

Pinal County Community College District

(Central Arizona College)

Signal Peak

Superstition Mountain

Aravaipa

Maricopa

San Tan



Signal Peak Campus

Comprehensive Annual Financial Report

Fiscal Year Ended June 30, 2015



**Central
Arizona
College**

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

Comprehensive Annual Financial Report
Fiscal Year Ended June 30, 2015



**Central
Arizona
College**

Prepared by the Business Affairs Department

Chris Wodka, VP Business Affairs



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Pinal County Community College District
(Central Arizona College)
Comprehensive Annual Financial Report
Fiscal Year Ended June 30, 2015

Table of Contents

INTRODUCTORY SECTION

Letter of Transmittal	1
List of Principal Officers	6
Organizational Chart	7

FINANCIAL SECTION

Independent Auditors' Report	9
Required Supplementary Information — Management's Discussion and Analysis	11
Basic Financial Statements	
Statement of Net Position — Primary Government	19
Statement of Financial Position — Component Unit	21
Statement of Revenues, Expenses, and Changes in Net Position — Primary Government	22
Statement of Activities — Component Unit	23
Statement of Cash Flows — Primary Government	24
Notes to Financial Statements	26
Other Required Supplementary Information	
Schedule of the District's Proportionate Share of the Net Pension Liability	53
Schedule of District Pension Contributions	54

STATISTICAL SECTION

Narrative to the Statistical Section	56
Financial Trends	
Net Position by Component	57
Changes in Net Position	58
Statutory Limit to Budgeted Expenditures	59
Revenue Capacity	
Property Tax Levies and Collections	60
Pinal County Assessed Value and Estimated Actual Value of Taxable Property	61
Direct and Overlapping Property Tax Rates	62
Pinal County Direct Property Tax Rates	63
Assessed Valuation, Tax Rate and Levy History	64
Principal Property Taxpayers for Pinal County	65
Debt Capacity	
Ratios of Outstanding Debt by Type	66
Ratio of Net General Obligation Bonded Debt to Assessed Value and Net General Bonded Debt Per Capita	67
Ratio of Annual Debt Service Expenditures to Operating Expenses/Expenditures	68
Ratio of Pledged Revenue Obligations to Annual Debt Service Expenditures	69
Legal Debt Margin Information	70

Pinal County Community College District
(Central Arizona College)
Comprehensive Annual Financial Report
Fiscal Year Ended June 30, 2015

Demographic and Economic Information	
Principal Employers for Pinal County	71
Pinal County Demographic and Economic Statistics	72
Economic Indicators for Pinal County	73
Miscellaneous Statistics for Pinal County	74
Operating Information	
Student Enrollment, Degree and Demographic Statistics	75
Historic Enrollment	76
Faculty and Staff Statistics	77
Capital Asset Information	78
Tuition Schedule	79



Introductory Section



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December 15, 2015

The District Governing Board of Pinal County Community College District:

The Comprehensive Annual Financial Report (CAFR) of the Pinal County Community College District (the "District"), for the fiscal year ended June 30, 2015, is submitted herewith.

Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation including all disclosures, rests with the District. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and are reported in a manner designed to present fairly the financial position and results of operations of the District. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included. Please read the management's discussion and analysis in conjunction with the Vice President of Business Affairs and Executive Director II, Accounting Services/Comptroller's transmittal letter.

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

The District is required to undergo an annual audit. Audit services are provided to the District by the State of Arizona Office of the Auditor General. For the year ended June 30, 2015, the State of Arizona Office of the Auditor General has issued an unmodified opinion of the District's financial statements. The independent auditors' report is displayed in the front of the financial section of these statements.

The Reporting Entity

The District is an independent reporting entity within the criteria established by GAAP and the GASB. According to GASB Statement No. 14, the financial reporting entity consists of "a primary government, organizations for which the primary government is financially

Central Arizona College District Offices				
Superstition Mountain Campus 805 S. Idaho Road Apache Junction, AZ 85119	Aravaipa Campus 80440 E. Aravaipa Road Winkelman, AZ 85192	Signal Peak Campus 8470 North Overfield Road Coolidge, AZ 85128-9030	Maricopa Campus 17945 North Regent Drive Maricopa, AZ 85138-7808	San Tan Campus 3736 E. Bella Vista Rd San Tan Valley, AZ 85143
1-800-237-9814 www.centralaz.edu				

accountable, and other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete." The District is a primary government because it is a special-purpose government that has a separately elected governing body, is legally separate, and is fiscally independent of other state and local governments. Although the District shares the same geographic boundaries with Pinal County, financial accountability for all activities related to public community college education in Pinal County is exercised solely by the District. In accordance with GASB Statement No. 39, the financial activity of the Central Arizona College Foundation is presented as a component unit of the District. The District is not included in any other governmental financial reporting entity.

History

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

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

For 46 years now, the District has been serving and educating the diverse communities of Pinal County. With a total of five campuses and three centers located strategically throughout the county, the District provides accessible, educational, economic, cultural, and personal growth opportunities for those of all ages.

Service Area

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

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

The county is home to many interesting attractions, including the Old West Highway 60, Casa Grande Ruins National Monument, Picacho Peak State Park, Picacho Reservoir, Boyce Thompson Southwestern Arboretum, Oracle State Park and Columbia University's Biosphere II, McFarland State Park, Lost Dutchman State Park, Skydive Arizona, the world's largest skydiving drop-zone, and the Florence Historical District, with 120 buildings on the National Register.

Economic Outlook

Forecasts made by the Economic & Business Research Center, Eller College of Management, The University of Arizona, indicate that Arizona's economic condition improved in 2015 but at a slower growth rate than in 2014. While retail sales grew by 3.3 percent, it is a decrease from the 3.4 percent increase in 2014, signifying continued but modest growth. The growth rate in the state economy is anticipated to pick up speed beginning in 2016 and last through 2017. During the fiscal year 2016, the County's economy is projected to improve slightly in the areas of personal income, retail sales, and employment. In addition, statewide personal income is forecasted to increase by 4.6 percent and retail sales are forecasted to increase 3.7 percent in 2016.

Figures from the Arizona Department of Administration, Office of Employment and Population Statistics (ADOA), indicate that Pinal County's population is projected to increase by 2.8% from 2014 to 2015 and ADOA published forecasts show slight population gains of 3.4 percent and 3.7 percent projected for 2016 and 2017, respectively. As of June 30, 2015, 146,949 persons were employed in Pinal County, up slightly from 130,829 in June of 2014. Employment trends showed that the County unemployment rate of 6.5 percent was slightly higher than the national rate of 5.3 percent at June 30, 2015. This unemployment rate is slightly improved compared to the rate of 8.1 percent in 2014.

According to June 2015 data published by Coldwell Banker, housing unit sales volume increased by 14.7 percent and the average price of units sold increased by 3.2 percent.

Historically, when economic conditions are improving, enrollment in community colleges decreases. The College experienced decreased enrollment of 6.7 percent for fiscal year 2015 and enrollment for the fall 2015 term is currently down from the prior year by over 0.92 percent.

Major Program Initiatives

Major Accomplishments in 2014-2015

- In February 2015, four Central Arizona College students were selected to the 2015 All-Arizona Academic Team – Nathaniel Bush, Socorro Carrillo, William Gray and David Rowlands. Bush and Rowlands were also named Coca-Cola Scholars.
- Central Arizona College student, Jennifer Montreuil-McGowan, was one of eight students selected internationally as an Oberndorf Lifeline to Completion Scholar.
- Effective March 13, 2015, the Institutional Actions Council of the Higher Learning Commission continued the accreditation status of Central Arizona College through 2022-2023.
- Professor of Mathematics, Mallory Parsons and Dr. Kim Osteen-Petreshock, Professor of Choral Studies each earned the George Fridell Excellence in Teaching Award.
- Central Arizona College awarded a total of 1,154 degrees and certificates to 847 graduates for the 2014-2015 academic year.

- Central Arizona College was awarded a \$10 million TAACCCT grant and established the Arizona Regional Advanced Manufacturing Professional Upgrade project (AZ RAMP Up).
- Central Arizona College awarded more than \$1.15 million in Promise for the Future Scholarships to a total of 635 students for the 2015 academic year.

Major Issues & Resolutions in 2014-2015

- Several new programs were offered to prepare Pinal County residents for high paying jobs including Communication Studies, Logistics-Organization Management and Manufacturing Engineering. Additionally, the Culinary Arts Program was expanded to three campuses.
- The College extended Weekend College programming to the Apache Junction area to increase enrollment in the program by 5%.
- Business and Industry Boards were established at all campuses to enhance workforce development efforts.

Future Program Initiatives

Upcoming Issues for 2015-2016

- The College President is retiring and the College has started a national search for a new president.
- One Governing Board member is being recalled. The election is scheduled for March 8, 2016.
- The College will continue implementation of Competency Based Education programs upon approval from the Higher Learning Commission.
- Central Arizona College will develop a strategic enrollment plan focused on recruitment and retention to address enrollment challenges.
- Central Arizona College will work diligently to implement a fully compliant district-wide Title IX program and Cleary Act program.
- The College will implement a new Central Arizona College Mobile Application.
- Central Arizona College will develop a facilities plan to renovate or build two buildings that have exceeded their normal life at the Signal Peak Campus. They are more than 45 years old.
- The College is looking at the possibility of replacing or upgrading its Enterprise Resource Planning software.

Acknowledgements

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

Respectfully submitted,

Chris Wodka

Vice President of Business Affairs

Luisa M. Ott

Executive Director II, Accounting
Services/Comptroller

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

Principal Officers

June 30, 2015



District Governing Board

Gladys S. Christensen, President, District 1

Rita A. Nader, Secretary/Vice President, District 4

Mr. Richard D. Gibson, District 3

Dr. Debra L. Banks, District 2

Jack Yarrington, District 5

Senior Administration

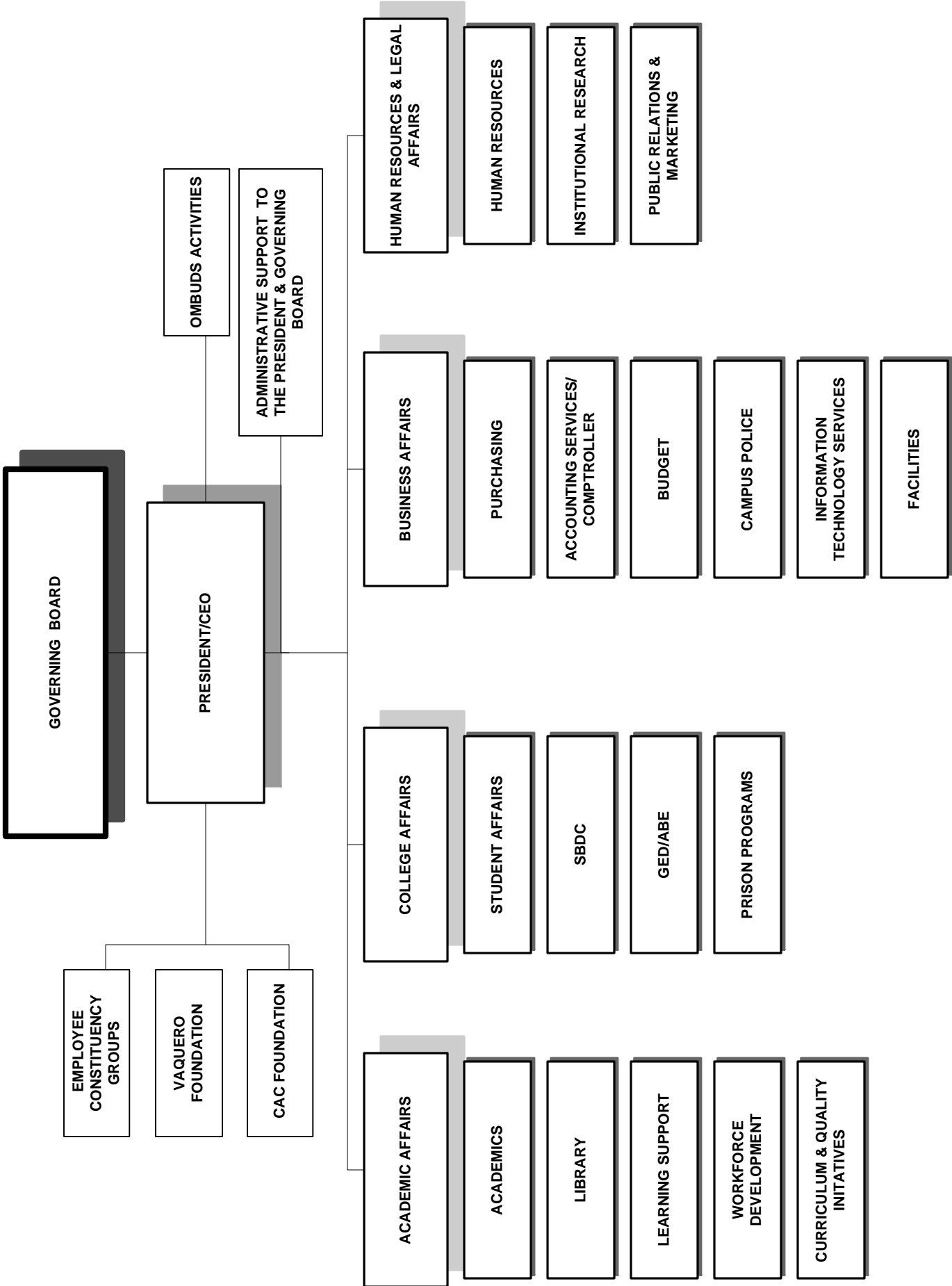
Dr. Doris Helmich, President

Dr. James Moore, Vice President College Affairs

Chris Wodka, Vice President Business Affairs

James Kimsey, Vice President Human Resources

Pinal County Community College District
(Central Arizona College)
Organizational Chart as of June 30, 2015





Financial Section



DEBRA K. DAVENPORT, CPA
AUDITOR GENERAL

STATE OF ARIZONA
OFFICE OF THE
AUDITOR GENERAL

MELANIE M. CHESNEY
DEPUTY AUDITOR GENERAL

Independent Auditors' Report

Members of the Arizona State Legislature

The Governing Board of
Pinal County Community College District

Report on the Financial Statements

We have audited the accompanying financial statements of the business-type activities and discretely presented component unit of the Pinal County Community College District as of and for the year ended June 30, 2015, 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 auditors consider 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 Pinal County Community College District as of June 30, 2015, 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.

Emphasis of Matter

As discussed in Note 1 to the financial statements, for the year ended June 30, 2015, the District adopted new accounting guidance, Governmental Accounting Standards Board (GASB) Statement No. 68, *Accounting and Financial Reporting for Pensions*, as amended by GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date*. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

U.S. generally accepted accounting principles require that the Management's Discussion and Analysis on pages 11 through 18, Schedule of the District's Proportionate Share of the Net Pension Liability on page 53, and Schedule of District Pension Contributions on page 54 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.

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 December 15, 2015, 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.

Debbie Davenport
Auditor General

December 15, 2015

Pinal County Community College District
(Central Arizona College)
Management's Discussion and Analysis
Fiscal Year Ended June 30, 2015

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, 2015. Please read it in conjunction with the transmittal letter on page 1 and the District's financial statements, which immediately follow.

Basic Financial Statements

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

Information on the component unit can be found in the report in the component unit's Statement of Financial Position and Statement of Activities, as well as Note 10. Management's Discussion and Analysis focuses only on the District and does not address the component unit.

The Statement of Net Position reflects the financial position of the District at June 30, 2015. The statement shows the District's assets, deferred outflows and inflows of resources, liabilities, and net position. Net position reflects the institutional equity in the District's total assets.

The Statement of Revenues, Expenses, and Changes in Net Position reflects the results of operations and changes for the fiscal year ended June 30, 2015. This statement reports revenues and expenses, categorized as operating and nonoperating, special and extraordinary items, and the changes in net position for the year.

The Statement of Cash Flows reflects the cash and cash equivalent inflows and outflows for the year ended June 30, 2015. It shows cash flows from operating activities, noncapital financing activities, capital and related financing activities, and investing activities. It also provides for a reconciliation of beginning and ending cash and cash equivalent balances for the year and a reconciliation of the cash flows from operating activities to the operating loss as reported on the Statement of Revenues, Expenses, and Changes in Net Position.

Pinal County Community College District
(Central Arizona College)
Management's Discussion and Analysis
Fiscal Year Ended June 30, 2015

Condensed Financial Information

<u>Net Position — Primary Government</u>		
	<u>As of June 30, 2015</u>	<u>As of June 30, 2014</u>
Assets:		
Current assets	\$ 50,812,520	\$ 45,475,892
Noncurrent assets, other than capital assets	4,940,286	2,468,232
Capital assets, net	<u>159,156,279</u>	<u>163,804,208</u>
Total assets	<u>214,909,085</u>	<u>211,748,332</u>
Deferred Outflows of Resources:		
Deferred outflows related to pensions	<u>3,790,038</u>	-
Total deferred outflows of resources	<u>3,790,038</u>	-
Liabilities:		
Long-term liabilities	133,107,718	105,761,001
Other liabilities	<u>2,917,956</u>	<u>2,777,268</u>
Total liabilities	<u>136,025,674</u>	<u>108,538,269</u>
Deferred Inflows of Resources:		
Deferred inflows related to pensions	<u>6,414,318</u>	-
Total deferred inflows of resources	<u>6,414,318</u>	-
Net Position:		
Net investment in capital assets	60,370,065	60,212,992
Restricted	4,468,022	5,812,903
Unrestricted	<u>11,421,044</u>	<u>37,184,168</u>
Total net position	<u>\$ 76,259,131</u>	<u>\$ 103,210,063</u>

Financial Highlights and Analysis

Total assets increased by \$3.2 million in the fiscal year ending June 30, 2015, due largely to an increase in cash and investments. The increase in cash and investments was primarily from an increase in revenue mainly due to increases in property tax and tuition revenue, as well as a decrease in expenditures due mainly to position vacancies throughout the fiscal year. Total liabilities increased by \$27.5 million primarily due to the implementation of GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, and GASB Statement No. 71, *Pension Transition for Contributions*

Pinal County Community College District
(Central Arizona College)
Management's Discussion and Analysis
Fiscal Year Ended June 30, 2015

Made Subsequent to the Measurement Date. The statement also reflects deferred inflows/outflows related to pensions as a result of the implementation of GASB 68 and GASB 71. Total net position decreased by \$27.0 million (26 percent) in fiscal year 2015 compared with an increase of \$3.2 million (3.2 percent) over the previous year. Total unrestricted net position decreased by \$25.8 million mainly due to the implementation of GASB Statement No. 68 and GASB Statement No. 71.

Changes in Net Position — Primary Government		
	Year Ended June 30, 2015	Year Ended June 30, 2014
Operating revenues	\$ 6,395,645	\$ 6,205,327
Operating expenses	63,356,232	65,229,663
Operating Loss	<u>(56,960,587)</u>	<u>(59,024,336)</u>
Nonoperating revenues less expenses	<u>65,093,902</u>	<u>62,267,091</u>
Increase in net position	<u>8,133,315</u>	<u>3,242,755</u>
Net position, beginning of year	<u>68,125,816 *</u>	<u>99,967,308</u>
Net position, end of year	<u><u>\$ 76,259,131</u></u>	<u><u>\$ 103,210,063</u></u>
*As restated		

During fiscal year 2015, there was an increase in total revenues of \$2.4 million when compared with the prior year. Property tax revenues increased by \$1.4 million due to an increase in the primary tax rate of .02 percent and a decrease in the secondary property tax rate and 0.0059 percent as well as the total assessed valuation slightly increasing from the prior year. The primary assessed values and secondary assessed values increased around 1 percent and 2 percent, respectively, for fiscal year 2015. Operating revenues increased by \$0.2 million due mainly to increases in tuition and fees.

State appropriations increased by \$640,500 due to additional funding received for STEM (Science, Technology, Engineering and Math) funding. Investment income increased by 51.3 percent because reserve cash balances increased during the fiscal year.

Total expenses decreased by 3.5 percent as compared with the prior year due primarily to a decrease in academic and institutional support expenses, as well as decreases in scholarships provided to students. The decrease in the academic and institutional support functions was due primarily to a decrease in spending from the prior year. In the prior year, the District had increases in academic and institutional support expenses due to spending on computers and equipment for the newer campuses and replacements of computers and equipment for the older campuses. Scholarship expense decreased due to less funding being available.

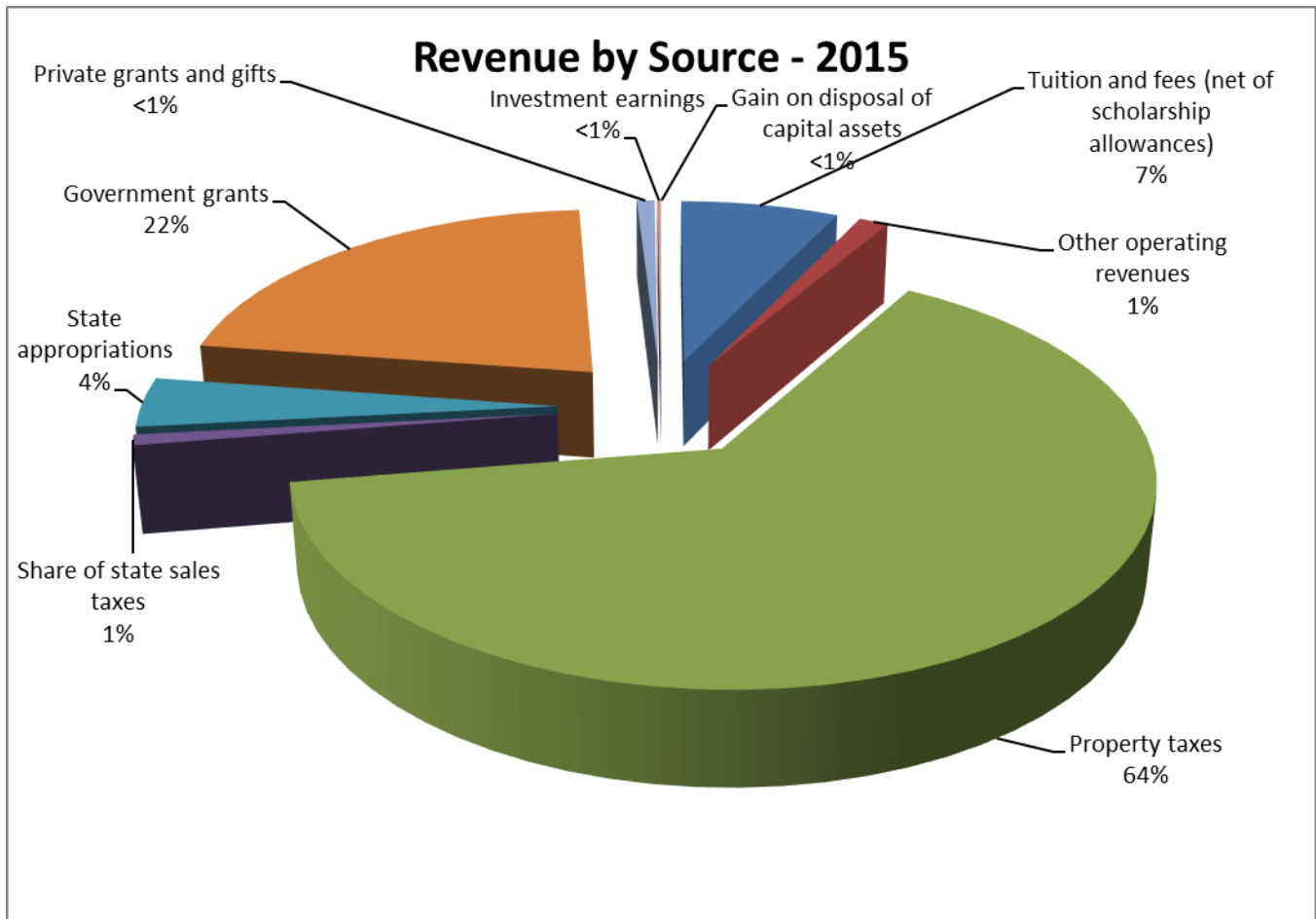
The following is a summary of revenues for fiscal years ended June 30, 2015, and June 30, 2014:

Pinal County Community College District
(Central Arizona College)
Management's Discussion and Analysis
Fiscal Year Ended June 30, 2015

Revenues by Source — Primary Government

	<u>Year Ended</u> <u>June 30, 2015</u>		<u>Year Ended</u> <u>June 30, 2014</u>	
Operating revenues:				
Tuition and fees (net of scholarship allowances)	\$ 5,393,072	7.1%	\$ 5,274,693	7.2%
Other operating revenues	1,002,573	1.3%	930,634	1.3%
Total operating revenues	<u>6,395,645</u>	<u>8.4%</u>	<u>6,205,327</u>	<u>8.5%</u>
Nonoperating revenues:				
Property taxes	48,307,654	64.0%	46,906,012	64.2%
State appropriations	3,033,200	4.0%	2,392,700	3.3%
Government grants	16,364,967	21.7%	16,385,572	22.4%
Share of state sales taxes	649,792	0.9%	738,258	1.0%
Private grants and gifts	607,478	0.8%	334,269	0.5%
Investment earnings	120,475	0.2%	79,625	0.1%
Gain on disposal of capital assets	4,591	0.0%	-	0.0%
Total nonoperating revenues	<u>69,088,157</u>	<u>91.6%</u>	<u>66,836,436</u>	<u>91.5%</u>
Total revenues	<u>\$ 75,483,802</u>	<u>100.0%</u>	<u>\$ 73,041,763</u>	<u>100.0%</u>

Pinal County Community College District
(Central Arizona College)
Management's Discussion and Analysis
Fiscal Year Ended June 30, 2015

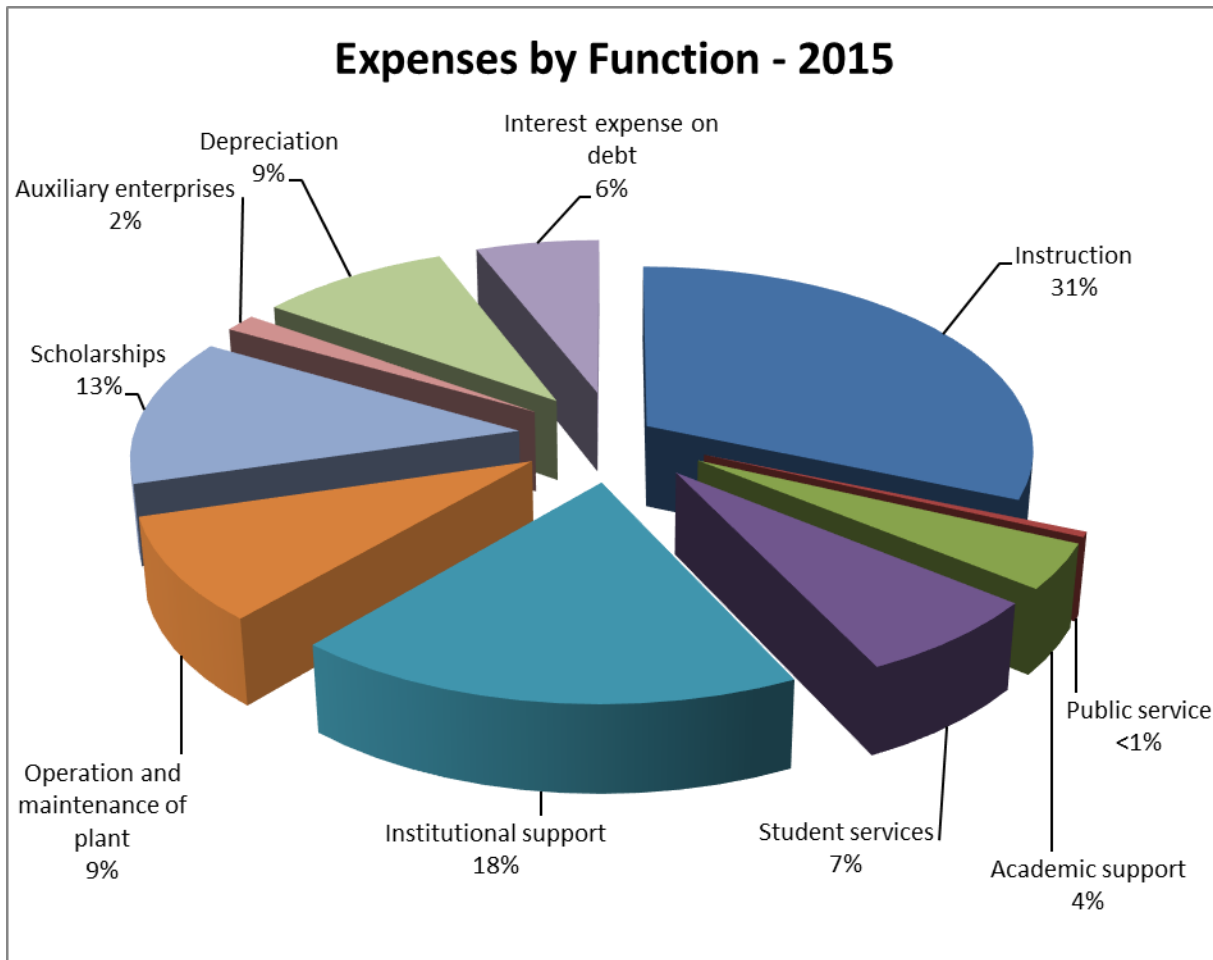


Pinal County Community College District
(Central Arizona College)
Management's Discussion and Analysis
Fiscal Year Ended June 30, 2015

The following is a summary of expenses for fiscal years ended June 30, 2015 and June 30, 2014:

<u>Expenses by Function — Primary Government</u>				
	<u>Year Ended</u>		<u>Year Ended</u>	
	<u>June 30, 2015</u>		<u>June 30, 2014</u>	
Operating expenses:				
Educational and general:				
Instruction	\$ 21,167,536	31.4%	\$ 21,077,842	30.2%
Public service	313,846	0.5%	260,855	0.4%
Academic support	2,667,475	4.0%	3,181,172	4.6%
Student services	4,736,622	7.0%	4,797,955	6.9%
Institutional support	12,402,954	18.4%	13,851,937	19.8%
Operation and maintenance of plant	6,123,290	9.1%	6,584,000	9.4%
Scholarships	8,695,427	12.9%	9,035,684	12.9%
Auxiliary enterprises	1,047,126	1.6%	1,082,034	1.5%
Depreciation	6,201,956	9.2%	5,358,184	7.7%
Total operating expenses	<u>63,356,232</u>	<u>94.1%</u>	<u>65,229,663</u>	<u>93.4%</u>
Nonoperating expenses:				
Interest expense on debt	3,994,255	5.9%	4,382,623	6.3%
Loss on disposal of capital assets	<u>-</u>	<u>0.0%</u>	<u>186,722</u>	<u>0.3%</u>
Total nonoperating expenses	<u>3,994,255</u>	<u>5.9%</u>	<u>4,569,345</u>	<u>6.6%</u>
Total expenses	<u>\$ 67,350,487</u>	<u>100%</u>	<u>\$ 69,799,008</u>	<u>100%</u>

Pinal County Community College District
(Central Arizona College)
Management's Discussion and Analysis
Fiscal Year Ended June 30, 2015



Capital Assets and Debt Administration

As of June 30, 2015, the District's capital assets, net of accumulated depreciation, totaled \$159.2 million, a decrease of \$4.6 million from the prior year, due to purchases and dispositions netting to \$1.6 million and depreciation expense of \$6.2 million. Capital assets include land, equipment, buildings, improvements other than buildings, library books, water rights, and construction in progress. Additional information on capital assets can be found in Note 3 to the District's financial statements.

The District issued \$40 million Series A general obligation bonds in fiscal year 2010 as a part of the \$99 million capital project initiative approved by the voters in 2008. The District issued the remaining \$59 million Series B general obligation bonds in fiscal year 2012. The District used these proceeds to fund the Superstition Mountain Campus expansion, purchase land for the new Maricopa Campus, construct the first phase of the new Maricopa Campus, purchase land for the new San Tan Campus, construct the first phase of the new San Tan Campus, and renovate selected buildings on the Signal Peak and Aravaipa Campuses. Both bond issues have been rated Aa2 by Moody's Investment Services and AA- by Standard and Poor's. The District also issued revenue refunding bonds in the amount of \$7.8 million

Pinal County Community College District
(Central Arizona College)
Management's Discussion and Analysis
Fiscal Year Ended June 30, 2015

during the fiscal year 2015. The proceeds were used to advance refund the outstanding balance of the series 2004 revenue bonds and 2004 pledged revenue obligations. Additional information on the District's long-term debt is discussed in Note 4 to the District's financial statements.

Current Factors Having Probable Future Financial Significance

For fiscal year 2015 the primary assessed value for property in the county increased by 1 percent and the secondary assessed value for property increased by 2 percent. The county projected additional recovery in home prices last year and an additional 5 percent increase in assessed values for fiscal year 2015. The District is continuing to develop budgetary strategies to fund its commitment to expand access to postsecondary education for Pinal County residents.

Requests for Information

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

Pinal County Community College District
(Central Arizona College)
Statement of Net Position — Primary Government
June 30, 2015

	Business-Type Activities
Assets	
Current assets:	
Cash and investments	\$ 43,152,973
Receivables:	
Accounts (net of allowance of \$349,962)	3,404,905
Property taxes (net of allowance of \$265,426)	3,084,058
Government grants	1,153,736
Student loans (net of allowance of \$1,318)	-
Other (net of allowance of \$381)	16,848
Total current assets	<u>50,812,520</u>
Noncurrent assets:	
Restricted assets:	
Cash and investments held by County Treasurer	3,267,049
Cash and investments held by trustees	1,667,050
Other receivables (net of allowance of \$140)	6,187
Capital assets, not being depreciated	26,166,556
Capital assets, being depreciated, net	<u>132,989,723</u>
Total noncurrent assets	<u>164,096,565</u>
Total assets	<u>214,909,085</u>
Deferred Outflows of Resources	
Deferred outflows related to pensions	<u>3,790,038</u>
Total deferred outflows of resources	<u>3,790,038</u>
Liabilities	
Current liabilities:	
Accounts payable	713,968
Accrued payroll and employee benefits	978,457
Interest payable	126,446
Deposits held in custody for others	531,135
Insurance claims payable	567,950
Current portion of compensated absences payable	965,492
Current portion of long-term debt	<u>4,845,205</u>
Total current liabilities	<u>8,728,653</u>

(Continued)

Pinal County Community College District
(Central Arizona College)
Statement of Net Position — Primary Government
June 30, 2015
(Continued)

	Business-Type Activities
Noncurrent liabilities:	
Compensated absences payable	\$ 1,298,839
Long-term debt	93,941,009
Net pension liability	32,057,173
Total noncurrent liabilities	<u>127,297,021</u>
 Total liabilities	 <u>136,025,674</u>
 Deferred Inflows of Resources	
Deferred inflows related to pensions	<u>6,414,318</u>
Total deferred inflows of resources	<u>6,414,318</u>
 Net Position	
Net investment in capital assets	60,370,065
Restricted:	
Expendable:	
Grants and contracts	783,297
Loans	65,095
Debt service	3,619,630
Unrestricted	<u>11,421,044</u>
 Total net position	 <u><u>\$ 76,259,131</u></u>

Pinal County Community College District
(Central Arizona College)
Statement of Financial Position — Component Unit
June 30, 2015

	Central Arizona College Foundation
Assets	
Current assets:	
Cash and cash equivalents	\$ 351,047
Certificates of deposit	63,761
Total current assets	<u>414,808</u>
Noncurrent Assets:	
Certificates of deposit	437,398
Investments	3,377,290
Total noncurrent assets	<u>3,814,688</u>
Total assets	<u>\$ 4,229,496</u>
Liabilities	
Accounts payable	<u>166,552</u>
Total liabilities	<u>166,552</u>
Net Assets	
Unrestricted	176,468
Temporarily restricted	626,993
Permanently restricted	<u>3,259,483</u>
Total net assets	<u>4,062,944</u>
Total liabilities and net assets	<u><u>\$ 4,229,496</u></u>

See accompanying notes to financial statements.

Pinal County Community College District
(Central Arizona College)
Statement of Revenues, Expenses, and Changes in Net Position — Primary Government
Year Ended June 30, 2015

	Business-Type Activities
Operating revenues:	
Tuition and fees (net of scholarship allowances of \$6,435,796)	\$ 5,393,072
Dormitory rentals and fees (net of scholarship allowances of \$292,308)	230,773
Other	771,800
Total operating revenues	<u>6,395,645</u>
Operating expenses:	
Educational and general:	
Instruction	21,167,536
Public service	313,846
Academic support	2,667,475
Student services	4,736,622
Institutional support	12,402,954
Operation and maintenance of plant	6,123,290
Scholarships	8,695,427
Auxiliary enterprises	1,047,126
Depreciation	6,201,956
Total operating expenses	<u>63,356,232</u>
Operating loss	<u>(56,960,587)</u>
Nonoperating revenues (expenses):	
Property taxes	48,307,654
State appropriations	3,033,200
Government grants	16,364,967
Share of state sales taxes	649,792
Private grants and gifts	607,478
Investment earnings	120,475
Interest expense on debt	(3,994,255)
Gain on disposal of capital assets	4,591
Total nonoperating revenues and expenses	<u>65,093,902</u>
Increase in net position	<u>8,133,315</u>
Net position as restated, July 1, 2014	<u>68,125,816</u>
Net position, July 30, 2015	<u>\$ 76,259,131</u>

Pinal County Community College District
(Central Arizona College)
Statement of Activities — Component Unit
Year Ended June 30, 2015

	Central Arizona College Foundation			
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Revenues, gains, and other support				
Contributions	\$ 20,432	\$ 76,554	\$ 76,874	\$ 173,860
Contributions - donated services and space	138,083	-	-	138,083
Investment income	156,725	-	-	156,725
Net realized and unrealized gain on investments	(153,030)	(74,910)	-	(227,940)
Net assets released from restrictions	<u>703,374</u>	<u>(469,217)</u>	<u>(234,157)</u>	<u>-</u>
Total revenues, gains and other support	<u>865,584</u>	<u>(467,573)</u>	<u>(157,283)</u>	<u>240,728</u>
Expenses				
Scholarships	668,677	-	-	668,677
Office operation expenses	<u>159,749</u>	<u>-</u>	<u>-</u>	<u>159,749</u>
Total expenses	<u>828,426</u>	<u>-</u>	<u>-</u>	<u>828,426</u>
Change in net assets	37,158	(467,573)	(157,283)	(587,698)
Net assets, beginning of year	<u>139,310</u>	<u>1,094,566</u>	<u>3,416,766</u>	<u>4,650,642</u>
Net assets, end of year	<u>\$ 176,468</u>	<u>\$ 626,993</u>	<u>\$ 3,259,483</u>	<u>\$ 4,062,944</u>

See accompanying notes to financial statements.

Pinal County Community College District
(Central Arizona College)
Statement of Cash Flows — Primary Government
Year Ended June 30, 2015

	Business-Type Activities
Cash flows from operating activities:	
Tuition and fees	\$ 5,913,313
Dormitory rentals and fees	244,342
Collection of loans to students	2,544
Other receipts	804,124
Payments to suppliers and providers of goods and services	(12,996,336)
Payments for employee wages and benefits	(34,725,205)
Payments to students for scholarships	(8,699,342)
Other payments	(837,499)
Net cash used for operating activities	<u>(50,294,059)</u>
Cash flows from noncapital financing activities:	
Property taxes	48,486,327
State appropriations	3,033,200
Grants	17,030,553
Share of state sales taxes	649,792
Noncapital endowments and gifts	607,478
Federal direct lending receipts	5,288,569
Federal direct lending disbursements	(5,288,569)
Deposits held in custody for others received	104,854
Deposits held in custody for others disbursed	5,210
Net cash provided by noncapital financing activities	<u>69,917,414</u>
Cash flows from capital and related financing activities:	
Proceeds from the issuance of capital debt	2,700
Proceeds from the sale of capital assets	6,962
Principal paid on capital debt	(4,720,056)
Interest paid on capital debt	(4,226,819)
Purchases of capital assets	(1,615,327)
Net cash used for capital and related financing activities	<u>(10,552,540)</u>
Cash flows from investing activities:	
Proceeds from sales and maturities of investments	10,996,729
Interest received on investments	120,475
Purchase of investments	(10,723,823)
Net cash provided by investing activities	<u>393,381</u>
Net increase in cash and cash equivalents	9,464,196
Cash and cash equivalents, July 1, 2014	<u>36,955,826</u>
Cash and cash equivalents, June 30, 2015	<u>\$ 46,420,022</u>

(Continued)

Pinal County Community College District
(Central Arizona College)
Statement of Cash Flows — Primary Government
Year Ended June 30, 2015
(Continued)

	<u>Business-Type Activities</u>
Reconciliation of operating loss to net cash used for operating activities:	
Operating loss	\$ (56,960,587)
Adjustments to reconcile operating loss to net cash used for operating activities:	
Depreciation	6,201,956
Changes in assets, deferred outflows of resources, liabilities, and deferred inflows of resources:	
Increase in:	
Accrued payroll and employee benefits	301,318
Deferred outflows of resources related to pensions	(1,700,362)
Compensated absences payable	94,546
Deferred inflows of resources related to pensions	6,414,318
Decrease in:	
Receivables, net	538,136
Student loans receivable	213
Accounts payables	(58,549)
Insurance claims payable	(8,298)
Net pension liability	(5,116,750)
Net cash used for operating activities	<u>\$ (50,294,059)</u>
Noncash investing, capital, and noncapital financing activities:	
Refinancing of long-term debt	\$ 7,812,300
Disposal of capital assets being depreciated	189,803
Elimination of accumulated depreciation on disposal of capital assets	179,633
Amortization of bond premium	87,646
Reconciliation of cash and cash equivalents, as presented on the Statement of Net Position:	
Cash and investments	43,152,973
Restricted assets:	
Cash and investments held by County Treasurer	3,267,049
Total cash and cash equivalents, June 30, 2015	<u>\$ 46,420,022</u>

Pinal County Community College District
(Central Arizona College)
Notes to Financial Statements
June 30, 2015

Note 1 — Summary of Significant Accounting Policies

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

For the year ended June 30, 2015, the District implemented the provisions of GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, as amended by GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date*. GASB Statement Nos. 68 and 71 establish standards for measuring and recognizing net pension liabilities, deferred outflows of resources, deferred inflows of resources, and expenses related to pension benefits provided through defined benefit pension plans. In addition, Statement No. 68 requires disclosure of information related to pension benefits.

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 Central Arizona College Foundation (Foundation).

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

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

During the year ended June 30, 2015, the Foundation distributed \$668,677 to the District for restricted purposes. Complete financial statements for the Foundation can be obtained from the Central Arizona College Foundation, 8470 North Overfield Road, Coolidge, AZ 85128.

**Pinal County Community College District
(Central Arizona College)
Notes to Financial Statements
June 30, 2015**

B. Basis of Presentation and Accounting

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

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

A statement of revenues, expenses, and changes in net position provides information about the District's financial activities during the year. Revenues and expenses are classified as either operating or nonoperating, and all changes in net position are reported, including capital contributions and additions to endowments. Operating revenues and expenses generally result from exchange transactions. Accordingly, revenues, such as tuition and dormitory charges, in which each party receives and gives up essentially equal values, are considered operating revenues. Other revenues, such as property taxes, state appropriations, and government grants result from transactions in which parties do not exchange equal values and are considered nonoperating revenues. Operating expenses include the cost of sales and services, administrative expenses, and depreciation on capital assets. Other expenses, such as interest expense on debt, are considered nonoperating expenses.

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

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

Internal transactions and activities, such as transfers between funds, revenues and expenses recorded for internal service activities, and certain internal revenues and expenses recorded for grant activity have been eliminated for financial statement purposes.

Pinal County Community College District
(Central Arizona College)
Notes to Financial Statements
June 30, 2015

C. Cash and Investments

For the statement of cash flows, the District's cash and cash equivalents are considered to be cash on hand, demand deposits, cash and investments held by the County Treasurer, and only those highly liquid investments with a maturity of 3 months or less when purchased. All investments are stated at fair value.

D. Capital Assets

Capital assets are reported at actual cost (or estimated historical cost if historical records are not available). Donated assets are reported at estimated fair value at the time received.

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

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

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

Pinal County Community College District
(Central Arizona College)
Notes to Financial Statements
June 30, 2015

E. Deferred Outflows and Inflows of Resources

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

F. Pensions

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

G. Investment Earnings

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

H. Compensated Absences

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

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

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

I. Scholarship Allowances

A scholarship allowance is the difference between the stated charge for goods and services the District provides and the amount that the student or third parties making payments on the student's behalf pays. Accordingly, some types of student financial aid, such as Pell grants and

Pinal County Community College District
(Central Arizona College)
Notes to Financial Statements
June 30, 2015

scholarships the District awards, 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. Although, not statutorily required, the District has also chosen to deposit other public monies in its custody with the County Treasurer. A.R.S. requires collateral for deposits at 102 percent of all deposits not covered by federal depository insurance. A.R.S. does not include any requirements for credit risk, concentration of credit risk, interest rate risk, or foreign currency risk for the District's investments.

Deposits – At June 30, 2015, the carrying amount of the District's deposits was \$15,011,357 and the bank balance was \$12,006,813. The District does not have a policy with respect to custodial credit risk.

Investments – The District's investments at June 30, 2015, were as follows:

Investment Type	Amount
County Treasurer's investment pool	\$ 31,390,720
Mutual funds - U.S. Treasury securities	1,667,050
Total	<u>\$ 33,057,770</u>

The District's investment in the County Treasurer's investment pool represents a proportionate interest in that pool's portfolios; however, the District's portion is not identified with specific investments and the pool's structure does not provide for shares.

Credit risk - The District does not have a formal policy with respect to credit risk. At June 30, 2015, credit risk for the District's investments was as follows:

Investment Type	Rating	Rating Agency	Amount
County Treasurer's investment pool	Unrated	Not applicable	\$ 31,390,720
Mutual funds-U.S. Treasury securities	Aaa	Moody's	1,667,050
Total			<u>\$ 33,057,770</u>

Pinal County Community College District
(Central Arizona College)
Notes to Financial Statements
June 30, 2015

Custodial credit risk - For an investment, custodial credit risk is the risk that, in the event of the counterparty's failure, the District will not be able to recover the value of its investments or collateral securities that are in an outside party's possession. The District does not have a formal policy with respect to custodial credit risk. At June 30, 2015, the District had \$1,667,050 of Mutual Funds-US Treasury securities that were uninsured, not registered in the District's name, and held by the counterparty's trust department or agent but not in the District's name.

Interest rate risk - The District does not have a formal policy for interest rate risk. At June 30, 2015, the District had the following investments in debt securities:

Investment Type	Amount	Weighted Average Maturity
County Treasurer's investment pool	\$ 31,390,720	1.66 months
Mutual funds-U.S. Treasury securities	1,667,050	0.90 months
Total	<u>\$ 33,057,770</u>	

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

Cash, deposits, and investments:		Statement of Net Position:	
Cash on hand	\$ 17,945	Cash and investments	\$ 43,152,973
Amount of deposits	15,011,357	Restricted assets:	
Amount of investments	33,057,770	Cash and investments held by County Treasurer	3,267,049
		Cash and investments held by trustees	1,667,050
Total	<u>\$ 48,087,072</u>	Total	<u>\$ 48,087,072</u>

Pinal County Community College District
(Central Arizona College)
Notes to Financial Statements
June 30, 2015

Note 3 — Capital Assets

Capital asset activity for the year ended June 30, 2015, was as follows:

	Balance July 1, 2014	Increases	Decreases	Balance June 30, 2015
Capital assets not being depreciated:				
Land	\$ 26,013,275			\$ 26,013,275
Construction in progress		\$ 153,281		153,281
Total capital assets not being depreciated	26,013,275	153,281		26,166,556
Capital assets being depreciated:				
Buildings	137,281,629	646,925	\$ 56,688	137,871,866
Improvements other than buildings	29,705,822	48,034	14,161	29,739,695
Water rights	1,171,172			1,171,172
Equipment	14,830,718	602,585	118,954	15,314,349
Library books	1,888,256	113,372		2,001,628
Total capital assets being depreciated	184,877,597	1,410,916	189,803	186,098,710
Less accumulated depreciation for:				
Buildings	27,082,762	3,096,480	53,586	30,125,656
Improvements other than buildings	7,045,881	1,872,362	14,161	8,904,082
Water rights	11,712	23,423		35,135
Equipment	11,599,555	1,123,524	111,885	12,611,194
Library books	1,346,754	86,166		1,432,920
Total accumulated depreciation	47,086,664	6,201,955	179,632	53,108,987
Total capital assets being depreciated, net	137,790,933	(4,791,039)	10,171	132,989,723
Capital assets, net	\$ 163,804,208	\$ (4,637,758)	\$ 10,171	\$ 159,156,279

Pinal County Community College District
(Central Arizona College)
Notes to Financial Statements
June 30, 2015

Note 4 — Long-Term Liabilities

The following schedule details the District's long-term liability and obligation activity for the year ended June 30, 2015:

	Balance 7/1/2014, as restated	Additions	Reductions	Balance June 30, 2015	Due within 1 year
Bonds payable:					
General obligation bonds	\$ 88,680,000		\$ 2,740,000	\$ 85,940,000	\$ 2,810,000
Premium	1,928,220		87,646	1,840,574	87,646
Revenue refunding bonds		\$ 7,815,000		7,815,000	1,610,000
Revenue bonds	4,185,000		4,185,000		
Pledged revenue obligations payable	5,285,000		5,285,000		
Total bonds payable	100,078,220	7,815,000	12,297,646	95,595,574	4,507,646
Capital leases payable	3,512,996		322,356	3,190,640	337,559
Compensated absences payable	2,169,785	1,328,116	1,233,570	2,264,331	965,492
Net pension liability	37,173,923		5,116,750	32,057,173	
Total long-term liabilities	\$ 142,934,924	\$ 9,143,116	\$ 18,970,322	\$ 133,107,718	\$ 5,810,697

Bonds – The District's bonded debt consists of general obligation bonds and revenue bonds that are generally callable with interest payable semiannually. Bond proceeds primarily pay for acquiring or constructing capital facilities. In fiscal year 2010, the District issued general obligation bonds totaling \$40 million to fund the purchase of land, the construction of new facilities, the renovation of existing facilities, and the purchase of equipment. In fiscal year 2012, the District issued the remaining \$59 million of voter-approved general obligation bonds to fund the remaining costs associated with these projects. In addition, the District issued revenue bonds in fiscal year 2004, a portion of which were used to advance refund previously issued bonds. During the year ended June 30, 2015, the District issued revenue refunding bonds with an average interest rate of 1.46 percent, the proceeds from the bonds were used to advance refund the outstanding balance of the series 2004 revenue bonds and 2004 pledged revenue obligations, at the date of refunding \$3.42 million (average interest rate 4.25%) and \$4.305 million (average interest rate 3.97%), respectively. The District realized net proceeds of \$7.815 million and after payment of \$7.812 million to repay debt, underwriting fees, insurance, and other issuance costs the district used the remaining \$2,700 to offset related debt interest costs. Details of the refunding transactions are as follows:

Pinal County Community College District
(Central Arizona College)
Notes to Financial Statements
June 30, 2015

Revenue Refunding Bond

Amount of refunding bonds issued	\$ 7,815,000
Amount of bonds refunded	
Series 2004 Revenue Bonds	3,420,000
2004 Pledged Revenue Obligations	4,305,000
Reduction in debt service payments	428,804
Economic gain	424,281

The District repays general obligation bonds from voter-approved property taxes. Revenue bonds are pledged with gross revenues and are currently repaid from tuition and fees and dormitory rentals and fees. Bonds outstanding at June 30, 2015, were as follows:

Description	Original Amount Issued	Maturity Ranges	Interest Rates	Outstanding Principal
General Obligation Bonds - Series 2012B	\$58,975,000	7/1/15 - 36	2.0-4.5%	\$51,875,000
General Obligation Bonds - Series 2009A	40,000,000	7/1/15 - 34	4.0-5.25%	34,065,000
Revenue Refunding Bonds - Series 2014	7,815,000	7/1/15 - 18	1.46%	7,815,000

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. As of June 30, 2015 the District's total net debt applicable to the limit was 28.07% of the legal debt limit. The bonds are subject to federal arbitrage regulations.

The following schedule details debt service requirements to maturity for the District's bonds payable at June 30, 2015:

Year Ending June 30	Revenue Refunding Bonds		General Obligation Bonds	
	Principal	Interest	Principal	Interest
2016	1,610,000	102,346	2,810,000	3,739,418
2017	2,040,000	75,701	2,905,000	3,643,818
2018	2,065,000	45,736	3,010,000	3,544,918
2019	2,100,000	15,330	3,115,000	3,442,368
2020	-	-	3,225,000	3,323,318
2021-24	-	-	14,225,000	11,975,522
2025-29	-	-	21,880,000	10,926,790
2030-34	-	-	27,750,000	5,303,994
2035-36	-	-	7,020,000	424,000
Total	<u>\$ 7,815,000</u>	<u>\$ 239,113</u>	<u>\$ 85,940,000</u>	<u>\$ 46,324,146</u>

Pinal County Community College District
(Central Arizona College)
Notes to Financial Statements
June 30, 2015

Capital leases - The District has acquired energy-savings equipment under the provisions of a long-term lease agreement classified as a capital lease for accounting purposes because it provides for a bargain purchase option or a transfer of ownership by the end of the lease term.

The assets acquired through the capital lease are as follows:

Improvements other than buildings	\$ 3,087,228
Equipment	2,249,586
Less accumulated depreciation	<u>(3,793,200)</u>
Carrying value	<u><u>\$ 1,543,614</u></u>

The following schedule details debt service requirements to maturity for the District's capital lease payable at June 30, 2015:

Year ending June 30	
2016	\$ 472,720
2017	473,786
2018	474,900
2019	476,063
2020	477,274
2021-23	<u>1,439,619</u>
Total minimum lease payments	3,814,362
Less amount representing interest	<u>(623,722)</u>
Present value of net minimum lease payments	<u><u>\$ 3,190,640</u></u>

Pinal County Community College District
(Central Arizona College)
Notes to Financial Statements
June 30, 2015

Note 5 — Risk Management

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The District participates with other Arizona community college districts and more than 200 Arizona school districts in the Arizona School Risk Retention Trust, Inc. (Trust), a public-entity risk pool. The Trust insures the District against liabilities arising from general liability; professional liability; property, automobile, boiler and machinery liability; and commercial crime risks. The coverage limit for general liability is \$10 million with no deductible except for employer's liability, which is \$500,000. The coverage limit for professional liability is \$10 million with no deductible (except for student's clinical practicum, the coverage limit is \$3 million, no deductible). The coverage limit for property insurance is \$172.7 million with a \$1,000 deductible. The coverage limit for automobile liability is \$10 million with no deductible. The coverage limit for commercial crime is \$1,500,000 with a \$100 deductible. The Trust's operating agreement includes a provision for the member to be charged an additional assessment in the event that total claims paid by the Trust exceed the members' contributions and reserves in any single year. The District will be charged for any such assessment in the following year.

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

Insurance Claims – The District finances uninsured risks of loss for certain health benefits to eligible employees and dependents. The healthcare plan provides coverage for claims up to \$95,000 for each individual per year, not to exceed an aggregate stop loss of \$1 million. The District purchases commercial insurance for claims in excess of these limits. Settled claims have not exceeded the District's coverage for this plan in any of the past 3 fiscal years. An independent administrator provides claim and recordkeeping services for the plan.

The insurance claims payable liability of \$567,948 at June 30, 2015, is the estimated ultimate cost of settling claims that have been reported but not settled and claims that have been incurred but not reported. This estimate is based on historical data for health insurance claims reported during the year, prior-year claims of continuing duration, and claims incurred but not reported as of June 30, 2015. Changes in the District's claims payable for the years ended June 30, 2015, and June 30, 2014, were as follows:

	2015	2014
Claims payable, beginning of year	\$ 576,248	\$ 397,059
Current year claims and changes in estimates	5,055,476	4,720,682
Claims payments	<u>(5,063,774)</u>	<u>(4,541,493)</u>
Claims payable, end of year	<u><u>\$ 567,950</u></u>	<u><u>\$ 576,248</u></u>

Pinal County Community College District
(Central Arizona College)
Notes to Financial Statements
June 30, 2015

Note 6 — Operating Leases

The District leases classroom and office space under provisions of various long-term lease agreements classified as operating leases for accounting purposes. Rental expenses under the terms of the operating leases were \$744,990 for the year ended June 30, 2015. The operating leases have remaining non-cancelable terms of 1 to 6 years and provide renewal options. The future minimum payments required under the operating leases at June 30, 2015, were as follows:

Year ending June 30	
2016	349,701
2017	363,689
2018	378,237
2019	393,366
2020	409,101
2021	425,465
Total minimum lease payments	<u>\$ 2,319,559</u>

Note 7 — Pension and Other Postemployment Benefits

Arizona State Retirement System (ASRS)

Plan Descriptions – District employees participate in the Arizona State Retirement System (ASRS). The ASRS administers a cost-sharing multiple-employer defined benefit pension plan, a cost-sharing multiple-employer defined benefit health insurance premium benefit (OPEB) plan, and a cost-sharing multiple-employer defined benefit long-term disability (OPEB) plan. The Arizona State Retirement System Board governs the ASRS according to the provisions of A.R.S. Title 38, Chapter 5, Article 2 and 2.1. The ASRS is a component unit of the State of Arizona. The ASRS issues a publically available financial report that includes its financial statements and required supplementary information. The report is available on its Web site at www.azasrs.gov. The District also contributes to the Public Safety Personnel Retirement System (PSPRS), a state administered agent multiple-employer defined benefit pension plan. The net pension liability for PSPRS has not been recorded at June 30, 2015 and no further disclosures are presented due to its relative insignificance to the Districts financial statements.

Benefits Provided – The ASRS provides retirement, health insurance premium supplement, long-term disability, and survivor benefits. State statute establishes benefits terms. Retirement benefits are calculated on the basis of age, average monthly compensation and service credit as follows:

Pinal County Community College District
(Central Arizona College)
Notes to Financial Statements
June 30, 2015

Retirement

Initial membership date:

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

* With actuarially reduced benefits.

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

Contributions – In accordance with state statutes, annual actuarial valuations determine active member and employer contribution requirements. The combined active member and employer contribution rates are expected to finance the costs of benefits employees earn during the year, with an additional amount to finance any unfunded accrued liability. For the year ended June 30, 2015, active ASRS members were required by statute to contribute at the actuarially determined rate of 11.6 percent (11.48 percent for retirement and 0.12 percent for long-term disability) of the members' annual covered payroll, and the District was required by statute to contribute at the actuarially determined rate of 11.6 percent (10.89 percent for retirement, 0.59 percent for health insurance premium benefit, and 0.12 percent for long-term disability) of the active members' annual covered payroll.

In addition, the District was required by statute to contribute at the actuarially determined rate of 9.57 percent (9.31 percent for retirement, .20 percent health benefit and 0.06 percent for long-term disability) of annual covered payroll of retired members who worked for the District in positions that would typically be filled by an employee who contributes to the ASRS. The District's contributions to the pension plan for the year ended June 30, 2015 were \$2,160,799.

Pinal County Community College District
(Central Arizona College)
Notes to Financial Statements
June 30, 2015

The District's contributions for the current and 2 preceding years for OPEB, all of which were equal to the required contributions, were as follows:

Years ended June 30,	Health Benefit Supplement Fund	Long-Term Disability Fund
2015	\$58,404	\$11,481
2014	\$56,738	\$22,639
2013	\$67,260	\$23,057

Pension Liability – At June 30, 2015, the District reported a liability of \$32,057,173 for its proportionate share of the ASRS's net pension liability. The net pension liability was measured as of June 30, 2014. The total pension liability used to calculate the net pension liability was determined using update procedures to roll forward the total pension liability from an actuarial valuation as of June 30, 2013, to the measurement date of June 30, 2014. The District's proportion of the net pension liability was based on the District's actual contributions to the plan relative to the total of all participating employers' contributions for the year ended June 30, 2014. The District's proportion measured as of June 30, 2014 was .217 percent, which was a decrease of .007 from its proportion measured as of June 30, 2013.

Pension Expense and Deferred Outflows/Inflows of Resources – For the year ended June 30, 2015 the District recognized pension expense for ASRS of \$1,758,005. At June 30, 2015, the District reported deferred outflows of resources and deferred inflows of resources related to pension from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 1,629,239	
Net difference between projected and actual earnings on pension plan investments		\$ 5,605,810
Changes in proportion and differences between district contributions and proportionate share of contributions		808,508
District contributions subsequent to the measurement date	2,160,799	
Total	<u>\$ 3,790,038</u>	<u>\$ 6,414,318</u>

Pinal County Community College District
(Central Arizona College)
Notes to Financial Statements
June 30, 2015

The \$2,160,799 reported as deferred outflows of resources related to ASRS pensions resulting from district contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to ASRS pensions will be recognized in pension expense as follows:

Year Ending June 30	
2016	\$ (1,044,613)
2017	(1,044,613)
2018	(1,294,401)
2019	(1,401,452)

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

Actuarial valuation date	June 30, 2013
Actuarial roll forward date	June 30, 2014
Actuarial cost method	Entry age normal
Investment rate of return	8%
Projected salary increases	3-6.75%
Inflation	3%
Permanent benefit increase	Included
Mortality rates	1994 GAM Scale BB

Actuarial assumptions used in the June 30, 2013 valuation were based on the results of an actuarial experience study for the 5-year period ended June 30, 2012.

The long-term expected rate of return on ASRS pension plan investments was determined to be 8.79 percent using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Pinal County Community College District
(Central Arizona College)
Notes to Financial Statements
June 30, 2015

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Equity	63%	7.03%
Fixed income	25%	3.20%
Real estate	8%	4.75%
Commodities	4%	4.50%
Total	100%	

Discount Rate – The discount rate used to measure the ASRS total pension liability was 8 percent, which is less than the long-term expected rate of return of 8.79 percent. The projection of cash flows used to determine the discount rate assumed that contributions from participating employers will be made based on the actuarially determined rates based on the ASRS Board's funding policy, which established the contractually required rate under Arizona statute. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the District's Proportionate Share of the ASRS Net Pension Liability to Changes in the Discount Rate – The following table presents the District's proportionate share of the net pension liability calculated using the discount rate of 8 percent, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (7 percent) or 1 percentage point higher (9 percent) than the current rate:

	1% Decrease (7%)	Current Discount Rate (8%)	1% Increase (9%)
District's proportionate share of the net pension liability	\$ 40,518,623	\$ 32,057,173	\$ 27,466,412

Pension Plan Fiduciary Net Position – Detailed information about the pension plan's fiduciary net position is available in the separately issued ASRS financial report.

Pension Contributions Payable – The District's accrued payroll and employee benefits included \$12,932 of outstanding pension contribution amounts payable to ASRS for the year ended June 30, 2015.

Pinal County Community College District
(Central Arizona College)
Notes to Financial Statements
June 30, 2015

Note 8 — Operating Expenses

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

Personal services	\$ 34,709,977
Contract services	5,454,502
Supplies and other services	5,033,777
Communications and utilities	2,449,508
Scholarships	8,695,427
Depreciation	6,201,956
Other	811,085
Total	<u><u>\$ 63,356,232</u></u>

Note 9 — Change in Accounting Principle

Net position as of July 1, 2014, has been restated as follows for the implementation of GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, as amended by GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date*.

	Primary Government
Net Position as previously reported at June 30, 2014	\$ 103,210,063
Prior period adjustment - implementation of GASB 68:	
Net pension liability (measurement date as of June 30, 2013)	(37,173,923)
Deferred outflows - district contributions made during fiscal year 2014	<u>2,089,676</u>
Total prior period adjustment	<u>(35,084,247)</u>
Net position as restated, July 1, 2014	<u><u>\$ 68,125,816</u></u>

Pinal County Community College District
(Central Arizona College)
Notes to Financial Statements
June 30, 2015

Note 10 — Central Arizona College Foundation

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

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

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

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. Temporarily restricted net assets are composed of assets that have been restricted by the donors and contain either time or purpose restrictions plus unspent accumulated investment income on the permanently restricted endowments.

Promises to Give - Unconditional promises to give are recognized as revenues in the period the promise is received and as assets, decreases of liabilities or expenses depending on the form of the benefits received. Conditional promises to give are recognized when the conditions on which they depend are substantially met. Unconditional promises to give that are to be collected within 1 year are recorded at net realizable value. Unconditional promises to give that are expected to be collected in future years are recorded at the present value of their estimated future cash flows. The discounts on those amounts are computed using rates as determined by management applicable to the years in which the promises are received. Amortization of the discounts is included in contribution support.

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

Pinal County Community College District
(Central Arizona College)
Notes to Financial Statements
June 30, 2015

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

- Level 1 Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Foundation has the ability to access.
- Level 2 Inputs to the valuation methodology include:
- Quoted prices for similar assets or liabilities in active markets;
 - Quoted prices for identical or similar assets or liabilities in inactive markets;
 - Inputs other than quoted prices that are observable for the asset or liability;
 - Inputs that are derived principally from or corroborated by observable market data by correlation or other means.
- If the asset or liability has a specified term (contractual term), the Level 2 input must be observable for substantially the full term of the asset or liability.
- Level 3 Inputs to the valuation methodology are unobservable and significant to the fair value measurement, and usually reflect the Foundation's own assumptions that market participants would use in pricing the assets (i.e. real estate valuations, broker quotes).

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

Investment income or loss (including realized and unrealized gains and losses) on endowment funds are included in the change in temporarily restricted net assets in the accompanying statement of activities. Investment income on other funds is included in the change in unrestricted net assets, unless the income or loss is restricted by donor or law. The Foundation invests most of the endowments in an investment pool which is managed by an investment advisor to the Foundation. This is a commission based account and investment fees are assessed on transaction activity.

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

Endowment Funds - The Foundation's endowment funds consist of approximately 40 funds established for a variety of purposes. The endowment funds include donor-restricted endowment funds. Net assets associated with these endowment funds, are classified and reported based on the existence or absence of donor-imposed restrictions.

Pinal County Community College District
(Central Arizona College)
Notes to Financial Statements
June 30, 2015

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

The Foundation classifies as permanently restricted net assets (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The remaining portion of the donor-restricted endowment fund that is not classified in permanently restricted net assets is classified as temporarily restricted net assets until those amounts are appropriated for expenditure by the Foundation in a manner consistent with the standard of prudence prescribed by MCFA.

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

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

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

Contributions - Contributions received are recorded as unrestricted, temporarily restricted or permanently restricted, depending on the existence and/or nature of any donor restrictions. All donor-restricted support is reported as an increase in temporarily or permanently restricted net assets depending on the nature of the restriction. When a restriction expires (that is, when a

Pinal County Community College District
(Central Arizona College)
Notes to Financial Statements
June 30, 2015

stipulated time restriction ends or purpose restriction is accomplished), temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

Donated materials, services and space are recorded at their estimated fair value upon receipt. In-kind donations during the year ended June 30, 2015 include contribution of the Foundation Executive Director salaries and benefits of \$103,497, contribution of the Foundation Secretary salaries and benefits of \$32,786 and facility space donations of \$1,800. Contributions of non-monetary items that are converted to cash within a short period of time are recorded as contribution income in the statement of activities. Contributions of donated services that creates or enhances non-financial assets or that require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation services.

Scholarship Expense and Scholarships Payable - The College's Financial Aid Office is responsible for determining student eligibility and qualifications under the various scholarship funds and provides the Foundation with a detail of total scholarship funds awarded. Scholarships are expensed for financial statement purposes when the funds are committed by the College's financial aid office.

Functional Expenses - Management and general expenses include direct office operation expenses that are not directly identifiable with any other specific function but provide for the overall support and direction of the Foundation.

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

The Foundation recognizes uncertain tax positions in the financial statements when it is more-likely-than-not the positions will not be sustained upon examination by the tax authorities. At June 30, 2015, the Foundation had no uncertain tax positions that qualify for either recognition or disclosure in the financial statements

Federal income tax returns generally remain open for three years after they are filed and state income tax returns generally remain open for four years after they are filed, and both are subject to examination by taxing authorities.

The Foundation recognizes interest and penalties associated with income taxes in operating expenses. During the year ended June 30, 2015, the Foundation did not have any income tax related interest and penalty expense.

Use of Estimates - The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

Pinal County Community College District
(Central Arizona College)
Notes to Financial Statements
June 30, 2015

Date of Management's Review - In preparing these financial statements, the Foundation has evaluated events and transactions for potential recognition or disclosure through August 24, 2015, the date the financial statements were available to be issued.

Concentration of Credit Risk - Financial instruments that subject the Foundation to potential concentrations of credit risk consist principally of cash and cash equivalent and investments. The Foundation maintains its cash in bank accounts, which at times may exceed federally insured limits. At June 30, 2015, the bank balances did exceed the federally insured limits by \$33,925.

The Foundation also maintains cash in accounts with stock brokerage firms. The accounts contain cash and securities. Balances are insured up to \$500,000 (with a limit of \$250,000 for cash) by the Securities Investor Protection Corporation (SIPC). Balances over \$500,000 are insured by the brokerage firms. At June 30, 2015, balances held with the stock brokerage firms exceeded the federally insured limits by \$3,444,511 although, were insured by the brokerage firm. The Foundation has not experienced any losses in such amounts and believes it is not exposed to any significant credit risk on its cash balances.

Certificates of Deposit - Certificates of deposit consisted of the following at June 30, 2015:

<u>Maturity Date</u>	<u>Interest Rate</u>	<u>Amount</u>
3/31/2016	2.75%	\$ 63,761
Long-Term:		
3/31/2017	3.00%	64,449
4/1/2020	3.55%	64,039
12/21/2021	3.00%	63,252
4/5/2022	2.80%	58,998
4/4/2023	3.05%	63,032
10/1/2024	3.15%	63,237
4/15/2025	2.90%	60,391
		<u>\$ 437,398</u>

Pinal County Community College District
(Central Arizona College)
Notes to Financial Statements
June 30, 2015

Investments - The following is a summary of the value of investments at June 30, 2015:

Unit Trusts	\$ 59,428
Stocks	1,085,378
Mutual Funds	2,232,484
	<u>\$ 3,377,290</u>

The following schedule summarizes the investment return for the year ended June 30, 2015:

Interest and dividend income	\$ 156,725
Net realized gains	187,612
Net unrealized gains	(415,552)
	<u>\$ (71,215)</u>

Investment return is reported net of related investment expenses in the statement of activities. The amount of expense/commissions netted with income was \$29,919 for the year ended June 30, 2015.

Fair Value of Financial Instruments - Investments with readily determinable fair values are measured at fair value in the statement of financial position as determined by quoted market prices in active markets (Level 1) or measured based on prices for identical assets in non-active markets (Level 2).

The following is a summary of these fair values at June 30, 2015:

	Level 1	Level 2	Total
Measured at fair value on a recurring basis			
Unit Trusts	\$ 59,428	\$ -	\$ 59,428
Stocks	1,085,378	-	1,085,378
Mutual Funds	2,232,484	-	2,232,484
Total Investments	<u>\$ 3,377,290</u>	<u>\$ -</u>	<u>\$ 3,377,290</u>

Pinal County Community College District
(Central Arizona College)
Notes to Financial Statements
June 30, 2015

Restricted Net Assets - Permanently restricted net assets are restricted to investment in perpetuity, the income from which is expendable to support services and programs to Central Arizona College and the students of Central Arizona College as designated by the donors. At June 30, 2015, the Foundation held 36 permanently restricted net asset funds. Temporarily restricted net assets are expendable for the purposes designated by their source. At June 30, 2015, the Foundation held 45 temporarily restricted net asset funds.

The nature of these restrictions is as follows:

Permanently restricted net assets

The portion of perpetual endowment funds that is
required to be retained permanently either by explicit
donor stipulation or by MCFA

\$ 3,259,483

Temporarily restricted net assets

The investment income on perpetual endowment funds
subject to a time restriction under MCFA

\$ 269,526

Other net assets temporarily purpose restricted:

Scholarships (non-endowed)

357,467
\$ 626,993

Pinal County Community College District
(Central Arizona College)
Notes to Financial Statements
June 30, 2015

Endowment Funds - Endowment funds include funds restricted in perpetuity by the donors. Endowment net asset composition by type of fund as of June 30, 2015 is as follows:

	Temporarily Restricted	Permanently Restricted	Total Endowment Funds
Permanently restricted funds	<u>\$ 269,526</u>	<u>\$ 3,259,483</u>	<u>\$ 3,529,009</u>

Changes in endowment funds are as follows:

	Temporarily Restricted	Permanently Restricted	Total Endowment Funds
Balance, June 30, 2014	\$ 532,509	\$ 3,416,766	\$ 3,949,275
Contributions	-	76,874	76,874
Interest and dividend income	-	-	-
Realized and unrealized gains	(71,312)	-	(71,312)
Amounts appropriated for expenditure	(139,993)	-	(139,993)
Transfers	(51,678)	(234,157)	(285,835)
Balance, June 30, 2015	<u>\$ 269,526</u>	<u>\$ 3,259,483</u>	<u>\$ 3,529,009</u>

During the year ended June 30, 2015, \$285,835 was transferred out of permanently restricted endowment funds and into temporarily restricted funds. This amount represents the balances of three funds that were transferred due to a re-examination of the original donor agreements. Management determined that it was appropriate for these funds to be classified as temporarily restricted for the purposes of scholarships.

Concentrations - Concentrations include contribution income. Each year the Foundation typically receives contributions from donors that are considered significant in relation to total contribution income. These contributions are generally restricted for a specific purpose and are not used for operations. During the year ended June 30, 2015, significant contributions include an amount from one donor whose contribution netted to approximately 43% of total support.

Pinal County Community College District
(Central Arizona College)
Notes to Financial Statements
June 30, 2015

Related Party Transactions - The staff members of the Foundation are employees of Central Arizona College. The College donated the cost of salaries and benefits for the Foundation's Executive Director and the Foundation Secretary for the year ending June 30, 2015. In prior years the Foundation would reimburse the college for payroll and other operating expenses paid by Central Arizona College. The balance of accounts payable at June 30, 2015 is primarily made up of amounts due to the College for these expenses. Other College employees assist the Foundation and the Foundation is not charged for their services. No amounts have been recorded for these non-reimbursed payroll costs as the services are deemed to be solely for carrying out the operations of the College activities. In addition, the President of the College is a voting member of the Foundation's Board of Directors. Other College employees, by virtue of their position, provide advisory services within the Foundation. As a result, Central Arizona College has significant input regarding the operations and goals of the Foundation. The current Foundation investment advisor is also a voting member of the foundation board.



**Central
Arizona
College**

Other Required Supplementary Information

Pinal County Community College District
(Central Arizona College)
Required Supplementary Information
Schedule of the District's Proportionate Share of the Net Pension Liability
June 30, 2015

Arizona State Retirement System

	Reporting Fiscal Year	
	(Measurement Date)	
	2015 (2014)	2014 through 2006
District's proportion of the net pension liability	0.22%	Information
District's proportionate share of the net pension liability	\$ 32,057,173	not available
District's covered-employee payroll	\$ 19,327,742	
District's proportionate share of the net pension liability as a percentage of its covered-employee payroll	165.86%	
Plan fiduciary net position as a percentage of the total pension liability	69.49%	

Pinal County Community College District
(Central Arizona College)
Required Supplementary Information
Schedule of District Pension Contributions
June 30, 2015

Arizona State Retirement System	Reporting Fiscal Year		
	2015	2014	2013 through 2006 Information not available
Statutorily required contribution	\$ 2,160,799	\$ 2,089,676	
District's contributions in relation to the statutorily required contribution	2,160,799	2,089,676	
District's contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	
District's covered-employee payroll	\$ 19,528,236	\$ 19,327,742	
District's contributions as a percentage of covered-employee payroll	11.06%	10.81%	



Statistical Section

NARRATIVE TO THE STATISTICAL SECTION

Financial Trends

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

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

Revenue Capacity

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

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

Debt Capacity

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

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

Demographic and Economic Information

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

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

Operating Information

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

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

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

	Fiscal Year									
	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Net Investment in Capital Assets	\$ 60,370,065	\$ 60,212,992	\$ 54,487,137	\$ 22,232,514	\$ 22,107,043	\$ 20,365,305	\$ 19,714,853	\$ 16,202,720	\$ 15,918,189	\$ 15,834,859
Restricted - Expendable	4,468,022	5,812,903	10,016,468	2,210,949	2,565,183	2,679,369	1,596,057	8,372,183	6,975,613	4,501,715
Restricted - Nonexpendable	11,421,044	37,184,168	35,463,703	72,733,072	67,642,071	57,695,264	45,750,655	31,923,782	22,356,953	14,383,785
Unrestricted	\$ 76,259,131	\$ 103,210,063	\$ 99,967,308	\$ 97,176,535	\$ 92,314,297	\$ 80,739,938	\$ 67,061,565	\$ 56,498,685	\$ 45,250,755	\$ 34,720,359
Total Net Position										

Source: District audited financial statements

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

	Fiscal Year									
	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Operating revenues:										
Tuition and fees* (net of scholarship allowances)	\$ 5,393,072	\$ 5,274,693	\$ 5,997,913	\$ 5,783,033	\$ 5,546,834	\$ 5,341,242	\$ 5,923,455	\$ 4,902,355	\$ 5,155,768	\$ 3,590,339
Bookstore income (net of scholarship allowances)	-	-	-	-	-	-	-	-	1,242,776	757,979
Food service income	-	-	-	-	-	-	-	6,537	37,406	33,589
Dormitory rentals and fees* (net of scholarship allowances)	230,773	247,141	281,699	256,706	259,952	263,745	309,758	303,302	261,196	251,896
Other operating revenues	771,800	683,493	1,050,519	706,729	612,877	620,024	440,743	613,591	593,860	490,333
Total operating revenues	\$ 6,395,645	\$ 6,205,327	\$ 7,330,131	\$ 6,746,468	\$ 6,419,663	\$ 6,225,011	\$ 6,673,956	\$ 5,825,785	\$ 7,291,006	\$ 5,124,136
* Pledged as security for revenue obligations and bonds										
Operating expenses:										
Educational and General										
Instruction	\$ 21,167,536	\$ 21,077,842	\$ 20,884,600	\$ 20,278,756	\$ 20,583,431	\$ 20,832,207	\$ 18,913,011	\$ 17,291,369	\$ 16,371,021	\$ 15,498,733
Public service	313,846	260,855	372,572	254,705	246,036	230,119	251,802	271,389	378,081	174,409
Academic support	2,867,475	3,181,172	2,964,889	4,340,455	3,363,850	3,318,227	2,934,075	2,553,716	2,522,649	2,592,417
Student services	4,736,622	4,797,955	4,008,712	4,440,378	4,221,676	4,116,052	3,468,481	3,244,400	3,064,131	2,868,782
Institutional Support	12,402,954	13,851,937	13,638,518	12,151,296	10,973,524	10,309,003	9,342,887	10,314,464	10,832,515	8,118,394
Operation and maintenance of plant	6,123,290	6,384,000	5,659,506	4,833,938	4,569,432	4,688,191	4,939,362	4,693,010	4,625,293	4,638,152
Scholarships	8,695,427	9,035,684	10,171,074	11,009,844	10,267,328	8,408,310	4,180,344	2,419,062	1,988,632	1,495,459
Auxiliary enterprise	1,047,126	1,082,034	1,281,191	955,375	985,096	1,012,010	841,553	541,849	2,411,970	1,841,963
Depreciation	6,201,956	5,358,184	4,524,884	3,198,550	3,108,478	3,440,266	3,454,389	2,892,284	2,562,239	2,227,642
Total operating expenses	\$ 63,356,232	\$ 65,229,663	\$ 63,505,946	\$ 61,463,297	\$ 58,318,851	\$ 56,354,385	\$ 48,325,904	\$ 44,221,543	\$ 44,756,531	\$ 39,455,951
Operating Loss	\$ (56,960,587)	\$ (59,024,336)	\$ (56,175,815)	\$ (54,716,829)	\$ (51,899,188)	\$ (50,129,374)	\$ (41,651,948)	\$ (38,395,758)	\$ (37,465,525)	\$ (34,331,815)
Nonoperating revenues (expenses):										
Property taxes	\$ 48,307,654	\$ 46,906,012	\$ 41,792,777	\$ 41,240,729	\$ 41,515,641	\$ 43,455,031	\$ 35,382,129	\$ 34,802,386	\$ 31,218,546	\$ 26,850,992
State appropriations	3,033,200	2,392,700	2,107,800	2,086,200	4,935,100	4,935,100	5,401,293	6,052,000	6,014,700	5,915,800
Government grants	16,364,967	16,395,572	18,162,631	18,712,367	17,681,184	16,122,536	10,367,257	6,655,478	5,422,319	5,626,378
Share of state sales taxes	649,792	738,258	630,814	643,450	603,286	556,505	538,742	650,602	927,330	1,579,778
Private grants and gifts	607,478	334,269	434,386	777,473	734,550	596,877	465,941	406,248	394,712	342,412
Investment earnings	120,475	79,625	210,634	308,390	681,310	880,987	954,909	1,389,266	1,015,942	402,007
Interest expense on debt	(3,994,255)	(4,382,623)	(4,507,546)	(3,390,240)	(2,671,037)	(2,770,824)	(895,443)	(1,126,981)	(1,080,531)	(1,108,833)
Gain/(Loss) on disposal of capital assets	4,591	(186,722)	109,093	(799,302)	(6,487)	(2,515)		(132,911)	(2,353)	(11,880)
Net nonoperating revenues	\$ 65,093,902	\$ 62,267,091	\$ 58,940,589	\$ 59,579,067	\$ 63,473,547	\$ 63,773,697	\$ 52,214,828	\$ 48,696,088	\$ 43,910,665	\$ 39,496,654
Income before other revenues, expenses, gains and losses	\$ 8,133,315	\$ 3,242,755	\$ 2,764,774	\$ 4,862,238	\$ 11,574,359	\$ 13,644,323	\$ 10,562,880	\$ 10,300,330	\$ 6,445,140	\$ 5,164,839
Capital appropriations	-	-	-	-	-	-	-	797,600	3,789,800	768,200
Capital grants and gifts	-	-	25,999	-	-	34,050	-	150,000	295,456	230,000
Increase in net position	\$ 8,133,315	\$ 3,242,755	\$ 2,790,773	\$ 4,862,238	\$ 11,574,359	\$ 13,678,373	\$ 10,562,880	\$ 11,247,930	\$ 10,530,396	\$ 6,163,039
Total net position, July 1	\$ 68,125,816 ¹	\$ 99,967,308	\$ 97,176,535	\$ 92,314,297	\$ 80,739,938	\$ 67,061,565	\$ 56,498,685	\$ 45,250,755	\$ 34,720,359	\$ 28,557,320
Total net position, June 30	\$ 76,259,131	\$ 103,210,063	\$ 99,967,308	\$ 97,176,535	\$ 92,314,297	\$ 80,739,938	\$ 67,061,565	\$ 56,498,685	\$ 45,250,755	\$ 34,720,359

¹ Net position as restated, July 1, 2014 for GASB 68.

Source: District audited financial statements

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

Fiscal Year	Statutory Expenditure Limitation¹	Budgeted Expenditures Subject to Limitation²	Unused Legal Limit
2006	\$ 30,341,893	\$ 30,341,892	\$ 1
2007	33,131,765	33,131,764	1
2008	34,286,446	34,286,445	1
2009	34,558,261	34,558,260	1
2010	37,397,683	37,397,682	1
2011	44,661,427	44,661,426	1
2012	48,815,447	48,815,446	1
2013	47,407,363	47,407,362	1
2014	50,575,442	50,575,441	1
2015	47,753,245	-	3
			-

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

² Budgeted expenditures are net of allowable exclusions.

³ 2015 data not available at the time this report was published.

Source: Audited Annual Budgeted Expenditure Limitation Reports

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

Tax Year	Original Tax Levy ¹	Adjustments	Adjusted Levy as of 06/30/15	Collected within the Fiscal Year of the Levy ²			Collections in Subsequent Years	Total Collections to 06/30/15	
				Collections Initial Tax Year	Percentage of Original Levy			Amount	Percentage of Adjusted Levy
2005	\$ 25,472,401	\$ 51,866	\$ 25,524,267	\$ 24,753,750	97.18%		\$ 747,121	\$ 25,500,871	99.91%
2006	30,221,007	38,693	30,259,700	29,151,326	96.46%		1,090,651	30,241,977	99.94%
2007	34,358,431	(388,434)	33,969,997	32,523,669	94.66%		1,416,283	33,939,952	99.91%
2008	34,850,119	(42,103)	34,808,016	32,929,240	94.49%		1,827,773	34,757,012	99.85%
2009	42,592,817	(77,012)	42,515,805	40,473,270	95.02%		1,971,923	42,445,193	99.83%
2010	40,750,139	(249,448)	40,500,691	38,631,260	94.80%		1,788,391	40,419,651	99.80%
2011	40,169,269	(829,441)	39,339,828	37,884,199	94.31%		1,342,757	39,226,956	99.71%
2012	40,522,956	(526,070)	39,996,886	38,640,453	95.35%		1,234,295	39,874,748	99.69%
2013	44,822,855	(665,962)	44,156,893	42,917,017	95.75%		1,096,038	44,013,056	99.67%
2014	45,508,829	(554,981)	44,953,848	43,860,643	96.38%		-	43,860,643	97.57%

¹ Includes both primary and secondary taxes.

² Amounts collected are on a cash basis.

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

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

Tax Year	Primary Assessed Value					Total Taxable Assessed Value ¹	Total Direct Tax Rate	Estimated Actual Value	Assessed Value as a Percentage of Actual Value
	Commercial Property	Residential and Vacant Property	Vacant/Ag Land	Other					
2005	\$ 340,847	\$ 672,221	\$ 196,997	\$ 2,906	\$	1,212,971	4.8188	\$ 10,125,096	11.98%
2006	367,878	872,284	225,673	6,325		1,472,160	4.6900	12,523,363	11.76%
2007	406,589	1,186,738	308,491	6,984		1,908,802	4.4036	16,552,287	11.53%
2008	471,977	1,526,547	467,028	7,948		2,473,500	3.8522	21,583,423	11.46%
2009	550,729	1,789,488	530,360	9,975		2,880,552	3.6684	25,251,970	11.41%
2010	561,560	1,470,541	504,035	10,813		2,546,949	4.3213	22,166,148	11.49%
2011	581,044	1,216,288	353,163	9,656		2,160,151	4.3304	18,877,720	11.44%
2012	613,223	1,203,181	325,002	12,377		2,153,783	4.1464	18,747,927	11.49%
2013	651,188	1,136,974	285,853	14,867		2,088,882	4.1343	17,907,662	11.66%
2014	-	-	-	-		2,005,152	4.1357	-	-

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

² Not all 2014 data available at the time this report was published.

Source: Pinal County CAFR 06/30/14 - Pinal County Assessor's Office/AZDOR Abstract of Assessment Roll

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

Tax Year	State Equalization	County	Overlapping Rates						District Tax Rates				
			Community College District	Casa Grande Elementary School District	Stanfield Elementary School District	Toltec Elementary School District	Central Arizona Valley Institute of Technology	City of Casa Grande	City of Coolidge	Other	Primary	Secondary	Total
2005	-	4.69	2.10	4.06	5.11	4.88	0.05	0.99	1.52	0.06-26.00	2.10	-	2.10
2006	-	4.44	2.05	4.06	3.35	3.70	0.05	0.91	1.45	0.06-29.00	2.05	-	2.05
2007	-	4.14	1.80	3.72	3.36	3.17	0.05	0.88	1.38	0.05-32.00	1.80	-	1.80
2008	-	3.56	1.41	2.81	3.28	3.06	0.05	1.38	0.99	0.04-35.00	1.41	-	1.41
2009	-	3.36	1.46	2.56	3.08	2.33	0.05	1.34	0.91	0.04-35.00	1.38	0.08	1.46
2010	0.36	4.00	1.59	2.96	3.06	2.33	0.05	1.44	1.12	0.04-35.00	1.47	0.12	1.59
2011	0.43	4.00	1.85	3.14	3.06	2.33	0.05	1.53	1.51	0.04-35.00	1.61	0.25	1.85
2012	0.47	3.80	1.88	3.47	2.83	2.93	0.05	1.58	1.51	0.04-35.00	1.61	0.27	1.88
2013	0.51	3.80	2.25	3.82	2.78	3.76	0.05	1.63	1.86	0.04-35.01	1.89	0.36	2.25
2014	0.51	3.80	2.26	3.60	2.24	3.76	0.05	1.63	1.85	0.04-35.01	1.91	0.35	2.26

Source: Casa Grande Union High School District CAFR 06/30/14 - Property Tax Rates and Assessed Values, Arizona Tax Research Foundation and Pinal County Annual Tax Levies/Rates Per \$100 of Valuation

Pinal County Community College District
Pinal County Direct Property Tax Rates
Last Ten Tax Years
(\$ Amounts expressed in thousands)

Tax Year	Assessed Value	County				Mary C O'Brien School ¹		Total
		Primary Rate	Library	Flood	Fire	School ¹		
2005	\$ 1,212,971	4.4532	0.0570	0.0900	0.0855	0.1331	4.8188	
2006	1,472,160	4.3035	0.0570	0.1100	0.0864	0.1331	4.6900	
2007	1,908,802	4.0183	0.0770	0.1300	0.0522	0.1261	4.4036	
2008	2,473,500	3.4355	0.0970	0.1500	0.0438	0.1259	3.8522	
2009	2,880,552	3.2316	0.0970	0.1700	0.0439	0.1259	3.6684	
2010	2,546,949	3.9999	0.0970	0.1700	0.0544	N/A	4.3213	
2011	2,160,151	3.9999	0.0970	0.1700	0.0635	N/A	4.3304	
2012	2,153,783	3.7999	0.0970	0.1700	0.0795	N/A	4.1464	
2013	2,088,882	3.7999	0.0970	0.1700	0.0674	N/A	4.1343	
2014	2,005,152	3.7999	0.0970	0.1700	0.0688	N/A	4.1357	

¹ As of fiscal year 2011 the Mary C. O'Brien School rate is included in the County's Primary Rate.

Source: Pinal County CAFR 06/30/14 - County Tax Records, 2015 Pinal County Legally Adopted Budget and Pinal County Annual Tax Levies/Rates Per \$100 of Valuation

Pinal County Community College District
Assessed Valuation, Tax Rate and Levy History
Last Ten Fiscal Years
(\$ Amounts expressed in thousands)

Fiscal Year	Primary			Secondary		
	Assessed Valuation	Tax Rate	Tax Levy	Assessed Valuation	Tax Rate	Tax Levy
2006	\$ 1,212,971	2.1000	\$ 25,472	\$ 1,277,269	-	\$ -
2007	1,472,160	2.0528	30,221	1,547,005	-	-
2008	1,908,802	1.8000	34,358	2,334,827	-	-
2009	2,473,500	1.4100	34,850	3,449,599	-	-
2010	2,880,552	1.3800	39,752	3,398,761	0.0836	2,841
2011	2,546,949	1.4700	37,665	2,673,415	0.1154	3,085
2012	2,160,151	1.6070	34,714	2,218,642	0.2459	5,456
2013	2,153,783	1.6118	34,715	2,177,012	0.2668	5,808
2014	2,088,882	1.8918	37,625	2,005,344	0.3589	7,197
2015	2,005,152	1.9103	38,304	2,040,750	0.3530	7,204

Source: Pinal County CAFR 06/30/14 - County assessment records and Pinal County 2005-2015 Tax Levies/Rates Per \$100 of Valuation - A.R.S. §42-304

Pinal County Community College District
Principal Property Taxpayers for Pinal County
Fiscal Year 2014 and Fiscal Year 2005
(\$ Amounts expressed in thousands)

	2014			2005		
	Primary Assessed Value	Rank	Percent of Total Value	Primary Assessed Value	Rank	Percent of Total Value
Arizona Public Service Company	\$ 83,976	1	4.22%	\$ 44,535	1	4.20%
ASARCO LLC / Ray Copper Complex	49,128	2	2.47%	13,523	4	1.27%
CCA Properties of Arizona LLC	42,660	3	2.14%	13,104	5	1.23%
Kinder Morgan (former: El Paso Natural Gas Co.)	19,077	4	0.96%	11,455	6	1.08%
Arizona Water Co.	11,241	5	0.57%	8,999	8	0.85%
Southwest Gas Corporation	10,645	6	0.54%	9,334	7	0.88%
Unisource Energy Corporation	9,526	7	0.48%	-	-	-
Johnson Utilities LLC	9,521	8	0.48%	-	-	-
WP Casa Grande Retail LLC	9,318	9	0.47%	-	-	-
Qwest Corporation	8,966	10	0.45%	18,962	3	1.79%
PPL Sundance Energy LLC	-	-	-	19,969	2	1.88%
BHP Copper Inc / San Manuel Division	-	-	-	6,484	9	0.61%
Wal-Mart Stores Inc. & East LP	-	-	-	6,286	10	0.59%
Total	\$ 254,058		12.78%	\$ 152,651		14.38%
Total Assessed Value	\$ 1,988,882			\$ 1,061,159		

Source: 2005 data Pinal County CAFR 06/30/14 - County Treasurer Tax Records; 2014 data - Pinal County Treasurer Tax Records

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

Fiscal Year	General Obligation Bonds ¹	Revenue Bonds ¹	Revenue Refunding Bonds ¹	Premium	Pledged Revenue Obligations ¹	Capital Lease Obligations	Total Outstanding Debt	Percentage of Personal Income ²	Per Capita ²
2006	\$ -	\$ 9,010,765	\$ -	\$ -	\$ 11,763,493	\$ 359,876	\$ 21,134,134	0.024%	86
2007	-	8,595,382	-	-	11,154,247	244,613	19,994,242	0.030%	67
2008	-	8,165,000	-	-	10,520,000	5,400,227	24,085,227	0.030%	73
2009	-	7,565,000	-	-	9,705,000	4,930,728	22,200,728	0.036%	63
2010	40,000,000	6,945,000	-	-	8,870,000	4,667,399	60,482,399	0.014%	161
2011	38,175,000	6,300,000	-	-	8,015,000	4,395,559	56,885,559	0.016%	151
2012	93,930,000	5,625,000	-	2,103,512	7,135,000	4,114,812	112,908,324	0.008%	295
2013	91,340,000	4,920,000	-	2,015,866	6,225,000	3,820,835	108,321,701	0.009%	280
2014	88,680,000	4,185,000	-	1,928,220	5,285,000	3,512,996	103,591,216	0.010%	273
2015	85,940,000	-	7,815,000	1,840,574	-	3,190,640	98,786,214	-	3 261

¹ Presented net of original issuance discounts and premiums.

² Pinal County Demographic and Economic Statistics .

³ Data not available at the time this report was published.

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

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

Fiscal Year	Estimated Population Pinal County (000's)¹	Secondary Assessed Value (000's)	General Obligation Bonds²	Amount Available for Retirement of GO Bond Debt	Net Bonded Debt	Percentage of Net Bonded Debt to Assessed Value	Net Bonded Debt Per Capita
2006	247	\$ 1,277,269	\$ -	\$ -	\$ -	0.0%	-
2007	300	1,547,005	-	-	-	0.0%	-
2008	328	2,334,827	-	-	-	0.0%	-
2009	351	3,449,599	-	-	-	0.0%	-
2010	356	3,398,761	40,000,000	40,230,780	(230,780)	0.0%	(0.65)
2011	376	2,673,415	38,175,000	14,679,551	23,495,449	0.9%	62.49
2012	383	2,218,642	93,930,000	21,436,424	72,493,576	3.3%	189.28
2013	387	2,177,013	91,340,000	2,072,835	89,267,165	4.1%	230.66
2014	389	2,005,344	88,680,000	520,040	88,159,960	4.4%	226.63
2015	379	2,040,750	85,940,000	3,267,049	82,672,951	4.1%	218.13

¹ Demographic and Economic Statistics for Pinal County.

² Presented net of original issuance discounts and premiums.

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

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

Fiscal Year	GO Bonds		Revenue Bonds		Pledged Revenue Obligations		Revenue Refunding Bonds		Capital Lease		Total Debt Service	Total Operating Expenses / Expenditures	Percentage of Debt Service to Operating Expenses / Expenditures
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest			
2006	\$ -	\$ -	\$ 400,384	\$ 537,647	\$ 594,246	\$ 585,560	\$ -	\$ -	\$ 140,000	\$ -	\$ 2,257,837	\$ 39,455,951	5.7%
2007	-	-	565,000	372,681	765,000	409,397	-	-	115,263	14,467	2,241,808	44,756,531	5.0%
2008	-	-	580,000	355,506	790,000	384,638	-	-	119,897	9,833	2,239,874	44,221,543	5.1%
2009	-	-	600,000	334,806	815,000	361,581	-	-	124,717	5,013	2,715,028	48,325,904	5.6%
2010	-	-	620,000	310,406	835,000	339,937	-	-	-	-	3,549,023	56,354,385	6.3%
2011	1,825,000	968,696	645,000	284,703	855,000	316,675	-	-	-	-	7,268,614	58,318,851	12.5%
2012	3,220,000	2,870,288	675,000	257,478	880,000	290,650	-	-	-	-	8,565,380	61,463,297	13.9%
2013	2,590,000	2,773,319	705,000	228,134	910,000	262,663	-	-	-	-	9,127,625	63,505,946	14.4%
2014	2,660,000	3,962,018	735,000	196,175	940,000	229,075	-	-	-	-	9,121,102	65,229,663	14.0%
2015	2,740,000	3,890,118	765,000	5,647	980,000	6,653	-	54,197	-	-	8,839,219	63,356,232	14.0%

Source: District records

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

Fiscal Year ²	Pledged Revenues	Revenue Bonds ¹		Revenue Refunding Bonds ³		Pledged Revenue Obligations ¹		Total Debt Service	Coverage
		Principal	Interest	Principal	Interest	Principal	Interest		
2006	\$ 4,600,214	\$ 400,384	\$ 537,647	\$ -	\$ -	\$ 594,246	\$ 585,560	\$ 2,117,837	2.17
2007	6,659,740	565,000	372,681	-	-	765,000	409,397	2,112,078	3.15
2008	5,205,657	580,000	355,506	-	-	790,000	384,638	2,110,144	2.47
2009	6,233,213	600,000	334,806	-	-	815,000	361,581	2,111,387	2.95
2010	5,604,987	620,000	310,406	-	-	835,000	339,937	2,105,343	2.66
2011	5,806,786	645,000	284,703	-	-	855,000	316,675	2,101,378	2.76
2012	6,039,739	675,000	257,478	-	-	880,000	290,650	2,103,128	2.87
2013	6,279,612	705,000	228,134	-	-	910,000	262,663	2,105,797	2.98
2014	5,521,834	735,000	196,175	-	-	940,000	229,075	2,100,250	2.63
2015	5,623,845	765,000	5,647	-	54,197	980,000	6,653	1,811,497	3.10

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

² 2006 obligations were secured by bookstore income in addition to tuition and dormitory revenues.

³ Revenue refunding bonds issued in 2015 were used to advance refund the outstanding balances of the revenue and pledged revenue bonds.

Source: District records

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

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Secondary assessed valuation of real and personal property	\$ 1,277,269	\$ 1,547,005	\$ 2,334,827	\$ 3,449,599	\$ 3,398,761	\$ 2,673,415	\$ 2,218,642	\$ 2,177,012	\$ 2,005,344	\$ 2,040,750
Debt Limit, 15% of secondary assessed value	191,590	232,051	350,224	517,440	509,814	401,012	332,796	326,552	300,802	306,113
Total net debt applicable to limit	-	-	-	-	40,000	38,175	93,930	91,340	88,680	85,940
Legal Debt Margin	\$ 191,590	\$ 232,051	\$ 350,224	\$ 517,440	\$ 469,814	\$ 362,837	\$ 238,866	\$ 235,212	\$ 212,122	\$ 220,173
Total net debt applicable to the limit as a percentage of debt limit	0.00%	0.00%	0.00%	0.00%	7.85%	9.52%	28.22%	27.97%	29.48%	28.07%

Source: Pinal County Assessor's Office and District Records

**Pinal County Community College District
Principal Employers for Pinal County
Fiscal Year 2013 and Fiscal Year 2003**

	2013			2003		
Employer	Employees¹	Rank	Percent of Total County Employment	Employees¹	Rank	Percent of Total County Employment
State of Arizona	3,000	1	2.35%	2,950	1	4.02%
County of Pinal	2,148	2	1.68%	1,817	2	2.48%
Correction Corporation of America	1,186	3	0.93%	1,300	4	1.77%
Walmart	1,136	4	0.89%	-	-	-
Banner Casa Grande Medical Center	800	5	0.63%	790	6	1.08%
Harrah's Phoenix Ak-Chin	600	6	0.47%	-	-	-
Central Arizona Detention Center	590	7	0.46%	-	-	-
Hexcel Corporation	550	8	0.43%	-	-	-
Abbott Nutrition	500	9	0.39%	-	-	-
Frito-Lay Inc	450	10	0.35%	450	9	0.61%
TRW Inc.	-	-	-	1,700	3	2.32%
ASARCO Inc. (Grupo Mexico)	-	-	-	1,240	5	1.69%
Casa Grande Elementary School District	-	-	-	625	7	0.85%
Desert Valley Care Center	-	-	-	520	8	0.71%
Arch Chemicals	-	-	-	400	10	0.55%

¹ Estimated number of full-time equivalent employees.

² Schedule contains the most recent information available at time of production, which is 2013.

Source: Pinal County CAFR 06/30/14; 2013 source - Central Arizona Association of Governments; 2003 Source - FY02/03 Pinal County CAFR

Total County Employment Source: Arizona Office of Employment and Population Statistics, in cooperation with the U.S. Dept. of Labor, Bureau of Labor Statistics

Pinal County Community College District
Pinal County Demographic and Economic Statistics
Last Ten Fiscal Years
(\$ Amounts expressed in thousands)

Fiscal Year	Population¹	Personal Income²	Per Capita Income²	Unemployment Rate¹
2006	247	\$ 5,001,332	20	5.0%
2007	300	6,041,934	20	4.8%
2008	328	7,164,122	22	4.7%
2009	351	7,892,358	22	6.6%
2010	376	8,259,897	22	12.1%
2011	376	8,860,496	24	11.9%
2012	383	9,301,723	24	9.2%
2013	387	9,793,208	25	9.1%
2014	379	9,932,684	26	8.1%
2015	379 ³	-	-	7.6%

¹ Population data through 09/10 and Unemployment data through 10/11 from the Arizona Department of Commerce, Arizona Workforce Informer. For 10/11 the population data is from the US Census Bureau, American FactFinder for the 2010 census. For 11/12 through 13/14 the population data is from the US Department of Commerce, Bureau of Economic Analysis, Regional Data and the Unemployment data is from Arizona Department of Administration, Office of Employment and Population Statistics, LAUS (Local Area Unemployment Statistics) Reference Tables for calendar year data.

² Personal income and per capita income data is obtained from the Arizona Department of Economic Security, Arizona Regional Economic Profile through 06/07, from the U.S. Department of Commerce, Bureau of Economic Analysis, Regional Economic Accounts for 07/08 through 13/14.

³ 2015 Data not available at the time this report was published.

Source: Pinal County CAFR 06/30/14; Arizona Department of Administration, Office of Employment and Population Statistics, LAUS (Local Area Unemployment Statistics) Reference Tables for calendar year data.

Employment by Sector¹	# of Employees	Percent
Education, healthcare and social assistance	30,488	21.4%
Professional, scientific and technical services	17,710	12.4%
Retail trade	17,330	12.1%
Arts, entertainment and recreation	13,159	9.2%
Manufacturing	12,631	8.9%
Public administration	9,892	6.9%
Transportation, warehousing and utilities	9,282	6.5%
Finance and insurance	8,874	6.2%
Construction	8,389	5.9%
Other services (except public transportation)	6,127	4.3%
Agriculture, forestry, fishing and mining	5,359	3.8%
Wholesale trade	2,321	1.6%
Information	1,073	0.8%
<i>Civilian employed population 16 years and over</i>	142,635	100.0%

Employment by Occupation²	# of Employees	Percent
Management, business, science and arts	39,357	27.6%
Sales and office	34,720	24.3%
Service	33,007	23.1%
Natural resources, construction and maintenance	15,377	10.8%
Production, transportation and material moving	20,174	14.1%
<i>Civilian employed population 16 years and over</i>	142,635	100.0%

¹ US Census Bureau - American Fact Finder. Accessed 09/17/2015. *2014 American Community Survey - Selected Economic Characteristic*.

³ Arizona Department of Administration, Office of Employment and Population Statistics, LAUS (Local Area Unemployment Statistics) Reference Tables for calendar year data.

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

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

Population	2000	2010	2014
Pinal County		375,770	379,128
State of Arizona	5,130,632	6,392,310	6,479,703

	% of Total	
	Pinal County	State of Arizona
Persons under 3 years, percent, 2014	4.2%	4.0%
Persons 3 to under 18, percent 2014	21.6%	20.9%
Persons 18 to under 29, percent 2014	14.9%	16.8%
Persons 30 to under 39, percent 2014	14.4%	12.9%
Persons 40 to under 49, percent 2014	12.4%	12.9%
Persons 50 to under 59, percent 2014	11.6%	12.4%
Persons 60 years and over, percent, 2014	20.9%	20.0%
Female persons, percent, 2014	47.8%	50.3%

Population Composition	% of Total	
	Pinal County	State of Arizona
White alone, percent, 2014	78.8%	79.2%
Black or African American alone, percent, 2014	4.7%	4.2%
American Indian and Alaska Native alone, percent, 2014	5.2%	4.4%
Asian alone, percent, 2014	2.0%	3.0%
Two or More Races, percent, 2014	9.2%	9.2%
	100.00%	100.00%

Source: U.S. Census Bureau and Arizona Department of Economic Security and Arizona Association of Counties Office of Employment & Population Statistics, Arizona Department of Administration
Arizona Department of Economic Security: *Arizona Counties Demographics and DES Client/Provider Summary Handbook 2014.* Accessed September 17, 2015.
https://www.azdes.gov/InternetFiles/Pamphlets/pdf/Arizona_County_Demographics_Handbook_2014.pdf/.

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

Student Enrollment										
Fiscal Year	Enrollment		Gender			Residency				
	Full-Time	Part-Time	Male	Female	Not Recorded	Resident	Out of County	Out of State	Foreign	Not Identified
2006	1,776	9,975	45.6%	52.6%	1.8%	67.4%	24.2%	3.7%	0.4%	4.3%
2007	1,831	9,580	48.6%	50.4%	1.0%	70.4%	20.7%	4.0%	0.4%	4.5%
2008	1,747	10,492	48.8%	51.0%	0.2%	73.9%	23.0%	2.2%	0.3%	0.6%
2009	2,061	11,915	48.5%	51.0%	0.5%	74.8%	21.5%	2.4%	0.2%	1.1%
2010	2,491	12,538	45.8%	53.8%	0.4%	73.8%	20.6%	2.7%	0.2%	2.7%
2011	2,546	12,100	43.0%	56.6%	0.4%	73.0%	16.5%	3.2%	0.2%	7.1%
2012	2,656	11,752	42.3%	57.1%	0.6%	76.3%	17.5%	4.0%	0.2%	2.0%
2013	2,367	10,849	41.0%	58.9%	0.1%	76.5%	17.0%	4.3%	0.2%	2.0%
2014	2,103	9,643	40.3%	59.4%	0.3%	77.4%	16.4%	4.2%	0.2%	1.8%
2015	2,017	8,684	40.2%	59.2%	0.6%	78.3%	16.4%	4.2%	0.3%	0.9%

Degrees and Certificates Awarded		
Fiscal Year	Degrees	Certificates
	Awarded	Awarded
2006	285	1,050
2007	296	1,244
2008	288	1,157
2009	317	829
2010	356	559
2011	440	534
2012	518	513
2013	552	563
2014	532	360
2015	569	541

Demographic Statistics										
Fiscal Year	Age		Ethnic Background							
	Median	Average	Asian American	African American	Hawaiian-Pacific Islander	Native American	Hispanic	White	Other	Not Identified
2006	N/A	N/A	1.3%	5.4%	0.3%	5.9%	31.7%	51.7%	0.7%	3.0%
2007	32	34	1.3%	6.4%	0.3%	5.4%	31.3%	51.1%	0.7%	3.5%
2008	32	33	1.1%	6.5%	0.3%	5.4%	29.3%	52.3%	0.7%	4.4%
2009	30	32	1.2%	6.8%	0.3%	5.3%	28.4%	51.3%	0.8%	5.9%
2010	28	31	1.2%	7.0%	0.4%	5.5%	27.6%	50.3%	1.3%	6.7%
2011	27	30	1.4%	7.1%	0.5%	5.8%	27.1%	50.0%	2.1%	6.0%
2012	26	30	1.4%	7.3%	0.5%	5.3%	28.0%	48.6%	2.6%	6.3%
2013	25	29	1.4%	7.3%	0.5%	5.1%	28.9%	47.1%	3.1%	6.6%
2014	24	28	1.7%	7.0%	0.5%	5.1%	29.1%	45.9%	3.3%	7.4%
2015	24	28	1.7%	6.6%	0.5%	4.8%	28.6%	45.5%	3.7%	8.7%

Source: District Records

Pinal County Community College District
Historic Enrollment
Last Ten Fiscal Years

	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Headcount	10,701	11,746	13,216	14,408	14,646	15,029	13,976	12,239	11,411	11,756
Full time student enrollment (FTSE) by campus	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006³
Aravaipa	83.51	75.10	95.95	134.68	149.31	143.03	134.33	117.28	117.86	-
Arizona Learning System	-	-	-	-	-	1.05	0.10	-	-	-
Arizona State Prison	150.08	171.87	301.92	410.70	443.58	583.28	802.80	844.08	1,012.85	-
Casa Grande Center	60.95	81.22	83.97	18.80	33.32	31.25	12.23	-	0.15	-
Central Corporate Center	100.47	112.40	123.11	96.94	91.15	113.12	198.67	102.69	-	-
Coolidge	-	-	65.84	25.08	20.37	34.21	29.11	-	-	-
District/Statewide Programs	-	-	1.20	732.73	848.11	775.67	608.19	507.71	401.40	-
Florence Center	3.58	10.80	10.77	10.43	17.63	27.72	27.57	21.77	46.13	-
Maricopa Campus	265.45	259.50	180.58	122.15	117.48	101.02	74.83	42.65	32.42	-
Saddlebrooke Center	-	1.90	4.45	6.16	9.24	4.12	-	-	-	-
San/Tan Johnson Ranch	287.67	216.58	213.12	201.22	191.72	154.67	34.33	4.75	12.52	-
Signal Peak	1,424.56	1,595.98	1,733.90	2,603.57	2,472.13	2,315.79	1,852.60	1,671.50	1,671.65	-
Superstition Mountain	457.15	509.71	603.32	588.35	524.96	516.05	422.03	340.57	331.13	-
Virtual ²	1,296.62	1,390.58	1,475.23	193.42	-	-	-	-	-	-
WFD-East ¹	-	-	-	5.10	7.60	15.08	22.59	21.14	40.17	-
WFD-North ¹	-	-	-	29.00	67.30	76.23	51.15	22.40	-	-
WFD-West ¹	-	-	-	67.95	135.27	143.52	136.29	115.75	156.92	-
Total District FTSE	4,130.04	4,425.64	4,893.36	5,246.28	5,129.17	5,035.81	4,406.82	3,812.29	3,823.20	3,798.00

¹ Starting in 2013 WFD (Workforce Development) numbers were combined with the other campuses.

² Beginning in 2012 FTSE from online classes is being counted as a separate campus. In previous years online courses were credited to the campus that originated the course.

³ FTSE by Campus information not available for 2006.

Source: District Records, IPEDS 12-month enrollment for 2006

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

	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Full-Time Teaching	96	92	95	91	90	91	94	93	96	99
Non-Teaching Support	110	119	122	125	120	122	125	116	120	127
Managerial & Technical	137	130	131	127	118	123	118	107	100	92
Administration	14	13	15	16	17	17	18	13	21	19
Total Non-Teaching	261	262	268	268	255	262	261	236	241	238
Total Full-Time	357	354	363	359	345	353	355	329	337	337
Part-Time Teaching	311	381	420	428	381	298	116	220	259	272
Non-Teaching	244	204	194	254	254	174	235	156	131	172
Total Part-Time	555	585	614	682	635	472	351	376	390	444
Total Employees	912	939	977	1041	980	825	706	705	727	781

Source: District Records

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

Asset Type	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Capital assets not being depreciated										
Land	\$ 26,013,275	\$ 26,013,275	\$ 26,013,275	\$ 26,013,275	\$17,326,623	\$ 4,202,798	\$ 2,545,147	\$ 2,545,147	\$ 2,545,147	\$ 2,545,147
Construction in progress	153,281	-	44,097,762	41,350,472	12,497,822	216,015	110,250	-	68,365	-
Total capital assets not being depreciated	<u>26,166,556</u>	<u>26,013,275</u>	<u>70,111,037</u>	<u>67,363,747</u>	<u>29,824,445</u>	<u>4,418,813</u>	<u>2,655,397</u>	<u>2,545,147</u>	<u>2,613,512</u>	<u>2,545,147</u>
Capital assets being depreciated:										
Buildings	137,871,866	137,281,629	96,647,063	61,076,660	50,430,071	50,648,346	49,953,525	45,814,621	44,696,363	44,752,067
Improvements other than buildings	29,739,695	29,705,822	22,217,817	14,536,352	7,867,171	7,375,906	7,375,906	7,375,906	4,288,677	4,234,087
Water rights	1,171,172	1,171,172	1,171,172	1,171,172	-	-	-	-	-	-
Other intangibles	-	-	25,999	11,750	-	-	-	-	-	-
Equipment	15,314,349	14,830,718	15,149,558	13,595,640	17,776,296	18,058,727	16,446,224	16,091,821	13,132,549	11,996,832
Library books	2,001,628	1,888,256	1,883,083	1,499,840	1,754,876	1,678,809	1,621,410	1,541,105	1,467,263	1,403,409
Total capital assets being depreciated	<u>186,098,710</u>	<u>184,877,597</u>	<u>136,894,692</u>	<u>91,891,414</u>	<u>77,828,414</u>	<u>77,761,788</u>	<u>75,397,065</u>	<u>70,823,453</u>	<u>63,584,852</u>	<u>62,386,395</u>
Less accumulated depreciation for:										
Buildings	30,125,656	27,082,762	24,899,090	22,953,066	21,811,421	20,833,263	19,595,680	18,260,598	17,070,134	15,895,375
Improvements other than buildings	8,904,082	7,045,881	5,368,570	4,264,299	3,783,553	3,309,991	2,839,474	2,381,234	2,023,350	1,767,007
Water rights	35,135	11,712	-	-	-	-	-	-	-	-
Other intangibles	-	-	13,000	1,175	-	-	-	-	-	-
Equipment	12,611,194	11,599,555	12,650,299	11,389,781	14,226,818	14,070,294	12,416,216	11,235,991	10,059,676	9,246,439
Library books	1,432,920	1,346,754	1,265,932	1,195,653	1,420,348	1,349,410	1,285,511	1,202,830	1,132,773	1,053,728
Total accumulated depreciation	<u>53,108,987</u>	<u>47,086,664</u>	<u>44,196,891</u>	<u>39,803,974</u>	<u>41,242,140</u>	<u>39,562,958</u>	<u>36,136,881</u>	<u>33,080,653</u>	<u>30,285,933</u>	<u>27,962,549</u>
Total capital assets being depreciated (net)	<u>132,989,723</u>	<u>137,790,933</u>	<u>92,697,801</u>	<u>52,087,440</u>	<u>36,586,274</u>	<u>38,198,830</u>	<u>39,260,184</u>	<u>37,742,800</u>	<u>33,298,919</u>	<u>34,423,846</u>
Capital assets, (net)	<u>\$ 159,156,279</u>	<u>\$ 163,804,208</u>	<u>\$ 162,808,838</u>	<u>\$ 119,451,187</u>	<u>\$66,410,719</u>	<u>\$42,617,643</u>	<u>\$41,915,581</u>	<u>\$40,287,947</u>	<u>\$35,912,431</u>	<u>\$36,966,993</u>

Source: District audited financial statements

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

Fiscal Year	Annual Tuition Rates¹	Tuition per Credit Hour
2006	\$ 1,410	47
2007	1,500	50
2008	1,710	57
2009	1,800	60
2010	1,860	62
2011	1,950	65
2012	2,100	70
2013	2,160	72
2014	2,310	77
2015	2,400	80

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

Source: District Records