

Annual Comprehensive FINANCIAL REPORT

Fiscal Year Ended June 30, 2025

Yavapai County Community College District Arizona

Prescott • Prescott Valley • Verde Valley
Chino Valley • CTEC • Sedona • Prescott Pines



YAVAPAI COUNTY COMMUNITY COLLEGE DISTRICT

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For the fiscal year ended June 30, 2025

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Table of Contents

Introductory Section	Page
Letter of Transmittal	1
Government Finance Officers Association Certificate of Achievement	12
List of Principal Officers	13
Organizational Chart	14
Financial Section	
Independent Auditors Report	15
Managements' Discussion and Analysis	18
Basic Financial Statements	
Statement of Net Position—Primary Government	29
Statement of Financial Position—Component Unit	30
Statement of Revenues, Expenses, and Changes in Net Position – Primary Government	31
Statement of Activities—Component Unit	32
Statement of Cash Flows—Primary Government	33
Notes to the Financial Statements	35
Required Supplementary Information	
Proportionate Share of Net position Liability—Last Ten Fiscal Years	59
Schedule of Pension Contributions—Last Ten Fiscal Years	59
Statistical Section	
Net Position by Component—Last Ten Fiscal Years	62
Changes in Net Position —Last Ten Fiscal Years	63
Expenditure Limitation—Statutory Limit to Budgeted Expenditures —Last Ten Fiscal Years	64
Property Tax Levies and Collections —Last Ten Fiscal Years	65
Assessed Value and Estimated Actual Value of Taxable property —Last Ten Fiscal Years	66
Property Tax Rates, Direct and Overlapping Governments —Last Ten Fiscal Years	67
Assessed Valuation, Tax Rate and Levy History —Last Ten Fiscal Years	68
Principal Property Taxpayers—Current Year and Nine Years Ago	69
Tuition Schedule —Last Ten Fiscal Years	70
Ratios of Outstanding Debt by Type —Last Ten Fiscal Years	71
Legal Debt Margin —Last Ten Fiscal Years	72
Ration of Net General Obligation Bonded Debt to Assessed Value and Net General Bonded Debt per Capita —Last Ten Fiscal Years	73
Ratio of Annual Debt Service Expenditures for General Bonded Debt to Operating Expenses/ Expenditures —Last Ten Fiscal Years	74
Computation of Direct and Overlapping Debt—General Obligation Bonds—Last Ten Fiscal Years	75
Revenue Bond and Pledged Revenue Obligations Coverage —Last Ten Fiscal Years	76
Economic Indicators for Yavapai County	77
Principal Employers in Yavapai County—Current and Nine Years Ago	78
Miscellaneous Statistics	79
Population and Personal Income for Yavapai County—Last Ten Fiscal Years	80
Student Enrollment. Degree and Demographic Statistics —Last Ten Fiscal Years	81
Historic Enrollment —Last Ten Fiscal Years	82
Faculty and Staff Statistics —Last Ten Fiscal Years	83
Capital Asset Information —Last Ten Fiscal Years	84

Introductory Section



Letter of Transmittal

March 12, 2026

The District Governing Board of Yavapai County Community College District:

The Annual Comprehensive Financial Report (ACFR) of the Yavapai County Community College District (the "District"), Prescott, Arizona for the fiscal year ended June 30, 2025, is submitted herewith.

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

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

The District is required to undergo a single audit in conformity with the provisions of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*; and *Government Auditing Standards* issued by the Comptroller General of the United States. Information related to this report, including the Schedule of Expenditures of Federal Awards and auditors' reports on internal controls and compliance with applicable laws and regulations will be available at a future date by contacting the Vice President of Finance and Administrative Services.

THE REPORTING ENTITY

The District is an independent reporting entity within the criteria established by GAAP and the GASB. Although the District shares the same geographic boundaries with Yavapai County, financial accountability over all activities related to public community college education in Yavapai County is exercised solely by the District. In accordance with GASB Statement No. 39, the financial reporting entity consists of a primary reporting entity and its component unit. The District is a primary government because it is a special-purpose political subdivision that has a separately elected governing body, is legally separate, and is fiscally independent of other state and local governments.

The accompanying financial statements present the activities of the District and its component unit, the Yavapai College Foundation (Foundation). The Foundation is a legally separate, tax-exempt organization. Although the District

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

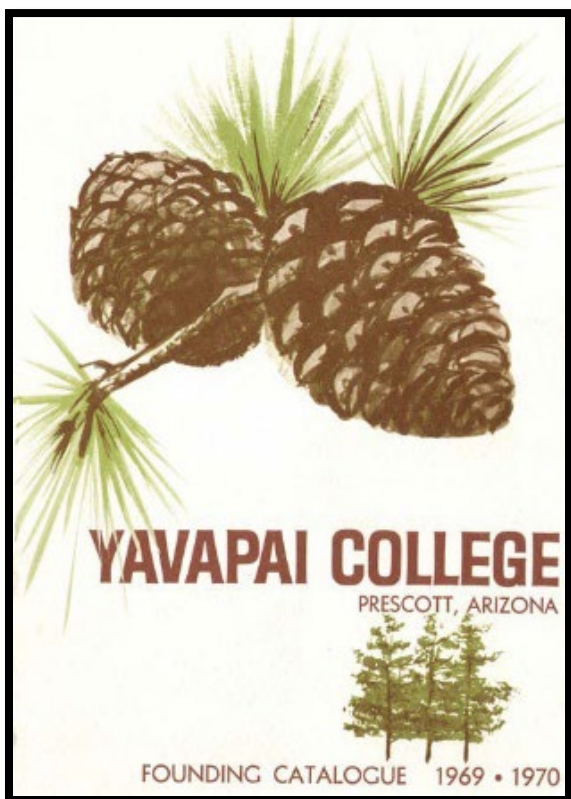
HISTORY

The District was established in 1966 under the Arizona Community College Law of 1966. During the first year of instruction, 1968, classes were held at various sites in Prescott. The first buildings were dedicated in February 1970, on 100 acres in Prescott that were once part of historic Fort Whipple. To better serve the growing communities on the east side of Yavapai County, the Verde Valley Campus was established in 1975 on 120 acres in Clarkdale. Yavapai College education centers are located in Chino Valley, Prescott Valley, Sedona, and include the Career & Technical Education Center, located near the Prescott Airport. In 2024, the District purchased a 42 acre camp facility now known as Prescott Pines, a student and employee housing complex during the academic year with camps and retreats occupying the facilities in the summer months.

The District is accredited by the Higher Learning Commission of the North Central Association of Colleges and Schools and has been throughout its history. In September 2022, the District went through a full reaccreditation by the Higher Learning Commission (HLC) and its status was reaffirmed in January 2023 with no recommendations reported. The next reaffirmation of accreditation will be in fiscal year 2032-33.

SERVICE AREA

Yavapai County, named for the Yavapai Native Americans ("Yavapai" means "The People of the Sun") is a land of extremes with a blend of the Old West and the contemporary. Yavapai County was among the original four counties created when Arizona was still a territory and the provisional seat of the Arizona territorial government was established in Yavapai County at Fort Whipple on January 22, 1864.



Yavapai County offers many local attractions ranging from natural to cultural to educational. Scenic pine forests provide year-round outdoor recreational opportunities. Museums, monuments, and rodeos reflect Arizona's tribal and territorial past. The county benefits from the presence of several higher education institutions including Embry Riddle Aeronautical University, Prescott College, and Yavapai College.

The District serves a diverse student population in a rural area covering approximately 8,123 square miles, which is larger than the states of Rhode Island, Delaware, and Connecticut, with the 2024 population (provided by the US Census Bureau) of 252,013 and a population density of 31 people per square mile.

Yavapai County is located in the west central portion of the state. Its boundaries include the incorporated cities and towns of Camp Verde, Chino Valley, Clarkdale,

Cottonwood, Dewey-Humboldt, Jerome, Prescott, Prescott Valley, and Sedona. The larger unincorporated areas of the county include the communities of Ash Fork, Bagdad, Black Canyon City, Congress, Crown King, Mayer, Paulden, Seligman, and Yarnell.

ECONOMIC OUTLOOK

Small business, light industry, service trades, ranching, mining, and tourism continue to form the foundation of Yavapai County's economy. Population growth in the County is expected to continue over the next decade, driven primarily by in-migration of retirees, while growth among the working-age population remains more limited.

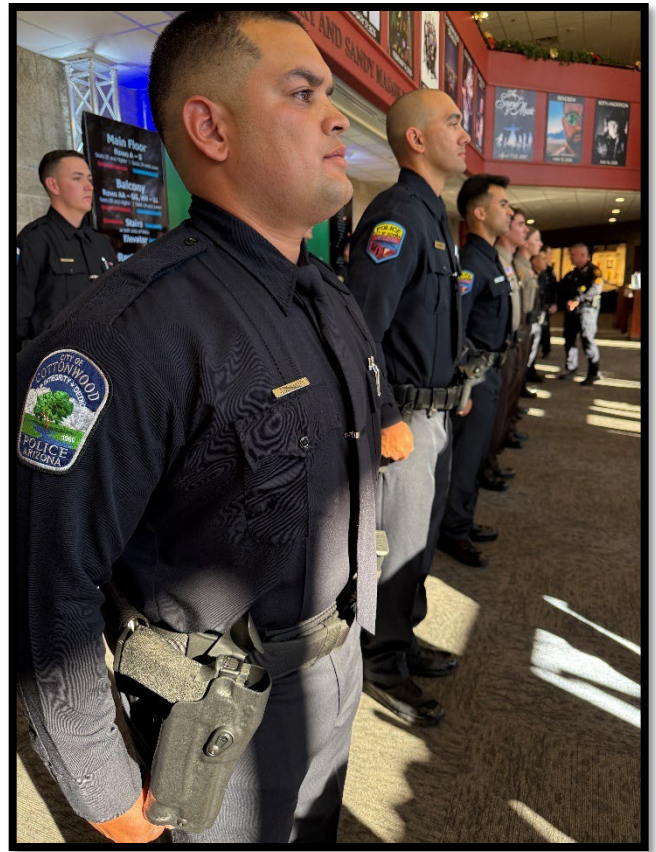
State revenues for the 2024-25 fiscal year finished modestly above budget assumptions, reflecting continued overall fiscal stability despite slower economic growth. Inflation has moderated from prior year highs, supported by the Federal Reserve's monetary policy actions, though interest rates remain elevated by historical standards. Arizona's labor market remains relatively tight, with low unemployment rates and steady wage growth, although the pace of job growth has slowed. These conditions continue to be offset by softer retail activity, housing affordability challenges, and broader economic uncertainty. Over the long term, Arizona's outlook remains favorable, with growth expected to normalize following a period of below-trend performance, influenced in part by demographic shifts associated with the aging population.

Yavapai County has generally experienced unemployment rates below the statewide average. Housing affordability remains the most significant challenge for employers seeking to attract and retain workers. Forecasts continue to project positive net migration into the County; however, most of this growth is expected to be driven by retirees rather than workforce-aged households.

Property taxes provide the majority of funding for the District and remain a stable revenue source due to the State's property tax formula. Absent a levy increase, taxing authorities are statutorily permitted to levy the same amount as the prior year. Increases in net assessed values result in lower levy rates, and vice versa.

Housing prices in both the County and the State remain elevated, largely due to ongoing supply constraints. Growth in total assessed values, which are subject to statutory limitations, is expected to increase modestly into the next fiscal year. The primary property tax levy is anticipated to increase moderately, primarily due to new construction.

The District's recurring operating funding from the State represented approximately 4% of total revenues for the fiscal year and continues to be subject to state budget conditions and policy decisions.



MAJOR PROGRAM INITIATIVES

Yavapai College has made strides during the past year in the areas of capital improvements, enrollment, and student achievement.

Capital Improvements/Planned Maintenance

In September 2022, working together with the architectural firm SmithGroup, the 2022-2030 Facilities Master Plan was completed. Extensive analyses, site visits, meetings with administrators, staff, and faculty, and open forums with the community were done to create this multi-year roadmap focused on identifying strategies to further YC's mission of transforming lives and communities through higher education. This plan is designed to serve as a living document that is adaptable to changes, allowing flexibility in its application as specific planning initiatives and goals evolve over time. The improvements will primarily be funded with revenue bonds and the District's Future Capital Projects Accumulation monies.

The District completed several capital projects during the fiscal year including the renovation of the library (Building M) into the Center of Learning and Innovation – Verde Valley, renovation of the Rock House including updated technology, and the build out of a new culinary lab in Building 4.

Work continued on the Center for Learning and Innovation on the Prescott campus as well as Prescott Pines. Both projects are expected to conclude in fiscal year 2026.



In fiscal year 2024-2025, the District worked on several large preventative maintenance projects including roof and HVAC replacements on several buildings on the Prescott campus, exterior sealing and painting, and fire suppression upgrades. These projects as well as many smaller projects were primarily funded with the District's Future Capital Projects Accumulation monies as well as the Series 2024 Revenue bond proceeds.

ENROLLMENT

Total enrollment for the fiscal year exceeded 12,265 students including both credit and non-credit classes. For-credit full-time student equivalents (FTSE) is projected to increase in fiscal year 25-26 partly due to the new optimized 92-credit Bachelor of Applied Science in Business degree as well as a 120-credit Bachelor of Science Degree in Computer Science. The District expects non-credit enrollments to continue to increase as more retirees relocate to Yavapai County. The District offers a broad array of community education programming through Community Education, College for Kids, Edventures, the Culinary School, and Osher Lifelong Learning Institute (OLLI).

STUDENT ACHIEVEMENT



Student accomplishments continue to be our most important gauge of success. Over 2,233 degrees and/or certificates were awarded to over 1,330 students. Throughout the course of the academic year, 101 students earned the Nursing - Associate of Applied Science degree, 86 students completed the Nursing Assistant certificate, 63 students completed the Emergency Medical Technician certificate, 61 students completed the Culinary Arts Fundamentals certificate, 56 students completed the Commercial Driving Technician certificate, 35 earned the Registered Nurse - Bachelor of Science in Nursing degree, and 28 students earned a Bachelor of Science in Business degree. Five students were named to the 2025 All-Arizona Academic Team. All-Arizona Academic Team members receive tuition waivers to an Arizona University of their choice, courtesy of the Arizona Board of Regents.

Student success and completion is at the forefront of everything that the District does. The District is actively adding both academic and behavioral practices to help students stay on track. This includes making it easier for students to find programs of interest to them, intensive advising, pathways to allow high achieving high school students to earn College credits

through Dual Enrollment, avenues that allow students to continue their academic journeys at universities, and resources that connect students directly to jobs. Supporting students through their journey is a continuous and evolving process.

STRATEGIC PLANNING

Guided by the District's mission, vision, and District Governing Board's goals, in creating the 2025-2027 strategic plan, the College used an evidence-based approach with extensive internal and external research and stakeholder feedback to inform our strategic goals and initiatives. The Strategic Planning Committee, comprised of employees from different departments and a current student, meet regularly to review existing goals and make recommendations for the future. The District adopted an integrated

rolling approach to its planning that allows the institution to be flexible and responsive to dynamic local, national, and global environments. The planning process involves continuous evaluation of the strategic priorities progress towards achieving the District's mission and goals. This approach will enable the District to respond to emerging opportunities and alert to uncertainty in our environment, need, and opportunities.

Strategic Goals

The **Belonging Goal** underscores the critical importance of meeting students' basic needs as a foundation for fostering community and inclusivity within the college learning environment. This focus extends to developing and supporting a culture where all employees, including faculty and staff, feel appreciated, engaged, inspired, and supported by their colleagues and the institution. Ultimately, the Belonging Goal is dedicated to building a supportive and inclusive environment that prioritizes the well-being and success of every community member.

The **Adult Learners Goal** aims to expand enrollment opportunities for non-traditional age learners, particularly those who have some college education but no degree. This goal recognizes the importance of providing educational opportunities for those who may have previously encountered barriers to higher education, or who are balancing school with other work/family obligations.

The **Living Wage Goal** aims to address the challenges of the changing economic landscape, emphasizing creating pathways to secure living-wage jobs. This initiative emphasizes aligning curriculum and programs to impart skills needed in a new economy characterized by growing artificial intelligence and automation.

The **Delivery Goal** aims to enhance the delivery of educational programs and increase student success by adopting best-in-class pedagogy and processes. It seeks to provide students with high-quality educational programs delivered in a manner that supports their success and promotes equitable access to higher education.

The **Foundational Capability Goal** focuses on sustaining Yavapai College's financial stability and operational strength to support its mission and strategic priorities.

Additionally, the College has several major concurrent planning initiatives, including Academic, Budget (Financial), Development (the Foundation), Facility Master Plan, Human Resources, Marketing & Recruitment, Retention, Economic Development, and Technology Plans.

Integrated planning ensures these plans are aligned. Moreover, integrated planning engages all sectors of the academy—academic affairs, student affairs, community relations, workforce innovation, and administrative services—to ensure we are all pulling in the same direction.



NEW PROGRAM INITIATIVES

In fiscal year 2025, the District received approval from its accrediting body, the Higher Learning Commission, for several new programs. The District is the first community college in the nation to be approved for 92-credit baccalaureate degree. The optimized Bachelor of Applied Science in Business degree (BASB) is designed to be completed within three years. The 120-credit Bachelor of Science in Computer Science was also approved. Both degrees opened to students in Fall, 2025.

In addition, the District was approved for several new certificates including the Bone Densitometry certificate, Limited X-Ray Transition certificate, and a revamped Certificate in Industrial Electronics. These new certificate programs will prepare students for various careers in these industries through a combination of lecture, group discussion and hands on skills-building experiences. Academic program reviews will be performed in all instructional degree and certificate programs.

The Higher Learning Commission also approved the District's request to offer a Pell-eligible prison education program (PEP) for the 120-credit hour Bachelor of Science in Business which would be offered online.

The District is well positioned to fill many of the educational and cultural needs of Yavapai County. An initiative is ongoing to review the relevancy and effectiveness of existing programs and to identify any new programs that may be beneficial to the residents of the county.



FINANCIAL INFORMATION

Effective management of the District's funds through strong internal controls, budgetary controls, cash management, and financial reporting fulfills the District's responsibilities for stewardship, safeguarding of assets, and accountability to resource providers.

Internal Controls

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

All internal control evaluations occur within the above framework. We believe that the District's internal controls adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions.

Budgetary Controls

The District maintains budgetary controls in the form of detailed budgets and budget transfer restrictions by fund, department and account. On a monthly basis the District presents various financial reports to the District Governing Board including a report of revenues, expenditures and budgets by fund, a narrative discussing budget deviations by fund, comparative year general fund expenditures by NACUBO natural expense categories, and a report comparing the current reserve levels to the District's required reserves. The objective of these budgetary controls is to ensure compliance with the annual budget and to fulfill the requirements of the District Governing Board's monitoring reports.



The District complies with state statutes requiring that a report of the District's adopted budget be published annually with the prescribed format as required by the State of Arizona, Arizona Auditor General. The State also requires community colleges to keep their inflation-adjusted costs per student at 1980 levels through an Expenditure Limitation. The District demonstrates compliance by issuance of an annual budgeted expenditure limitation report that is examined by the Arizona Auditor General.

Cash Management

The District is governed by the Arizona Revised Statutes relating to the overall investment of idle public funds. The fiduciary responsibility of such investments is entrusted to the District Governing Board and facilitated through the Chief Operating Officer.

The District invests idle funds in a prudent, conservative, and secure manner for the highest yield as prescribed by Arizona Revised Statutes. The principal investment vehicle used during the fiscal year has been the County Treasurer's investment pool which is both liquid and conservatively managed.

Stewardship

The District's stewardship responsibility includes supporting and enhancing the mission of the College, to ensure that the District fulfills its legal and financial obligations to internal and external stakeholders, to safeguard the District's financial, human, information and physical assets, and to create an atmosphere that encourages all members of the College community to contribute to overall excellence.

Key strategies to accomplish these obligations include:

- Creating a positive and healthy work environment that will foster creativity, teamwork, collaboration and productivity among members of the College community.
- Hiring and retaining qualified and productive employees.
- Leveraging the Procurement and Contract Services department to ensure fair and competitive prices, utilizing the most appropriate method to select the provider - including the use of strategic contracts, and ensuring the appropriate approval process is followed.
- Protecting, preserving and maintaining the physical assets for which the District is responsible in a manner that assures their continued existence in the best possible condition.
- Promoting the efficient utilization of space, classrooms, equipment, utilities and natural resources.
- Managing college data in accordance with state and federal laws and industry best practices while focusing on the principles of confidentiality, integrity, and availability.



Financial Reporting

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

The Notes to the Financial Statements are an integral part of this Annual Comprehensive Financial Report and should be read for a full understanding of the financial information presented within.



RISK MANAGEMENT

The District maintains a full complement of insurance coverage in accordance with Arizona Revised Statutes. Liability coverage is carried on a broad basis, including errors and omissions and “wrongful acts” coverage and is maintained with the policy limits in excess of \$50,000,000. Property coverage is maintained on a replacement value basis in accordance with an agreed upon schedule of values. Additional coverage includes auto fleet liability, crime and fidelity coverage, cyber liability, non-owned aircraft, boiler and machinery insurance, workers’ compensation, and student athlete and accident coverage.

District Finance, Facilities, Campus Safety, Human Resources and Information Technology Services are dedicated to the risk management function and actively work to avoid and mitigate risks through the implementation of health, safety, emergency management, information security, and loss procedures.

INDEPENDENT AUDIT

The District utilizes the audit services of CLA. Testing procedures determine whether the financial statements are free of material misstatement and ensure compliance with Arizona Revised Statutes that require an annual audit of the District's financial statements. CLA's Independent Auditors' Report is included in this document. For the fiscal year ended June 30, 2025, the District received an unmodified opinion.

GFOA AWARDS

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Yavapai County Community College District for its Annual Comprehensive financial report for the fiscal year ended June 30, 2024. This was the twenty-fourth consecutive year that the District has achieved this prestigious award. To be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized Annual Comprehensive Financial Report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current Annual Comprehensive Report continues to meet the Certificate of Achievement Program requirements, and we are submitting it to the GFOA to determine its eligibility for another certificate.

The GFOA has also given the District the Distinguished Budget Presentation Award for its annual budget for the fiscal year ended June 30, 2026. In order to receive this award, a government unit must publish a budget document that meets program criteria as a policy document, an operations guide, a financial plan, and as a communications device.

ACKNOWLEDGEMENTS

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

Respectfully submitted,

Clint Ewell
Chief Operating Officer

Wendy Swartz
Chief Business Officer / Controller





Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Yavapai County Community College District
Arizona**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2024

Christopher P. Morill

Executive Director/CEO

Principal Officers

YAVAPAI COUNTY COMMUNITY COLLEGE DISTRICT

As of June 30, 2025



District Governing Board

Picture left to right:

Mr. William Kiel, District 1

Ms. Deb McCasland, Chair, District 2

Mr. Toby Payne, District 3

Mr. Patrick Kuykendall, Secretary, District 4

Mr. Steve Bracety, District 5

President

Dr. Lisa Rhine

Administration

Dr. Doug Berry, Provost

Dr. Clint Ewell, Chief Operating Officer

Mr. Rodney Jenkins, Vice President of Community Relations and Student Development

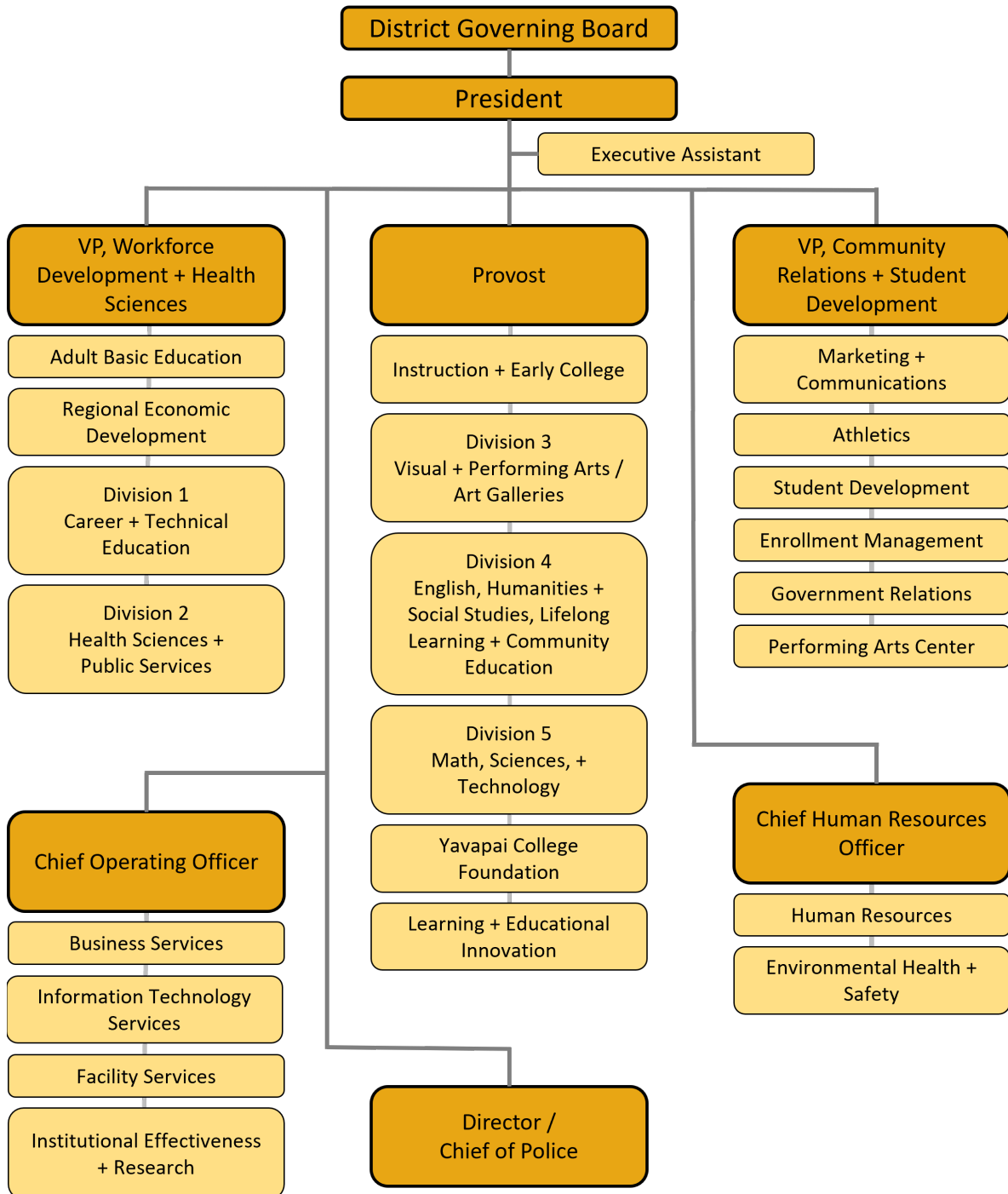
Dr. Marylou Mercado, Vice President, Workforce Development and Health Sciences

Dr. Janet Nix, Chief Human Resources Officer

Organizational Chart

YAVAPAI COUNTY COMMUNITY COLLEGE DISTRICT

As of June 30, 2025



Financial Section





INDEPENDENT AUDITORS' REPORT

The Arizona Auditor General and Governing Board of
Yavapai County Community College District
Prescott, Arizona

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the business-type activities and the discretely presented component unit of Yavapai County Community College District (the District), as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, based on our audit and the report of the other auditors, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities and the discretely presented component unit of the District, as of June 30, 2025, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

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

Basis for Opinions

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

Emphasis-of-Matter – Implementation of New Standard

As discussed in Note 2 to the financial statements, effective July 1, 2024, the District adopted new accounting guidance, Governmental Accounting Standards Board (GASB) Statement No. 101, *Compensated Absences*. This Statement updated the recognition, measurement and disclosure guidance for compensated absences. The implementation resulted in restatement of the District's previously reported net position, as described in Note 2. Our opinions are not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management discussion and analysis, schedule of the District's proportionate share of the net pension liability, and schedule of the District's pension contributions (required supplementary information) be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

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

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated March 12, 2026, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.



CliftonLarsonAllen LLP

Phoenix, Arizona
March 12, 2026

Management's Discussion + Analysis

March 12, 2026

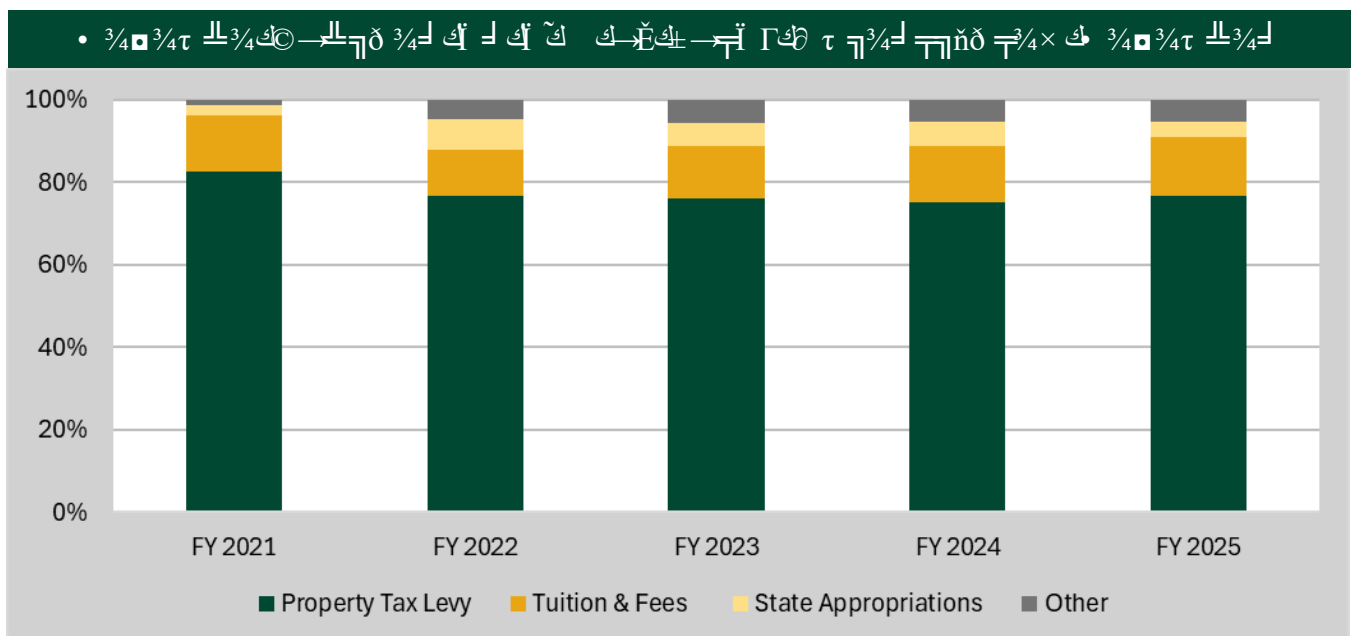
This section of the Yavapai County Community College District (the "District"), Annual Comprehensive Financial Report (ACFR) presents management's discussion and analysis of the District's financial performance during the fiscal year ended June 30, 2025. Comparative information from the previous fiscal year is provided in the condensed financial information to show the readers how the District's financial performance has changed and whether the District's health may have improved or deteriorated. Please read it in conjunction with the Chief Operating Officer's and Chief Business Officer's/Controller's letter of transmittal beginning on page 1 and the basic financial statements beginning on page 29.

The accompanying financial statements present the activities of the District and its component unit, the Yavapai College Foundation (Foundation). The Foundation is a legally separate, tax-exempt organization. Although the District does not control the timing or amount of receipts from the Foundation, the Foundation's restricted resources can only be used by, or for the benefit of, the District. Consequently, the Foundation is considered a component unit of the District and is discretely presented in the District's financial statements.

Financial Highlights

Consistent with its mission to provide effective learning environments, instruction is the primary function of the District.

Major funding sources supporting all functions include property taxes and tuition and fees. The District exercises primary and secondary tax levy authority for generation of funds for operating, capital equipment and improvements, and debt retirement purposes. For the fiscal year ended June 30, 2025, tuition & fees and property taxes made up a larger share of total unrestricted revenue compared to the prior fiscal year, while state appropriations and other revenue categories fell slightly.



	FY 2021		FY 2022		FY 2023		FY 2024		FY 2025	
dollars in thousands	Dollars	%	Dollars	%	Dollars	%	Dollars	%	Dollars	%
Other	\$ 826	1%	\$ 2,949	5%	\$ 3,646	\$ 0	\$ 3,886	5%	\$ 4,929	6%
State Appropriations	1,283	2%	4,877	8%	3,693	6%	4,094	6%	2,841	4%
Tuition & Fees	7,846	14%	7,223	11%	8,434	13%	9,899	14%	10,539	14%
Property Tax Levy	47,228	83%	49,035	76%	49,989	76%	53,685	75%	56,835	76%
Total	\$ 57,183	100%	\$ 64,084	100%	\$ 65,762	100%	\$ 71,564	100%	\$ 75,144	100%

The assets and deferred outflows of resources of the District exceeded its liabilities and deferred inflows at the close of the fiscal year by \$179,313,692.

The District's total net position increased from the prior year by \$2,116,664. A small part of this increase, \$189,342, was due to the implementation of GASB Statement No. 101, Compensated Absences, which is discussed later in this report. Net investment in capital assets, which is a total of capital assets less any related debt, increased by \$3,676,609 (2.2%). Restricted net position increased by \$300,065 (5.9%) and unrestricted net position decreased by \$1,860,010 (96.8%).

The condensed financial information that follows highlights the main categories of the Statement of Net Position and the Statement of Revenues, Expenses, and Changes in Net Position.



Overview of the Financial Statements

Condensed Statement of Net Position

The Statement of Net Position reflects the financial position of the District at June 30, 2025. It shows the various assets owned or controlled, deferred outflows of resources, related liabilities and other obligations, deferred inflows of resources, and the various categories of net position. Deferred outflows of resources represent a consumption of net assets that applies to future periods and so will not be recognized as outflows of resources (expense) until then. Deferred inflows of resources represent an acquisition of net assets that applies to future periods and so will not be recognized as inflows of resources (revenue) until that time.

Net position is an accounting concept defined as the difference between 'assets and deferred outflows of resources' and 'liabilities and deferred inflows of resources'. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

The condensed financial information that follows highlights the main categories of the Statement of Net Position. Assets are distinguished between capital and current or noncurrent assets. Liabilities are distinguished between long-term liabilities and other liabilities. Net position is divided into three categories reflecting the institutional equity in assets by broad characteristics. In addition to the District's capital assets, the District holds resources that have been restricted by external parties for specific programs or purposes. The remaining portion of net position is unrestricted and dedicated to the primary mission of the District.

Condensed Statement of Net Position		
	6/30/2025	6/30/2024
Assets:		
Current assets	\$ 48,882,370	\$ 42,894,163
Noncurrent assets, other than capital assets	5,072	4,295
Capital assets, net of depreciation and amortization	188,873,528	175,727,507
Total assets	\$ 237,760,970	\$ 218,625,965
Deferred Outflows of Resources	\$ 7,857,278	\$ 5,229,792
Liabilities:		
Other liabilities	8,149,650	6,715,012
Long-term liabilities	55,456,996	38,760,847
Total liabilities	\$ 63,606,646	\$ 45,475,859
Deferred Inflow of Resources	2,697,910	1,182,870
Net Position:		
Net investment in capital assets	173,827,357	170,150,748
Restricted net position	5,425,498	5,125,433
Unrestricted net position	60,837	1,920,847
Total net position	\$ 179,313,692	\$ 177,197,028

Current assets increased by \$5,988,207 which is primarily attributable to an increase in cash and cash equivalents of \$5,258,220 as well as an increase in government grants and contracts receivable of \$1,412,805. Cash and cash equivalents increased due to the Series 2024 Revenue Bond issuance as approximately \$6,300,000 of those funds remain to be spent. Government grants and contracts receivable saw an increase in amounts due to the District for Pell grants of \$925,681, Yavapai College Foundation scholarships of \$363,365, and the Arizona Department of Health Services Nurse Education Investment grant of \$278,469.

The increase in capital assets, not being depreciated or amortized, of \$12,499,742 was attributable to an increase in construction in progress for various capital projects including the Center for Learning and Innovation – Prescott, as well as the Prescott Pines and Chino Valley housing projects.

Deferred outflows and inflows of resources are comprised of activity relating to pensions and leases. Deferred outflows and inflows of resources relative to pensions are changes in the net pension liability that will be recognized as pension expense in future years and contributions after the measurement date that will reduce the net pension liability in future years. Variances in these lines will arise from year to year due to the performance of investments, contribution changes to ASRS plans, composition of employer participants, and several other actuarial assumptions. Regarding pensions for fiscal year 2025, deferred outflows increased by \$2,627,486 whereas deferred inflows increased by \$1,085,582. More information regarding pensions can be found in Note 9. The District also recognized a lease-like activity in fiscal year 2025 which resulted in a new deferred inflow of resources in the amount of \$429,458. Additional details related to leases can be found in Note 4.

Other current liabilities increased by \$2,203,725 driven by the increase of the current portion of compensated absences due to the implementation of GASB Statement No. 101 as well as an increase in construction related accounts payable and retainage payable.

The \$15,927,062 increase in long-term liabilities was primarily the result of the issuance of Series 2024 Revenue Bonds which had a balance of \$14,755,000 at June 30, 2025.

The District's net investment in capital assets increased by \$3,676,609 over the previous fiscal year. This increase is the result of construction in progress for Prescott Pines and the Center for Learning and Innovation – Prescott offset by the balance of the revenue bonds used for funding. Restricted net position increased by \$300,065 due to the Smart and Safe Arizona Fund shared revenues (Prop 207) that were not fully spent and that will be carried over to the next fiscal year. The decrease in unrestricted net position of \$1,860,010 is primarily attributed to the deferred outflows and inflows related to pensions. This amount is expected to rebound in future fiscal periods.

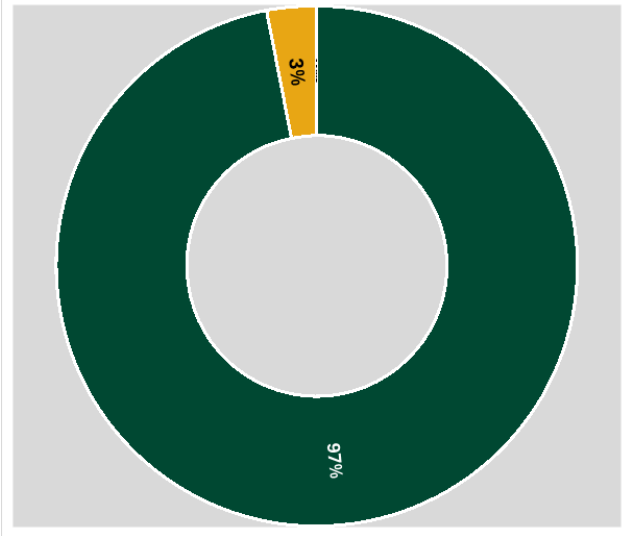


Net Position as of June 30, 2025

Net investment in capital assets	\$173,827,357	97%
Restricted net position	5,425,498	3%
Unrestricted net position	60,837	0%
Total Net Position	\$179,313,692	100%

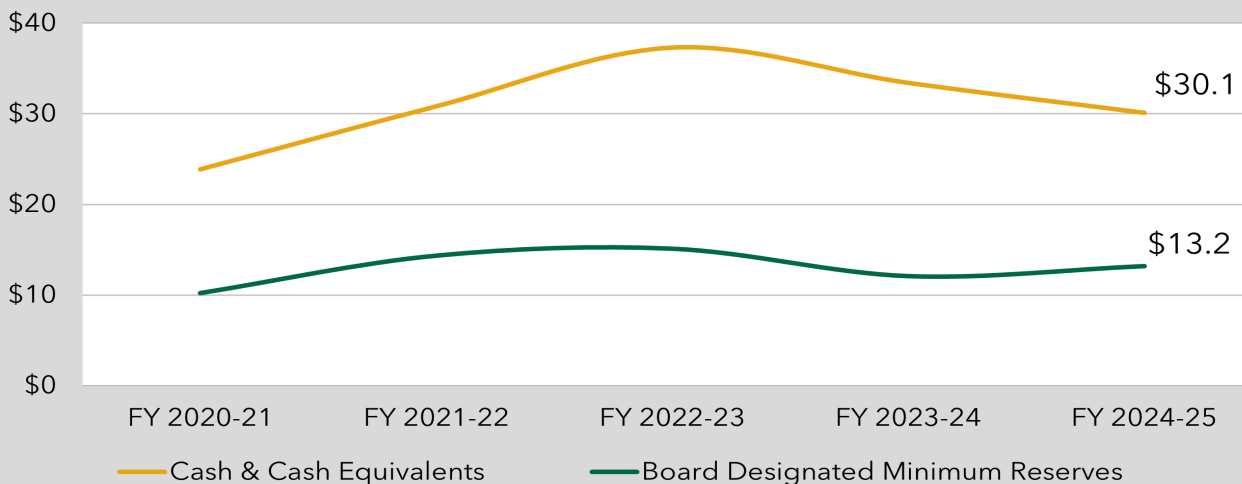
As noted earlier, net position reflects the financial position of the District. The largest portion of the District's net position reflects the investment in capital assets (e.g., land, buildings, improvements other than buildings, etc.), net of depreciation/amortization and less any related debt used to acquire those assets still outstanding. The District uses these assets to provide services to students; consequently, these assets are not available for future spending.

An additional portion of the District's net position represents resources that are subject to external restrictions on how they may be used. The remaining balance of net position, which is unrestricted, may be used to meet the District's ongoing mission to the public. Much of these monies are kept in reserve in accordance with the District Governing Board's minimum reserve requirements and amounts exceeding these requirements are primarily used to fund future year's capital projects.



As seen on the following chart, the District continues to maintain sufficient cash reserves and has adequate resources to meet all current obligations. It is anticipated that the District's total reserves will decrease over the next several years to accomplish the Facilities Master Plan.

Total Reserves (Operating and Plant) Fiscal Years 2021 through 2025



Statement of Revenues, Expenses, and Changes in Net Position

The Statement of Revenues, Expenses, and Changes in Net Position reflects the results of operations for the fiscal year ended June 30, 2025. It shows the various revenues and expenses, both operating and non-operating, reconciling the beginning net position amount to the ending net position amount as presented on the Statement of Net Position.

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

The following condensed financial information highlights the main categories of the Statement of Revenues, Expenses, and Changes in Net Position.

Condensed Statement of Revenues, Expenses, and Changes in Net Position		
	Year Ended	
	6/30/2025	6/30/2024
Revenues		
Operating:		
Tuition and fees, net of scholarship allowances	\$ 10,539,226	\$ 9,898,757
Other	4,929,044	3,885,672
Non-operating:		
Property taxes	56,835,030	53,684,811
Government grants	13,887,319	11,915,761
State aid	4,273,047	5,449,776
Smart and safe Arizona fund appropriations	2,654,257	2,456,945
Private grants and gifts	2,631,254	2,794,205
Investment earning	2,443,657	1,560,945
Gain on disposal of capital assets	-	-
Total Revenues	\$ 98,192,834	\$ 91,646,872
Expenses		
Operating:		
Education and general:		
Instruction	26,676,778	25,760,263
Public Services	4,063,781	3,965,066
Academic support	6,551,116	5,898,989
Student services	12,745,625	12,102,118
Institutional support	15,768,255	13,208,213
Operation and maintenance of plant	9,287,907	8,571,935
Scholarships	7,625,767	5,836,834
Auxiliary enterprises	4,485,809	3,404,927
Depreciation and amortization	8,731,692	8,326,242
Total operating expenses	\$ 95,936,730	\$ 87,074,587
Non-operating:		
Interest expense on debt	634,143	66,463
Loss of disposal of assets	58,977	567,611
Total expenses	\$ 96,629,850	\$ 87,708,661
Income before other revenues, expenses, gains, or losses	1,562,984	3,938,211
Capital grants and gifts	364,338	6,955
Increase in net position	\$ 1,927,322	\$ 3,945,166
Net position, beginning of year	\$ 177,197,028	\$ 173,251,862
Aggregate amount of adjustments to and restatements of beginning net position	189,342	
Net position, beginning of year, as restated	\$ 177,386,370	
Net position, end of year	\$ 179,313,692	\$ 177,197,028

Revenues are separated into two categories - operating and non-operating. For a description of the difference between operating and non-operating, please refer to the Summary of Significant Accounting Policies (Note 1).

The District shows an operating loss reflective of the fact that three of the four main revenue sources - property taxes, government grants and state aid - are considered non-operating revenues.

Overall, revenues increased from the previous fiscal year by \$6,545,962. Property taxes increased \$3,150,219 due to 3.4% levy increase as well as new commercial and residential construction. Tuition and fees increased \$640,469 due to a modest tuition rate increase and enrollment growth including the new bachelor programs. Government grant revenues increased \$1,971,558 due to higher PELL grant awards. The increase in PELL awards was related to expanding eligibility to short-term workforce training programs as well as enrollment growth experienced by the District. State aid, which includes the District's operating and rural appropriations, and a portion of state shared tax revenues, decreased by \$979,417 mostly due to a decrease in Rural Community College Aid of \$1,250,800 offset by increases in Prop 207 and Smart and Safe Arizona revenues. Lastly, investment earnings increased by \$882,712 due to favorable interest rates as well as additional interest earned on the Series 2024 Revenue Bonds unspent bond proceeds.

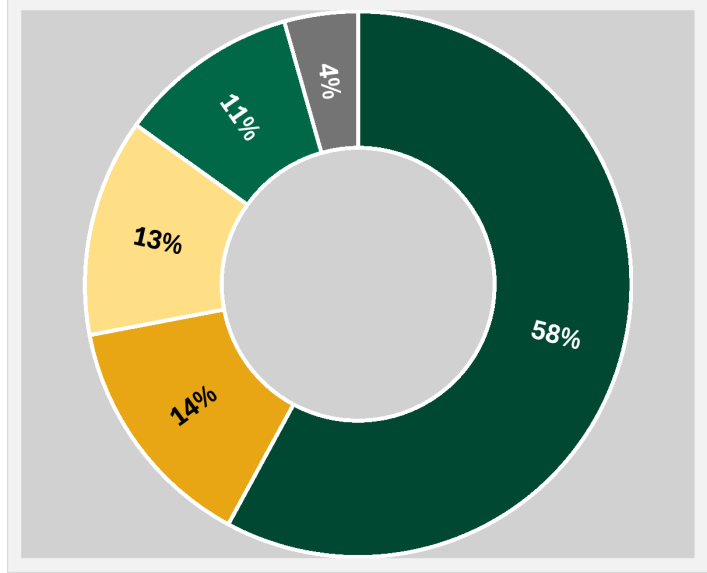
Depreciation/amortization expense is recorded in accordance with the adoption of the full accrual basis of accounting. The construction and acquisition of capital assets, although budgeted and tracked as an expenditure in the accounting system, is not reflected as an expense in these statements. Such transactions are reported as an asset with the systematic allocation of such costs expensed over the useful life of the asset constructed or acquired.

Overall, operating expenses increased \$8,862,143 from the previous fiscal year. Instruction increased \$916,515 due to employee raises, medical plan premium increases, additional faculty and adjunct pay due to enrollment growth. Public Service, Academic Support, Student Services and Institutional Support increased by \$3,954,391 due to employee raises, medical plan premium increases, several new positions and the general increased cost of non-personnel expenses. Scholarships increased by \$1,788,933 due to Pell Grants. Auxiliary Enterprises expenses increased \$1,080,882 in fiscal year 2025. The Eatery, the recently insourced cafeteria on the Prescott Campus, was in business for all of fiscal year 2025 which resulted in additional revenues and expenses.



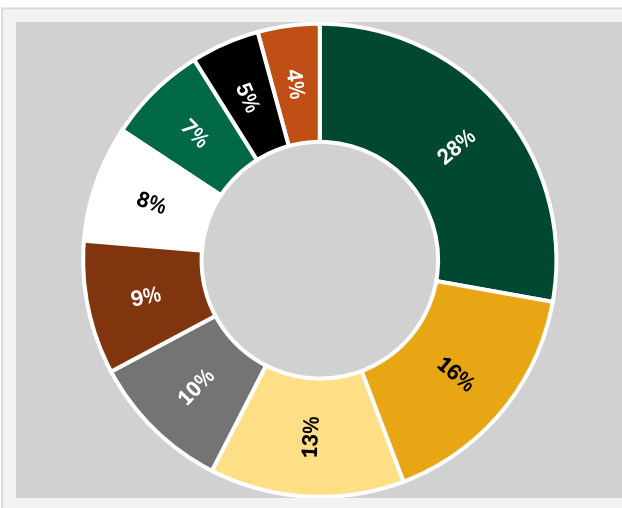
Revenues by Source | Fiscal Year 2025

Property tax	\$ 56,835,030	58%
Grants	13,887,319	14%
Other revenues	12,658,212	13%
Tuition and fees	10,539,226	11%
State aid	4,273,047	4%
Total	\$ 98,192,834	100%



Lastly, depreciation and amortization reflects the capital asset additions related to the District's long-range Capital Improvement Plan and its continued commitment to effective asset management with the goal of having well-maintained assets for the lowest total cost of ownership.

Expenses by Function | Fiscal Year 2025

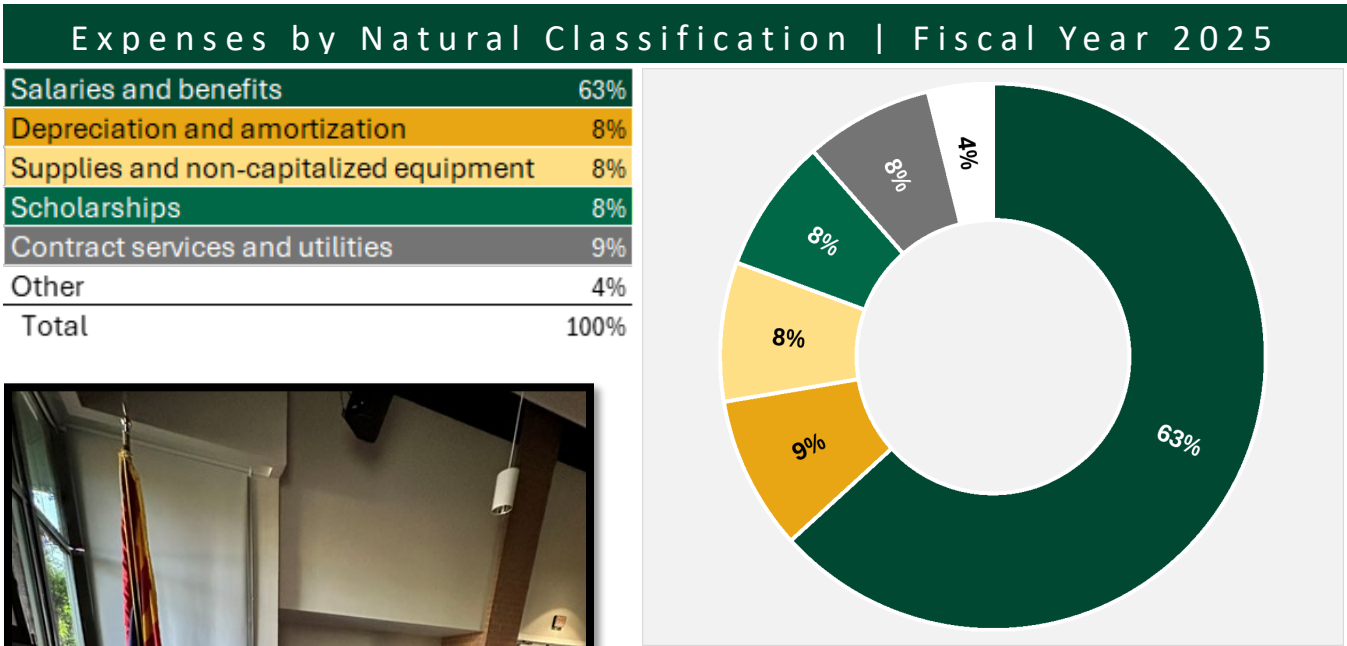


Instruction	\$ 26,676,778	28%
Public service	4,063,781	4%
Academic support	6,551,116	7%
Student services	12,745,625	13%
Institutional support	15,768,255	16%
Operation + maintenance of plant	9,287,907	10%
Scholarships	7,625,767	8%
Auxiliary enterprises	4,485,809	5%
Depreciation + amortization	8,731,692	9%
Total	\$ 95,936,730	100%



In addition to functional classification, a summary of the District’s operating expenses by natural classification for the years ended June 30, 2025, and 2024 follows:

Operating Expenses by Natural Classification			
	FY 2025	FY 2024	% Change
Salaries and benefits	\$60,691,801	\$56,302,924	8%
Supplies and non-capitalized equipment	7,915,486	7,141,881	11%
Contract services and utilities	7,277,003	6,262,426	16%
Scholarships	7,625,767	5,834,727	31%
Depreciation and amortization	8,731,692	8,326,242	5%
Other	3,694,981	3,206,387	15%
Total	\$ 95,936,730	\$ 87,074,587	10%



The Statement of Cash Flows reflects the cash inflows and outflows of cash and cash equivalents for the year ended June 30, 2025. It shows the various cash activities by type, reconciling the beginning cash and cash equivalents amount to the ending cash and cash equivalents amount – which is shown on the Statement of Net Position described above. In addition, this statement reconciles cash flows from operating activities to operating loss on the Statement of Revenues, Expenses, and Changes in Net Position described above. The District reclassified \$33,426,804 from cash and cash equivalents to investments in FY 2025 as the Yavapai County investment pool maturity length is greater than 3 months. However, these funds are highly liquid and available to the District normally within a 24-hour period.

That change is reflected on the Statement of Net Position as well as the Statement of Cash Flows.

Capital Assets and Debt Management

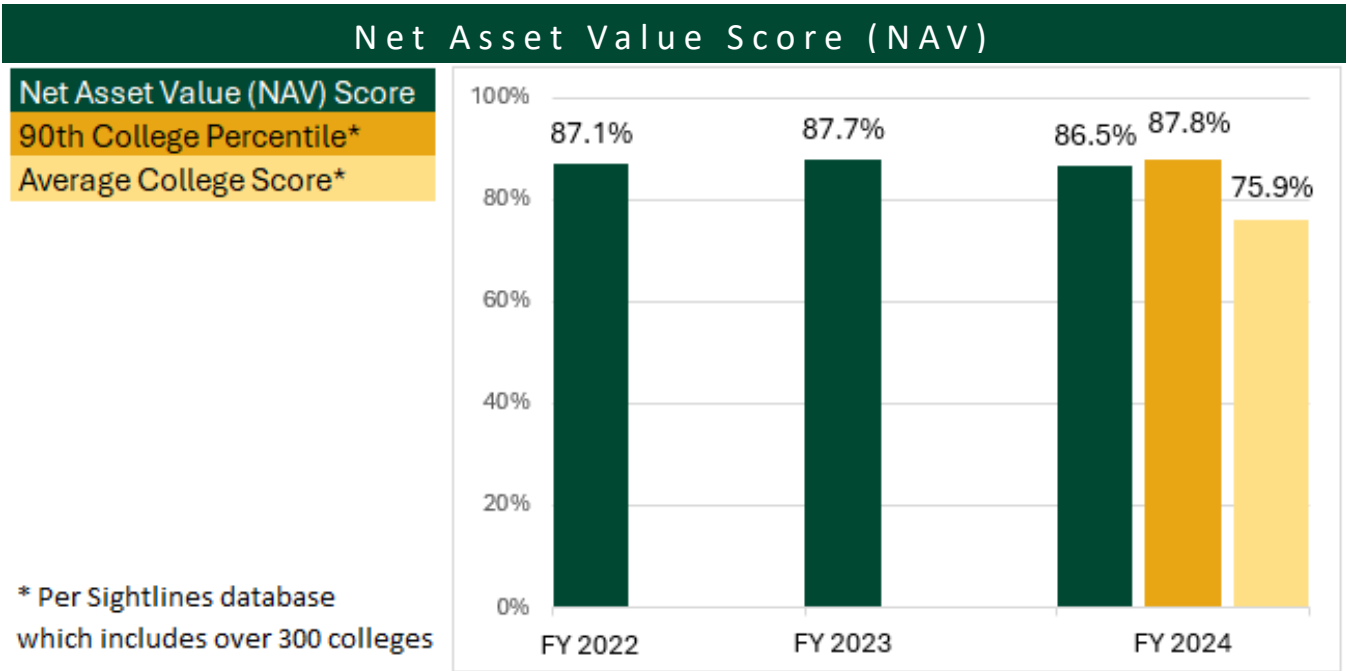
The District completed several capital projects during the fiscal year including the renovation of the library (Building M) into the Center of Learning and Innovation, renovation of the Rock House including updated technology, and a substantial revamp of the culinary lab in Building 4.

In addition, work got under way for the Chino Valley tiny homes sites, a new marquee at the entrance to the CTEC center, the Verde Valley’s water utility improvement, and installation of a sewer line at the Chino Valley campus.

Work also continued on the Center for Learning and Innovation on the Prescott campus as well as Prescott Pines. Both projects are expected to conclude in fiscal year 2026.

In fiscal year 2024-2025, the District worked on several large preventative maintenance projects including roof and HVAC replacements on several buildings on the Prescott campus, exterior sealing and painting, and fire suppression upgrades. These projects as well as many smaller projects were primarily funded with the District’s Future Capital Projects Accumulation monies as well as the Series 2024 Revenue bond proceeds.

The District adheres to the philosophy that preventative maintenance will extend the useful life of the assets and lower the Total Costs of Ownership. Presented below is the Net Asset Value (NAV) index score for the District, provided by Sightlines, a third-party facilities benchmarking professional services firm. The NAV score represents the condition of the District’s buildings. The higher the score, the better condition of the buildings.



The District re-invests in equipment to ensure employees have the tools needed to remain productive and students gain marketable skills relevant to the modern workforce. Equipment, along with all other capital assets (except land and construction in progress), is reported net of accumulated depreciation/amortization in accordance with the reporting standards issued by GASB. This has the effect of reducing the book value of capital assets. Depreciation and amortization totaled \$8,731,692 for the year and is shown as an operating expense on the Statement of Revenues, Expenses, and Changes in Net Position. Additional information on the District’s capital assets can be found in Note 5 to the basic financial statements.

During fiscal year 2024-25, the District paid off the Series 2021 Revenue Bonds. It also issued \$15,170,000 of revenue bonds intended to support capital projects such as the Center for Learning and Innovation – Prescott and an enterprise system upgrade. Long-term debt outstanding at June 30, 2025, is as follows:

Description	Original Amount Issued	Maturity Ranges	Interest Rates	Outstanding Principal
Series 2013	\$5,000,000	7/1/25- 7/1/28	2.45%	\$1,155,000
Series 2024	15,170,000	7/1/25- 7/1/44	4.00 - 5.00%	14,755,000

Additional information on the District’s outstanding debt can be found in Note 7 to the basic financial statements.

Request for Information

This discussion and analysis is designed to provide a general overview of the finances for the District to all those with an interest in such matters. Questions concerning any of the information provided in this Annual Comprehensive Financial Report or requests for additional financial information should be addressed to Business Services, Yavapai College, 1100 East Sheldon Street, Prescott, AZ 86301.



YAVAPAI COMMUNITY COLLEGE DISTRICT
(YAVAPAI COLLEGE)
Statement of Net Position – Primary Government
June 30, 2025

	Business Type Activities
ASSETS:	
Current assets:	
Cash and cash equivalents	\$ 8,193,619
Investments	33,426,804
Receivables (net of allowances for uncollectibles)	
Accounts	637,090
Property taxes (net of allowances for uncollectibles)	1,074,433
Government grants and contracts	2,768,321
Other	1,488,719
Prepaid expenses	915,221
Other	378,163
Total current assets	48,882,370
Noncurrent assets:	
Restricted assets:	
Property taxes receivable (net of allowances for uncollectibles)	3,213
Other receivables	1,859
Capital assets, not being depreciated/amortized	28,428,426
Capital assets, being depreciated/amortized, net	160,445,102
Total noncurrent assets	188,878,600
Total assets	237,760,970
Deferred Outflows of Resources	
Deferred outflows related to pensions	7,857,278
Total deferred outflows of resources	7,857,278
LIABILITIES:	
Current liabilities:	
Accounts payable	4,419,061
Retainage payable	403,595
Accrued payroll and employee benefits	1,780,055
Deposits held in custody for others	43,659
Unearned revenues	1,491,012
Dormitory and other deposits	12,268
Current portion of compensated absences payable	1,436,251
Current portion of subscription liability	185,629
Current portion of long-term debt	916,534
Current portion of other long-term liabilities	26,432
Total current liabilities	10,714,496
Noncurrent liabilities:	
Compensated absences payable	1,038,859
Subscription Liability	142,211
Long-term debt	16,067,607
Net pension liability	35,521,742
Other	121,731
Total noncurrent liabilities	52,892,150
Total liabilities	63,606,646
Deferred Inflows of Resources	
Deferred inflows related to pensions	2,268,452
Deferred inflows related to leases	429,458
Total deferred inflows of resources	2,697,910
NET POSITION:	
Net investment in capital assets	173,827,357
Restricted:	
Nonexpendable:	
Employee loans	100,000
Expendable:	
Grants and contracts	5,321,460
Debt service	4,038
Unrestricted	60,837
Total net position	\$ 179,313,692

See accompanying notes to financial statements

YAVAPAI COMMUNITY COLLEGE DISTRICT
(YAVAPAI COLLEGE)
Statement of Financial Position – Component Unit
June 30, 2025

	Yavapai College Foundation
ASSETS:	
Current assets:	
Cash and cash equivalents	\$ 810,707
Restricted cash	364,349
Promises to give, current portion	152,801
Accounts receivable	932
Prepaid expenses	49,444
Total current assets	1,378,233
Promises to give, net of current portion	268,931
Investments:	
Endowments	25,086,900
Other	4,855,743
Total other long-term assets	29,942,643
Property and equipment, net	9,058
Beneficial interest in perpetual trust	532,128
Total assets	\$ 32,130,993
LIABILITIES and NET ASSETS:	
Current liabilities:	
Accounts payable	\$ 12,395
Due to Yavapai College	1,420,983
Scholarships payable	919,475
Deferred revenue	541,622
Total current liabilities	2,894,475
Net assets:	
Without donor restrictions:	
Undesignated	305,321
Board designated	1,546,437
Total without donor restrictions	1,851,758
With donor restrictions	27,384,760
Total net assets	29,236,518
Total liabilities net assets	\$ 32,130,993

See accompanying notes to financial statements

YAVAPAI COMMUNITY COLLEGE DISTRICT
(YAVAPAI COLLEGE)

Statement of Revenues, Expenses, and Changes in Net Position – Primary Government
For the Fiscal Year Ended June 30, 2025

	Business Type Activities
Operating revenues:	
Tuition and fees (net of scholarship allowances of \$4,000,403)	\$ 10,539,226
Bookstore income	16,454
Dormitory rentals (net of scholarship allowances of \$427,100)	1,073,914
Other	3,838,676
Total operating revenues	15,468,270
Operating expenses:	
Educational and general:	
Instruction	26,676,778
Public service	4,063,781
Academic support	6,551,116
Student services	12,745,625
Institutional support	15,768,255
Operation and maintenance of plant	9,287,907
Scholarships	7,625,767
Auxiliary enterprises	4,485,809
Depreciation and amortization	8,731,692
Total operating expenses	95,936,730
Operating loss	(80,468,460)
Nonoperating revenues (expenses):	
Property taxes	56,835,030
State appropriations	2,841,500
Government grants	13,887,319
Share of state sales taxes	1,431,547
Smart and safe Arizona fund appropriations	2,654,257
Private grants and gifts	2,631,254
Investment earnings	2,443,657
Interest expense on debt	(634,143)
Net Loss on disposal of capital assets	(58,977)
Total nonoperating revenues (expenses)	82,031,444
Income before other revenues, expenses, gains or losses	1,562,984
Capital grants and gifts	364,338
Increase in net position	1,927,322
Net position, beginning of year	177,197,028
Aggregate amount of adjustments to and restatements of beginning net position	189,342
Net position, beginning of year, as restated	177,386,370
Net position, end of year	\$ 179,313,692

See accompanying notes to financial statements

YAVAPAI COMMUNITY COLLEGE DISTRICT
(YAVAPAI COLLEGE)
Statement of Activities – Component Unit
For the Fiscal Year Ended June 30, 2025

	Without Donor Restrictions	With Donor Restrictions	Yavapai College Foundation
Revenue and other support:			
Contributions, memberships and grants	\$ 138,594	\$ 1,628,497	\$ 1,767,091
Noncash contributions	116,248	-	116,248
Program service income	112,700	7,837	120,537
JLLPAC events	789,407	-	789,407
Investment return	453,546	3,003,203	3,456,749
Change in fair value of perpetual trust	-	35,893	35,893
Other income	312	-	312
Net assets released from purpose restrictions	2,328,686	(2,328,686)	-
	3,939,493	2,346,744	6,286,237
Special events:			
Revenues from special event	45,300	-	45,300
Costs of direct donor benefits	(41,437)	-	(41,437)
Gross profit on special events	3,863	-	3,863
Total revenue and other support	3,943,356	2,346,744	6,290,100
Operating expenses:			
Program expenses:			
Grants and scholarships	851,354	-	851,354
JLLPAC events	759,545	-	759,545
Osher Endowment for Osher Lifelong Learning Institute	114,657	-	114,657
Foundation auxiliaries	83,118	-	83,118
Other programs	1,553,354	-	1,553,354
Total program expenses	3,362,028	-	3,362,028
Supporting expenses:			
Administration	376,535	-	376,535
Fundraising	146,659	-	146,659
Total supporting expenses	523,194	-	523,194
Total operating expenses	3,885,222	-	3,885,222
Change in net assets	58,134	2,346,744	2,404,878
Net assets, beginning of year	1,793,624	25,038,016	26,831,640
Net assets, end of year	\$ 1,851,758	\$ 27,384,760	\$ 29,236,518

See accompanying notes to financial statements

YAVAPAI COMMUNITY COLLEGE DISTRICT
(YAVAPAI COLLEGE)
Statement of Cash Flows – Primary Government
For the Fiscal Year Ended June 30, 2025

	Business Type Activities
CASH FLOWS FROM OPERATING ACTIVITIES:	
Tuition and fees	10,493,518
Bookstore receipts	20,917
Food service income	1,189,688
Dormitory rentals	1,051,514
Other revenues	2,847,206
Payments to suppliers and providers of goods and services	(18,842,798)
Payments for employee wages and benefits	(59,494,315)
Scholarship payments to students	(7,625,767)
Deposits held in custody for others received	1,353,729
Deposits held in custody for others disbursed	(1,320,367)
Net cash used for operating activities	(70,326,675)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:	
Property taxes	56,607,466
Grants	12,864,438
State and smart & safe of Arizona fund appropriations	5,495,757
Share of state sales taxes	1,431,547
Private gifts	2,280,458
Federal direct lending receipts	2,425,388
Federal direct lending disbursements	(2,413,821)
Net cash provided by non-capital financing activities	78,691,233
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:	
Proceeds from the issuance of capital debt	15,170,000
Premium from the issuance of capital debt	1,130,674
Capital grants and gifts	238,999
Proceeds from sale of capital assets	627
Principal paid on capital debt	(1,620,000)
Subscription payments	(217,166)
Interest paid on capital debt	(690,677)
Purchases of capital assets	(20,812,315)
Net cash used for capital and related financing activities	(6,799,858)
CASH FLOWS FROM INVESTING ACTIVITIES:	
Interest received on investments	2,437,666
Sale of investments	1,255,854
Net cash provided by investing activities	3,693,520
Net increase in cash and cash equivalents	5,258,220
Cash and cash equivalents, beginning of year (Note 2)	2,935,399
Cash and cash equivalents, end of year	8,193,619
	(continued)

See accompanying notes to financial statements

YAVAPAI COMMUNITY COLLEGE DISTRICT
(YAVAPAI COLLEGE)
Statement of Cash Flows – Primary Government
For the Fiscal Year Ended June 30, 2025
(Continued)

Reconciliation of operating loss to net cash used for operating activities:	Business Type Activities
Operating loss	\$ (80,468,460)
Adjustments to reconcile operating loss to net cash used for operating activities:	
Depreciation and amortization	8,731,692
Provision for uncollectible accounts	194,800
Changes in assets, deferred outflows of resources, liabilities and deferred inflows of resources:	
Increase in deferred outflows of resources related to pensions	(2,627,486)
Increase in accounts receivables	(477,780)
Increase in other assets	(48,459)
Increase in net pension liability	2,089,259
Increase in deferred inflows of resources related to pensions	1,085,582
Increase in deferred inflows of resources related to leases	429,458
Increase in unearned revenues	237,271
Increase in accrued payroll and employee benefits	206,174
Increase in compensated absences	198,998
Increase in deposits held in custody for others	51,299
Increase in other liabilities	917
Decrease in prepaid expenses	207,037
Decrease in other receivables	29,633
Decrease in accounts payable	(143,238)
Decrease in dormitory & other deposits	(23,372)
Net cash used for operating activities	<u>\$ (70,326,675)</u>

Noncash investing, capital, and noncapital financing activities:

The District recorded the receipt of gifts of depreciable assets of \$51,182.

The District acquired capital asset additions via accounts payable and retainage payable
in the amount of \$3,745,574.

See accompanying notes to financial statements

YAVAPAI COMMUNITY COLLEGE DISTRICT
(YAVAPAI COLLEGE)
Notes to the Financial Statements
June 30, 2025

Note 1—Summary of Significant Accounting Policies

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

For the year ended June 30, 2025, the District implemented the provisions of GASB Statement No. 101—Compensated Absences. The impact of GASB Statement No. 101—Compensated Absences is described in Note 2.

A. Reporting Entity

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

The Yavapai College Foundation (the Foundation) is a legally separate, tax-exempt organization, formed in the State of Arizona in 1971. The Board of Directors for the Foundation is elected from the general membership at the annual meeting. The term of office for each board member is three years with overlapping terms. The Foundation acts primarily as a fund-raising organization that receives gifts and bequests, administers those resources, and disburses payments to or on behalf of the District for scholarships and capital contributions. Beginning in November 2006, the Foundation also began receiving revenue from and making specified payments for the District's Community Events Program which provides a variety of theatrical and musical productions for the community. Although the District does not control the timing or amount of receipts from the Foundation, the Foundation's restricted resources can be used only by, or for the benefit of, the District or its constituents. Consequently, the Foundation is considered a component unit of the District and is discretely presented in the District's financial statements.

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

During the year ended June 30, 2025, the Foundation gifted property and distributed funds in the amount of \$1,929,191 to or on behalf of the District for both restricted and unrestricted purposes. Complete financial statements for the Foundation can be obtained from the Yavapai College Foundation, 1100 East Sheldon Street, Prescott, Arizona 86301.

YAVAPAI COMMUNITY COLLEGE DISTRICT
(YAVAPAI COLLEGE)
Notes to the Financial Statements
June 30, 2025

Note 1—Summary of Significant Accounting Policies (continued)

B. Basis of Presentation and Accounting

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

A statement of net position provides information about the District's assets, deferred outflows of resources, liabilities, deferred inflows of resources, and net position at the end of the year. Assets and liabilities are classified as either current or noncurrent. Net position is classified according to external donor restrictions or availability of assets to satisfy the District's obligations. Net investment in capital assets represents the value of capital assets, net of accumulated depreciation/amortization, less any outstanding debt incurred to acquire or construct the assets. Nonexpendable restricted net position consists of District monies restricted for the purpose of funding the employee tuition and computer loan programs, the corpus of which cannot be expended. Expendable restricted net position represents grants, contracts, gifts, and other resources that have been externally restricted for specific purposes. Unrestricted net position consists of all other resources, including those that have been designated by management to be used for other than general operating purposes.

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

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

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

When both restricted and unrestricted resources are available for use, it is the District's policy to use restricted resources first, then unrestricted resources as they are needed.

YAVAPAI COMMUNITY COLLEGE DISTRICT
(YAVAPAI COLLEGE)
Notes to the Financial Statements
June 30, 2025

Note 1—Summary of Significant Accounting Policies (continued)

C. Cash and Investments

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

D. Capital Assets

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

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

	Capitalization Threshold	Depreciation / Amortization Method	Estimated Useful Life
Land	\$5,000	None	N/A
Buildings	5,000	Straight line	40 years
Improvements other than buildings	5,000	Straight line	15 years
Equipment	5,000	Straight line	5 years
Intangibles		Straight line	
Right-to-use subscription assets	75,000	Straight line	Varies*
Other	75,000	Straight line	30 years
Library books	1	Straight line	10 years

* Intangible right-to-use subscription assets are amortized over the shorter of the subscription term or the useful life of the underlying IT assets.

E. Postemployment Benefits

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

F. Investment Earnings

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

YAVAPAI COMMUNITY COLLEGE DISTRICT
(YAVAPAI COLLEGE)
Notes to the Financial Statements
June 30, 2025

Note 1—Summary of Significant Accounting Policies (continued)

G. Scholarship Allowances

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

H. Compensated Absences

The District offers compensated absences for various reasons including vacation, sick, holidays, bereavement leave, parental leave, and similar short-term leave categories. Using historical data, management evaluates compensated absence balances utilizing a calculated average to determine which leave types meet the recognition criteria under GASB Statement No. 101. Only vacation and sick leave are determined to be material.

Employees may accumulate up to twice their annual entitlement amount of vacation. The payroll system stops accruing vacation hours once an employee reaches their limit. Annual leave balances remaining when employees separate from service are paid and therefore are accrued as a liability in the financial statements.

Employees may accumulate sick leave hours based upon employee class. Unused sick leave will carry over from year to year. Generally, sick leave benefits provide for ordinary sick pay and are cumulative, but employees forfeit them upon terminating employment. Sick leave benefits for services already rendered that are more likely than not to be paid through cash payments or noncash settlements are accrued in the financial statements. Further, for employees who have at least 15 years of service with the District and are eligible for retirement under the standards set by the Arizona State Retirement System, sick leave benefits do vest, and they may receive payment for up to 70 days of accumulated sick leave at \$60 a day. Accordingly, these benefits are also accrued as a liability in the financial statements.

I. Leases and Subscription-based Information Technology Arrangements

Leases

As lessor, the District recognizes lease receivables with an initial, individual value of \$75,000 or more. The District uses its estimated incremental borrowing rate to measure lease liabilities unless it can readily determine the interest rate implicit in the arrangement. The District uses professional judgement to determine its estimated incremental borrowing rate, which is predominately based upon current market rates for similar rated bonds and maturities and the District's most recent debt issuance.

Subscription-based information technology arrangements

The District recognizes subscription liabilities with an initial, individual value of \$75,000 or more. The District uses its estimated incremental borrowing rate to measure subscription liabilities unless it can readily determine the interest rate implicit in the arrangement. The District uses professional judgement to determine its estimated incremental borrowing rate, which is predominately based upon current market rates for similar rated bonds and maturities and the District's most recent debt issuance.

YAVAPAI COMMUNITY COLLEGE DISTRICT
(YAVAPAI COLLEGE)
Notes to the Financial Statements
June 30, 2025

Note 2—Accounting Changes and Error Corrections

Accounting Change — For the year ended June 30, 2025, the District has implemented the provisions of GASB Statement No. 101, Compensated Absences. This standard establishes standards of accounting and financial reporting for compensated absences and associated salary-related payments. A compensated absence is leave for which employees may receive one or more (a) cash payments when the leave is used for time off; (b) other cash payments, such as payment for unused leave upon termination of employment; or (c) noncash settlements, such as conversion to defined benefit postemployment benefits. The payment or settlement could occur during employment or upon termination of employment. The statement requires recognition of liabilities for compensated absences in the financial statements for leave that has not been used and for leave that has been used but not yet paid or settled as of the date of the financial statements. A liability should be recognized for leave that has not been used if the leave is attributable to services already rendered, the leave accumulates, and the leave is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means.

Affected financial statement line items are as follows:

- Current portion of compensated absences payable - ending balance reflects new recognition requirements under GASB No. 101
- Noncurrent portion of compensated absences payable - ending balance reflects new recognition requirements under GASB No. 101
- Net position, beginning of year – restated as described below

The District applied these changes retroactively by restating beginning net position for the cumulative effect of the change on prior periods. Net position as of July 1, 2024, has been restated as follows:

Net position, beginning of year	\$177,197,028
Change in accounting principle – implementation of GASB No. 101	189,342
Net position, beginning of year, as restated	<u>\$177,386,370</u>

Correction of an error — During the current fiscal year, the College identified an error in the prior year financial statements related to the classification of cash and cash equivalents and investments. Certain investments with original maturities greater than 90 days were incorrectly included in cash and cash equivalents rather than reported as investments.

In accordance with GASB Statement No. 100, *Accounting Changes and Error Corrections*, the error has been corrected by reclassifying the applicable balances from cash and cash equivalents to investments. As a result of this correction, cash and cash equivalents decreased by \$34,682,659 and investments increased by the same amount as of June 30, 2024. This correction affected the presentation of the statement of net position and the statement of cash flows, including the beginning and ending cash and cash equivalents balances and related cash flow line items. The correction did not affect total net position or the change in net position.

YAVAPAI COMMUNITY COLLEGE DISTRICT
(YAVAPAI COLLEGE)
Notes to the Financial Statements
June 30, 2025

Note 3—Cash and Investments

Arizona Revised Statutes (A.R.S.) requires the District to deposit special tax levies for the District’s maintenance or capital outlay with the County Treasurer. A.R.S. does not require the District to deposit other public monies in its custody with the County Treasurer; however, the District must act as a prudent person dealing with another’s property when making investment decisions about those monies. A.R.S. requires collateral for deposits at 102 percent of all deposits not covered by federal depository insurance. A.R.S. does not include any requirements for credit risk, concentration of credit risk, interest rate risk, or foreign currency risk for the District’s cash and cash equivalents.

The District’s cash and cash equivalents include cash on hand, demand deposits with financial institutions and short-term investments with original maturities of three months or less from the date of acquisition.

At June 30, 2025, the bank balance and carrying amount of the District’s deposits were as follows:

	Bank Balance	Carrying Value
Cash and Cash Equivalents		
Cash on Hand	\$ -	\$ 8,400
Cash in Bank	6,407,266	5,143,372
Government Money Market Fund	<u>3,041,847</u>	<u>3,041,847</u>
Total Cash and Cash Equivalents	9,449,113	8,193,619
Investments		
County Treasurer Investment Pool	<u>33,426,804</u>	<u>33,426,804</u>
Total Cash and Investments	<u>\$ 42,875,917</u>	<u>\$ 41,620,423</u>

At June 30, 2025, the District has short-term investments measured within the fair value level 1 hierarchy established by generally accepted accounting principles. The District’s investments categorized as Level 1 are valued using prices quoted in active markets for those investments as following:

Fair value investments – Level 1	
Government Money Market Fund	<u>\$3,041,847</u>
Total investments measured at fair value	<u>\$3,041,847</u>

The District’s investment in the County Treasurer’s pool is valued using the District’s proportionate participation in the pool because the pool’s structure does not provide for shares. No oversight is provided for the County Treasurer’s investment pool.

Custodial credit risk – For an investment, custodial credit risk is the risk that, in the event of the counterparty’s failure, the District will not be able to recover the value of its investments or collateral securities that are in an outside party’s possession. The District does not have a formal policy with respect to custodial credit risk. The \$3,041,847 of Government Money Market Funds were not registered in the District’s name and held by the counterparty trustee.

YAVAPAI COMMUNITY COLLEGE DISTRICT
(YAVAPAI COLLEGE)
Notes to the Financial Statements
June 30, 2025

Note 3—Cash and Investments (continued)

Credit risk – The District does not have a formal policy with respect to credit risk. At June 30, 2025, credit risk for the District’s investments was as follows:

Investment Type	Rating	Rating Agency	Amount
County Treasurer’s Investment Pool	Unrated	Not applicable	\$33,426,804
Government Money Market Fund	AAAm	S&P	<u>3,041,847</u>
Total			<u>\$36,468,651</u>

Interest rate risk – The District does not have a formal policy with respect to interest rate risk. At June 30, 2025, the District had the following investments in debt securities:

Investment Type	Amount	Weighted Average Maturity (Months)
County Treasurer’s investment pool	\$33,426,804	9.68
Government Money Market Fund	<u>3,041,847</u>	1.5
Total	<u>\$36,468,651</u>	



YAVAPAI COMMUNITY COLLEGE DISTRICT
(YAVAPAI COLLEGE)
Notes to the Financial Statements
June 30, 2025

Note 4—Receivables

A summary of receivables and the related allowances for uncollectible accounts follows:

Account Name	Gross Receivable	Allowance for Uncollectibles	Net Receivable
Accounts – current	\$ 1,808,503	\$ (1,171,413)	\$ 637,090
Government grants and contracts – current	2,768,321	-	2,768,321
Other	1,488,719	-	1,488,719
Property taxes			
Current	1,169,910	(95,477)	1,074,433
Noncurrent	13,632	(10,419)	3,213

Property Taxes Receivable - The Yavapai County Treasurer is responsible for collecting property taxes for all governmental entities within the County. In August of each year, the County levies the property taxes due to the District. Two equal installments, payable in October and March, become delinquent after the first business day in November and May. A lien assessed against real and personal property attaches on the first day of January preceding the assessment and levy. Delinquent taxes are subject to a penalty of 16% per annum.

Lease Agreement (Lessor) – The District, acting as lessor, leases building space under a long-term, non-cancelable lease agreement. The lease expires on April 26, 2029. During the year ended June 30, 2025, the District recognized lease revenue and interest revenue of \$48,621 and \$7,395, respectively.

YAVAPAI COMMUNITY COLLEGE DISTRICT
(YAVAPAI COLLEGE)
Notes to the Financial Statements
June 30, 2025

Note 5—Capital Assets

Capital asset activity for the year ended June 30, 2025, was as follows:

	Balance July 1, 2024	Increases	Decreases	Reclassification	Balance June 30, 2025
Capital assets not being depreciated/amortized:					
Land	\$ 8,030,150	\$ -	\$ -	\$ -	\$ 8,030,150
Construction in progress	<u>7,898,534</u>	<u>18,746,085</u>	<u>-</u>	<u>(6,246,343)</u>	<u>20,398,276</u>
Total capital assets not being depreciated/amortized	<u>15,928,684</u>	<u>18,746,085</u>	<u>-</u>	<u>(6,246,343)</u>	<u>28,428,426</u>
Capital assets being depreciated/amortized:					
Buildings	219,271,137	691,997	-	6,246,343	226,209,477
Improvements other than buildings	33,581,265	155,793	-	-	33,737,058
Equipment	22,682,303	2,338,462	1,777,719	-	23,243,046
Intangibles					
Right-to-use subscription assets	769,974	-	-	-	769,974
Other	273,587	-	-	-	273,587
Library books	<u>152,074</u>	<u>4,980</u>	<u>8,010</u>	<u>-</u>	<u>149,044</u>
Total capital assets being depreciated/amortized	<u>276,730,340</u>	<u>3,191,232</u>	<u>1,785,729</u>	<u>6,246,343</u>	<u>284,382,186</u>
Less accumulated depreciation/amortization for:					
Buildings	76,678,232	5,300,513	-	-	81,978,745
Improvements other than buildings	22,633,449	1,245,624	-	-	23,879,073
Equipment	17,267,556	1,907,793	1,718,115	-	17,457,234
Intangibles					
Right-to-use subscription assets	171,346	256,658	-	-	428,004
Other	127,675	9,119	-	-	136,794
Library books	<u>53,259</u>	<u>11,986</u>	<u>8,010</u>	<u>-</u>	<u>57,235</u>
Total accumulated depreciation/amortization	<u>116,931,517</u>	<u>8,731,692</u>	<u>1,726,125</u>	<u>-</u>	<u>123,937,084</u>
Total capital assets being depreciated/amortized, net	<u>159,798,823</u>	<u>(5,540,460)</u>	<u>59,604</u>	<u>6,246,343</u>	<u>160,445,102</u>
Capital assets, net	<u>\$ 175,727,507</u>	<u>\$13,205,625</u>	<u>\$ 59,604</u>	<u>\$ -</u>	<u>\$ 188,873,528</u>

YAVAPAI COMMUNITY COLLEGE DISTRICT
(YAVAPAI COLLEGE)
Notes to the Financial Statements
June 30, 2025

Note 6—Construction and Other Commitments

The District had active construction projects as of June 30, 2025. At year end, the District’s commitments with contractors are as follows:

Project	Source of Payment	Costs-to-date	Remaining Commitment
Prescott Center for Learning	Revenue Bond Proceeds	8,428,755	2,700,302
Prescott Pines	Capital Projects Accumulation Account	5,295,135	1,087,369
Enterprise Resource Planning Upgrade	Revenue Bond Proceeds	814,077	244,427

The District had contractual commitments related to subscription-based information technology arrangements for which the subscription term had not yet commenced at June 30, 2025, for various software platforms/applications. At June 30, 2025, the District had made payments of \$540,464 to the vendors and had remaining contractual commitments with the vendors of \$327,840, including the subscription liabilities that will be recognized at the commencement of the subscription terms.



YAVAPAI COMMUNITY COLLEGE DISTRICT
(YAVAPAI COLLEGE)
Notes to the Financial Statements
June 30, 2025

Note 7—Long-Term Liabilities

Long-term liability and obligation activity for the year ended June 30, 2025, was as follows:

	Balance			Balance	Due Within
	July 1, 2024	Additions	Reductions	June 30, 2025	One Year
Bonds payable:					
Revenue bonds from direct placement	\$ 2,360,000	\$ 15,170,000	\$(1,620,000)	\$ 15,910,000	\$ 860,000
Premiums	-	1,130,674	(56,533)	1,074,141	56,534
Total bonds payable	2,360,000	16,300,674	(1,676,533)	16,984,141	916,534
Subscriptions liability	545,006	-	217,166	327,840	185,629
Net pension liability	33,432,483	2,089,259	-	35,521,742	-
Compensated absences payable*	2,086,770	388,340	-	2,475,110	1,436,251
Other	147,246	31,084	30,167	148,163	26,432
Total long-term liabilities	\$ 38,571,505	\$ 18,809,357	\$(1,429,200)	\$ 55,456,996	\$ 2,564,846

* The July 1, 2024 compensated absence balance has been restated as part of the District adopting GASB Statement No. 101, as detailed in Note 2.

Additions or reductions for compensated absences are presented as a net change in the table above. The District also had an unused line of credit in the amount of \$2,000,000.

Bonds – The District’s debt consists of various issues of 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 revenue bonds from tuition, fees, rentals, and other charges to students, faculty, and others. In August 2024, the District issued revenue bonds totaling \$15,170,000 for various capital projects. The District also had the June 2013 revenue bonds with an original issuance amount of \$5,000,000. The April 2021 refunding bonds with an original issuance amount of \$3,910,000 were paid off according to schedule.

The District has pledged future tuition, fees, dormitory rentals, bookstore income and other charges to students, faculty and others to repay the June 2013 and August 2024 revenue bonds. The revenue bonds are payable solely from these revenue sources and are payable through 2028 and 2044, respectively. Annual principal and interest payments on the revenue bonds are expected to require less than 13.7% of tuition, fees, dormitory rentals, bookstore, and other income. In addition, interest income is also available for debt service payments. In the current year, total revenues of \$17,268,279 were pledged to cover the principal and interest paid of \$2,310,677.

The AZ Constitution, Article 9, Sec. 8, states that a county or school district may become indebted for an amount not to exceed 15% of taxable property. For fiscal year 2024-25, the District could issue \$570,994,080 of debt and remain within the legal debt margin.

YAVAPAI COMMUNITY COLLEGE DISTRICT
(YAVAPAI COLLEGE)
Notes to the Financial Statements
June 30, 2025

Note 7—Long-Term Liabilities (continued)

Revenue bonds outstanding at June 30, 2025, were as follows:

Description	Original Amount Issued	Maturity Ranges	Interest Rates	Outstanding Principal
Series 2013	\$ 5,000,000	7/1/24-7/1/28	2.45%	\$ 1,155,000
Series 2024	15,170,000	7/1/25-7/1/44	4.00 - 5.00%	14,755,000

The following schedule details debt service requirements to maturity for the District's revenue bonds payable at June 30, 2025:

Revenue Bonds from Direct placements		
Year Ending June	Principal	Interest
2026	\$860,000	\$723,198
2027	895,000	689,760
2028	930,000	654,828
2029	560,000	618,400
2030	590,000	590,400
2031-35	3,425,000	2,478,750
2036-40	4,365,000	1,533,000
2041-44	4,285,000	436,800
Total	<u>\$15,910,000</u>	<u>\$7,725,135</u>

Subscription-based information technology arrangements (SBITAs) – The District has obtained the right to use various software applications such as its ERP system, advanced security and course scheduling systems, under the provisions of various subscription-based information technology arrangements.

The following schedule details minimum subscription payments to maturity for the District's subscription liability at June 30, 2025:

Year ending June 30	Principal	Interest
2026	\$185,629	\$ 5,026
2027	142,211	6,866
	<u>\$327,840</u>	<u>\$11,892</u>

YAVAPAI COMMUNITY COLLEGE DISTRICT
(YAVAPAI COLLEGE)
Notes to the Financial Statements
June 30, 2025

Note 8—Risk Management

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

In addition, the District purchases health care insurance from the Yavapai Combined Trust (Trust), a public entity risk pool formed to provide health care benefits to employees of participating governmental units. The Trust is funded by irrevocable contributions from the District for employee coverage and from the District and employees for dependent coverage. The District's contributions are reported as expenses in the financial statements. The Trust provides coverage for claims up to \$250,000 for each insured's health claims. The Trust purchases commercial insurance coverage for claims in excess of these limits. The commercial insurance is sufficient to cover the maximum plan limits so the District is not liable for claims in excess of coverage limits and the District cannot be assessed supplemental premiums. The Trust's assets are managed by a separate board of directors.



YAVAPAI COMMUNITY COLLEGE DISTRICT
(YAVAPAI COLLEGE)
Notes to the Financial Statements
June 30, 2025

Note 9—Pensions

District employees participate in the Arizona State Retirement System (ASRS) or one of three defined contribution plans which are described below. The ASRS issues a publicly available financial report that includes its financial statements and required supplementary information. The report is available on its website at www.azasrs.gov.

Defined Benefit Plan

Plan description - The ASRS administers a cost-sharing multiple-employer defined benefit pension plan. The Arizona State Retirement System Board governs the ASRS according to the provisions of A.R.S. Title 38, Chapter 5, Article 2. The ASRS is a component unit of the State of Arizona.

Benefits provided - The ASRS provides retirement and survivor benefits. State statute establishes benefit terms. Retirement benefits are calculated on the basis of age, average monthly compensation, and service credit as follows:

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

*With actuarially reduced benefits.

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

Contributions - In accordance with state statutes, annual actuarial valuations determine active member and employer contribution requirements. The combined active member and employer contribution rates are expected to finance the costs of benefits employees earn during the year, with an additional amount to finance any unfunded accrued liability. For the year ended June 30, 2025, statute required active ASRS members to contribute at the actuarially determined rate of 12.12 percent of the members' annual covered payroll, and statute required the District to contribute at the actuarially determined rate of 12.05 percent

YAVAPAI COMMUNITY COLLEGE DISTRICT
(YAVAPAI COLLEGE)
Notes to the Financial Statements
June 30, 2025

Note 9—Pensions (continued)

Of the active members' annual covered payroll. In addition, the District was required by statute to contribute at the actuarially determined rate of 10.14 percent of annual covered payroll of retired members who worked for the District in positions that an employee who contributes to ASRS would typically fill. The District's contributions to the pension plan for the year ended June 30, 2025, was \$3,937,656.

Pension liability - At June 30, 2025, the District reported a liability of \$35,521,742 for its proportionate share of the ASRS' net pension liability. The net pension liability was measured as of June 30, 2024. The total liability used to calculate net liability was determined using update procedures to roll forward the total liability from an actuarial valuation as of June 30, 2023, to the measurement date of June 30, 2024.

The District's proportion of the net pension liability was based on the District's actual contributions to the plan relative to the total of all participating employers' contributions for the year ended June 30, 2024. The District's proportion measured as of June 30, 2024, was .2220 percent which was an increase of .01539 from its proportion measured as of June 30, 2023.

Pension expense and deferred outflows/inflows of resources - For the year ended June 30, 2025, the District recognized pension expense for ASRS of \$4,515,808. At June 30, 2025, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred outflows of resources	Deferred inflows of resources
Differences between expected and actual experience	\$ 1,982,790	\$ -
Changes of assumptions or other inputs	-	-
Net differences between projected and actual earnings on plan investments	-	2,268,452
Changes in proportion and differences between district contributions and proportionate share of contributions	1,936,832	-
District contributions subsequent to the measurement date	3,937,656	-
Total	<u>\$ 7,857,278</u>	<u>\$2,268,452</u>

The \$3,937,656 reported as deferred outflows of resources related to ASRS pensions resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending June 30, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to ASRS pensions will be recognized in the District's pension expense (benefit) as follows:

Year ending June 30	
2026	\$ 123,492
2027	2,518,186
2028	(574,220)
2029	(416,288)

YAVAPAI COMMUNITY COLLEGE DISTRICT
(YAVAPAI COLLEGE)
Notes to the Financial Statements
June 30, 2025

Note 9—Pensions (continued)

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

Actuarial valuation date	June 30, 2023
Actuarial roll forward date	June 30, 2024
Actuarial cost method	Entry age normal
Investment rate of return	7.0%
Projected salary increases	2.9–8.4%
Inflation	2.3%
Permanent benefit increase	Included
Mortality rates	2017 SRA Scale U-MP

Actuarial assumptions used in the June 30, 2023, valuation were based on the results of an actuarial experience study for the 5-year period ended June 30, 2020.

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

Asset class	Target allocation	Long-term expected geometric real rate of return
Public equity	44%	4.48%
Credit	23%	4.40%
Real estate	17%	6.05%
Private equity	10%	6.11%
Interest rate sensitive	6%	(0.45)%
Total	100%	

Discount rate – At June 30, 2024, the discount rate used to measure the ASRS total pension liability was 7.0 percent. The projection of cash flows used to determine the discount rate assumed that contributions from participating employers will be made based on the actuarially determined rates based on the ASRS Board’s funding policy, which establishes the contractually required rate under Arizona statute. Based on those assumptions, the plan’s fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

YAVAPAI COMMUNITY COLLEGE DISTRICT
(YAVAPAI COLLEGE)
Notes to the Financial Statements
June 30, 2025

Note 9—Pensions (continued)

Sensitivity of the District's proportionate share of the ASRS net pension liability to changes in the discount rate

- The following table presents the District's proportionate share of the net pension liability calculated using the discount rate of 7.0 percent, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (6.0 percent) or 1 percentage point higher (8.0 percent) than the current rate:

	1% Decrease (6.0%)	Current discount rate (7.0%)	1% Increase (8.0%)
District's proportionate share of net pension liability	\$54,391,050	\$35,521,742	\$19,795,820

Plan fiduciary net position - Detailed information about the plan's fiduciary net position is available in the separately issued ASRS financial report.

Contributions payable - The District's accrued payroll and employee benefits included \$308,065 of outstanding pension contribution amounts payable to ASRS for the year ended June 30, 2025.

Defined Contribution Plans

Plan description - In accordance with A.R.S. §15-1451, defining the authority under which benefit terms are established or may be amended, District faculty, service professionals, and administrative staff have the option of participating in defined contribution pension plans instead of the Arizona State Retirement System. These plans are administered by independent insurance and annuity companies. Beginning in fiscal year 1998-99, the District offered defined contribution plans by Teachers Insurance Annuity Association/College Retirement Equities Fund (TIAA/CREF), Variable Annuity Life Insurance Company (VALIC), and VOYA Financial. Benefits under these plans depend solely on the contributed amounts and the returns earned on the investment of those contributions. Contributions made by employees vest immediately, and District contributions vest after three years of full-time employment. Employee and District contributions and associated returns earned on investments may be withdrawn starting upon termination of employment, death, or retirement. The distribution of employee and District contributions and associated investment earnings are made in accordance with the employee's contract with the applicable insurance and annuity companies.

Funding policy - The Arizona State Legislature allows the District to establish contribution rates each year that are at least as much as the ASRS contribution amounts. For the year ended June 30, 2025, the District and employees contributed at the rate of 12.12 percent of the member's annual covered payroll. Amounts collected from both employees and the District are remitted to the three plans on a bi-weekly basis.

Pension expense – For the year ended June 30, 2025, the District recognized pension expense for defined contribution plans of \$780,622. For the year ended June 30, 2025, forfeitures reduced the District's pension expense by \$0.

Pension contributions payable - The District's accrued payroll and employee benefits included \$59,165 of outstanding pension contribution amounts payable to TIAA/CREF, VALIC, and VOYA Financial for the year ended June 30, 2025.

YAVAPAI COMMUNITY COLLEGE DISTRICT
(YAVAPAI COLLEGE)
Notes to the Financial Statements
June 30, 2025

Note 10—Operating Expenses

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

Salaries and benefits	\$ 60,691,801
Contract services	4,648,554
Supplies and non-capitalized equipment	7,915,486
Communications and utilities	2,628,449
Scholarships	7,625,767
Depreciation and amortization	8,731,692
Other	3,694,981
Total	<u>\$ 95,936,730</u>

A.R.S. §35-391 requires the disclosure of the amount of any reward, discount, incentive or other financial consideration received resulting from the use of credit card payments by governmental entities. During the current fiscal year, the District received \$93,537 in rebates from the use of credit cards.



YAVAPAI COMMUNITY COLLEGE DISTRICT
(YAVAPAI COLLEGE)
Notes to the Financial Statements
June 30, 2025

Note 11— Discretely Presented Component Unit Disclosures

Nature of Activities and Summary of Significant Accounting Policies

Nature of Activities

Yavapai College Foundation (the Foundation) was formed in 1971 as an Arizona not-for-profit corporation. The Foundation's mission and purpose is to support the programs and activities of Yavapai College (the College). The Foundation supports student scholarships, faculty development and programs that enrich both campus and community life.

The major activities of the Foundation include providing scholarships to college students, capital additions to the College, administrative and financial services to the Jim and Linda Lee Performing Arts Center (JLLPAC) program for the College, and financial resources for many academic, career and technical education programs offered at the College. Resources to fund these activities are provided mainly from investment income, contributions, and grants.

The bylaws of the Foundation allow for the creation of auxiliaries when a group of people demonstrate a need and desire to support the Foundation's mission in a particular area of interest. The two auxiliaries operate as part of the Foundation and Foundation personnel provide oversight over the following two auxiliaries:

- **FRIENDS of the Family Enrichment Center** - The purpose of this group is to support and raise funds for the Family Enrichment Center (FEC). The FEC offers quality learning experiences to a diverse group of children while providing invaluable teacher training to the College's early and elementary education students.
- **FRIENDS of the Southwest Wine Center** - The purpose of this group is to support the viticulture and enology program.

In addition, program expenses include activities relating to the following funds:

- **Performing Arts Center** - The Performing Arts Charitable Endowment (PACE) and the Jim and Linda Lee Endowment for the Performing Arts, through its annual disbursements, make it possible to continue to offer spectacular seasons of music, dance and theater in the Jim and Linda Lee Performing Arts Center.

Basis of Accounting and Financial Statement Presentation

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

Fair Value Measurements

Accounting Standards establish a framework for measuring fair value which provides fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements).

YAVAPAI COMMUNITY COLLEGE DISTRICT
(YAVAPAI COLLEGE)
Notes to the Financial Statements
June 30, 2025

Note 11— Discretely Presented Component Unit Disclosures (continued)

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

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

Level 2 - Inputs to the valuation methodology include:

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

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

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

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

Investments

Investments are recorded at fair value as determined by quoted prices in active markets or other valuation inputs. Investment income or loss is included in the change in net assets without donor restrictions, on the statements of activities, unless restricted by donor or law. Investment income or loss consists of interest and dividend income and realized and unrealized gains and losses, less external investment expenses.

The Foundation invests most of the endowments in an investment pool which is managed by an investment advisor to the Foundation. Investment return and investment fees within the investment pool are allocated monthly to the individual funds based on the relationship of the market value of each fund to the total market value of the pool as adjusted for additions to or distributions from those funds.

YAVAPAI COMMUNITY COLLEGE DISTRICT
(YAVAPAI COLLEGE)
Notes to the Financial Statements
June 30, 2025

Note 11— Discretely Presented Component Unit Disclosures (continued)

Endowment Funds

The Foundation's endowment funds consist of approximately 190 funds established for a variety of purposes. The endowment funds include both endowment funds restricted by donors and funds designated by the Board of Directors as endowments. Net assets associated with these endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions.

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

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

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

Investment Return Objectives, Risk Parameters and Strategies

The Foundation has adopted investment and spending policies, approved by the Board of Directors, for endowment assets that attempt to provide a predictable stream of funding for programs supported by its endowment funds while also maintaining the purchasing power of those endowment assets over the long-term. Accordingly, the investment process seeks to achieve an after-cost total real rate of return, including investment income as well as capital appreciation, which exceeds the annual distribution with acceptable levels of risk. The Foundation's primary objective is to obtain the best possible return on investments with the appropriate degree of risk and to meet the priorities of the Foundation and Yavapai College over time. Endowment assets are invested in a well-diversified asset mix that is intended to result in a consistent inflation-protected rate of return that has sufficient liquidity to make an annual distribution of 4%, while growing the funds if possible. Therefore, the Foundation expects its endowment assets, over time, to produce results that exceed the price and yield results of a custom index made up of approximately 70% equities and 30% fixed income. Actual returns may vary from year to year. Investment risk is measured in terms of the total endowment fund; investment assets and allocation between asset classes and strategies are managed to not expose the fund to unacceptable levels of risk.

YAVAPAI COMMUNITY COLLEGE DISTRICT
(YAVAPAI COLLEGE)
Notes to the Financial Statements
June 30, 2025

Note 11— Discretely Presented Component Unit Disclosures (continued)

Spending Policy

The Foundation appropriates for distribution each year up to 4% of its endowment funds' average fair value of the prior 28 quarters through December 31 for any funds that are above the historic dollar value. The Foundation may elect, on a case-by-case basis, to approve an allocation expenditure in excess of 4% but not exceeding 7% for selected funds. In establishing this practice, the Foundation considers the long-term expected return on its investment assets, the nature and duration of the individual endowment funds, many of which must be maintained in perpetuity because of donor restrictions, and the possible effects of inflation. The Foundation expects the current spending practice to allow its endowment funds to grow over time as described above.

Investments

The following is a summary of the value of investments at June 30:

	2025
Money market funds	\$ 1,353,538
Fixed income	8,461,151
Equity funds	12,880,097
International equity funds	7,247,857
	<u>\$ 29,942,643</u>

The following schedule summarizes the investment return for the years ended June 30:

	2025
Interest and dividend income	\$ 740,052
Net realized gains	177,853
Net unrealized gains	2,567,358
Income distribution from perpetual trust	19,500
Investment fees	(48,014)
	<u>\$ 3,456,749</u>

The substantial changes in realized and unrealized gains and losses are more a reflection of market timing issues than a significant change in investment policies.

Fair Value of Financial Instruments

Investments with readily determinable fair values are measured at fair value in the statements of financial position as determined by quoted market prices in active markets (Level 1) or measured based on prices for identical assets in nonactive markets (Level 3).

YAVAPAI COMMUNITY COLLEGE DISTRICT
(YAVAPAI COLLEGE)
Notes to the Financial Statements
June 30, 2025

Note 11— Discretely Presented Component Unit Disclosures (continued)

The following is a summary of financial instruments measured at fair value on a recurring basis at June 30, 2025:

	Level 1	Level 2	Level 3	Total
Money market funds	\$ 1,353,538	\$		\$ 1,353,538
Fixed income	8,461,151			8,461,151
Equity funds	12,880,097			12,880,097
International equity funds	7,247,857			7,247,857
Total investments	29,942,643			29,942,643
Beneficial interest in perpetual trust			\$ 532,128	532,128
	<u>\$29,942,643</u>	<u>\$</u>	<u>\$ 532,128</u>	<u>\$30,474,771</u>



YAVAPAI COMMUNITY COLLEGE DISTRICT
(YAVAPAI COLLEGE)
Notes to the Financial Statements
June 30, 2025

Note 11— Discretely Presented Component Unit Disclosures (continued)

Endowment Funds

Endowment funds include funds restricted in perpetuity by the donors, funds restricted for a specified period (term endowments) and a board designated fund. As of June 30, 2025, there were three funds that were underwater for a total of \$4,239.

Endowment net asset composition at June 30, 2025 is as follows:

	Without Donor Restrictions	With Donor Restrictions	Total Endowment Funds
Board designated fund	\$ 1,171,437	\$ -	\$ 1,171,437
Donor restricted funds:			
Permanently restricted	-	22,571,388	22,571,388
Term endowment funds	-	1,344,075	1,344,075
	<u>\$ 1,171,437</u>	<u>\$ 23,915,463</u>	<u>\$ 25,086,900</u>

Changes in endowment funds are as follows:

	Without Donor Restrictions	With Donor Restrictions	Total Endowment Funds
Balance, June 30, 2024	\$ 1,041,488	\$ 21,278,599	\$ 22,320,087
Contributions	-	617,029	617,029
Board designations	35,000	-	35,000
Interest and dividend income	27,027	598,388	625,415
Realized gains	6,851	150,628	157,479
Unrealized gains	98,633	2,147,276	2,245,909
Amount appropriated for expenditures	<u>(37,562)</u>	<u>(876,457)</u>	<u>(914,019)</u>
Balance, June 30, 2025	<u>\$ 1,171,437</u>	<u>\$ 23,915,463</u>	<u>\$ 25,086,900</u>

Required Supplementary Information



Required Supplementary Information

Schedule of District's Proportionate Share of Net Pension Liability Arizona State Retirement System June 30, 2025

Year Ended June 30, Reporting Fiscal Year (Measurement Date)	District's proportion of the net pension liability	District's proportionate share of the net pension liability	District's covered payroll (Measurement Date)	District's proportionate share of the net pension liability as a % of its covered payroll	Plan fiduciary net position as a % of the total pension liability
2025 / (2024)	0.2220%	\$ 35,521,742	\$ 31,185,638	113.90%	76.93%
2024 / (2023)	0.2066%	33,432,483	27,050,509	123.59%	75.47%
2023 / (2022)	0.2002%	32,677,086	23,875,608	136.86%	74.26%
2022 / (2021)	0.1976%	25,969,018	22,263,493	116.64%	78.58%
2021 / (2020)	0.2085%	36,118,864	22,743,998	158.81%	69.33%
2020 / (2019)	0.2033%	29,585,426	21,475,349	137.76%	73.24%
2019 / (2018)	0.1969%	27,460,621	19,631,503	139.88%	73.40%
2018 / (2017)	0.1975%	30,763,535	18,617,192	165.24%	69.92%
2017 / (2016)	0.1961%	31,657,352	18,437,842	171.70%	67.06%
2016 / (2015)	0.1963%	30,574,152	18,155,456	168.40%	68.35%

Schedule of District's Pension Contributions Arizona State Retirement System June 30, 2025

Year Ended June 30,	Statutorily required contributions	Contributions in relation to the statutorily required contribution	Contribution deficiency (excess)	District's covered payroll	Contributions as a percentage of covered payroll
2025 / (2024)	\$ 3,937,656	\$ (3,937,656)	-	\$ 33,048,730	11.91%
2024 / (2023)	3,702,999	(3,702,999)	-	31,185,638	11.87%
2023 / (2022)	3,201,288	(3,201,288)	-	27,050,509	11.83%
2022 / (2021)	2,830,591	(2,830,591)	-	23,875,608	11.86%
2021 / (2020)	2,558,750	(2,558,750)	-	22,263,493	11.49%
2020 / (2019)	2,630,912	(2,630,912)	-	22,743,998	11.57%
2019 / (2018)	2,392,974	(2,392,974)	-	21,475,349	11.14%
2018 / (2017)	2,132,540	(2,132,540)	-	19,631,503	10.86%
2017 / (2016)	2,003,934	(2,003,934)	-	18,617,192	10.76%
2016 / (2015)	2,007,043	(2,007,043)	-	18,437,842	10.89%



Statistical Section



Statistical Section

This part of the Yavapai County Community College District's Annual Comprehensive Financial Report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the District's overall financial health.

Contents	Page
Financial Trends These schedules contain trend information to help the reader understand how the District's financial performance and well-being have changed over time.	62
Revenue Capacity These schedules contain trend information to help the reader assess the District's most significant revenue sources, property tax, and tuition.	65
Debt Capacity These schedules present information to help the reader assess the affordability of the District's current levels of outstanding debt and the District's ability to issue additional debt in the future.	71
Demographic and Economic Information These schedules offer demographic and economic indicators to help the reader understand the environment within which the District's financial activities take place.	77
Operating Information These schedules contain service and infrastructure data to help the reader understand how the information in the District's financial report relates to the services the District provides and the activities it performs.	82

Sources: Unless otherwise noted, the information in these schedules is derived from the annual comprehensive financial reports for the relevant year.

YAVAPAI COUNTY COMMUNITY COLLEGE DISTRICT
NET POSITION BY COMPONENT
Last Ten Fiscal Years

June 30,	Net investment in capital assets	Restricted - expendable	Restricted - nonexpendable	Unrestricted	Total net position
2016	\$ 107,845,781	\$ 1,203,553	\$ 200,462	\$ (8,891,326)	\$ 100,358,470
2017 ⁽¹⁾	121,457,300	1,076,477	200,000	(10,689,678)	112,044,099
2018	133,877,780	1,200,234	100,000	(11,235,524)	123,942,490
2019	143,098,963	878,339	100,000	(6,617,780)	137,459,522
2020	152,382,909	510,989	100,000	(7,412,603)	145,581,295
2021	157,481,991	1,882,365	100,000	(5,764,720)	153,699,636
2022	161,537,817	4,281,185	100,000	2,535,869	168,454,871
2023	160,848,532	4,756,047	100,000	7,547,283	173,251,862
2024	170,150,748	5,025,433	100,000	1,920,847	177,197,028
2025	173,827,357	5,325,498	100,000	60,837	179,313,692

Source: Audited financial statements for the past ten fiscal years.

Note 1: The balance of net investment in capital assets has been restated and reduced by \$442,740 to remove several older, mostly prefabricated, Impaired buildings that were demolished in prior years.

YAVAPAI COUNTY COMMUNITY COLLEGE DISTRICT
CHANGES IN NET POSITION
Last Ten Fiscal Years
in thousand's

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Operating expenses:										
Educational and general:										
Instruction	\$ 17,901.7	\$ 18,094.8	\$ 18,372.0	\$ 18,627.5	\$ 20,257.5	\$ 18,845.0	\$ 19,788.0	\$ 22,092.5	\$ 25,760.3	\$ 26,676.8
Public service	1,591.5	1,772.2	1,735.4	2,191.1	2,247.4	1,800.6	2,948.8	3,379.1	3,965.1	4,063.8
Academic support	4,904.2	4,489.4	4,347.2	4,602.6	4,959.9	5,082.6	5,215.5	5,391.1	5,899.0	6,551.1
Student services	6,322.1	6,351.4	6,905.9	7,430.3	8,359.3	8,482.7	9,207.3	11,248.4	12,102.1	12,745.6
Institutional support	8,648.8	8,957.8	8,941.3	10,067.8	11,447.2	10,828.9	10,695.8	11,740.9	13,208.2	15,768.2
Operation and maintenance of plant	6,267.4	6,025.8	6,413.1	6,742.1	7,347.1	6,970.8	8,122.4	8,428.4	8,571.9	9,287.9
Scholarships	6,712.1	6,320.2	6,287.9	5,950.3	5,790.5	6,809.9	10,409.1	5,851.0	5,836.8	7,625.8
Auxiliary enterprises	1,880.7	1,923.8	1,947.2	2,033.7	1,943.2	1,822.7	1,895.2	2,147.7	3,404.9	4,485.8
Depreciation and amortization	6,118.2	6,402.0	6,599.7	7,174.8	7,588.6	7,729.0	7,628.7	7,818.1	8,326.2	8,731.7
Total operating expenses	60,346.7	60,337.4	61,549.7	64,820.2	69,940.7	68,372.2	75,910.8	78,097.2	87,074.5	95,936.7
Operating revenues:										
Tuition and fees pledged as security for revenue bonds	8,308.5	8,278.9	8,428.3	8,957.4	8,408.6	7,845.5	7,223.4	8,433.9	9,898.8	10,539.2
Bookstore income	196.4	181.0	195.7	162.9	134.0	74.5	78.4	48.6	38.4	16.5
Food Service income	-	-	-	-	-	-	137.8	-	-	-
Dormitory rentals pledged as security for revenue bonds	773.8	828.2	796.9	823.2	772.7	263.6	753.8	890.9	922.4	1,073.9
Other	1,143.2	1,243.6	1,542.7	1,563.7	1,402.1	488.0	1,979.3	2,706.4	2,924.8	3,838.7
Total operating revenues	10,421.9	10,531.7	10,963.6	11,507.2	10,717.4	8,671.6	10,172.7	12,079.8	13,784.4	15,468.3
Operating loss	(49,924.8)	(49,805.7)	(50,586.1)	(53,313.0)	(59,223.3)	(59,700.6)	(65,738.1)	(66,017.4)	(73,290.1)	(80,468.4)
Nonoperating revenues (expenses):										
Property taxes	47,420.8	48,540.7	48,585.0	50,561.4	50,705.8	49,433.6	49,449.6	49,988.5	53,684.8	56,835.0
Government grants	11,573.9	10,937.6	11,316.2	10,894.6	11,191.8	13,583.0	20,963.4	10,099.1	11,915.8	13,887.3
State appropriations	1,696.0	1,574.6	1,356.4	1,288.9	3,065.8	1,283.3	4,876.6	3,693.7	4,094.6	2,841.5
Share of state sales taxes	682.6	696.9	725.0	778.9	838.6	1,031.9	1,150.6	1,305.9	1,355.2	1,431.5
Smart and safe Arizona fund appropriations	-	-	-	-	-	769.1	1,658.9	2,457.1	2,456.9	2,654.2
Private grants and gifts	1,254.9	1,199.9	1,393.0	1,444.1	1,611.3	1,705.6	1,693.0	2,338.6	2,794.2	2,631.3
Investment earnings	100.5	110.8	195.5	457.8	464.1	66.4	70.8	992.7	1,560.9	2,443.7
Interest expense on debt	(1,389.9)	(1,249.1)	(1,101.6)	(780.3)	(570.7)	(367.1)	(136.4)	(81.6)	(66.5)	(634.1)
Loss on defeasance of debt	-	-	-	(346.6)	-	-	-	-	-	-
Gain (loss) on disposal of capital assets	(11.5)	12.4	10.5	1,331.2	7.2	12.2	1.8	14.0	(567.6)	(59.0)
Total nonoperating revenues	61,327.3	61,823.8	62,480.0	65,630.0	67,313.4	67,518.0	79,728.3	70,808.0	77,228.3	82,031.4
Income before other revenues, expenses, gains or losses	11,402.5	12,018.1	11,893.9	12,317.0	8,090.1	7,817.4	13,990.2	4,790.6	3,938.2	1,563.0
Capital grants and gifts	30.2	110.2	4.4	1,200.1	31.6	300.8	765.1	6.2	7.0	364.3
Increase in net position	\$ 11,432.7	\$ 12,128.3	\$ 11,898.3	\$ 13,517.1	\$ 8,121.7	\$ 8,118.2	\$ 14,755.3	\$ 4,796.8	\$ 3,945.2	\$ 1,927.3

Source: Audited financial statements for the past ten fiscal years.

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

Fiscal Year	Statutory Expense Limitation (1)	Budgeted Expenditures Subject to Limitation (2)	Unused Legal Limit
2016	\$ 42,312,883	\$ 41,937,884	\$ 374,999
2017	41,393,014	39,317,198	2,075,816
2018	45,586,098	44,870,438	715,660
2019	45,090,861	40,721,980	4,368,881
2020	46,385,213	43,838,630	2,546,583
2021	49,097,736	49,097,736	-
2022	48,002,250	48,002,250	-
2023	48,401,894	48,401,894	-
2024	51,167,433	51,164,064	3,369
2025	53,180,239	51,392,949	1,787,290

Source: Audited Reports on Annual Budgeted Expenditure Limitation except for the most recent year, which is unaudited.

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

Note 2: Budgeted expenditures are net of allowable exclusions.

**YAVAPAI COUNTY COMMUNITY COLLEGE DISTRICT
PROPERTY TAX LEVIES AND COLLECTIONS
Last Ten Fiscal Years**

Fiscal Year	Original Tax Levy (2)	Adjustments	Adjusted Levy	Collections Initial Tax Year	Percentage of Original Tax Levy	Collections in Subsequent Years	Total Collections to Date	Percent of Total Tax Collections to Adjusted Levy
2016	\$ 47,635,600	\$ (172,230)	\$ 47,463,370	\$ 46,611,360	97.85%	\$ 845,387	\$ 47,456,747	99.99%
2017	48,203,300	271,010	48,474,310	47,542,093	98.63%	924,949	48,467,042	99.99%
2018	48,839,300	(215,921)	48,623,379	47,816,314	97.91%	800,038	48,616,352	99.99%
2019	50,628,300	(64,159)	50,564,141	49,818,650	98.40%	737,769	50,556,419	99.98%
2020	50,911,500	(262,346)	50,649,154	49,655,293	97.53%	983,727	50,639,020	99.98%
2021	49,959,700	(233,375)	49,726,325	48,928,364	97.94%	781,130	49,709,494	99.97%
2022	49,309,600	16,200	49,325,800	48,521,190	98.40%	785,076	49,306,266	99.96%
2023	50,055,100	(77,655)	49,977,445	49,255,886	98.40%	693,079	49,948,965	99.94%
2024	53,650,100	58,205	53,708,305	52,981,563	98.75%	681,723	53,663,286	99.92%
2025	56,930,800	(79,874)	56,850,926	55,885,441	98.16%	-	55,885,441	98.30%

Source: Yavapai County Treasurer's Office and District records.

Note 1: Includes both primary and secondary taxes.

Note 2: Taxes levied for the fiscal year is the budgeted levy. The actual levy is generally lower when assessed because of a decrease in net assessed values due to taxpayer appeals.

Note 3: Amounts collected are on a cash basis.

YAVAPAI COUNTY COMMUNITY COLLEGE DISTRICT
ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
Last Ten Fiscal Years

Primary Assessed Value (1)							
Fiscal Year	Residential and Vacant Property	Commerical Property	Unattached Personal Property	Total Taxable Assessed Value	Total Direct Tax Rate (2)	Estimated Actual Value	Assessed Value as a Percentage of Actual Value
2016	\$ 1,929,113,529	\$ 263,001,270	\$ 87,068,649	\$ 2,279,183,448	2.0901	\$20,061,477,030	11.36%
2017	2,012,130,501	251,908,085	80,371,356	2,344,409,942	2.0561	21,142,413,672	11.09%
2018	2,131,382,392	238,029,643	93,738,001	2,463,150,036	1.9828	22,327,112,822	11.03%
2019	2,267,175,515	249,865,108	82,497,218	2,599,537,841	1.9476	23,680,652,430	10.98%
2020	2,414,473,528	260,089,904	91,113,641	2,765,677,073	1.8408	25,260,274,257	10.95%
2021	2,578,773,696	295,973,631	83,007,380	2,957,754,707	1.6891	27,104,661,346	10.91%
2022	2,757,762,120	304,563,551	80,895,529	3,143,221,200	1.5688	28,946,138,131	10.86%
2023	2,936,015,572	311,958,819	85,254,073	3,333,228,464	1.5017	30,915,392,632	10.78%
2024	3,136,001,858	333,624,271	87,056,952	3,556,683,081	1.5084	33,180,042,614	10.72%
2025	3,351,859,676	363,692,604	91,074,919	3,806,627,199	1.4956	35,746,585,530	10.65%

Source: Yavapai County Assessor's Office.

Note 1: Property in the County is reassessed each year. Tax rates are per \$100 of assessed value.

Note 2: Includes both primary and secondary tax rates. See Property Tax Rates, Direct and Overlapping Governments schedule on page 61.

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

Fiscal Year	Overlapping Rates (2)									
	Yavapai College			Yavapai County	Cities and Towns		Fire and Special Districts		School Districts	
	Primary Levy	Secondary Levy	Total		From	To	From	To	From	To
2016	1.8721	0.2180	2.0901	2.9098	0.3047	1.7165	0.0642	17.1800	2.3885	7.7757
2017	1.8439	0.2122	2.0561	2.8920	0.3025	1.7316	0.0616	19.9088	2.0177	7.7737
2018	1.7827	0.2001	1.9828	2.8431	0.2821	1.6612	0.0583	8.3655	2.0537	8.5411
2019	1.7584	0.1892	1.9476	2.7437	0.2699	1.6455	0.0557	12.7400	2.2376	8.5394
2020	1.6883	0.1525	1.8408	2.9472	0.2599	1.6150	0.0565	12.1200	2.2348	8.4380
2021	1.6131	0.0760	1.6891	2.8201	0.2484	1.5841	0.0000	11.6000	1.9434	7.7737
2022	1.5557	0.0131	1.5688	2.7160	0.2378	1.5318	0.0000	4.2365	0.0000	7.5223
2023	1.5017	0.0000	1.5017	2.2086	0.2281	1.4765	0.0653	9.7739	1.9900	7.5300
2024	1.5084	0.0000	1.5084	2.1128	0.2520	1.4400	0.0000	11.3700	2.1255	7.7727
2025	1.4956	0.0000	1.4956	2.0268	0.2423	1.3443	0.0771	4.1888	1.5422	7.7402

Source: Yavapai County Assessor's Office.

Note 1: Overlapping rates are those of local and county governments that apply to property owners within the District. Not all overlapping rates apply to all District property owners (e.g., the rates for fire districts apply only to the proportion of the District's owners whose property is located within the geographic boundaries of the fire district).

Note 2: Rates include primary and secondary.

YAVAPAI COUNTY COMMUNITY COLLEGE DISTRICT
 ASSESSED VALUATION, TAX RATE AND LEVY HISTORY
 Last Ten Fiscal Years

Fiscal Year	Primary			Secondary		
	Assessed Valuation	Tax Rate	Tax Levy	Assessed Valuation	Tax Rate	Tax Levy
2016	\$ 2,279,183,448	1.8721	\$ 42,668,593	\$ 2,279,183,448	0.218	\$ 4,968,620
2017	2,344,409,942	1.8439	43,228,575	2,344,409,942	0.2122	4,974,838
2018	2,463,150,036	1.7827	43,910,576	2,463,150,036	0.2001	4,928,763
2019	2,599,537,841	1.7584	45,710,273	2,599,537,841	0.1892	4,918,326
2020	2,765,677,073	1.6883	46,692,926	2,765,677,073	0.1525	4,217,658
2021	2,957,724,707	1.6131	47,711,057	2,957,724,707	0.076	2,247,871
2022	3,143,221,200	1.5557	48,899,092	3,143,221,200	0.0131	411,762
2023	3,333,228,464	1.5017	50,055,092	3,333,228,464	-	-
2024	3,556,683,081	1.5084	53,649,008	3,556,683,081	-	-
2025	3,806,627,199	1.4956	56,931,916	3,806,627,199	-	-

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

YAVAPAI COUNTY COMMUNITY COLLEGE DISTRICT
PRINCIPAL PROPERTY TAXPAYERS
Current Year and Nine Years Ago

Taxpayer	2024 Primary Assessed		Percent of Yavapai County's 2025 Primary Assessed Valuation	2015 Primary Assessed		Percent of Yavapai County's 2016 Primary Assessed Valuation
	Valuation	Rank		Valuation	Rank	
Freeport McMoran (previously Phelps Dodge)	\$ 158,139,654	1	4.15%	\$ 83,811,660	2	3.68%
Arizona Public Service	139,988,040	2	3.68%	87,072,869	1	3.82%
Unisource Energy Corporation	21,202,243	3	0.56%	15,658,632	6	0.69%
Drake Cement LLC	18,278,247	4	0.48%	18,883,129	5	0.83%
Transwestern Pipeline Company LLC	16,279,192	5	0.43%	18,927,989	4	0.83%
Burlington Northern Santa Fe Railway Company	11,142,782	6	0.29%	11,697,955	7	0.51%
Phoenix Cement Co	11,020,736	7	0.29%	24,145,988	3	1.06%
EL Paso Natural Gas Company	8,191,896	8	0.22%			0.00%
Wal-Mart	7,917,866	9	0.21%			
New Enchantment LLC	7,476,373	10	0.20%			
Kinder Morgan				6,736,505	10	0.30%
Qwest Corporation				7,788,714	8	0.34%
Sturm Ruger & Co. Inc.				7,262,287	9	0.32%
Total Top Ten	\$ 399,637,029		10.51%	\$ 281,985,728		12.38%

Source: Yavapai County Assessor.

**YAVAPAI COUNTY COMMUNITY COLLEGE DISTRICT
TUITION SCHEDULE
Last Ten Fiscal Years**

Fiscal Year	Annual Tuition Rates (1)	Base Tuition per Credit Hour
2016	\$ 2,250	\$ 75
2017	2,370	79
2018	2,490	83
2019	2,610	87
2020	2,184	91
2021	2,280	95
2022	2,280	95
2023	2,352	98
2024	2,472	103
2025	2,592	108

Source: District records.

Note 1: Tuition based on one year of full-time equivalent credit (30) for in-state students at District's base tuition rate. Beginning FY 2020, credits 13 and beyond were offered at no charge per semester. For FY 2025, tier 2 classes were \$125 per credit hour and tier 3 classes were \$139 per credit hour.

YAVAPAI COUNTY COMMUNITY COLLEGE DISTRICT
RATIOS OF OUTSTANDING DEBT BY TYPE
Last Ten Fiscal Years

Fiscal Year	General Obligation Bonds (1)	Revenue Bonds (1)	Pledged Revenue Obligations (1)	Subscription Liability	Total Outstanding Debt	Percentage of Personal Income (2)	Per Capita (2)
2016	\$ 25,798,688	\$ 4,145,000	\$ 9,450,982	\$ -	\$ 39,394,670	0.50%	\$ 180
2017	21,315,784	3,845,000	8,413,651	-	33,574,435	0.41%	151
2018	16,732,878	3,535,000	7,331,319	-	27,599,197	0.31%	122
2019	7,724,331	3,220,000	6,208,988	-	17,153,319	0.18%	75
2020	3,040,715	2,895,000	5,036,657	-	10,972,372	0.11%	47
2021	639,099	6,395,000	-	-	7,034,099	0.06%	30
2022	-	4,725,000	-	-	4,725,000	0.04%	20
2023	-	3,550,000	-	449,874	3,999,874	0.03%	16
2024	-	2,360,000	-	545,006	2,905,006	0.02%	12
2025	-	16,984,141	-	327,840	17,311,981	0.12%	69

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

Note 1: Presented net of original issuance discounts and premiums.

Note 2: See the Population and Personal Income Schedule for Yavapai County on page 74 for data.

YAVAPAI COUNTY COMMUNITY COLLEGE DISTRICT
LEGAL DEBT MARGIN
Last Ten Fiscal Years

		Legal Debt Margin			
Fiscal Year	Secondary Assessed Value	Debt limit: 15% of secondary assessed value	General obligation bonded debt	Legal debt margin	Total general obligation bonded debt as a percentage of legal debt limit
2016	\$ 2,279,183,448	409,121,073	(24,405,000)	\$ 384,716,073	5.97%
2017	2,344,409,942	432,296,793	(20,110,000)	412,186,793	4.65%
2018	2,463,150,036	463,292,759	(15,715,000)	447,577,759	3.39%
2019	2,599,537,841	508,070,699	(7,150,000)	500,920,699	1.41%
2020	2,765,677,073	414,851,561	(2,670,000)	412,181,561	0.64%
2021	2,957,724,707	443,658,706	(470,000)	443,188,706	0.11%
2022	3,143,221,200	471,483,180	-	471,483,180	0.00%
2023	3,333,228,464	499,984,270	-	499,984,270	0.00%
2024	3,556,683,081	533,502,462	-	533,502,462	0.00%
2025	3,806,627,199	570,994,080	-	570,994,080	0.00%

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

**YAVAPAI COUNTY COMMUNITY COLLEGE DISTRICT
RATIO OF NET GENERAL OBLIGATION BONDED DEBT TO
ASSESSED VALUE AND NET GENERAL BONDED DEBT PER CAPITA
Last Ten Fiscal Years**

Fiscal Year	Estimated Population (Yavapai County) (1)	Secondary Assessed Value of Real Estate	General Obligation Bonds (2)	Amount Available for Retirement of General Obligation Bond Debt	Net Bonded Debt	Percentage of Net Bonded Debt to Assessed Value	Net Bonded Debt Per Capita
2016	219,393	\$ 2,279,183,448	\$ 25,798,688	\$ 783,958	\$25,014,730	1.10%	\$ 114.02
2017	222,867	2,344,409,942	21,315,784	747,020	20,568,764	0.88%	92.29
2018	226,100	2,463,150,036	16,732,878	623,576	16,109,302	0.65%	71.25
2019	229,820	2,599,537,841	7,724,331	704,697	7,019,634	0.27%	30.54
2020	233,062	2,765,677,073	3,040,715	246,608	2,794,107	0.10%	11.99
2021	237,216	2,957,724,707	637,099	173,066	464,033	0.02%	1.96
2022	242,193	3,143,221,200	-	-	-	-	-
2023	246,191	3,333,228,464	-	-	-	-	-
2024	249,081	3,556,683,081	-	-	-	-	-
2025	252,013	3,806,627,199	-	-	-	-	-

Source: District Records, Yavapai County Assessor's Office, and Arizona Department of Economic Security.

Note 1: See the Population and Personal Income Schedule for Yavapai County on page 74 for data.

Note 2: Presented net of original issuance discounts and premiums.

YAVAPAI COUNTY COMMUNITY COLLEGE DISTRICT
RATIO OF ANNUAL DEBT SERVICE EXPENSES FOR GENERAL BONDED DEBT
TO OPERATING EXPENSES
Last Ten Fiscal Years

Fiscal Year				Percentage of Debt	
	Principal	Interest	Total Debt Service	Total Operating Expenses	Service to Operating Expenses
2016	\$ 4,195,000	\$ 850,850	\$ 5,045,850	\$ 60,346,652	8.36%
2017	4,295,000	756,750	5,051,750	60,337,260	8.37%
2018	4,395,000	660,800	5,055,800	61,549,593	8.21%
2019	4,545,000	334,550	4,879,550	64,820,247	7.53%
2020	4,480,000	230,600	4,710,600	69,940,755	6.74%
2021	2,200,000	89,750	2,289,750	68,372,137	3.35%
2022	470,000	18,800	488,800	75,910,860	0.64%
2023	-	-	-	78,097,094	0.00%
2024	-	-	-	87,074,587	0.00%
2025	-	-	-	95,936,730	0.00%

Source: District records.

**YAVAPAI COUNTY COMMUNITY COLLEGE DISTRICT
COMPUTATION OF DIRECT AND OVERLAPPING DEBT
GENERAL OBLIGATION BONDS
June 30, 2025**

Jurisdiction	Debt Outstanding
Direct Debt:	
Yavapai County Community College District GO Bonds	\$ -
Total direct debt	-
Overlapping Debt (1):	
School Districts	60,320,000
Poquito Valley RIMD	450,000
Camp Verde Sanitary District	4,957,162
Fire Districts	7,735,065
Total overlapping debt	73,462,227
Total direct and overlapping debt	\$ 73,462,227

Source: Yavapai County Treasurer's Office.

Note 1: Excludes improvement districts.

Note 2: All jurisdictions are within the boundaries of the District.

**YAVAPAI COUNTY COMMUNITY COLLEGE DISTRICT
REVENUE BOND AND PLEDGED REVENUE OBLIGATIONS COVERAGE
Last Ten Fiscal Years**

Fiscal Year	Pledged Revenues (1)	Debt Service Requirements (2):		Total	Coverage
		Principal	Interest		
2016	\$ 10,479,162	\$ 1,280,000	\$ 562,736	\$ 1,842,736	5.69
2017	10,579,821	1,325,000	516,109	1,841,109	5.75
2018	11,072,125	1,380,000	464,509	1,844,509	6.00
2019	11,769,695	1,425,000	414,114	1,839,114	6.40
2020	10,979,198	1,485,000	361,996	1,846,996	5.94
2021	8,710,400	1,530,000	214,168	1,744,168	4.99
2022	10,217,259	1,670,000	98,613	1,768,613	5.78
2023	12,752,456	1,175,000	81,638	1,256,638	10.15
2024	14,810,577	1,190,000	66,463	1,256,463	11.79
2025	17,268,279	1,620,000	690,677	2,310,677	7.47

Source: District records.

Note 1: Pledged revenues include tuition and fees, bookstore revenues, food service sales, dormitory rentals, and other income and are reported net of scholarships and allowances per GASB Statement Number 35.

Note 2: Fiscal year 2025 principal and interest payments resulted from the series 2013, 2021, and 2024 revenue bonds.

**YAVAPAI COUNTY COMMUNITY COLLEGE DISTRICT
ECONOMIC INDICATORS FOR YAVAPAI COUNTY
June 30, 2025**

Employment by Sector	Employees
Trade, Transportation and Utilities	13,300
Education and Health Services	13,200
Government	10,600
Leisure and Hospitality	9,700
Mining and Construction	7,200
Professional and Business Services	7,100
Manufacturing	3,500
Other Services	2,800
Financial Activities	2,700
Information	500

Employment by Occupation	Percent of Total
Office and Administrative	11.9%
Food Preparation and Serving Related	11.7%
Sales and Related	10.7%
Transportation and Material Moving	7.8%
Management	7.1%
Construction and Extraction	7.0%
Healthcare Practitioners and Technical	6.8%
Educational Instruction and Library	5.3%
Installation, Maintenance, and Repair	4.9%
Other	4.4%
Healthcare Support	4.3%
Production	4.2%
Business and Financial Operations	4.0%
Building, Grounds and Maintenance	3.7%
Protective Service	2.6%
Personal Care and Service	1.8%
Community and Social Services	1.8%

Unemployment Rate	4.0%
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Labor Force	106,868
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Source: Arizona Department of Commerce and United States Department of Labor.

**YAVAPAI COUNTY COMMUNITY COLLEGE DISTRICT
PRINCIPAL EMPLOYERS IN YAVAPAI COUNTY
Current Year and Nine Years Ago**

	FY 2025			FY 2016		
Major Employers	Employees	Rank	Percent of Total County Employment	Employees	Rank	Percent of Total County Employment
Yavapai Regional Medical Center	2,081	1	1.95%	1,487	2	1.45%
Yavapai County	1,730	2	1.62%	1,494	1	1.46%
Freeport McMoran Copper Mine	1,222	3	1.14%	796	6	0.78%
Walmart	1,221	4	1.14%	1,098	4	1.07%
Veterans Medical Center	1,164	5	1.09%	1,128	3	1.10%
Northern Arizona Healthcare	872	6	0.82%	874	5	0.85%
Yavapai College	689	7	0.64%	561	10	0.55%
Humbolt Unified School District	685	8	0.64%	765	7	0.75%
Embry-Riddle University	620	9	0.58%	-	-	0.00%
State of Arizona	618	10	0.58%	573	9	0.56%
Sturm Ruger & Company	-	-	-	700	8	0.68%
Total	10,902		10.20%	9,476		9.25%

Source: District and the listed employers' records.

**YAVAPAI COUNTY COMMUNITY COLLEGE DISTRICT
MISCELLANEOUS STATISTICS
June 30, 2025**

Established	July 1, 1966
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Geographical Location	West Central portion of Arizona
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County Seat	Prescott
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Population	2010	2020	2024
Yavapai County	211,144	236,209	252,013
State of Arizona	6,392,017	7,151,502	7,623,818

Age Distribution	% of Total
0-4	3.7%
5-17	11.3%
17-64	49.7%
65+	35.3%

Population Composition	% of Total
<u>RACE</u>	
White	78.1%
Hispanic	16.2%
Native American	2.3%
Asian or Pacific Islander	1.8%
African American	1.0%
Other	0.6%
Total	<u>100.0%</u>

Source: US Census Bureau and Arizona Department of Economic Security.

**YAVAPAI COUNTY COMMUNITY COLLEGE DISTRICT
POPULATION AND PERSONAL INCOME FOR YAVAPAI COUNTY
Last Ten Fiscal Years**

Fiscal Year	Population	Personal Income (amounts expressed in thousands)	Per Capita Personal Income (1)
2016	219,393	\$ 7,819,352	\$ 35,641
2017	222,867	8,209,084	36,834
2018	226,100	8,839,071	39,094
2019	229,820	9,362,371	40,739
2020	233,062	9,960,799	42,739
2021	237,216	11,138,170	46,954
2022	242,193	12,125,489	50,065
2023	246,191	12,739,608	51,747
2024	249,081	13,404,347	53,932
2025	252,013	14,102,471	55,766

Source: Bureau of Economic Analysis and US Census Bureau.

Note 1: Personal Income and Per Capita Personal Income were not available for fiscal year 2025. Amounts were estimated based upon the prior years' average net change.

YAVAPAI COUNTY COMMUNITY COLLEGE DISTRICT
STUDENT ENROLLMENT, DEGREE AND DEMOGRAPHIC STATISTICS
Last Ten Fiscal Years

Fiscal Year	Attendance		Gender		Residency			
	Full-Time	Part-Time	Male	Female	Resident	Out of County	Out of State	Foreign
2016	26.0%	74.0%	44.9%	55.1%	83.7%	14.1%	2.1%	0.1%
2017	24.0%	76.0%	45.4%	54.6%	82.3%	15.2%	2.4%	0.1%
2018	23.0%	77.0%	46.3%	53.7%	87.7%	9.2%	3.0%	0.1%
2019	23.0%	77.0%	41.0%	59.0%	86.9%	11.0%	2.0%	0.1%
2020	20.0%	80.0%	41.0%	59.0%	83.9%	9.0%	7.0%	0.1%
2021	18.0%	82.0%	40.0%	60.0%	84.3%	8.2%	7.4%	0.1%
2022	15.0%	85.0%	41.0%	59.0%	85.2%	8.0%	6.7%	0.1%
2023	16.0%	84.0%	42.0%	58.0%	87.0%	8.0%	4.9%	0.1%
2024	20.0%	80.0%	42.0%	56.0%	88.0%	8.0%	4.0%	0.0%
2025	21.0%	79.0%	47.3%	51.1%	87.0%	8.0%	5.0%	0.0%

Fiscal Year	Degrees Awarded	Certificates Awarded
2016	567	1195
2017	539	1207
2018	520	1237
2019	559	1332
2020	747	1471
2021	833	1430
2022	617	1334
2023	610	1262
2024	514	1226
2025	452	1274

Fiscal Year	Age		Ethnic Background					
	Median	Mean	American Indian	Asian American	Hispanic	African American	White	Other/Unknown
2016	25	32	2.0%	1.1%	14.0%	0.8%	53.1%	29.0%
2017	24	32	2.1%	1.1%	14.7%	0.8%	55.0%	26.3%
2018	23	32	2.1%	1.2%	16.2%	0.9%	57.4%	22.2%
2019	24	32	2.0%	1.1%	18.0%	0.8%	58.9%	19.2%
2020	22	31	1.8%	1.2%	17.7%	0.8%	60.5%	18.0%
2021	22	28	1.9%	1.3%	19.0%	0.8%	62.5%	14.4%
2022	22	30	1.9%	1.3%	19.7%	0.9%	66.8%	9.4%
2023	21	31	2.0%	1.7%	20.6%	1.2%	65.1%	9.4%
2024	22	31	1.9%	1.0%	20.6%	1.0%	65.4%	10.1%
2025	21	30	1.8%	1.2%	22.3%	0.9%	63.2%	10.6%

Source: District records.

YAVAPAI COUNTY COMMUNITY COLLEGE DISTRICT
HISTORIC ENROLLMENT
Last Ten Fiscal Years

Headcount	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Credit	9,797	9,660	9,352	9,713	8,393	10,086	9,809	10,116	10,000	10,245
Non-Credit	2,468	2,823	2,633	2,319	1,334	3,340	4,427	4,185	4,351	4,126

FTSE by Campus	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Prescott	760	713	692	670	137	1,109	1,127	1,154	1,149	1,229
Verde	159	170	167	178	52	211	209	242	262	270
Sedona	10	10	14	20	19	18	21	22	1	1
Prescott Valley	174	149	72	65	26	99	96	125	134	155
Chino Valley	107	86	84	63	50	69	67	60	66	70
CTEC	313	297	264	222	167	240	266	267	272	287
Online	1,786	1,674	1,459	1,541	2,236	1,283	1,253	1,205	1,163	1,111
Dual enrollment	363	369	386	376	325	406	313	324	339	341
Other (1)	98	40	36	38	31	53	76	72	60	84
Total District	3,770	3,508	3,174	3,173	3,043	3,488	3,428	3,471	3,446	3,548

Source: District records.

Note 1: Other primarily includes courses held at non-campus locations.

**YAVAPAI COUNTY COMMUNITY COLLEGE DISTRICT
FACULTY AND STAFF STATISTICS
Last Ten Fiscal Years**

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Faculty										
Regular	101	97	97	105	105	99	96	98	99	107
Adjunct	98	90	93	75	66	57	82	73	90	112
Staff										
Regular	306	301	319	330	325	321	342	367	395	398
Temporary	56	58	57	54	57	45	64	66	53	72

Source: District records.

YAVAPAI COUNTY COMMUNITY COLLEGE DISTRICT
CAPITAL ASSET INFORMATION
Last Ten Fiscal Years
in thousand's

Asset Type	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Computers and Peripherals	\$ 1,286.3	\$ 1,701.1	\$ 1,507.7	\$ 1,537.8	\$ 1,616.1	\$ 1,631.0	\$ 1,546.9	\$ 1,295.4	\$ 1,142.0	\$ 1,150.5
Network Equipment	2,369.4	2,958.0	2,725.9	2,535.3	2,701.5	2,477.8	2,883.1	3,064.4	2,913.7	2,654.9
Audio Visual Equipment	1,368.9	1,144.7	1,242.7	1,317.2	1,651.3	1,528.3	1,516.5	1,296.7	1,249.5	1,229.9
Office Equipment & Furniture	11,947.5	10,964.5	9,449.1	8,245.7	8,004.5	6,799.1	6,020.9	5,545.7	5,197.8	4,811.7
Software	2,149.1	2,149.1	2,149.1	2,149.1	2,149.1	2,149.1	2,149.1	2,149.1	2,149.1	2,149.1
Vehicles	4,121.8	3,764.9	3,184.6	3,060.8	2,855.8	2,673.6	2,438.5	2,187.5	1,987.4	1,928.1
Intangibles	1,043.5	1,043.6	723.5	273.6	273.6	273.6	273.6	273.6	273.6	273.6
Library Books	149.0	152.1	1,233.0	2,358.0	2,487.8	2,628.4	2,671.5	2,821.1	2,937.1	2,943.6
Buildings ⁽¹⁾	226,209.5	219,271.1	212,280.2	210,052.5	201,902.7	192,612.2	190,931.1	188,925.3	168,515.8	168,842.8
Construction in Progress	20,398.3	7,898.5	1,039.2	258.5	4,769.6	7,503.6	1,343.3	150.3	14,601.3	1,042.0
Site Improvements	33,737.1	33,581.3	32,802.5	30,966.5	30,227.4	29,039.7	27,772.8	25,342.1	23,687.7	21,081.3
Land	8,030.2	8,030.2	7,833.9	7,828.9	5,628.5	5,628.5	5,628.5	5,628.5	5,628.5	5,628.5
	<u>\$ 312,810.6</u>	<u>\$ 292,659.0</u>	<u>\$ 276,171.5</u>	<u>\$ 270,584.0</u>	<u>\$ 264,268.0</u>	<u>\$ 254,944.9</u>	<u>\$ 245,175.8</u>	<u>\$ 238,679.8</u>	<u>\$ 230,283.7</u>	<u>\$ 213,736.1</u>

Source: District records.

Note 1: The balance of buildings for FY 2016/17 has been restated and reduced by \$1,300,990 to remove several older, mostly prefabricated, impaired buildings that were demolished in prior years.

Yavapai
COLLEGE

