,790,932 12.12
Total weighted direct tax rate							0.2036	
2010	Primary	976	28	2,112,091	161,492	1,950,598	0.3352	16,230,436 12.02
2010	Secondary	994	28	2,256,252	172,336	2,083,916	0.0956	17,326,884 12.03
Total weighted direct tax rate							0.2114	
2011	Primary	2,867	133	1,969,759	158,736	1,811,023	0.3649	15,229,795 11.89
2011	Secondary	2,867	133	2,004,441	164,302	1,840,139	0.1085	15,460,397 11.90
Total weighted direct tax rate							0.2357	
2012	Primary	2,143	145	1,909,557	159,230	1,750,327	0.3875	13,456,101 13.01
2012	Secondary	2,143	145	1,921,587	162,023	1,759,564	0.1052	13,536,087 13.00
Total weighted direct tax rate							0.2460	

Source: Coconino County Assessor's Office.

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

- (1) Primary = Total Limited Property Value.  
Secondary = Total Full Cash Value.

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

Tax Year	Coconino County Community College District			Coconino County (1)	State Education Equalization	Cities or Fire Districts	School Districts	Joint Technology Districts
	Primary Levy	Secondary Levy	Total					
2003	\$ 0.4098	\$ 0.1677	\$ 0.5775	\$ 0.7652	\$ 0.4717	\$0.15 - \$3.00	\$1.96 - \$2.58	\$ 0.05
2004	0.4065	0.1595	0.5660	0.7652	0.4560	0.65 - 3.00	1.89 - 8.23	0.05
2005	0.4031	0.1494	0.5525	0.7652	0.4358	0.65 - 3.00	1.81 - 10.42	0.05
2006	0.3920	0.1349	0.5269	0.7521	-	0.47 - 3.00	1.74 - 9.46	0.05
2007	0.3717	0.1148	0.4865	0.7588	-	0.41 - 3.00	1.60 - 9.90	0.05
2008	0.3652	0.0991	0.4643	0.7603	-	0.41 - 2.75	1.46 - 10.99	0.05
2009	0.3369	0.0898	0.4267	0.7244	0.3306	0.30 - 3.00	1.37 - 9.94	0.05
2010	0.3352	0.0956	0.4308	0.9745	0.3564	0.27 - 3.00	1.45 - 8.45	0.05
2011	0.3649	0.1085	0.4734	1.0156	0.4259	0.27 - 3.25	1.77 - 8.59	0.05
2012	0.3875	0.1052	0.4927	1.0347	0.4717	0.30 - 3.25	1.96 - 10.70	0.05

**2011 Tax Rates (Special Districts) (2)**

Hospital Districts	\$0.97 - \$1.03
Domestic Water Districts	1.36 - 1.69
Flood Control (3)	0.4
Williams Facilities District	0.42

Source: Coconino County Office of Planning and Budget.

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

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

Taxpayer	Type of Business	2013				2004			
		Secondary Assessed		Percentage of District's Total Secondary Assessed		Secondary Assessed		Percentage of District's Total Secondary Assessed	
		Value	Rank	Value		Value	Rank	Value	
Arizona Public Service Company	Utility	\$ 76,655,879	1	4.36%		\$ 60,611,576	1	4.96%	
Transwestern Pipeline Co	Utility	35,790,722	2	2.03%		21,417,098	2	1.75%	
W.L. Gore & Associates Inc	Manufacturing	18,368,047	3	1.04%		9,896,878	9	0.81%	
BNSF Railway Company	Railroad	17,969,941	4	1.02%		18,190,724	6	1.49%	
Unisource Energy Corporation	Utility	17,762,840	5	1.01%					
El Paso Natural Gas Co	Utility	17,696,075	6	1.01%		19,690,035	5	1.61%	
City of Los Angeles Department of Water & Power	Utility	16,770,357	7	0.95%		19,895,758	4	1.63%	
Nevada Power Company (T&D)	Utility	10,178,663	8	0.58%		12,636,504	8	1.03%	
Qwest Corporation	Utility	9,180,865	9	0.52%		17,517,454	7	1.43%	
Wal-Mart Stores, Inc.	Commercial	5,406,060	10	0.31%					
Tuscon Electric Power	Utility	*				20,299,812	3	1.66%	
Questar Southern Trails Pipeline	Utility	*				5,633,133	10	0.46%	
Total Principal Taxpayers		<u>\$ 225,779,449</u>		<u>12.83%</u>		<u>\$ 205,788,972</u>		<u>16.84%</u>	
Secondary Assessed Value		<u>\$ 1,759,564,057</u>		<u>100.00%</u>		<u>\$ 1,222,226,000</u>		<u>100.00%</u>	

Source: Coconino County Assessor (2012) & Arizona Department of Revenue (2003).

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

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

<b>District Historic Tuition (1)</b>				
<b>Fiscal Year</b>	<b>General Tuition Per Credit Hour (2)</b>	<b>Annual Cost Per Full-time Student</b>	<b>Increase (Decrease)</b>	
			<b>Dollars</b>	<b>Percent</b>
2003-04 (3)	\$ 44.00	\$ 1,056.00	\$ (54.00)	(4.9) %
2004-05	48.00	1,152.00	96.00	9.1
2005-06	56.00	1,344.00	192.00	16.7
2006-07	61.00	1,464.00	120.00	8.9
2007-08 (4)	65.00	1,690.00	226.00	15.4
2008-09 (5)	70.00	2,100.00	410.00	24.3
2009-10	70.00	2,100.00	-	-
2010-11	80.00	2,400.00	300.00	14.3
2011-12	83.00	2,490.00	90.00	3.8
2012-13	85.00	2,550.00	60.00	2.4

<b>National and Statewide Comparisons (Based on Full-time Enrollment for the Academic Year)</b>						
<b>Fiscal Year</b>	<b>Arizona Public 2-year Institution Average (6)</b>		<b>National Public 2-year Institution Average (7)</b>		<b>Arizona Universities Average (8)</b>	
	<b>Annual Cost</b>	<b>Percent Change</b>	<b>Annual Cost</b>	<b>Percent Change</b>	<b>Annual Cost</b>	<b>Percent Change</b>
2003-04	\$ 1,141	10.9 %	\$ 1,702	14.8 %	\$ 3,593	39.1 %
2004-05	1,226	7.4	1,847	8.5	4,074	13.4
2005-06	1,344	9.6	1,935	4.8	4,428	8.7
2006-07	1,451	8.0	2,017	4.2	4,662	5.3
2007-08	1,475	1.7	2,061	2.2	4,949	6.2
2008-09	1,546	4.8	2,068	0.3	5,276	6.6
2009-10	1,586	2.6	2,189	5.9	6,210	17.7
2010-11	1,648	3.9	2,331	6.5	7,457	20.1
2011-12	1,782	8.1	2,513	7.8	8,527	14.3
2012-13	2,170	21.8	3,131	24.6	9,350	9.7

(1) District records.

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

(3) In fiscal year 2003-04, the District implemented a tuition plateau at 12 to 18 credit hours.

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

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

(6) Arizona Association of Community College Business Officers.

(7) Collegeboard.org.

(8) Arizona Board of Regents.

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

	<u>2012-13</u>	<u>2011-12</u>	<u>2010-11</u>	<u>2009-10</u>	<u>2008-09</u>
Secondary Assessed Value of Real and Personal Property	<u>\$ 1,759,609,915</u>	<u>\$ 1,840,139,122</u>	<u>\$ 2,083,915,983</u>	<u>\$ 2,155,851,009</u>	<u>\$ 2,057,478,154</u>
Debt Limit, 15% of Secondary Assessed Value	<u>\$ 263,941,487</u>	<u>\$ 276,020,868</u>	<u>\$ 312,587,397</u>	<u>\$ 323,377,651</u>	<u>\$ 308,621,723</u>
Amount of Debt Applicable to Debt Limit:					
General Obligation Bonded Debt	<u>11,085,000</u>	<u>12,630,000</u>	<u>14,115,000</u>	<u>15,535,000</u>	<u>16,900,000</u>
Total Debt Applicable to the Limit	<u>11,085,000</u>	<u>12,630,000</u>	<u>14,115,000</u>	<u>15,535,000</u>	<u>16,900,000</u>
Legal Debt Margin	<u>\$ 252,856,487</u>	<u>\$ 263,390,868</u>	<u>\$ 298,472,397</u>	<u>\$ 307,842,651</u>	<u>\$ 291,721,723</u>
	<u>2007-08</u>	<u>2006-07</u>	<u>2005-06</u>	<u>2004-05</u>	<u>2003-04</u>
Secondary Assessed Value of Real and Personal Property	<u>\$ 1,744,822,563</u>	<u>\$ 1,473,342,694</u>	<u>\$ 1,316,977,311</u>	<u>\$ 1,222,225,551</u>	<u>\$ 1,151,482,204</u>
Debt Limit, 15% of Secondary Assessed Value	<u>\$ 261,723,384</u>	<u>\$ 221,001,404</u>	<u>\$ 197,546,597</u>	<u>\$ 183,333,833</u>	<u>\$ 172,722,331</u>
Amount of Debt Applicable to Debt Limit:					
General Obligation Bonded Debt	<u>18,320,000</u>	<u>19,425,000</u>	<u>20,455,000</u>	<u>21,410,000</u>	<u>22,295,000</u>
Total Debt Applicable to the Limit	<u>18,320,000</u>	<u>19,425,000</u>	<u>20,455,000</u>	<u>21,410,000</u>	<u>22,295,000</u>
Legal Debt Margin	<u>\$ 243,403,384</u>	<u>\$ 201,576,404</u>	<u>\$ 177,091,597</u>	<u>\$ 161,923,833</u>	<u>\$ 150,427,331</u>

Source: District records.

**Coconino County Community College District**  
**Computation of Direct and Overlapping Bonded Debt**  
**General Obligation Bonds**  
**June 30, 2013**

**Direct Debt:**

Coconino County Community College District	<u>\$ 11,085,000</u>
Net general obligation debt	11,085,000

**Overlapping Debt:**

City of Flagstaff	48,991,126
Flagstaff Unified School District #1	43,450,000
Sedona-Oak Creek Unified School District #9	<u>57,725,000</u>
Overlapping debt	<u>150,166,126</u>
Total direct general obligation and overlapping debt	<u><u>\$ 161,251,126</u></u>

Source: RBC Capital Markets

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



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

<b>Fiscal Year</b>	<b>Secondary Property Tax Revenues (cash basis)</b>	<b>Debt Service Requirements</b>			<b>Coverage Ratio</b>
		<b>Principal</b>	<b>Interest</b>	<b>Total</b>	
2003-04	\$ 1,931,365	\$ 820,000	\$ 1,111,005	\$ 1,931,005	1.00 %
2004-05	1,944,298	885,000	1,063,855	1,948,855	1.00
2005-06	1,963,702	955,000	1,012,968	1,967,968	1.00
2006-07	1,990,513	1,030,000	958,055	1,988,055	1.00
2007-08	2,018,822	1,105,000	898,830	2,003,830	1.01
2008-09	2,017,104	1,420,000	139,659 (1)	1,559,659	1.29
2009-10	1,985,791	1,365,000	514,086	1,879,086	1.06
2010-11	1,938,720	1,420,000	489,471	1,909,471	1.02
2011-12	1,928,151	1,485,000	460,662	1,945,662	0.99
2012-13	1,799,284	1,545,000	430,536	1,975,536	0.91

Source: District records.

(1) Bond refinancing resulted in lower interest payments.

**Coconino County Community College District**

**Ratios of Outstanding Debt**

**Last Ten Fiscal Years**

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

	<u>2012-13</u>	<u>2011-12</u>	<u>2010-11</u>	<u>2009-10</u>	<u>2008-09</u>	<u>2007-08</u>	<u>2006-07</u>	<u>2005-06</u>	<u>2004-05</u>	<u>2003-04</u>
<b>General Bonded Debt</b>										
General obligation bonds	<u>\$ 11,085</u>	<u>\$ 12,630</u>	<u>\$ 14,115</u>	<u>\$ 15,535</u>	<u>\$ 16,900</u>	<u>\$ 18,320</u>	<u>\$ 19,425</u>	<u>\$ 20,455</u>	<u>\$ 21,410</u>	<u>\$ 22,295</u>
Total general bonded debt	<u>11,085</u>	<u>12,630</u>	<u>14,115</u>	<u>15,535</u>	<u>16,900</u>	<u>18,320</u>	<u>19,425</u>	<u>20,455</u>	<u>21,410</u>	<u>22,295</u>
Per capita	\$ 81.50	\$ 93.90	\$ 105.01	\$ 119.64	\$ 131.46	\$ 143.86	\$ 154.21	\$ 164.10	\$ 173.73	\$ 183.56
Per student	\$ 5,279.58	\$ 5,361.92	\$ 5,885.17	\$ 6,579.84	\$ 7,947.33	\$ 9,214.36	\$ 9,465.45	\$ 10,136.27	\$ 10,671.92	\$ 12,223.14
As a percentage of personal income	(5)	0.27%	0.30%	0.35%	0.38%	0.45%	0.51%	0.58%	0.66%	0.74%
As a percentage of secondary net assessed valuation	0.63%	0.69%	0.68%	0.72%	0.82%	1.05%	1.32%	1.55%	1.75%	1.94%
<b>Other Debt</b>										
Installment purchase contract	-	-	-	-	-	197	-	-	-	-
Capital lease	-	-	41	72	102	131	-	-	-	-
Certificates of participation	-	-	-	-	-	-	-	-	-	-
Total other debt	<u>-</u>	<u>-</u>	<u>41</u>	<u>72</u>	<u>102</u>	<u>328</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total outstanding debt	<u>\$ 11,085</u>	<u>\$ 12,630</u>	<u>\$ 14,156</u>	<u>\$ 15,607</u>	<u>\$ 17,002</u>	<u>\$ 18,648</u>	<u>\$ 19,425</u>	<u>\$ 20,455</u>	<u>\$ 21,410</u>	<u>\$ 22,295</u>
Per capita	\$ 81.50	\$ 93.90	\$ 105.31	\$ 120.19	\$ 132.25	\$ 146.43	\$ 154.21	\$ 164.10	\$ 173.73	\$ 183.56
Per student	\$ 5,279.58	\$ 5,361.92	\$ 5,902.27	\$ 6,610.33	\$ 7,995.30	\$ 9,379.34	\$ 9,465.45	\$ 10,136.27	\$ 10,671.92	\$ 12,223.14
As a percentage of personal income	(5)	(5)	0.30%	0.35%	0.39%	0.46%	0.51%	0.58%	0.66%	0.74%
As a percentage of secondary net assessed valuation	0.63%	0.69%	0.68%	0.72%	0.83%	1.07%	1.32%	1.55%	1.75%	1.94%
Estimated County population (1)	136,011	134,511	134,421	129,849	128,558	127,350	125,966	124,653	123,235	121,460
Full Time Student Equivalent (2)	2,099.6	2,355.5	2,398.4	2,361.0	2,126.5	1,988.2	2,052.2	2,018.0	2,006.2	1,824.0
Personal Income (3)	(5)	\$ 4,620,811	\$ 4,725,407	\$ 4,481,137	\$ 4,408,897	\$ 4,056,682	\$ 3,797,409	\$ 3,511,729	\$ 3,258,728	\$ 2,999,350
Secondary Net Assessed Valuation (4)	\$ 1,759,610	\$ 1,840,139	\$ 2,083,915	\$ 2,155,851	\$ 2,057,478	\$ 1,744,823	\$ 1,473,343	\$ 1,316,977	\$ 1,222,226	\$ 1,151,482

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

(2) District records.

(3) U.S. Bureau of Economic Analysis.

(4) Coconino County Assessor.

(5) Not yet available.

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

<b>Calendar Year</b>	<b>Population (1)</b>	<b>Personal Income (1) (dollars in thousands)</b>	<b>Personal Income per Capita (1)</b>	<b>Unemployment Rate (2)</b>	
2003	121,460	\$ 2,999,350	\$ 24,694	5.7	%
2004	123,235	3,258,728	26,443	5.3	
2005	124,653	3,511,729	28,172	4.9	
2006	125,966	3,797,409	30,146	4.3	
2007	127,350	4,056,682	31,855	3.6	
2008	128,558	4,408,897	34,295	5.4	
2009	129,849	4,481,137	34,510	8.5	
2010	134,421	4,725,407	35,154	9.7	
2011	134,511	4,620,811	34,353	9.2	
2012	136,011	(3)	(3)	8.1	

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

(2) Arizona Workforce Informer.

(3) Not yet available.

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

<b>Employer (1)</b>	<b>Employees</b>		<b>Rank</b>	<b>Percentage of Total County Employment</b>
Northern Arizona University	3,560	(2)	1	5.6 %
Flagstaff Medical Center	2,200	(1)	2	3.5
W.L. Gore & Associates	1,950	(1)	3	3.1
Flagstaff Unified School District	1,375	(1)	4	2.2
Coconino County	1,325	(3)	5	2.1
City of Flagstaff	943	(4)	6	1.5
Wal-Mart	630	(1)	7	1.0
Walgreen's Distribution Center	407	(1)	9	0.6
SCA Tissue	255	(1)	8	0.4
Dell Systems	250	(1)	10	0.4
Total County Employment (5)	63,200			100.0 %

Source: (1) Flagstaff Chamber of Commerce.  
(2) Northern Arizona University  
(3) Coconino County Finance Department  
(4) City of Flagstaff Finance Department  
(5) Arizona Workforce Informer.

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

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

**Fall Historic Headcount (1)**

<b>College/Center</b>	<b>2012</b>	<b>2011</b>	<b>2010</b>	<b>2009</b>	<b>2008</b>	<b>2007</b>	<b>2006</b>	<b>2005</b>	<b>2004</b>	<b>2003</b>	<b>2002</b>
Flagstaff	3,304	3,236	3,370	4,139	3,866	3,656	3,754	3,722	3,540	3,165	3,108
Page	106	176	245	213	212	263	222	249	330	280	331
Tuba City	3	53	37	146	119	77	218	50	87	8	8
Williams	2	43	35	47	44	27	36	37	62	39	39
Fredonia	-	12	5	-	-	7	8	6	Reported with Page headcount.		
Grand Canyon	1	-	5	23	2	-	8	9	2	15	15
NAU	-	839	555	393	372	314	315	320	359	260	284
<b>Total</b>	<b>3,416</b>	<b>4,359</b>	<b>4,252</b>	<b>4,961</b>	<b>4,615</b>	<b>4,344</b>	<b>4,561</b>	<b>4,393</b>	<b>4,380</b>	<b>3,767</b>	<b>3,785</b>

**Historic FTSE (2)**

<b>Semester</b>	<b>2012-13</b>	<b>2011-12</b>	<b>2010-11</b>	<b>2009-10</b>	<b>2008-09</b>	<b>2007-08</b>	<b>2006-07</b>	<b>2005-06</b>	<b>2004-05</b>	<b>2003-04</b>	<b>2002-03</b>
Fall/Spring Average	1,836.6	2,071.4	2,067.4	2,051.0	1,842.8	1,718.5	1,774.2	1,717.0	1,691.7	1,538.1	1,439.8
Summer	176.4	196.6	220.0	202.0	171.2	161.2	173.0	192.0	187.7	181.7	160.8
Short	63.3	67.8	93.5	87.0	90.0	85.7	85.0	84.0	89.5	104.2	93.1
Adult Basic Education	23.3	19.7	17.5	21.0	22.5	22.8	20.0	25.0	37.3	-	-
<b>Total</b>	<b>2,099.6</b>	<b>2,355.5</b>	<b>2,398.4</b>	<b>2,361.0</b>	<b>2,126.5</b>	<b>1,988.2</b>	<b>2,052.2</b>	<b>2,018.0</b>	<b>2,006.2</b>	<b>1,824.0</b>	<b>1,693.7</b>

Source: District records.

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

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

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

Fall Semester	Attendance				Residency						Gender			
	FT		PT		County Resident		Out of County		Out of State		M		F	
2003	20	%	80	%	94	%	5	%	1	%	41	%	59	%
2004	20		80		93		6		1		44		56	
2005	24		76		93		6		1		44		56	
2006	23		77		93		6		1		43		57	
2007	24		76		88		10		2		43		57	
2008	23		77		87		11		2		42		58	
2009	28		72		92		8		1		43		57	
2010	31		69		79		11		8		42		58	
2011	31		69		76		8		16		33		67	
2012	31		69		73		11		16		44		56	

**Ethnic Background**

<b>Fall Semester</b>	<b>Mean Age</b>	<b>Native American</b>	<b>Asian</b>	<b>African American</b>	<b>Hispanic</b>	<b>Anglo</b>	<b>Other</b>
2003	28	18	2	1	9	68	2
2004	27	20	2	1	8	67	2
2005	27	21	1	1	9	66	2
2006	27	22	1	2	8	65	2
2007	30	23	1	2	8	64	2
2008	31	24	1	2	9	62	2
2009	29	26	1	1	9	61	2
2010	28	25	1	2	9	60	3
2011	27	24	1	2	6	60	7
2012	28	20	1	1	12	57	9

Source: District records.

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

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

Source: District records.

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

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

	<u>2012-13</u>	<u>2011-12</u>	<u>2010-11</u>	<u>2009-10</u>	<u>2008-09</u>	<u>2007-08</u>	<u>2006-07</u>	<u>2005-06</u>	<u>2004-05</u>	<u>2003-04</u>
Faculty										
Full-time faculty	39.0	40.0	39.0	42.3	43.0	44.0	40.0	40.0	36.0	32.0
Part-time faculty FTE	69.7	74.8	71.4	75.8	79.3	82.9	82.3	90.4	94.1	91.6 (1)
Total faculty FTE	<u>108.7</u>	<u>114.8</u>	<u>110.4</u>	<u>118.1</u>	<u>122.3</u>	<u>126.9</u>	<u>122.3</u>	<u>130.4</u>	<u>130.1</u>	<u>123.6</u>
Administrative and support staff	106.9	128.2	109.9	101.5	124.5	124.5	124.8	119.6	117.4	111.0
Total employees	<u>215.6</u>	<u>243.0</u>	<u>220.3</u>	<u>219.6</u>	<u>246.8</u>	<u>251.4</u>	<u>247.1</u>	<u>250.0</u>	<u>247.5</u>	<u>234.6</u>
Average class size	18.0	18.0	18.9	18.1	16.6	15.4	15.2	14.2	14.3	14.5 (1)

Source: District records.

(1) Historic numbers recalculated with a standardized method to assure accurate and consistent date.



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

Square Footage:	2012-13	2011-12	2010-11	2009-10	2008-09	2007-08	2006-07	2005-06
Academic areas:								
Laboratories - Lone Tree Campus	6,840	6,840	6,840	5,400	5,400	5,400	5,400	5,400
Instructional - Lone Tree Campus	97,607	97,607	97,607	96,369	96,369	96,369	96,369	96,369
Instructional - 4th Street Campus	48,900	48,900	48,900	48,900	48,900	48,900	48,900	48,900
Instructional - Williams Campus	-	4,108	4,108	4,108	4,108	4,108	4,108	4,108
Instructional - Page Campus	19,325	19,325	19,325	19,325	19,325	19,325	19,325	19,325
Administrative areas:								
Lone Tree Campus	20,600	20,600	20,600	20,600	20,600	20,600	20,600	20,600
4th Street Campus	700	700	700	700	700	700	700	700
Williams Campus	-	240	240	240	240	240	240	240
Page Campus	1,080	1,080	1,080	1,080	1,080	1,080	1,080	1,080
Library	500	500	500	500	500	500	500	500
Dining	1,560	1,560	1,560	1,560	1,560	1,560	1,560	1,560
Bookstore	2,210	2,210	2,210	2,210	2,210	2,210	2,210	2,210
Childcare	-	-	-	2,678	2,678	2,678	2,678	2,678
Total square footage	<u>199,322</u>	<u>203,670</u>	<u>203,670</u>	<u>203,670</u>	<u>203,670</u>	<u>203,670</u>	<u>203,670</u>	<u>203,670</u>
Library - number of volumes	360	511	511	1,775	1,775	1,775	1,775	1,775
Dining - seating capacity	40	40	40	40	40	40	40	40
Dining - average daily customers	175	175	175	175	175	175	175	175
Number of Vehicles:								
Street vehicles	5	5	5	5	5	5	4	4
Forklift	1	1	1	1	1	1	1	1
Bobcat loader	1	1	1	1	1	1	1	1
Tractor	1	1	1	1	1	1	1	1
Dump truck	1	1	1	1	1	1	1	1
Backhoe	1	1	1	1	1	1	1	1
Trailer	2	2	2	1	1	1	1	1
Snow plow	-	-	-	1	1	1	1	1
Parking Capacity:								
Lone Tree Campus	500	500	500	500	500	500	500	500
4th Street Campus	235	235	235	235	235	235	235	235
Williams Campus	- (1)	24	24	24	24	24	24	24
Page Campus	78	78	78	78	78	78	78	78
Total parking capacity	<u>813</u>	<u>837</u>	<u>837</u>	<u>837</u>	<u>837</u>	<u>837</u>	<u>837</u>	<u>837</u>

Source: District records.

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

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