



COMPREHENSIVE
annual
FINANCIAL REPORT

Fiscal Year Ended June 30, 2007

Cochise County
Community College District
Douglas, Arizona



**COCHISE
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Creating opportunities...changing lives



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FINANCIAL REPORT

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Cochise County Community College District
Comprehensive Annual Financial Report
Fiscal Year Ended June 30, 2007

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INTRODUCTORY
section



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December 12, 2007

To the Citizens and District Governing Board of the Cochise County Community College District

We are pleased to provide you with the Comprehensive Annual Financial Report (CAFR) of the Cochise County Community College District (the District), Douglas, Arizona, for the fiscal year ended June 30, 2007 (FY 2007).

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

District management is responsible for establishing and maintaining internal controls designed to ensure that assets are protected from loss, theft or misuse, and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformance with generally accepted accounting principles (GAAP) and in conformance with standards of financial reporting as established by the Government Accounting Standards Board (GASB).

This CAFR is presented in three sections: Introductory, Financial and Statistical. The introductory section includes this transmittal letter, the District's organizational chart and a list of principal officers. The financial section includes the independent auditors' report, the Management's Discussion and Analysis (MD&A), the basic financial statements and supplemental financial information. The auditing firm of Miller, Allen & Co., P.C. has issued an unqualified opinion on the District's financial statements for the year ended June 30, 2007. The MD&A, which provides a narrative overview and analysis of the basic financial statements, complements this transmittal letter and should be read in conjunction with it. Finally, the statistical section includes selected unaudited financial and demographic information, generally presented on a multi-year basis.

THE REPORTING ENTITY

The District is an independent reporting entity within the criteria established by GAAP and the GASB. Although the District shares the same geographic boundaries with Cochise County, financial accountability over all activities related to public community college education in Cochise County is exercised solely by the District. In accordance with GASB Statement No. 14, the financial reporting entity consists of a primary reporting entity and a component unit. The District is a primary government because it is a special purpose political subdivision that has a separately-elected governing body, is legally separate and is fiscally independent of other state and local governments. The District is not included in any other governmental financial reporting entity. In accordance with GASB Statement No. 39, the financial activity of the Cochise County Community College District Foundation is discretely presented as a component unit of the District.

History

The Cochise County Community College District was organized in 1961. Ground was broken for the Douglas Campus in 1962 and the District opened its doors to the first students in September, 1964. Having also served students in Sierra Vista and at Fort Huachuca since the mid-1960s, the District opened the Sierra Vista Campus in 1978.

With a constituency base that encompasses more than 6,200 square miles, the District has extended its reach into some of the more rural parts of Cochise County. The Willcox Center opened in 1988 for residents in that part of the county and the expansion continued in 2000 with the opening of the Benson Center to better serve the educational needs of residents in Benson, St. David and surrounding communities. Additional Extended Learning sites have been developed in various locations throughout the county as needs have dictated.

The District is accredited by the Higher Learning Commission of the North Central Association. The college also holds Federal Aviation Administration certification for its professional pilot and aviation maintenance programs and Arizona Department of Health Services/Emergency Medical Services certification for its paramedicine and emergency medical technology programs. The nursing program is accredited by the National League for Nursing Accrediting Commission and approved by the Arizona State Board of Nursing.

Organization and Administration

As a political subdivision of the State of Arizona, the Cochise County Community College District is subject to the oversight of the District's Governing Board (the Board), which is comprised of five elected members representing each of the five precincts of the county. These members are elected for six-year terms on a staggered basis. The District's Governing Board is granted full authority by the Arizona Revised Statutes to manage the business and educational needs of the District. The administrative staff of the District, led by the president, is responsible for the operation and administration of all District functions. The District currently operates from two primary campuses and two centers, with additional programs delivered at various locations throughout Cochise County and through its Online Campus. The District also provides a growing instructional program to the citizens of neighboring Santa Cruz County through an arm's length intergovernmental agreement.

Service Area

Cochise County, established on February 1, 1881, is located in the southeast corner of Arizona, sharing a border with Mexico to the south and New Mexico to the east. The county was formed out of eastern Pima County with Tombstone being designated as the county seat. In 1929, the seat was moved to Bisbee, a former hub of copper mining. The county's location makes it a unique crossroads of cultural, natural and historical attractions. Named for the famed chief of the Chiricahua Apaches, Cochise County encompasses approximately 6,200 square miles, slightly larger than the state of Connecticut.

The historic Old West towns of Tombstone, Bisbee, Douglas, Willcox and Benson are located within the county, and Sierra Vista – the county's primary population center – is home to Fort Huachuca, the U.S. Army's intelligence training center. Cochise County's mountain ranges and desert grasslands make it an important destination for migratory birds. The county's temperate climate, open spaces, and proximity to the international border with Mexico make it one of the most culturally, historically and geographically diverse areas in the American Southwest.

LOCAL ECONOMIC OUTLOOK

The population of Cochise County, as of mid-2006, was approximately 135,000 according to estimates by the Arizona Department of Economic Security (DES). The District's Center for Economic Research (CER) projects the county's population will reach 149,000 by 2010, an average annual growth rate of 2.4 percent.

The communities of Cochise County have diverse economic bases. Sierra Vista, the county's largest economy, relies heavily on its retail trade, accommodation, and hospitality industries, which are fueled by activity at Fort Huachuca. Recent increases in defense contractors at the fort and students at the U.S. Army Intelligence Center and School have helped ensure the continued strength of the city's economy.

The cities of Bisbee and Tombstone rely heavily on tourism-related commerce. The opening of Kartchner Caverns in the late 1990's added the City of Benson to those areas of the county heavily reliant on tourism. The cities of Benson and Willcox, because of their location along Interstate 10, also rely heavily on accommodation and hospitality sales tied to private and commercial traffic passing through the area.

The City of Benson has seen an increase in residential construction as developers see the city as an important link between Tucson to the west and Sierra Vista/Fort Huachuca to the south. There are currently 25,000 new homes planned for the Benson area over the next few decades. Construction slowed in 2007 as part of a nationwide slowdown in the housing industry as a result of market corrections from the 2003-2005 housing boom. In 2007, a major developer terminated a large project which would have added some 13,000 homes to the Benson area. However, construction in Benson is expected to continue at well above historical trend levels.

The City of Douglas has a large retail sector, and is heavily dependent on day shoppers who cross the border from neighboring Agua Prieta, Sonora, Mexico. The recent increased emphasis on border protection has spurred economic growth in Douglas, with a significant driver being the increase in federal government workers involved in border protection. The future direction of the city's economy will be heavily dependent on national policy regarding border protection and the type of enforcement – National Guard (temporary) or Border Patrol (permanent). The latter will add to the county's population, increasing the demand for new residential construction while temporarily assigned agents will boost other sectors of the area's economy, including accommodation and hospitality. New travel restrictions on U.S. citizens, scheduled to take effect in January 2008, will likely slow the number of U.S. citizens traveling through Douglas to and from destinations in Mexico.

As the District receives a significant amount of its annual funding from local property taxes, valuations of existing properties and new construction rates in the county are important economic indicators. Recent increases in prices of existing homes coupled with rising interest rates and a growing inventory of new homes for sale have resulted in a slowing of new residential construction. New residential construction in Cochise County was down about 55 percent in the first 8 months of 2007 from the same period a year earlier; Sierra Vista saw even a larger drop, with new residential construction down by about 75 percent versus the prior year's first eight months. New commercial development in Sierra Vista continues to increase, however, somewhat offsetting the softening in residential construction. The rapid increases in existing home valuations in recent years have given way to much more modest growth, with the median price of an existing home rising only 3% in the first 8 months of 2007.

The county's civilian labor force, those persons 16 years and older who are employed or actively seeking work (excluding active duty military), consisted of 56,500 actual or potential workers in 2006. Cochise County's unemployment rate in 2006 was 4.5 percent, according to DES estimates. The CER projects the county's unemployment will increase slightly in late 2007 and 2008 as a result of slowed job growth. Twelve-month job growth rates declined steadily from January through May, dipping into negative territory in June and July.

According to DES estimates for 2006, the primary non-farm industry in Cochise County was government, which accounted for 32.4% of all non-farm employment. This was followed by trade, transportation, and utilities (17.6%); professional and business services (12.7%); educational and health services (10.5%); and leisure and hospitality (10.5%). The Fort Huachuca Army post was home to 5,680 active duty military personnel as of 2005, approximately 40 percent of whom were students temporarily at the fort for training.

In the next few years, the economy of Cochise County is expected to continue to grow, fueled by population increases, expanded development, a strong tourism industry and increasing activity at Fort Huachuca.

LONG-TERM FINANCIAL PLANNING

The District engages in a five-year strategic planning cycle that involves all levels of the organization. This plan is updated as external environments or internal opportunities and needs dictate. The process provides a framework for structuring and adjusting the District's mission, vision, core values and goals to best meet the needs of students, faculty/staff and the community. A high-level 15-year financial projection model is developed, most recently in support of the Master Facilities Plan discussed below, which is based on actual results and updated periodically to reflect most recent performance.

MAJOR PROGRAM INITIATIVES

Master Facilities Plan

In the November 7, 2006 election, voters of Cochise County were asked to vote for a General Obligation Bond of \$87.7 million in support of the Cochise College Master Facilities Plan. Voters rejected the ballot issue by a vote of 58% against to 42% in favor of the General Obligation Bonds. Therefore, the college is not able to implement the Master Facilities Plan with taxpayer support as originally envisioned. Since January of 2007, the college has been revising the Master Facilities Plan to reduce the scope of the component projects to a level the college can afford without additional taxpayer-supported financing.

The original plan identified facility needs throughout the District for the next 10-15 years and included new construction, renovations to existing buildings, demolition of certain buildings and general site improvements at all locations within the District, including the Douglas and Sierra Vista campuses and the Benson and Willcox centers. These identified needs were driven by three critical factors:

- Modernization of substandard facilities
- Upgrading of classroom technology and learning environments
- Creation of space for future growth.

The Revised Master Facilities Plan will now focus on upgrading classroom technology and learning environments and modernization of substandard facilities. Reduced funding levels will allow for only limited creation of space for future growth. The revised plan will include a reduced level of new construction, some renovation of existing buildings and limited site improvements at both the Douglas and Sierra Vista campuses. Architects and construction firms have been engaged for both campuses, revised plans have been completed and new building design is underway. Construction could begin in early 2008 with the majority of new construction occurring between June of 2008 and September of 2009. The revised plan may also include a new Willcox Center located on Willcox School District land.

Funding for the revised Master Facilities Plan will come from college reserves accumulated for this purpose, and may also include non-tax-supported financing, such as Revenue Bonds and Pledged Revenue Obligations.

Enrollment

During the 2006-07 academic year, the District served a total of 6,844 Full Time Student Equivalent (FTSE) at all locations with annual unduplicated headcount of 13,632. The District's ongoing partnership with and responsiveness to the county's largest employer, Fort Huachuca, was a significant factor in the continued growth in the number of degrees awarded over the last few years; for the 2006-07 academic year, the District awarded a total of 1,030 degrees and 737 certificates.

Student Achievement

The District's students continued to receive recognition for their academic and leadership achievements. Four students were named to the All-Arizona Academic Team; two were named to the First Team, one was named to the Second Team, and one was named to the Third Team. In addition, the men's basketball team finished the year with the fourth-highest team grade point average in the nation, according to the National Junior College Athletic Association.

FUTURE PROGRAM INITIATIVES

Following a comprehensive review of the College's criminal justice program last year, the College has added a full-time coordinator/instructor to lead its criminal justice program to include both traditional college coursework as well as training opportunities for local law enforcement personnel, including Border Patrol and Department of Corrections. The College has continued to expand its curricular offerings in the areas of automotive technology, digital media arts, education, culinary arts, and allied health. As a key part of its contract with the Department of Corrections, the College's Correctional Education Division expanded its Work Based Education programs significantly last year, and this year has also added programs in automotive technology, computer information systems, and building construction technology to include solar panel construction. The College's Online Campus has continued to show growth with an estimated 890 enrolled in fall semester online classes, a 32% increase in headcount versus the prior year. Significant attention was given during the summer of 2007 to a number of new initiatives designed to increase student interest and enrollment in higher education by K-12 students: the College hosted summer technology, entrepreneurship and music camps for elementary/middle school students, a summer math academy for middle school students, and summer bridge programs for graduating seniors at the Sierra Vista and Douglas Campuses. Dual enrollment and reverse credit offerings scheduled in conjunction with area high schools for high school students have also been increased for the current academic year. During the 2007-08 year, there will be two distinct but complementary comprehensive reviews of the College's nursing program: the first will be the submission of a strategic plan for the nursing program scheduled to begin in early fall semester, and the second will be its nursing program re-accreditation self-study and review which occurs every eight years with the National League for Nursing Accrediting Commission (NLNAC). Other detailed program reviews scheduled for the current year include six instructional programs as well as four other educational service and support areas.

FINANCIAL INFORMATION

Effective management of the District's funds through internal control, budgetary controls, cash management, and financial reporting comprises the District's responsibilities for stewardship, safeguarding of assets, and accountability to resource providers. Additional information relating to the District's financial management can be found in the statistical section at the back of this report.

Internal Control

In developing and evaluating the District's accounting system, consideration is given to the adequacy of internal controls. Internal controls are designed to provide reasonable, but not absolute assurance regarding the safeguarding of assets against loss from unauthorized use or disposition and the reliability of financial records for preparing financial statements and maintaining accountability for assets. The concept of reasonable assurance recognizes that the cost of a control should not exceed the benefits likely to be derived from that control element, and that the evaluation of costs and benefits requires estimates and judgments from management. All internal control evaluations occur within the above framework. We believe that the District's internal controls adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions.

Budgetary Controls

The District maintains budgetary controls in the form of line item budgets and budget transfer restrictions by function and object. The objective of these budgetary controls is to ensure compliance with the annual budget adopted by the District Governing Board. The District complies with state statutes requiring that a report of the District's adopted budget be published annually within the prescribed format as required by the State of Arizona, Office of the Auditor General. The District also complies with Arizona statutes governing community colleges by issuing an annual budget expenditure limitation report that is examined by the Office of the Auditor General. The expenditure limitation calculation determines the maximum allowable expenditure level supported by state appropriations and property tax levies.

Cash Management

The District is governed by the Arizona Revised Statutes relating to the overall investment of idle public funds. The fiduciary responsibility of such investments is entrusted to the District Governing Board and orchestrated through the Vice President for Administration. The District invests idle funds in a prudent, conservative, and secure manner for the highest available yield as prescribed by Arizona Revised Statutes. The principal investment vehicles used during the fiscal year were a pooled investment with both the County Treasurer as well as directly with the Local Government Investment Pool (LGIP). These pools have provided the District with safe, high yielding liquid investments.

Financial Reporting

This CAFR for the District was formulated with data from various sources including District and Foundation records, the Cochise County Treasurer's Office and the Cochise County Assessor's Office. The statements present information on the financial condition of the District and whether resources were adequate to cover the costs of providing services during the reporting period. The District's CAFR will be distributed to the District Governing Board and executive administration, federal and state agencies, and financial institutions as well as others throughout the general public. Internal management reports are customized and provided to meet the information and decision-making needs at all levels of the organization and to aid management in the allocation of resources.

The Notes to the Financial Statements are an integral part of this CAFR and should be read in conjunction with the Financial Statements for a full understanding of the information presented therein.

RISK MANAGEMENT

The District maintains a full complement of insurance coverage in accordance with Arizona Revised Statutes. Liability coverage is carried on a broad basis, including errors and omissions and “wrongful acts” coverage and is maintained with policy limits in excess of \$25,000,000. Property coverage is maintained on a replacement value basis in accordance with an agreed-upon schedule of values. Additional coverage includes auto fleet liability, crime and fidelity coverage, boiler and machinery insurance, professional liability, workers’ compensation and student accident coverage. District staffing includes a full-time position dedicated to the risk management function whose responsibilities include minimization of the cost of funding risks through the implementation of safety and loss prevention procedures across the District.

INDEPENDENT AUDIT

The District utilizes the audit services of Miller, Allen & Co., P.C. to ensure compliance with Arizona Revised Statutes requiring an annual audit of the District’s financial statements. The Independent Auditor’s Report is included in the financial section of this CAFR. The District received an unqualified opinion for the fiscal year ended June 30, 2007.

GFOA CERTIFICATE OF ACHIEVEMENT

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Cochise County Community College District for its comprehensive annual financial report (CAFR) for the fiscal year ended June 30, 2006. In order to be awarded a Certificate of Achievement, a governmental entity must publish an easily readable and efficiently organized CAFR. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. The District believes that the current CAFR continues to meet the Certificate of Achievement Program’s requirements and will be submitting it to the GFOA to determine its eligibility for another certificate.

ACKNOWLEDGEMENTS

The College would like to express its appreciation to our District Governing Board members, who volunteer their time and expertise on a regular basis to provide vision and guidance to the District. The District’s mission could not be achieved without the president’s continuing leadership through the strategic plan. The District would also like to express its appreciation to the Office of the Auditor General and the independent auditors for timely completion of the audit. Finally, this report could not have been developed without the efficient and dedicated efforts of the District Finance Office staff, others within the District community, and the Cochise County Assessor’s and Treasurer’s offices, all of whom contributed to its preparation.

Respectfully submitted,

William J. Howard
Director of Financial Operations



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Certificate of Achievement for Excellence in Financial Reporting

Presented to

Cochise County
Community College District
Arizona

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
June 30, 2006

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



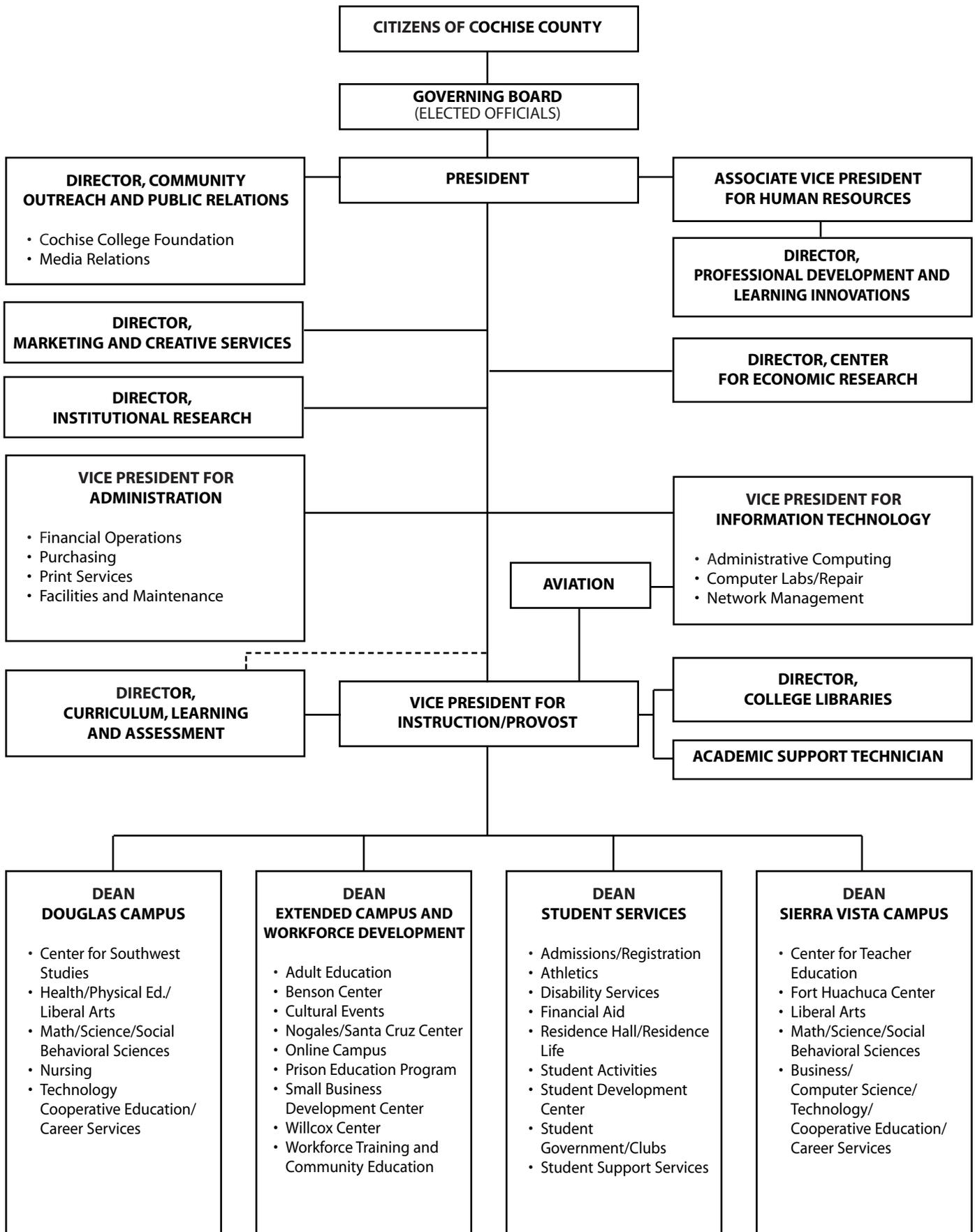
A handwritten signature in black ink, appearing to read "Thomas J. Blain".

President

A handwritten signature in black ink, appearing to read "Jeffrey R. Emer".

Executive Director

COCHISE COLLEGE ORGANIZATIONAL CHART



COCHISE COUNTY COMMUNITY COLLEGE DISTRICT

PRINCIPAL OFFICERS

June 30, 2007

DISTRICT GOVERNING BOARD

Mrs. Jan Guy, *Chair, District 5*

Dr. Michael J. Carter, *Secretary, District 2*

Mrs. Jane C. Strain, *District 3*

Dr. John M. Eaton, *District 4*

Mr. David DiPeso, *District 1*

PRESIDENT

Dr. Karen A. Nicodemus

ADMINISTRATION

Dr. Joanna K. Michelich, *Vice President for Instruction/Provost*

Mr. Carlos Cartagena, *Vice President for Information Technology*

Mr. Robert Howell, *Associate Vice President for Human Resources*



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FINANCIAL
section



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Independent Auditor's Report

The Auditor General of the State of Arizona

The Governing Board of
Cochise County Community College District

We have audited the accompanying financial statements of the business-type activities and discretely presented component unit of Cochise County Community College District as of and for the year ended June 30, 2007, which collectively comprise the District's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the District's management. 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 financial statements were audited by other auditors whose report thereon 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 of 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 includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit and the report of the other auditors provide a reasonable basis for our 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 Cochise County Community College District as of June 30, 2007, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in conformity with U.S. generally accepted accounting principles.

The Management's Discussion and Analysis on pages 15 through 22 is not a required part of the basic financial statements, but is supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted

principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

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. That information has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

In accordance with *Government Auditing Standards*, we will also issue our report on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters at a future date. The purpose of that report is 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* and should be considered in assessing the results of our audit.

Miller, Allen & Co., P.C.

December 13, 2007

**COCHISE COUNTY COMMUNITY COLLEGE DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2007**

This discussion and analysis introduces the basic financial statements and provides an overview of the District's financial activities for the year ended June 30, 2007. It should be read in conjunction with the letter of transmittal, which precedes this section, and with the financial statements, which immediately follow.

Introduction

During FY 2007, the District continued to improve its already strong financial position as it built up additional reserves in anticipation of investment in facilities over the coming few years. Both enrollment and FTSE were up modestly versus the prior year and several new programs and initiatives were launched across the District.

Basic Financial Statements

The basic financial statements consist of the Statement of Net Assets, the Statement of Revenues, Expenses and Changes in Net Assets, and the Statement of Cash Flows. The Statement of Net Assets reflects the financial position of the District at June 30, 2007. It shows the various assets owned or controlled by the District, related liabilities and other obligations, and the various categories of net assets. Net assets is defined as total assets less total liabilities, and as such, represents the institutional equity or ownership in the total assets of the District.

The Statement of Revenues, Expenses, and Changes in Net Assets reflects the results of operations and other changes for the year ended June 30, 2007. It shows the various revenues and expenses, both operating and non-operating, reconciling the beginning net assets balance to the ending net assets balance, shown on the Statement of Net Assets described above.

The Statement of Cash Flows reflects the inflows and outflows of cash and cash equivalents for the year ended June 30, 2007. It indicates the various cash activities by type, reconciling the beginning cash and cash equivalents balance to the ending cash and cash equivalents balance, shown on the Statement of Net Assets described above. In addition, this statement reconciles cash flows used for operating activities to operating loss on the Statement of Revenues, Expenses, and Changes in Net Assets described above.

Although the primary focus of this document is on the results of activities for fiscal year 2006-07 (FY 2007), comparative data is also presented for the previous fiscal year 2005-06 (FY 2006). This Management's Discussion and Analysis (MD&A) uses the prior fiscal year as a reference point in illustrating issues and trends when assessing the institution's financial health.

**COCHISE COUNTY COMMUNITY COLLEGE DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2007**

**Condensed Financial Information
Statement of Net Assets**

	As of <u>June 30, 2007</u>	As of <u>June 30, 2006</u>
<u>Assets</u>		
Current assets	\$26,980,162	\$23,167,206
Noncurrent assets, other than capital assets	1,880,081	1,173,753
Capital assets, net	<u>11,456,801</u>	<u>11,200,795</u>
Total assets, net	<u>40,317,044</u>	<u>35,541,754</u>
 <u>Liabilities</u>		
Other liabilities	2,019,085	1,859,808
Long-term liabilities	<u>1,514,889</u>	<u>1,801,082</u>
Total liabilities	<u>3,533,974</u>	<u>3,660,890</u>
 <u>Net Assets</u>		
Invested in capital assets, net of related debt	10,896,801	10,385,795
Restricted	1,599,298	1,457,979
Unrestricted	<u>24,286,971</u>	<u>20,037,090</u>
Total net assets	<u>\$36,783,070</u>	<u>\$31,880,864</u>

The District's overall financial position again improved significantly in FY 2007. Total assets increased by \$4.8 million while total liabilities decreased by \$0.1 million. Total net assets increased by \$4.9 million (15.4%), compared with an increase of \$5.0 million (18.5%) in FY 2006. This increase is largely a result of under spending the budget including planned reserves. The unspent contingency was \$3.6 million for general operations. The District received \$3.2 million less in Grants and Contracts than was anticipated this year but this was offset by under spending the budget as follows: \$1.7 million for Salaries and Benefits, \$1.6 million for Grants and Awards, \$0.9 million in Supplies, and \$0.7 million in Services.

For FY 2007, current assets increased to 8.6 times the level of current liabilities, up from last fiscal year when the comparable ratio was 7.9. This increase is due to revenue increases exceeding budgeted growth in expenditures as mentioned above.

Unrestricted net assets increased by \$4.2 million in FY 2007, an increase of 21.2 percent. Unrestricted net assets were 66.0 percent of total net assets, up from 62.8 percent in the prior fiscal year. Restricted net assets increased by \$0.1 million in the fiscal year and are now 4.3 percent of total net assets compared to 4.6 percent for the previous fiscal year. The increase in total net assets produced a decrease in investments in capital assets, net of related debt, as a percent of total net assets, moving from 32.6 percent last year to 29.6 percent for FY 2007.

**COCHISE COUNTY COMMUNITY COLLEGE DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2007**

Statement of Revenues, Expenses, and Changes in Net Assets

	Fiscal Year Ended June 30, 2007	Fiscal Year Ended June 30, 2006
<u>Operating Revenues</u>		
Tuition and fees (net of scholarship allowances)	\$4,471,602	\$4,115,507
Grants and contracts	6,948,437	7,916,255
Other operating revenues	1,197,743	1,501,354
Total operating revenues	<u>12,617,782</u>	<u>13,533,116</u>
Total operating expenses	<u>36,282,416</u>	<u>34,189,122</u>
Operating loss	<u>(23,664,634)</u>	<u>(20,656,006)</u>
 <u>Nonoperating revenues (expenses)</u>		
Property taxes	13,012,950	11,786,056
State appropriations	12,206,400	11,270,300
Other nonoperating revenues	1,044,129	962,089
Investment earnings	1,240,620	715,239
Interest on capital asset-related debt	(42,994)	(58,501)
Gain on disposal of capital assets	33,435	
Net nonoperating revenues	<u>27,494,540</u>	<u>24,675,183</u>
Excess before capital appropriations	<u>3,829,906</u>	<u>4,019,177</u>
Capital appropriations	1,052,300	965,600
Capital grants and gifts	<u>20,000</u>	<u></u>
Increase in net assets	4,902,206	4,984,777
Total net assets, beginning of year	<u>31,880,864</u>	<u>26,896,087</u>
Total net assets, end of year	<u>\$36,783,070</u>	<u>\$31,880,864</u>

Total operating revenues decreased in FY 2007 by \$0.9 million with the most significant decrease coming from Grants and Contracts revenues of \$1.0 million. This 12.2 percent decrease is primarily due to less students qualifying for federal student aid.

Non-operating revenues increased \$2.8 million over the prior year. While the property tax rate did not increase, rising valuation of existing properties and new construction resulted in an increase of \$1.2 million (10.4%) in property tax levy revenue. State appropriations (M&O) increased by \$.9 million (8.3%) over the prior year; \$.5 million of this increase was in support of ongoing operations and resulted from an increase in student enrollment in FY 2005. The other \$.4 million was due to an increase in the State equalization aid because Cochise County's assessed property valuations are below the state average assessed property valuations. Net investment earnings in the period were up from the prior year by \$0.5 million due to rising interest rates and increased investment balances.

**COCHISE COUNTY COMMUNITY COLLEGE DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2007**

Operating expenses increased by \$2.1 million (6.1%) for the year ended June 30, 2007. The most significant elements of the overall increase were as follows:

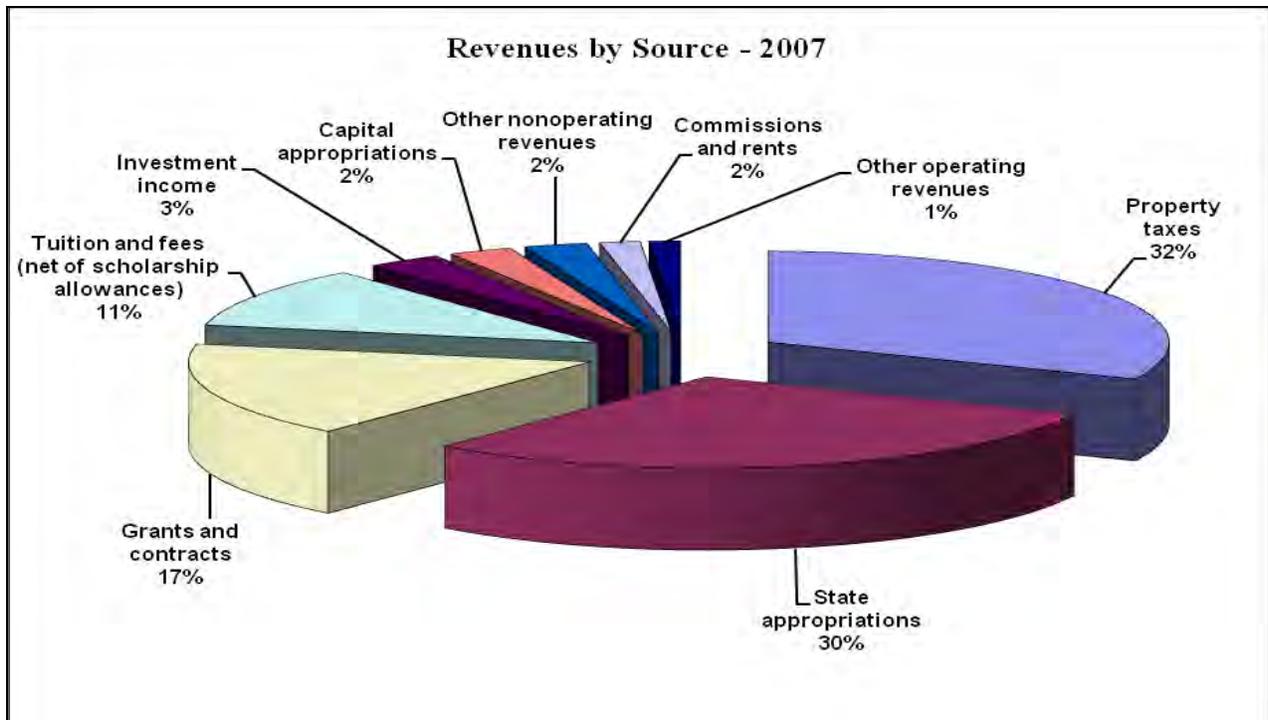
	Increase <u>(\$ 000)</u>	Increase <u>(%)</u>
Salaries and wages	\$ 923	5.1 %
Health insurance premiums	224	14.0
Arizona state retirement contributions	314	28.8
Social security	46	4.3
Computers	168	52.6
Other supplies	165	10.4
Utilities	<u>113</u>	19.5
	<u>\$1,953</u>	

Comparing FY 2007 to the prior year, salaries and wages rose overall by 5.1 percent primarily as a result of a 5.0 percent salary increase. Operating expense associated with Arizona state retirement contributions increased 28.8 percent due to increases in salaries and due to an increase in the contribution rate from 6.9 percent to 8.6 percent. The District has been replacing computers throughout the institution resulting in the 52.6 percent increase in computer expenses. Other supplies increased 10.4 percent due in large measure to increases in maintenance and repair supplies, and instructional supplies.

**COCHISE COUNTY COMMUNITY COLLEGE DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2007**

The following is a summary of revenues for fiscal years ended June 30, 2007 and June 30, 2006:

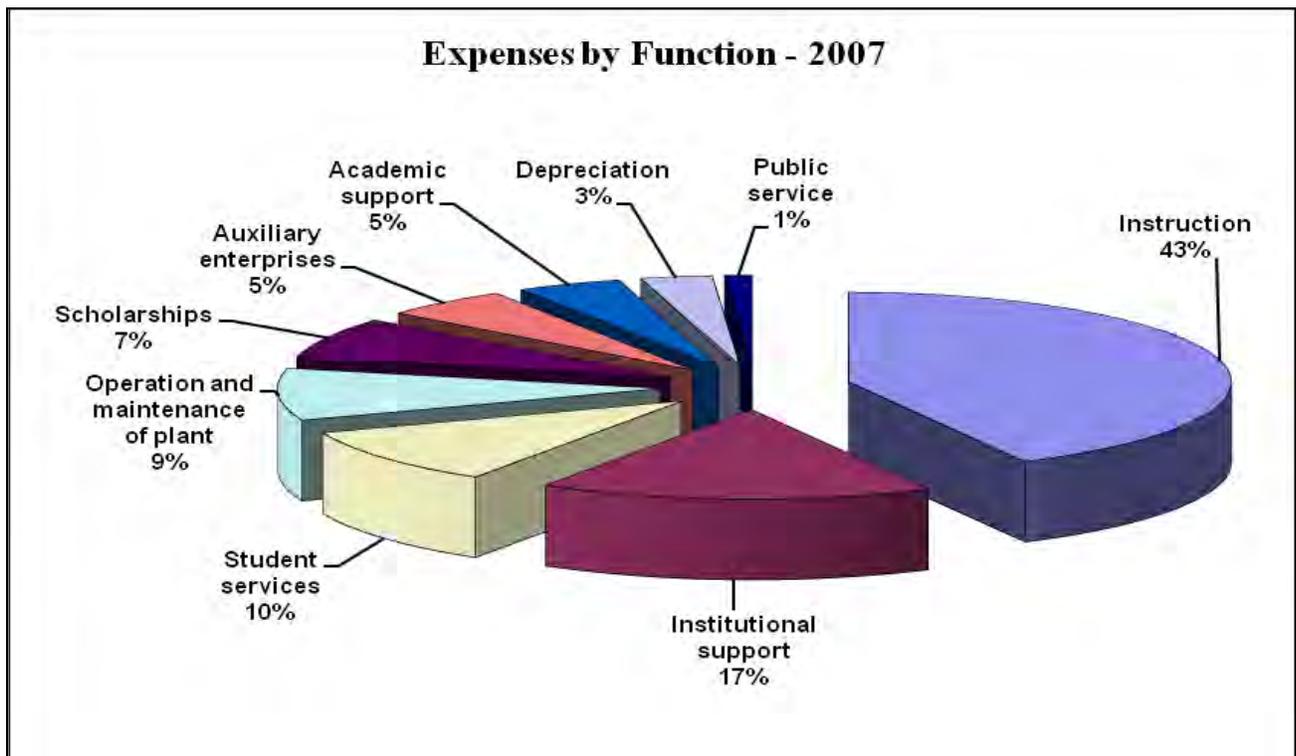
	Fiscal Year Ended June 30, 2007		Fiscal Year Ended June 30, 2006	
<u>Operating revenues</u>				
Tuition and fees (net of scholarship allowances)	\$ 4,471,602	11%	\$ 4,115,507	11%
Grants and contracts	6,948,437	17	7,916,255	20
Commissions and rents	667,850	2	666,826	2
Other operating revenues	529,893	1	834,528	2
Total operating revenues	<u>12,617,782</u>	<u>31</u>	<u>13,533,116</u>	<u>35</u>
<u>Nonoperating revenues</u>				
Property taxes	13,012,950	32	11,786,056	30
State appropriations	12,206,400	30	11,270,300	29
Investment earnings	1,240,620	3	715,239	2
Other nonoperating revenues	1,044,129	2	962,089	2
Gain on disposal of assets	33,435	-		
Total nonoperating revenues	<u>27,537,534</u>	<u>67</u>	<u>24,733,684</u>	<u>63</u>
Capital appropriations	1,052,300	2	965,600	2
Capital grants and gifts	20,000	-		
Total revenues	<u>\$41,227,616</u>	<u>100%</u>	<u>\$39,232,400</u>	<u>100%</u>



**COCHISE COUNTY COMMUNITY COLLEGE DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2007**

The following is a summary of expenses for fiscal years ended June 30, 2007 and June 30, 2006:

	<u>Fiscal Year Ended June 30, 2007</u>		<u>Fiscal Year Ended June 30, 2006</u>	
<u>Operating expenses</u>				
Education and general:				
Instruction	\$15,380,470	43%	\$14,136,315	41%
Public service	417,791	1	498,178	2
Academic support	1,608,960	5	1,136,549	3
Student services	3,713,085	10	3,431,102	10
Institutional support	6,032,729	17	5,824,808	17
Operation and maintenance of plant	3,403,605	9	3,180,681	9
Scholarships	2,674,499	7	2,681,465	8
Auxiliary enterprises	1,954,700	5	2,074,570	6
Depreciation	1,096,577	3	1,225,454	4
Total operating expenses	<u>36,282,416</u>	<u>100</u>	<u>34,189,122</u>	<u>100</u>
<u>Nonoperating expenses</u>				
Interest expense on debt	<u>42,994</u>	<u>-</u>	<u>58,501</u>	<u>-</u>
Total expenses	<u>\$36,325,410</u>	<u>100%</u>	<u>\$34,247,623</u>	<u>100%</u>



**COCHISE COUNTY COMMUNITY COLLEGE DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2007**

Capital Assets

Below is a summary of the capital assets, net of depreciation, as of June 30, 2007 and June 30, 2006. See Note 3 for further details.

	As of <u>June 30, 2007</u>	As of <u>June 30, 2006</u>
Land	\$ 495,580	\$ 495,580
Construction in Progress	99,210	120,512
Buildings	7,911,984	8,323,757
Equipment	1,159,482	708,249
Improvements other than buildings	1,456,775	1,220,697
Library books	301,320	298,450
Museum and art collection	32,450	33,550
Total	<u>\$11,456,801</u>	<u>\$11,200,795</u>

The increase in equipment assets resulted largely from the replacement of two aging aircraft with relatively new ones while infrastructure enhancements such as roads, parking lots, utilities and the addition of solar field technology accounted for the increase in non-building improvements.

Long-Term Debt

At June 30, 2007 and June 30, 2006, the District had one certificate of participation issue outstanding totaling \$0.6 million and \$.8 million, respectively. No new debt was issued during the fiscal year. See Note 4 for further details.

Current Economic Conditions

The population of Cochise County in mid-2006 was approximately 135,000. Approximately 60% of the county's population resides in the county's seven incorporated areas; nearly half reside in Sierra Vista and Douglas, the county's two largest cities. About 30% of the county's workforce is employed by government, with the top public sector employers being Fort Huachuca, the U.S. Department of Homeland Security, the Arizona Department of Corrections, and the school districts and city governments. The industry grouping that employs the largest number of workers is educational services, health care, and social assistance, which employed 22.5% of the county's workers in 2006, followed by public administration (13.4%), and retail trade (11.3%).

In 2006, the median household income county-wide was \$38,427. In 2006, 15.7% of families in the county were below the poverty level, up from 13.5% in 1999. The median value of a home in Cochise County in 2006 was \$136,700, up 55% from \$88,200 in 2000. In 2006, the county's unemployment rate was 4.6%; this dropped to 4.1% in the first 9 months of 2007.

**COCHISE COUNTY COMMUNITY COLLEGE DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2007**

Current Factors Having Probable Future Financial Significance

The financial condition of the District remains robust, driven largely by increases in assessed property valuations, stable state appropriations, and prudent expense management. During FY 2007, state appropriations to the District were increased by \$1.0 million (including capital appropriations), or approximately 8.4 percent. Financial support from the state has continued to grow in line with full-time student equivalents (FTSE). A 4.4 percent increase in tuition was implemented for in-state students in FY 2008 and consideration is being given to a modest increase for the upcoming fiscal year. The District is currently developing a revised Master Facilities Plan to address the future direction of the District to meet the educational needs of the county.

Requests for Information

This discussion and analysis is designed to provide a general overview of the Cochise County Community College District's finances for all those with an interest in such matters. Questions concerning any of the information provided in this comprehensive annual financial report or requests for additional financial information should be addressed to the Office of the Director of Financial Operations, Cochise County Community College District, 4190 West Highway 80, Douglas, Arizona 85607.

**Cochise County Community College District
Statement of Net Assets - Primary Government
June 30, 2007**

	<u>Business-Type Activities</u>
<u>Assets</u>	
Current assets:	
Cash and cash equivalents	\$ 24,974,998
Receivables:	
Accounts (less allowances of \$439,629)	257,230
Property taxes (less allowances of \$304,599)	488,891
Government grants and contracts	227,610
Interest	127,358
Other	321,527
Inventories	456,665
Prepaid items	125,883
Total current assets	<u>26,980,162</u>
Noncurrent assets:	
Restricted assets:	
Cash and cash equivalents	1,862,711
Cash and investments held by trustee	17,370
Capital assets, not being depreciated	594,790
Capital assets, being depreciated, net	10,862,011
Total noncurrent assets	<u>13,336,882</u>
Total assets	<u>40,317,044</u>
<u>Liabilities</u>	
Current liabilities:	
Accounts payable	814,446
Accrued payroll and employee benefits	708,371
Interest payable	17,433
Deposits held in custody for others	290,973
Deferred revenues	187,862
Current portion of compensated absences payable	864,719
Current portion of long-term debt	270,000
Total current liabilities	<u>3,153,804</u>
Noncurrent liabilities:	
Compensated absences payable	90,170
Long-term debt	290,000
Total non-current liabilities	<u>380,170</u>
Total liabilities	<u>3,533,974</u>
<u>Net Assets</u>	
Invested in capital assets, net of related debt	10,896,801
Restricted for:	
Grants and contracts	1,599,298
Unrestricted	24,286,971
Total net assets	<u>\$ 36,783,070</u>

See accompanying notes to financial statements.

**Cochise County Community College District
Statement of Financial Position - Component Unit
June 30, 2007**

	<u>Cochise College Foundation</u>
<u>Assets</u>	
Current assets:	
Cash and cash equivalents	\$ 56,146
Note receivable	36,245
Total current assets	<u>92,391</u>
Noncurrent assets:	
Investments	778,308
Investments held for endowment purposes	2,313,132
Land held as an investment	38,311
Total noncurrent assets	<u>3,129,751</u>
Total assets	<u>\$ 3,222,142</u>
<u>Net Assets</u>	
Unrestricted	666,099
Temporarily restricted	1,022,690
Permanently restricted	1,533,353
Total net assets	<u>\$ 3,222,142</u>

See accompanying notes to financial statements.

Cochise County Community College District
Statement of Revenues, Expenses, and Change in Net Assets - Primary Government
For the Year Ended June 30, 2007

	<u>Business-Type Activities</u>
Operating revenues:	
Tuition and fees (net of scholarship allowances of \$1,334,645)	\$ 4,471,602
Government grants and contracts	6,946,544
Private grants and contracts	1,893
Bookstore income	165,000
Food service income	296,025
Dormitory rentals and fees	206,825
Other	529,893
Total operating revenues	<u>12,617,782</u>
Operating expenses:	
Educational and general:	
Instruction	15,380,470
Public service	417,791
Academic support	1,608,960
Student services	3,713,085
Institutional support	6,032,729
Operation and maintenance of plant	3,403,605
Scholarships	2,674,499
Auxiliary enterprises	1,954,700
Depreciation	1,096,577
Total operating expenses	<u>36,282,416</u>
Operating loss	<u>(23,664,634)</u>
Nonoperating revenues (expenses):	
Property taxes	13,012,950
State appropriations	12,206,400
Share of state sales taxes	1,044,129
Investment earnings	1,240,620
Interest on capital asset-related debt	(42,994)
Gain on disposal of capital assets	33,435
Net nonoperating revenues	<u>27,494,540</u>
Income before other revenues, expenses, gains, or losses	3,829,906
Capital appropriations	1,052,300
Capital grants and gifts	20,000
Increase in net assets	<u>4,902,206</u>
Total net assets, July 1, 2006	<u>31,880,864</u>
Total net assets, June 30, 2007	<u>\$ 36,783,070</u>

See accompanying notes to financial statements.

Cochise County Community College District
Statement of Activities - Component Unit
For the Year Ended June 30, 2007

	Cochise College Foundation			Total
	Unrestricted	Temporarily Restricted	Permanently Restricted	
Support and revenue:				
Contributions	\$ 124,353	\$ 578,890	\$ 66,238	\$ 769,481
Investment income	266,022			266,022
Total support and revenue before net assets released from restriction	390,375	578,890	66,238	1,035,503
Net assets released from restriction	515,072	(515,072)		
Total support and revenue	905,447	63,818	66,238	1,035,503
Expenses:				
Program expenses:				
Scholarships	394,083			394,083
Special programs	84,333			84,333
Other programs	36,656			36,656
Total program expenses	515,072			515,072
Supporting services:				
Salaries and wages	115,486			115,486
Other	14,929			14,929
Total supporting services	130,415			130,415
Total expenses	645,487			645,487
Change in net assets	259,960	63,818	66,238	390,016
Net assets, beginning of year	406,139	958,872	1,467,115	2,832,126
Net assets, end of year	\$ <u>666,099</u>	\$ <u>1,022,690</u>	\$ <u>1,533,353</u>	\$ <u>3,222,142</u>

See accompanying notes to financial statements.

**Cochise County Community College District
Statement of Cash Flows - Primary Government
For the Year Ended June 30, 2007**

	<u>Business-Type Activities</u>
Cash flows from operating activities:	
Tuition and fees	\$ 4,398,501
Grants and contracts	7,356,493
Bookstore receipts	165,000
Food services receipts	296,025
Dormitory rentals and fees	206,825
Other receipts	651,436
Payments to suppliers and providers of goods and services	(7,592,024)
Payments to employees	(24,037,615)
Payments for scholarships	(2,674,499)
Other payments	(378,938)
Net cash used for operating activities	<u>(21,608,796)</u>
Cash flows from noncapital financing activities:	
Property taxes	13,012,407
State appropriations	12,206,400
Share of state sales taxes	1,116,509
Federal family education loan receipts	2,536,697
Federal family education loan disbursements	(2,534,134)
Short-term loans received	1,580
Short-term loans disbursed	(1,800)
Deposits held in custody for others received	1,770,628
Deposits held in custody for others disbursed	(1,766,267)
Net cash provided by noncapital financing activities	<u>26,342,020</u>
Cash flows from capital and related financing activities:	
Capital appropriations	1,052,300
Principal paid on capital debt	(255,000)
Interest paid on capital debt	(50,771)
Proceeds from sale of capital asset	35,000
Purchases of capital assets	(1,478,893)
Net cash used for capital and related financing activities	<u>(697,364)</u>
Cash flows from investing activities:	
Proceeds from sales of investments	305,896
Purchases of investments	(297,677)
Interest received on investments	1,211,917
Net cash provided by investing activities	<u>1,220,136</u>
Net increase in cash and cash equivalents	5,255,996
Cash and cash equivalents, July 1, 2006	<u>21,581,713</u>
Cash and cash equivalents, June 30, 2007	<u>\$ 26,837,709</u>

See accompanying notes to financial statements.

(Continued)

**Cochise County Community College District
Statement of Cash Flows - Primary Government
For the Year Ended June 30, 2007
(Concluded)**

	Business-Type Activities
Reconciliation of operating loss to net cash used for operating activities:	
Operating loss	\$ (23,664,634)
Adjustments to reconcile operating loss to net cash used for operating activities:	
Depreciation	1,096,577
Write off of construction in progress	84,090
Provision for uncollectable accounts	85,526
Changes in assets and liabilities:	
Increase in:	
Accounts receivable	(129,588)
Accounts payable	332,961
Decrease in:	
Government grants and contracts receivable	408,056
Other receivables	121,543
Inventories	12,688
Prepaid items	184,791
Accrued payroll and employee benefits	(80,574)
Compensated absences payable	(31,193)
Deferred revenues	(29,039)
Net cash used for operating activities	\$ (21,608,796)

Noncash investing, noncapital financing, and capital and related financing transactions:

During the year the District disposed of obsolete and retired capital assets in the amount of \$50,000 with a net book value of \$0. The District received a donation of a capital asset valued at \$20,000. The District expensed \$84,090 of prior year Construction in Progress.

See accompanying notes to financial statements.

**COCHISE COUNTY COMMUNITY COLLEGE DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2007**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. Reporting Entity

The District is a special-purpose government that is governed by a separately elected governing body. It is legally separate and fiscally independent of other state and local governments. The accompanying financial statements present the activities of the District (the primary government) and its discretely-presented component unit, the Cochise College Foundation, Inc. (the 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. Although the District does not control the timing or amount of the 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 (FASB) 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 respective counterpart financial statements of the District. 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 GAAP for public colleges and universities. The Foundation has a June 30 fiscal year-end.

During the year ended June 30, 2007, the Foundation distributed \$483,384 to and on behalf of the District for both restricted and unrestricted purposes. Complete financial statements for the Foundation can be obtained from the Cochise College Foundation, 4190 West Highway 80, Douglas, Arizona 85607-6190.

**COCHISE COUNTY COMMUNITY COLLEGE DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2007**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

B. Basis of Presentation and Accounting

The financial statements include a statement of net assets; a statement of revenues, expenses, and changes in net assets; and a statement of cash flows. A statement of net assets provides information about the assets, liabilities, and net assets of the District at the end of the year. Assets and liabilities are classified as either current or non-current. Net assets are classified according to external donor restrictions or availability of assets to satisfy District obligations. Invested in capital assets, net of related debt represents the value of capital assets, net of accumulated depreciation, less any outstanding debt incurred to acquire or construct the assets. Nonexpendable restricted net assets are gifts that have been received for endowment purposes, the corpus of which cannot be expended. Expendable restricted net assets represent grants, contracts, gifts, and other resources that have been externally restricted for specific purposes. Unrestricted net assets include all other net assets, 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 assets 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 assets are reported, including capital contributions and additions to endowments. Operating revenues and expenses generally result from providing instructional, public, and auxiliary services, which is consistent with the District's mission. Accordingly, revenues such as tuition, educational grants, and book store, food service, and dormitory charges are considered to be operating revenues. Other revenues, such as property taxes and state appropriations, are not generated from operations and are considered to be nonoperating revenues. Operating expenses include the cost of sales and services, administrative expenses, and depreciation on capital assets. Other expenses, such as interest expense on debt, are considered to be nonoperating expenses.

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

The financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Property taxes are recognized in the year for which they are levied. State appropriations are recognized as revenue in the year in which the appropriation is first made available for use. Grants and donations are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. The District eliminates all internal activity.

**COCHISE COUNTY COMMUNITY COLLEGE DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2007**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

It is the District's policy to first apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net assets are available.

The District follows FASB Statements and Interpretations issued on or before November 30, 1989; Accounting Principles Board Opinions; and Accounting Research Bulletins, unless those pronouncements conflict with GASB pronouncements. The District has chosen the option not to follow FASB Statements and Interpretations issued after November 30, 1989.

C. Cash and Investments

The District's cash and cash equivalents are considered to be cash on hand, demand deposits, cash and investments held by the County Treasurer, investments in the State Treasurer's Local Government Investment Pool, and highly liquid investments. Investments are stated at fair value.

D. Inventories

Inventories are stated at the lower of cost (first-in, first-out method) or market.

E. 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 for depreciation purposes reported in the financial statements are as follows:

	Capitalization Threshold	Depreciation Method	Estimated Useful Life
Land	\$5,000	N/A	N/A
Improvements other than buildings	5,000	Straight line	15 years
Buildings	5,000	Straight line	40 years
Equipment	5,000	Straight line	5-30 years
Museum art collection	5,000	Straight line	60 years
Library books	1	Straight line	10 years

F. Investment Earnings

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

COCHISE COUNTY COMMUNITY COLLEGE DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2007

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Concl'd)

G. Compensated Absences

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

Employees may accumulate up to 176 hours of vacation depending on years of service, but any vacation hours in excess of the maximum amount that are unused at year-end are forfeited. Upon termination of employment, all unused and un-forfeited vacation benefits are paid to employees. Accordingly, vacation benefits are accrued as a liability in the financial statements.

Generally, sick leave benefits provide for ordinary sick pay and are cumulative but do not vest with employees. Therefore, a liability for sick leave benefits is not accrued in the financial statements. However, for employees who are at least 55 years of age or have met the necessary points for full retirement with the Arizona State Retirement System and have been employed by the District for at least 10 years, a portion of their sick leave benefits does vest. Those amounts are accrued as a liability in the financial statements.

H. Scholarship Allowances

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

NOTE 2 - DEPOSITS AND INVESTMENTS

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

**COCHISE COUNTY COMMUNITY COLLEGE DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2007**

NOTE 2 - DEPOSITS AND INVESTMENTS (Cont'd)

At June 30, 2007, the District's deposits and investments consisted of the following:

	Reported on the Statement of Net Assets as:	
	Cash and Cash Equivalents	Cash and Investments Held by Trustee
Deposits:		
Cash on hand	\$ 10,621	\$
Cash in bank	2,895,857	
Investments at fair value:		
Cash and investments held by the County		
Treasurer	462,449	
Investment in State Treasurer's investment pool	23,468,782	
Money market mutual fund – debt securities		17,370
Total	\$26,837,709	\$17,370

Deposits: For deposits, custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned to the district. The District currently does not have a deposit policy for custodial credit risk. At June 30, 2007, the carrying amount of the District's cash in bank was \$2,895,857, and the bank balance was \$3,538,055, of which \$3,438,055 was exposed to custodial credit risk as it was collateralized with securities held by the pledging financial institution.

Investments: At June 30, 2007, the District's investments consisted of the following:

	Maturities	Fair Value
Money market mutual fund – debt securities	Less than one year	\$ 17,370
County Treasurer's investment pool	118.59 days average	462,449
State Treasurer's investment pools	49.55 days average	23,468,782
Total		\$23,948,601

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

Interest Rate Risk. The District does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

COCHISE COUNTY COMMUNITY COLLEGE DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2007

NOTE 2 - DEPOSITS AND INVESTMENTS (Concl'd)

Credit Risk. The District does not have a formal investment policy with respect to credit risk that would further limit its investment choices. The State and County Treasurers' investment pools and the investment in the money market mutual fund are not rated.

Custodial Credit Risk. For an investment, custodial credit risk is the risk that, in the event of a counterparty's failure, the District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The District currently does not have a formal investment policy for custodial risk. The District's cash and investments held by the trustee have a custodial credit risk exposure of \$17,370 because the related securities are uninsured, unregistered and held by the District's brokerage firm (counterparty) not in the District's name.

NOTE 3 - CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2007, was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets not being depreciated				
Land	\$ 495,580	\$	\$	\$ 495,580
Construction in Progress	120,512	96,060	(117,362)	99,210
Total capital assets not being depreciated	<u>616,092</u>	<u>96,060</u>	<u>(117,362)</u>	<u>594,790</u>
Capital assets being depreciated:				
Buildings	19,163,412			19,163,412
Equipment	5,555,241	876,903	(21,225)	6,410,919
Improvements other than buildings	4,237,865	439,024		4,676,889
Library books	1,242,285	59,523	(50,000)	1,251,808
Museum art collection	66,000			66,000
Total capital assets being depreciated	<u>30,264,803</u>	<u>1,375,450</u>	<u>(71,225)</u>	<u>31,569,028</u>
Less accumulated depreciation for:				
Buildings	(10,839,655)	(411,773)		(11,251,428)
Equipment	(4,846,992)	(424,105)	19,660	(5,251,437)
Improvements other than buildings	(3,017,168)	(202,946)		(3,220,114)
Library books	(943,835)	(56,653)	50,000	(950,488)
Museum art collection	(32,450)	(1,100)		(33,550)
Total accumulated depreciation	<u>(19,680,100)</u>	<u>(1,096,577)</u>	<u>69,660</u>	<u>(20,707,017)</u>
Total capital assets being depreciated, net	<u>10,584,703</u>	<u>278,873</u>	<u>(1,565)</u>	<u>10,862,011</u>
Capital assets, net	<u>\$11,200,795</u>	<u>\$ 374,933</u>	<u>\$ (118,927)</u>	<u>\$11,456,801</u>

**COCHISE COUNTY COMMUNITY COLLEGE DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2007**

NOTE 4 – LONG-TERM LIABILITIES

The following schedule details the District’s long-term liability and obligation activity for the year ended June 30, 2007:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due within one year</u>
Compensated absences payable	\$986,082	\$1,420,268	\$1,451,461	\$954,889	\$864,719
Certificates of participation payable	815,000		255,000	560,000	270,000
Total long-term liabilities	<u>\$1,801,082</u>	<u>\$1,420,268</u>	<u>\$1,706,461</u>	<u>\$1,514,889</u>	<u>\$1,134,719</u>

Certificates of Participation - The District has issued certificates of participation that were generally non-callable until 2004 when they became callable at a premium, with interest payable semiannually to fund a portion of the \$5,000,000 building expansion project on the Sierra Vista campus.

Certificates outstanding at June 30, 2007, were as follows:

<u>Issue</u>	<u>Original Amount</u>	<u>Maturity Ranges</u>	<u>Interest Rates</u>	<u>Outstanding Principal</u>
Series 1993	\$3,000,000	7/1/2007-09	6.20%-6.25%	\$560,000

The following schedule details debt service requirements to maturity for the District’s certificates of participation payable at June 30, 2007:

Year Ending June 30	<u>Principal</u>	<u>Interest</u>
2008	\$270,000	\$26,495
2009	290,000	9,063
Total	<u>\$560,000</u>	<u>\$35,558</u>

NOTE 5 - RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; error and omissions; injuries to employees; and natural disasters. The District carries commercial insurance for all such risks of loss, including workers’ compensation and accident insurance. In addition, the District carries specialized commercial insurance for the risks of loss associated with its aircraft program and nursing and emergency medical technician student program. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

**COCHISE COUNTY COMMUNITY COLLEGE DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2007**

NOTE 6 - RETIREMENT PLAN

Plan description - The District contributes to a cost-sharing, multiple-employer defined benefit pension plan administered by the Arizona State Retirement System (System). Benefits are established by State statute and generally provide retirement, death, long-term disability, survivor, and health insurance premium benefits. The System is governed by the Arizona State Retirement System Board according to the provisions of A.R.S. Title 38, Chapter 5, Article 2.

The System issues a comprehensive annual financial report that includes financial statements and required supplementary information. The most recent report may be obtained by writing the Arizona State Retirement System, 3300 North Central Avenue, P.O. Box 33910, Phoenix, AZ 85012-3910 or by calling (602) 240-2000 or (800) 621-3778.

Funding policy - The Arizona State Legislature establishes and may amend active plan members' and the District's contribution rates. For the year ended June 30, 2006, active plan members and the District were each required by statute to contribute at the actuarially determined rate of 9.10 percent (8.60 percent retirement and 0.50 percent long-term disability) of the members' annual covered payroll. The District's contributions to the System for the years ended June 30, 2007, 2006, and 2005, were \$1,403,109, \$1,089,325, and \$738,337, respectively, which were equal to the required contributions for the year.

NOTE 7 - OPERATING EXPENSES

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

Personnel services	\$23,925,848
Contract services	2,693,339
Supplies and other services	3,110,889
Rent and insurance	875,562
Communications and utilities	1,064,695
Travel	462,069
Scholarships	2,674,499
Depreciation	1,096,577
Other	378,938
Total	\$36,282,416

**COCHISE COUNTY COMMUNITY COLLEGE DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2007**

NOTE 8 – DISCRETELY PRESENTED COMPONENT UNIT DISCLOSURE

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Cochise College Foundation, Inc. (the Foundation) is an Arizona not-for-profit organization established to support the educational goals of the Cochise County Community College District primarily through the funding of scholarships. Foundation policy is provided and directed by a fifteen member Board of Directors composed of appointed individuals.

Basis of Presentation

The financial statements of the Foundation have been prepared on the accrual basis of accounting. Financial statement presentation follows the recommendations of the Financial Accounting Standards Board in its Statement of Financial Accounting Standards (SFAS) No. 117, Financial Statements of Not-for-Profit Organizations. Under SFAS No. 117, the Foundation is required to report information regarding its financial position and activities according to the existence or absence of donor-imposed restrictions. Accordingly, the net assets of the Foundation and changes therein are classified and reported as follows.

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

Temporarily restricted net assets – net assets subject to donor-imposed restrictions that may or will be met either by actions of the Foundation and/or the passage of time.

Permanently restricted net assets – net assets subject to donor-imposed restrictions that must be maintained permanently by the Foundation.

Temporarily restricted net assets are those whose use by the Foundation have been limited by donors to a specific time period or purpose. When a donor restriction expires, either when the stipulated time restriction ends or the purpose restriction is accomplished, temporarily restricted net assets are classified as unrestricted net assets and reported in the statement of activities and changes in net assets as net assets released from restrictions. Donor restricted contributions whose restrictions are met within the same year as received are reported as restricted contributions and subsequently released from restriction in the accompanying financial statements.

Revenue Recognition

Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support, depending on the existence and/or nature of any donor restriction.

Unconditional promises to give cash and other assets are reported at fair value at the date the promise is received. Unconditional promises and other gifts are reported as either temporarily or permanently restricted support if they are received with donor stipulations that limit the use of the donated assets. Conditional promises to give are not recognized until they become unconditional; that is, when the conditions on which they depend are substantially met.

COCHISE COUNTY COMMUNITY COLLEGE DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2007

NOTE 8 – DISCRETELY PRESENTED COMPONENT UNIT DISCLOSURE (Cont'd)

Revenue and expenses are recorded on the accrual basis. Revenue received for future scholarships is deferred until the applicable year.

Expense Allocation

Directly identifiable expenses of the Foundation's programs are charged to scholarships and other programs. Supporting services expenses include those expenses that are not directly identifiable with any other specific function but provide for the overall support and direction of the Foundation.

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 certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Cash and Cash Equivalents

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

Investments

Investments in equity securities with readily determinable fair values and all investments in debt securities are measured at fair value in the statement of financial position. Investment income or loss (including gains and losses on investments, interest, and dividends) is included in the statement of activities as increases or decreases in unrestricted net assets unless the income or loss is restricted by donor or law.

Concentrations of Credit and Market Risk

Financial instruments that potentially expose the Foundation to concentrations of credit and market risk consist primarily of cash equivalents and investments. Cash equivalents are maintained at high-quality financial institutions and credit exposure is limited to any one institution. The Foundation has not experienced any losses on its cash equivalents.

Donated Land and Equipment

Donated land and equipment are reflected as contributions in the accompanying financial statements at their estimated values at the date of receipt.

**COCHISE COUNTY COMMUNITY COLLEGE DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2007**

NOTE 8 – DISCRETELY PRESENTED COMPONENT UNIT DISCLOSURE (Concl'd)

Income Tax Status

The Foundation is exempt from federal income tax as an organization other than a private foundation under Section 501(c)(3) of the Internal Revenue Code and from state income taxes under Arizona Revised Statutes. Accordingly, there are no income taxes reflected on the Statement of Financial Position or the Statement of Activities.

B. CASH AND INVESTMENTS

At June 30, 2007, the carrying amount of the Foundation's deposits was \$56,146, and the bank balance was \$75,602, which was entirely covered by Federal depository insurance or Securities Investor Protection Cooperation Coverage.

<u>Investment Type</u>	<u>Fair Value</u>	<u>Investment Maturities (in Years)</u>			
		<u>Less than 1</u>	<u>1-5</u>	<u>6-15</u>	<u>More than 15</u>
Certificates of Deposit	\$ 257,589	\$ 188,902	\$ 24,140	\$ 44,547	
Corporate Bonds	2,055,543		364,911	683,487	\$ 1,007,145
		<u>\$ 188,902</u>	<u>\$ 389,051</u>	<u>\$ 728,034</u>	<u>\$ 1,007,145</u>
Stocks	24,568				
Mutual Funds	753,740				
Total	<u>\$3,091,440</u>				

Interest Rate Risk. The Foundation does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Credit Risk. The Foundation has no investment policy that would further limit its investment choices. The Foundation's investments in corporate bonds were rated by Standard & Poor's as follows.

<u>Rating</u>	<u>Amount</u>
AAA	\$ 130,500
AA	470,704
A	1,037,791
BBB	288,261
BB	79,537
B	48,750
Total	<u>\$ 2,055,543</u>

Concentration of Credit Risk. The Foundation places no limit on the amount the Foundation may invest in any one issuer. The Foundation did not invest more than five percent of its total investments in any one issuer.



COCHISE COLLEGE

Creating opportunities...changing lives.



STATISTICAL
section



**COCHISE
COLLEGE**

Creating opportunities...changing lives

Statistical Section Introduction

The Cochise County Community College District (the District) implemented the provisions of Governmental Accounting Standards Board statement No. 44, *Economic Condition Reporting: The Statistical Section*.

This section of the Cochise County Community College District's Comprehensive Annual Financial Report presents detailed information as a context for further understanding of the information in the financial statements, note disclosures, and supplementary information.

Financial Trends

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

Revenue Capacity

These schedules contain information to help the reader assess the District's most significant own-source revenues.

Debt Capacity

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

Demographic and Economic Information

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

Operating Information

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

COCHISE COUNTY COMMUNITY COLLEGE DISTRICT
NET ASSETS by COMPONENT
Last Six Fiscal Years (1)
Unaudited

	2006/07	2005/06	2004/05	2003/04	2002/03	2001/02
Primary government						
Invested in capital assets, net of related debt	\$ 10,896,801	\$ 10,385,795	10,628,755	10,749,501	10,650,275	11,442,979
Restricted (2)	1,599,298	1,457,979	947,780	449,062	359,452	262,010
Unrestricted (2)	24,286,971	20,037,090	15,319,552	10,641,976	7,347,628	5,924,985
Total primary government net assets	\$ 36,783,070	\$ 31,880,864	\$ 26,896,087	\$ 21,840,539	\$ 18,357,355	\$ 17,629,974

Source: Annual reports on audited financial statements for the past six fiscal years.

Note (1): Beginning in fiscal year 2001/02, the District implemented the reporting requirements of GASB statement No. 35. Since prior years financial information has not been restated, only the past six fiscal years revenues are presented above.

Note (2): In FY 2006, Expendable Capital Projects Net Assets and Debt Service Net Assets were reclassified from Restricted Net Assets to Unrestricted Net Assets. Prior years' data have been restated for comparability.

COCHISE COUNTY COMMUNITY COLLEGE DISTRICT
 CHANGES in NET ASSETS
 Last Six Fiscal Years (1)
 Unaudited

	2006/2007	2005/06	2004/05	2003/04	2002/03	2001/02
Operating Revenues						
Tuition and fees	\$ 4,471,602	\$ 4,115,507	\$ 4,104,156	\$ 3,874,044	\$ 3,395,065	\$ 2,830,410
Bookstore sales	165,000	165,000	165,000	113,160	113,723	106,697
Food service sales	296,025	302,222	303,693	302,177	304,974	339,556
Dormitory rentals	206,825	199,604	210,085	193,778	229,280	250,054
Other sales and services	529,893	834,528	1,531,498	869,457	352,220	322,833
Operating grants and contracts	6,948,437	7,916,255	8,068,675	7,357,217	7,717,577	6,608,123
Total operating revenues	\$ 12,617,782	\$ 13,533,116	\$ 14,383,107	\$ 12,709,833	\$ 12,112,839	\$ 10,457,673
Operating Expenses						
Instruction	\$ 15,380,470	\$ 14,136,315	\$ 12,460,037	\$ 11,664,764	\$ 12,166,791	\$ 11,282,892
Public service	417,791	498,178	561,156	456,122	340,121	412,659
Academic support	1,608,960	1,136,549	1,051,477	903,969	861,049	829,502
Student services	3,713,085	3,431,102	2,887,048	2,726,816	2,849,238	2,463,364
Institutional support	6,032,729	5,824,808	5,005,656	4,317,051	4,555,534	4,270,073
Operation & maintenance of Plant	3,403,605	3,180,681	2,716,508	2,588,501	2,448,144	2,529,219
Scholarships	2,674,499	2,681,465	3,009,865	3,027,789	3,325,570	2,774,394
Depreciation	1,096,577	1,225,454	1,189,506	1,112,495	1,010,505	1,063,415
Auxiliary enterprises	1,954,700	2,074,570	2,604,560	1,601,063	1,336,144	1,693,613
Total operating expenses	\$ 36,282,416	\$ 34,189,122	\$ 31,485,813	\$ 28,398,570	\$ 28,893,096	\$ 27,319,131
Operating income (loss)	\$ (23,664,634)	\$ (20,656,006)	\$ (17,102,706)	\$ (15,688,737)	\$ (16,780,257)	\$ (16,861,458)
Nonoperating Revenues/(Expenses)						
Property taxes	13,012,950	11,786,056	10,910,652	10,144,554	9,642,802	8,744,747
State appropriations	12,206,400	11,270,300	9,384,000	7,748,800	7,547,001	8,133,700
Share of state sales taxes	1,044,129	962,089	771,765	588,067	424,850	540,737
Investment earnings/(loss)	1,240,620	715,239	250,213	92,798	(204,595)	197,523
Miscellaneous	-	-	-	-	-	38,000
Interest on debt	(42,994)	(58,501)	(70,576)	(84,098)	(96,408)	(107,570)
Gain on sale/disposal of capital assets	33,435	-	-	-	-	-
Total nonoperating revenues/expenses	27,494,540	24,675,183	21,246,054	18,490,121	17,313,650	17,547,137
Income (loss) before other revenues, expenses, gains or losses	3,829,906	4,019,177	4,143,348	2,801,384	533,393	685,679
Capital appropriations	1,052,300	965,600	912,200	681,800	681,800	699,900
Capital grants and gifts	20,000	-	-	-	-	-
Change in Net Assets	\$ 4,902,206	\$ 4,984,777	\$ 5,055,548	\$ 3,483,184	\$ 1,215,193	\$ 1,385,579

Source: Annual reports on audited financial statements for the past six fiscal years.

Note (1): Beginning in fiscal year 2001/02, the District implemented the reporting requirements of GASB Statement No. 35. Since prior years financial information has not been restated, only the past six fiscal years are presented here.

Note (2): Total Net Assets for the year ended June 30, 2002 was adjusted due to the understating of capital assets and capital depreciation in the amount of \$487,812.

COSHISE COUNTY COMMUNITY COLLEGE DISTRICT
EXPENSES by FUNCTION
Last Six Fiscal Years (1)
Unaudited

Function	2006/07	2005/06	2004/05	2003/04	2002/03	2001/02
Instruction	\$ 15,380,470	\$ 14,136,315	\$ 12,460,037	\$ 11,664,764	\$ 12,166,791	\$ 11,282,892
Public service	417,791	498,178	561,156	456,122	340,121	412,659
Academic support	1,608,960	1,136,549	1,051,477	903,969	861,049	829,502
Student services	3,713,085	3,431,102	2,887,048	2,726,816	2,849,238	2,463,364
Institutional support	6,032,729	5,824,808	5,005,656	4,317,051	4,555,534	4,270,073
Operation & maintenance of plant	3,403,605	3,180,681	2,716,508	2,588,501	2,448,144	2,529,219
Scholarships	2,674,499	2,681,465	3,009,865	3,027,789	3,325,570	2,774,394
Depreciation	1,096,577	1,225,454	1,189,506	1,112,495	1,010,505	1,063,415
Interest on debt	42,994	58,501	70,576	84,098	96,408	107,570
Auxiliary enterprises	1,954,700	2,074,570	2,604,560	1,601,063	1,336,144	1,693,613
Total Expenditures	\$36,325,410	\$34,247,623	\$31,556,389	\$28,482,668	\$28,989,504	\$27,426,701

Source: Annual reports on audited financial statements for the past six fiscal years.

Note (1): Beginning in fiscal year 2001/02, the District implemented the reporting requirements of GASB statement No. 35. Since prior years financial information has not been restated, only the past six fiscal years expenses are presented above.

COSHISE COUNTY COMMUNITY COLLEGE DISTRICT
EXPENSES by USE
Last Six Fiscal Years (1)
Unaudited

Function	2006/07	2005/06	2004/05	2003/04	2002/03	2001/02
Salaries and benefits	\$ 23,925,848	\$ 22,388,383	\$ 19,714,317	\$ 18,523,979	\$ 18,217,369	\$ 18,089,293
Contract services	2,693,339	2,792,749	2,749,871	1,970,927	2,121,736	1,906,728
Supplies and materials	2,243,703	1,910,767	2,212,951	1,550,110	1,869,146	1,564,686
Subscriptions, dues, insurance, and rentals	875,562	875,245	711,074	444,806	635,841	545,764
Utilities and communication	1,064,695	913,088	889,455	885,605	863,847	887,341
Travel	462,069	468,778	419,345	395,312	362,474	280,232
Noncapitalized equipment	867,186	531,149	280,767	200,456	276,674	-
Scholarships	2,674,499	2,681,465	3,009,865	3,027,789	3,325,570	2,774,394
Depreciation	1,096,577	1,225,454	1,189,506	1,112,495	1,010,505	1,063,415
Other	378,938	402,044	308,662	287,091	209,934	207,278
Total operating expenses	36,282,416	34,189,122	31,485,813	28,398,570	28,893,096	27,319,131
Interest on debt	42,994	58,501	70,576	84,098	96,408	107,570
Total nonoperating expenses	42,994	58,501	70,576	84,098	96,408	107,570
Total expenses	36,325,410	34,247,623	31,556,389	28,482,668	28,989,504	27,426,701

Source: Annual reports on audited financial statements for the past six fiscal years.

Note (1): Beginning in fiscal year 2001/02, the District implemented the reporting requirements of GASB statement No. 35. Since prior years financial information has not been restated, only the past six fiscal years expenses are presented above.

COCHISE COUNTY COMMUNITY COLLEGE DISTRICT
 REVENUES by SOURCE
 Last Six Fiscal Years (1)
 Unaudited

Source of Revenue	2006/07	2005/06	2004/05	2003/04	2002/03	2001/02
Property taxes	\$ 13,012,950	\$ 11,786,056	\$ 10,910,652	\$ 10,144,554	\$ 9,642,802	\$ 8,744,747
State appropriations	13,258,700	12,235,900	10,296,200	8,430,600	8,228,801	8,819,379
Governmental grants and contracts	6,946,544	7,909,560	7,996,983	7,353,192	7,715,886	6,607,112
Tuition and fees	4,471,602	4,115,507	4,104,156	3,874,044	3,395,065	2,830,410
Investment income	1,240,620	715,239	250,213	92,798	(204,595)	197,523
Bookstore sales	165,000	165,000	165,000	113,160	113,723	106,697
Food services sales	296,025	302,222	303,693	302,177	304,974	339,556
Dormitory rentals	206,825	199,604	210,085	193,778	229,280	250,054
Other	1,629,350	1,803,312	2,374,955	1,461,549	778,761	902,581
Total Revenues	\$ 41,227,616	\$ 39,232,400	\$ 36,611,937	\$ 31,965,852	\$ 30,204,697	\$ 28,798,059

Source: Annual reports on audited financial statements for the past six fiscal years.

Note (1): Beginning in fiscal year 2001/02, the District implemented the reporting requirements of GASB statement No. 35. Since prior years financial information has not been restated, only the past six fiscal years revenues are presented above.

COCHISE COUNTY COMMUNITY COLLEGE DISTRICT
EXPENDITURE LIMITATION
STATUTORY LIMIT TO BUDGETED EXPENDITURES
Last Ten Fiscal Years
Unaudited

FISCAL YEAR	STATUTORY EXPENDITURE LIMITATION (1)	BUDGETED EXPENDITURES SUBJECT TO LIMITATION (2)	UNUSED LEGAL LIMIT
1997/98	20,202,737	17,022,022	3,180,715
1998/99	19,000,727	16,075,334	2,925,393
1999/00	20,295,431	19,459,919	835,512
2000/01	19,189,074	19,094,305	94,769
2001/02	21,370,511	17,160,964	4,209,547
2002/03	22,544,097	16,833,821	5,710,276
2003/04	23,778,152	16,483,870	7,294,282
2004/05	30,719,685	19,043,923	11,675,762
2005/06	40,285,804	21,671,982	18,613,822
2006/07	45,302,970	24,274,057	21,028,913

Source: Audited Reports on Audit of Annual Budgeted Expenditure Limitation.

Note 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).

Note 2: Budgeted expenditures are net of allowable exclusions.

COCHISE COUNTY COMMUNITY COLLEGE DISTRICT
 ASSESSED VALUE and CURRENT MARKET VALUE of ALL TAXABLE PROPERTY
 Last Ten Fiscal Years
 Unaudited

Fiscal Year/ Levy Type	Net Assessed Value	Full Cash Value	Percentage of Net Assessed to Full Cash Value
1997/98 primary	437,540,198	3,082,541,434	14.19%
1997/98 secondary	445,097,571	3,138,898,087	14.18%
1998/99 primary	446,503,626	3,193,188,932	13.98%
1998/99 secondary	453,600,888	3,244,824,066	13.98%
1999/00 primary	457,578,184	3,335,394,089	13.72%
1999/00 secondary	466,985,024	3,398,094,759	13.74%
2000/01 primary	492,396,096	3,564,695,900	13.81%
2000/01 secondary	503,163,777	3,666,404,012	13.72%
2001/02 primary	504,130,498	3,709,879,002	13.59%
2001/02 secondary	517,193,490	3,824,151,522	13.52%
2002/03 primary	537,737,089	3,976,034,494	13.52%
2002/03 secondary	554,220,855	4,109,659,631	13.49%
2003/04 primary	570,409,342	4,316,623,673	13.21%
2003/04 secondary	586,985,389	4,457,391,244	13.17%
2004/05 primary	611,079,588	4,677,083,356	13.07%
2004/05 secondary	628,655,003	4,824,239,743	13.03%
2005/06 primary	664,734,679	5,135,195,057	12.94%
2005/06 secondary	682,367,252	5,301,085,759	12.87%
2006/07 primary	734,609,559	5,734,972,269	12.81%
2006/07 secondary	767,433,022	5,996,827,619	12.80%

Source: Cochise County Assessor's Office.

COCHISE COUNTY COMMUNITY COLLEGE DISTRICT
 ASSESSED VALUATION, TAX RATE and LEVY HISTORY
 Last Ten Fiscal Years
 Unaudited

Fiscal Year	Primary Assessed Valuation	Tax Rate	(1) Tax Levy	Secondary Assessed Valuation	Tax Rate	(2) Tax Levy
1997/98	\$ 437,540,198	1.7368	\$ 7,599,198	\$ 445,097,571	-	\$ -
1998/99	446,503,626	1.7368	7,754,875	453,600,888	-	-
1999/00	457,578,184	1.7368	7,947,218	466,985,024	-	-
2000/01	492,396,096	1.7368	8,551,935	503,163,777	-	-
2001/02	504,130,498	1.7368	8,755,738	517,193,490	-	-
2002/03	537,737,089	1.7868	9,608,286	554,220,855	-	-
2003/04	570,409,342	1.7868	10,192,074	586,985,389	-	-
2004/05	611,079,588	1.7868	10,918,770	628,655,003	-	-
2005/06	664,734,679	1.7868	11,877,479	682,367,252	-	-
2006/07	734,609,559	1.7868	13,126,004	767,433,022	-	-

Source: Cochise County Assessor/Treasurer's Office and District records.

Note (1): Tax levy for primary property tax, net of adjustments to current or prior years' levy.

Note (2): Cochise College District does not currently have any secondary taxes levied.

COCHISE COUNTY COMMUNITY COLLEGE DISTRICT
PROPERTY TAX RATES, DIRECT and OVERLAPPING GOVERNMENTS
Last Ten Fiscal Years (Per \$100 of Assessed Value)
Unaudited

Fiscal Year		Cochise College	(1) State of Arizona	Cochise County	Cities/Towns and Special Districts		School Districts	
					From	To	From	To
1997/98	Primary	1.7368	-	2.9873	0.3069	2.6321	0.0000	12.0203
	Secondary	-	-	0.4148	0.0999	2.8757	0.5005	2.9480
1998/99	Primary	1.7368	-	2.9873	0.0100	2.5399	0.0000	12.0203
	Secondary	-	-	0.4148	0.0947	3.0000	0.4458	2.9552
1999/00	Primary	1.7368	-	2.9873	0.0096	7.0288	0.0000	12.0203
	Secondary	-	-	0.4148	0.1000	2.7968	0.4305	2.9934
2000/01	Primary	1.7368	-	2.9373	0.0086	2.4774	0.0000	11.3559
	Secondary	-	-	0.4148	0.0100	2.9976	0.0000	2.9562
2001/02	Primary	1.7368	-	2.9373	0.0083	2.4774	1.1679	11.4960
	Secondary	-	-	0.4148	0.1000	3.0000	0.3416	2.5575
2002/03	Primary	1.7868	-	2.9373	0.0076	2.4556	1.2605	11.9069
	Secondary	-	-	0.4148	0.1000	2.9986	0.3111	2.3008
2003/04	Primary	1.7868	-	2.9373	0.1500	2.3675	1.5519	16.5502
	Secondary	-	-	0.4148	0.1000	3.0000	0.0000	2.5127
2004/05	Primary	1.7868	-	2.9373	0.1500	2.3817	0.0666	9.9236
	Secondary	-	-	0.4148	0.1000	2.9999	0.0000	2.5555
2005/06	Primary	1.7868	-	2.9373	0.1435	2.3609	1.0167	10.5605
	Secondary	-	-	0.4148	0.0896	2.9686	0.0000	2.5485
2006/07	Primary	1.7868	-	2.9160	0.1435	2.3798	0.3732	10.6949
	Secondary	-	-	0.4148	0.0919	3.1540	0.0000	2.3675

Source: Cochise County Assessors/Treasurer's Office.

COCHISE COUNTY COMMUNITY COLLEGE DISTRICT
 PRINCIPAL TAXPAYERS
 Current Year and Six Years Ago
 Unaudited

Taxpayer	2007			2001		
	2007 Primary Assessed Valuation	Rank	Percent of Cochise County's 2007 Primary Assessed Valuation	2001 Primary Assessed Valuation	Rank	Percent of Cochise County's 2001 Primary Assessed Valuation
Arizona Electric Power Coop Inc	\$ 31,498,054	1	3.88%	\$ 42,146,026	1	8.15%
Sulphur Springs Valley Electric Co-Op Inc	21,524,936	2	2.65%	14,930,341	2	2.89%
El Paso Natural Gas Company	15,476,427	3	1.90%	8,575,391	4	1.66%
Cox Com Inc	14,210,730	4	1.75%	-	-	-
Qwest Corporation/US West	12,284,469	5	1.51%	10,368,078	3	2.00%
Wal-Mart Stores Inc	11,384,898	6	1.40%	-	-	-
Southwest Gas Corporation	9,323,182	7	1.15%	7,659,736	5	1.48%
Valley Telephone Co-Op	8,025,490	8	0.99%	-	-	-
Arizona Public Service Company	7,541,403	9	0.93%	6,297,186	6	1.22%
Southwest Transmission	6,098,467	10	0.75%	-	-	-
Union Pacific Railroad	-	-	-	5,568,600	7	1.08%
S F P P L.P.	-	-	-	4,104,459	8	0.79%
Price Development Co.	-	-	-	4,187,539	9	0.81%
Tucson Electric Power Co.	-	-	-	3,164,423	10	0.61%

Source: Cochise County Assessor's Office and Arizona Department of Revenue

Note: Nine year prior information is not available. 2001 is the oldest year this information is available.

COCHISE COUNTY COMMUNITY COLLEGE DISTRICT
PROPERTY TAX LEVIES and COLLECTIONS
Last Ten Fiscal Years
Unaudited

Fiscal Year	(1) Total Tax Levy	(2) Current Tax Collection	Percent of Current Tax Collections to Total Tax Levy	(2) Delinquent Tax Collections	(2) Total Tax Collections	Percent of Total Tax Collections to Total Tax Levy
1997/98	7,599,198	7,228,113	95.12%	356,777	7,584,890	99.81%
1998/99	7,754,875	7,348,697	94.76%	402,298	7,750,995	99.95%
1999/00	7,947,218	7,553,817	95.05%	376,202	7,930,019	99.78%
2000/01	8,551,935	8,048,015	94.11%	492,796	8,540,811	99.87%
2001/02	8,755,738	8,312,788	94.94%	430,436	8,743,224	99.86%
2002/03	9,608,286	9,179,967	95.54%	409,658	9,589,625	99.81%
2003/04	10,192,074	9,657,550	94.76%	504,603	10,162,153	99.71%
2004/05	10,918,770	10,477,681	95.96%	419,688	10,897,369	99.80%
2005/06	11,877,479	11,464,243	96.52%	383,715	11,847,958	99.75%
2006/07	13,126,004	12,641,430	96.31%	-	12,641,430	96.31%

Source: Cochise County Assessors/Treasurer's Office and District records.

Note 1: All amounts shown are for the General Fund only through fiscal year 2000-01. Thereafter, amounts are presented district-wide, in accordance with GASB Statement Number 35. In addition, amounts presented are the original levies, prior to any adjustments.

Note 2: Amounts collected are recorded on a cash basis.

COCHISE COUNTY COMMUNITY COLLEGE DISTRICT
 HISTORIC ENROLLMENT AND TUITION AND FEES
 Last Ten Fiscal Years
 Unaudited

Fiscal Year	Historic Headcount	Historic FTSE (1)	Annual Tuition and Fees		
			Rates (2)	Increase	
				Dollars	Percent
1997/98	9,297	3,255	\$ 810	\$ -	- %
1998/99	9,950	3,572	810	-	-
1999/00	10,033	3,540	810	-	-
2000/01	9,865	3,528	960	150	18.52
2001/02	9,206	3,597	970	10	1.04
2002/03	10,367	4,344	1,050	80	8.25
2003/04	12,876	6,035	1,200	150	14.29
2004/05	13,608	6,577	1,350	150	12.50
2005/06	13,365	6,629	1,350	-	-
2006/07	13,632	6,844	1,410	60	4.44

Source: State Board of Directors for Community Colleges of Arizona and District records.

Note (1): Full Time Student Equivalent (30 Credit Hours).

Note (2): Tuition based on in-state rate for one year of full-time equivalent credit.

COCHISE COUNTY COMMUNITY COLLEGE DISTRICT
 SCHEDULE OF RATIOS OF OUTSTANDING DEBT
 Last Ten Fiscal Years
 Unaudited

	For the Fiscal Year Ended June 30				
	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
Other Debt					
Certificates of participation	\$ 560,000	\$ 815,000	\$ 1,055,000	\$ 1,280,000	\$ 1,495,000
Total outstanding debt	<u>\$ 560,000</u>	<u>\$ 815,000</u>	<u>\$ 1,055,000</u>	<u>\$ 1,280,000</u>	<u>\$ 1,495,000</u>
Per capita	\$ 4.15	\$ 6.38	\$ 8.36	\$ 10.34	\$ 12.29
Per student	\$ 41.08	\$ 60.98	\$ 77.53	\$ 99.41	\$ 144.21
Per FTSE	\$ 81.82	\$ 122.94	\$ 160.41	\$ 212.10	\$ 344.15

	For the Fiscal Year Ended June 30				
	<u>2002</u>	<u>2001</u>	<u>2000</u>	<u>1999</u>	<u>1998</u>
Other Debt					
Certificates of participation	\$ 1,700,000	\$ 1,890,000	\$ 2,075,000	\$ 2,250,000	\$ 2,415,000
Total outstanding debt	<u>\$ 1,700,000</u>	<u>\$ 1,890,000</u>	<u>\$ 2,075,000</u>	<u>\$ 2,250,000</u>	<u>\$ 2,415,000</u>
Per capita	\$ 14.16	\$ 15.91	\$ 17.58	\$ 19.31	\$ 20.80
Per student	\$ 184.66	\$ 191.59	\$ 206.82	\$ 226.13	\$ 259.76
Per FTSE	\$ 472.62	\$ 535.71	\$ 586.16	\$ 629.90	\$ 741.94

Source: Arizona Department of Economic Security, Cochise College Center for Economic Research and District Records.

COCHISE COUNTY COMMUNITY COLLEGE DISTRICT
 CERTIFICATES OF PARTICIPATION COVERAGE
 Last Ten Fiscal Years
 Unaudited

Fiscal Year	Pledged Revenues (1)	Debt Service Requirements (2)			Percentage of Debt Service Requirements To Pledged Revenues
		Principal	Interest	Total	
1997/98	\$ 5,156,632	\$ 155,000	\$ 144,460	\$ 299,460	5.81%
1998/99	6,817,871	165,000	136,455	301,455	4.42%
1999/00	6,111,374	175,000	122,973	297,973	4.88%
2000/01	6,552,437	185,000	112,890	297,890	4.55%
2001/02	4,047,073	190,000	107,570	297,570	7.35%
2002/03	4,190,667	205,000	96,408	301,408	7.19%
2003/04	5,445,414	215,000	84,098	299,098	5.49%
2004/05	6,564,645	225,000	70,578	295,578	4.50%
2005/06	6,332,100	240,000	58,501	298,501	4.71%
2006/07	6,909,965	255,000	42,994	297,994	4.31%

Source: Annual Audited Financial Statements and District records.

Note (1): Pledged revenues include tuition and fees, bookstore revenues, food service sales, dormitory rentals, investment and other income. Beginning in fiscal year 2001-02, tuition and fees, food service sales, and dormitory rentals are reported net of scholarships and allowances per GASB Statement Number 35.

Note (2): Certificates of Participation were first issued December 16, 1993, with the first interest payment due on July 1, 1994.

COCHISE COUNTY COMMUNITY COLLEGE DISTRICT
COMPUTATION of LEGAL DEBT MARGIN
June 30, 2007
Unaudited

Secondary assessed value of real and personal property (1)	<u>\$ 767,433,022</u>
Debt limit = 15% of secondary assessed value	115,114,953
Amount of debt applicable to debt limit:	
General obligation bonded debt	_____ -
Legal debt margin, June 30, 2007	<u>\$ 115,114,953</u>

Source: Cochise County Assessor's Office and District records.

Note (1): Tax year 2007.

COCHISE COUNTY COMMUNITY COLLEGE DISTRICT
RATIO of ANNUAL DEBT SERVICE EXPENDITURES for CERTIFICATES OF PARTICIPATION to OPERATING
EXPENSES/EXPENDITURES
Last Ten Fiscal Years
Unaudited

Fiscal Year	Principal	Interest	Total Debt Service	Total Operating Expenses/ Expenditures (1)	Percentage of Debt Service to Operating Expenses/ Expenditures
1997/98	\$ 155,000	\$ 144,460	\$ 299,460	\$ 24,321,126	1.23%
1998/99	165,000	136,455	301,455	26,320,650	1.15%
1999/00	175,000	122,973	297,973	27,867,255	1.07%
2000/01	185,000	112,890	297,890	27,939,256	1.07%
2001/02	190,000	107,570	297,570	27,426,701	1.08%
2002/03	205,000	96,408	301,408	28,989,504	1.04%
2003/04	215,000	84,098	299,098	28,482,668	1.05%
2004/05	225,000	70,578	295,578	31,556,389	0.94%
2005/06	240,000	58,501	298,501	34,189,122	0.87%
2006/07	255,000	42,994	297,994	36,282,416	0.82%

Source: Annual Audited Financial Statements and District records .

Note (1): Amounts shown for operating expenditures represent current funds operating expenditures prior to fiscal year 2001-02. Beginning with fiscal year 2001-02, operating expenses are presented using GASB Statement Number 35.

COCHISE COUNTY COMMUNITY COLLEGE DISTRICT
 SCHEDULE OF DEMOGRAPHIC AND ECONOMIC STATISTICS
 Last Ten Fiscal Years
 Unaudited

Year	County Population	County Personal Income (In Thousands)	County Income Per Capita	County Unemployment Rate June
2007	N/A	N/A	N/A	3.8%
2006	127,757	N/A	N/A	4.6%
2005	126,153	\$3,391,771	\$26,886	4.6%
2004	123,767	\$3,081,730	\$24,899	4.8%
2003	121,641	\$2,794,617	\$22,974	6.2%
2002	120,037	\$2,658,448	\$22,147	6.0%
2001	118,776	\$2,509,222	\$21,126	4.6%
2000	118,042	\$2,329,284	\$19,733	4.6%
1999	116,530	\$2,154,473	\$18,489	5.7%
1998	116,091	\$2,075,854	\$17,881	6.7%

Sources: U.S. Bureau of Economic Analysis, Arizona Department of Economic Security, Cochise College Center for Economic Research

Notes: N/A= Data not available. Census Bureau midyear population estimates. Per capita

COCHISE COUNTY COMMUNITY COLLEGE DISTRICT
TOP 15 EMPLOYERS for COCHISE COUNTY
Current Year and Nine Years Ago
Unaudited

Major Employers	2006-2007		1997-1998	
	Employees	Rank	Employees	Rank
U.S. Army Intelligence Center and Fort Huachuca	8,456	1	10,632	1
Sierra Vista Public Schools	1,109	2	720	4
Cochise County	1,039	3	870	2
Walmart Stores	900	4	555	8
Sierra Vista Regional Health Center	733	5	480	11
Arizona Department of Corrections	679	6	702	5
Northrop Grumman Corporation	600	7	-	
General Dynamics	567	8	-	
Douglas Unified School District	561	9	650	6
Aegis Communications Group, Inc.	510	10	536	10
Cochise College	509	11	615	7
City of Sierra Vista	428	12	473	12
Safeway, Inc.	294	13	545	9
Sierra Southwest Cooperative Services, Inc.	247	14	-	
Lawley Automotive Group	223	15	-	
State of Arizona	-		770	3
KE&G Construction	-		348	13
U. S. Border Patrol	-		340	14
Arizona Electric Power Cooperative	-		300	15

Source: Arizona Department of Commerce and Arizona Department of Economic Security, Cochise College Center for Economic Research.

COCHISE COUNTY COMMUNITY COLLEGE DISTRICT
EMPLOYEE STATISTICS
(Headcount)
Last Ten Fiscal Years
Unaudited

	For the Fiscal Year Ended June 30				
	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
Faculty					
Part-time	381	397	418	409	385
Full-time	121	112	106	100	105
Administrative & support staff	621	642	581	583	598
Total employees	1,123	1,151	1,105	1,092	1,088
Students per faculty member	27	26	26	25	21
Students per staff member	22	21	23	22	17

	For the Fiscal Year Ended June 30				
	<u>2002</u>	<u>2001</u>	<u>2000</u>	<u>1999</u>	<u>1998</u> (1)
Faculty					
Part-time	391	405	426	405	NA
Full-time	108	117	118	118	NA
Administrative & support staff	634	611	619	660	NA
Total employees	1133	1133	1163	1183	NA
Students per faculty member	18	19	18	19	NA
Students per staff member	15	16	16	15	NA

Source: District Records.

Note (1): This information is not available for the 1998 Fiscal Year.

COCHISE COUNTY COMMUNITY COLLEGE DISTRICT
 STUDENT ENROLLMENT/DEMOGRAPHIC STATISTICS
 Last Ten Fiscal Years
 Unaudited

Fall Semester Fiscal Year	Attendance		Gender		Residency			
	Full-Time	Part-Time	Male	Female	Resident	Resident Unorganized County	Out of State	Foreign
1997/98	32.9%	67.1%	40.5%	59.5%	93.4%	0.7%	5.0%	0.9%
1998/99	32.3%	67.7%	42.5%	57.5%	92.3%	0.4%	6.0%	1.3%
1999/00	28.1%	71.9%	42.6%	57.4%	93.5%	0.6%	5.0%	1.0%
2000/01	27.6%	72.4%	42.2%	57.8%	94.5%	0.3%	4.5%	0.6%
2001/02	28.6%	71.4%	41.6%	58.4%	92.7%	0.2%	6.5%	0.6%
2002/03	28.3%	71.7%	40.8%	59.2%	92.8%	0.5%	6.2%	0.6%
2003/04	28.8%	71.2%	39.0%	61.0%	92.6%	0.6%	6.0%	0.8%
2004/05	28.1%	71.9%	40.3%	59.7%	89.2%	4.7%	5.2%	0.9%
2005/06	28.2%	71.8%	39.5%	60.5%	87.3%	6.0%	5.0%	1.7%
2006/07	34.6%	65.4%	39.0%	61.0%	88.0%	5.9%	3.9%	2.2%

Fall Semester Fiscal Year	Age		Ethnic Background					
	Median	Mean	American Indian	Asian American	Hispanic	African American	White	Other/ Unknown
1997/98	27	31	1.1%	3.4%	27.9%	7.0%	56.7%	4.0%
1998/99	27	30	1.0%	3.6%	26.5%	7.4%	56.6%	5.0%
1999/00	26	30	1.2%	3.7%	27.8%	6.6%	56.1%	4.6%
2000/01	26	30	1.0%	4.0%	27.9%	6.4%	56.4%	4.4%
2001/02	25	30	0.8%	3.8%	27.9%	6.5%	55.8%	5.2%
2002/03	25	30	1.1%	4.2%	27.0%	6.5%	55.2%	6.0%
2003/04	25	30	1.0%	3.9%	26.3%	6.8%	55.5%	6.3%
2004/05	25	29	0.9%	3.3%	29.5%	6.6%	54.4%	5.3%
2005/06	24	29	1.0%	3.4%	33.8%	6.0%	51.0%	4.8%
2006/07	23	29	1.0%	2.9%	35.8%	5.0%	51.2%	4.2%

Source: District records.

COCHISE COUNTY COMMUNITY COLLEGE DISTRICT
 SCHEDULE OF CAPITAL ASSET INFORMATION (1)
 Unaudited

<u>Location</u>	<u>2005-06</u>	<u>2006-07</u>
Douglas Campus		
Total Building Square Footage	225,374	225,374
Total Campus Acreage	568.7	568.7
Sierra Vista Campus		
Total Building Square Footage	122,139	122,139
Total Campus Acreage	71.1	71.1
Benson Campus		
Total Building Square Footage	12,733	12,733
Total Campus Acreage	13.3	13.3
Wilcox Campus (2)		
Total Building Square Footage	7,200	7,200
<hr/>		
<u>Total District</u>		
Total Building Square Footage	367,446	367,446
Total Campus Acreage	653.1	653.1

Source: District Records.

Note (1): Information is displayed since the implementation of GASB 44 in FY 2005-06.
 Additional information for future years will be displayed as it becomes available.

Note (2): The Willcox Center is located on land leased from Willcox Unified School District.



COCHISE COLLEGE

Creating opportunities...changing lives.