

Yavapai College
District Governing Board
Budget Public Hearing

Tuesday, May 17, 2022
1:00 p.m.

Prescott Community Room # 19-147
1100 E. Sheldon Drive
Prescott, Az. 86301

Pursuant to Arizona Revised Statutes (A.R.S.) §38-431.02, notice is hereby given to the members of the Yavapai College District Governing Board and to the general public that the Board will hold a public meeting, open to the public as specified below. The Board reserves the right to change the order of items on the agenda. One or more members of the Board may participate in the meeting by telephonic communication.

Pursuant to A.R.S. §38-431.03.A.2, A.3 and A.4, the Board may vote to go into Executive Session, which will not be open to the public, for legal advice concerning any item on the agenda to review, discuss and consider records exempt by law from public inspection, including the receipt and discussion of information or testimony that is specifically required to be maintained as confidential by state or federal law; or to consult with and instruct its attorneys regarding its position on contracts, litigation or settlement discussions. If indicated in the agenda, the Board may also vote to go into executive session, which will not be open to the public, to discuss specific agenda items.

Persons with a disability may request a reasonable accommodation, such as a sign language interpreter or closed caption, by contacting the Executive Assistant at (928)776-2307. Requests should be made as early as possible to allow time to arrange the accommodation.

Please note that meeting conclusion time is included for planning purposes only and does not necessarily reflect the actual time of the agenda item. When regular board meetings, public hearings (both truth in taxation and budget adoption public hearings) and budget adoption special meetings are scheduled for the same date, each hearing or meeting will begin immediately upon adjournment of the preceding hearing or meeting.

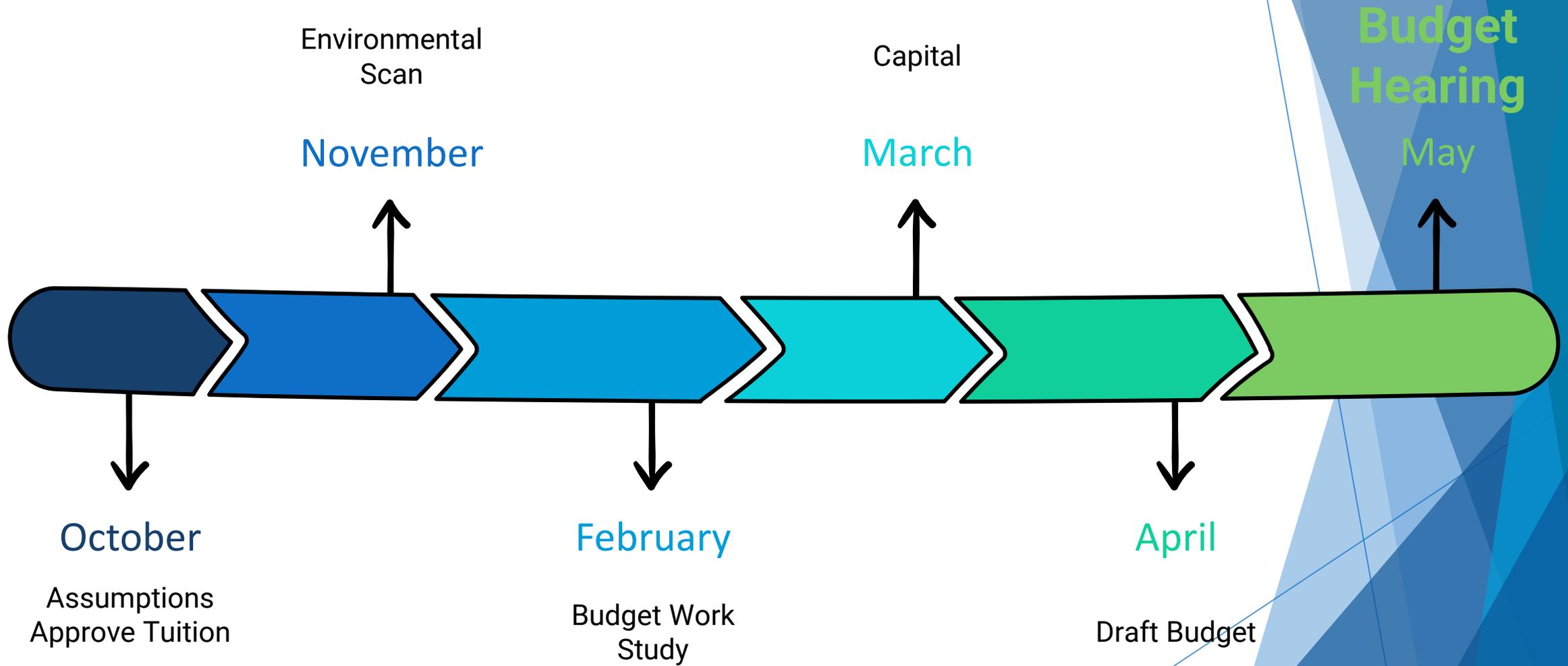
AGENDA

1. General Functions: Procedural
 - a. Call to Order {Time: 1}

2. Board Business
 - a. 2022-2023 Yavapai Community College District Budget – Dr. Clint Ewell, Vice President of Finance. **INFORMATION** (*Attached*) {Time: 10}

 - b. Public Comments - **INFORMATION** {Time: 10}

3. Adjournment of Budget Public Hearing: Procedural - **DECISION** {Time: 1}



Budget Achievements

▶ Great Value

▶ Taxpayers

- ▶ Among lowest property tax in nation
- ▶ No property tax increase for 3rd year in a row

▶ Students

- ▶ 2nd Lowest price in state for FT students
- ▶ Well below national community college average price for PT students
- ▶ Promise Program **expanded**
- ▶ Senior Citizen Discount **increased**
- ▶ Full-time student Discount
- ▶ High school students
 - ▶ Dual/ Concurrent saves families \$1.5M
 - ▶ **Piloting Early College Academy**
 - ▶ **Online Concurrent discount**

▶ Funds Strategic Plan/ Improved Services

- ▶ VVSTC: Brewing & Distilling
- ▶ Baccalaureate Degrees
- ▶ **Expand** Open Educational Resources
- ▶ 1st Generation
- ▶ Social Services
- ▶ Lower Advisor Caseloads
- ▶ Men's & Women's Basketball
- ▶ Increase FAS & HR Capacity
- ▶ Market-competitive compensation

State Budget Forms

BUDGET FOR FISCAL YEAR 2023 SUMMARY OF BUDGET DATA

	Budget 2023	Budget 2022	Increase/Decrease From Budget 2022 To Budget 2023	
			Amount	%
I. CURRENT GENERAL AND PLANT FUNDS				
A. Expenditures:				
Current General Fund	\$ 54,908,300	\$ 52,034,800	\$ 2,873,500	5.5%
Unexpended Plant Fund	9,405,500	9,654,300	(248,800)	-2.6%
Retirement of Indebtedness Plant Fund	1,258,100	2,260,900	(1,002,800)	-44.4%
TOTAL	\$ 65,571,900	\$ 63,950,000	\$ 1,621,900	2.5%
B. Expenditures Per Full-Time Student Equivalent (FTSE):				
Current General Fund	\$ 17,213 /FTSE	\$ 15,986 /FTSE	\$ 1,227 /FTSE	7.7%
Unexpended Plant Fund	\$ 2,948 /FTSE	\$ 2,966 /FTSE	\$ (18) /FTSE	-0.6%
Projected FTSE Count	3,190	3,255		
II. TOTAL ALL FUNDS ESTIMATED PERSONNEL COMPENSATION				
Employee Salaries and Hourly Costs	\$ 37,875,300	\$ 34,831,400	\$ 3,043,900	8.7%
Retirement Costs	4,043,800	3,759,400	284,400	7.6%
Healthcare Costs	4,242,900	4,245,500	(2,600)	-0.1%
Other Benefit Costs	3,779,100	3,349,300	429,800	12.8%
TOTAL	\$ 49,941,100	\$ 46,185,600	\$ 3,755,500	8.1%
III. SUMMARY OF PRIMARY AND SECONDARY PROPERTY TAX LEVIES AND RATES				
A. Amount Levied:				
Primary Tax Levy	\$ 50,055,100	\$ 48,899,100	\$ 1,156,000	2.4%
Property Tax Judgment				
Secondary Tax Levy		410,500	(410,500)	-100.0%
TOTAL LEVY	\$ 50,055,100	\$ 49,309,600	\$ 745,500	1.5%
B. Rates Per \$100 Net Assessed Valuation:				
Primary Tax Rate	1.5017	1.5557	(0.0540)	-3.5%
Property Tax Judgment				
Secondary Tax Rate		0.0131	(0.0131)	-100.0%
TOTAL RATE	1.5017	1.5688	(0.0671)	-4.3%
IV. MAXIMUM ALLOWABLE PRIMARY PROPERTY TAX LEVY FOR FISCAL YEAR 2023 PURSUANT TO A.R.S. §42-17051				
			\$ 59,988,100	
V. AMOUNT RECEIVED FROM PRIMARY PROPERTY TAXES IN FISCAL YEAR 2022 IN EXCESS OF THE MAXIMUM ALLOWABLE AMOUNT AS CALCULATED PURSUANT TO A.R.S. §42-17051				
			\$ -	

RESOURCES

BUDGET FOR FISCAL YEAR 2023 RESOURCES



	CURRENT FUNDS			PLANT FUNDS		Other Funds 2023	Total All Funds 2023	Total All Funds 2022	% Increase/ Decrease
	General Fund 2023	Restricted Fund 2023	Auxiliary Fund 2023	Unexpended Plant Fund 2023	Retirement of Indebtedness 2023				
BEGINNING BALANCES-July 1*									
Restricted	\$	\$ 2,804,600	\$	\$	\$ 43,000	\$	\$ 2,847,600	\$ 369,400	670.9%
Unrestricted	18,614,000		154,300	10,021,300			28,789,600	23,472,500	22.7%
Total Beginning Balances	\$ 18,614,000	\$ 2,804,600	\$ 154,300	\$ 10,021,300	\$ 43,000	\$	\$ 31,637,200	\$ 23,841,900	32.7%
REVENUES AND OTHER INFLOWS									
Student Tuition and Fees									
General Tuition	\$ 10,160,000		\$ 1,067,900				\$ 11,227,900	\$ 10,131,600	10.8%
Out-of-District Tuition	160,000						160,000	160,000	
Out-of-State Tuition	820,000						820,000	740,000	10.8%
Student Fees	420,000						420,000	324,000	29.6%
Tuition and Fee Remissions or Waivers	300,000						300,000	300,000	
State Appropriations									
Maintenance Support	300,400						300,400	596,500	-49.6%
Equalization Aid									
STEM Workforce		611,100					611,100	701,300	-12.9%
Rural Community College Aid	1,843,400						1,843,400	3,500,000	100.0%
Property Taxes									
Primary Tax Levy	42,164,600			7,890,500			50,055,100	48,899,100	2.4%
Secondary Tax Levy								410,500	-100.0%
Property Tax Contingency	(150,000)			(45,000)			(195,000)	(980,000)	-80.1%
Gifts, Grants, and Contracts	423,700	12,837,000					13,260,700	21,263,200	-37.6%
Sales and Services			2,564,400				2,564,400	2,414,200	6.2%
Investment Income	70,000			30,000			100,000	81,800	22.2%
State shared sales tax (Prop 301)		1,250,000					1,250,000	880,000	42.0%
Smart and Safe Arizona Act (Prop 207)		2,000,000					2,000,000	900,000	122.2%
Other Revenues	472,900		863,700	30,000			1,366,600	1,506,700	-9.3%
Proceeds from Sale of Bonds									
Total Revenues and Other Inflows	\$ 56,985,000	\$ 16,698,100	\$ 4,496,000	\$ 7,905,500	\$	\$	\$ 86,084,600	\$ 91,828,900	-6.3%
TRANSFERS									
Transfers In			1,451,600	1,500,000	1,256,600		4,208,200	3,782,200	11.3%
(Transfers Out)	(3,803,700)		(404,500)				(4,208,200)	(3,782,200)	11.3%
Total Transfers	(3,803,700)		1,047,100	1,500,000	1,256,600		-	-	
Reduction for amounts reserved for future budget year expenditures:									
Maintained for future financial stability	(16,000,000)			(4,800,000)			(20,800,000)	(15,500,000)	34%
Maintained for future capital acquisitions/projects				(5,000,000)			(5,000,000)	(6,500,000)	-23.1%
Maintained for future debt retirement									
Maintained for grants or scholarships									
Total Resources Available for the Budget Year	\$ 55,795,300	\$ 19,502,700	\$ 5,697,400	\$ 9,626,800	\$ 1,299,600	\$	\$ 91,921,800	\$ 93,670,800	-1.9%

*These amounts exclude amounts not in spendable form (i.e., prepaids, inventories, and capital assets) or amounts legally or contractually required to be maintained intact.

**BUDGET FOR FISCAL YEAR 2023
EXPENDITURES AND OTHER OUTFLOWS**

TOTAL RESOURCES AVAILABLE FOR THE BUDGET YEAR (from Schedule B)

EXPENDITURES AND OTHER OUTFLOWS

	CURRENT FUNDS			PLANT FUNDS		Other Funds 2023	Total All Funds 2023	Total All Funds 2022	% Increase/Decrease
	General Fund 2023	Restricted Fund 2023	Auxiliary Fund 2023	Unexpended Plant Fund 2023	Retirement of Indebtedness 2023				
TOTAL RESOURCES AVAILABLE FOR THE BUDGET YEAR (from Schedule B)	\$ 55,795,300	\$ 19,502,700	\$ 5,697,400	\$ 9,626,800	\$ 1,299,600		\$ 91,921,800	\$ 93,670,800	-1.9%
EXPENDITURES AND OTHER OUTFLOWS									
Instruction	\$ 20,751,600	\$ 6,216,700	\$ 240,100				\$ 27,208,400	\$ 25,404,100	7.1%
Public Service	12,500	1,562,000	1,197,100				2,771,600	3,239,200	-14.4%
Academic Support	5,065,600	400,000					5,465,600	5,840,800	-6.4%
Student Services	9,222,800	1,546,500	915,200				11,684,500	9,490,100	23.1%
Institutional Support (Administration)	11,083,400	400,000					11,483,400	12,782,900	-10.2%
Operation and Maintenance of Plant	6,832,500	107,400					6,939,900	6,546,100	6.0%
Scholarships	1,409,900	8,215,500					9,625,400	14,141,700	-31.9%
Auxiliary Enterprises			1,921,700				1,921,700	1,855,800	3.6%
Capital Assets/Maintenance				8,643,000			8,643,000	8,891,800	-2.8%
Debt service—general obligation bonds								488,800	-100.0%
Debt service—other long term debt					1,256,600		1,256,600	1,768,600	-28.9%
Other Expenditures			1,169,000		1,500		1,170,500	1,094,300	7.0%
Property tax judgments									
Contingency	530,000		100,000	762,500			1,392,500	1,392,500	
Total Expenditures and Other Outflows	\$ 54,908,300	\$ 18,448,100	\$ 5,543,100	\$ 9,405,500	\$ 1,258,100		\$ 89,563,100	\$ 92,936,700	-3.6%

Versus Last Year

5.5% -21.9% 3.3% -2.6% -44.4%

Major Changes from Draft Budget

▶ Operations

- ▶ Compensation
 - ▶ 4% raise
 - ▶ 1.3% for market adjustments, career ladders, promotions, minimum wage
 - ▶ .45% 1-time performance bonus

▶ Capital

- ▶ Focus Priorities to Fit Budget
 - ▶ VVSTC: Brewing/Distilling
 - ▶ Commercial Drivers Track
 - ▶ Digital Learning Commons
 - ▶ Health Science Center
 - ▶ Electric Vehicle
- ▶ With renewed Revenue Bonds, YC has identified \$50M of \$60M needed

FY23 Budget

Questions, Discussion,
& Request for Adoption

BUDGET

Fiscal Year 2022-2023

yc.edu



Yavapai
COLLEGE

Prescott, Arizona



TABLE OF CONTENTS

BUDGET 2022-2023 — YAVAPAI COLLEGE

College Leadership	5
Mission, Vision, Values, Priorities	6
Message from the President	8
Message from the VP of Finance & Administrative Services	10
SERVICE DISTRICT	12
YAVAPAI COLLEGE	20
ORGANIZATION	28
STRATEGIC PLAN	44
BUDGET	52
All Funds	58
General Fund	60
Auxiliary Fund	62
Plant Fund	66
Restricted Fund	72
Debt Fund	74
Beginning Fund Balances	77

FINANCIAL DISCUSSIONS & ANALYSES	78
REVENUES	79
EXPENSES	86
Restricted	87
Debt	87
Plant	89
Auxiliary	91
General	94
Cost Efficiency	97
Labor Costs & Salary Recommendations	99
FINANCIAL PLANNING	105
EXPENDITURE LIMIT	109
GLOSSARY	114
APPENDICES	120
State Budget Forms	121



PRINCIPAL OFFICIALS

DISTRICT GOVERNING BOARD

District	Name	Position	Term Ends
1	Ray Sigafoos	Board Secretary	December 31, 2024
2	Deb McCasland	Board Chair	December 31, 2022
3	Paul Chevalier	Board Member	December 31, 2024
4	Chris Kuknyo	Board Member	December 31, 2026
5	Mitch Padilla	Board Member	December 31, 2026

EXECUTIVE LEADERSHIP TEAM

- Dr. Lisa B. Rhine, President
- Dr. Clint Ewell, Vice President of Finance and Administrative Services
- Rodney Jenkins, Vice President of Community Relations and Student Development
- Dr. Diane Ryan, Vice President of Academic Affairs
- Dr. Emily Weinacker, Chief Human Resources Officer

MISSION, VISION, VALUES, PRIORITIES

MISSION

The mission of the College is to provide quality higher learning and cultural resources for the diverse populations of Yavapai County.

VISION

Yavapai College makes our Community a premier place to learn, work, and live.

VALUES

Learning

Yavapai College values learning and an environment where students are engaged in their educational endeavors. We take pride in our campuses and centers throughout Yavapai County. Our facilities provide a safe and supportive environment where students can learn, and our community can share in the benefit of a cultural center within reach.

Scholarship

Yavapai College values scholarship. We value an educated and experienced faculty and staff who foster and encourage the spirit of inquiry and expression. We value education not merely as a means to an end but as a lifelong joy and endeavor.

Stewardship

Yavapai College values responsible resource management and affordable learning opportunities. We appreciate our obligation to budget and allocate fiscal and human resources in the best interest of our students and community.

Diversity

Yavapai College values the diversity within our community and the rich cultures of Yavapai County.

PRIORITIES

Yavapai College exists so communities within Yavapai County have access to and are equipped with the knowledge and skills to improve quality of life. The College will achieve these results at a cost the Board believes is justifiable.

1. Education:

- a. Job seekers
- b. Transfer students
- c. Adult Basic Education
- d. Lifelong learners
- e. Maximize persistence and completion
- f. Students understand how to access financial resources and support programs

2. Economic:

Communities in Yavapai County are supported in their efforts to lead economic development, with emphasis on generating and sustaining economic base jobs.

3. Community:

Yavapai County residents have access to social and cultural opportunities.



Southwest Wine Center

16

BUDGET 2022-2023

7

MESSAGE FROM THE PRESIDENT

Members of the District Governing Board and Citizens of Yavapai County Community College District:

As you are well aware, COVID-19 has ravaged the nation impacting the health, economic security and way of life for all of us and disrupting our educational model. As we move out of the pandemic and have gained our ability to return to campuses and face-to-face interactions, we are proud to say that during the pandemic we worked hard to make structural and operational changes that have built capacity for us as an institution with an eye toward changing needs of the post-COVID world. The pandemic has changed the way employees understand and carry out their work and the way students understand and experience learning. Students are choosing more online and hybrid courses and want more flexibility in scheduling and course delivery modalities. The need for short-term training options has never been more urgent and apparent resulting from the economic downturn. Our focus on affordability, flexible education delivery and connections to our local workforce and regional economies, makes us well positioned to provide our region with access to an expanding array of educational options that prepare students for work. We see ourselves as an engine of recovery for our local economy and have worked diligently to reallocate existing resources to make our programs and services even more accessible and affordable for our community.

Recognizing the state of our community, again this year, we proposed no increase in the property tax levy. We've maintained one of the most affordable tuition rates in the state and the country. We've implemented a number of ways to reduce costs for students. We are continuing



to expand course offerings utilizing Open Educational Resources in lieu of expensive textbooks eliminating textbook costs altogether for many more courses. We are planning an expansion of our nationally-recognized College Promise program to serve not only graduates right out of high school but also adult learners pursuing career and technical degrees. The College Promise refunds student out-of-pocket expenses for tuition. We are continuing our full-time student discount and our senior discount and, this year, reduced the cost for students in high school who are enrolled in college courses concurrently making our programs increasingly accessible and more affordable.

Our AZ governor signed SB 1453 allowing community colleges to offer four-year degrees this year. We are on track to be the first rural college in AZ to offer baccalaureate degrees beginning in Fall of 2023. This offers a promising solution that will help the college to address the low rates of underserved students and residents with a bachelors degree in our county.

Our objective is to present a balanced budget in a manner that allows the institution, despite challenges imposed by post-COVID realities, to move forward with our aggressive strategic plan focused on creating a sense of belonging, improving support for adult learners, ensuring programs lead to living wage jobs and providing flexible delivery models.

As a learning-centered community, Yavapai College is dedicated to providing educational opportunities by promoting excellence in teaching and learning. We celebrate our excellence in learning, service and relationships. Most of all, we honor the trust placed in us by the public and uphold it through quality programs, integrity of actions and efficient use of our resources. To those who so carefully and thoughtfully contributed to the preparation of this budget, thank you.

Sincerely,
Lisa B. Rhine, Ph.D.



MESSAGE FROM THE VP OF FINANCE & ADMINISTRATIVE SERVICES

Yavapai College remains a comprehensive community college, serving students throughout their lifelong educational journey. However, our programs and services are evolving to meet the rapidly changing needs of the new higher education marketplace.

Over the past several years, YC has seen a shift in state funding from general operational support to money that is restricted to supporting STEM and workforce programming. As such, YC continues to invest in programs designed to prepare students for living wage jobs in the new economy. Specifically, we are investing in our 3D Construction program which we hope will help Arizona begin to address its affordable housing problem. We are also expanding our Commercial Truck Driver program to meet local demand. And we are dramatically expanding the services of our Regional Economic Development Center to provide state-of-the-art, online, on-demand, non-credit workforce training.

In the last legislative session, community colleges were given permission to offer baccalaureate degrees. YC contracted with EMSI to help us conduct a study of the local and state economies including what kinds of jobs currently exist, which of those require a college certificate or degree to enter the field, and which pay a living wage. Based on that analysis, we have identified the two most-needed 4-year degrees: Business and Nursing. This budget includes funds to support the start-up of those programs which are scheduled to open in Fall of 2023 (FY24).

Of note, this budget provides for a significant investment in student success as we hire additional advisors to bring our caseloads to the national average, which has been shown to increase retention and completion. Likewise, this budget anticipates expanding non-academic support services. Helping students connect to the resources they need to help them manage housing and food insecurity, physical and mental health issues, etc. allows students to persist and to complete their certificate or degree.



I am pleased to present this balanced budget which increases the services we provide to our students, the value we provide to our taxpayers, and addresses compensation and other inflationary items.

The preparation of this budget document would not be possible without the countless hours of effort from the Controller & Budget Director, the budget managers throughout the College, and the President's Executive Leadership Team. Thanks to their efforts, Yavapai College continues to be in a fiscally sound position.

You can learn more about YC's finances by visiting our webpage at www.yc.edu/budget where you can find a variety of resources including budget-related presentations made to our Board, our Budget in Brief summary document, and Annual Comprehensive Financial Reports.

Sincerely,
Clint Ewell, EdD

GFOA DISTINGUISHED BUDGET PRESENTATION AWARD

GFOA established the Distinguished Budget Presentation Awards Program to recognize governmental entities that prepare budget documents of the very highest quality by reflecting both the guidelines established by the National Advisory Council on State and Local Budgeting and the GFOA's best practices on budgeting.

Approximately 1,800 states, cities, counties, special districts, school districts, colleges & universities have been recognized for transparency in budgeting. To earn recognition, budget documents must meet program criteria and excel as a policy document, financial plan, operations guide, and communication tool.

Yavapai College is one of a handful of colleges and universities in the country to meet these rigorous standards and is proud to join both current and former local award winners including the Town of Camp Verde, the City of Cottonwood, the City of Prescott, the Town of Prescott Valley, and the City of Sedona.



GOVERNMENT FINANCE OFFICERS ASSOCIATION

Distinguished Budget Presentation Award

PRESENTED TO

**Yavapai College
Arizona**

For the Fiscal Year Beginning

July 01, 2021

Christopher P. Morill

Executive Director



SERVICE DISTRICT

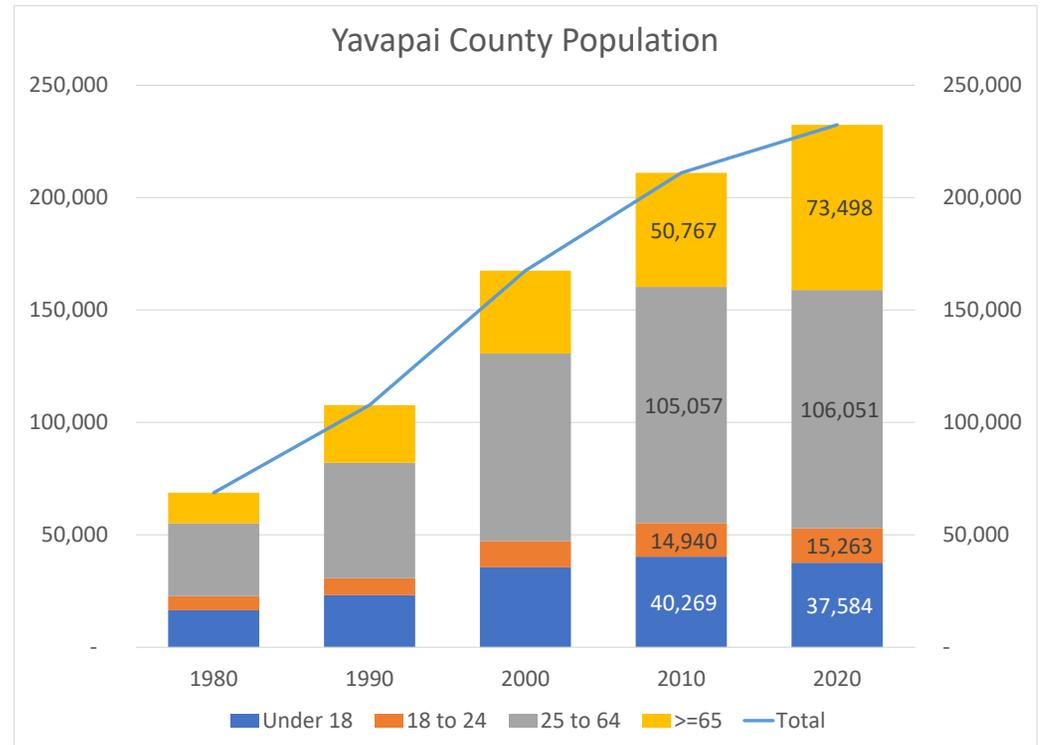
YAVAPAI COUNTY

YAVAPAI COUNTY

Yavapai College (YC) primarily serves the 238,000 residents of Yavapai County in north-central Arizona. The county encompasses 8123 square miles (larger than RI, DE, or CT). Incorporated cities and towns within the county include Camp Verde, Chino Valley, Clarkdale, Cottonwood, Dewey-Humboldt, Jerome, Prescott, Prescott Valley, and Sedona. There are many unincorporated areas of the county to serve as well, including the Yavapai-Prescott Indian Tribe and the Yavapai-Apache Nation.

The historic downtown shopping district of Prescott, the Red Rocks of Sedona, the Wine Trail of the Verde Valley, combined with sunny skies and mild temperatures, make Yavapai County a favorite destination for residents of Arizona and beyond. Surrounded with natural scenic beauty ranging from the Prescott National Forest to the high desert, outdoor activities such as hiking, biking, and rock climbing are hugely popular. Dozens of miles of groomed trails and picturesque locales afford stunning views year-round.

Yavapai County has a rich history, and its past is maintained in various forms by local museums, including Sharlot Hall Museum, the Museum of Indigenous People, and the Camp Verde Archeology Center. Art galleries and boutiques abound throughout our communities. Local theater is alive and well, and music—from bar bands to jazz quartets and chamber orchestras—is abundantly available. Recurring annual events include the Sedona International Film Festival, the Camp Verde Pecan & Wine Festival, the World’s Oldest Rodeo, and the Acker Musical Showcase. The area offers something for everyone.



Source: US Census

Yavapai County has unique demographics with roughly twice the national average proportion of people 65 and older—this area has become a popular retirement destination. While these residents may not need traditional credit classes, many look to the College either to provide other programming which they can enjoy or to train tomorrow’s health care workers, business professionals, and other providers of services that retirees need.

MEDIAN EARNINGS AND TAX PAYMENTS

FULL-TIME YEAR-ROUND WORKERS AGE 25 AND OLDER, BY EDUCATION LEVEL, 2018



Roughly 14% of the county self-identifies as Hispanic. This segment of our population is significantly younger than the county average. Because they have a higher proportion of working-age people (25-64), the College has recently expanded its outreach efforts to better engage with that population, advocating for the financial benefits of earning a college certificate or degree (see above).

Including retirees, the county education level mirrors national achievement levels of Associate and Bachelor degree completion; however, the education level lags when focusing only on the workforce

age population – there are roughly 70,000 people in the Yavapai County workforce who would likely benefit from a college certificate or degree.

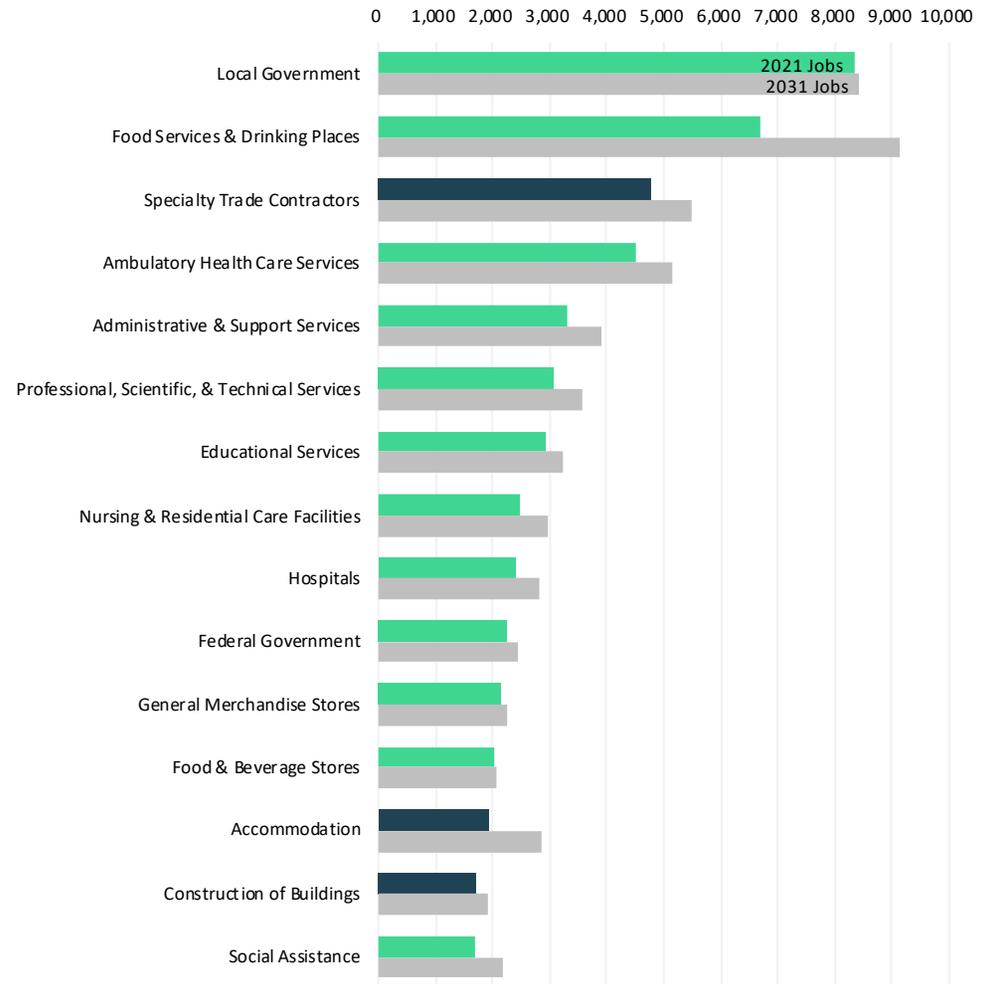
In addition to the influx of retirees, the county is experiencing the same demographic shifts as the nation, with fewer high school-aged people due to lower birthrates during the last recession.

The median income in Yavapai County is 18% below the national average, and the county poverty level of 12% is near the national average. However, 44% of high school students in Yavapai County

are eligible to receive free or reduced lunches. These families are under financial stress, struggling to make ends meet to cover household basics such as housing, food, childcare, transportation, health care, and technology. The United Way has developed a metric for this demographic called ALICE, which is an acronym for Asset-Limited, Income-Constrained, Employed. Per United Way, the proportion of ALICE residents in Yavapai County mirrors the proportion of students receiving free or reduced lunches.

To a large degree, low median wage is driven by the mix of industries in our local economy. As mentioned above, our community is driven by Hospitality & Tourism as well as retirees.

Fifteen largest industries in Yavapai County by jobs



Dark bars indicate industries that are both strong in jobs and high in LQ.
 Source: Emsi Burning Glass Datarun 2021.3, Employees & Self-Employed.



Mothers Day Fine Art & Chocolate Festival



*Illuminate Film Festival
Sedona, Arizona*



Verde Valley Archaeology Center

Source: US Bureau of Labor Statistics

Description	2021 Jobs	Median Annual Earnings	Typical Entry Level Education	Automation Index
Retail Salespersons	3,118	\$ 27,668	No formal educational credential	93.4
Fast Food and Counter Workers	2,020	\$ 26,413	No formal educational credential	130.8
Home Health and Personal Care Aides	2,058	\$ 28,318	High school diploma or equivalent	93.6
Cashiers	2,074	\$ 25,683	No formal educational credential	105.5
Maids and Housekeeping Cleaners	1,534	\$ 27,903	No formal educational credential	124.5
Waiters and Waitresses	1,383	\$ 34,062	No formal educational credential	129.8
Office Clerks, General	1,681	\$ 37,678	High school diploma or equivalent	102.0
Registered Nurses	1,562	\$ 80,229	Bachelor's degree	85.3
Cooks, Restaurant	1,206	\$ 29,181	No formal educational credential	125.0
General and Operations Managers	1,431	\$ 67,172	Bachelor's degree	82.2
Secretaries and Administrative Assistants, Except Legal, Medical, and Executive	1,431	\$ 31,472	High school diploma or equivalent	91.4
Construction Laborers	1,300	\$ 35,093	No formal educational credential	131.9
Landscaping and Groundskeeping Workers	1,152	\$ 28,456	No formal educational credential	129.1
Customer Service Representatives	1,091	\$ 31,541	High school diploma or equivalent	96.4
Janitors and Cleaners, Except Maids and Housekeeping Cleaners	1,008	\$ 29,400	No formal educational credential	122.5
Heavy and Tractor-Trailer Truck Drivers	995	\$ 37,457	Postsecondary nondegree award	110.1
Postsecondary Teachers	989	\$ 66,757	Doctoral or professional degree	86.6
Laborers and Freight, Stock, and Material Movers, Hand	939	\$ 30,697	No formal educational credential	117.2
Stockers and Order Fillers	956	\$ 27,366	High school diploma or equivalent	112.3
Nursing Assistants	888	\$ 33,446	Postsecondary nondegree award	97.0
Carpenters	888	\$ 42,401	High school diploma or equivalent	125.9
Bookkeeping, Accounting, and Auditing Clerks	876	\$ 37,419	Some college, no degree	103.6
Maintenance and Repair Workers, General	784	\$ 34,062	High school diploma or equivalent	109.6
First-Line Supervisors of Retail Sales Workers	860	\$ 38,207	High school diploma or equivalent	87.8
Childcare Workers	713	\$ 25,667	High school diploma or equivalent	88.0
First-Line Supervisors of Food Preparation and Serving Workers	621	\$ 33,072	High school diploma or equivalent	107.7
Receptionists and Information Clerks	698	\$ 30,117	High school diploma or equivalent	94.2
First-Line Supervisors of Office and Administrative Support Workers	706	\$ 46,584	High school diploma or equivalent	91.8
Automotive Service Technicians and Mechanics	622	\$ 42,667	Postsecondary nondegree award	105.9
Accountants and Auditors	570	\$ 65,033	Bachelor's degree	93.1

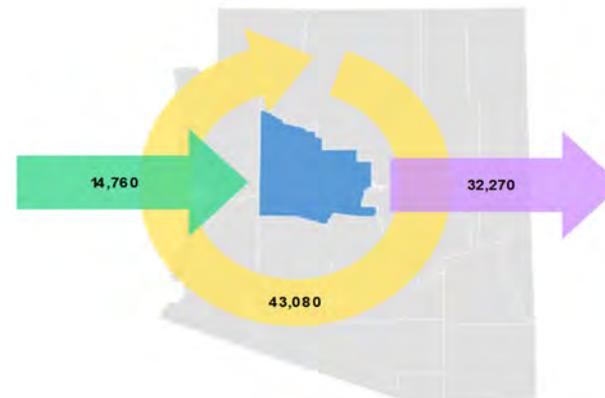
Certification
Associate Degree
Bachelor Degree

As you can see from the adjacent table, only ½ of the largest jobs pay a living wage—and only ¼ require a college certificate or degree.

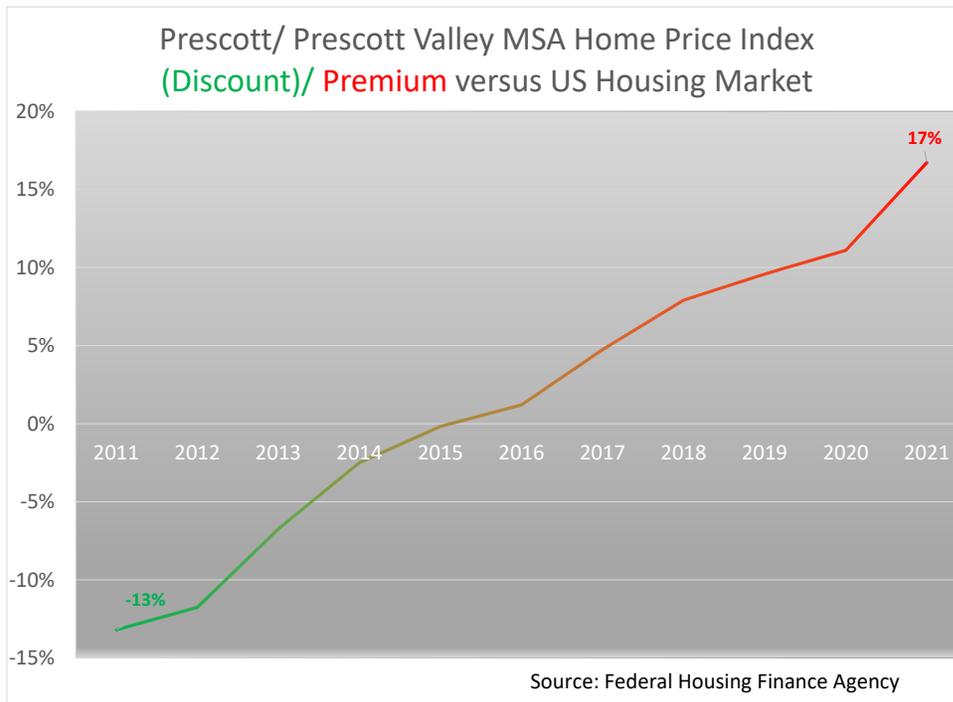
Low income, combined with an increasing cost of living, limits the size of our available workforce—some people cannot afford to live here. Analysis of commuting patterns is quite revealing: almost 15,000 of the people working in Yavapai County commute to work from out of county. Conversely, over 32,000 of working residents commute to workplaces outside of Yavapai County!

The most recent report from the Council for Community and Economic Research indicates that our county’s cost of living is now 4% above the national average, and is being driven primarily by the skyrocketing cost of housing.

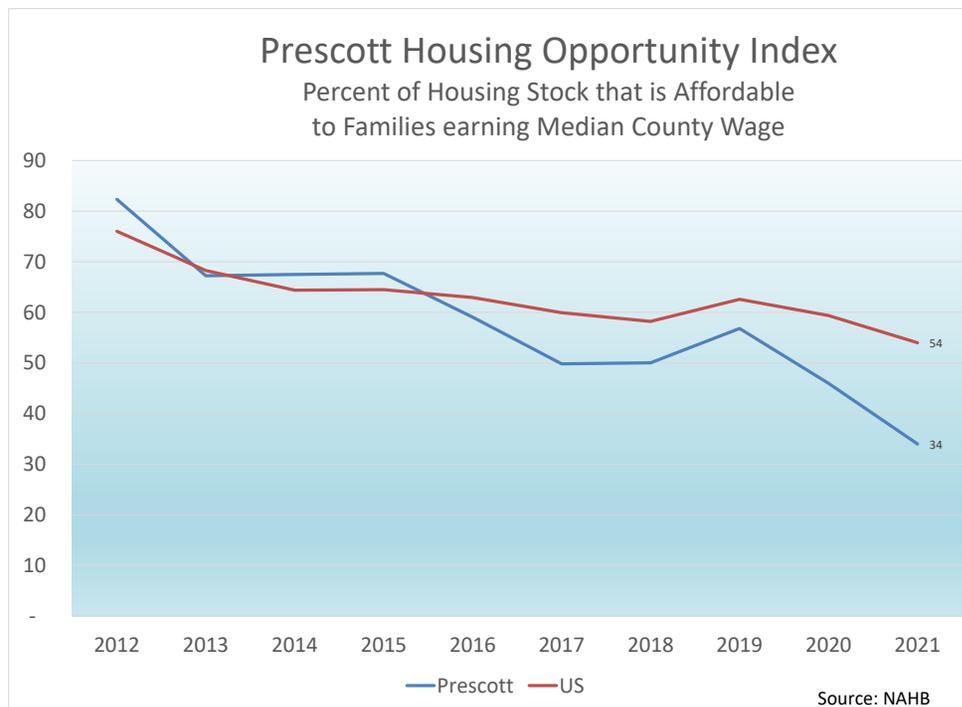
Commuting patterns of Yavapai County



Source: Census Bureau, Center for Economic Studies.



Per the Federal Housing Finance Agency, there has been a dramatic increase in the Prescott Metropolitan Statistical Area home price over the past decade. Seven years ago, Prescott area homes were below the national average; today, they are well above the national average.



Because the increase in median county income was lower than the increase in home prices, fewer people can afford to buy a home in Yavapai County today, as is shown by the following Housing Opportunity Index which is published by the National Association of Home Builders (NAHB). This represents the proportion of housing stock affordable to families earning the median wage.

According to the same data from the NAHB, Prescott has some of the most expensive housing in the country, ranking in the top quartile of the 268 Metropolitan Statistical Areas.



Prescott Valley Days



Prescott World's Oldest Rodeo



*Caduceus Wine Tasting Room
Jerome, Arizona*



Camp Verde Wine & Pecan Festival



YAVAPAI COLLEGE

COLLEGE PROFILE

Yavapai College (YC) is governed by a locally elected five-member District Governing Board. Per the District Governing Board, “Yavapai College exists so communities within Yavapai County have access to and are equipped with the knowledge and skills to improve quality of life. The College will achieve these results at a cost [what YC pays to suppliers and employees] the Board believes is justifiable.”

To fulfill this charge, YC offers 7 Associate degrees and 75 certificates in over 60 disciplines, including several career & technical fields which train students to enter the workforce directly. YC operates 2 full-service campuses, one in Clarkdale and one in Prescott, in addition to four Centers in Chino Valley, Prescott Valley, Sedona, and a Career Technical Education Center by the Prescott airport. In addition to classes, the two campuses offer a variety of support services to help students be successful. These include Admissions, Advising, Computer Commons, Disability Resources, Financial Aid, Libraries and Tutoring.

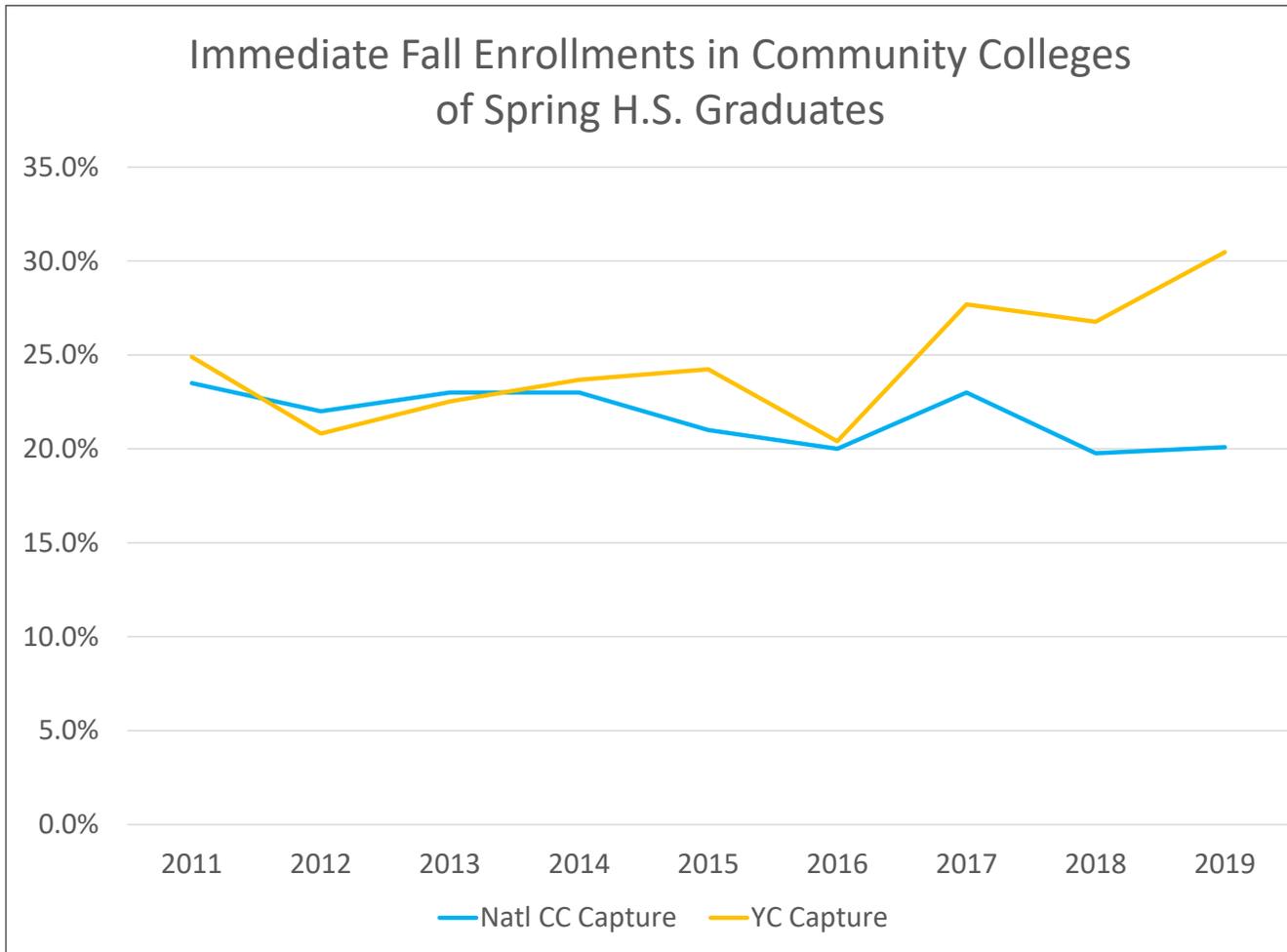
Yavapai College is a comprehensive Community College, providing Adult Basic Education for students who did not finish high school allowing them to earn a diploma, Dual/ Concurrent courses to high school students who are ready for college-level classes, Developmental Education courses for high school graduates not ready for college level courses, General Education coursework, Career Technical Education courses, and Community Education non-credit classes to enrich students of all ages.



General education classes (core transfer subjects like math, English, science, social sciences & humanities that serve as building blocks for future learning) are offered at each location. These transfer to many four-year colleges and universities, allowing students to complete their Freshman and Sophomore years at a much more affordable price (what students pay to the college). In addition, every College location offers a variety of career and technical education (CTE) programs to meet local workforce needs. A handful of those academic programs go beyond local workforce training needs attracting students from across the state and beyond such as 3D Construction, Aviation, Gunsmithing, Police Academy, the Sedona Culinary Institute, and the Southwest Wine Center. The industry norm is to group these CTE programs into 16 CTE Clusters. A summary of which CTE Clusters are offered at each YC location is shown in the following table:

In addition to delivering courses in college facilities, YC has developed strong relationships with area high schools and the Career Technical Education Districts. YC offers Dual Credit courses, where high school students take college courses taught by high school teachers at the high schools. Similarly, YC offers Concurrent Credit courses, where high school students take College courses taught by College professors typically at College facilities. **These programs allow students to earn high school and college credits at the same time, saving the students and their families roughly \$1.5M per year.** Over time, these partnerships have grown high school student enrollments to roughly 18% of total College enrollments. Moreover, these partnerships have encouraged more high school graduates to transfer to YC, with matriculation rates well above the national average.

CTE Clusters	Prescott Campus	Verde Valley Campus	Chino Valley	CTEC	Prescott Valley	Sedona	Online
Agriculture, Food & Natural Resources		X	X				
Architecture & Construction		X	X				
Arts, A/V Technology & Communications	X						X
Business Management & Administration	X						X
Education & Training	X						
Finance							X
Governments & Public Administration							
Health Sciences	X	X			X		
Hospitality & Tourism						X	
Human Services	X						
Information Technology	X	X					X
Law, Public Safety, Corrections & Security	X	X		X			X
Manufacturing		X		X			
Marketing							
Science, Technology, Engineering & Mathematics	X	X		X			
Transportation, Distribution & Logistics			X	X			

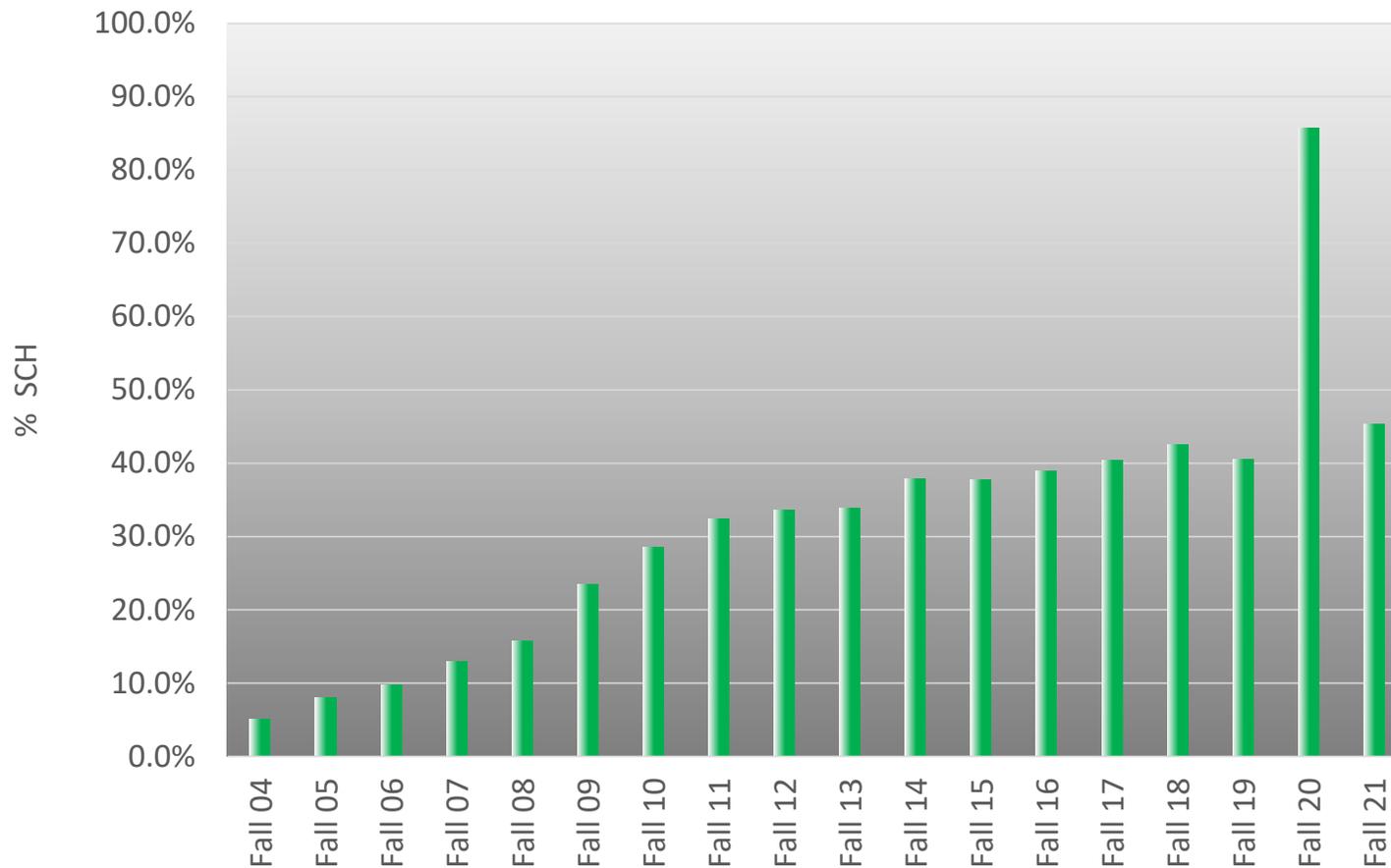


Source: AZ Department of Education, YC Institutional Research

Recent high school graduates are eligible to participate in the YC Promise, a nationally-recognized scholarship program which allows them to earn a tuition-free degree if they complete within 2 years. Our first cohort completed in Summer of 2021 with over 100 scholarship awards!



Proportion of Student Credit Hours (SCH) Delivered Online



Source: YC Institutional Effectiveness and Research

Online courses and programs have become an important delivery mechanism to YC and its students. YC was an early adopter of online technologies, beginning in Fiscal year 2000. Over the years, YC has invested in technology, software and support services to improve the quality of our online offerings. Most of our students are part-time adult

learners, attending classes amidst other priorities including family and jobs. Online classes increases accessibility for these busy people. Even ignoring the impact of the pandemic, online classes have grown to almost half of how YC delivers class content.

In addition to the workforce training programs, YC provides a variety of services to strengthen the economy through the Regional Economic Development Center. Services include research studies for a variety of cities, towns, and chambers, as well as support services through the SBDC for entrepreneurs looking to start or grow their business.

Finally, the College provides a variety of opportunities to engage in cultural activities. While this is primarily through the hundreds of different credit courses YC offers each year, YC provides affordable non-credit programming for people of all ages. The Osher Lifelong Learning Institute (OLLI) provides retirement-aged people the opportunity to explore new ideas and socialize with others. YC engages with grade school students through a variety of programming including the Curtain Up! performing arts series, and the College For Kids Summer Camps. YC fields several intercollegiate sports teams, providing some geographic diversity for our student body, as well as a sense of spirit both on campus and in the community. Throughout the year, YC sponsors award winning authors to come speak at our free Southwest Literary Series and we sponsor nationally touring shows to perform in our Yavapai College Performing Arts Center as well as other venues throughout the county.



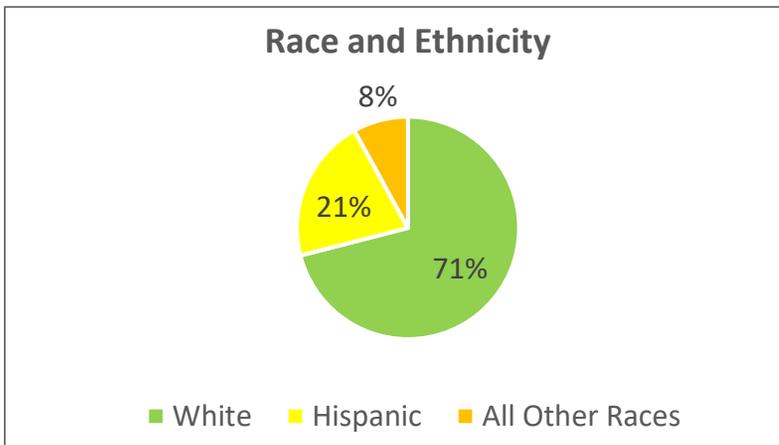
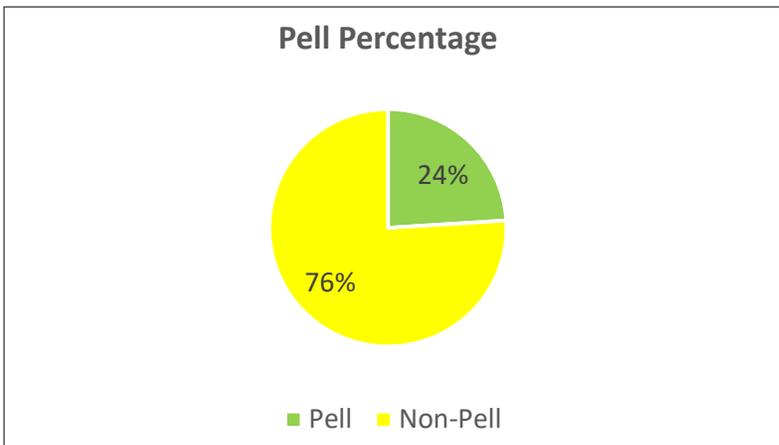
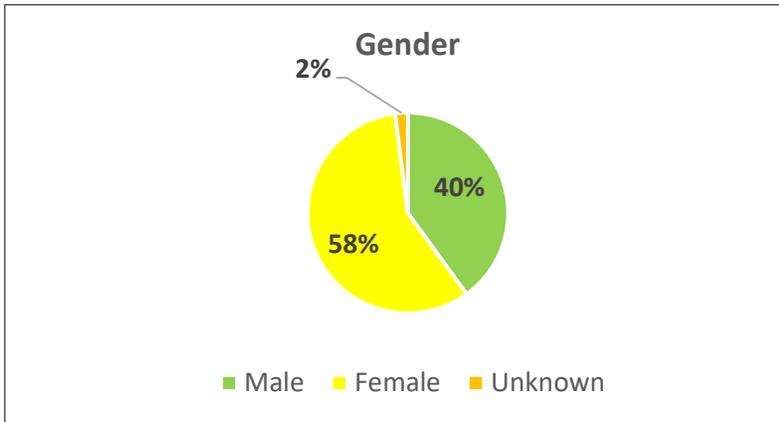
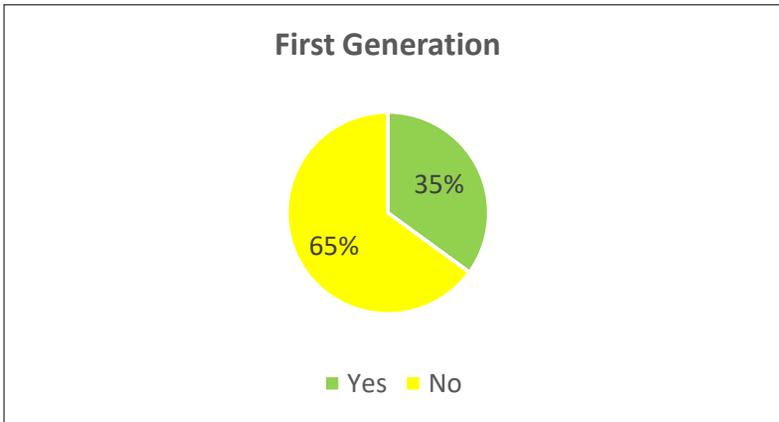
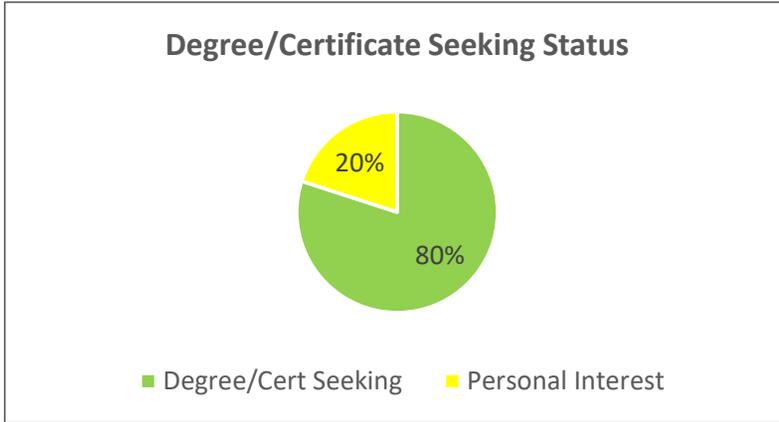
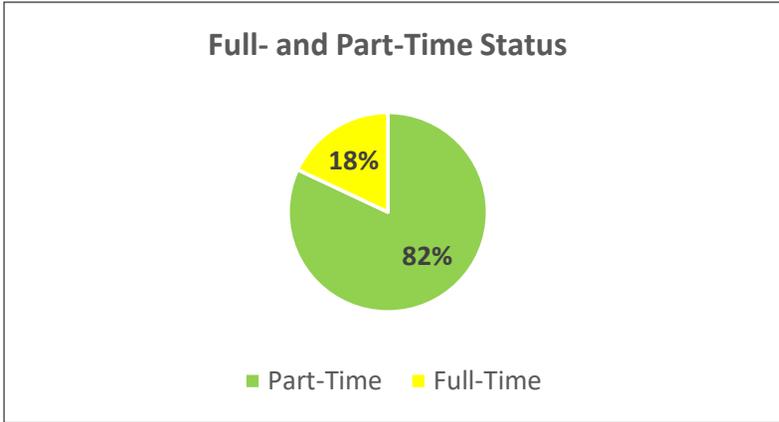
Women's Softball

Yavapai College is a great asset for the residents of Yavapai County and beyond, offering high-quality instruction in state-of-the-art facilities. The primary way YC ensures quality is by meeting the standards provided in the Higher Learning Commission's Criteria for Accreditation. Accreditation is an essential form of quality assurance for colleges and universities, ensuring that the courses and programs meet agreed upon industry standards so that credits earned by students at one institution may be confidently accepted by other accredited institutions. Accreditation also demonstrates the school's legitimacy, thereby allowing students to have access to federal grants and loans.



Osher Lifelong Learning Institute (OLLI)

The following charts summarize the kinds of students YC is serving.





Horticulture



Family Enrichment Center (FEC)



Biology

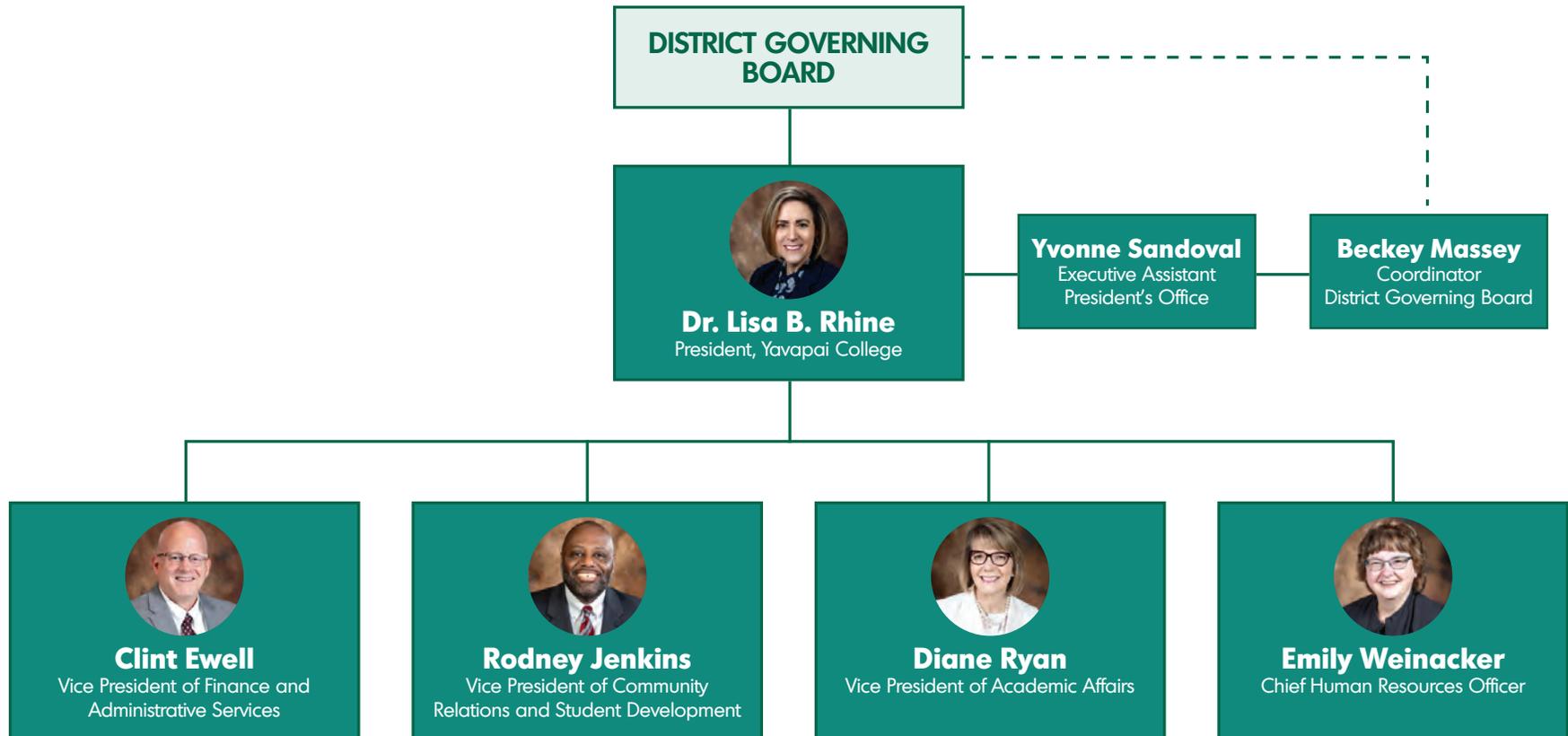


Jewelry



YAVAPAI COLLEGE ORGANIZATION

ORGANIZATION CHART



The District Governing Board has one employee: the President. Dr. Lisa Rhine has built a team with four main Divisions including Academic Affairs, Community Relations & Student Development, Finance & Administrative Services, and Human Resources. Each of these areas are described in more detail as follows:

DIVISION: ACADEMIC AFFAIRS

The Vice President of Academic Affairs is responsible for the planning, coordination, and oversight of instruction at Yavapai College. This area includes the academic schools, various instructional support services, operational leadership of the various Centers and Campuses, as well as the Yavapai College Performing Arts Center and the Family Enrichment Center.

Leadership Team

Dr. Diane Ryan, VP of Academic Affairs

Direct Reports

Scott Farnsworth, *Dean of Health and Wellness, Science & Math*

Dr. Joan Fisher, *Dean of Professional Programs and Visual Arts*

Stacey Hilton, *Dean of Instructional Support*

Dean Holbrook, *Director of Scheduling & Early College Partnerships*

John Morgan, *Dean of Career & Technical Education*

Billie Norris, *Coordinator*

Dr. Craig Ralston, *Associate Dean of Performing Arts & YCPAC Programming & Development*

Helen Stephenson, *Director of YCPAC Operations & FMA Program*

Vacant, *Dean of Verde Valley, English, Humanities, & Social Sciences*



MAJOR BUSINESS UNITS

Career & Technical Education

Areas of study include Advanced Manufacturing, Agriculture, Animal Care, Automotive, Aviation, Brewing, Commercial Driving, Construction, Diesel, Electrical, Electronics, Engineering, Film & Media, Fire Science, Gunsmithing, HVAC, Industrial Maintenance, Plumbing, Welding, and Wine. This area is responsible for the operations of the Chino Valley and the Career and Technical Education Centers.

Health & Wellness, Science & Math

Areas of study include Adult Basic Education (helping adults without a high school diploma to earn a General Equivalency Diploma), Allied Health, Emergency Medical Services, Math, Nursing, Physical Education, Radiology, and Science.

Instructional Support

The Instructional Support Office oversees academic processes including articulation, assessment, the College catalog, curriculum, distance education, and program review. Instructional Support also manages the Computer Commons, the Libraries, and the Teaching and eLearning Support department which provides support and professional development to faculty.



Performing Arts Program & YCPAC Programming & Development

Areas of study include Dance, Music, and Theater. The Associate Dean chooses which performers to include in the YCPAC Presents and Curtain Up! series, and for marketing the programs to optimize ticket sales. The Associate Dean also is responsible for fundraising for the YCPAC including grants, sponsorships and donations.

Professional Programs and Visual Arts

Areas of study include Accounting, Administration of Justice, Business, Computer Science, Education (including a lab school for Early Childhood Education called the Family Enrichment Center), Law, and the Visual Arts.

Scheduling & Early College Partnerships

The Department of Scheduling and Early College Partnerships oversees both the academic schedule for all Yavapai College classes and all of our current Early College Partnerships with county high schools, charter schools and CTEDs.



*It's A Wonderful Life
Performing Arts Production*



NARTA, Police Academy



*Early College Partnership
YC Promise Students*

Verde Valley Campus and English, Humanities & Social Sciences

Areas of study include Behavioral & Social Sciences, Communications, Creative Writing, Culinary English, History, Modern Languages, Philosophy, Religion, and Wine. This area is responsible for the operations of the Sedona Center and the Verde Valley Campus including the award-winning Southwest Wine Center.

The Dean also oversees the College Honors Program, The Literary Southwest, the Peer Writing Center, and Community Education which provides year-round non-credit enrichment classes for adults and children. Noncredit programming includes College for Kids summer programming, Edventure travel packages, and the Osher



The HASSAYAMPA INSTITUTE presents

The Literary Southwest

SPRING 2022

Lifelong Learning Institute at Yavapai College (OLLI) which provides member led classes designed for adults 50 years and older.

YCPAC Operations & FMA Program

The YCPAC Director manages Box Office, Concessions, and Theater Operations personnel. In addition, the Director manages the Film and Media Arts Program.

The Division Leads the FY23 Strategic Priorities NOT highlighted in Yellow. These priorities align with the 4 Strategic Goals described in the Strategic Planning section of this document.

FY23 Key Initiatives	Belonging	Living Wage	Adult Learners	Delivery
Grow Athletics while lowering institutional scholarships	X			
Connect Students to Social Services	X		X	
Create First Generation Support & Outreach	X		X	
Join AZ Pipeline to support Career Decision Making		X		
Expand non-credit Workforce Training		X	X	
Implement 9 YC concentrations to facilitate efficient transfer		X		X
Lower advisor case loads to 300	X			
Improve Credit for Prior Learning options			X	
Promote 15 to Finish	X			
Early College Academy				X
Expand Promise to Adults seeking CTE Degree				X
Better utilize Early Alert	X			
Develop Baccalaureate Degree(s) for FY24 launch		X		
Launch semester-or-less training programs leading to Living Wage Support		X		
Offer programs through 8 week course format				X
Expand Open Educational Resources to 40%				X
Create Community Education Destination Programs that are Financially Self-sustaining			X	
Implement best practices for online courses				X

DIVISION: COMMUNITY RELATIONS & STUDENT DEVELOPMENT

The Vice President of Community Relations and Student Development serves both internal and external constituency groups. Community Relations includes Athletics, Marketing & Communications, the Regional Economic Development Center, and the Yavapai College Foundation. Student Development includes Enrollment Management and Student Affairs.

Leadership Team

Mr. Rodney Jenkins, *VP of Community Relations & Student Development*

Direct Reports

Community Relations

Brad Clifford, *Director of Athletics*

Richard Hernandez, *Executive*

*Director of the Regional Economic
Development Center*

Tyler Rumsey, *Director of Marketing &
Communications*

Mary Talosi, *Executive Director of the
YC Foundation*

Laura Warne, *Coordinator*

Student Development

Diana Dowling, *Associate VP of
Enrollment Mgmt.*

Tania Sheldahl, *Associate VP of
Student Affairs & Dean of Students*



Men's Soccer

MAJOR BUSINESS UNITS

Athletics

Athletics play a unique role on college campuses, often serving as the “front porch” of the institution, inviting both students and community members alike to join the college family. Athletics has become an embedded part of the culture on many college campuses, providing a sense of school spirit and camaraderie, that helps all students to engage with their friends and consequently their studies. Athletics offers student-athletes a pathway to degree completion by cultivating a passion for their sport and by providing service to the community.

Enrollment Management

The Enrollment Management Department provides comprehensive services to new and continuing students through several areas including Admission, Financial Aid, Recruitment, the Registrar’s Office, and Early College (Dual Credit and Concurrent Credit). The goal of Enrollment Management is to help students make an informed decision on where to attend college, then help students who choose YC to find a program that fits their goals and expectations. The department works diligently to provide sound and consistent advising in regard to academic programs, financial options, and flexible course schedules that fit students’ other commitments.



Enrollment Management



eSports

Marketing & Communication

The Marketing and Communications area promotes academic programs and shares college news with the community. The department also coordinates internal College communication.

Regional Economic Development Center (REDC)

The REDC is a one-stop location in Yavapai County for business, entrepreneurial, employment and economic development services.

The REDC consults with local towns, cities, and economic development organizations to foster regional

collaboration and by providing economic information and analyses. The REDC provides high-quality, on-demand workforce training. The REDC houses the Small Business Center, which is a federally funded program aimed at supporting and strengthening small businesses within the county.

Student Affairs

The Student Affairs department provides academic and non-academic support to students as they progress toward completing their certificate or degree. This area leads several different departments to engage and support students. Student Activities creates opportunities for students to engage outside of the classroom such as clubs, Student

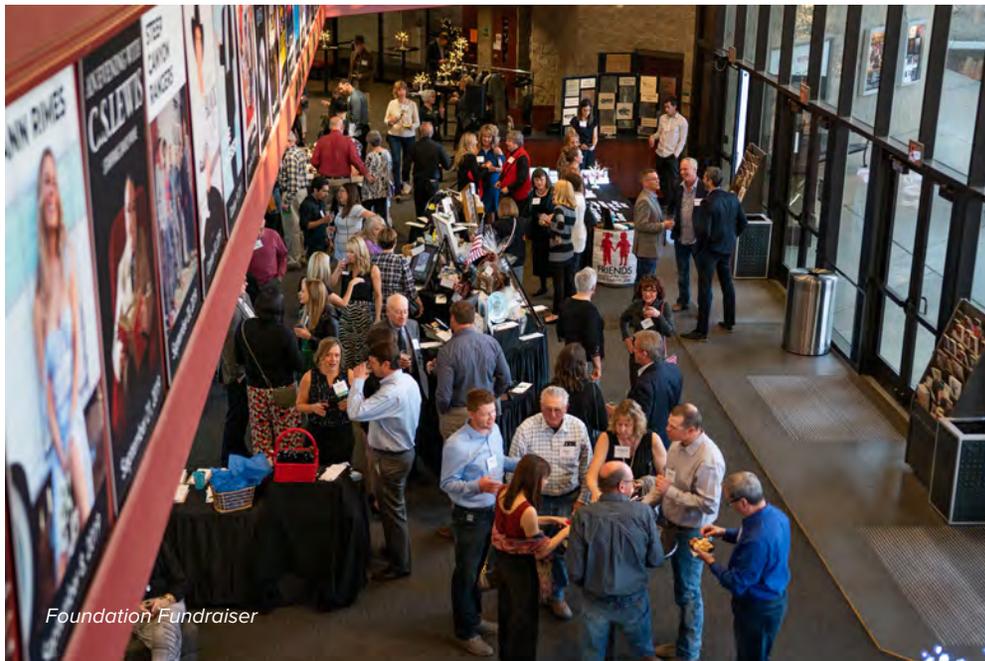


REGIONAL ECONOMIC DEVELOPMENT CENTER
at Yavapai College

The Division Leads the FY23 Strategic Priorities highlighted in Yellow. These priorities align with the 4 Strategic Goals described in the Strategic Planning section of this document.

FY23 Key Initiatives	Belonging	Living Wage	Adult Learners	Delivery
Grow Athletics while lowering institutional scholarships	X			
Connect Students to Social Services	X		X	
Create First Generation Support & Outreach	X		X	
Join AZ Pipeline to support Career Decision Making		X		
Expand non-credit Workforce Training		X	X	
Implement 9 YC concentrations to facilitate efficient transfer		X		X
Lower advisor case loads to 300	X			
Improve Credit for Prior Learning options			X	
Promote 15 to Finish	X			
Early College Academy				X
Expand Promise to Adults seeking CTE Degree				X
Better utilize Early Alert	X			
Develop Baccalaureate Degree(s) for FY24 launch		X		
Launch semester-or-less training programs leading to Living Wage Support		X		
Offer programs through 8 week course format				X
Expand Open Educational Resources to 40%				X
Create Community Education Destination Programs that are Financially Self-sustaining			X	
Implement best practices for online courses				X

Ambassadors, Students of Leadership, Student Government, and a variety of events. The Testing Center offers various academic and industry assessments for students, prospective students, and community members. The Learning Centers provide free tutoring. Disability Services ensures students have equal access and reasonable accommodations to all Yavapai College programs and activities. Residence Life provides semi-autonomous housing option for those students seeking to live on campus. TRiO Student Support Services provides success coaching, career exploration, and college financial support. Veterans Education and Transition Services provides support services for student veterans and military family members. In addition, Student Affairs is responsible for addressing student conduct issues.



YC Foundation

The Yavapai College Foundation's goal is to support the College's objectives and activities through resource development as well as promote community awareness of the College and its programs. Through philanthropic activities, the Foundation helps enhance educational, cultural, and social and economic activities within the YC community through raising funds for student scholarships, faculty development and programs that enrich both the College and the community.



DIVISION: FINANCE & ADMINISTRATIVE SERVICES

The Vice President of Finance & Administrative Services leads the support team that provides effective and efficient campus operations. Major Business Units include Business Services, Campus Safety, Facilities, Information Technology Services, and Institutional Effectiveness & Research.

Leadership Team

Dr. Clint Ewell, *VP of Finance & Administrative Services*

Direct Reports

Patrick Burns, *Chief Information Officer*

Frank D'Angelo, *Controller and Director of Business Services*

Dr. Tom Hughes, *Director of Institutional Effectiveness & Research*

David Laurence, *Director of Facilities*

Ty Payne, *Chief of Police*

Ivonne Zuniga, *Coordinator*



Facilities

MAJOR BUSINESS UNITS

Business Services

The mission of the Business Services Team is to provide exceptional support services that help the College achieve its Ends while ensuring the integrity of the institution through fiscal best practices. Business Services includes the following areas:

- Accounting
- Bookstore (managed by Follett)
- Budget
- Bursar (Accounts Receivable)
- Food services (managed by HHS)
- Mail, print & distribution services.
- Payroll
- Purchasing

Campus Safety

The Yavapai College Campus Safety Department is a full-service police department staffed by certified Arizona Peace Officers, trained Safety Officers and professional staff. In addition to safeguarding the \$150,000,000 of College assets located at 6 locations throughout the county, the primary role of these officers is to serve and protect 1000 employees, 10,000 students, and tens of thousands of visitors who come to YC locations each year.

Campus Safety has the same responsibilities and authority as municipal, county, or state police agencies. They work to promote safety and responsibility through prevention and awareness, training, networking, and, when necessary, enforcement of the law. In 2021, YCCS was one of the first community college police departments to become accredited by the International Association of Campus Law Enforcement Administrators.

Facilities

The Facilities Department's goal is to ensure that students, visitors, faculty, and staff are provided a safe, clean, well-maintained, and comfortable environment. Services include:

- **Capital Projects**
 - **Planned Maintenance:** reinvest in buildings and infrastructure to lower the total cost of ownership by extending the useful life
 - **Capital Improvement Projects:** based primarily on [Campus Master Plan](#), manage contractors to renovate existing space or build new space to meet the emerging needs of students and the community
- **Environmental Health & Safety:** improve workplace safety by training employees to meet OSHA and other best practice standards.
- **Custodial Services:** Provide janitorial services and event support throughout the district.
- **Groundskeeping:** create a welcoming campus environment and address snow removal as needed.
- **Maintenance:** perform preventative maintenance tasks, respond to system failures, operate central plants.

Information Technology Services

The Information Technology Services (ITS) Department provides technology support and services to the students, faculty, and staff of Yavapai College. The department is organized into four teams that manage the efficient use of technology resources throughout the district.

- The Technology Support Services (TSS) team is the front-line for customer support (Helpdesk), and they maintain all of the computer workstations and labs at YC. TSS also is responsible for designing, implementing, and maintaining all of the district's presentation (audio/visual) systems.
- The Application Development team supports the College's enterprise system (Banner). This team also develops custom applications and integrations that support the evolving needs of stakeholder such as the student and employee portal, or the ERP permissions systems.
- The Systems and Network Services (SANS) team is responsible for maintaining the College's network infrastructure, server environment, desktop virtualization, and telephony system.
- Cybersecurity is responsible for protecting YC's information assets by utilizing the latest tools and best practices.

The [IT Strategic Plan](#) provides more details about this Business Unit and its priorities.



Institutional Effectiveness and Research

The Office of Institutional Effectiveness and Research (IER) offers a broad array of decision support services to all areas of the College and external agencies as necessary. Services include developing tools to support evidence-based decision-making, performing research and predictive analyses, leading Strategic Planning and Accreditation.

In addition to supporting most of the Strategic Initiatives being led by the other Divisions, the FAS FY23 Strategic Initiatives include:

- Update and begin to implement the Campus Master Plan
- Evaluate the possibility of a new Enterprise Resource Planning system

DIVISION: HUMAN RESOURCES

The Chief Human Resources Officer leads the Human Resources Department.

Our HR Vision

In support of the YC mission, we work collaboratively as strategic partners to build innovative, exemplary, value-added HR services that drive organizational success by:

- Attracting, retaining, and rewarding talented employees
- Removing barriers to equity
- Being accountable to those we serve
- Promoting a positive work environment
- Encouraging employee well-being
- Doing the right thing



Leadership Team

Dr. Emily Weinacker, SHRM-SCP, SPHR, Chief Human Resources Officer
Lisa Rhodes, MBA, SHRM-SCP, SPHR, Assistant Director
M. Haley Green, MA, SHRM-SCP, Manager HR Projects and Operations
Wyatt Brannock, Human Resources Support Specialist

Our HR Mission

- YC Is the Employer of Choice
- With a spirit of optimism, we create a workplace where people belong, partnerships prevail, and performance excels.

The HR Team has adopted a business partner model where every employee and department are assigned a dedicated HR partner to assist with all HR-related needs including:

- Attracting, retaining and rewarding talented employees
- Designing market-competitive compensation and benefits
- Enhancing employee relations
- Building employee talents through Performance Management as well as Training & Development opportunities

Business Partner Team

Pam Pierce, MA, SPHR, SHRM-SCP, HR Business Partner, SR
Nina Florez-Quintero, BS, SHRM-CP, HR Business Partner
Sonya Liadis, AAS, SHRM-CP, HR Business Partner

HR Strategic Initiatives for FY23 include

- Conduct Employee Engagement Survey
- Update Compensation Plan for Occupational Faculty
- Create Supervisor Training Program

Budget by Major Business Unit & Fund

(in millions)

		General	Auxiliary	Restricted	Plant	Debt
District Governing Board		\$ 0.30	\$ -	\$ -	\$ -	\$ -
President		0.53	-	-	-	-
	HR	1.06	-	-	-	-
Academic Affairs		0.86	-	0.27	(0.66)	-
	Career & Technical Education	4.58	0.01	0.75	0.54	-
	Health and Wellness, Science & Math	5.50	-	0.85	0.28	-
	Instructional Support	2.62	-	-	0.11	-
	Performing Arts	0.52	0.22	-	0.02	-
	Professional Programs & Visual Arts	2.89	0.01	-	0.10	-
	Scheduling & Early College	0.61	-	-	-	-
	Verde Valley Operations and English, Humanities & Social Sciences & Lifelong Learning	6.46	1.95	0.34	0.13	-
	YCPAC Operations & FMA	0.28	1.46	-	0.15	-
Community Relations & Student Development		0.41	-	-	-	-
	Athletics	2.83	0.08	-	0.18	-
	Enrollment Management	4.60	-	6.80	-	-
	Marketing & Communications	0.95	-	-	-	-
	REDC	-	0.13	1.44	-	-
	Student Affairs	3.02	0.94	0.93	-	-
	YC Foundation	0.13	0.52	0.77	-	-
Finance & Administrative Services		0.39	-	-	-	-
	Business Office	1.79	0.12	-	0.05	-
	Campus Safety	0.88	-	0.04	0.01	-
	Facilities	6.87	-	1.19	6.79	1.26
	Contingency	1.13	0.10	-	0.76	-
	District Other	(0.24)	0.00	4.79	-	-
	Information Technology	5.30	-	-	1.02	-
	Institutional Research	0.64	-	-	-	-

The following Table shows the relationship between each of Yavapai College's Major Business Units and Funds, indicating where each MBU is budgeted.



3800

Yavapai
COLLEGE
PRESCOTT VALLEY CENTER



Prescott Valley Center

A photograph of several lineworkers in safety gear working on tall wooden utility poles in an open field under a clear blue sky. The workers are positioned at various heights on the poles, some climbing and others observing. A semi-transparent white box is overlaid on the center of the image, containing the text.

YAVAPAI COLLEGE STRATEGIC PLAN

FUTURE FOCUSED. COMMUNITY INSPIRED.

Lineworker Program

STRATEGIC PLANNING

Process

In order to keep pace with change, the College's Strategic Planning process is updated annually with a perpetual 3-year horizon. The Strategic Planning Committee is chaired by the Director of Institutional Effectiveness & Research, with membership comprised of leaders of other significant planning efforts at the College. One of the Outcomes described in the SPC Charter is to ensure the various College plans align with the [Strategic Plan](#). In this way, we ensure all areas of the College are moving in the same direction. Other major plans include:

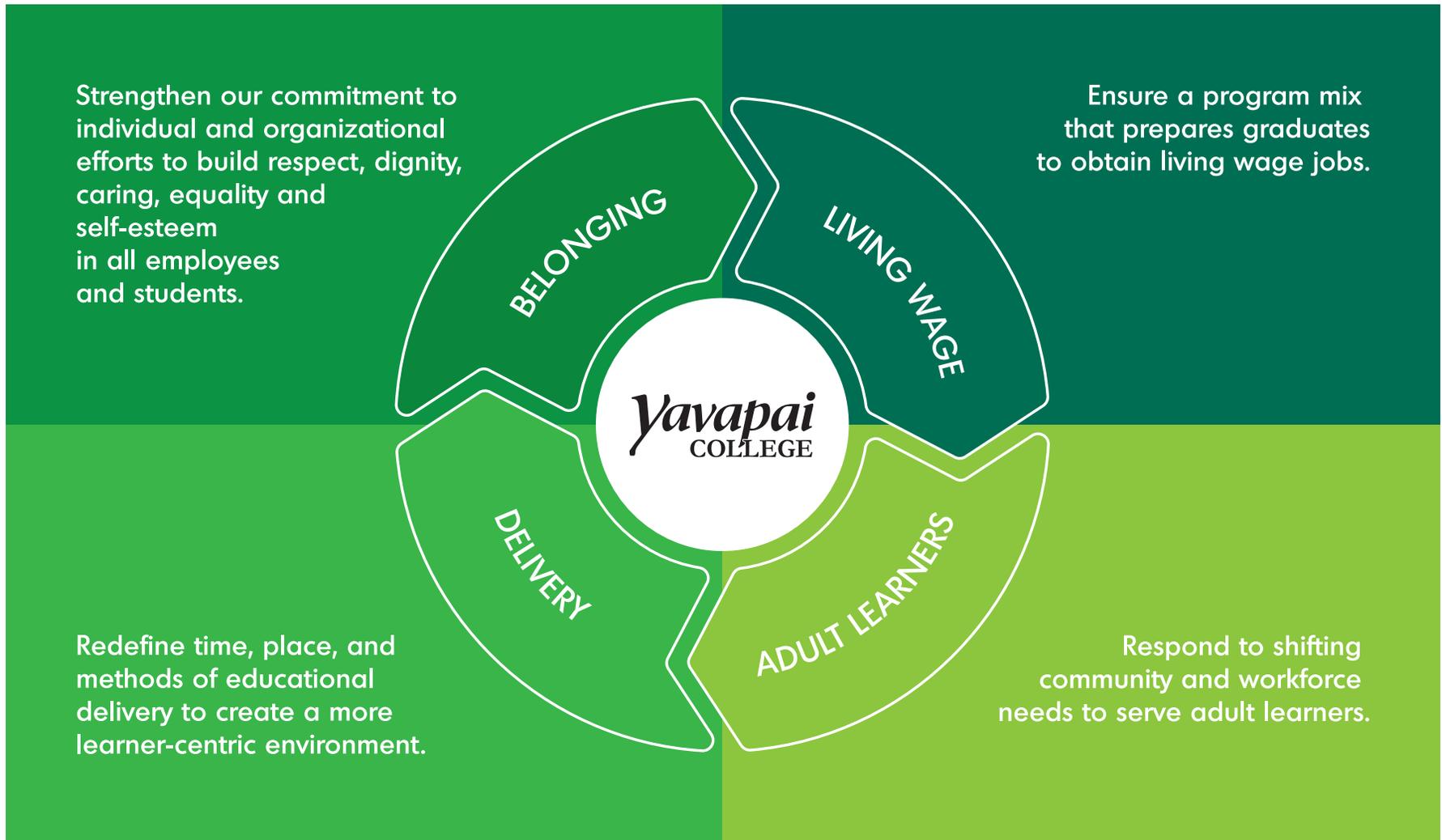
- [Academic Master Plan](#)
- [Campus Master Plan](#)
- [Economic Development Plan](#)
- [Financial Plan \(Budget\)](#)
- Foundation Development Plan
- [Human Resources Plan](#)
- [Information Technology Plan](#)
- [Marketing/Recruitment/Retention Plans](#)

The SPC begins by assessing the Current State, reviewing internal reports and key performance indicators, as well as other major College plans. The SPC then turns its collective gaze outwards, looking at benchmark studies to assess how YC performs compared to its peers, reviewing the annual [Environmental Scan](#), and reading extensively to ascertain emerging trends and best practices. Using all of this information, the SPC then conducts a SWOT analysis, assessing internal Strengths and Weaknesses, and identifying external Opportunities and Threats. All of this information, including the results of the SWOT analysis, can be reviewed by the greater Yavapai College community by visiting the [Strategic Planning](#) website.



The YC Strategic Plan has Goals, Initiatives and Action Plans. A Goal represents a shared idea of the future state that, when accomplished, will help us fulfill our DGB Priorities and the College's Vision. Initiatives are projects intended to lead to the accomplishment of the Goal.

Actions Plans describe how and how much of an initiative will be accomplished in a given fiscal year. This includes who is responsible, who will support, target dates, and budget implications. Finally, Key Performance Indicators have been developed to help the College assess its progress toward achieving its Goals.



This graphic summarizes the 4 Strategic Goals in the FY23-25 Strategic Plan.

SWOT ANALYSIS

Internal STRENGTHS (+) 	
1	Talented Employees committed to student success
2	CTE Programs
3	Facilities & Technology
4	Price
5	REDC
6	Quality Reputation-
7	Community focused & supported
8	Early College relationships led to growth
9	Unique programs: VEN, CUL, AVT, GST, 3D Const, FEC, NARTA, YCPAC, OLLI, C4K, Sports, Res Halls
10	Unique Location: Weather, Landscape, History
11	PACE: Cooperation & problem solving on my workteam, how we prepare students for career, staff meet students needs, and Overall

Internal WEAKNESSES (-) 	
1	Program Mix: metrics to start/end programs loosely followed (eg living wage?)
2	Higher Ed Culture resists change; not agile enough to keep up with market changes
3	Though we have quality tools (Canvas, Zoom) and people (TeLs, PTSS), YC Online lacks direction. We are growing organically, not purposefully. Best practices are not consistently followed. Online student success lags F-F, though more students are migrating to this mode.
4	Helping SMEs to become better teachers
5	No Focus: Trying to be everything for everyone: what problem are we solving; what is our distinct blue ocean?
6	Career Connection: ID interests, counseling, placement, apprentice/intern/coop
7	Processes/ resources geared toward shrinking traditional students segment
8	Processes complicated/ not well defined/ limit innovation- PACE
9	Limited training opportunities for employees- PACE

External OPPORTUNITIES (+) 	
1	Clarify connection between education and economy to justify additional state partnerships and support
2	Optimize unique programs: Create more such as SW Studies, exchange student program with Mexico, environmental science, & renewable energy; expand programs such as law enforcement continuing ed or nc destination culinary; export via EdX, Acadeum, Coursera, etc ; 4 year degrees
3	Create profitable programming for retirement age people
4	Better service hispanic community
5	Financial pressures could lead to deeper partnerships with HS, ERAU and Prescott College
6	Silver City needs more health (& CTE 4th IR), business, education); Economy-focused legislature might support; leverage Jobs For the Future resources
7	Refocus processes and resources on 70,000+ non-traditional in-county residents who need cert or degree
8	Create one-stop shop for customizable JIT workforce training (NCR ->CR)
9	AZ 60 could allow YC to differentiate by helping more students complete
10	Summer use of facilities -expedite completion, prof dev training, camps, etc

External THREATS (-) 	
1	Great resignation leading to employee retention and recruitment issues
2	Competitors creating new best practices based on Voice of Student: expedited certs & degrees, focus on what students want (job, speed), credit for prior learning, all majors creating human skills and technical competencies through Applied Learning and stackable credentials, provide support with non-academic life-issues, scheduling to improve efficiency & completion, articulation that leads to true Jr transfer, CRM
3	Some competitors (eg ASU) adopting next gen online tools: personalized learning, virtual reality, chatbots, OER, competency based, predictive analytics, support for online students, Learn on demand (subscriptions)
4	Abundance of low cost general education (Sophia, Straighterline, etc.) and workforce training (edX, Coursera, EdtoGo, Careerbuilder, LinkedIn Learning, Google Skillshop, Google Digital Academy) leading to industry certifications being accepted by employers
5	Competitors offering lower cost MOOC and need-based scholarships such that net price is close to YC
6	Declining traditional age student population across county and country leads to fewer students for YC--and its competitors
7	Expenditure limit
8	Global warming leading to longer fire seasons and water issues
9	Cost of housing in Yavapai County
10	Limited high-speed internet through much of county
11	Weak articulation: does it count toward Bachelor?

FY23 Key Initiatives	Belonging	Living Wage	Adult Learners	Delivery
Grow Athletics while lowering institutional scholarships	X			
Connect Students to Social Services	X		X	
Create First Generation Support & Outreach	X		X	
Join AZ Pipeline to support Career Decision Making		X		
Expand non-credit Workforce Training		X	X	
Implement 9 YC concentrations to facilitate efficient transfer		X		X
Lower advisor case loads to 300	X			
Improve Credit for Prior Learning options			X	
Promote 15 to Finish	X			
Early College Academy				X
Expand Promise to Adults seeking CTE Degree				X
Better utilize Early Alert	X			
Develop Baccalaureate Degree(s) for FY24 launch		X		
Launch semester-or-less training programs leading to Living Wage Support		X		X
Offer programs through 8 week course format				X
Expand Open Educational Resources to 40%				X
Create Community Education Destination Programs that are Financially Self-sustaining			X	
Implement best practices for online courses				X

The following is a brief description of the College-wide Initiatives funded in FY23 being led by the Community Relations and Student Development Division:

1. **Grow Athletics:** The College added E-sports and Women’s Soccer in FY22. In F23, Men’s and Women’s Basketball will return. Over a 5 year period (FY22 is year 2), the College will increase Athletics related fundraising with the goal of eliminating General Fund Athletics scholarships by the end of year 5.

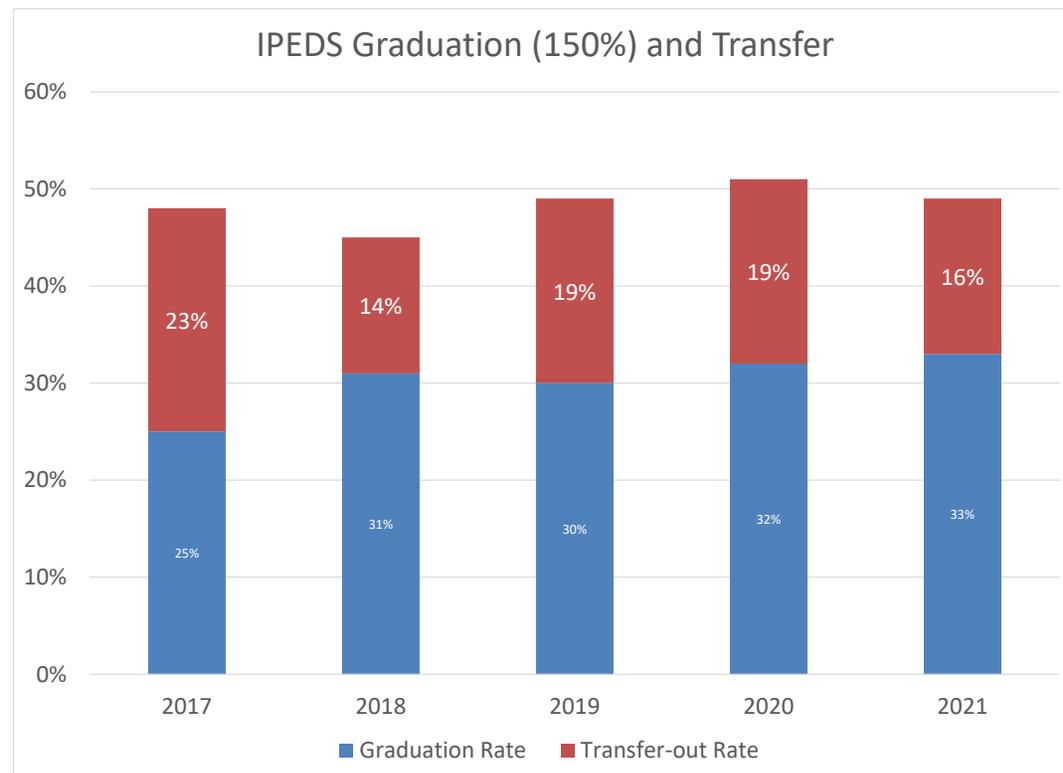
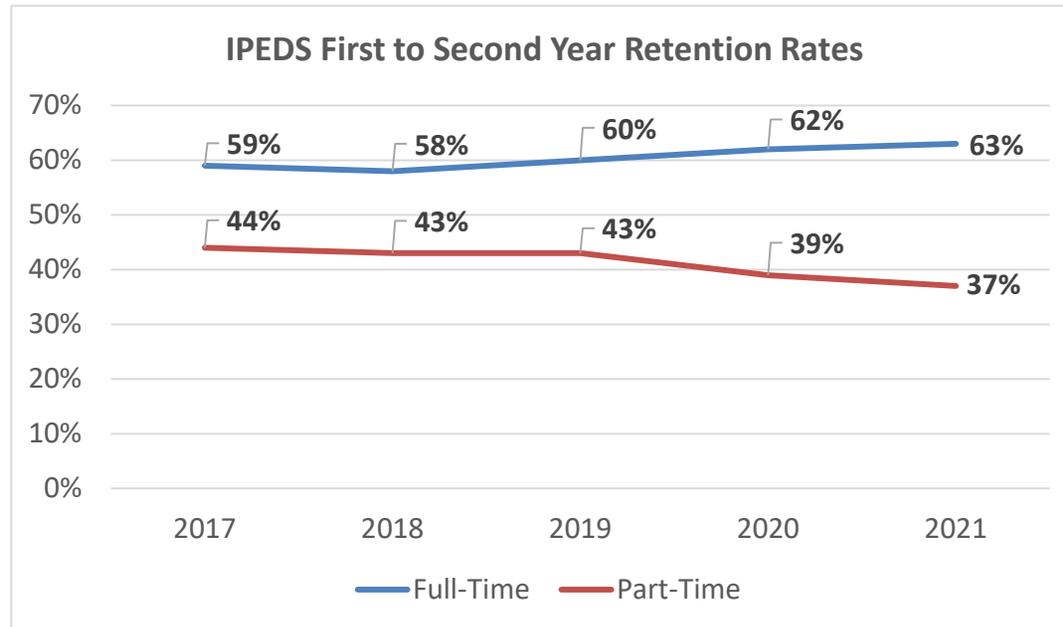
2. **Wraparound Support Services:** The College has adopted the Single-Stop model in FY22, allowing students to come to one place to receive both traditional support services such as Advising, Financial Aid and Tutoring; however, students can now receive support with non-academic issues such as food & housing insecurity, physical & mental health, etc. The FY23 budget includes a position to serve as a liaison between the students and these community-based services.

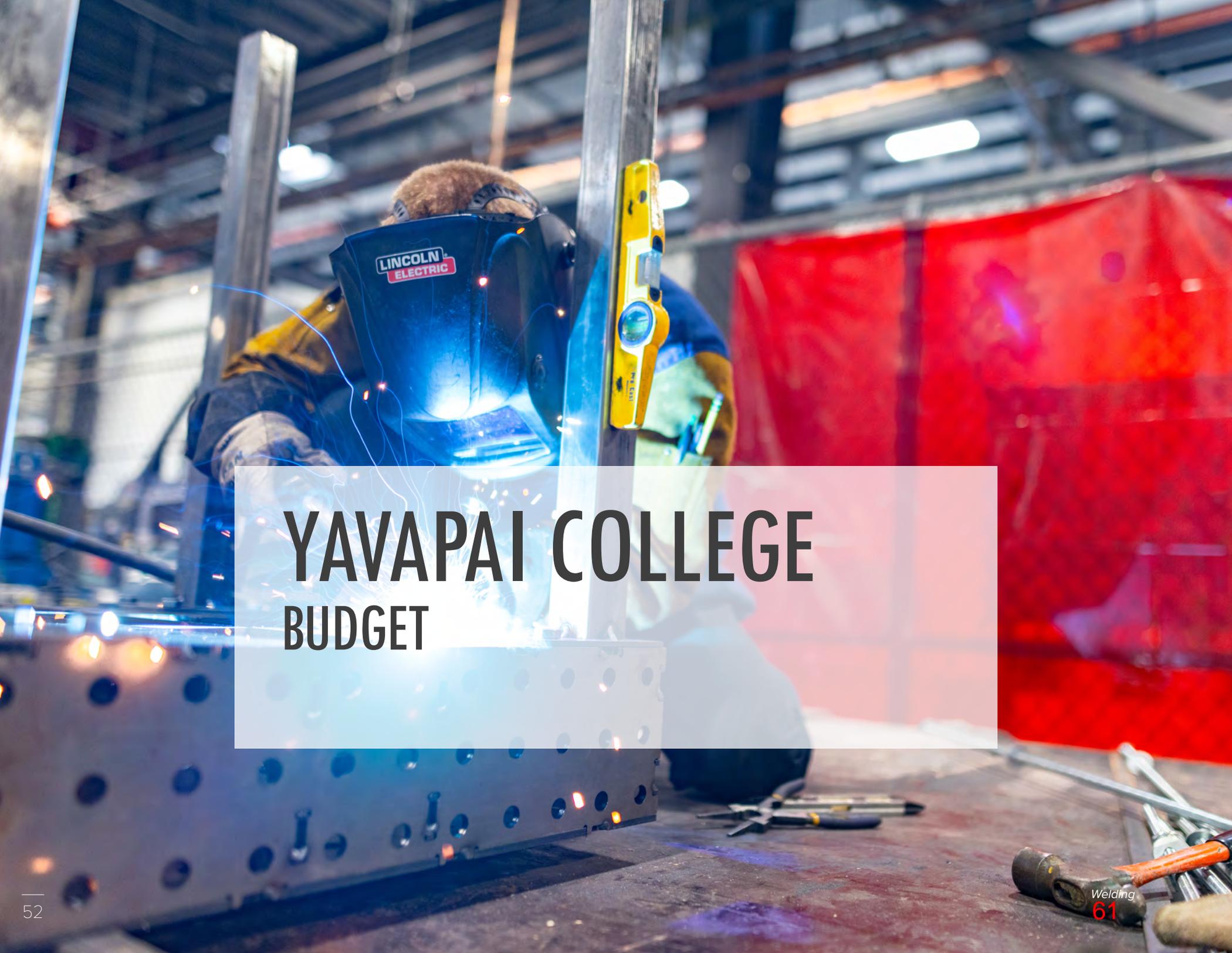
3. **1st Generation Support & Outreach:** A significant number of people in our community have not attended college, nor do they have family members who did. We want to reach out specifically to these people to invite come to the college. Then once they are here, we want to help them connect both with each other and with the support services which will help them complete a certificate or degree. The FY23 budget includes a Coordinator position to perform those tasks.
4. **AZ Pipeline:** Once we help students acquire the knowledge and skills they need to be successful in the workplace, this software helps them to connect to jobs both locally and throughout the state.
5. **Non-credit Workforce Training:** Using Prop 207 funds, the REDC is expanding its staff and services to help businesses and employees connect to on-demand training from subject matter experts across the country.
6. **YC Concentrations:** The Associate of Arts is by far the most popular degree awarded at YC. However, those students who choose to continue their studies at a university will need to declare a Major. YC will establish concentrations which mirror the most popular majors at the AZ public universities, which is where the vast majority of students transfer. Concentrations will allow students to transfer their credits more efficiently, allowing them to transfer as true Jr's.
7. **Advisor Case Load:** Over the past decade, YC has lowered the amount of students per advisor from 900 to a little over 500. However, our peers are moving even faster: the average case load is just under 300, with 25% of community college advisors helping only 150 students each! Lowering the caseload, allows the quantity and quality of advising to improve, which leads to an improvement in retention and completion. We will add several positions to lower this ratio, and train them in the best practices we learned from InsideTrack.
8. **Credit for Prior Learning:** YC does award some credit for prior learning; however, not as much as our competitors. We need to adopt best in class practices which will appropriately reward students for their prior learning experiences, thus allowing them to complete more quickly.
9. **15 to Finish:** This is a national initiative encouraging students to take 15 credits per term so that they can finish their degree on time (in 2 years at community colleges, or 4 years at universities).
10. **Expand YC Promise:** Launched in FY20, the YC Promise scholarship reimburses out-of-pocket tuition recent high school graduates who complete their degree within 2 years. In FY23, YC will expand this scholarship opportunity to any county resident who earns a degree in a Career Technical Education field within 2 years. This allows residents to upskill and become qualified to apply for more living wage jobs, while making Yavapai County a more attractive location for businesses to expand or re-locate by expanding the pool of talented candidates.
11. **Create Early College Academy:** YC has great partnerships with local high school, and together we provide opportunities for high school students to earn college credits through dual credit classes taught by high school teachers in the high school and concurrent credit classes taught by college faculty primarily at the college. These programs are highly successful, saving families \$1.5M per year in college tuition and allowing the average Yavapai County high school graduate to begin college with 10 college credits. To supplement these successful programs, we envision an Early College Academy in which some high school students will take all college classes during the junior and senior years of high school in order to earn an Associates degree (60 credits) by the time they complete their high school diploma.

The following is a brief description of the College-wide Initiatives funded in FY23 being led by the Academic Affairs Division:

12. **Early Alert:** Institutional Research has developed predictive analytic tools, which help identify students who are likely to not be successful. With the help of faculty and staff, we can use this tool to intervene and help students adopt more successful behaviors.
13. **Baccalaureate Degrees:** In the last legislative session, AZ gave community colleges the ability to offer baccalaureate degrees. In FY22, the College worked with EMSI to identify the 4-year degrees that are most needed. In FY23, we will develop the curriculum and seek approval to offer these degrees beginning in FY24.
14. **Living Wage in a semester or less:** This project will actually be co-led by Academic Affairs and by CRSD. For students taking credit courses, Academic Affairs will evaluate which of its programs are over-specified, and could be shortened to allow students to earn the industry certification in 16 weeks or less. Similarly within the CRSD Division, the REDC will identify non-credit programs that can lead to a living wage in the same timeframe.
15. **Online:** The College will continue to update its online courses, to comply with industry best practices (Quality Matters) which have proven to help more students successfully complete the course with a C or better.
16. **Offer more 8-week courses:** Community College students tend to be different than university students, with many more students who have other life obligations such as family and/or work obligations. With this in mind, many colleges have started offering more 8-week term courses. Studies have shown students experience equal or greater success in this delivery format, perhaps because there is less time for “life to get in the way.”
17. **Offer more OER courses:** Students do better in class when they have access to the course learning materials. However, many students on a budget cannot afford the book. Open Educational Resources allow colleges to provide learning materials for low cost or no cost.
18. **Profitable Lifelong Learning:** YC has some outstanding community education programs including College for Kids, Edventures and OLLI. However, the programs are subsidized. We will work to improve these cost models and to offer new, profitable destination programs for lifelong learners.

The College has several Key Performance Indicators; however, the two that best represent Student Success are 1) Retention Rates 2) Graduation & Transfer Rates



A welder wearing a blue Lincoln Electric protective mask and a yellow and blue jacket is working on a metal structure in a factory. The welder is using a welding torch, and bright sparks are visible. A yellow level is attached to the metal structure. The background shows a red safety curtain and industrial equipment.

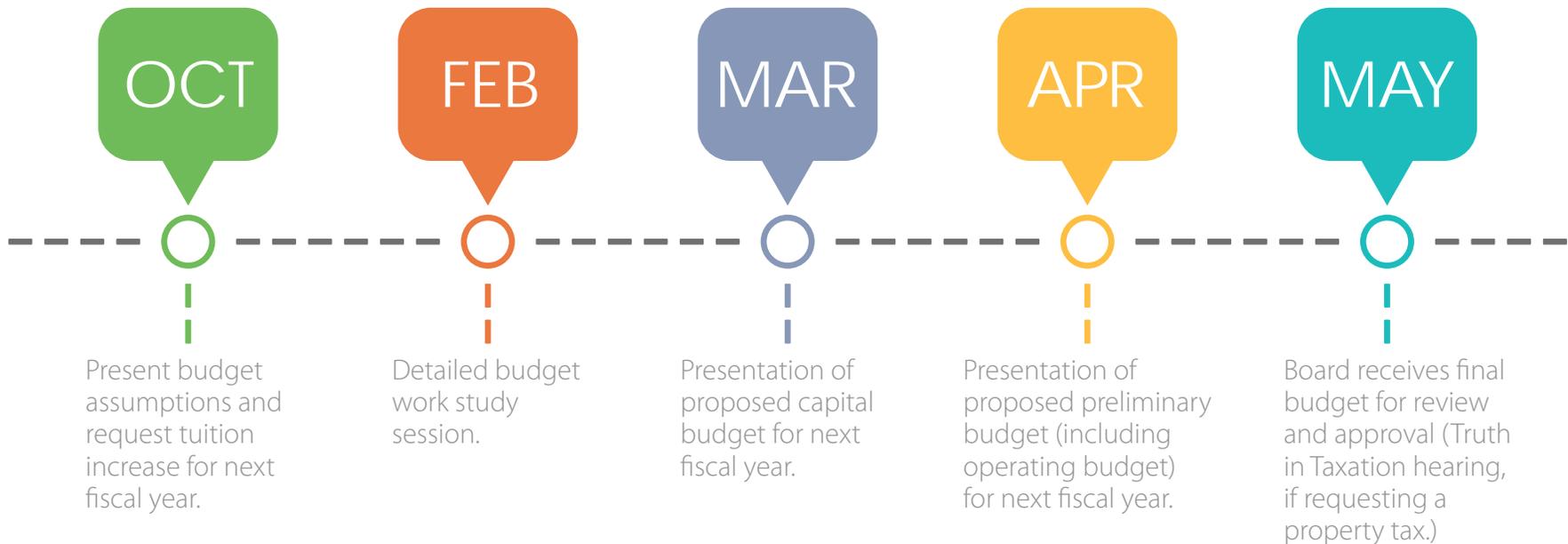
YAVAPAI COLLEGE

BUDGET

BUDGET

Annual Budget Process

The official YC budget begins July 1 of each year. YC conducts a series of meetings throughout the year to ensure a new budget is ready for DGB approval each May.



The formal budget process begins with the District Governing Board (DGB) in October, when Budget Assumptions are shared. Also in October, the DGB is asked to approve Tuition and Fee increases for the following Fiscal Year, so that Financial Aid packaging may commence when the FAFSA process opens in November of the current Fiscal Year.

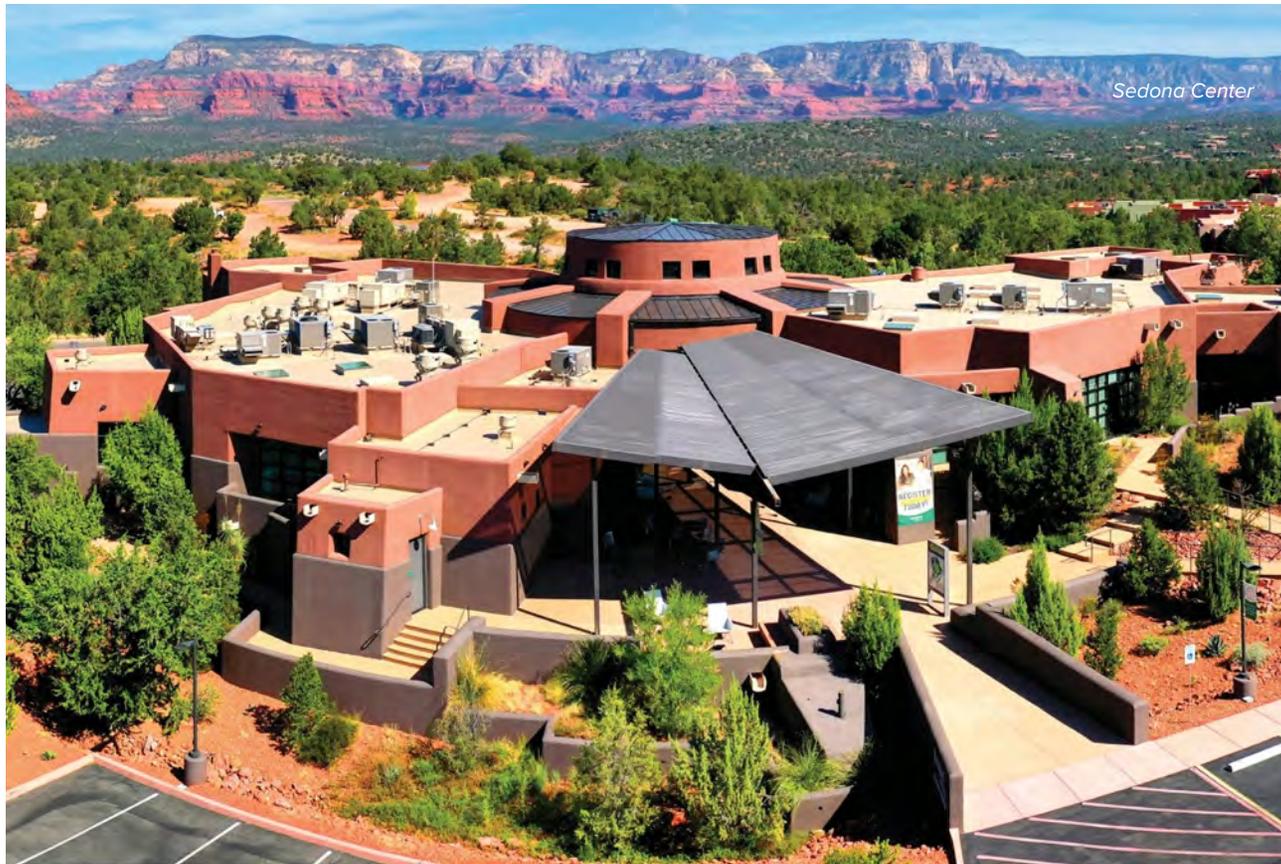
In November, the annual Environmental Scan is reviewed with the DGB, providing necessary context for upcoming budget discussions. Then in February, YC holds a half-day Budget Work Study Session with the DGB. Time is spent discussing revenue and expense trends, as well as upcoming financial and strategic challenges for the College.

During the March DGB meeting, YC discusses capital budgets with the DGB. In April, a preliminary budget is shared with the DGB. Based on feedback received at that meeting, a final budget is brought to the May DGB meeting for approval.

Each one of this series of budget presentations is posted on the [Budget](#) website for any interested people who were unable to attend. Similarly, a video recording of each DGB Meeting is recorded and posted on the [DGB](#) website. The final budget is advertised in the major newspapers and published on the website in advance of the meeting as proscribed by [Arizona Revised Statute \(ARS\) 15-1461](#).

The DGB also has the ability to raise property taxes each year pursuant to [ARS 42-17](#). In years where YC plans to ask for a property tax increase, the College follows the regulations outlined in ARS. Similar to the transparency requirements for the budget, YC also must advertise that it will hold a Truth in Taxation Hearing where the DGB will consider a tax increase—in addition to approving the College budget—as part of their duty to represent county residents. By YC tradition, this hearing takes place on the same day in May as the budget approval meeting.

Once approved by the DGB in May, YC budget staff enter the budget into our computerized accounting system, in time for the new Fiscal Year which commences on July 1st.



Budget Adjustments

After the adoption of the budget for a particular fiscal year, it may be necessary for YC to transfer budget amounts between Organizations (departmental cost centers) or Functions within a Fund. No DGB action is required as long as the transfer does not change the total expenditure in that Fund. Functions and Funds are defined in the Glossary section.

Budget Controls

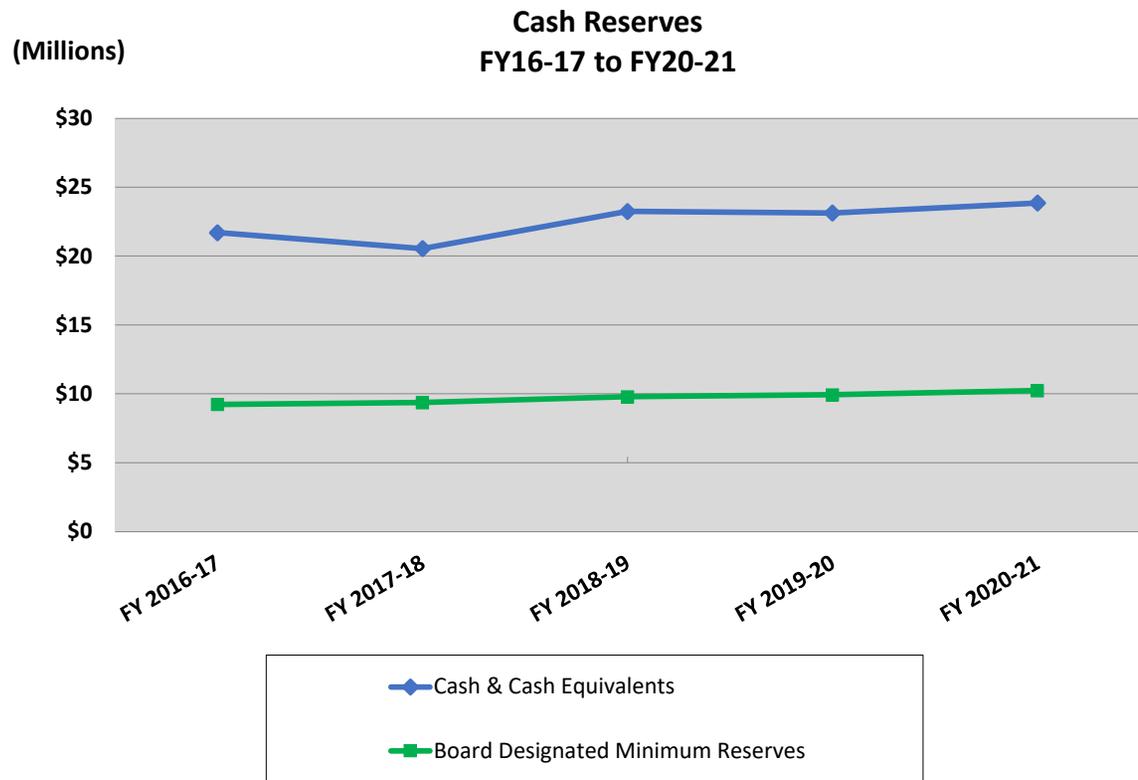
During the year, budgets are monitored on a monthly basis. Department managers may run budget reports for their areas. The Budget Director has developed exception reports to help identify budgetary issues, allowing the Director to take action if needed. The Controller shares budget information with the DGB on a monthly basis as well.

In addition, the purchasing system provides a secondary level of control: only a limited number of people have access to the requisition system, requisitions must be approved, by an even smaller group of budget managers, and requisitions without sufficient funds cannot be approved unless funds are transferred into the appropriate budget.

Finally, the College has a robust position control system which allows it to ensure that vacant positions are budgeted, before the position request is forwarded to the Executive Leadership Team (ELT) for approval. All full-time General and Auxiliary fund positions are reviewed and approved by the ELT prior to posting the position. Part-time positions or grant funded positions are excluded from this ELT review process.

Balanced Budget

Throughout its history, YC has submitted balanced budgets to the DGB for approval. The budget is technically balanced when total annual expenditures do not exceed total projected revenues plus other sources (e.g. fund balance). However, YC is committed to creating a structurally-sound balanced budget by funding recurring expenses (such as salaries and benefits) with recurring revenues (such as tuition or property taxes). YC uses non-recurring resources (such as fund balance) to fund one-time expenses (such as capital). YC's ability to consistently exceed the minimum reserves called for in Board Policy 204 are evidence of our ability to balance our budget.



Basis of Accounting and Budgeting

The College maintains its general ledger on a cash and accrual basis throughout the year. Significant items are accrued at month-end so that the reports of revenues and expenditures provided to leadership and the DGB are more meaningful. At year-end, the financial statements are prepared under the full accrual basis of accounting, in accordance with Generally Accepted Accounting Principles (GAAP), as presented in the College's audited year-end financial statements. Under the accrual basis, revenues are recognized when earned and expenses are recorded when an obligation has been incurred.

The College's basis of budgeting is generally the same as the College's basis of accounting described above excluding items such as the depreciation of capital assets and principal payments on debt. The Plant fund budget reflects the anticipated purchase of capital assets rather than the annual depreciation expense and the Debt fund budget includes both the principal and interest expense payments on the College's bonds.



Financial Policies & Procedures

The College has a variety of policies, procedures and guidelines that employees are required to follow in regard to financial processes – including budgeting. The following is a summary:

- As per the Budget Operational Policy, the President of the College is responsible for the development of the budget in accordance with the Arizona Revised Statutes.
 - Budget development procedures include, among other things
 - Budget Principles: Transparency, Aligned, Participative, and Fiscally Conservative
 - Create tools to support strategic budget reductions and annual reallocations
 - Prioritize market-competitive salaries
 - Set tuition rates that are transparent, market-competitive, and affordable
 - Assess profit/subsidy of new and existing programs
- The Investment policy guides the investment of temporarily available cash to ensure all available balances are prudently invested in compliance with the applicable state statutes, governing board requirements and internal regulations. The four primary objectives of this policy are the safety of invested principal, maximum invested balances, appropriate liquidity and maximum total rate of return.
- The Purchasing policy helps employees receive the best value by explaining various means of procuring goods and services, such as p-cards, check requests, pre-negotiated contracts, and the formal bid process.

- Fund Balance Policy: As mentioned above, The College maintains cash reserves in accordance to the District Governing Board’s reserve requirements. The current funds and plant fund reserves are set at 17% and 8%, respectively, of the Colleges operating expenditure budgets. The College’s reserves provide stability and flexibility to respond to unexpected adversity and/or opportunities.
- The Debt Policy explains the various legal options to borrow, the purpose of issuing debt, and how to do so in a fiscally sound manner.

Fund Accounting

Fund accounting is an accounting and reporting system required to be used by independent colleges and universities to keep track of resources whose use is limited by donors, granting agencies, law, other outside individuals or entities, or by governing boards. A fund is maintained for each specific purpose.

Yavapai College uses the following 5 funds to track revenues and expenses: General Fund, Auxiliary Fund, Restricted Fund, Debt Fund, and Plant Fund. The definitions for these may be found in the Glossary.

Budget Overview

The following Revenue Summary and Expense Summary tables group these funds into Current Funds and Capital Funds. The current funds group consists of funds expendable for current operating purposes, and is divided into two unrestricted funds, General and Auxiliary, as well as Restricted Funds. Capital Funds consist of the Plant Fund and the Debt Fund.

The Expense Summary Table also categorizes expenses by Function (sometimes known as Program), which helps the financial report reader better understand which kinds of services are being provided by the College. All U.S. colleges and universities use these same categories to report to the federal Department of Education, which allows for benchmarking. Finally, the expenses are broken into Natural Expense Classes which helps the financial report reader to understand what the money purchased. Funds, Functions and Natural Expense Classes are all defined in the Glossary section of this report.



ALL FUNDS

Exhibit 1

SUMMARY OF REVENUE DATA

	Prior Year Actual <u>2020-2021</u>	Current Year Budget <u>2021-2022</u>	Proposed Budget <u>2022-2023</u>	Dollar (\$) Difference	Percentage (%) Difference
<u>REVENUES</u>					
Current Funds					
General Fund					
Property Taxes - Primary, Net Contingency	\$ 38,887,000	\$ 40,078,600	\$ 42,014,600	\$ 1,936,000	4.8%
Tuition & Fees	10,373,900	10,674,000	11,860,000	1,186,000	11.1%
State Appropriations	585,800	4,096,500	2,143,800	(1,952,700)	-47.7%
Other Sources	2,644,000	565,100	966,600	401,500	71.0%
Auxiliary Fund					
Sales and Services	1,524,500	3,495,800	3,632,300	136,500	3.9%
Other Sources	428,700	861,600	863,700	2,100	0.2%
Sub-Total Current Funds - Unrestricted	\$ 54,443,900	\$ 59,771,600	\$ 61,481,000	\$ 1,709,400	2.9%
Current Funds - Restricted					
Federal Grants and Contracts	\$ 10,663,500	\$ 19,520,000	\$ 11,060,000	\$ (8,460,000)	-43.3%
State Grants and Contracts	339,900	410,000	410,000	-	0.0%
State Appropriations/Props 207 & 301	2,498,500	2,481,300	3,861,100	1,379,800	55.6%
Private Gifts, Grants and Contracts	957,800	983,200	1,367,000	383,800	39.0%
Sub-Total Current Funds - Restricted	\$ 14,459,700	\$ 23,394,500	\$ 16,698,100	\$ (6,696,400)	-28.6%
TOTAL CURRENT FUNDS	\$ 68,903,600	\$ 83,166,100	\$ 78,179,100	\$ (4,987,000)	-6.0%
Capital Funds					
Plant Fund					
Property Taxes - Primary, Net Contingency	\$ 8,328,900	\$ 7,845,500	\$ 7,845,500	\$ -	0.0%
Other Sources	30,800	410,000	60,000	(350,000)	-85.4%
Debt Fund					
Property Taxes - Secondary, Net Contingency	2,206,400	405,500	-	(405,500)	-100.0%
Other Sources	3,778,600	1,800	-	(1,800)	-100.0%
TOTAL CAPITAL FUNDS	\$ 14,344,700	\$ 8,662,800	\$ 7,905,500	\$ (757,300)	-8.7%
GRAND TOTAL - CURRENT & CAPITAL FUNDS	\$ 83,248,300	\$ 91,828,900	\$ 86,084,600	\$ (5,744,300)	-6.3%
Fund Balance Applied to Budget	2,206,700	1,107,800	3,478,500	2,370,700	214.0%
TOTAL REVENUES AVAILABLE FOR EXPENDITURES	\$ 85,455,000	\$ 92,936,700	\$ 89,563,100	\$ (3,373,600)	-3.6%

Exhibit 2

SUMMARY OF EXPENSE DATA

Expenditures by Fund	2020-2021 Actual	2021-2022 Budget	2022-2023 Proposed	Dollar (\$) Difference	Percentage (%) Difference
Current Funds					
Current General Fund - Unrestricted	\$ 46,099,200	\$ 52,034,800	\$ 54,908,300	\$ 2,873,500	5.5%
Auxiliary Enterprises	3,873,600	5,368,200	5,543,100	174,900	3.3%
Sub-Total Current Funds - Unrestricted	\$ 49,972,800	\$ 57,403,000	\$ 60,451,400	\$ 3,048,400	5.3%
Current Funds - Restricted	13,481,200	23,618,500	18,448,100	(5,170,400)	-21.9%
TOTAL CURRENT FUNDS	\$ 63,454,000	\$ 81,021,500	\$ 78,899,500	\$ (2,122,000)	-2.6%
Plant Funds					
Unexpended Plant Fund	\$ 10,093,400	\$ 9,654,300	\$ 9,405,500	\$ (248,800)	-2.6%
Retirement of Indebtedness	7,899,600	2,260,900	1,258,100	(1,002,800)	-44.4%
TOTAL PLANT FUNDS	\$ 17,993,000	\$ 11,915,200	\$ 10,663,600	\$ (1,251,600)	-10.5%
GRAND TOTAL - CURRENT & PLANT FUNDS	\$ 81,447,000	\$ 92,936,700	\$ 89,563,100	\$ (3,373,600)	-3.6%

Expenditures by Program	2020-2021 Actual	2021-2022 Budget	2022-2023 Proposed	Dollar (\$) Difference	Percentage (%) Difference
Instruction	\$ 20,642,200	\$ 26,022,200	\$ 27,612,100	\$ 1,589,900	6.1%
Public Service	1,786,600	3,760,500	3,463,600	(296,900)	-7.9%
Academic Support	5,303,200	6,284,600	5,903,900	(380,700)	-6.1%
Student Services	8,706,100	9,632,500	11,993,400	2,360,900	24.5%
Institutional Support/Administration	11,410,800	13,464,800	12,225,600	(1,239,200)	-9.2%
Physical Plant Operations/Maintenance	14,435,500	13,485,900	13,530,100	44,200	0.3%
Scholarships	9,325,200	14,141,700	9,625,400	(4,516,300)	-31.9%
Auxiliary	1,937,800	2,446,000	2,558,400	112,400	4.6%
Retirement of Indebtedness	7,899,600	2,260,900	1,258,100	(1,002,800)	-44.4%
Contingency	-	1,437,600	1,392,500	(45,100)	-3.1%
TOTAL BUDGET	\$ 81,447,000	\$ 92,936,700	\$ 89,563,100	\$ (3,373,600)	-3.6%

Expenditures by Natural Expense	2020-2021 Actual	2021-2022 Budget	2022-2023 Proposed	Dollar (\$) Difference	Percentage (%) Difference
Salaries and Benefits	\$ 42,799,100	\$ 46,185,600	\$ 50,099,700	\$ 3,914,100	8.5%
Supplies	3,526,200	6,067,800	5,952,500	(115,300)	-1.9%
Contractual Services and Other	4,740,900	10,612,700	8,287,500	(2,325,200)	-21.9%
Communications and Utilities	1,816,300	2,155,100	2,124,400	(30,700)	-1.4%
Travel, Conferences & Memberships	593,000	1,228,600	1,521,600	293,000	23.8%
Scholarships	9,325,200	14,141,700	9,625,400	(4,516,300)	-31.9%
Capital Projects and Equipment	10,746,700	8,846,700	9,301,400	454,700	5.1%
Debt payments	7,899,600	2,260,900	1,258,100	(1,002,800)	-44.4%
Contingency	-	1,437,600	1,392,500	(45,100)	-3.1%
Total	\$ 81,447,000	\$ 92,936,700	\$ 89,563,100	\$ (3,373,600)	-3.6%

GENERAL FUND

Exhibit 3

GENERAL FUND - REVENUES AND OTHER ADDITIONS

REVENUES	2020-2021 Actual	2021-2022 Budget	2022-2023 Proposed	DOLLAR (\$) DIFFERENCE	PERCENTAGE (%) DIFFERENCE
PROPERTY TAXES - PRIMARY	\$ 38,887,000	\$ 41,008,600	\$ 42,164,600	\$ 1,156,000	2.8%
Property Tax Contingency	-	(930,000)	(150,000)	780,000	-83.9%
PROPERTY TAXES - PRIMARY	\$ 38,887,000	\$ 40,078,600	\$ 42,014,600	\$ 1,936,000	4.8%
STATE APPROPRIATIONS					
Maintenance Support	\$ 585,800	\$ 596,500	\$ 300,400	\$ (296,100)	-49.6%
Rural Community College Aid	-	3,500,000	1,843,400	(1,656,600)	-47.3%
Sub-total State Appropriations	\$ 585,800	\$ 4,096,500	\$ 2,143,800	\$ (1,952,700)	-47.7%
TUITION & STUDENT FEES					
General Tuition	\$ 9,073,800	\$ 9,050,000	\$ 10,160,000	\$ 1,110,000	12.3%
Out-of-District Tuition	165,800	160,000	160,000	-	0.0%
Out-of-State Tuition	746,000	740,000	820,000	80,000	10.8%
Tuition - Noncredit	74,100	242,000	238,000	(4,000)	-1.7%
REDC - Workforce Noncredit	-	100,000	100,000	-	0.0%
Student Fees	63,500	82,000	82,000	-	0.0%
Tuition and Fee Remissions/Waivers	250,700	300,000	300,000	-	0.0%
Sub-Total Tuition & Student Fees	\$ 10,373,900	\$ 10,674,000	\$ 11,860,000	\$ 1,186,000	11.1%
OTHER SOURCES					
Investment Income	\$ 38,800	\$ 50,000	\$ 70,000	\$ 20,000	40.0%
YCF Contribution - Basketball Program	-	-	423,700	423,700	100%
Other	2,605,200	515,100	472,900	(42,200)	-8.2%
Sub-Total Other Sources	\$ 2,644,000	\$ 565,100	\$ 966,600	\$ 401,500	71.0%
Gross Revenues	\$ 52,490,700	\$ 55,414,200	\$ 56,985,000	\$ 1,570,800	2.8%
Unrestricted Fund Balance Applied to Budget	\$ 1,968,400	\$ -	\$ 1,727,000	\$ 1,727,000	100.0%
TRANSFERS IN/OUT					
Transfer to Auxiliary Fund	(2,256,450)	(1,413,600)	(1,451,600)	(38,000)	2.7%
Transfer to Retirement of Indebtedness Plant Fund	(1,435,250)	(1,365,800)	(852,100)	513,700	-37.6%
Transfer to Plant Fund	(2,000,000)	(600,000)	(1,500,000)	(900,000)	150.0%
TOTAL REVENUES AVAILABLE FOR EXPENDITURES	\$ 48,767,400	\$ 52,034,800	\$ 54,908,300	\$ 2,873,500	5.5%

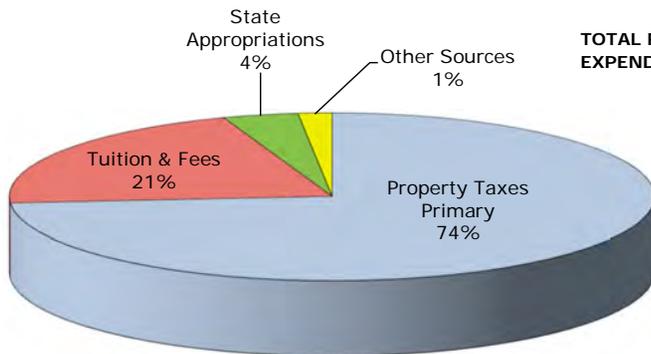
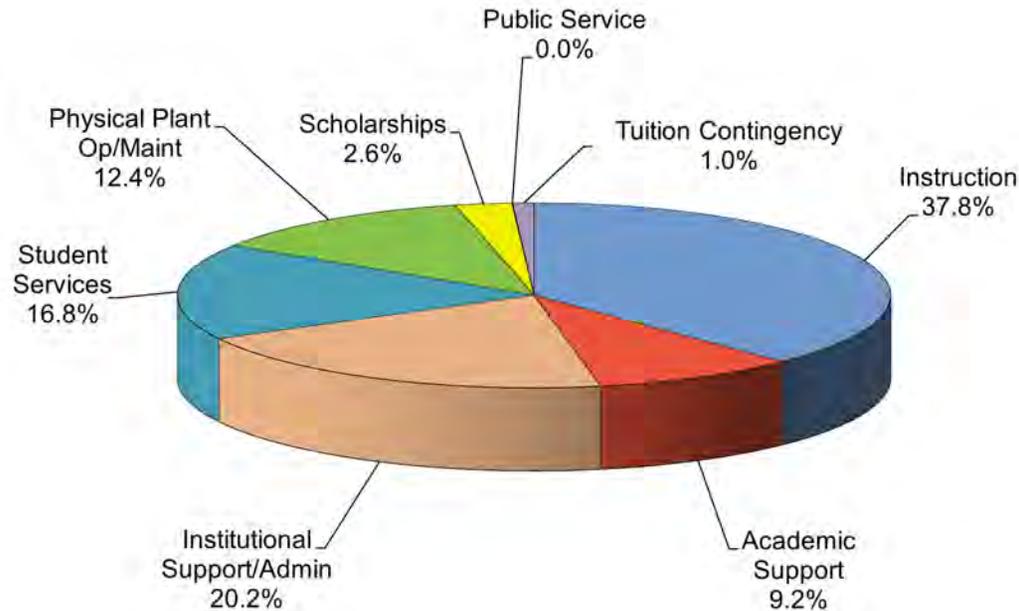


Exhibit 4

GENERAL FUND - EXPENDITURES AND OTHER DEDUCTIONS

EXPENDITURES	2020-2021 Actual	2021-2022 Budget	2022-2023 Proposed	DOLLAR (\$) DIFFERENCE	PERCENTAGE (%) DIFFERENCE
Current General Fund					
Instruction	\$ 17,460,400	\$ 20,306,400	\$ 20,751,600	\$ 445,200	2.2%
Academic Support	4,734,800	4,740,800	5,065,600	324,800	6.9%
Institutional Support/Administration	10,150,300	10,482,900	11,083,400	600,500	5.7%
Student Services	6,607,700	6,943,700	9,222,800	2,279,100	32.8%
Physical Plant Operations/Maintenance	5,949,400	6,542,400	6,832,500	290,100	4.4%
Scholarships	738,000	1,013,200	1,409,900	396,700	39.2%
Public Service	458,600	1,475,400	12,500	(1,462,900)	-99.2%
Tuition Contingency	-	530,000	530,000	-	0.0%
TOTAL CURRENT GENERAL FUND BUDGET	\$ 46,099,200	\$ 52,034,800	\$ 54,908,300	\$ 2,873,500	5.5%



AUXILIARY FUND

Exhibit 5

AUXILIARY FUNDS - REVENUES AND OTHER ADDITIONS

	<u>2020-2021</u> <u>Actual</u>	<u>2021-2022</u> <u>Budget</u>	<u>2022-2023</u> <u>Proposed</u>	<u>DOLLAR (\$)</u> <u>DIFFERENCE</u>	<u>PERCENTAGE</u> <u>(%)</u> <u>DIFFERENCE</u>
<u>Revenues & Other Additions By Source</u>					
<u>AUXILIARY ENTERPRISES</u>					
Residence Halls and Summer Conferences	\$ 359,100	\$ 1,252,000	\$ 1,282,000	\$ 30,000	2.4%
Bookstore	76,500	80,000	75,000	(5,000)	-6.3%
Food Services Sales	-	70,000	125,000	55,000	78.6%
Vending	4,000	30,000	40,000	10,000	33.3%
Edventures & Community Education	35,500	371,100	340,000	(31,100)	-8.4%
Winery - Tasting Room	209,500	205,000	275,000	70,000	34.1%
Family Enrichment Center	413,000	710,500	727,900	17,400	2.4%
Subtotal	<u>\$ 1,097,600</u>	<u>\$ 2,718,600</u>	<u>\$ 2,864,900</u>	<u>\$ 146,300</u>	<u>5.4%</u>
<u>PUBLIC SERVICES</u>					
Community Events	\$ 426,900	\$ 777,200	\$ 767,400	\$ (9,800)	-1.3%
Subtotal	<u>\$ 426,900</u>	<u>\$ 777,200</u>	<u>\$ 767,400</u>	<u>\$ (9,800)</u>	<u>-1.3%</u>
<u>OTHER REVENUES</u>					
Yavapai College Foundation	\$ 366,000	\$ 443,000	\$ 458,100	\$ 15,100	3.4%
Performing Arts Productions	9,400	247,000	215,000	(32,000)	-13.0%
Miscellaneous	53,300	171,600	190,600	19,000	11.1%
Subtotal	<u>\$ 428,700</u>	<u>\$ 861,600</u>	<u>\$ 863,700</u>	<u>\$ 2,100</u>	<u>0.2%</u>
Total Revenues & Other Additions	\$ 1,953,200	\$ 4,357,400	\$ 4,496,000	\$ 138,600	3.2%
UNRESTRICTED FUND BALANCE AT JULY 1 APPLIED TO BUDGET	100,000	-	-	-	0.0%
<u>TRANSFERS IN/OUT</u>					
Transfer in from General Fund	\$ 2,256,450	\$ 1,413,600	\$ 1,451,600	\$ 38,000	2.7%
Transfer to Retirement of Indebtedness Plant Fund - Revenue Bond P & I	(400,950)	(402,800)	(404,500)	(1,700)	0.4%
TOTAL AVAILABLE FOR EXPENDITURES	<u>\$ 3,908,700</u>	<u>\$ 5,368,200</u>	<u>\$ 5,543,100</u>	<u>\$ 174,900</u>	<u>3.3%</u>

Exhibit 6

AUXILIARY FUNDS - EXPENDITURES AND OTHER DEDUCTIONS

	<u>2020-2021</u> <u>Actual</u>	<u>2021-2022</u> <u>Budget</u>	<u>2022-2023</u> <u>Proposed</u>	<u>DOLLAR (\$)</u> <u>DIFFERENCE</u>	<u>PERCENTAGE</u> <u>(%)</u> <u>DIFFERENCE</u>
Instruction	\$ 154,500	\$ 258,100	\$ 240,100	\$ (18,000)	-7.0%
Student Services	609,200	913,700	915,200	1,500	0.2%
Auxiliary Enterprises	1,313,600	1,855,800	1,921,700	65,900	3.6%
Public Service	705,500	1,149,800	1,197,100	47,300	4.1%
Contingency	-	100,000	100,000	-	0.0%
Facilities & Administrative Allocation Expense	<u>1,090,800</u>	<u>1,090,800</u>	<u>1,169,000</u>	<u>78,200</u>	<u>7.2%</u>
TOTAL CURRENT AUXILIARY FUNDS BUDGET	<u>\$ 3,873,600</u>	<u>\$ 5,368,200</u>	<u>\$ 5,543,100</u>	<u>\$ 174,900</u>	<u>3.3%</u>

Exhibit 7

AUXILIARY FUND - REVENUES AND EXPENDITURES (WITHOUT ALLOCATION)

	FY2020-2021 REVENUE Actual	FY2020-2021 OPERATING EXPENSE Actual	NET	FY2021-2022 REVENUE	FY2021-2022 OPERATING EXPENSE	NET	FY2022-2023 REVENUE	FY2022-2023 OPERATING EXPENSE	NET	Net Dollar Difference (\$)	Net Percentage Difference (%)	
Auxiliary Enterprises												
Residence Halls	\$ 347,800	\$ 620,100	\$ (272,300)	\$ 1,142,000	\$ 330,000	812,000	\$ 1,157,000	\$ 360,700	\$ 796,300	\$ (15,700)	-1.9%	
Summer Conferences	11,300	34,100	(22,800)	110,000	93,900	16,100	125,000	141,900	(16,900)	(33,000)	-205.0%	
Debt Service - Transfer to Debt Fund	(400,950)	-	(400,950)	(402,800)	-	(402,800)	(404,500)	-	(404,500)	(1,700)	0.4%	
Sub-Total - Residence Halls	(41,850)	654,200	(696,050)	\$ 849,200	\$ 423,900	\$ 425,300	\$ 877,500	\$ 502,600	\$ 374,900	\$ (50,400)	-11.9%	
Bookstore	76,450	28,660	47,790	\$ 80,000	\$ -	\$ 80,000	\$ 75,000	\$ -	\$ 75,000	\$ (5,000)	-6.3%	
Food Services Sales	-	318,960	(318,960)	70,000	224,900	(154,900)	125,000	192,000	(67,000)	87,900	-56.7%	
Vending	4,000	-	4,000	30,000	-	30,000	40,000	-	40,000	10,000	33.3%	
Edventures & Community Education	35,530	88,930	(53,400)	371,100	381,000	(9,900)	340,000	349,800	(9,800)	100	-1.0%	
Family Enrichment Center	413,000	714,180	(301,180)	710,500	913,700	(203,200)	727,900	915,200	(187,300)	15,900	-7.8%	
Public Services												
Community Events	426,900	981,810	(554,910)	777,200	1,024,300	(247,100)	767,400	1,047,000	(279,600)	(32,500)	13.2%	
Winery - Tasting Room	209,450	297,940	(88,490)	205,000	323,000	(118,000)	275,000	342,200	(67,200)	50,800	-43.1%	
Total "Self-Supporting"	\$ 1,123,480	\$ 3,084,680	\$ (1,961,200)	\$ 3,093,000	\$ 3,290,800	\$ (197,800)	\$ 3,227,800	\$ 3,348,800	\$ (121,000)	\$ 76,800	-38.8%	
Other Auxiliaries												
SBDC	\$ -	\$ 99,550	\$ (99,550)	\$ -	\$ 100,500	\$ (100,500)	\$ -	\$ 110,100	\$ (110,100)	\$ (9,600)	9.6%	
Performing Arts Productions	9,390	126,720	(117,330)	247,000	242,000	5,000	215,000	221,000	(6,000)	(11,000)	-220.0%	
Yavapai College Foundation	366,000	421,850	(55,850)	443,000	443,000	-	458,100	458,100	-	-	0.0%	
Miscellaneous	53,330	15,800	37,530	171,600	101,100	70,500	190,600	136,100	54,500	(16,000)	-22.7%	
Contingency	-	-	-	-	100,000	(100,000)	-	100,000	(100,000)	-	0.0%	
Total Supported Areas	\$ 428,720	\$ 663,920	\$ (235,200)	\$ 861,600	\$ 986,600	\$ (125,000)	\$ 863,700	\$ 1,025,300	\$ (161,600)	\$ (36,600)	29.3%	
GRAND TOTAL	\$ 1,552,200	\$ 3,748,600	\$ (2,196,400)	\$ 3,954,600	\$ 4,277,400	\$ (322,800)	\$ 4,091,500	\$ 4,374,100	\$ (282,600)	\$ 40,200	-12.5%	



PLANT FUND

Exhibit 8

UNEXPENDED PLANT FUND - REVENUES AND OTHER ADDITIONS

	<u>2020-2021</u> <u>Actual</u>	<u>2021-2022</u> <u>Budget</u>	<u>2022-2023</u> <u>Proposed</u>	<u>DOLLAR (\$)</u> <u>DIFFERENCE</u>	<u>PERCENTAGE</u> <u>(%)</u> <u>DIFFERENCE</u>
<u>Revenues and Other Additions By Source</u>					
<u>Recurring</u>					
Primary Levy - Capital	\$ 8,328,900	\$ 7,890,500	\$ 7,890,500	\$ -	0.0%
Property Tax Contingency	-	(45,000)	(45,000)	-	0.0%
Investment Income	24,000	30,000	30,000	-	0.0%
Yavapai College Foundation Contribution	-	350,000	-	(350,000)	-100.0%
Other	6,800	30,000	30,000	-	0.0%
Total Revenues	<u>\$ 8,359,700</u>	<u>\$ 8,255,500</u>	<u>\$ 7,905,500</u>	<u>\$ (350,000)</u>	<u>-4.2%</u>
Fund Balance Applied to Budget	-	798,800	-	(798,800)	-100.0%
<u>TRANSFERS IN/OUT</u>					
Transfer in from General Fund	<u>2,000,000</u>	<u>600,000</u>	<u>1,500,000</u>	<u>900,000</u>	<u>150.0%</u>
AMOUNT AVAILABLE FOR EXPENDITURES - UNEXPENDED PLANT FUND	<u>\$ 10,359,700</u>	<u>\$ 9,654,300</u>	<u>\$ 9,405,500</u>	<u>\$ (248,800)</u>	<u>-2.6%</u>

Exhibit 9

UNEXPENDED PLANT FUND - EXPENDITURES AND OTHER DEDUCTIONS

	<u>2020-2021</u> <u>Actual</u>	<u>2021-2022</u> <u>Budget</u>	<u>2022-2023</u> <u>Proposed</u>	<u>DOLLAR (\$)</u> <u>DIFFERENCE</u>	<u>PERCENTAGE</u> <u>(%)</u> <u>DIFFERENCE</u>
UNEXPENDED PLANT FUND					
Buildings/Infrastructure					
Planned Maintenance	\$ 3,139,900	\$ 3,974,000	\$ 3,974,000	\$ -	0.0%
Unplanned Maintenance	132,800	275,600	275,600	-	0.0%
Capital Improvement Projects (CIP)	4,357,000	2,195,000	1,757,300	(437,700)	-19.9%
Equipment					
Equipment	2,222,600	2,091,000	2,153,700	62,700	3.0%
Furniture and Fixtures	144,400	257,500	257,500	-	0.0%
Library Books					
	96,700	98,700	90,900	(7,800)	-7.9%
Contributions to Capital Projects					
Accumulation Account - Future Projects	-	-	134,000	134,000	100.0%
Capital Contingency	-	762,500	762,500	-	0.0%
TOTAL EXPENDITURES - UNEXPENDED PLANT FUNDS					
	\$ 10,093,400	\$ 9,654,300	\$ 9,405,500	\$ (248,800)	-2.6%

Exhibit 10

	<u>FY 2020-21</u>	<u>FY 2021-22</u>	<u>FY 2022-23</u>	<u>FY 2023-24</u>	<u>FY 2024-25</u>	<u>FY 2025-26</u>	<u>FY 2026-27</u>
	<u>Actual</u>	<u>Budget</u>	<u>Proposed</u>				
Unplanned Maintenance	\$ 132,800	\$ 275,600	\$ 275,600	\$ 275,600	\$ 275,600	\$ 275,600	\$ 275,600
Planned Maintenance Total	<u>3,139,900</u>	<u>3,974,000</u>	<u>3,974,000</u>	<u>3,974,000</u>	<u>3,974,000</u>	<u>3,974,000</u>	<u>3,974,000</u>
TOTAL MAINTENANCE	<u>\$ 3,272,700</u>	<u>\$ 4,249,600</u>					

Planned Maintenance by Project

	<u>FY 2022-23</u>	
	<u>Proposed</u>	
Prescott Campus, Bldg 1	25,000	Replace computer room air conditioner, air cooled.
Prescott Campus, Bldg 2	169,000	Replace roof mounted exhaust fan, Replace air conditioner DX, Replace incandescent lighting fixture.
Prescott Campus, Bldg 3	359,000	Replace incandescent lighting fixture, Replace air conditioner (3) DX, Replace Controls, Replace pipe and fittings.
Prescott Campus, Bldg 4	359,000	Replace air conditioner (3) DX, Replace Controls, Replace pipe and fittings.
Prescott Campus, Bldg 5	20,000	Replace air purifier, Replace roof mounted exhaust fan.
Prescott Campus, Bldg 11	65,000	Replace incandescent lighting fixture, Replace acoustic tile ceiling, Replace plaster ceiling, Replace carpet
Prescott Campus, Bldg 12	94,000	Replace window screen (small window), Replace window (medium), Replace incandescent lighting fixture, Replace carpet, Replace secondary transformer.
Prescott Campus, Bldg 16	7,000	Replace exterior door.
Prescott Campus, Bldg 19	390,000	Replace air conditioner (5) DX, Replace & finish wood
Prescott Campus, Bldg 20	88,000	Replace Chiller - Package Unit, Replace carpet, Refinish acoustic tile ceiling, Replace secondary transformer.
Prescott Campus, Bldg 28	58,000	Replace air conditioner (2) DX, Replace Controls.
Prescott Campus, Bldg 30	75,000	Replace Controls, Replace carpet.
Prescott Campus, Bldg 32	50,000	Replace Controls.
Prescott Campus, Bldg 33	151,000	Replace window screen (small window), Replace window (medium), Replace window (small), Replace Controls.
Prescott Valley Campus, Bldg 40	39,000	Replace fan coil unit.
Chino Valley Campus, Bldg 55	31,000	Replace Chiller - Package Unit (2), Replace & finish wood clapboards, Replace acoustic tile ceiling, Replace carpet, Replace vinyl tile flooring.
Chino Valley Campus, Bldg 56	5,000	Replace compressor tank and system.
Chino Valley Campus, Bldg 57	79,000	Replace air conditioner, DX, Replace boiler, gas.
Chino Valley Campus, Bldg 58	2,000	Replace air conditioner DX.
CTEC Campus, Bldg 70	979,000	Replace & finish wood clapboards, Replace Chiller - Package Unit (5), Replace unit heater, Replace evaporative condenser, Replace furnace, gas.
Prescott Campus, Grounds	929,000	Repair retaining art ranch-rock basket wall, Repair parking lot L near Marapai, Various Concrete Prescott, Add lighting to Sculpture Garden, Address leaking at building 2 tunnel, Widen road and convert to asphalt from bottom of building 3 to top of building 3, Replace concrete in circle between 19 and 2.
Planned Maintenance Totals	<u>\$ 3,139,900</u>	<u>\$ 3,974,000</u>
	<u>\$ 3,974,000</u>	<u>\$ 3,974,000</u>

Exhibit 11

FIVE YEAR EQUIPMENT PLAN

	<u>FY 2020-21</u>	<u>FY 2021-22</u>	<u>FY 2022-23</u>	<u>FY 2023-24</u>	<u>FY 2024-25</u>	<u>FY 2025-26</u>	<u>FY 2026-27</u>
	<u>Actual</u>	<u>Budget</u>	<u>Proposed</u>				
Career & Technical Education	\$ 703,000	\$ 243,850	\$ 505,280	\$ 315,830	\$ 418,280	\$ 210,505	\$ 291,005
Arts & Humanities	45,900	20,855	80,850	98,578	74,980	78,200	75,900
Sciences, Nursing, Allied Health, HPER	168,100	227,762	312,664	429,840	490,554	269,446	205,997
Public Safety	22,600	63,400	92,500	103,685	87,906	68,163	72,458
Digital Media, Viticulture & Culinary	9,200	36,261	23,900	82,910	48,960	47,710	109,585
Instructional Support	-	20,650	19,717	22,285	13,000	22,700	17,925
CISCO	14,700	26,000	46,920	19,000	25,000	23,000	22,000
Student Activities	1,900	-	-	-	-	-	-
Information Technology Services	896,100	963,300	1,023,833	1,029,418	1,040,065	1,045,762	1,056,526
Business Services	74,200	43,022	46,021	93,979	28,956	24,989	108,954
Facilities - All	219,000	182,000	168,500	193,000	197,000	207,000	195,000
District Safety	22,300	50,000	15,000	15,000	15,000	15,000	15,000
Campus Safety	6,900	5,700	8,340	5,800	5,400	2,000	1,600
Marketing	-	-	-	-	-	10,000	-
Athletics	21,000	15,000	175,000	15,000	15,000	15,000	15,000
Auxiliary Enterprises	17,700	148,100	153,575	140,675	149,600	149,025	147,550
SPAC Equipment	-	-	140,000	-	-	-	-
Contingency	-	45,100	-	-	-	-	-
Sub-Total Equipment	\$ 2,222,600	\$ 2,091,000	\$ 2,812,100	\$ 2,565,000	\$ 2,609,700	\$ 2,188,500	\$ 2,334,500
Transfer Expenses to Restricted Fund - Prop. 301	-	-	(658,400)	(346,700)	(324,800)	-	-
Total Equipment	\$ 2,222,600	\$ 2,091,000	\$ 2,153,700	\$ 2,218,300	\$ 2,284,900	\$ 2,188,500	\$ 2,334,500

FY2022-2023 CAPITAL IMPROVEMENT PLAN BUDGET RATIONALE

April 2022

1. Verde Valley Campus Signage

Continuation of project to increase site visibility by installing electronic marquee adjacent to major highways.

2. Rider Diner

Upgrade lighting, electrical, and furniture.

3. Mingus Union Athletic Fields

Invest in athletic fields to allow portion of YC season to be played in VV.

4. VVSTC

Expand CTE capabilities for Brewing and Distilling to augment our SWC.

5. CDL Track

Build 27000 sq ft track to allow for AZ DOT testing as we grow program to meet local demand.



Exhibit 12

FIVE-YEAR CAPITAL IMPROVEMENT PLAN

Capital Improvement Plan Projects - Description	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27
Digital Learning Commons (P)	\$ -	\$ 3,089,000	\$ 10,296,600	\$ 2,059,300	\$ -
Digital Learning Commons (VV)	-	-	785,600	2,618,600	523,700
Health Science Center (PV)	-	-	-	-	3,691,500
Electric Vehicle Maintenance (CTEC)	-	-	-	128,900	429,700
Electric Vehicle Maintenance (East)	-	-	-	128,900	429,700
Bldg 3 - Rider Diner remodel (P)	285,000	-	-	-	-
Mingus Union HS - Athletic Field Improvements	100,000	-	-	-	-
VVSTC- Brewing & Distilling	1,662,700	7,042,400	1,108,500	-	-
Acoustical/ Tech Upgrades (Sedona)	-	-	-	146,000	-
Commercial Driving Track (Chino)	300,000	-	-	-	-
Convert Learning Center to Classrooms (P)	-	-	-	235,200	784,000
Campus Signage/Marquees	150,000	-	-	-	-
ITS Relocate to Building 1 (P)	-	-	-	109,300	364,400
Contingency	449,600	2,330,200	3,413,400	1,790,600	2,364,700
Transfer Expenses to Restricted Fund - STEM	(611,100)	(600,000)	(600,000)	(600,000)	(600,000)
Transfer Expenses to Restricted Fund - Prop. 207	(578,900)	(1,521,100)	-	-	-
Total Capital Projects	\$ 1,757,300	\$ 10,340,500	\$ 15,004,100	\$ 6,616,800	\$ 7,987,700
Revenue Sources					
Capital Project Accumulation Account	\$ 1,757,300	\$ 10,340,500	\$ 15,004,100	\$ 6,616,800	\$ 7,987,700
Total Revenues	1,757,300	10,340,500	15,004,100	6,616,800	7,987,700
Excess/(Needed Capital)	\$ -	\$ -	\$ -	\$ -	\$ -

Note: Detailed explanations of projects to be Approved this year can be referenced on the next page.

Key:

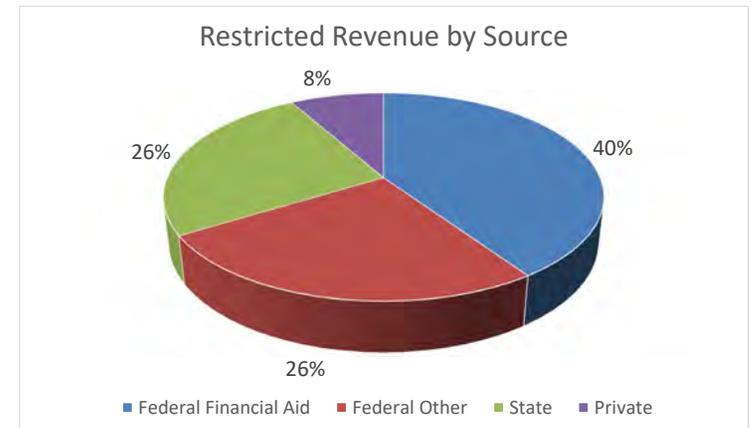
Green = Continuing Projects Approved in prior years.

Red = Projects to be Approved this year

Black = Future Projects

RESTRICTED FUND

Exhibit 13



RESTRICTED FUNDS - REVENUES AND OTHER ADDITIONS

	<u>2020-2021</u> <u>Actual</u>	<u>2021-2022</u> <u>Budget</u>	<u>2022-2023</u> <u>Proposed</u>	<u>DOLLAR (\$)</u> <u>DIFFERENCE</u>	<u>PERCENTAGE</u> <u>(%)</u> <u>DIFFERENCE</u>
Revenues and Other Additions by Source					
GIFTS, GRANTS, AND CONTRACTS					
Federal Grants and Contracts					
U.S. DOE - TRIO Student Cluster	\$ 898,900	\$ 796,000	\$ 863,000	\$ 67,000	8.4%
U.S. DOE - Adult Education	287,700	590,000	430,000	(160,000)	-27.1%
U.S. DOE - Financial Aid Cluster	8,040,700	7,392,000	6,756,500	(635,500)	-8.6%
U.S. DOE - Vocational Education	264,700	230,000	269,000	39,000	17.0%
U.S. DOE - COVID-19 Aid	702,600	9,894,000	2,000,000	(7,894,000)	-79.8%
U.S. DOE - Open Text Rural AZ	-	-	256,000	256,000	100.0%
U.S. DHHS - Substance Abuse Prevention	151,800	190,000	180,000	(10,000)	-5.3%
U.S. NSF - Technical Education	-	80,000	-	(80,000)	-100.0%
U.S. Small Business Administration	195,000	190,000	130,000	(60,000)	-31.6%
Other	122,100	158,000	175,500	17,500	11.1%
Subtotal	\$ 10,663,500	\$ 19,520,000	\$ 11,060,000	\$ (8,460,000)	-43.3%
State Grants and Contracts					
AZ DOE - Adult Education	\$ 261,800	\$ 287,000	\$ 300,000	\$ 13,000	4.5%
Other	78,100	123,000	110,000	(13,000)	-10.6%
Subtotal	\$ 339,900	\$ 410,000	\$ 410,000	\$ -	0.0%
Private Gifts, Grants and Contracts					
Bernard Osher Foundation	112,300	\$ 111,200	\$ 166,400	\$ 55,200	49.6%
Yavapai College Foundation	539,900	668,000	769,500	101,500	15.2%
Freeport-McMoRan	95,200	92,000	92,000	-	0.0%
Other	210,400	112,000	339,100	227,100	202.8%
Subtotal	\$ 957,800	\$ 983,200	\$ 1,367,000	\$ 383,800	39.0%
OTHER REVENUES AND ADDITIONS					
Prop. 301 Workforce Development	1,031,900	\$ 880,000	\$ 1,250,000	\$ 370,000	42.0%
Prop. 207 Workforce Development/STEM	769,100	900,000	2,000,000	1,100,000	122.2%
State Appropriation - STEM Workforce Programs	697,500	701,300	611,100	(90,200)	-12.9%
Subtotal	\$ 2,498,500	\$ 2,481,300	\$ 3,861,100	\$ 1,379,800	55.6%
Total Revenues & Other Additions	\$ 14,459,700	\$ 23,394,500	\$ 16,698,100	\$ (6,696,400)	-28.6%
Transfer to General Fund					
RESTRICTED FUND BALANCE AT JULY 1 APPLIED TO BUDGET					
	60,000	224,000	1,750,000	1,526,000	681.3%
TOTAL AVAILABLE FOR EXPENDITURES	\$ 14,519,700	\$ 23,618,500	\$ 18,448,100	\$ (5,170,400)	-21.9%

Exhibit 14

RESTRICTED FUNDS - EXPENDITURES AND OTHER DEDUCTIONS

	<u>2020-2021</u> <u>Actual</u>	<u>2021-2022</u> <u>Budget</u>	<u>2022-2023</u> <u>Proposed</u>	<u>DOLLAR (\$)</u> <u>DIFFERENCE</u>	<u>PERCENTAGE</u> <u>(%)</u> <u>DIFFERENCE</u>
CURRENT RESTRICTED FUND (Note 1)					
Instruction	\$ 2,078,200	\$ 4,839,600	\$ 6,216,700	\$ 1,377,100	28.5%
Academic Support	129,700	1,100,000	400,000	(700,000)	100.0%
Institutional Support/Administration	632,100	2,300,000	400,000	(1,900,000)	100.0%
Student Services	1,361,400	1,632,700	1,546,500	(86,200)	-5.3%
Physical Plant Operations/Maintenance	463,700	3,700	107,400	103,700	100.0%
Scholarships	8,587,200	13,128,500	8,215,500	(4,913,000)	-37.4%
Public Service	228,900	614,000	1,562,000	948,000	154.4%
TOTAL EXPENDITURES AND OTHER DEDUCTIONS OF CURRENT RESTRICTED FUNDS	\$ 13,481,200	\$ 23,618,500	\$ 18,448,100	\$ (5,170,400)	-21.9%

Note 1: Restricted Fund expended only to the extent that Grants and Gifts are received.

DEBT FUND

Exhibit 15

RETIREMENT OF INDEBTEDNESS PLANT FUND - REVENUES AND OTHER ADDITIONS

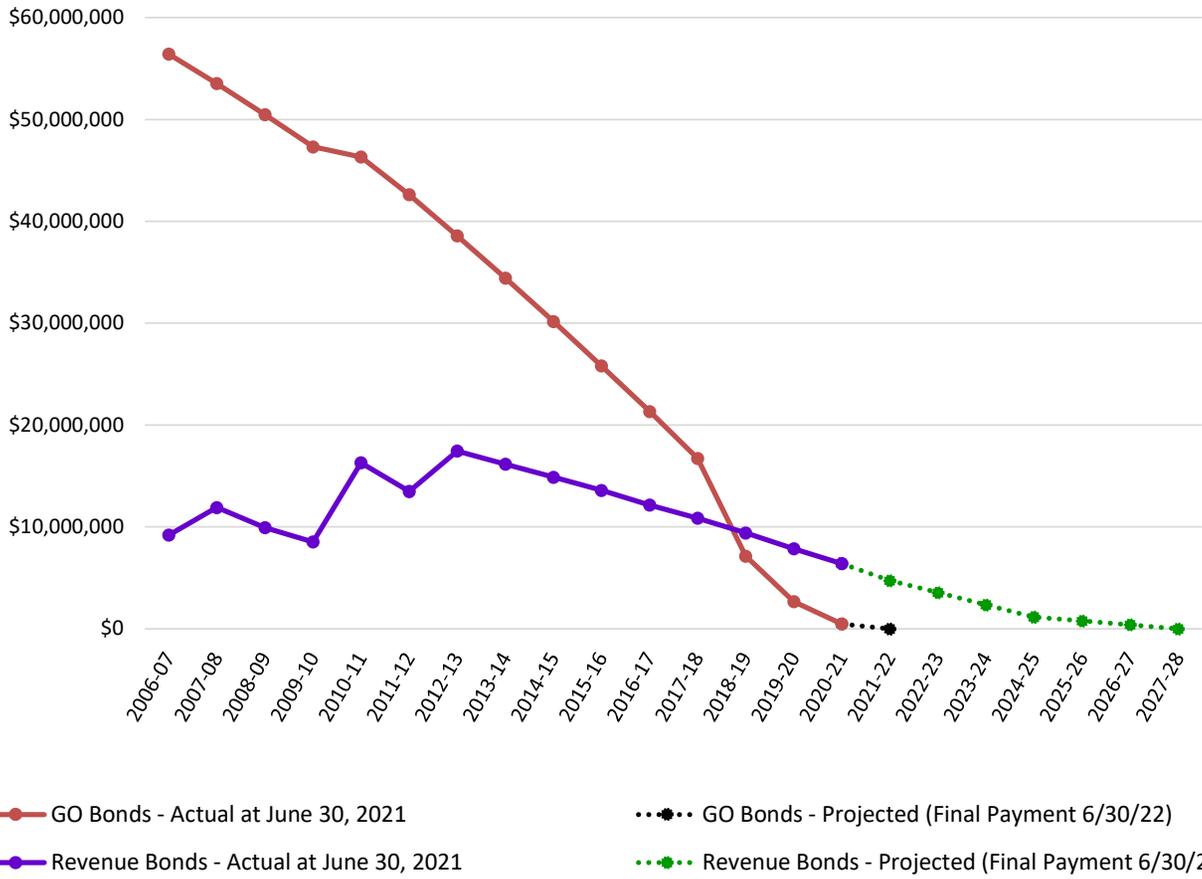
	<u>2020-2021</u> <u>Actual</u>	<u>2021-2022</u> <u>Budget</u>	<u>2022-2023</u> <u>Proposed</u>	<u>DOLLAR (\$)</u> <u>DIFFERENCE</u>	<u>PERCENTAGE</u> <u>(%)</u> <u>DIFFERENCE</u>
<u>RETIREMENT OF INDEBTEDNESS</u>					
Secondary Tax Levy	\$ 2,206,400	\$ 410,500	\$ -	\$ (410,500)	-100.0%
Property Tax Contingency	-	(5,000)	-	5,000	100.0%
2021 Revenue Refunding Bond Proceeds	3,775,000				0.0%
Interest Income	3,600	1,800	-	(1,800)	-100.0%
TOTAL RETIREMENT OF INDEBTEDNESS REVENUES	\$ 5,985,000	\$ 407,300	\$ -	\$ (407,300)	-100.0%
FUND BALANCE AT JULY 1 APPLIED TO BUDGET	\$ 78,300	\$ 85,000	\$ 1,500	\$ (83,500)	-98.2%
TRANSFERS					
Transfer in from General Fund - 2021 Revenue Refunding Bonds P & I	1,435,300	1,365,800	852,100	(513,700)	-37.6%
Transfer in from Auxiliary Fund - Revenue Bond P & I	401,000	402,800	404,500	1,700	0.4%
TOTAL TRANSFERS	\$ 1,836,300	\$ 1,768,600	\$ 1,256,600	\$ (512,000)	-37.6%
TOTAL AVAILABLE FOR EXPENDITURES - RETIREMENT OF INDEBTEDNESS	\$ 7,899,600	\$ 2,260,900	\$ 1,258,100	\$ (1,002,800)	-44.4%

Exhibit 16

RETIREMENT OF INDEBTEDNESS PLANT FUND - EXPENDITURES AND OTHER DEDUCTIONS

	<u>Final Maturity</u>	<u>2020-2021 Actual</u>	<u>2021-2022 Budget</u>	<u>2022-2023 Proposed</u>	<u>DOLLAR (\$) DIFFERENCE</u>	<u>PERCENTAGE (%) DIFFERENCE</u>
RETIREMENT OF INDEBTEDNESS						
Retirement of Indebtedness (Principal)						
General Obligation Bonds - 2012 Refunding	7/1/2022	\$ 1,705,000	\$ 470,000	\$ -	\$ (470,000)	-100.0%
General Obligation Bonds - 2011 Refunding	7/1/2021	495,000	-	-	-	0.0%
Total General Obligation Bonds		<u>2,200,000</u>	<u>470,000</u>	<u>-</u>	<u>(470,000)</u>	<u>-100.0%</u>
Pledged Revenue Obligations	7/1/2021	4,975,000	-	-	-	0.0%
Revenue Refunding Bonds - 2021	7/1/2025	80,000	1,330,000	825,000	(505,000)	-38.0%
Revenue Bonds - 2013	7/1/2028	330,000	340,000	350,000	10,000	2.9%
Sub-total Retirement of Indebtedness		<u>\$ 7,585,000</u>	<u>\$ 2,140,000</u>	<u>\$ 1,175,000</u>	<u>\$ (965,000)</u>	<u>-45.1%</u>
Interest on Indebtedness						
General Obligation Bonds - 2012 Refunding		\$ 70,000	\$ 18,800	\$ -	\$ (18,800)	-100.0%
General Obligation Bonds - 2011 Refunding		19,800	-	-	-	0.0%
Total General Obligation Bonds		<u>89,800</u>	<u>18,800</u>	<u>-</u>	<u>(18,800)</u>	
Pledged Revenue Obligations		143,200	-	-	-	0.0%
Revenue Refunding Bonds - 2021		8,600	35,800	27,100	(8,700)	-24.3%
Revenue Bonds - 2013		70,900	62,800	54,500	(8,300)	-13.2%
Sub-total Interest on Indebtedness		<u>\$ 312,500</u>	<u>\$ 117,400</u>	<u>\$ 81,600</u>	<u>\$ (35,800)</u>	<u>-30.5%</u>
Bank Fees		2,100	3,500	1,500	(2,000)	-57.1%
TOTAL EXPENDITURES AND OTHER DEDUCTIONS - RETIREMENT OF INDEBTEDNESS						
		<u>\$ 7,899,600</u>	<u>\$ 2,260,900</u>	<u>\$ 1,258,100</u>	<u>\$ (1,002,800)</u>	<u>-44.4%</u>

Long Term Debt Actual and Projected Principal Payments



BEGINNING FUND BALANCES

Exhibit 17

FISCAL YEAR 2023 PROJECTED FUND BALANCES

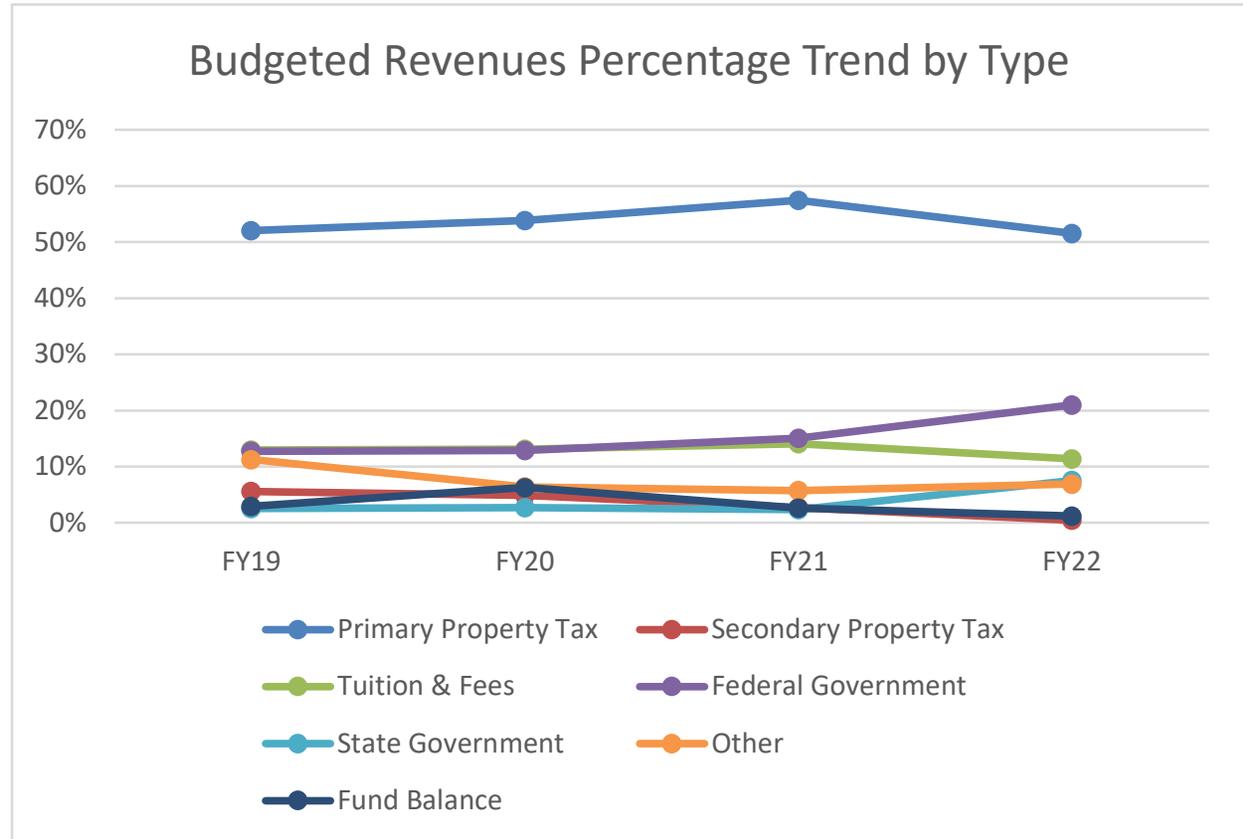
	Beginning FY23 Estimated Fund Balance	FY23 Estimated Revenues	FY23 Estimated Expenses	FY23 Estimated Interfund Transfers	Ending FY23 Estimated Fund Balance	Increase (Decrease) in Fund Balance	Beginning FY23 Estimated Cash Balance
Unrestricted Funds	\$ (6,523,300)	\$ 69,386,500	\$ (69,856,900)	\$ (1,256,600)	\$ (8,250,300)	\$ (1,727,000)	\$ 28,789,600
Restricted Funds	5,191,400	16,698,100	(18,448,100)	-	3,441,400	(1,750,000)	2,804,600
Retirement of Indebtedness Plant Fund	90,000	-	(1,258,100)	1,256,600	88,500	(1,500)	43,000
Total	\$ (1,241,900)	\$ 86,084,600	\$ (89,563,100)	\$ -	\$ (4,720,400)	\$ (3,478,500)	\$ 31,637,200



YAVAPAI COLLEGE

FINANCIAL DISCUSSION & ANALYSES

DISCUSSION OF BUDGETED REVENUES



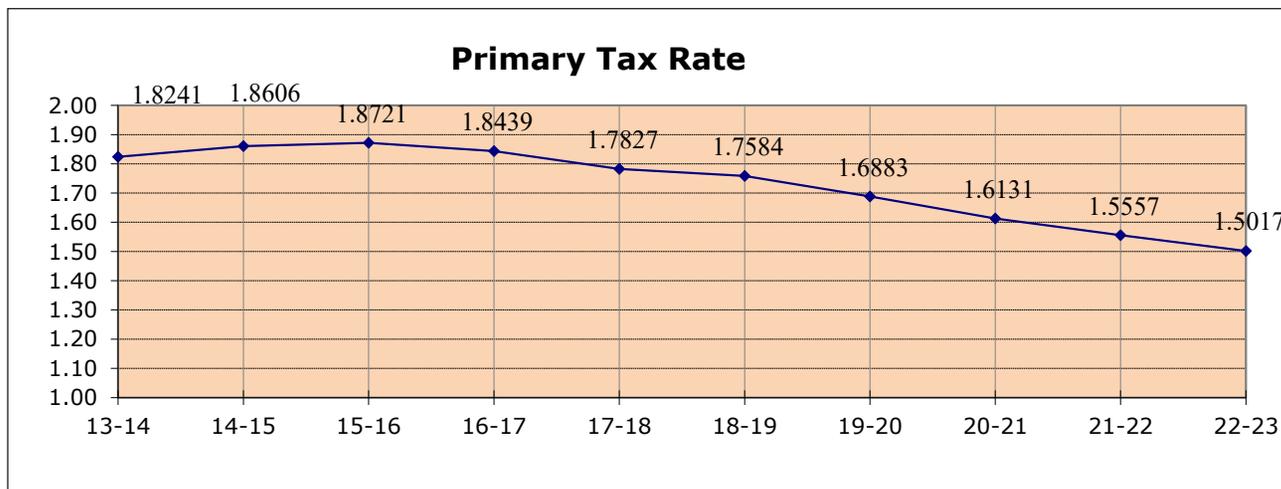
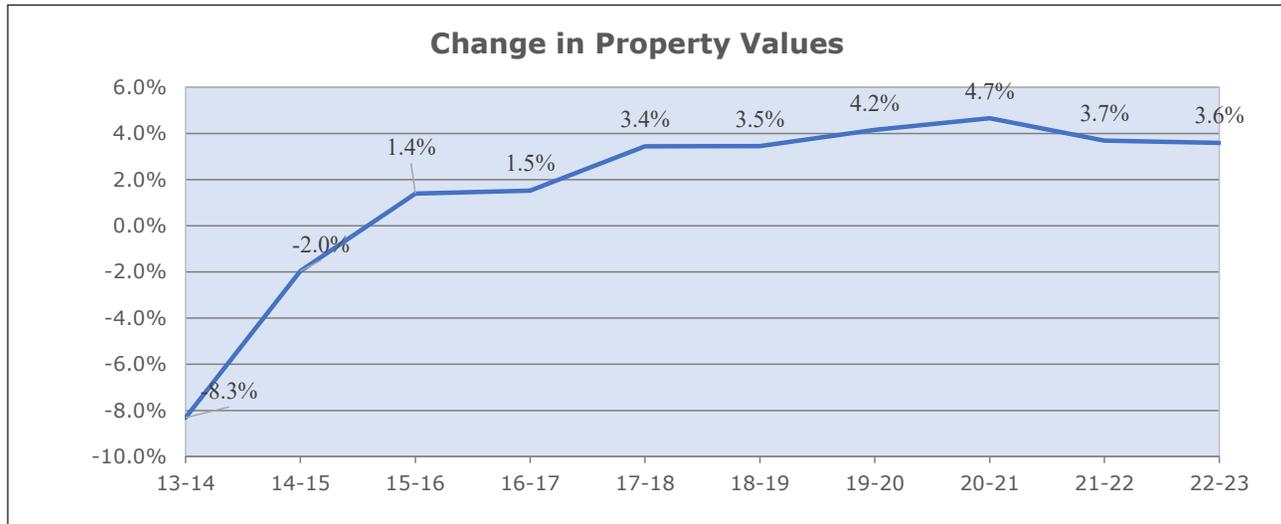
Budgeted Revenues by Type

	<u>FY19</u>	<u>FY20</u>	<u>FY21</u>	<u>FY22</u>	<u>FY23</u>	<u>5 Yr %</u>
Primary Property Tax	\$ 45,514,700	\$ 46,497,900	\$ 47,516,000	\$ 47,924,100	\$ 49,860,100	10%
Secondary Property Tax	4,888,600	4,188,600	2,233,700	405,500	-	-100%
Tuition & Fees	11,355,000	11,341,000	11,647,000	10,574,000	11,860,000	4%
Federal Government	11,122,000	11,150,000	12,435,000	19,520,000	11,060,000	-1%
State Government	2,218,100	2,305,000	1,957,800	6,987,800	6,414,900	189%
Other	9,849,900	5,506,300	4,722,100	6,417,500	6,889,600	-30%
Fund Balance	2,542,700	5,424,800	2,178,400	1,107,800	3,478,500	37%
	\$ 87,491,000	\$ 86,413,600	\$ 82,690,000	\$ 92,936,700	\$ 89,563,100	2%

Primary Property Taxes: As a political subdivision of the state, the Yavapai College DGB has the ability to levy property taxes pursuant to ARS 42-17.

In most states, Property Taxes are generally calculated as follows:
 Assessed Value * Property Tax Rate = Property Tax Levy

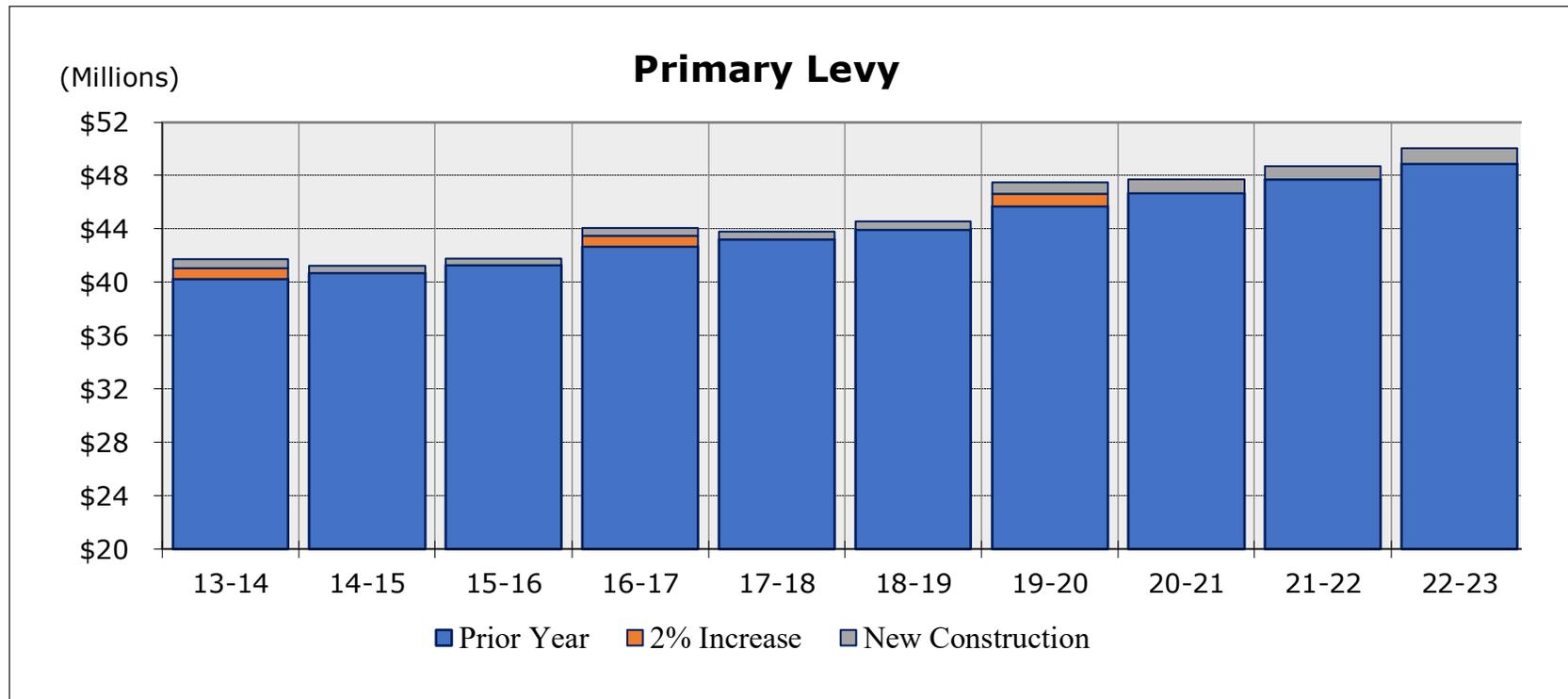
In these states, as the Assessed Value of properties increase, so does the Levy. Conversely, as Assessed Values decline, so does the Levy. However, AZ is different. In AZ, the Levy remains constant, so as Assessed Values increase, the Property Tax Rate declines to keep the Levy constant. Likewise when Assessed Values decrease, the Property Tax Rate increases to keep the Levy constant. The following graphs demonstrate the inverse relationship between Assessed Value and Property Tax Rates in AZ:



There are two ways that the Levy can increase. The first has to do with new construction. The College applies the existing Property Tax Rate to new homes and businesses that come to Yavapai County. This expands the College's financial capacity to support these new potential clients.

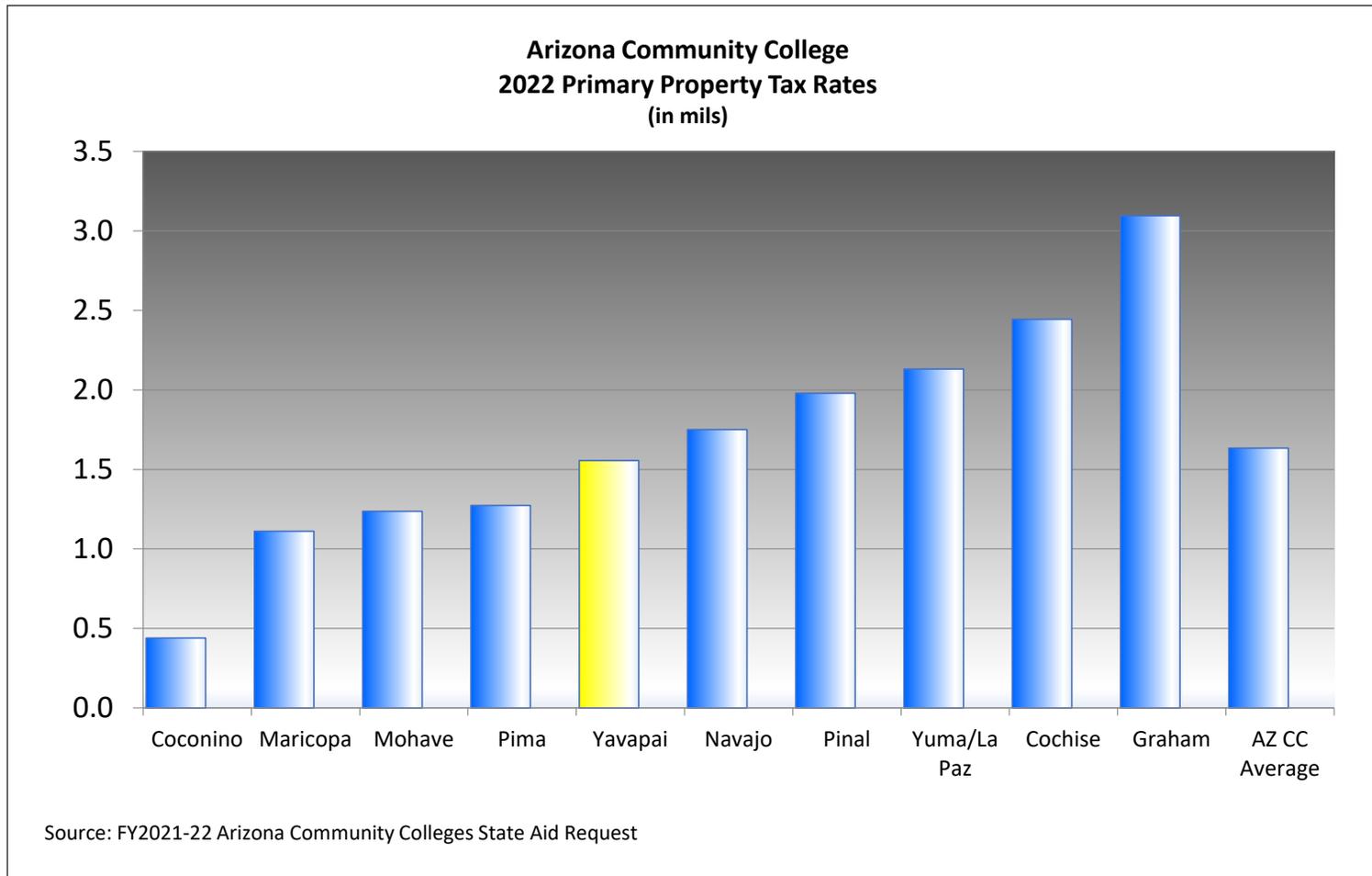
The second way to increase the Property Tax Levy is through the Board, which has the statutorily granted ability to raise the Levy by 2% per year. The effect is cumulative: for example, if a district forgoes a 2% increase in the Levy one year, it may raise the Levy 4% in a future year. The following graph shows changes in the College's Levy:

Over the past 5 years, the District Governing Board has approved a 2% increase to the levy (roughly \$800k); the remaining increase in primary property tax revenues came from new construction in Yavapai County. **Yavapai College is not requesting a Property Tax Levy increase for FY2022-23; however, Property Tax revenues will increase \$1.9M due to New Construction over the past 2 years.**



As this graph demonstrates, YC's Property Tax Rate is near the average of community colleges throughout AZ. Moreover, according to the non-partisan taxfoundation.org, AZ has some of the lowest property tax rates in the country, with the 12th lowest residential rate and the 11th lowest business rate.

Secondary Property Taxes: These were temporary additional taxes to pay for General Obligation (GO) Bonds that voters approved in 1999 to make a variety of capital improvements throughout the district. The secondary levy ended in FY22 when the GO Bonds were fully repaid.



The College uses Primary Property Taxes to support General Fund and Plant Fund activities.

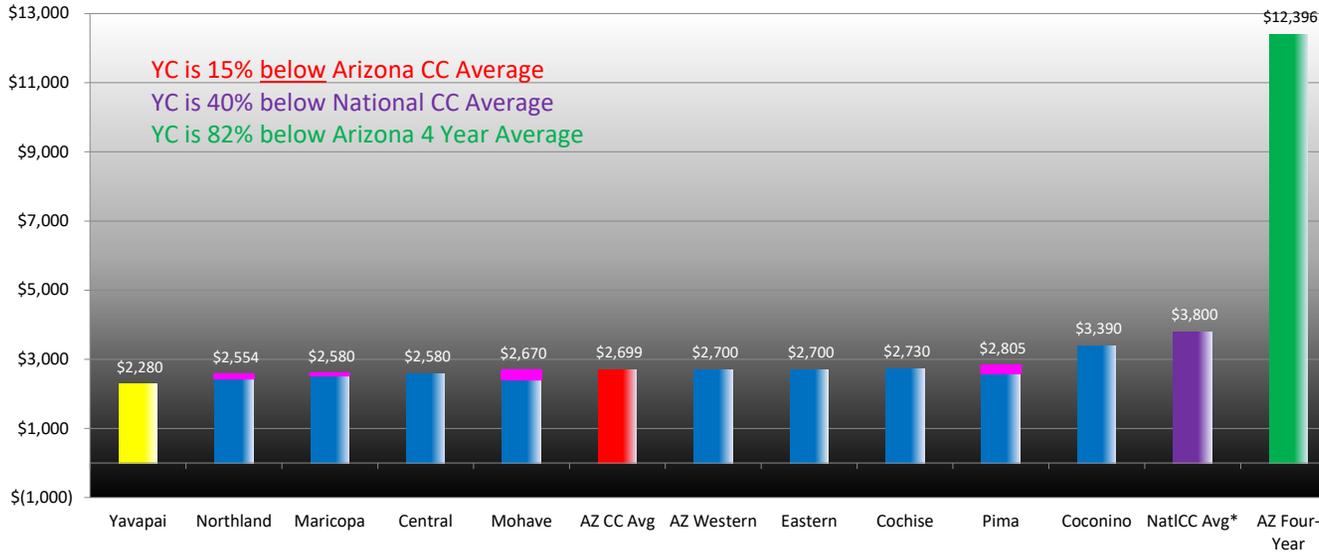
Tuition & Fees: To be more transparent, Yavapai College has moved away from general fees charged to all students. The College has also discontinued course and program fees (except Aviation). Instead, the College has created 3 differentiated tuition rates. Our base tuition (Tier 1) covers general education courses, which are the majority of the courses we offer. In lieu of course fees, we charge \$15 more per credit for classes with smaller class caps and/or that require lab spaces (Tier 2). We charge \$27 above base tuition per credit for Career Technical Education classes which typically have small classes, lab space, and state of the art equipment (Tier 3).

- There are a handful of programs that charge more than Tier 3. These programs charge Market-Based tuition: Aviation, Commercial Driver Training, Fire Science, Gunsmithing, Nursing, and Radiology.
- To remain affordable and accessible, YC tuition is purposefully below the national average tuition rate for community colleges, as the median income in Yavapai County is below the national average.
- In addition, the College offers several discounts to support our Strategic Direction including

- 20% Full-Time Student discount (15 to Finish initiative) as an incentive for more students to attend full-time—studies have shown that full-time students are more likely to complete their certificate or degree, and reap the associated increase in earnings.
- 50% Senior Citizen discount for people 65 and older who take credit classes.
- Western Undergraduate Exchange (WUE) discount, wherein residents of 15 western states only pay 150% of in-state tuition rates, rather than the list price out of state tuition rates (roughly 300% of in-state tuition rates).
- ~90% Dual Credit discount for high school students taking College classes taught by high school teacher
- 50% Concurrent Discount for High School students taking online College classes taught by College faculty
- YC has created a College Cost Comparison Tool to help residents see the true savings associated with attending YC versus one of the four-year AZ public universities

Weighted Annual Tuition and Fees - FY2021-22

Full Time - 30 Credits



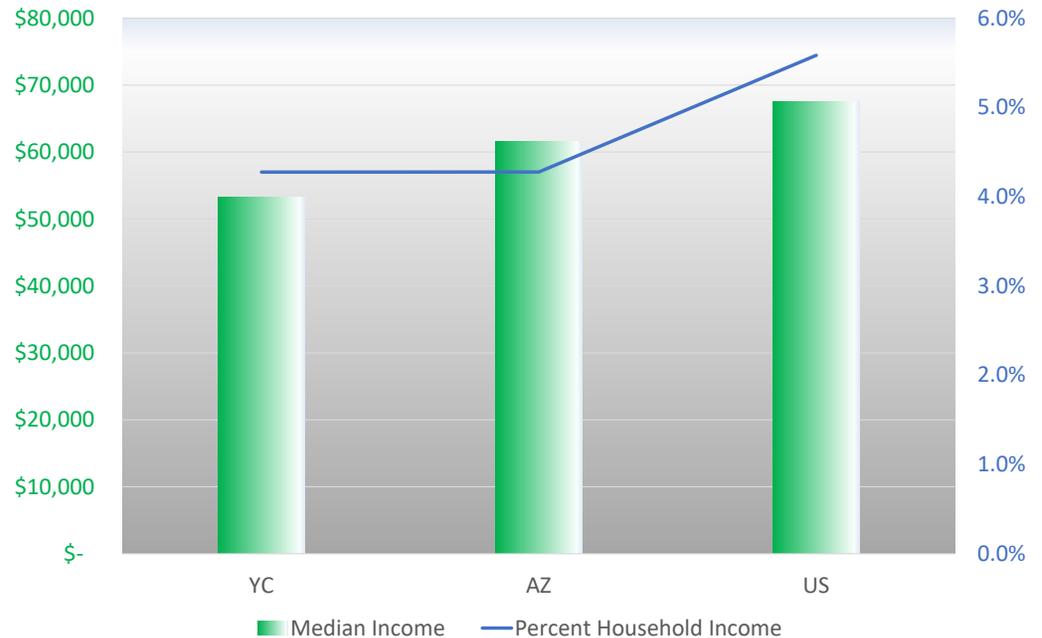
This chart demonstrates that we have competitive pricing (what students pay us) compared to our AZ and National peers. We have the lowest tuition rate for full-time students (taking 15 credits per semester) in Arizona. And our part-time students still pay 25% less than the national community college average. We are especially competitive compared to the 4-year AZ public universities, saving students roughly \$10,000 per year in Tuition (not to mention Room & Board) for their Freshman and Sophomore years.

Source: FY2020-21 Arizona Community Colleges State Aid Request.
 Source: ABOR Tuition history & ABOR Annual Report

As mentioned above, the College purposefully sets pricing to remain affordable and accessible. We do this by making sure that our base tuition for part time students consumes the same (or smaller) portion of household income than at other community colleges across the nation (the Affordability Index). To compensate for Yavapai County income lagging national by 21%, YC offered tuition 25% lower than its national peers in FY2021-22 (40% lower for full-time students). Consequently, attending community college full time consumed 5.6% of the average household income nationally, but only 4.3% in Yavapai County. In October, the District Governing Board approved tuition increase of \$3/credit for Tier 1, \$4/credit for Tier 2, and \$5/credit for Tier 3 beginning in FY23.

Affordability Index

FY21 Tuition & Fees as a Proportion of 2020 Median Household Income



Grants: These funds come with restrictions on how they may be spent. Generally speaking, these are grouped into Federal, State, and Private sources. **The majority of decline in restricted funds was the reduction in COVID-19 aid as the pandemic winds down.**

- Federal
 - TRIO: Outreach and support for 1st Generation students
 - Adult Education: Helping adults earn General Equivalency Degree
 - Financial Aid” Pell Grants and subsidized loans
 - Vocational Education: money to support Career & Technical programs
 - COVID-19 Aid: helping colleges continue to offer programs safely during COVID
 - Open Text Rural AZ: support conversion to free learning materials (OER)
 - Substance Abuse Prevention: Educate students on dangers of substance abuse
 - Technical Education
 - Small Business Administration: providing training and access to support

- State
 - Adult Education: matching funds for federal grant
 - Prop 301: Workforce Development funds
 - Prop 207: Workforce Development and STEM programs
 - STEM: Support programs for Science, Technology, Engineering, & Math

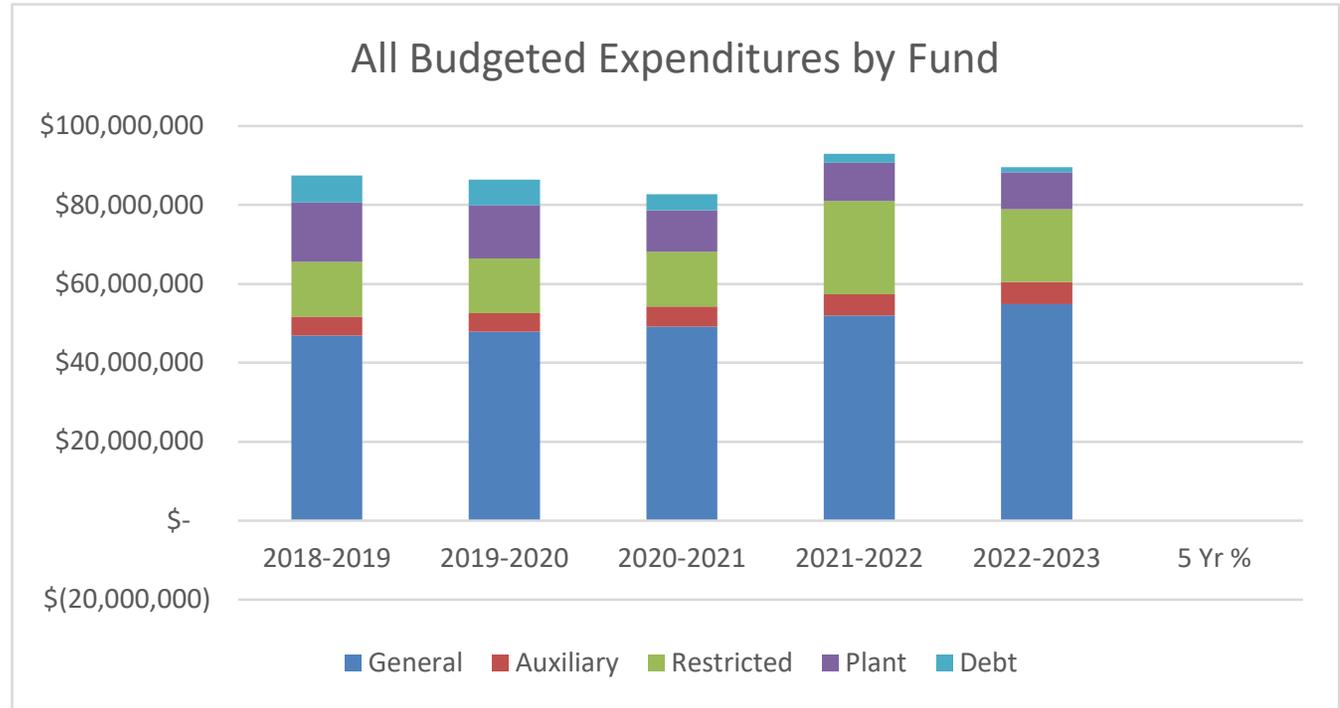
- Private
 - Osher: Support lifelong learning for 55+ adults
 - YC Foundation: Providing scholarships and program support
 - Freeport-McMoran: Support for programs related to natural resources

State Support: The state provides roughly \$23 per student credit hour of recurring unrestricted operational support. **In other words, only 2.4% of operating funds for this state institution come from the State of AZ.** Over the past 30 years, the State of Arizona has defunded community colleges, placing the primary financial burden on local communities through property taxes.

Instead, the State has begun providing restricted funds with strings attached. Including the restricted funds for Workforce Development, job training, CTE and STEM (see above), **the State provides 8% of the College’s total budget.** YC will use the new Prop 207 funds to expand REDC services to include non-credit Corporate Training, Career Services, Internships & Apprenticeships, and Business Incubation. The College plans to use the balance of these restricted funds to begin offering Baccalaureate degrees in FY24.

Other Sources: These revenues consist of a variety of things such as interest, facility rentals, payment plan fees, testing center fees, fitness and pool passes, federal indirect costs, and reimbursements from the YC foundation for staff salaries and benefits. This also includes Sales & Service revenues from the Auxiliary services areas such as Residence Halls, Dining Service, Book Store, etc.

DISCUSSION OF BUDGETED EXPENSES



All Budgeted Expenditures by Fund	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023	5 Yr %
General	\$ 46,918,900	\$ 47,927,700	\$ 49,234,600	\$ 52,034,800	\$ 54,908,300	17.0%
Auxiliary	4,752,000	4,636,000	5,089,000	5,368,200	5,543,100	16.6%
Restricted	13,844,200	13,889,000	13,831,000	23,618,500	18,448,100	33.3%
Plant	15,088,200	13,400,300	10,405,500	9,654,300	9,405,500	-37.7%
Debt	6,887,700	6,560,600	4,129,900	2,260,900	1,258,100	-81.7%
	\$ 87,491,000	\$ 86,413,600	\$ 82,690,000	\$ 92,936,700	\$ 89,563,100	2.4%

This balance of this section will discuss the trends in each fund, focusing on significant changes moving from this year's budget to next year's budget.

RESTRICTED FUND EXPENSES

- As mentioned in the revenues, the College receives these grants to be used for a specific purpose.
- This is the one area of expenses we would like to see increase as it brings more money into the Yavapai County community.
- Expenses go up or down as Grants are awarded in greater or fewer numbers to the College.
- \$6.8M of funds come through Federal Financial Aid grants such as PELL. These are pass-through funds that the College receives on behalf of lower income students, which the student uses to pay for tuition, books, and possibly more depending on the award. This number fluctuates with enrollments.
- Over the past couple of years, the college received large Federal grant awards to help students and the college recover from the pandemic. These Higher Education Emergency Relief Funds (HEERF) came in 3 phases: CARES, CRRSA, and ARP – roughly half of which needed to be given directly to students and the other half was to help the college deal with COVID-related expenses and revenue losses. Most of this money has been spent, with the remainder budgeted to be used in FY23. The Restricted budget is much smaller in FY23 as the HEERF comes to a close.
- Beginning in FY21, the College began receiving Prop 207 revenues, which are required to be used for Workforce, CTE and STEM programs. In FY22, we expanded the REDC budget to perform additional services using these Prop 207 revenues. Beginning with the FY23 Budget, the entire REDC will be funded through Prop 207.

DEBT FUND EXPENSES

The District's debt consists of various issues of general obligation (GO) bonds and revenue bonds from direct placements that are generally callable with interest payable semiannually. Debt proceeds pay primarily for acquiring or constructing capital facilities, remodeling existing facilities, furnishing buildings and facilities and purchasing land adjacent to existing facilities. The District repays general obligation bonds from voter-approved property taxes. Revenue bonds are repaid from tuition, fees, rentals, and other charges to students, faculty, and others.

- In 1999, Yavapai County voters approved the College issuing \$69.5M of GO Bonds
 - The intent was to complete a variety of capital additions and renovations throughout the district—all of which have been completed
 - The GO Bonds were fully paid at the end of FY22
- The College issued revenue bonds for two major projects
 - Renovation of two Residence Halls on Prescott Campus. The enhancements allowed YC to raise rent to market rates. The halls now generate enough cash flow to be financially self-sustaining, including the annual debt payment.
 - The creation of a Central Plant on the Verde Valley Campus and a Chiller Plant on the Prescott campus.
 - The revenue bonds will be fully paid at the end of FY28.

DEBT SERVICE SCHEDULE

Year Ending June 30,	General Obligation Bonds		Revenue Bonds from direct placements	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2022	\$ 470,000	\$18,800	\$ 1,670,000	\$ 98,613
2023	-	-	1,175,000	81,638
2024	-	-	1,190,000	66,463
2025	-	-	1,205,000	48,580
2026 - 2028	-	-	1,155,000	57,085
Total	<u>\$ 470,000</u>	<u>\$18,800</u>	<u>\$ 6,395,000</u>	<u>\$ 352,379</u>

DEBT LIMIT SCHEDULE

	2021/22	2020/21	2019/20	2018/19	2017/18
Secondary Assessed Value	\$ 3,143,221,200	\$ 2,957,724,707	\$ 2,765,677,073	\$ 2,599,537,841	\$ 2,463,150,036
Legal Debt Margin					
Debt limit - 15% of secondary assessed value	471,483,180	443,658,706	508,070,699	463,292,759	432,296,793
Amount of debt applicable to debt limit:					
General obligation bonded debt	0	(470,000)	(2,670,000)	(7,150,000)	(15,715,000)
Legal debt margin	\$ 471,483,180	\$ 443,188,706	\$ 500,920,699	\$ 447,577,759	\$ 412,186,793
Total general obligation bonded debt as a percentage of legal debt limit	0.00%	0.11%	1.41%	3.39%	4.65%

Debt Ratings: The District's general obligation (GO) bond debt is rated Aa2 by Moody's Investors Service and is rated AA- by Standard & Poors. These high quality ratings have been in place for many years and are the result of the District's diverse property tax base, history of operating surpluses and strong operating performance, conservative expense management and a low debt burden.

PLANT FUND EXPENSES

There are several capital budgets monitored in this fund

- Planned Maintenance
 - The College practices the philosophy that well-maintained assets lead to the lowest Total Cost of Ownership. Planned Maintenance projects address deferred maintenance issues to extend the useful life of the assets.
 - The College operates roughly 800,000 square feet of space in Chino Valley, Clarkdale, Prescott, Prescott Valley, and Sedona. In YC’s FY2020-21 financial statements, the College had \$156M of net depreciable assets (buildings and site improvements).

– Using standard depreciation assumptions of 40 years for buildings and 15 years for site improvements, the College should be reinvesting in excess of \$4M per year in maintenance activities.

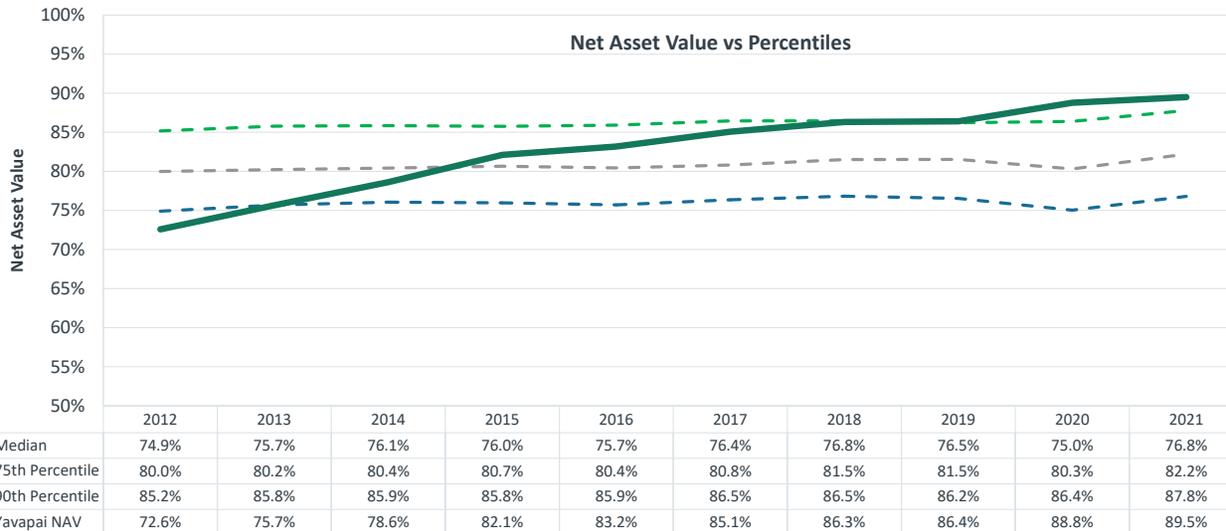
– The College has worked with a consultant specializing in higher education facilities maintenance (Sightlines) to establish a process to assess the condition of various building systems (Electrical, Exterior Shell, Grounds, HVAC, Interior Shell, Mechanical, Plumbing, & Safety) throughout the district, then to prioritize strategic capital reinvestments to address our deferred maintenance via planned maintenance, rather than system failures.

– Based on these analyses, the DGB has approved an average annual reinvestment of \$3.9M in our assets.

– The strategy is working. Over the past decade, YC has improved its Net Asset Value (NAV) Score ([Total Replacement Value-Total 10 Year Asset Reinvestment Need]/ Total Replacement Value) to Best-in-Class levels.



Yavapai NAV versus Database Percentiles



- Unplanned Maintenance
 - Despite the best planning, systems fail unexpectedly. This budget is to address those issues. This budget is relatively flat.
- Equipment
 - The College reinvests in classroom and operational equipment each year to ensure that students train on the equipment they will find in the workplace, and that YC employees may be efficient. This budget is relatively flat.
- Furniture
 - The College systematically updates classroom and office furniture throughout the district, replacing a small portion each year. This budget is relatively flat.
- Capital Improvement Projects
 - This budget addresses the renovations and additions that are needed to meet the changing needs of our students and our community.
 - In recent years, this budget has been primarily informed by the FY14 Campus Master Plan (CMP). In FY22, we have been working with SmithGroup to update the CMP as the environment in which we operate is quite different than when the previous plan was created.
 - ◆ More students access YC classes via Online or Dual Credit in the high schools
 - ◆ More demand for CTE coursework-- but focusing on the digital economy, not the trades
 - ◆ Demographic shift toward retirees represents all of county growth
 - This budget is quite variable, changing from year to year based on which projects are being addressed.
 - The SmithGroup reviewed a host of YC data including the Environmental Scan, the Strategic Plan and its sub-plans, program enrollments and completions, classroom utilization rates, GIS analyses of county and student populations, and much more.

SmithGroup then solicited input in a variety of ways including a survey for students and employees; a survey for civic leaders; forums with students, employees and community members; and meetings with key campus leaders and departments. Through this iterative process, the following priorities have emerged:

- ◆ Converting Libraries at both campuses into Digital Learning Commons with more opportunities for collaboration and integrated support.
- ◆ More space for Social Services referrals at both campuses to help students deal with non-academic issues such as food & housing insecurity, physical & mental health issues, childcare, etc.
- ◆ Allocate space to support Early College Academies on both campuses, such that some high school students can attend YC full time, completing their HS diploma and Associates at the same time.
- ◆ Build Health Science Center in PV, upgrading simulation labs to match East County, and expanding Allied Health programs to support our demographic shift.
- ◆ Build additional CTE space for Brewing and Distillation at VVC.
- ◆ Pave track at Chino Valley Center to facilitate growth in Commercial Driving.

Square footage growth over the next 5-8 years is projected to be fairly modest. As a rule, the college is reluctant to build new space as there are many related annual costs which impact future Operating and Capital budgets long after the initial capital outlay. For example, buildings need to be heated, cooled, cleaned, staffed and maintained. As such, our practice has been, and continues to be, to focus on renovating existing spaces that are underutilized. However some projects, such as the Health Science Center and the Brewing & Distilling program, will require additional square footage as we position the college to prepare the workforce of the future.

AUXILIARY FUND EXPENSES



The Auxiliary Fund tracks a variety of College enterprises that charge a fee for their non-core service. Exhibit 6 in the Budget section presents the traditional Expense by Function, while Exhibit 7 presents the anticipated Profit or Subsidy for each enterprise. It is worth noting that Table 7 excludes overhead allocations, to allow for a more meaningful evaluation of variable revenues and variable expenses. The following is a description of each enterprise in FY23:

Bookstore: The College contracts with Follett to operate its Bookstore which works with faculty to stock the right books and school supplies to support learning, as well as merchandise to promote campus life such as branded clothing. This enterprise makes a profit, but is under pressure as more courses move to free course materials.



Community Events: In 1992, the voters of Yavapai County asked YC to build a 1000+ seat Performing Arts Center. This state-of-the-art venue is unique in Yavapai County (and at most community colleges), allowing residents to enjoy a variety of programs ranging from movies and satellite events, to College produced concerts and shows, to local events like Prescott’s Got Talent, regional shows like the Phoenix Symphony, and touring national artists.

Community Events primarily encompasses programming at the YCPAC, but in recent years at the community’s request, has brought performing arts programs to the Verde Valley both on campus and in a variety of community venues.

The College subsidizes this operation, but the subsidy has been declining. YCPAC consulted with TRG Arts which specializes in helping performing arts venues to operate more efficiently. Following their recommendations, we have increased marketing expenses and staffing—yet as TRG projected, our increased revenues more than offset these incremental costs.

Residence Halls: The College operates 2 halls with approximately 220 beds on the Prescott campus. We enjoy a high fill rate with Resident Assistants, NARTA cadets, and student Athletes occupying more than 3/4 of the beds. The balance of the beds is filled primarily by traditional-aged (18-24) Yavapai County residents seeking on-campus living as part of their college experience. The Residence halls generate enough revenue to make their bond payment and to offset the Food Service subsidy.

Edventures: This Community Education program educates non-credit students while traveling internationally. The costs are highly dependent

on the destination and the size of the group, so it can vary from year to year. (Likewise, associated revenues go up and down depending on the destination of the program.)

Family Enrichment Center (FEC): The College runs an accredited pre-school which serves as a hands-on learning lab for adult students in our Early Childhood Education program. In addition to teaching college students best practices in early childhood education, our goal is to demonstrate how to do this in a cost-effective manner. While currently subsidized, our goal is to move toward break-even over the next few years.



Rider Diner

Food Service: The College contracts with HHS to operate the Rider Diner cafeteria and the Café in the library on the Prescott Campus. Beginning in FY22, the College in-sourced operations for the Sedona Center and Verde Valley Campus. The College contracts with Highline to manage vending throughout the district and a C-store at the Career Technical Education Center. Together, these ventures operate at a small subsidy.

Small Business Development Center (SBDC): This budget represents the mandatory matching institutional funds that must be provided in order to receive the grant.

Southwest Wine Center (SWC): The SWC encompasses the Viticulture & Enology academic program as well as a Tasting Room, where the public can purchase wines made by YC students. The academic program is accounted for within the Instruction function of the General

Fund, and the Tasting Room—including vineyard expenses—is run as an Auxiliary. As more of our vineyard matures, we anticipate wine and grape sales will allow this department to break even.

Yavapai College Foundation (YCF): YCF uses a portion of several YC employees' work hours to raise funds and community awareness. YCF provides an offsetting amount of revenue to the College to compensate the College for the use of these employees' time and talents.

YC Performing Arts Productions: YC has a Performing Arts program which is accounted for in the Instruction Function of the General Fund. Classes for vocal and instrumental groups present concerts as part of their class and are accounted for in the General Fund. However, our practice is to treat plays and musical theater performances as an Auxiliary. To date, these have been subsidized as we climb the learning curve of this relatively new service.

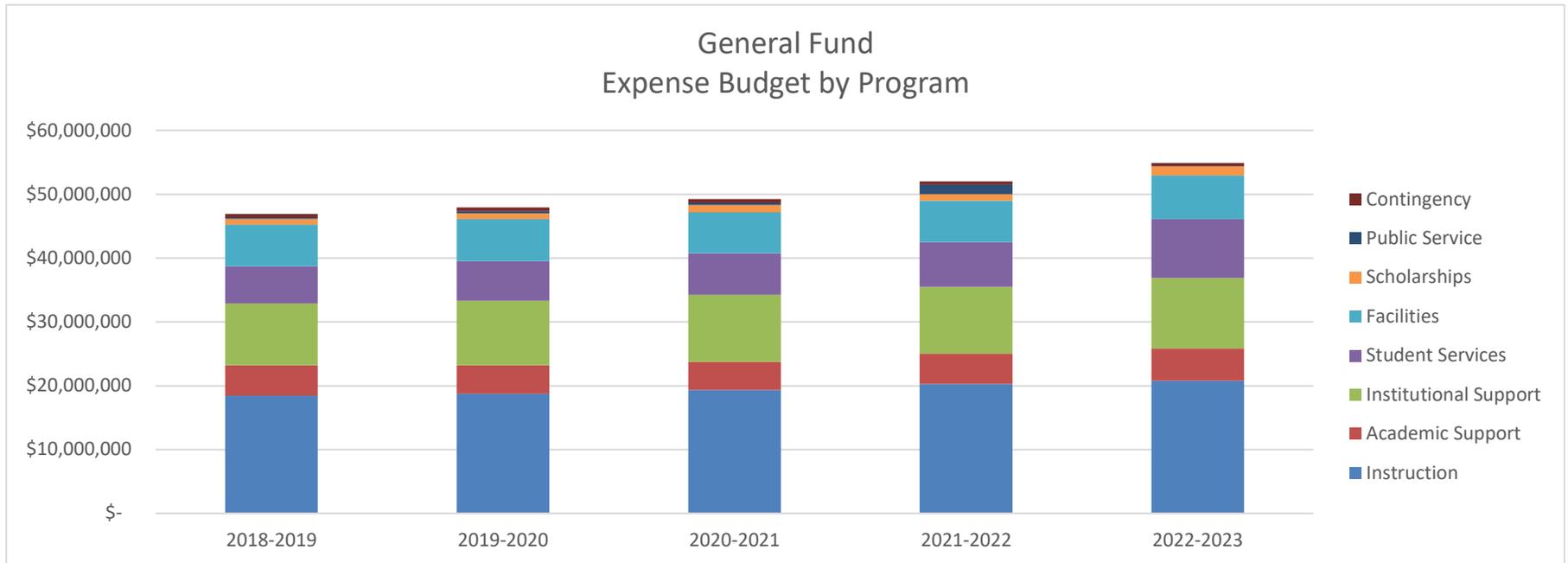


Residence Hall



Music & Performing Arts

GENERAL FUND EXPENSES

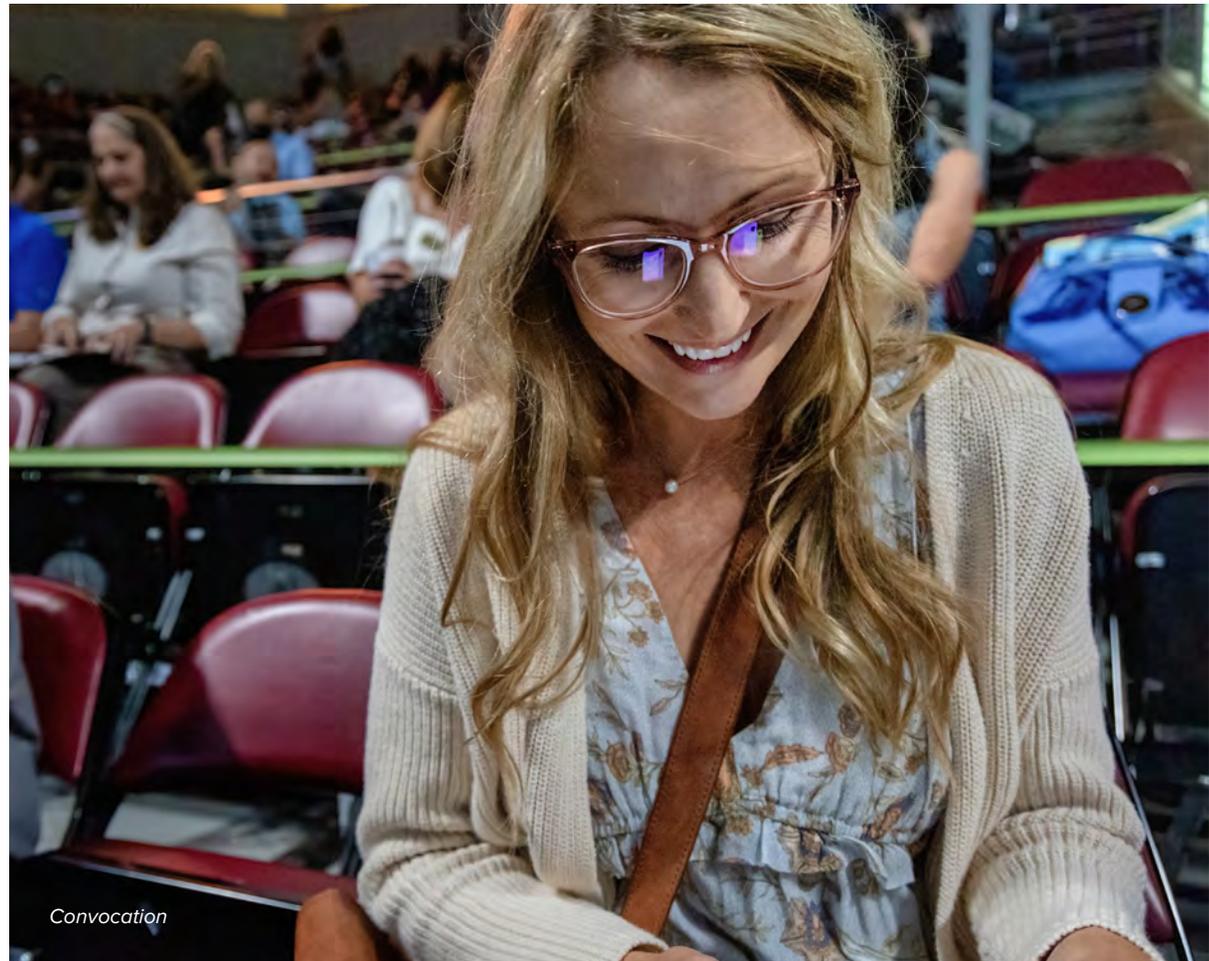


General Fund Expense Budget by Program	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023	5 Yr %
Instruction	\$ 18,476,900	\$ 18,749,600	\$ 19,327,900	\$ 20,306,400	\$ 20,751,600	12.3%
Academic Support	4,743,000	4,483,100	4,432,200	4,740,800	5,065,600	6.8%
Institutional Support	9,683,000	10,093,500	10,487,100	10,482,900	11,083,400	14.5%
Student Services	5,828,000	6,182,900	6,479,600	6,943,700	9,222,800	58.2%
Facilities	6,552,000	6,580,700	6,467,100	6,542,400	6,832,500	4.3%
Scholarships	880,000	940,500	1,121,900	1,013,200	1,409,900	60.2%
Public Service	186,000	327,400	348,800	1,475,400	12,500	-93.3%
Contingency	570,000	570,000	570,000	530,000	530,000	-7.0%

This chart and table present the College's budget by Program. All U.S. colleges and universities use these same categories to report to the federal Department of Education, and these Programs are defined in the Glossary section of this report.

General Fund expenses increased \$8M during this timeframe. The vast majority of the change can be explained through examining Salaries and Benefits:

- Annual raises remain market-competitive and keep up with the increasing Cost of Living in Yavapai County
- Market Adjustments, Career Ladders and Promotions
- Increases in Benefits: This includes required Fringes (Social Security, Federal and State Unemployment, Medicare and Workers Comp) as well as Medical, Retirement, Life Insurance and Tuition Waivers
- We complied with state increases in minimum wages and federal regulations expanding access to healthcare benefits
- We budgeted more positions in General and Auxiliary Funds in FY23 than in FY19 to expand programs and services, which will be discussed in detail later in this chapter.



Convocation



YAVAPAI COLLEGE
CTEC
220 RUGER RD

KGS

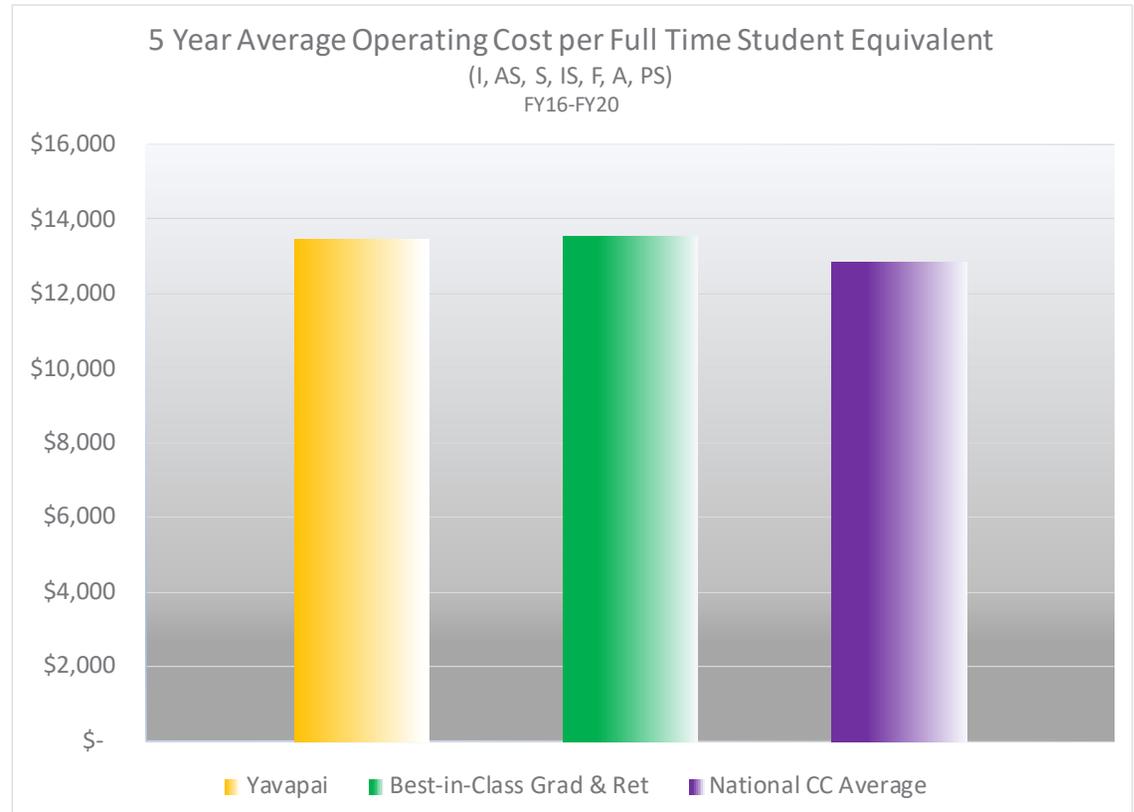
EFFICIENCY BENCHMARK

Though every community college has a similar Mission, every school has a unique combination of Teaching, Research, and Public Service programs designed to meet the unique needs of the community it serves, often leading to different costs. For example, YC has a very large service district which led it to invest in more physical assets from which to deliver services to its stakeholders. These facilities need to be staffed, heated, cooled, and maintained, which leads to a higher cost structure than many urban schools with denser populations and fewer campuses.

YC also has a high proportion of Career Technical Education programs, which cost significantly more than their General Education counterparts. Given the unique demographics of Yavapai County, YC offers considerable non-credit community education which increases costs, but not FTSE. These programs support a variety of age groups from preschoolers in our Family Enrichment Center (YC operates a lab pre-school to demonstrate best practices in Early Childhood Education) to retirees in our Osher Lifelong Learning Institute.

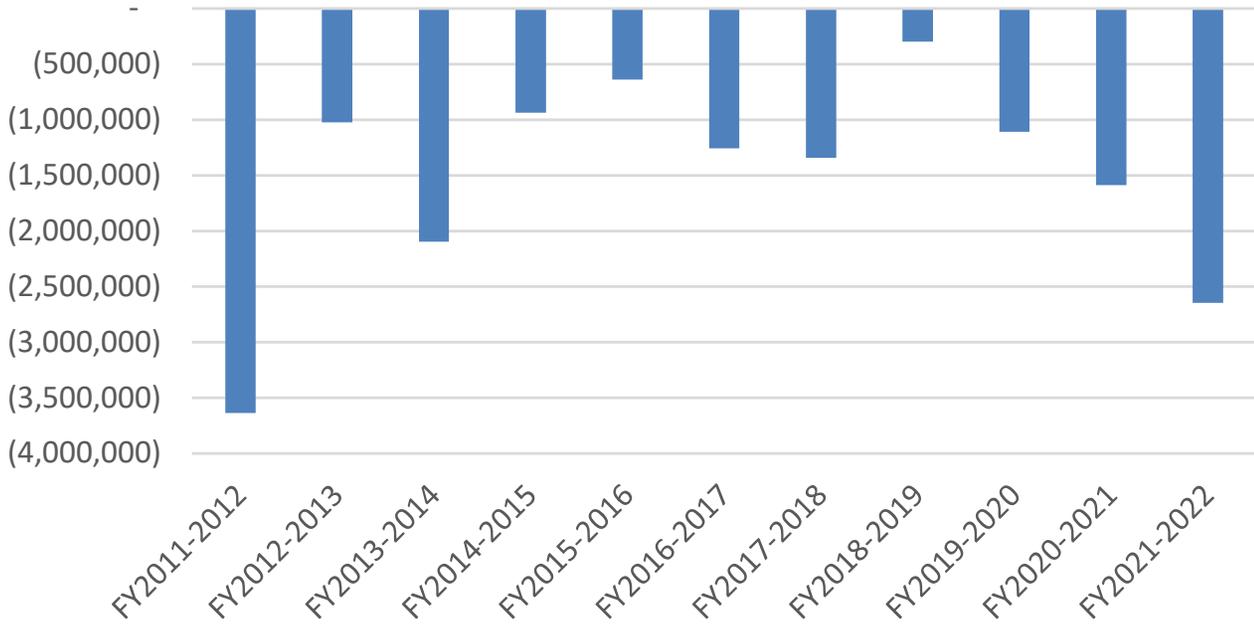
YC fields intercollegiate athletics teams and offers on-campus housing opportunities. Only half of community colleges participate in Athletics and only a fourth have Residence Halls. Finally, YC has a strong tradition of offering Community Events programs, both producing shows and sponsoring nationally touring artists to perform in Yavapai County.

All of these unique programs add costs, but also add to the value YC provides the students and the communities it serves.



YC is required to provide services at “a cost the Board believes is justifiable.” The College uses Program cost information from IPEDS to benchmark. YC is able to offer all of these unique programs and services, in addition to quality classes, at a comparable cost per student to that of our national community college peers. This graph presents the most recently available national benchmark data based on Actual Cost.

YC Reallocations



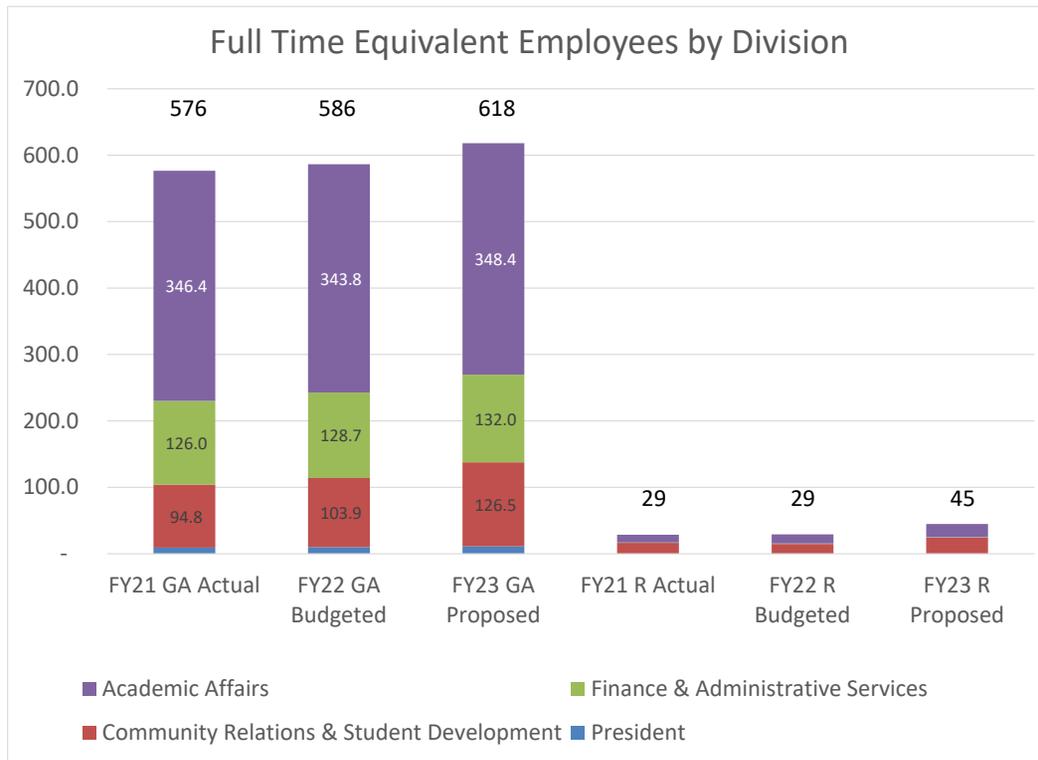
YC is able to control costs, in part, through an annual reallocation process. Each year, Deans and Directors are challenged to look for cost savings opportunities within their areas of responsibility. On average, they are able to reallocate 3% of the College's existing unrestricted Current Funds budgets to support emerging priorities. This is achieved primarily by improving processes and eliminating vacant positions. **As part of the Budget Process, the College was able to reallocate \$2.6M (5.1%) in support of the FY22 Budget.**

LABOR COSTS AND SALARY RECOMMENDATIONS

The following table is a visual representation of the change in positions at Yavapai College by Division and Major Business Unit. As you can see, there are more positions budgeted for next year, to support the Strategic Plan. Altogether, 31.6 General and Auxiliary (GA) Funds positions and 15.7 Restricted (R) Fund positions were added.

Current Funds

	<u>General and Auxiliary Funds</u>				<u>Restricted Funds</u>			
	<u>2022</u>		<u>2023</u>	<u>Net change</u>	<u>2022</u>		<u>2023</u>	<u>Net change</u>
	<u>11 TO 21</u>				<u>11 TO 21</u>			
	<u>FY21</u>	<u>FY22</u>	<u>FY23</u>	<u>Net Change</u>	<u>FY21</u>	<u>FY22</u>	<u>FY23</u>	<u>Net Change</u>
	<u>GA Actual</u>	<u>GA Budgeted</u>	<u>GA Proposed</u>	<u>FY22 to</u>	<u>R Actual</u>	<u>R Budgeted</u>	<u>R Proposed</u>	<u>FY22 to</u>
				<u>FY23</u>				<u>FY23</u>
President	2.4	2.3	1.9	(0.4)	-	-	-	-
DGB	0.6	0.7	1.1	0.4	-	-	-	-
Human Resources	6.3	7.1	8.1	1.0	-	-	-	-
VPFAS	2.0	2.0	2.0	-	-	-	-	-
Business Office	20.3	20.3	20.8	0.5	-	-	-	-
Campus Safety	9.6	11.0	11.1	0.1	0.6	0.6	0.7	0.0
Facilities	56.0	59.0	59.0	0.1	-	-	-	-
ITS	32.8	31.1	34.1	3.0	-	-	-	-
Institutional Research & Grants	5.4	5.4	5.0	(0.4)	-	-	-	-
VP CRSD	2.0	2.0	2.0	-	-	-	-	-
Community Relations (market, redc, ycf)	12.9	17.1	12.1	(5.1)	2.1	3.2	12.8	9.7
Athletics	13.4	16.0	22.0	6.0	-	-	-	-
Student Enrollment Mgmt	34.3	35.3	46.4	11.1	-	-	-	-
Student Affairs	32.2	33.4	44.0	10.6	14.2	11.6	11.4	(0.1)
VP Academic Affairs (VVC)	14.8	14.5	11.4	(3.1)	-	-	-	-
School of Arts & Humanities	68.8	68.8	70.1	1.3	-	-	-	-
School of Business	26.7	25.6	25.3	(0.3)	-	-	2.0	2.0
School of Social Sciences	33.5	34.6	34.0	(0.6)	-	-	-	-
School of Health & Wellness, Public Service	97.4	96.4	98.7	2.3	6.8	9.0	12.1	3.1
School of Career & Technical	58.4	59.9	63.4	3.5	-	-	1.0	1.0
Instructional Support	40.3	38.3	39.3	1.0	-	-	-	-
Community Education	6.5	5.6	6.2	0.6	4.9	4.7	4.7	0.0
	576.5	586.4	618.0	31.6	28.6	29.1	44.8	15.7



*Actual number of positions as of 11/1

STAFFING THE STRATEGIC PLAN

The following describes positions in each Division that were either funded in FY22 or planned for the FY23 Budget to support the Strategic Plan Goals of Belonging, Living Wage, Adult Learners, or Delivery:

Academic Affairs

- We added 1 Faculty and 1 Staff to support EMS program, 1 staff to coordinate Gunsmithing Program (Living Wage)
- We will increase 2 Faculty and 2 Staff positions to support the

development of our first two Baccalaureate degrees in Nursing and Business. (Living Wage)

- We created Assessment Manager role to ensure program quality (Delivery)
- We added Staff position for Lifelong Learning support (Adult Learners)

Community Relations & Student Development

- **Athletics:** Basketball is officially returning to YC in FY23. The program is primarily funded with a generous 3-year donation. The budget includes money for 4 coaches, operating supplies and services. Athletics has also added a full-time E-sports coach and a Communications Coordinator (Belonging)
- **REDC** expanded by almost 5 positions through Prop 207 revenues in FY22, which must be used to support workforce training. Services include internship placements, on-demand Workforce Training, economic analysis, and grant-writing. In FY23, all REDC expenses will be funded with Prop 207. (Living Wage)

- **Student Affairs:** Students need help with a variety of non-academic, life issues including childcare, housing, food, physical & mental health. The budget includes a Counselor position to connect YC students to needed community resources. The budget also includes a Coordinator to lead outreach, engagement, and support efforts with our 1st Generation students who represent roughly 1/3 of the student body. The budget includes an additional residence hall staff member to help manage our 220 residents. Finally, the budget anticipates hiring 7 additional advisors to help bring the caseload down to the national average if 300 students per advisor. Fewer students allow advisors to engage with students more

times per semester—and in more meaningful ways. This has proven to increase retention and completion at other schools. (Belonging, Adult Learners)

- **Student Enrollment Management:** The Budget includes an increase of 9 advisors to lower advisor caseloads to the national average of 300 students (see above). We also added a Coordinator to assist the AVP of this area, as well as a staff position for the technology team to help us better utilize our CRM tools (Belonging)

Finance & Administrative Purposes

- **Business Office** will add an Accountant to support the various new initiatives including the Promise, REDC sales, etc. (Delivery)
- **Facilities** added a Groundskeeper as we cultivate more of our existing property. (Belonging)
- **Food Service** will add 1.5 positions to extend hours at Sedona Center and VVC (Belonging, Adult Learners)
- **ITS** added 3 positions (Cyber-security, Programmer, Systems Analyst) to strengthen our ability to utilize technology in ways that enhance the student experience and allow employees to remain productive. (Belonging, Delivery)

President & Human Resources

- **Human Resources** added a Business Partner to help us safeguard our greatest asset: our people. (Belonging)





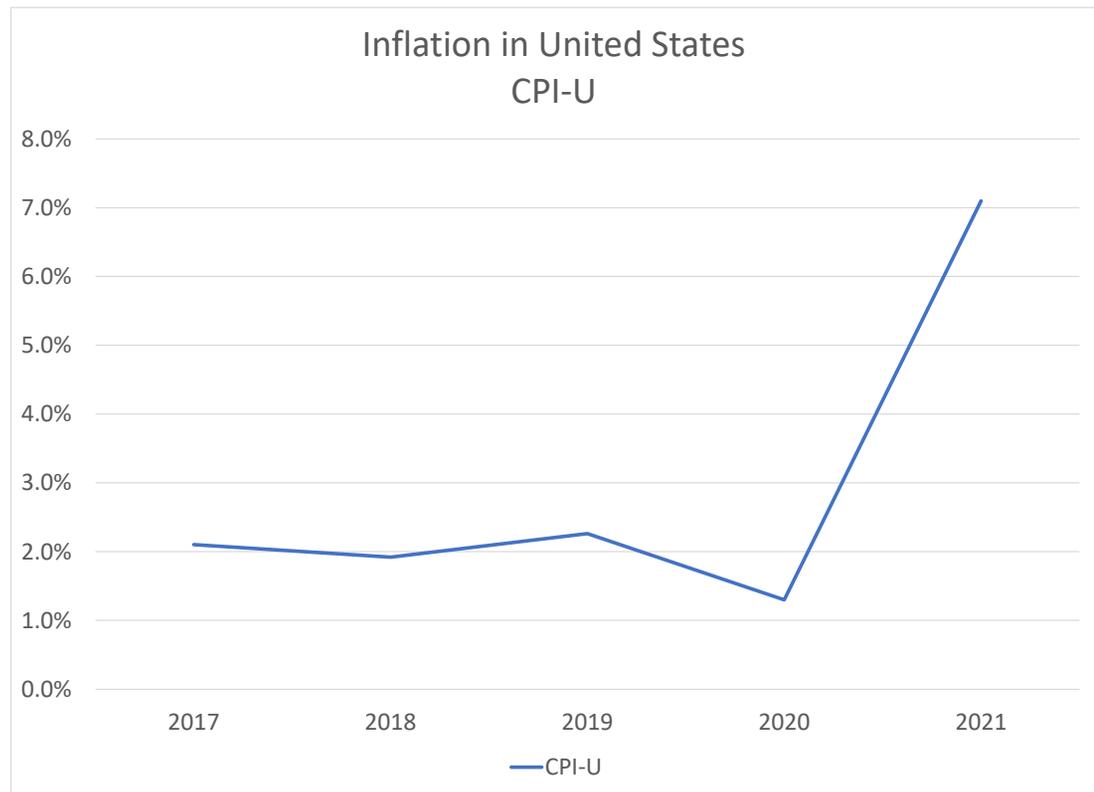
Because Labor is such a large financial component of the College's budget, it is in the College's best interest to ensure salaries are market-competitive. If YC pays too much, it is incurring unnecessary costs; conversely, if YC pays too little it will incur turnover costs or the costs of hiring less-qualified, less-productive people.

To address this, the College has adopted a three-year review cycle. Each year, the Human Resources staff reviews roughly 1/3 of the positions, using a Job Analysis Questionnaire (JAQ) in which individual employees update their duties and responsibilities. After the JAQ is

approved by the employee's supervisor, the HR compensation analyst benchmarks the position against the appropriate market data to ensure it is placed in the appropriate YC compensation grade. Market data includes salary.com, Compdata, and CUPA. HR then analyzes whether individual employees are progressing appropriately within their respective grades, given their relevant education and experience, so as to ensure both internal and external equity. Based on these analyses, HR will adjust some of these employees' salaries, helping them remain in alignment with the market.

In addition to the position market analyses, the College researches and evaluates benchmark data in order to make annual compensation recommendations to the Board. The College uses a variety of sources including Mercer, Korn-Ferry, and Tower-Watson to forecast salary changes in the market. This year, experts forecast a national average raise of 4%. Of course, some industries and geographies will be higher and some will be lower.

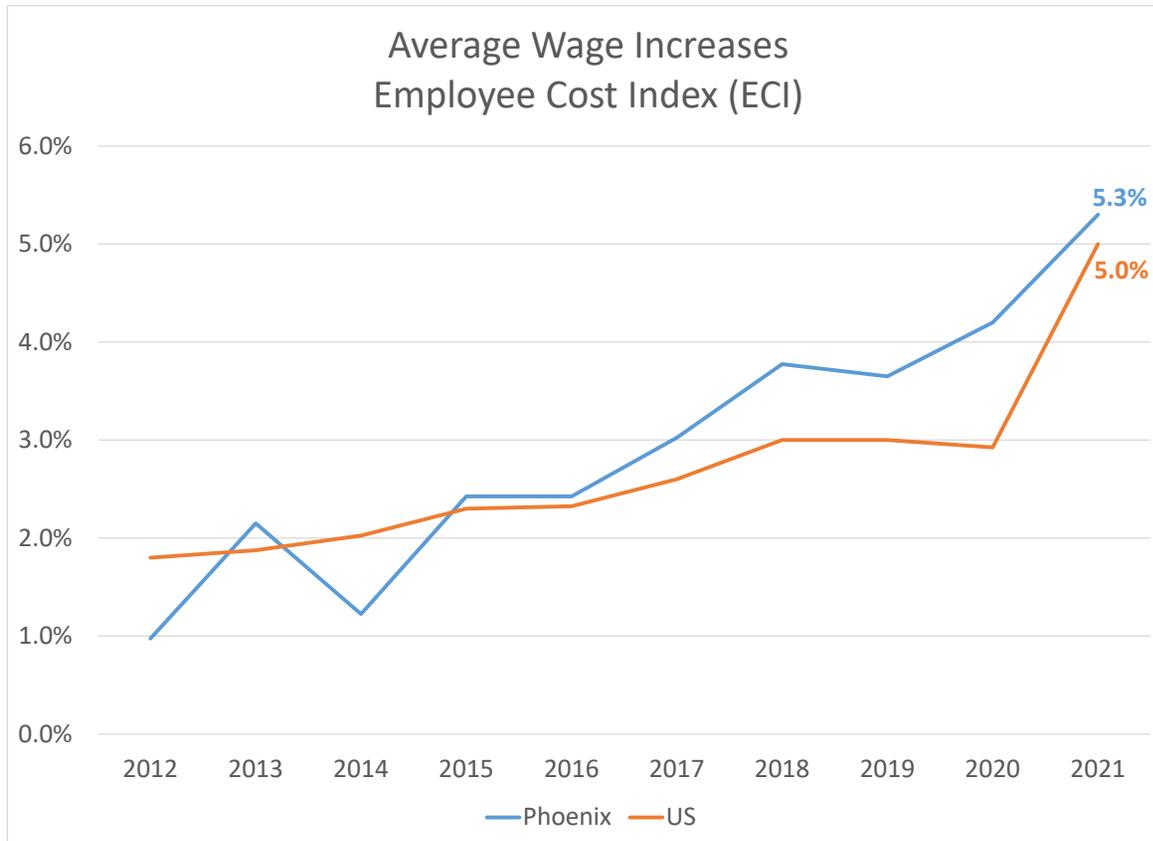
In addition, the College monitors a variety of federal datasets to inform salary increase recommendations. One of the federal primary estimates of inflation is the Consumer Price Index for Urban Consumers, or CPI-U, which is published by the Bureau of Labor Statistics (BLS). As you can see from the following graph, inflation had been relatively low averaging 1.7% since the Great Recession. However, there has been a dramatic spike in inflation in the last quarter of 2021, due to a variety of factors including supply chain issues stemming from pent up demand due to the pandemic, and a workforce shortage as many people retired or cut back hours.



YC also monitors the Employment Cost Index (ECI) which is also from BLS. ECI is a Principal Federal Economic Indicator that tracks changes in the costs of labor including wages and employer-provided benefits. This is used by many economists as an approximation for salary increases and is used by some businesses to help them remain competitive in the labor market.

Based on this information, the FY23 budget includes a 5.3% salary increase, which matches how much salaries have increased this past year per the ECI. The total compensation package includes:

- 4% raise for all eligible employees
- 1.3% to adjust salaries of below-market employees, compensate employees who complete career-ladders or earn promotions during the fiscal year, and adjust minimum wage
- .45% 1-time performance bonus
- The budget also anticipates a 4% increase in Benefit costs.



FINANCIAL PLANNING

FY 2023 Budget Strategy and Long-range Planning

The College's long-term financial planning includes financial forecasting for the general fund and plant fund to ensure that resources are aligned with strategic goals and support long-term sustainability. The five-year financial forecast for the general fund uses historical trends and current conditions to develop a set of reasonable assumptions to estimate revenues, expenditures and enrollment. Adjustments are made for one-time revenues and expenditures.

Long-term capital forecasting is developed from several sources including the 8 year Facilities Master Plan, the 5 year Capital

improvement Plan (Exhibit 11), the 10 Year Net Asset Value assessment (Exhibit 10), and 5 year Equipment Replacement Plans (Exhibit 12).

Of particular importance is the Capital Improvement Plan which funds renovations of existing space or the construction of

new space. College management is keenly aware of the operating costs associated with creating new space which includes roughly \$7/ foot for utilities and cleaning, an average of 3% of the purchase price for annual Planned Maintenance, as well as labor costs to operate the building.

The forecasts are used to demonstrate the College's ability to financially afford to perform its Mission and deploy its Strategic Plan. As the College develops Action Plans to achieve its Strategic Goals, the resources needed to accomplish these actions are incorporated into the annual budget and long-range plan.

In addition, as a college that relies on the property tax levy, county and local economic factors will influence the FY23 budget. Careful monitoring of economic conditions ensures the College can construct a realistic budget tailored to achieve its strategic goals and action plans.

As has been shared throughout this Budget document, the College has adopted a variety of financial planning best practices to limit risks including transparent monthly financial reports, annual benchmarking exercises, healthy contingencies and reserves, conservative budget assumptions, financial forecasting, etc.

GFOA best practices recommend financial forecasting to guide decision making regarding financial policies and programmatic decisions. Financial forecasts help institutions maintain fiscal discipline and safeguard the delivery of essential community services. In AZ, Expenditure Limit (EL) makes this an even more important exercise, as community colleges need to ensure not only that revenues exceed expenses, but also that there is EL capacity to spend the property tax revenues. The College's base 5 year financial forecast represents what we believe to be the most likely scenario:



FIVE-YEAR PROJECTIONS OF REVENUES AND EXPENDITURES

	<u>FY 2022-23</u>	<u>FY 2023-24</u>	<u>FY 2024-25</u>	<u>FY 2025-26</u>	<u>FY 2026-27</u>
<u>Revenues</u>					
Property Taxes - Primary	\$ 49,860,100	\$ 51,355,900	\$ 52,896,600	\$ 54,483,500	\$ 56,118,000
General Fund - Tuition and Fees	12,415,000	13,408,200	14,480,900	15,639,400	16,890,600
State Appropriations	2,754,900	2,810,000	2,866,200	2,923,500	2,982,000
Federal Grants and Contracts	11,060,000	11,281,200	11,506,800	11,736,900	11,971,600
State Grants and Contracts	410,000	414,100	418,200	422,400	426,600
State Workforce Development Funds	3,250,000	3,380,000	3,515,200	3,655,800	3,802,000
Investment Income	100,000	120,000	144,000	172,800	207,400
Sales and Services	3,955,800	4,054,700	4,156,100	4,260,000	4,366,500
Private Gifts, Grants and Contracts	2,248,800	2,293,800	2,339,700	2,386,500	2,434,200
Capital Projects Accumulation Account	1,757,300	7,338,900	11,131,200	2,982,120	4,432,400
Other (Fund Balance and Miscellaneous)	1,751,200	3,010,900	3,589,800	2,554,080	2,200,000
Total Revenues	\$ 89,563,100	\$ 99,467,700	\$ 107,044,700	\$ 101,217,000	\$ 105,831,300
<u>Expenditures</u>					
General Fund	\$ 54,908,300	\$ 57,241,900	\$ 59,674,700	\$ 62,210,900	\$ 64,854,900
Auxiliary Fund	5,543,100	5,626,200	5,710,600	5,796,300	5,883,200
Restricted Fund	18,448,100	17,065,900	17,407,200	17,755,300	18,110,400
Plant Fund - Operations	1,110,900	1,133,100	1,155,800	1,178,900	1,202,500
Plant Fund - Building Maintenance Program	4,249,600	4,249,600	4,249,600	4,249,600	4,249,600
Plant Fund - Equipment Replacement Program	2,153,700	2,565,000	2,609,700	2,188,500	2,334,500
Plant Fund - Capital Improvement Plan	1,757,300	10,340,500	15,004,100	6,616,800	7,987,700
Plant Fund - Capital Accumulation Account (Savings)	134,000	-	-	-	-
Debt Service Fund	1,258,100	1,245,500	1,233,000	1,220,700	1,208,500
Total Expenditures	\$ 89,563,100	\$ 99,467,700	\$ 107,044,700	\$ 101,217,000	\$ 105,831,300
Favorable/(Unfavorable)	\$ -	\$ -	\$ -	\$ -	\$ -

Assumptions: Primary property tax levy - 1.0% levy increases on average plus an additional 2.0% increases from new construction.
Tuition and fees - 3% enrollment growth and 5.0% price increases.
General Fund expenditures - 4% for salaries and fringe, and 5% for commodities, contracted services, and utilities. Strategic initiatives will be funded by re-purposing existing budget.

The college is able to maintain financial sustainability with modest 3% enrollment growth and 5% tuition increases—a price which we believe will allow us to maintain our Affordability Index. Please note that this model assumes 2% growth in property taxes from new construction, and

an average levy increase of 1% per year. These revenues are offset by 4% labor and 5% non-labor increases, which still require a relatively small amount of Fund Balance consumption to balance the budget.

However, the college has also developed a Best Case scenario which has more favorable assumptions, which lead to a small growth in Fund Balance.

**FIVE-YEAR PROJECTIONS OF REVENUES AND EXPENDITURES
BEST CASE SCENARIO**

	<u>FY 2022-23</u>	<u>FY 2023-24</u>	<u>FY 2024-25</u>	<u>FY 2025-26</u>	<u>FY 2026-27</u>
Revenues					
Property Taxes - Primary	\$ 49,860,100	\$ 51,355,900	\$ 52,896,600	\$ 54,483,500	\$ 56,118,000
General Fund - Tuition and Fees	12,415,000	13,656,500	15,022,200	16,524,400	18,176,800
State Appropriations	2,754,900	2,810,000	2,866,200	2,923,500	2,982,000
Federal Grants and Contracts	11,060,000	11,281,200	11,506,800	11,736,900	11,971,600
State Grants and Contracts	410,000	414,100	418,200	422,400	426,600
State Workforce Development Funds	3,250,000	3,380,000	3,515,200	3,655,800	3,802,000
Investment Income	100,000	120,000	144,000	172,800	207,400
Sales and Services	3,955,800	4,054,700	4,156,100	4,260,000	4,366,500
Private Gifts, Grants and Contracts	2,248,800	2,293,800	2,339,700	2,386,500	2,434,200
Capital Projects Accumulation Account	1,757,300	7,338,900	11,131,200	2,982,120	4,432,400
Other (Fund Balance and Miscellaneous)	1,751,200	3,010,900	3,589,800	2,554,080	2,200,000
Total Revenues	\$ 89,563,100	\$ 99,716,000	\$ 107,586,000	\$ 102,102,000	\$ 107,117,500
Expenditures					
General Fund	\$ 54,908,300	\$ 56,679,100	\$ 58,507,000	\$ 60,393,900	\$ 62,341,600
Auxiliary Fund	5,543,100	5,626,200	5,710,600	5,796,300	5,883,200
Restricted Fund	18,448,100	17,065,900	17,407,200	17,755,300	18,110,400
Plant Fund - Operations	1,110,900	1,133,100	1,155,800	1,178,900	1,202,500
Plant Fund - Building Maintenance Program	4,249,600	4,249,600	4,249,600	4,249,600	4,249,600
Plant Fund - Equipment Replacement Program	2,153,700	2,565,000	2,609,700	2,188,500	2,334,500
Plant Fund - Capital Improvement Plan	1,757,300	10,340,500	15,004,100	6,616,800	7,987,700
Plant Fund - Capital Accumulation Account (Savings)	134,000	-	-	-	-
Debt Service Fund	1,258,100	1,245,500	1,233,000	1,220,700	1,208,500
Total Expenditures	\$ 89,563,100	\$ 98,904,900	\$ 105,877,000	\$ 99,400,000	\$ 103,318,000
Favorable/(Unfavorable)	\$ -	\$ 811,100	\$ 1,709,000	\$ 2,702,000	\$ 3,799,500

Assumptions: Primary property tax levy - 1.0% levy increases on average plus an additional 2.0% increases from new construction.
Tuition and fees - 5% enrollment growth and 5.0% price increases.
General Fund expenditures - 3.3% for salaries and fringe, and 3% for commodities, contracted services, and utilities. Strategic initiatives will be funded by re-purposing existing budget.

Finally, the College has developed a Worst Case scenario to demonstrate the effects of less favorable assumptions. The table is presented as if the College maintained course and did not make adjustments. The College could in fact do that—for awhile—if it

was willing to consume Fund Balances and/ or reduce it's Capital Improvement Plan budget. More likely, the College would need to create a balanced budget by foregoing raises and/ or cutting programs and services to fit within available funding.

**FIVE-YEAR PROJECTIONS OF REVENUES AND EXPENDITURES
WORST CASE SCENARIO**

	<u>FY 2022-23</u>	<u>FY 2023-24</u>	<u>FY 2024-25</u>	<u>FY 2025-26</u>	<u>FY 2026-27</u>
Revenues					
Property Taxes - Primary	\$ 49,860,100	\$ 51,106,600	\$ 52,384,300	\$ 53,693,900	\$ 55,036,200
General Fund - Tuition and Fees	12,415,000	13,035,800	13,687,600	14,372,000	15,090,600
State Appropriations	2,754,900	2,810,000	2,866,200	2,923,500	2,982,000
Federal Grants and Contracts	11,060,000	11,281,200	11,506,800	11,736,900	11,971,600
State Grants and Contracts	410,000	414,100	418,200	422,400	426,600
State Workforce Development Funds	3,250,000	3,380,000	3,515,200	3,655,800	3,802,000
Investment Income	100,000	120,000	144,000	172,800	207,400
Sales and Services	3,955,800	4,054,700	4,156,100	4,260,000	4,366,500
Private Gifts, Grants and Contracts	2,248,800	2,293,800	2,339,700	2,386,500	2,434,200
Capital Projects Accumulation Account	1,757,300	7,338,900	11,131,200	2,982,120	4,432,400
Other (Fund Balance and Miscellaneous)	1,751,200	3,010,900	3,589,800	2,554,080	2,200,000
Total Revenues	\$ 89,563,100	\$ 98,846,000	\$ 105,739,100	\$ 99,160,000	\$ 102,949,500
Expenditures					
General Fund	\$ 54,908,300	\$ 57,928,300	\$ 61,114,400	\$ 64,475,700	\$ 68,021,900
Auxiliary Fund	5,543,100	5,626,200	5,710,600	5,796,300	5,883,200
Restricted Fund	18,448,100	17,065,900	17,407,200	17,755,300	18,110,400
Plant Fund - Operations	1,110,900	1,133,100	1,155,800	1,178,900	1,202,500
Plant Fund - Building Maintenance Program	4,249,600	4,249,600	4,249,600	4,249,600	4,249,600
Plant Fund - Equipment Replacement Program	2,153,700	2,565,000	2,609,700	2,188,500	2,334,500
Plant Fund - Capital Improvement Plan	1,757,300	10,340,500	15,004,100	6,616,800	7,987,700
Plant Fund - Capital Accumulation Account (Savings)	134,000	-	-	-	-
Debt Service Fund	1,258,100	1,245,500	1,233,000	1,220,700	1,208,500
Total Expenditures	\$ 89,563,100	\$ 100,154,100	\$ 108,484,400	\$ 103,481,800	\$ 108,998,300
Favorable/(Unfavorable)	\$ -	\$ (1,308,100)	\$ (2,745,300)	\$ (4,321,800)	\$ (6,048,800)

Assumptions: Primary property tax levy - 1.0% levy increases on average plus an additional 1.5% increases from new construction.
Tuition and fees - 0% enrollment growth and 5.0% price increases.
General Fund expenditures - 5% for salaries and fringe, and 7% for commodities, contracted services, and utilities. Strategic initiatives will be funded by re-purposing existing budget.

EXPENDITURE LIMIT (EL)

In 1980, Senate Concurrent Resolution 1001 established 10 propositions to amend Article IX of the Arizona Constitution to define, modify, and generally restrict debt and taxation rules for local agencies. One of the propositions, Proposition 109, created expenditure limitations for school districts and community college districts. Following high inflation and concerns about growth in government spending, the amendments were passed by popular vote. The subsequent changes to the Arizona Constitution were considered to be equivalent to California's proposition 13, which passed two years prior.

Arizona's Constitution Title IX, Section 21, details the precise manner in which the expenditure limitation (EL) is implemented for both community college districts and school districts. A key phrase to remember is that EL is a cap on "EXPENDITURES OF LOCAL REVENUES," which is intended to be a control on tax-based public spending. As such, EL does not constrain total spending—just spending from certain funding sources for operating purposes. Non-property tax revenues such as tuition, gifts, grants, contract training, auxiliary, and entrepreneurial revenues are excluded from expenditure limitation. Likewise, certain classes of expenses, notably capital, are excluded. Because the language is constitutional, changes would require a majority approval in a statewide ballot.

Essentially taxing districts (including k-12, community colleges, fire districts, counties, etc.) are allowed to spend the same amount per capita as they did in 1980. This is adjusted for inflation using the Gross Domestic Product deflator. Taxing districts that exceed their EL will incur a financial penalty. Conversely, taxing districts that do not use all of their EL in a given year are allowed to "carry forward" the excess for use in future years if needed, giving them a temporary increase in EL for a "rainy day".

As previously mentioned, the EL cap is based on the amount of expenditures in each district in 1979/80 increased for growth in "student population" and adjusted for "inflation." Community college student population is based on full time student equivalents (FTSE), which is defined in statute 15-1466.01.

The definition of student population for EL purposes is defined by the legislature. It is currently defined as audited actual FTSE while also adding an extra 30% weight for Career and Technical Education (CTE) FTSE. For the purposes of the EL calculation, colleges may use either: prior year audited weighted FTSE; the average of the past five years' audited figures; or prior year weighted plus 5% (if a college has fall-over-fall growth).

Community College FTSE have been in decline nationally since the peak in fiscal year 2011. This reflects the correlation between community college enrollments and unemployment. When people lose their jobs, they go to community colleges to upskill and retool; as the economy improves, these students re-enter the workforce, whether or not they complete their credential.

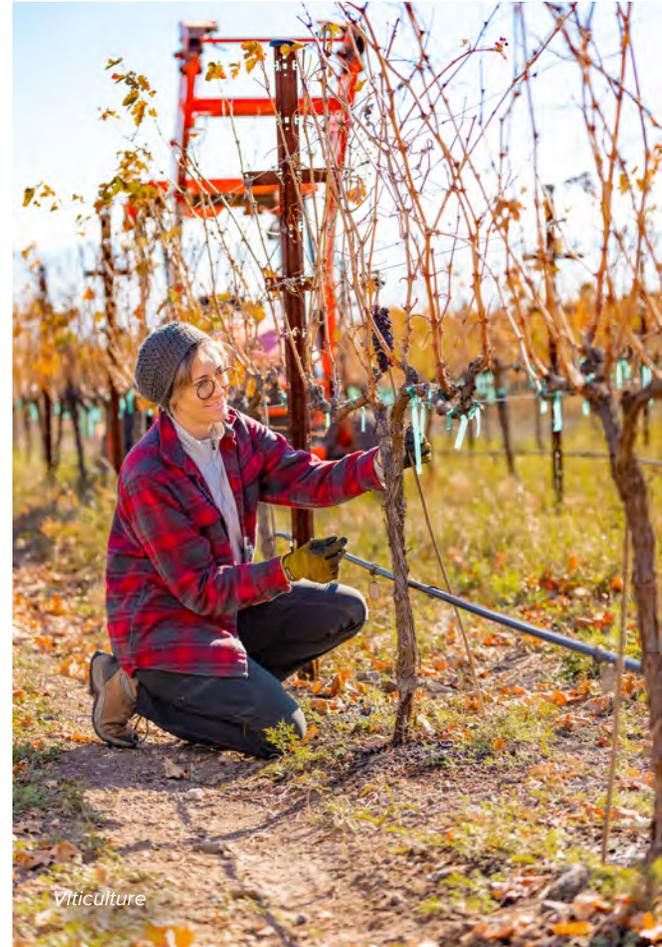
The College is required to calculate and report EL every year, and the report is audited by the Arizona Auditor General. YC also uses its 5 year Financial Projections of Revenues and Expenses to develop a 5 year EL forecast. As has been shared with the DGB in the past, YC's Expenditure Limit margin is relatively slim but stable—as long as enrollments remain stable. Sound fiscal management has allowed the College to build up substantial “carryforward” reserves of \$23.9M.

Because of this, the College could operate beyond its allowable EL for several years before being penalized if need be. This would give the College the time it would need to downsize its budget in to figure out how to grow enrollments.





Student Activities



Viticulture



Fire Science



Radiology

EXPENDITURE LIMITATION COMPLIANCE

	Current Funds			Plant Funds			TOTAL
	Unrestricted		Restricted	Plant	Debt		
	General	Auxiliary					
PROJECTED BUDGET EXPENDITURES FOR EXPENDITURE LIMITATION (see below)	\$ 53,708,300	\$ 5,493,100	\$ 18,448,100	\$ 8,943,000	\$ 1,258,100	\$	87,850,600
LESS EXCLUSIONS							
DEBT SERVICE/BONDED INDEBTEDNESS	-	-	-	-	1,256,600		1,256,600
DIVIDENDS, INTEREST AND GAIN ON SALE	70,000	-	-	30,000	-		100,000
GRANTS & AID FROM FEDERAL & STATE GOVERNMENT	-	-	11,270,000	-	-		11,270,000
GRANTS/CONTRIBUTIONS FROM PRIVATE AGENCIES	470,990	573,200	1,367,000	-	-		2,411,190
PROP. 207 & 301 FUNDS	-	-	5,000,000	-	-		5,000,000
AMOUNTS ACCUMULATED TO PURCHASE LAND AND CAPITAL	-	-	-	4,928,900	-		4,928,900
RESEARCH AND ENTREPRENEURIAL ACTIVITIES	-	1,373,300	-	-	-		1,373,300
TUITION AND FEES	11,860,000	2,224,900	-	-	-		14,084,900
PRIOR YEARS CARRY FORWARD USED	-	-	-	-	-		-
TOTAL EXCLUSIONS	\$ 12,400,990	\$ 4,171,400	\$ 17,637,000	\$ 4,958,900	\$ 1,256,600	\$	40,424,890
BUDGET EXPENDITURES SUBJECT TO LIMIT	\$ 41,307,310	\$ 1,321,700	\$ 811,100	\$ 3,984,100	\$ 1,500	\$	47,425,710
BUDGETED EXPENDITURE LIMITATION AS CALCULATED BY THE ECONOMIC ESTIMATES COMMISSION							<u>\$ 48,401,894</u>
AMOUNT (OVER) UNDER LIMITATION							\$ 976,184
PRIOR YEARS CARRY FORWARD AVAILABLE FOR USE:							
Balance Available as of July 1, 2021	\$ 18,000,000	\$ -	\$ 1,700,000	\$ 4,200,000	\$ -	\$	23,900,000
BUDGETED EXPENDITURES	\$ 54,908,300	\$ 5,543,100	\$ 18,448,100	\$ 9,405,500	\$ 1,258,100	\$	89,563,100
Less: Budgeted Items Not Expected to be Spent:							
Contingencies	-	50,000	-	362,500	-		412,500
Allowance for Unexpended Budget (e.g. vacancy savings etc.)	1,200,000	-	-	100,000	-		1,300,000
Total adjustments	\$ 1,200,000	\$ 50,000	\$ -	\$ 462,500	\$ -	\$	1,712,500
PROJECTED BUDGETED EXPENDITURES FOR EXPENDITURE LIMITATION	\$ 53,708,300	\$ 5,493,100	\$ 18,448,100	\$ 8,943,000	\$ 1,258,100	\$	87,850,600

FIVE-YEAR PROJECTIONS OF EXPENDITURE LIMITATION COMPLIANCE

	<u>FY 2022-23</u>	<u>FY 2023-24</u>	<u>FY 2024-25</u>	<u>FY 2025-26</u>	<u>FY 2026-27</u>
<u>Expenditures</u>					
General Fund	\$ 54,908,300	\$ 57,241,900	\$ 59,674,700	\$ 62,210,900	\$ 64,854,900
Auxiliary Fund	5,543,100	5,626,200	5,710,600	5,796,300	5,883,200
Restricted Fund	18,448,100	17,065,900	17,407,200	17,755,300	18,110,400
Plant Fund - Operations	1,110,900	1,133,100	1,155,800	1,178,900	1,202,500
Plant Fund - Building Maintenance Program	4,249,600	4,249,600	4,249,600	4,249,600	4,249,600
Plant Fund - Equipment Replacement Program	2,153,700	2,565,000	2,609,700	2,188,500	2,334,500
Plant Fund - Capital Improvement Plan	1,757,300	10,340,500	15,004,100	6,616,800	7,987,700
Plant Fund - Contributions to Capital Projects	134,000	-	-	-	-
Debt Service Fund	1,258,100	1,245,500	1,233,000	1,220,700	1,208,500
Contingencies	(412,500)	(412,500)	(412,500)	(412,500)	(412,500)
Not Expected to be Expended	(1,300,000)	(1,250,000)	(1,150,000)	(1,050,000)	(950,000)
Total Adjusted Expenditures	\$ 87,850,600	\$ 97,805,200	\$ 105,482,200	\$ 99,754,500	\$ 104,468,800
<u>Exclusions</u>					
Bond Debt Service Payments	\$ 1,256,600	\$ 1,245,500	\$ 1,233,000	\$ 1,220,700	\$ 1,208,500
Interest Income	100,000	120,000	144,000	172,800	207,400
Federal & State Grants	11,270,000	11,495,300	11,725,000	11,959,300	12,198,200
Gifts from Private Agencies	2,411,190	2,293,800	2,339,700	2,386,500	2,434,200
Amounts Accumulated - Capital	4,928,900	13,568,800	18,098,500	9,997,100	11,380,700
Research and Entrepreneurial Activities	1,373,300	1,400,800	1,428,800	1,457,400	1,486,500
Tuition & Fees	14,084,900	15,070,800	16,276,500	17,415,900	18,635,000
Prop 207 & 301 Funds	5,000,000	3,380,000	3,515,200	3,655,800	3,802,000
Prior Years Carryforward Used	-	-	-	-	-
Total Exclusions	\$ 40,424,890	\$ 48,575,000	\$ 54,760,700	\$ 48,265,500	\$ 51,352,500
Expenditures Subject to Limitation	\$ 47,425,710	\$ 49,230,200	\$ 50,721,500	\$ 51,489,000	\$ 53,116,300
Estimated Expenditure Limitation	48,401,894	49,853,500	51,068,000	52,434,000	53,834,000
Favorable/(Unfavorable)	\$ 976,184	\$ 623,300	\$ 346,500	\$ 945,000	\$ 717,700
EL FTSE Estimates	3,912	3,854	3,885	3,962	4,042

Assumptions: The Five-Year Expenditure Limitation projections are based on the Five-Year Revenue & Expense projections.
The Estimated Expenditure Limitation amounts are based upon minimal FTSE growth and moderate inflation (GDP).

Expenditure Limitation Credit Carryforward - \$23.9M



YAVAPAI COLLEGE

GLOSSARY

Homecoming

1. FUND ACCOUNTING

Fund accounting is an accounting and reporting system required to be used by independent colleges and universities to keep track of resources whose use is limited by donors, granting agencies, law, other outside individuals or entities or by governing boards. A fund is maintained for each specific purpose.

1a. Current Funds

The current funds group consists of funds expendable for current operating purposes, and is divided into two unrestricted funds, General and Auxiliary, as well as Restricted Funds.

1b. General Fund

This fund records revenues and expenses which fund the primary operations (education and related services) of the College.

1c. Auxiliary Fund

This fund reports activities for which a fee is charged for non-core goods or services.

1d. Restricted Fund

Restricted funds are operating funds for which the use has been limited for a specific purpose by external parties, contracts, or legislation. Externally imposed restrictions are different from internally created designations established by the governing board on unrestricted funds because restrictions cannot be removed without the external parties' consent.

1e. Plant Fund

This fund tracks resources and expenditures related to capital outlays. Capital outlays/expenditures include land purchases, the acquisition

or construction of facilities, high dollar renovations or repairs, and the purchase of furniture and equipment. Generally, furniture and capital equipment costs more than \$5,000, have a useful life of greater than one year, and would normally not be purchased from the general fund.

1f. Debt Fund

This fund tracks revenues and expenditures related to the payment of principal, interest, and related charges on outstanding bonds and capital leases.

2. FUNCTIONAL EXPENSES

A functional (or program) expense classification is a method of grouping expenses according to the purpose for which the costs are incurred. The classifications tell why an expense was incurred rather than what was purchased. Reporting expenses by functional classification helps donors, granting agencies, creditors, and other readers of the financial statements to understand the various mission-related activities of the institution and their relative importance. The following Functions (Programs) are the standard categories used by colleges and universities to report expenses to the federal Department of Education:

2a. Instruction

The instruction classification includes expenses for all activities that are part of an institution's instruction program. Expenses for credit and non-credit courses; academic, vocational, and technical instruction; remedial and tutorial instruction; and regular, special, and extension sessions are included.

Expenses for departmental research and public service that are not separately budgeted also are included in this classification.

This classification excludes expenses for those academic personnel whose primary activity is administration—for example, academic deans.

2b. Public Service

The public service classification includes expenses for activities established primarily to provide non-instructional services for the benefit of individuals and groups that are external to the institution. These activities include community service programs (excluding instructional activities) and cooperative extension services. Included in this classification are conferences, institutes, general advisory services, reference bureaus, radio and television, consulting, and similar non-instructional services to particular sectors of the community.

2c. Student Services

The student services classification includes expenses incurred for offices of admissions and the registrar and activities that, as their primary purpose, contribute to students' emotional and physical well-being and intellectual, cultural, and social development outside the context of the formal instruction program. This classification includes expenses for student activities, cultural events, student newspapers, intramural athletics, student organizations, intercollegiate athletics (if the program is not operated as an auxiliary enterprise), counseling and career guidance (excluding informal academic counseling by the faculty), student aid administration, and student health service (if not operated as an auxiliary enterprise).

2d. Academic Support

The academic support classification included expenses incurred to provide support services for the institution's primary programs of instruction, research, and public service. It includes the following activities:

- The retention, preservation, and display of educational materials, such as libraries, museums, and galleries. The provision of services that directly assist the academic function of the institution, such as demonstration schools associated with a department, school, or college of education.
- Media, such as audio-visual services, and technology, such as computing support.
- Academic administration (including academic deans but not department chairpersons) and personnel providing administrative support and management direction to the three primary missions.
- Separately budgeted support for course and curriculum development.



CDL Program

Also included are information technology expenses related to academic support activities; if an institution does not separately budget and expense information technology resources, the costs associated with the three primary programs (Instruction, Research, Public Service) will be applied to this function, with the remainder to institutional support.

2e. Institutional Support

The institutional support classification includes expenses for central, executive-level activities concerned with management and long-range planning for the entire institution, such as the governing board, planning and programming operations, and legal services; fiscal operations, including the investment office; administrative information technology (when not accounted for in other categories); space management; employee personnel and records; logistical activities that provide procurement, storerooms, printing, and transportation services to the institution; support services to faculty and staff that are not operated as auxiliary enterprises; and activities concerned with community and alumni relations, including development and fundraising.

Appropriate allocations of institutional support should be made to auxiliary enterprises, hospitals, and any other activities not directly related to the primary programs—instruction, research, and public service—or their related support classifications.

2f. Operation and Maintenance of Plant (O&M)

The Operation and Maintenance of Plant category includes all expenses for the administration, supervision, operation, maintenance, preservation, and protection of the institution's physical plant. These expenses include items such as janitorial and utility services; repairs and ordinary or normal alterations of buildings, furniture, and equipment; care of grounds; maintenance and operation of buildings and other plant facilities; security; earthquake and disaster preparedness; safety; hazardous waste disposal; property, liability, and all other insurance relating to property; space and capital leasing; facility planning and management; and central receiving.

2g. Auxiliary enterprises

An auxiliary enterprise exists to furnish goods or services to students, faculty, staff, other institutional departments, or incidentally to the general public, and charges a fee directly related to, although not necessarily equal to, the cost of the goods or services. The distinguishing characteristic of an auxiliary enterprise is that it is managed to operate as a self-supporting activity. Over time, the revenues will equal or exceed the expenses, although in any individual year there may be a deficit or a surplus. Examples are residence halls, food services, intercollegiate athletics (if operated as essentially self-supporting), college stores, faculty clubs, parking, and faculty housing. Student health services, when operated as an auxiliary enterprise, also are included. Hospitals, although they may serve students, faculty, or staff, are classified separately because of their financial significance.

3. NATURAL EXPENSE CLASSIFICATIONS

These classifications generally represent the largest areas of expenses incurred by institutions. Based on examining current reporting practices by higher education institutions, NACUBO suggests that an institution use the following classifications to describe what goods and services are purchased.

- salaries and wages
- employee benefits
- scholarships and fellowships
- travel
- supplies
- utilities
- contractual services
- depreciation
- interest
- other

3a. Salaries & Wages

The salaries and wages classification includes expenses for all amounts paid and owed to faculty, staff, and student-workers, including full-time and part-time employees.

3b. Benefits

This classification includes expenses for all benefits paid to or on behalf of faculty, staff, and student employees. It includes amounts required by law, contractual agreement, or institutional practice. These benefits include the institution's portion of Social Security, payroll taxes, pension, health care, workers' compensation, disability insurance, life insurance, tuition remission, vacations, sick pay, sabbaticals, and other employee-related benefit programs.

3c. Scholarships and Fellowships

Scholarships and fellowships expense may be considered both a functional and natural expense classification. Institutions generally report tuition discounts and allowances and scholarships as reductions of tuition and fees revenues. Certain amounts may still be reported as a natural expense classification in financial statements. Institutional resources provided to students as financial aid are recorded as scholarship allowances up to amounts owed by students. In some circumstances, the amount of aid awarded may exceed the tuition and fees, housing, and meals provided by or procured from the institution. In those circumstances, the excess of aid over tuition and fees and institutional housing and meals should be treated as an expense.

3d. Travel

This classification includes travel for all personnel for institutional activities such as meetings, training, recruiting, fund raising, and sporting competitions.





3e. Supplies

This classification is very broad and includes supplies for administration, instruction, research, and medical purposes. It also includes equipment purchased that does not meet the institution's capitalization threshold.

3f. Utilities

This classification includes expenses related to heating, cooling, light and power, gas, water, telephone, and any other utilities necessary for the operation of the physical plant.

3g. Contractual Services

This classification generally is significant monetarily and covers a broad range of expenses including legal, audit, custodial, security, maintenance, repairs, postage, mailing and messenger, printing and duplicating, freight, advertising, rental of real and personal property, professional fees, professional development, and dues.

3h. Depreciation

This classification includes both depreciation of the institution's plant, property, and equipment, depletion, and amortization of assets acquired by capital lease.

3i. Interest

This classification includes interest expense on capital debt, the portion of payments on capital leases that is classified as interest expense, and interest expense on other borrowings, such as those for working capital or student loans.

3j. Other

Expenses that do not fit in any of the classifications above are included in this classification.

4. OTHER

1. **Balanced Budget:** a balanced budget is a budget for which revenues plus other sources (e.g. fund balance) equal or exceed expenditures.
2. **CTE:** Career and Technical Education are courses that may transfer but always prepare students to enter the workforce. The 16 common CTE Clusters include: Agriculture & Natural Resources, Architecture & Construction, Arts & A/V Technology, Business, Education, Finance, Government & Public Administration, Health Sciences, Hospitality & Tourism, Human Services, Information Technology, Law & Public Safety, Manufacturing, Marketing, Science & Engineering, and Transportation.
3. **Fund Balance:** The fund balance is the balance of a fund after all liabilities have been deducted from the assets of the fund. Also called Fund Equity.

Beginning Fund Balance: Represents the ending fund balance from the previous fiscal year that can be used to fund the current (or future) fiscal year(s).

Ending Fund Balance: Represents the beginning fund balance plus total annual revenues minus the total annual expenditures.



YAVAPAI COLLEGE

APPENDICES

STATE BUDGET FORMS

PUBLIC NOTICE

YAVAPAI COMMUNITY COLLEGE DISTRICT

PUBLIC HEARING AND SPECIAL BOARD MEETING NOTICE

Notice is hereby given to the residents and taxpayers of the Yavapai County Community College District that the District Governing Board will hold a Public Hearing and a Special Board Meeting for consideration of the Adopted Budget for the 2022-2023 fiscal year.

The Hearing will be held on Tuesday, May 17, 2022, at 1:00 p.m. at the Yavapai College Prescott Campus - Community Room 19-147, 1100 E. Sheldon Street, Prescott, AZ. A Special Board Meeting for the purpose of adopting the District's 2022-2023 Budget shall be held immediately following the Hearing at the same location.

Other than additional Property Tax revenues from new construction, please note that the College is NOT requesting an increase in property tax levy for the coming fiscal year.

The Budget will be posted on the Yavapai College website (www.yc.edu/budget) no later than May 2, 2022. Budget data will conform to mandates of law specified in A.R.S. 15-1461 concerning the advertisement and publication of budget information. Yavapai County Community College District is in compliance with primary tax levy limitation for 2022-2023 assessed valuation estimates. It is the intent of the District to be in full compliance with all applicable provisions of A.R.S. 42-17051. When actual 2022 assessed valuation amounts are determined, the District primary tax levy Adopted for 2022-2023 will be adjusted, if necessary, to meet legal requirements.

**BUDGET FOR FISCAL YEAR 2023
SUMMARY OF BUDGET DATA**

	Budget 2023	Budget 2022	Increase/Decrease From Budget 2022 To Budget 2023	
			Amount	%
I. CURRENT GENERAL AND PLANT FUNDS				
A. Expenditures:				
Current General Fund	\$ 54,908,300	\$ 52,034,800	\$ 2,873,500	5.5%
Unexpended Plant Fund	9,405,500	9,654,300	(248,800)	-2.6%
Retirement of Indebtedness Plant Fund	1,258,100	2,260,900	(1,002,800)	-44.4%
TOTAL	\$ 65,571,900	\$ 63,950,000	\$ 1,621,900	2.5%
B. Expenditures Per Full-Time Student Equivalent (FTSE):				
Current General Fund	\$ 17,213 /FTSE	\$ 15,986 /FTSE	\$ 1,227 /FTSE	7.7%
Unexpended Plant Fund	\$ 2,948 /FTSE	\$ 2,966 /FTSE	\$ (18) /FTSE	-0.6%
Projected FTSE Count	3,190	3,255		
II. TOTAL ALL FUNDS ESTIMATED PERSONNEL COMPENSATION				
Employee Salaries and Hourly Costs	\$ 37,875,300	\$ 34,831,400	\$ 3,043,900	8.7%
Retirement Costs	4,043,800	3,759,400	284,400	7.6%
Healthcare Costs	4,242,900	4,245,500	(2,600)	-0.1%
Other Benefit Costs	3,779,100	3,349,300	429,800	12.8%
TOTAL	\$ 49,941,100	\$ 46,185,600	\$ 3,755,500	8.1%
III. SUMMARY OF PRIMARY AND SECONDARY PROPERTY TAX LEVIES AND RATES				
A. Amount Levied:				
Primary Tax Levy	\$ 50,055,100	\$ 48,899,100	\$ 1,156,000	2.4%
Property Tax Judgment				
Secondary Tax Levy		410,500	(410,500)	-100.0%
TOTAL LEVY	\$ 50,055,100	\$ 49,309,600	\$ 745,500	1.5%
B. Rates Per \$100 Net Assessed Valuation:				
Primary Tax Rate	1.5017	1.5557	(0.0540)	-3.5%
Property Tax Judgment				
Secondary Tax Rate		0.0131	(0.0131)	-100.0%
TOTAL RATE	1.5017	1.5688	(0.0671)	-4.3%
IV. MAXIMUM ALLOWABLE PRIMARY PROPERTY TAX LEVY FOR FISCAL YEAR 2023 PURSUANT TO A.R.S. §42-17051				\$ 59,988,100
V. AMOUNT RECEIVED FROM PRIMARY PROPERTY TAXES IN FISCAL YEAR 2022 IN EXCESS OF THE MAXIMUM ALLOWABLE AMOUNT AS CALCULATED PURSUANT TO A.R.S. §42-17051				\$ -

**BUDGET FOR FISCAL YEAR 2023
RESOURCES**

	CURRENT FUNDS			PLANT FUNDS		Other Funds 2023	Total All Funds 2023	Total All Funds 2022	% Increase/Decrease
	General Fund 2023	Restricted Fund 2023	Auxiliary Fund 2023	Unexpended Plant Fund 2023	Retirement of Indebtedness 2023				
BEGINNING BALANCES-July 1*									
Restricted	\$	\$ 2,804,600	\$	\$	\$ 43,000	\$	\$ 2,847,600	\$	670.9%
Unrestricted	18,614,000		154,300	10,021,300			28,789,600	23,472,500	22.7%
Total Beginning Balances	\$ 18,614,000	\$ 2,804,600	\$ 154,300	\$ 10,021,300	\$ 43,000	\$	\$ 31,637,200	\$ 23,841,900	32.7%
REVENUES AND OTHER INFLOWS									
Student Tuition and Fees									
General Tuition	\$ 10,160,000	\$	\$ 1,067,900	\$	\$	\$	\$ 11,227,900	\$ 10,131,600	10.8%
Out-of-District Tuition	160,000						160,000	160,000	
Out-of-State Tuition	820,000						820,000	740,000	10.8%
Student Fees	420,000						420,000	324,000	29.6%
Tuition and Fee Remissions or Waivers	300,000						300,000	300,000	
State Appropriations									
Maintenance Support	300,400						300,400	596,500	-49.6%
Equalization Aid									
STEM Workforce		611,100					611,100	701,300	-12.9%
Rural Community College Aid	1,843,400						1,843,400	3,500,000	-47.3%
Property Taxes									
Primary Tax Levy	42,164,600			7,890,500			50,055,100	48,899,100	2.4%
Secondary Tax Levy								410,500	-100.0%
Property Tax Contingency	(150,000)			(45,000)			(195,000)	(980,000)	-80.1%
Gifts, Grants, and Contracts	423,700	12,837,000					13,260,700	21,263,200	-37.6%
Sales and Services			2,564,400				2,564,400	2,414,200	6.2%
Investment Income	70,000			30,000			100,000	81,800	22.2%
State shared sales tax (Prop 301)		1,250,000					1,250,000	880,000	42.0%
Smart and Safe Arizona Act (Prop 207)		2,000,000					2,000,000	900,000	122.2%
Other Revenues	472,900		863,700	30,000			1,366,600	1,506,700	-9.3%
Proceeds from Sale of Bonds									
Total Revenues and Other Inflows	\$ 56,985,000	\$ 16,698,100	\$ 4,496,000	\$ 7,905,500	\$	\$	\$ 86,084,600	\$ 91,828,900	-6.3%
TRANSFERS									
Transfers In			1,451,600	1,500,000	1,256,600		4,208,200	3,782,200	11.3%
(Transfers Out)	(3,803,700)		(404,500)				(4,208,200)	(3,782,200)	11.3%
Total Transfers	(3,803,700)		1,047,100	1,500,000	1,256,600		-	-	
Reduction for amounts reserved for future budget year expenditures:									
Maintained for future financial stability	(16,000,000)			(4,800,000)			(20,800,000)	(15,500,000)	34%
Maintained for future capital acquisitions/projects				(5,000,000)			(5,000,000)	(6,500,000)	-23.1%
Maintained for future debt retirement									
Maintained for grants or scholarships									
Total Resources Available for the Budget Year	\$ 55,795,300	\$ 19,502,700	\$ 5,697,400	\$ 9,626,800	\$ 1,299,600	\$	\$ 91,921,800	\$ 93,670,800	-1.9%

*These amounts exclude amounts not in spendable form (i.e., prepaids, inventories, and capital assets) or amounts legally or contractually required to be maintained intact.

**BUDGET FOR FISCAL YEAR 2023
EXPENDITURES AND OTHER OUTFLOWS**

	CURRENT FUNDS			PLANT FUNDS		Other Funds 2023	Total All Funds 2023	Total All Funds 2022	% Increase/ Decrease
	General Fund 2023	Restricted Fund 2023	Auxiliary Fund 2023	Unexpended Plant Fund 2023	Retirement of Indebtedness 2023				
TOTAL RESOURCES AVAILABLE FOR THE BUDGET YEAR (from Schedule B)	\$ 55,795,300	\$ 19,502,700	\$ 5,697,400	\$ 9,626,800	\$ 1,299,600	\$	\$ 91,921,800	\$ 93,670,800	-1.9%
EXPENDITURES AND OTHER OUTFLOWS									
Instruction	\$ 20,751,600	\$ 6,216,700	\$ 240,100	\$	\$	\$	\$ 27,208,400	\$ 25,404,100	7.1%
Public Service	12,500	1,562,000	1,197,100				2,771,600	3,239,200	-14.4%
Academic Support	5,065,600	400,000					5,465,600	5,840,800	-6.4%
Student Services	9,222,800	1,546,500	915,200				11,684,500	9,490,100	23.1%
Institutional Support (Administration)	11,083,400	400,000					11,483,400	12,782,900	-10.2%
Operation and Maintenance of Plant	6,832,500	107,400					6,939,900	6,546,100	6.0%
Scholarships	1,409,900	8,215,500					9,625,400	14,141,700	-31.9%
Auxiliary Enterprises			1,921,700				1,921,700	1,855,800	3.6%
Capital Assets/Maintenance				8,643,000			8,643,000	8,891,800	-2.8%
Debt service—general obligation bonds								488,800	-100.0%
Debt service—other long term debt					1,256,600		1,256,600	1,768,600	-28.9%
Other Expenditures			1,169,000		1,500		1,170,500	1,094,300	7.0%
Property tax judgments									
Contingency	530,000		100,000	762,500			1,392,500	1,392,500	
Total Expenditures and Other Outflows	\$ 54,908,300	\$ 18,448,100	\$ 5,543,100	\$ 9,405,500	\$ 1,258,100	\$	\$ 89,563,100	\$ 92,936,700	-3.6%



Automotive



Aquaculture Program



Unmanned Aircraft Systems



Brewing



Phlebotomy



Construction



Electrical & Instrumentation

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More information can be found on the college's website: www.yc.edu/budget