

2022 ANNUAL COMPREHENSIVE FINANCIAL REPORT



YAVAPAI COUNTY COMMUNITY COLLEGE DISTRICT | ARIZONA

PRESCOTT
VERDE VALLEY
CTEC
PRESCOTT VALLEY
CHINO VALLEY
SEDONA

Yavapai
COLLEGE

YAVAPAI COUNTY COMMUNITY COLLEGE DISTRICT

ANNUAL COMPREHENSIVE FINANCIAL REPORT

Published and distributed by
The Office of Business Services

Yavapai College
1100 E. Sheldon Street
Prescott, AZ 86301
www.yc.edu

For the fiscal year ended June 30, 2022

Yavapai
COLLEGE

Table of Contents

Introductory Section

| | |
|---|----|
| Letter of Transmittal..... | 1 |
| Government Finance Officers Association Certificate of Achievement..... | 10 |
| List of Principal Officers..... | 11 |
| Organizational Chart..... | 12 |

Financial Section

| | |
|--|----|
| Independent Auditors' Report..... | 13 |
| Management's Discussion and Analysis..... | 17 |
| Basic Financial Statements | |
| Statement of Net Position—Primary Government..... | 27 |
| Statement of Financial Position—Component Unit..... | 28 |
| Statement of Revenues, Expenses, and Changes in Net Position—Primary Government..... | 29 |
| Statement of Activities—Component Unit..... | 30 |
| Statement of Cash Flows—Primary Government..... | 31 |
| Notes to Financial Statements..... | 33 |

Required Supplementary Information

| | |
|---|----|
| Proportionate Share of Net Pension Liability—Last Eight Fiscal Years..... | 53 |
| Schedule of Pension Contributions—Last Ten Fiscal Years..... | 54 |

Statistical Section

| | |
|--|----|
| Net Position by Component—Last Ten Fiscal Years..... | 56 |
| Changes in Net Position—Last Ten Fiscal Years..... | 57 |
| Expenditure Limitation—Statutory Limit to Budgeted Expenditures—Last Ten Fiscal Years..... | 58 |
| Property Tax Levies and Collections—Last Ten Fiscal Years..... | 59 |
| Assessed Value and Estimated Actual Value of Taxable Property—Last Ten Fiscal Years..... | 60 |
| Property Tax Rates, Direct and Overlapping Governments—Last Ten Fiscal Years..... | 61 |
| Assessed Valuation, Tax Rate and Levy History—Last Ten Fiscal Years..... | 62 |
| Principal Property Taxpayers—Current Year and Nine Years Ago..... | 63 |
| Tuition Schedule—Last Ten Fiscal Years..... | 64 |
| Ratios of Outstanding Debt by Type—Last Ten Fiscal Years..... | 65 |
| Legal Debt Margin—Last Ten Fiscal Years..... | 66 |
| Ratio of Net General Obligation Bonded Debt to Assessed Value and Net General Bonded Debt per Capita—Last Ten Fiscal Years..... | 67 |
| Ratio of Annual Debt Service Expenditures for General Bonded Debt to Operating Expenses/Expenditures—Last Ten Fiscal Years..... | 68 |
| Computation of Direct and Overlapping Debt—General Obligation Bonds..... | 69 |
| Revenue Bond and Pledged Revenue Obligations Coverage—Last Ten Fiscal Years..... | 70 |
| Economic Indicators for Yavapai County..... | 71 |
| Principal Employers in Yavapai County—Current Year and Nine Years Ago..... | 72 |
| Miscellaneous Statistics..... | 73 |
| Population and Personal Income for Yavapai County—Last Ten Fiscal Years..... | 74 |
| Student Enrollment, Degree and Demographic Statistics—Last Ten Fiscal Years..... | 75 |
| Historic Enrollment—Last Ten Fiscal Years..... | 76 |
| Faculty and Staff Statistics—Last Ten Fiscal Years..... | 77 |
| Capital Asset Information—Last Ten Fiscal Years..... | 78 |

Introductory Section



Letter of Transmittal

December 15, 2022

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, 2022, is submitted herewith.

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

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 March 2013, the District went through a full reaccreditation by the Higher Learning Commission (HLC) and its status was reaffirmed with no recommendations reported. The District is currently undergoing its ten year HLC reaccreditation review and believes all requirements have been met.

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 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, Northern Arizona 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 2020 population (provided by the US Census Bureau) of 242,253 and a population density of 30 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 all contribute to the economy of Yavapai County. A growing retiree population will continue to produce population growth in Yavapai County over the next decade.



Coming out of the COVID-19 pandemic, the state had a very strong 2021-22 fiscal year that contributed more than \$4.5 billion to fund balance at the end of the year. Each of the state's major revenue categories saw significant increases resulting in general fund revenues being 17% above the prior year. While the overall economy heated up last fiscal year, many economists are now predicting a slowing for fiscal year 2023, the root cause being inflation. Forecasts call for slowing growth as fiscal policy contracts and monetary policy hits the brakes. Arizona's tight labor market, strong job gains, low unemployment rates, and rapid wage increases are being offset by slowing retail sales, inflation far exceeding income growth, plunging housing affordability, and interest rates rising. The long-term forecast for Arizona continues to be good and is expected to outpace growth at the national level.

Yavapai County is experiencing slightly better unemployment rates than the state for the last 12 months. The county along with most areas of the country are seeing various industry-specific labor shortages, particularly in sectors hardest hit by the pandemic that have low wages. Although housing affordability is very challenging in the county, it's likely a positive net migration will continue, albeit at a slower pace than in the past.

Property taxes provide the majority of funding for the District. Housing prices in the county and state have surged over the last year. This is primarily due to a supply/demand imbalance. We expect the growth in total assessed values, which are statutorily controlled, to increase modestly into next fiscal year and the primary property tax levy to increase moderately due to new construction.

The District's recurring operating funding from the state remained at about 3% of the total revenues for the fiscal year.

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

The District is in the process of completing its next long-range Capital Improvement Plan where a master site plan for each location is being developed and will include facility, infrastructure and land development improvements to accommodate projected growth in population and programs over the next eight to ten years. Working together with the District's master plan partner, site visits were conducted at all locations, meetings took place with administrators, staff, and faculty user groups, and open forums were done in both Prescott and the Verde to gather information and obtain feedback from the community. This plan will be a living document which will evolve over time to continually align academic, strategic, and physical visions. The improvements will primarily be funded with the District's Future Capital Projects Accumulation monies.

In January 2022, the District completed the purchase of 3.6 acres of land adjacent to the Prescott Valley center for future expansion. Other capital projects completed during the fiscal year included the expansion of the dining area at CTEC, the Prescott Valley center deceleration lane and shared drive, the west arroyo flood mitigation project on the Prescott campus, and the remodeling of two rooms in building G on the Verde campus for the brewing program.

During the fiscal year, the District worked on several large preventative maintenance projects including the replacement of the HVAC systems at the Chino Valley and Prescott Valley centers, the replacement of the HVAC system at the Performing Arts Center on the Prescott campus, and cement replacement around building two on the Prescott campus.

FY 2021-22 Capital Projects

Prescott Valley Center

Marquee



Deceleration Lane



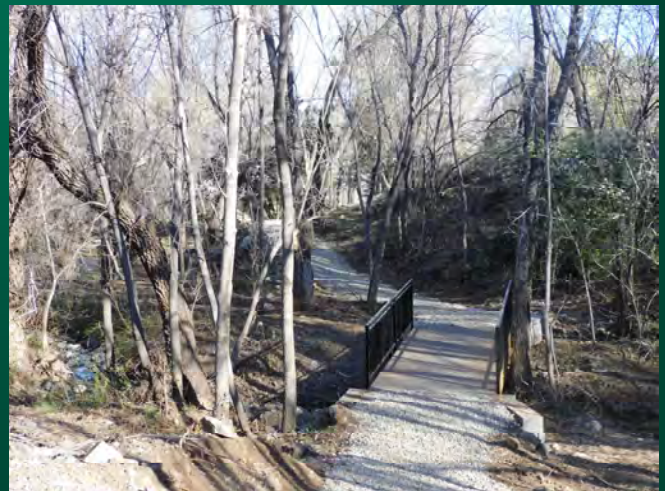
Verde Valley Campus

Brewing Program



Prescott

Flood Mitigation





Lastly, marquee signage and LED parking lot lighting was installed at the Prescott Valley center.

ENROLLMENT

Total enrollment for the fiscal year exceeded 11,900 students including both credit and non-credit classes. After the first full year of navigating COVID, the District's combined credit and non-credit enrollment increased about 29% from the prior year. For-credit full-time student equivalents (FTSE) increased almost 5% from the prior year. The District expects non-credit enrollment to continue to bounce back strongly as COVID fears lessen and retirees continue to relocate to Yavapai County. The District offers a broad array of community education programming including Community Education, College for Kids, Edventures, and Osher Lifelong Learning Institute (OLLI).

STUDENT ACHIEVEMENT

Student accomplishments continue to be our most important gauge of success. Over 1,700 degrees and or certificates were awarded to over 1,220 students. Throughout the course of the academic year, 45 students received the Law Enforcement and Corrections certificate, 68 students received an Emergency Medical Technician certificate, 81 students received the Nursing Assistant certificate, 30 students received a Basic Carpentry certificate, 46 students received a Structural Welding certificate, and 60 students completed all requirements of the Nursing degree. In addition, approximately 48 students completed studies and passed the exam to earn a high school equivalency diploma. Seven students were named to the 2022 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 building programming with both an academic and behavioral component to help students stay on track. This includes making it easier for students to find programs of interest to them, intrusive advising, pathways to allow high achieving high school students to earn College credits through Dual Enrollment, pathways that allow students to continue their academic journeys at universities, and pathways 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 2022-2024 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 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

Belonging

- Strengthen our commitment to individual and organizational efforts to build respect, dignity, caring, equality and self-esteem in all employees and students.

Living Wage

- Ensure a program mix that prepares graduates to obtain living wage jobs.

Adult Learners

- Respond to shifting community and workforce needs to serve adult learners.

Delivery

- Redefine time, place, and methods of educational delivery to create a more learner-centric environment.

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, and administrative services — to ensure we are all pulling in the same direction.

FUTURE PROGRAM INITIATIVES

Beginning in fiscal year 2022-23, the District began offering a Legal Paraprofessional and Behavioral Health Technician certificate. These new certificate programs will prepare students for various careers in these industries through a combination of lecture, group discussion and hands on skill building experiences. Academic program reviews will be

performed in all instructional degree and certificate programs.

As mentioned previously, Yavapai College's service area is large, with residents dispersed in some remote areas where the District does not have a facility. To improve these residents' access to instruction, and to assist others with their technology needs, the District implemented a check-out system for laptops, internet hotspots, and other equipment. The College has also improved its outdoor Wi-Fi coverage and partnered with libraries and school districts to create an interactive map of all the free public Wi-Fi locations in Yavapai County.

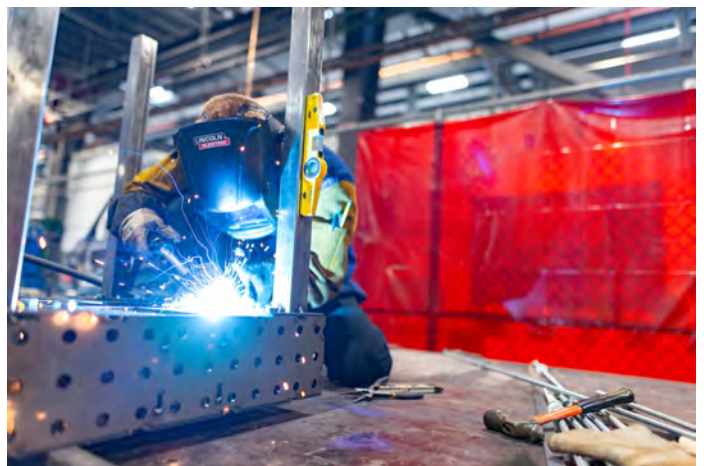
The District is well positioned to fill many of the educational and cultural needs of Yavapai County. An initiative is ongoing to review the relevancy and effectiveness of existing programs and to identify any new programs that may be beneficial to the residents of the county.

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, Office of the 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 Office of the Auditor General.

Cash Management

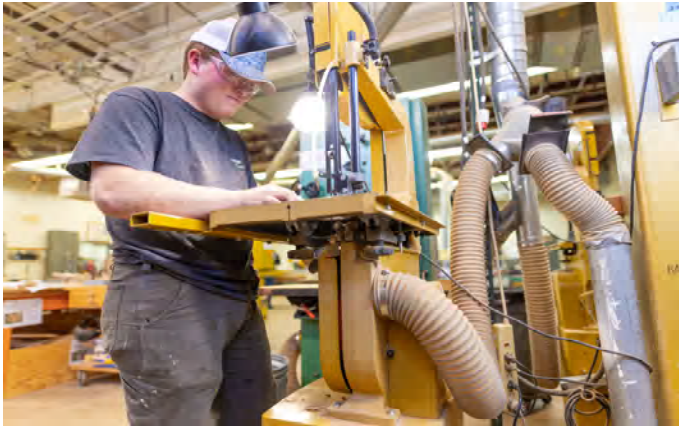
The District is governed by the Arizona Revised Statutes relating to the overall investment of idle public funds. The fiduciary responsibility of such investments is entrusted to the District Governing Board and facilitated through the Vice President of Finance and Administrative Services.

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 to accomplishing 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.
- ◆ Using the Purchasing and Contracting department to ensure fair and competitive prices, 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.

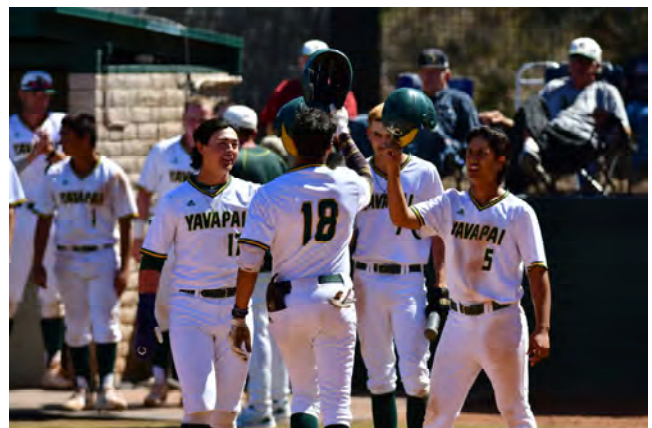
RISK MANAGEMENT

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, 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 Arizona Auditor General conducts the annual financial audit for the District. 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. The Auditor General's Independent Auditors' Report is included in this document. For the fiscal year ended June 30, 2022, 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, 2021. This was the twenty-first consecutive year that the District has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized 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 financial 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, 2023. 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,

Vice President of Finance and Administrative Services



Director of Business Services/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, 2021

Christopher P. Morrill

Executive Director/CEO

YAVAPAI COUNTY COMMUNITY COLLEGE DISTRICT

Principal Officers

June 30, 2022



District Governing Board

Pictured left to right

Mr. Ray Sigafoos, *Secretary*, District 1

Mr. Paul Chevalier, District 3

Ms. Deb McCasland, *Chair*, District 2

Mr. Chris Kuknyo, District 4

Mr. Mitch Padilla, District 5

President

Dr. Lisa Rhine

Administration

Dr. Diane Ryan, *Vice President of Academic Affairs*

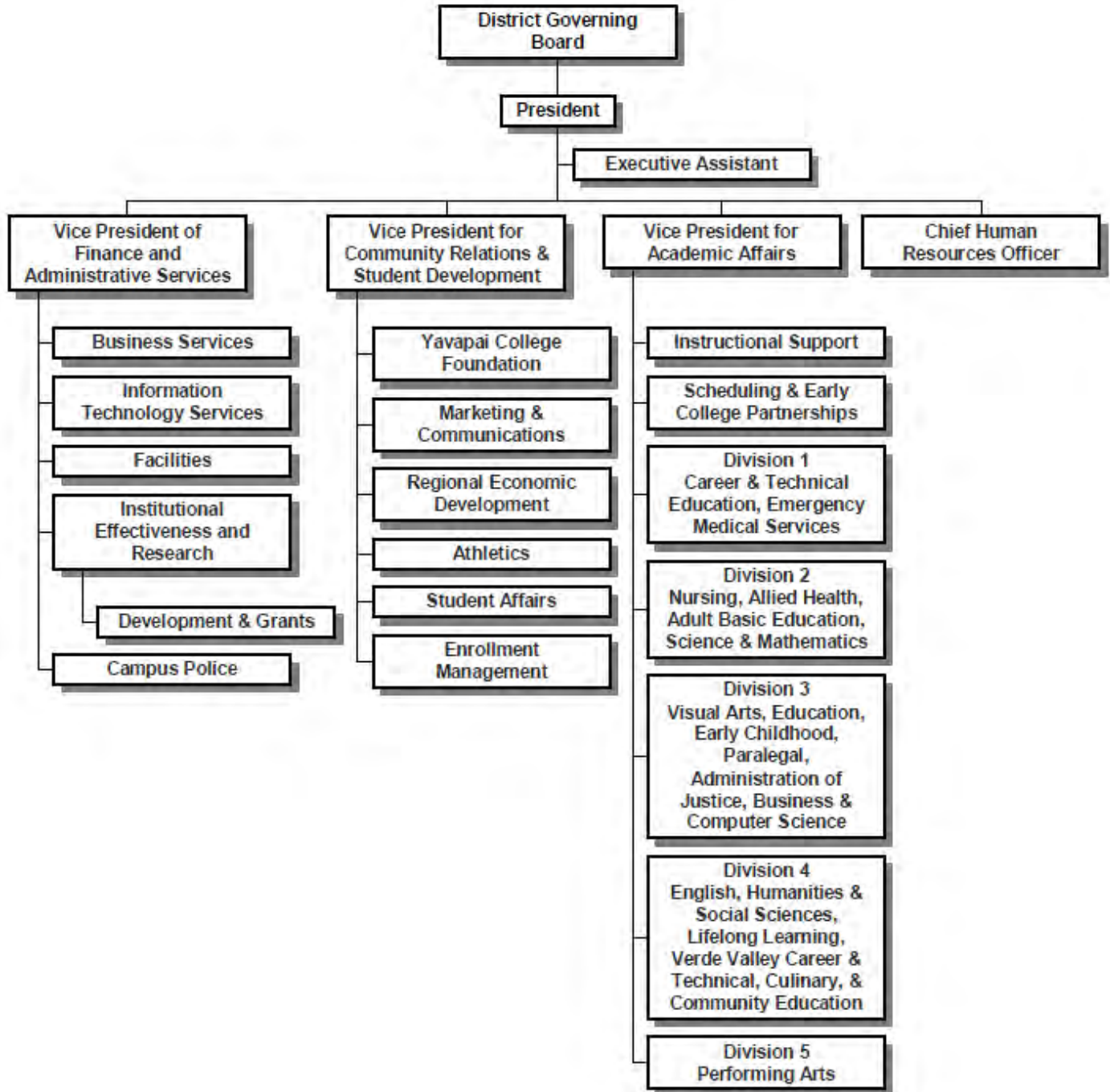
Dr. Clint Ewell, *Vice President of Finance and Administrative Services*

Mr. Rodney Jenkins, *Vice President for Community Relations & Student Development*

Open Position, *Chief Human Resources Officer*

YAVAPAI COUNTY COMMUNITY COLLEGE DISTRICT

Organizational Chart



Financial Section





LINDSEY A. PERRY
AUDITOR GENERAL

ARIZONA
AUDITOR GENERAL

MELANIE M. CHESNEY
DEPUTY AUDITOR GENERAL

Independent auditors' report

Members of the Arizona State Legislature

The Governing Board of
Yavapai County Community College District

Report on the audit of the financial statements

Opinions

We have audited the accompanying financial statements of the business-type activities and discretely presented component unit of the Yavapai County Community College District as of and for the year ended June 30, 2022, 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 financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities and discretely presented component unit of the District as of June 30, 2022, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with U.S. generally accepted accounting principles.

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 other auditors' report.

Basis for opinions

We conducted our audit in accordance with U.S. generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the U.S. Comptroller General. 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*.

Management's responsibilities for the financial statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with U.S. generally accepted accounting principles, 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 12 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 a 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 generally accepted auditing standards 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 generally accepted auditing standards 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, we express no such opinion.
- 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 audit's planned scope and timing, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required supplementary information

U.S. generally accepted accounting principles require that the management's discussion and analysis on pages 17 through 26, schedule of the District's proportionate share of the net pension liability on page 53, and schedule of District pension contributions on page 54 be presented to supplement the basic financial statements. Such information is management's responsibility 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 have applied certain limited procedures to the required supplementary information in accordance with U.S. generally accepted auditing standards, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other information

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 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 on the other information.

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 will issue our report on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters at a future date. The purpose of that report is 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.

Lindsey A. Perry

Lindsey A. Perry, CPA, CFE
Auditor General

December 15, 2022



Management's Discussion and Analysis

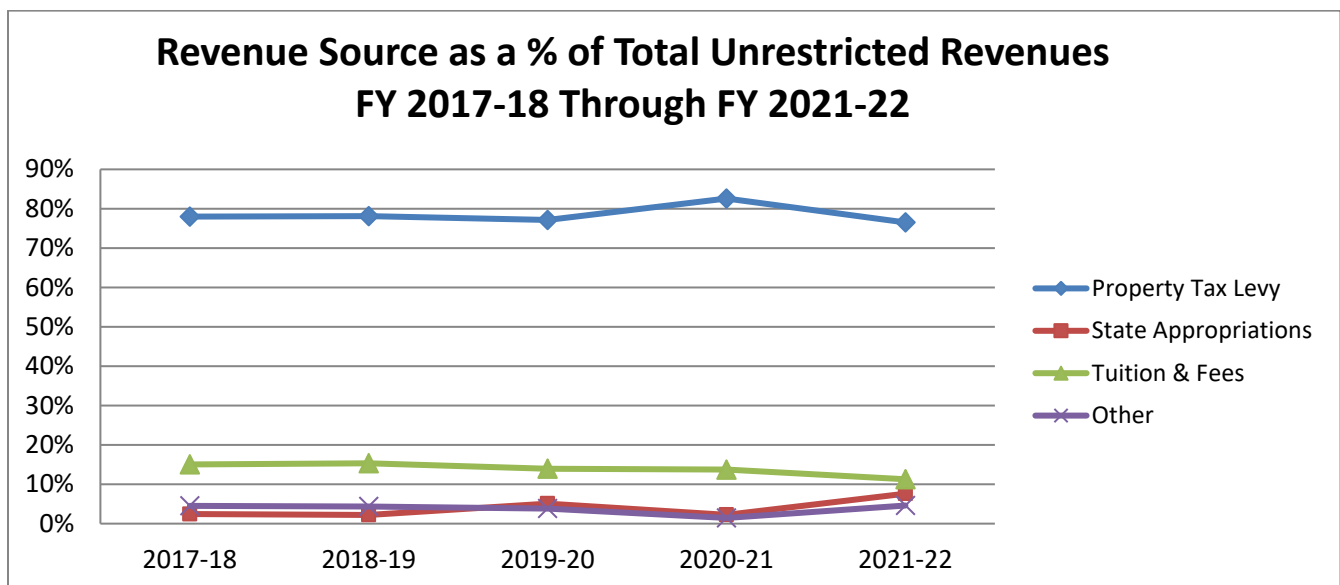
December 15, 2022,

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, 2022. Comparative information from the previous fiscal year is provided in the condensed financial information to show the readers how the College's financial performance has changed and whether the District's health may have improved or deteriorated. Please read it in conjunction with the Vice President of Finance and Administrative Services and Director of Business Services/Controller's letter of transmittal beginning on page 1 and the basic financial statements beginning on page 27.

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. In FY 2021-22, the District's tuition & fees, net scholarship allowances, decreased from the prior fiscal year mainly due to an increase in scholarship allowances. The main reason property taxes, as a percentage of total unrestricted revenues, decreased from the prior year is due to the strong increase in both the State Appropriations and Other categories.



The assets and deferred outflows of resources of the District exceeded its liabilities and deferred inflows at the close of the fiscal year by \$168,454,871.

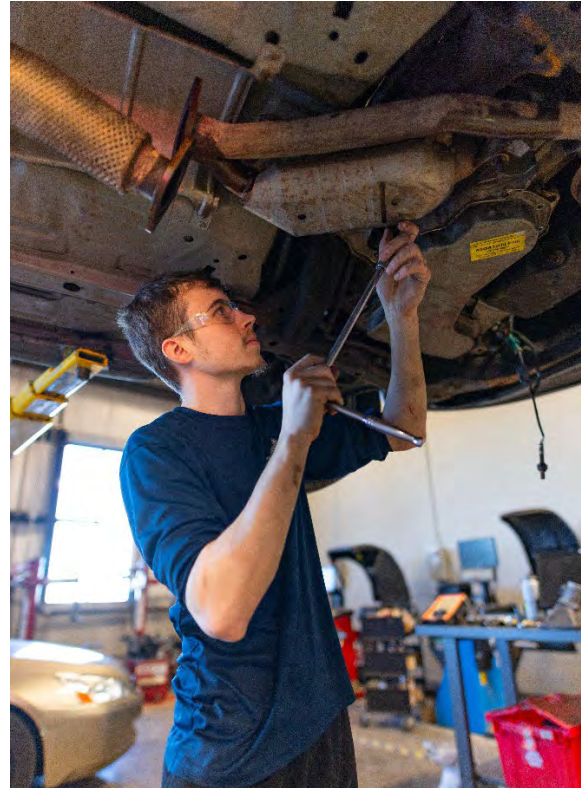
The District's total net position increased from the prior year by \$14,755,235. Net investment in capital assets increased by \$4,055,826 (2.6%). Restricted net position increased by \$2,398,820 (121.0%) and unrestricted net position increased by \$8,300,589 (144.0%).

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 Financial Statements

The Statement of Net Position reflects the financial position of the District at June 30, 2022. 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 consumption of net position that applies to a future reporting period(s) and so will not be recognized as outflows of resources (expense) until then. Deferred inflows of resources represent the acquisition of net position that applies to a future reporting period(s) 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 below 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

| | <u>6/30/2022</u> | <u>6/30/2021</u> |
|--|----------------------|----------------------|
| Assets: | | |
| Current assets | \$ 42,276,245 | \$ 35,057,351 |
| Noncurrent assets, other than capital assets | 19,969 | 49,502 |
| Capital assets, net of depreciation | <u>166,461,477</u> | <u>166,451,350</u> |
| Total assets | <u>208,757,691</u> | <u>201,558,203</u> |
| Deferred Outflows of Resources | | |
| | <u>6,845,960</u> | <u>7,355,267</u> |
| Liabilities: | | |
| Other liabilities | 4,909,862 | 9,932,626 |
| Long-term liabilities | <u>32,910,076</u> | <u>45,281,208</u> |
| Total liabilities | <u>37,819,938</u> | <u>55,213,834</u> |
| Deferred Inflows of Resources | | |
| | <u>9,328,842</u> | <u>-</u> |
| Net Position: | | |
| Net investment in capital assets | 161,537,817 | 157,481,991 |
| Restricted net position | 4,381,185 | 1,982,365 |
| Unrestricted net position | <u>2,535,869</u> | <u>(5,764,720)</u> |
| Total net position | <u>\$168,454,871</u> | <u>\$153,699,636</u> |

Current assets increased by \$7,218,894 primarily due to an increase in cash related to receiving federal HEERF monies, smart and safe Arizona fund shared revenues (prop 207) and state shared tax revenues (prop 301), that weren't spent as of June 30, 2022. Capital assets, net of depreciation, were flat from the prior year. In regards to capital assets, the District purchased land adjacent to the Prescott Valley Center and did numerous capital improvement and preventative maintenance projects that were offset by the depreciation of existing assets.

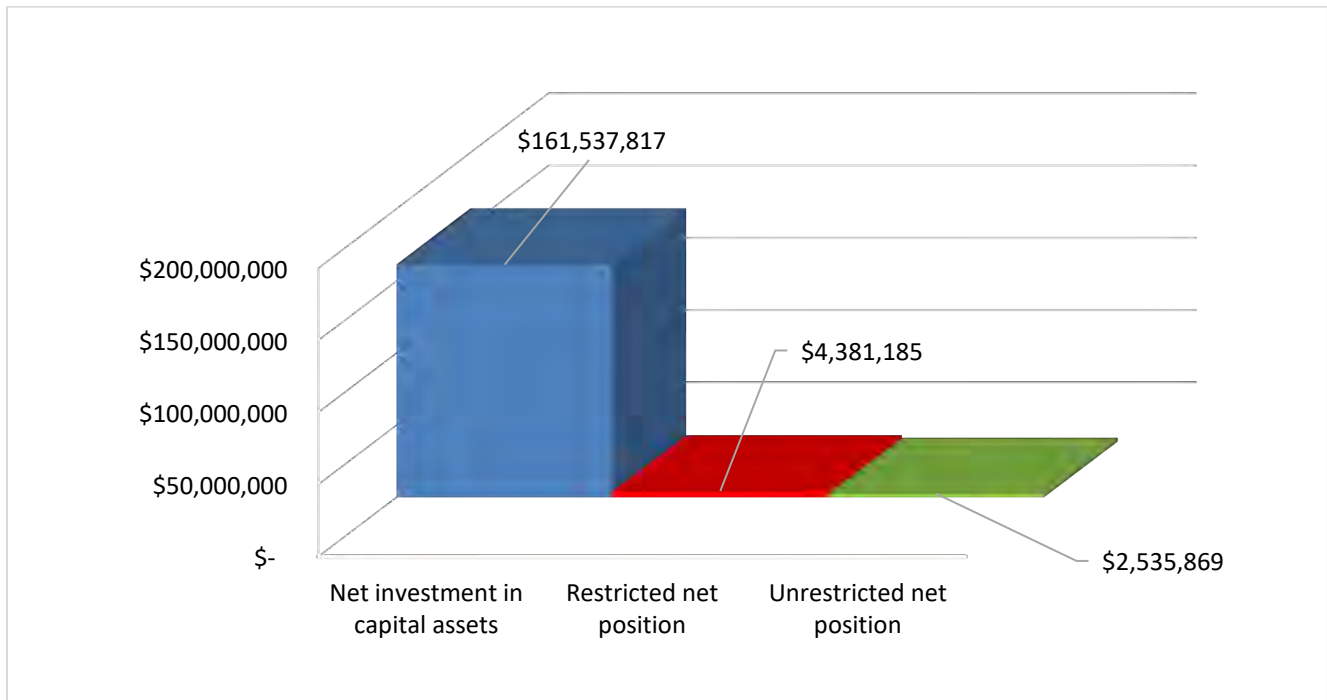
Deferred outflows and inflows of resources are predominantly comprised of activity relating to pensions. Deferred outflows and inflows of resources are changes in the net pension liability that will be recognized as pension expense in future years and contributions after the measurement date that will 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. For the current fiscal year, a \$9,328,842 deferred inflow of resources occurred as a result of the pension fund's investment performance exceeding a 25% return. Deferred outflows and inflows amounts are provided by the Arizona State Retirement System.

Other liabilities decreased by \$5,022,764 as a result of less general and construction related payables this fiscal year and the unearned revenue that existed at June 30, 2021, related to HEERF Institutional monies, which were recognized as income during the current fiscal year. These HEERF Institutional monies were allowed to be recognized as income once all of the spending requirements related to the HEERF Emergency Grants for Students were met.

The \$12,371,132 decrease in long-term liabilities was a result of a decrease in the District's net pension liability of \$10,149,846 and the principal payments made on general obligation and revenue bonds. The decrease in net pension liability primarily resulted from actual plan investment performance significantly exceeding plan assumptions as well as changes in significant estimates used to determine the plan's liability such as discount rate, future raises, inflation and mortality rates.

The District's net investment in capital assets increased by \$4,055,826 over the previous fiscal year. This increase was attributable to the addition of equity in the District's capital assets over the previous year and the reduction of debt acquired to pay for these assets. Restricted net position increased by \$2,398,820 due to the receipt of state shared tax revenues (prop 301) and the smart and safe Arizona fund shared revenues (prop 207) which will be carried over to the next fiscal year. The increase in unrestricted net position of \$8,300,589 was primarily attributed to the receipt of federal HEERF Institutional monies to reimburse lost revenues, a decrease in net pension liability, vacancy savings, and unspent operating contingency budgets.

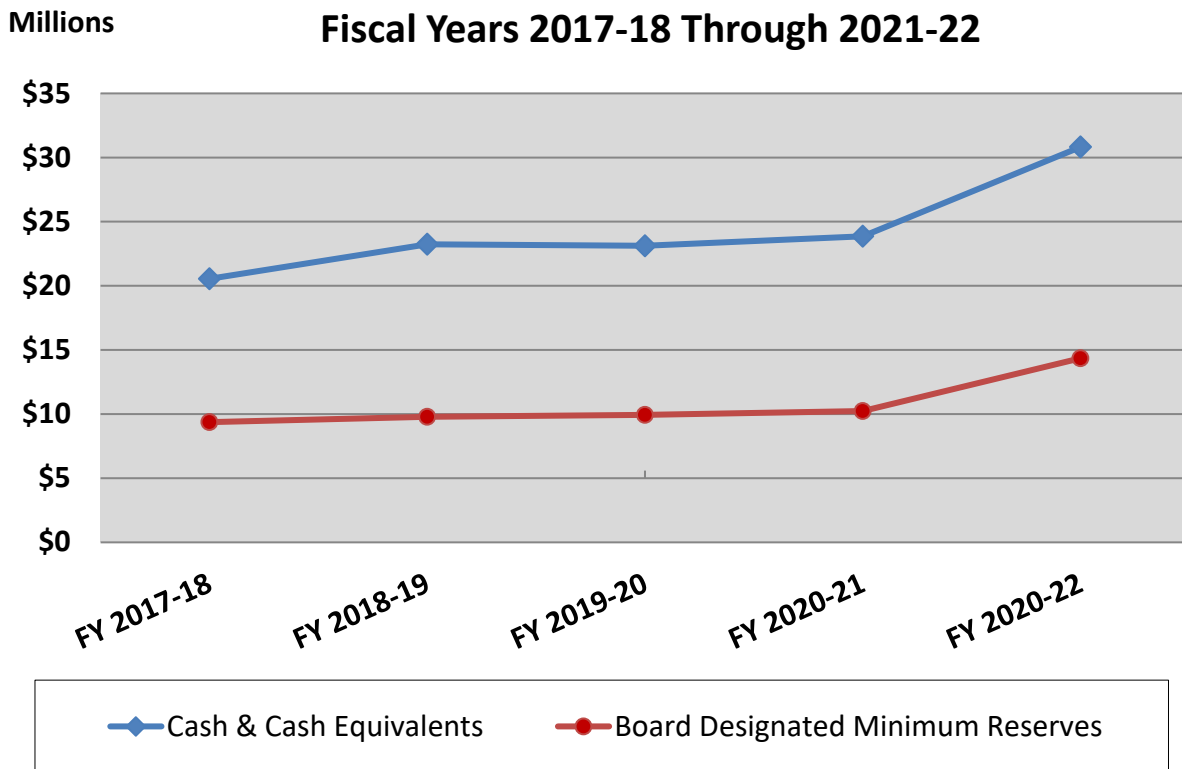
Net Position as of June 30, 2022



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 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 next 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.

Total Reserves (Operating & Plant) Fiscal Years 2017-18 Through 2021-22



The Statement of Revenues, Expenses, and Changes in Net Position reflects the results of operations for the fiscal year ended June 30, 2022. 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.

The condensed financial information below 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

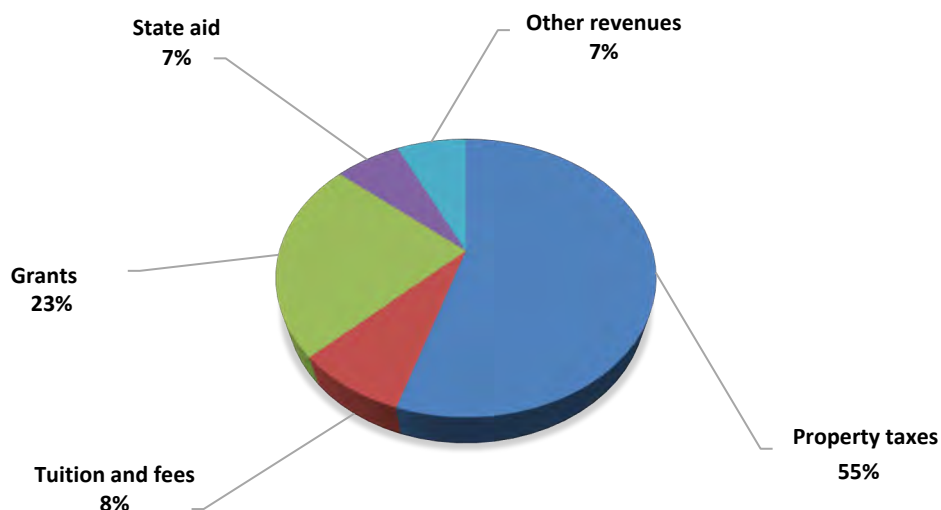
| | <u>Year Ended</u> | |
|---|----------------------|----------------------|
| | <u>6/30/2022</u> | <u>6/30/2021</u> |
| Revenues | | |
| Operating: | | |
| Tuition and fees, net of scholarship allowances | \$ 7,223,360 | \$ 7,845,535 |
| Other | 2,949,307 | 826,103 |
| Non-operating: | | |
| Property taxes | 49,449,575 | 49,433,560 |
| Government grants | 20,963,403 | 13,582,961 |
| State aid | 6,027,233 | 2,315,211 |
| Smart and safe Arizona fund appropriations | 1,658,906 | 769,131 |
| Private grants and gifts | 1,692,953 | 1,705,565 |
| Investment earnings | 70,831 | 66,444 |
| Gain on disposal of capital assets | 1,804 | 12,195 |
| Total revenues | <u>90,037,372</u> | <u>76,556,705</u> |
| Expenses | | |
| Operating: | | |
| Educational and general: | | |
| Instruction | 19,788,002 | 18,844,972 |
| Public service | 2,948,761 | 1,800,557 |
| Academic support | 5,215,523 | 5,082,592 |
| Student services | 9,207,312 | 8,482,718 |
| Institutional support | 10,695,803 | 10,828,921 |
| Operation and maintenance of plant | 8,122,436 | 6,970,800 |
| Scholarships | 10,409,119 | 6,809,891 |
| Auxiliary enterprises | 1,895,159 | 1,822,706 |
| Depreciation | <u>7,628,745</u> | <u>7,728,980</u> |
| Total operating expenses | 75,910,860 | 68,372,137 |
| Non-operating: | | |
| Interest expense on debt | <u>136,397</u> | <u>367,066</u> |
| Total expenses | <u>76,047,257</u> | <u>68,739,203</u> |
| Income before other revenues, expenses, gains, or losses | 13,990,115 | 7,817,502 |
| Capital revenues | <u>765,120</u> | <u>300,839</u> |
| Increase in net position | 14,755,235 | 8,118,341 |
| Net position, beginning of year | <u>153,699,636</u> | <u>145,581,295</u> |
| Net position, end of year | <u>\$168,454,871</u> | <u>\$153,699,636</u> |

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 \$13,480,667. Higher property taxes due to new commercial and residential construction were fully off-set by the continued reduction of secondary taxes related to the District's general obligation bonds. Tuition and fees, while increasing from the prior year due to moderate enrollment growth, were offset by higher scholarship allowances. Increased government grant revenues of \$7,380,442 resulted from the federal HEERF grants, covering over \$6.1 million of student grant awards and over \$1.1 million of equipment, software, personal protective equipment, faculty stipends, and past due student balances that occurred during the COVID-19 pandemic. State aid increased \$3,712,022 primarily due to the District receiving a rural community college appropriation which it did not receive in the prior year. Lastly, other revenues increased \$2,123,204 back to pre-COVID levels with the residence halls being full, musical productions in full swing and the collection of higher indirect costs on HEERF grant expenditures.

Revenues by Source Fiscal Year 2022

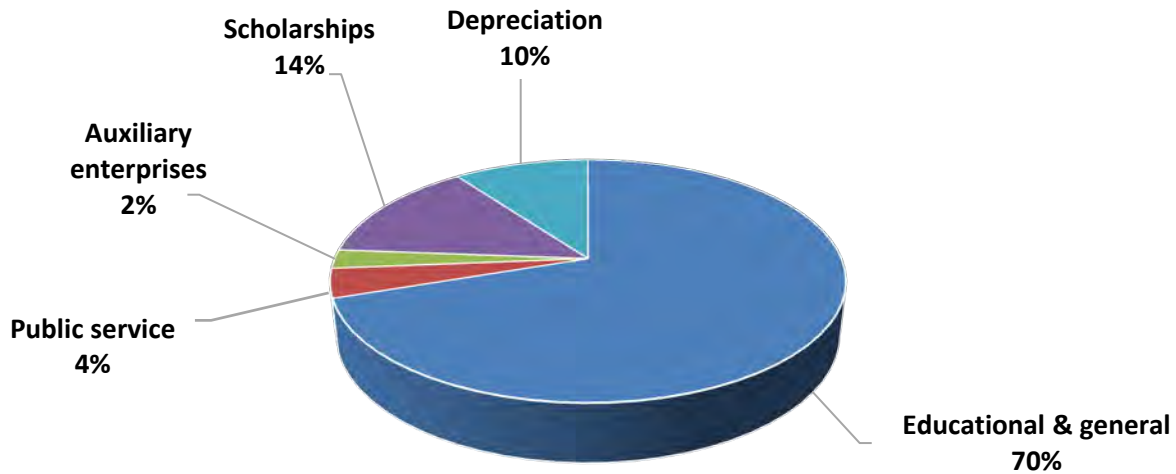


Depreciation expense is recorded in accordance with the adoption of the full accrual basis of accounting. The construction and acquisition of capital assets, although budgeted and tracked as an expenditure in the accounting system, is not reflected as an expense in these statements. Such transactions 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 \$7,538,723 from the previous fiscal year. The primary reasons for the increase were due to an increase in Scholarships, Public Service and Operation and Maintenance of Plant. Scholarships increased by \$3,599,228 due to significantly more federal HEERF monies compared to the prior year. Public Service increased \$1,148,204 due to the expansion of the Regional Economic Development Center and the addition of numerous staff positions. The \$1,151,636 increase in Operation and Maintenance of Plant was caused by higher expenditures related to non-capitalized equipment and supplies, internet, vehicle fuel and maintenance, salary increases and the completion of the capital improvement master plan.

Lastly, depreciation 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.

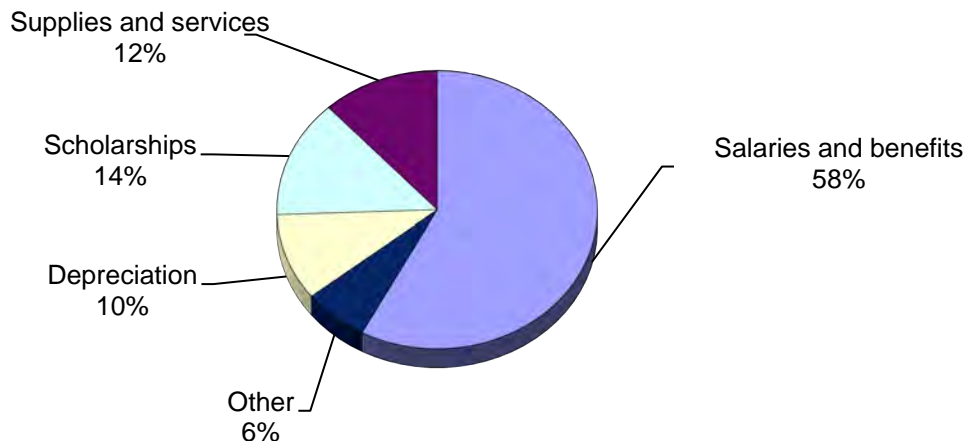
Expenses by Function Fiscal Year 2022



In addition to functional classification, a summary of the District's operating expenses by natural classification for the years ended June 30, 2022, and 2021 follows:

| | <u>FY 2022</u> | <u>FY 2021</u> | <u>% Change</u> |
|-----------------------|---------------------|---------------------|-----------------|
| Salaries and benefits | \$43,842,287 | \$42,799,116 | 2.4% |
| Supplies and services | 9,003,811 | 7,413,084 | 21.5% |
| Scholarships | 10,409,119 | 6,809,891 | 52.9% |
| Depreciation | 7,628,745 | 7,728,980 | -1.3% |
| Other | 5,026,898 | 3,621,066 | 38.9% |
| | <u>\$75,910,860</u> | <u>\$68,372,137</u> | 11.0% |

Expenses by Natural Classification Fiscal Year 2022



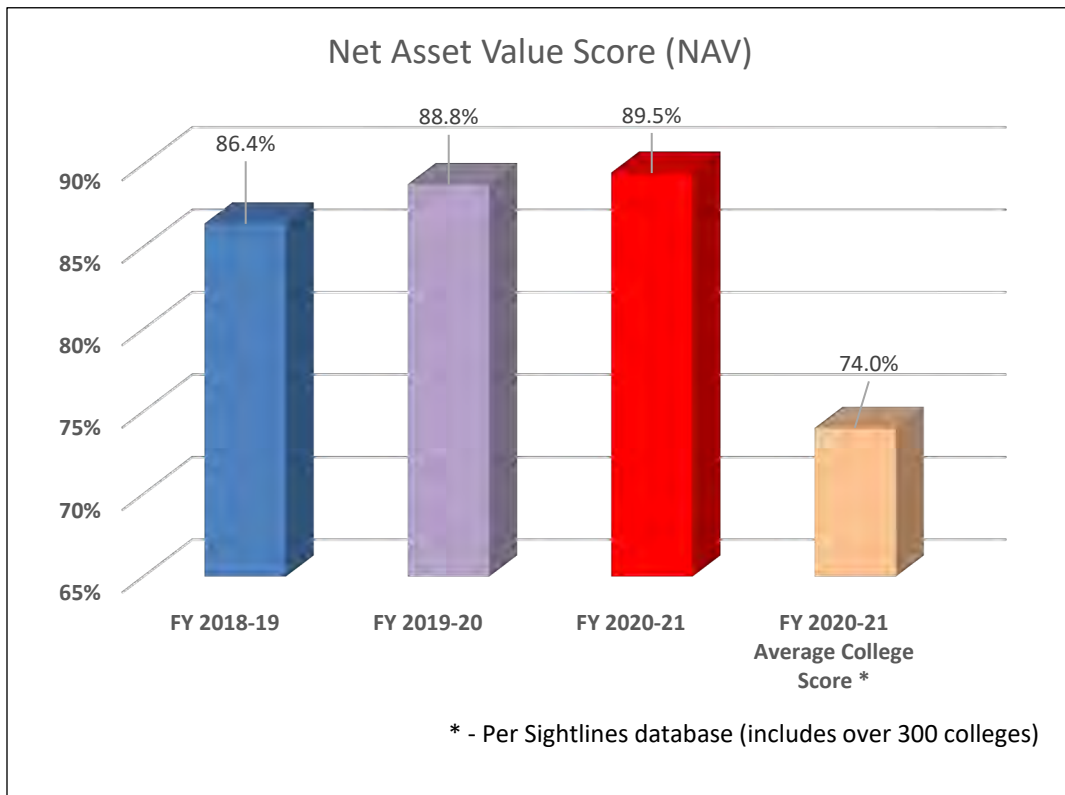
The Statement of Cash Flows reflects the cash inflows and outflows of cash and cash equivalents for the year ended June 30, 2022. It shows the various cash activities by type, reconciling the beginning cash and cash equivalents amount to the ending cash and cash equivalent amount – which is shown on 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.

Capital Assets and Debt Management

The District completed the purchase of 3.6 acres of land adjacent to the Prescott Valley center in January of 2022. The land will be used for future expansion. Other capital projects completed during the fiscal year included the expansion of the dining area at CTEC, the Prescott Valley center marquee, deceleration lane and shared drive, the west arroyo flood mitigation project on the Prescott campus, and the remodeling of two rooms in building G on the Verde campus for the brewing program. These projects were primarily funded with the District’s Future Capital Projects Accumulation monies.

In fiscal year 2021-2022, the District worked on several large preventative maintenance projects including the replacement of the HVAC systems at the Chino Valley and Prescott Valley centers, the replacement of the HVAC system at the Performing Arts Center on the Prescott campus, and cement replacement around building two on the Prescott campus. These projects as well as many smaller projects were primarily funded with the District’s Future Capital Projects Accumulation monies.

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’s FY 2020-21 score places it in the top 10% of colleges and universities in Sightlines’ database.



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 in accordance with the reporting standards issued by GASB. This has the effect of reducing the book value of capital assets. Depreciation totaled \$7,628,745 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 4 to the basic financial statements.

The District paid off its remaining general obligation (GO) bond debt at the end of the fiscal year. The District’s GO bond debt was rated Aa2 by Moody’s Investors Service and is rated AA- by Standard & Poors. These high quality ratings have been in place for many years and are the result of the District’s diverse property tax base, history of operating surpluses and strong operating performance, conservative expense management and a low debt burden.

During fiscal year 2021-22, the District reduced its outstanding long-term debt by \$2,307,099. Long-term debt outstanding at June 30, 2022, is as follows:

| <u>Description</u> | <u>Original Amount</u> | <u>Maturity Ranges</u> | <u>Interest Rates</u> | <u>Outstanding Principal</u> |
|----------------------|------------------------|------------------------|-----------------------|------------------------------|
| Revenue bonds | | | | |
| Series 2013 | 5,000,000 | 7/1/22-7/1/28 | 2.45% | \$2,225,000 |
| Series 2021 | 3,910,000 | 7/1/22-7/1/25 | .55% - 1.35% | 2,500,000 |

Additional information on the District’s outstanding debt can be found in Note 5 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 COUNTY COMMUNITY COLLEGE DISTRICT
(YAVAPAI COLLEGE)
Statement of Net Position - Primary Government
June 30, 2022**

| ASSETS: | Business Type Activities |
|--|-------------------------------------|
| Current assets: | |
| Cash and cash equivalents | \$ 34,127,833 |
| Receivables (net of allowances for uncollectibles) | |
| Accounts | 384,480 |
| Property taxes | 946,515 |
| Government grants and contracts | 3,513,572 |
| Other | 1,788,293 |
| Prepaid expenses | 1,308,070 |
| Other | 207,482 |
| Total current assets | 42,276,245 |
| Noncurrent assets: | |
| Restricted assets: | |
| Property taxes receivable (net of allowances for uncollectibles) | 16,953 |
| Other receivables | 3,016 |
| Capital assets, not being depreciated | 8,087,422 |
| Capital assets, being depreciated, net | 158,374,055 |
| Total noncurrent assets | 166,481,446 |
| | |
| Total assets | 208,757,691 |
| Deferred Outflows of Resources: | |
| Deferred outflows related to pensions | 6,845,960 |
| Total deferred outflows of resources | 6,845,960 |
| LIABILITIES: | |
| Current liabilities: | |
| Accounts payable | 974,615 |
| Accrued payroll and employee benefits | 2,662,711 |
| Deposits held in custody for others | 108,655 |
| Unearned revenues | 1,113,809 |
| Dormitory and other deposits | 50,072 |
| Current portion of compensated absences payable | 272,609 |
| Current portion of long-term debt | 1,175,000 |
| Current portion of other long-term liabilities | 12,660 |
| Total current liabilities | 6,370,131 |
| Noncurrent liabilities: | |
| Compensated absences payable | 1,819,452 |
| Long-term debt | 3,550,000 |
| Net pension liability | 25,969,018 |
| Other | 111,337 |
| Total noncurrent liabilities | 31,449,807 |
| | |
| Total liabilities | 37,819,938 |
| Deferred Inflows of Resources | |
| Deferred inflows related to pensions | 9,328,842 |
| Total deferred inflows of resources | 9,328,842 |
| NET POSITION: | |
| Net investment in capital assets | 161,537,817 |
| Restricted: | |
| Nonexpendable: | |
| Employee loans | 100,000 |
| Expendable: | |
| Grants and contracts | 4,179,665 |
| Debt service | 101,520 |
| Unrestricted | 2,535,869 |
| | |
| Total net position | \$ 168,454,871 |

See accompanying notes to financial statements.

**YAVAPAI COUNTY COMMUNITY COLLEGE DISTRICT
(YAVAPAI COLLEGE)
Statement of Financial Position - Component Unit
June 30, 2022**

| | Yavapai College Foundation |
|--|---------------------------------------|
| ASSETS: | |
| Current assets: | |
| Cash and cash equivalents | \$ 599,268 |
| Restricted cash | 363,363 |
| Promises to give, current portion | 536,375 |
| Prepaid expenses | 38,491 |
| Total current assets | <u>1,537,497</u> |
| Other long-term assets: | |
| Promises to give, net of current portion | 807,720 |
| Investments | 19,094,022 |
| Property and equipment, net | 30,097 |
| Beneficial interest in perpetual trust | 462,236 |
| Total other long-term assets | <u>20,394,075</u> |
| Total assets | <u>21,931,572</u> |
| LIABILITIES AND NET ASSETS: | |
| Current liabilities: | |
| Accounts payable | 5,895 |
| Accrued expenses | 11,934 |
| Due to Yavapai College | 378,266 |
| Scholarships payable | 791,625 |
| Deferred revenue | 455,146 |
| Total liabilities | <u>1,642,866</u> |
| Net assets: | |
| Without donor restrictions | |
| Undesignated | 211,934 |
| Board designated | 1,204,771 |
| Total without donor restrictions | <u>1,416,705</u> |
| With donor restrictions | 18,872,001 |
| Total net assets | <u>20,288,706</u> |
| Total liabilities and net assets | <u>\$ 21,931,572</u> |

See accompanying notes to financial statements.

**YAVAPAI COUNTY COMMUNITY COLLEGE DISTRICT
(YAVAPAI COLLEGE)
Statement of Revenues, Expenses, and Changes in Net Position - Primary Government
For the Fiscal Year Ended June 30, 2022**

| | Business Type Activities |
|---|-------------------------------------|
| Operating revenues: | |
| Tuition and fees (net of scholarship allowances of \$3,839,376) | \$ 7,223,360 |
| Bookstore income | 78,420 |
| Food service income | 137,770 |
| Dormitory rentals (net of scholarship allowances of \$421,936) | 753,840 |
| Other | 1,979,277 |
| Total operating revenues | 10,172,667 |
| Operating expenses: | |
| Educational and general: | |
| Instruction | 19,788,002 |
| Public service | 2,948,761 |
| Academic support | 5,215,523 |
| Student services | 9,207,312 |
| Institutional support | 10,695,803 |
| Operation and maintenance of plant | 8,122,436 |
| Scholarships | 10,409,119 |
| Auxiliary enterprises | 1,895,159 |
| Depreciation | 7,628,745 |
| Total operating expenses | 75,910,860 |
| Operating loss | (65,738,193) |
| Nonoperating revenues (expenses): | |
| Property taxes | 49,449,575 |
| State appropriations | 4,876,600 |
| Government grants | 20,963,403 |
| Share of state sales taxes | 1,150,633 |
| Smart and safe Arizona fund appropriations | 1,658,906 |
| Private grants and gifts | 1,692,953 |
| Investment earnings | 70,831 |
| Interest expense on debt | (136,397) |
| Gain on disposal of capital assets | 1,804 |
| Total nonoperating revenues (expenses) | 79,728,308 |
| Income before other revenues, expenses, gains or losses | 13,990,115 |
| Capital grants and gifts | 765,120 |
| Increase in net position | 14,755,235 |
| Net position, beginning of year | 153,699,636 |
| Net position, end of year | \$ 168,454,871 |

See accompanying notes to financial statements.

**YAVAPAI COUNTY COMMUNITY COLLEGE DISTRICT
(YAVAPAI COLLEGE)
Statement of Activities - Component Unit
For the Fiscal Year Ended June 30, 2022**

| | Without Donor Restrictions | With Donor Restrictions | Yavapai College Foundation |
|---|----------------------------------|----------------------------|----------------------------------|
| Revenue and other support: | | | |
| Contributions, memberships and grants | \$ 57,862 | \$ 3,047,615 | \$ 3,105,477 |
| In-kind donations | 86,352 | - | 86,352 |
| Program service income | 26,196 | - | 26,196 |
| YCPAC events | 548,949 | - | 548,949 |
| Investment losses | (484,238) | (2,805,507) | (3,289,745) |
| Change in fair value of perpetual trust | - | (52,964) | (52,964) |
| Other income | 501 | - | 501 |
| Net assets released from purpose restrictions | 1,855,896 | (1,855,896) | - |
| | 2,091,518 | (1,666,752) | 424,766 |
| Special events: | | | |
| Revenues from special events | 18,088 | 8,398 | 26,486 |
| Costs of direct donor benefits | (8,455) | - | (8,455) |
| | 9,633 | 8,398 | 18,031 |
| Gross profit on special events | 9,633 | 8,398 | 18,031 |
| | 2,101,151 | (1,658,354) | 442,797 |
| Operating expenses: | | | |
| Program expenses | | | |
| Grants and scholarships | 710,472 | - | 710,472 |
| YCPAC events | 992,568 | - | 992,568 |
| Osher Endowment for Osher Lifelong Learning Institute | 155,769 | - | 155,769 |
| Foundation auxiliaries | 31,275 | - | 31,275 |
| Other programs | 428,908 | - | 428,908 |
| | 2,318,992 | - | 2,318,992 |
| Supporting expenses | | | |
| Administration | 311,895 | - | 311,895 |
| Fundraising | 140,499 | - | 140,499 |
| Total supporting expenses | 452,394 | - | 452,394 |
| | 2,771,386 | - | 2,771,386 |
| Change in net assets | (670,235) | (1,658,354) | (2,328,589) |
| Net assets - beginning of year | 2,086,940 | 20,530,355 | 22,617,295 |
| Net assets - end of year | \$ 1,416,705 | \$ 18,872,001 | \$ 20,288,706 |

See accompanying notes to financial statements.

**YAVAPAI COUNTY COMMUNITY COLLEGE DISTRICT
(YAVAPAI COLLEGE)
Statement of Cash Flows - Primary Government
For the Fiscal Year Ended June 30, 2022**

| CASH FLOWS FROM OPERATING ACTIVITIES: | Business Type Activities |
|--|-------------------------------------|
| Tuition and fees | \$ 7,245,146 |
| Bookstore receipts | 105,496 |
| Food service income | 137,770 |
| Dormitory rentals | 754,990 |
| Other receipts | 963,022 |
| Payments to suppliers and providers of goods and services | (16,842,423) |
| Payments for employee wages and benefits | (44,198,774) |
| Scholarship payments to students | (10,409,119) |
| Deposits held in custody for others received | 689,513 |
| Deposits held in custody for others disbursed | (656,456) |
| Net cash used for operating activities | (62,210,835) |
| CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES: | |
| Property taxes | 49,435,006 |
| Grants | 20,627,810 |
| State and smart & safe of Arizona fund appropriations | 6,535,506 |
| Share of state sales taxes | 1,150,633 |
| Private gifts | 1,608,785 |
| Federal direct lending receipts | 2,282,419 |
| Federal direct lending disbursements | (2,315,470) |
| Net cash provided by noncapital financing activities | 79,324,689 |
| CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES: | |
| Capital grants and gifts | 749,894 |
| Proceeds from sale of capital assets | 1,804 |
| Principal paid on capital debt | (2,140,000) |
| Interest paid on capital debt | (117,413) |
| Purchases of capital assets | (7,789,113) |
| Net cash used for capital and related financing activities | (9,294,828) |
| CASH FLOWS FROM INVESTING ACTIVITIES: | |
| Interest received on investments | 70,831 |
| Net cash provided by investing activities | 70,831 |
| Net increase in cash and cash equivalents | 7,889,857 |
| Cash and cash equivalents, beginning of year | 26,237,976 |
| Cash and cash equivalents, end of year | \$ 34,127,833 |
| | (Continued) |

See accompanying notes to financial statements.

**YAVAPAI COUNTY COMMUNITY COLLEGE DISTRICT
(YAVAPAI COLLEGE)
Statement of Cash Flows - Primary Government
For the Fiscal Year Ended June 30, 2022
(Continued)**

| Reconciliation of operating loss to net cash used for operating activities: | Business Type Activities |
|--|-------------------------------------|
| Operating loss | \$ (65,738,193) |
| Adjustments to reconcile operating loss to net cash used for operating activities: | |
| Depreciation | 7,628,745 |
| Provision for uncollectible accounts | (143,532) |
| Changes in assets, deferred outflows of resources, liabilities and deferred inflows of resources: | |
| Increase in other receivables | (955,341) |
| Increase in prepaid expenses | (491,579) |
| Increase in deposits held in custody for others | 33,057 |
| Increase in compensated absences | 109,313 |
| Increase in deferred inflows of resources related to pensions | 9,328,842 |
| Decrease in accounts receivable | 224,783 |
| Decrease in deferred outflows of resources related to pensions | 323,223 |
| Decrease in accounts payable | (2,306,092) |
| Decrease in accrued payroll and employee benefits | (27,263) |
| Decrease in unearned revenues | (12,585) |
| Decrease in dormitory & other deposits | (10,867) |
| Decrease in net pension liability | (10,149,846) |
| Decrease in other liabilities | (23,500) |
| Net cash used for operating activities | \$ (62,210,835) |

Noncash investing, capital, and noncapital financing activities:

Government grants

The District recorded a \$2,749,221 receivable from the Federal government for lost revenues and direct expenses related to the COVID-19 pandemic.

Amortization of premium on bonds and deferred charges

The District amortized \$167,099 of bond premiums and (\$186,084) of deferred charges.

Gifts of depreciable assets

The District recorded the receipt of gifts of depreciable assets of \$36,943.

See accompanying notes to financial statements.

**YAVAPAI COUNTY COMMUNITY COLLEGE DISTRICT
(YAVAPAI COLLEGE)
Notes to Financial Statements
June 30, 2022**

Note 1 - Summary of Significant Accounting Policies

Yavapai County Community College District's accounting policies conform to Generally Accepted Accounting Principles (GAAP) applicable to public institutions engaged only in business-type activities adopted by the Governmental Accounting Standards Board (GASB). The District evaluated the effects of GASB Statement No. 87, *Leases*, as amended, which became effective this fiscal year and determined that there was no significant impact on the District's financial statements.

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. It acts primarily as a fund-raising organization that receives gifts and bequests, administers those resources, and disburses payments to or on behalf of the District for scholarships and 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.

**YAVAPAI COUNTY COMMUNITY COLLEGE DISTRICT
(YAVAPAI COLLEGE)
Notes to Financial Statements
June 30, 2022**

During the year ended June 30, 2022, the Foundation gifted property and distributed funds in the amount of \$1,440,089 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.

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, 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 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.

**YAVAPAI COUNTY COMMUNITY COLLEGE DISTRICT
(YAVAPAI COLLEGE)
Notes to Financial Statements
June 30, 2022**

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.

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. Donated assets are reported at acquisition value.

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

| | <u>Capitalization Threshold</u> | <u>Depreciation Method</u> | <u>Estimated Useful Life</u> |
|-----------------------------------|--|---------------------------------------|---|
| 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 | 5,000 | Straight line | 30 years |
| Library books | 1 | Straight line | 10 years |

**YAVAPAI COUNTY COMMUNITY COLLEGE DISTRICT
(YAVAPAI COLLEGE)
Notes to Financial Statements
June 30, 2022**

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.

G. Compensated Absences

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

Employees may accumulate up to 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. Because sick leave benefits do not vest with employees, a liability for sick leave benefits is not accrued in the financial statements. However, 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 accrued as a liability in the financial statements.

H. Scholarship Allowances

A scholarship allowance is the difference between the stated charge for goods and services the District provides and the amount that 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

**YAVAPAI COUNTY COMMUNITY COLLEGE DISTRICT
(YAVAPAI COLLEGE)
Notes to Financial Statements
June 30, 2022**

allowances. These allowances are netted against tuition and fees and dormitory rental revenues in the statement of revenues, expenses, and changes in net position.

Note 2 - Deposits and Investments

Arizona Revised Statutes (A.R.S.) requires the District to deposit special tax levies for the District's maintenance or capital outlay with the County Treasurer. 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 investments.

Deposits – At June 30, 2022, the carrying amount of the District's deposits was \$4,536,040, and the District's bank balance was \$5,332,600. The District does not have a formal policy with respect to custodial credit risk for deposits.

Investments – The District had total investments of \$29,584,773 at June 30, 2022, as follows:

External investment pool measured at fair value

| | |
|--|---------------------|
| County Treasurer's investment pool | <u>\$29,584,773</u> |
| Total investments measured at fair value | <u>\$29,584,773</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.

Credit risk – The District does not have a formal policy with respect to credit risk. At June 30, 2022, credit risk for the District's investments was as follows:

| <u>Investment Type</u> | <u>Rating</u> | <u>Rating Agency</u> | <u>Amount</u> |
|------------------------------------|---------------|----------------------|---------------------|
| County Treasurer's investment pool | Unrated | Not applicable | <u>\$29,584,773</u> |
| Total | | | <u>\$29,584,773</u> |

**YAVAPAI COUNTY COMMUNITY COLLEGE DISTRICT
(YAVAPAI COLLEGE)
Notes to Financial Statements
June 30, 2022**

Interest rate risk – The District does not have a formal policy with respect to interest rate risk. At June 30, 2022, the District had the following investments in debt securities:

| <u>Investment Type</u> | <u>Amount</u> | <u>Weighted Average Maturity (Months)</u> |
|------------------------------------|---------------------|---|
| County Treasurer’s investment pool | <u>\$29,584,773</u> | 8.0 |
| Total | <u>\$29,584,773</u> | |

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

| <u>Cash, Deposits, and Investments</u> | <u>Amount</u> | <u>Statement of Net Position</u> | <u>Amount</u> |
|--|---------------------|----------------------------------|---------------------|
| Cash on hand | \$ 7,020 | Cash and cash equivalents | <u>\$34,127,833</u> |
| Deposits | 4,536,040 | Total | <u>\$34,127,833</u> |
| Investments | <u>29,584,773</u> | | |
| Total | <u>\$34,127,833</u> | | |

Note 3 – Receivables

A summary of receivables and the related allowances for uncollectibles follow:

| <u>Account Name</u> | <u>Gross Receivable</u> | <u>Allowance for Uncollectibles</u> | <u>Net Receivable</u> |
|---|-------------------------|-------------------------------------|-----------------------|
| Accounts - current | \$ 1,188,586 | \$ (804,106) | \$ 384,480 |
| Government grants and contracts - current | 3,513,572 | - | 3,513,572 |
| Other | 1,788,293 | - | 1,788,293 |
| Property taxes | | | |
| Current | 1,083,118 | (136,603) | 946,515 |
| Noncurrent | 36,262 | (19,309) | 16,953 |

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.

**YAVAPAI COUNTY COMMUNITY COLLEGE DISTRICT
(YAVAPAI COLLEGE)
Notes to Financial Statements
June 30, 2022**

Note 4 - Capital Assets

Capital asset activity for the year ended June 30, 2022, was as follows:

| | <u>Balance July 1, 2021</u> | <u>Increases</u> | <u>Decreases</u> | <u>Reclassification</u> | <u>Balance June 30, 2022</u> |
|--|---------------------------------|--------------------|------------------|-------------------------|----------------------------------|
| Capital assets not being depreciated: | | | | | |
| Land | \$ 5,628,526 | \$ 2,200,367 | \$ - | \$ - | \$ 7,828,893 |
| Construction in progress | 4,769,641 | 2,013,307 | - | (6,524,419) | 258,529 |
| Total capital assets not being depreciated | <u>10,398,167</u> | <u>4,213,674</u> | <u>-</u> | <u>(6,524,419)</u> | <u>8,087,422</u> |
| Capital assets being depreciated: | | | | | |
| Buildings | 201,902,654 | 2,011,141 | - | 6,138,681 | 210,052,476 |
| Improvements other than buildings | 30,227,383 | 353,416 | - | 385,738 | 30,966,537 |
| Equipment | 18,978,377 | 1,042,897 | 1,175,313 | - | 18,845,961 |
| Intangibles | 273,587 | - | - | - | 273,587 |
| Library books | 2,487,785 | 84,223 | 214,027 | - | 2,357,981 |
| Total capital assets being depreciated | <u>253,869,786</u> | <u>3,491,677</u> | <u>1,389,340</u> | <u>6,524,419</u> | <u>262,496,542</u> |
| Less accumulated depreciation for: | | | | | |
| Buildings | 61,780,021 | 4,936,807 | - | - | 66,716,828 |
| Improvements other than buildings | 19,093,058 | 1,180,412 | - | - | 20,273,470 |
| Equipment | 14,908,775 | 1,397,041 | 1,108,834 | - | 15,196,982 |
| Intangibles | 100,316 | 9,120 | - | - | 109,436 |
| Library books | 1,934,433 | 105,365 | 214,027 | - | 1,825,771 |
| Total capital assets being depreciated | <u>97,816,603</u> | <u>7,628,745</u> | <u>1,322,861</u> | <u>-</u> | <u>104,122,487</u> |
| Total capital assets being depreciated, net | <u>156,053,183</u> | <u>(4,137,068)</u> | <u>66,479</u> | <u>6,524,419</u> | <u>158,374,055</u> |
| Capital assets, net | <u>\$ 166,451,350</u> | <u>\$ 76,606</u> | <u>\$ 66,479</u> | <u>\$ -</u> | <u>\$ 166,461,477</u> |

Note 5 - Long-Term Liabilities

Long-term liability and obligation activity for the year ended June 30, 2022, was as follows:

| | <u>Balance July 1, 2021</u> | <u>Additions</u> | <u>Reductions</u> | <u>Balance June 30, 2022</u> | <u>Due Within One Year</u> |
|---|---------------------------------|---------------------|----------------------|----------------------------------|--------------------------------|
| Long-term debt: | | | | | |
| General obligation bonds | \$ 470,000 | \$ - | \$ 470,000 | \$ - | \$ - |
| Premium on general obligation refunding | 167,099 | - | 167,099 | - | - |
| Revenue bonds from direct placements | 6,395,000 | - | 1,670,000 | 4,725,000 | 1,175,000 |
| Total long-term debt | <u>7,032,099</u> | <u>-</u> | <u>2,307,099</u> | <u>4,725,000</u> | <u>1,175,000</u> |
| Net pension liability | 36,118,864 | - | 10,149,846 | 25,969,018 | - |
| Compensated absences payable | 1,982,748 | 1,076,009 | 966,696 | 2,092,061 | 272,609 |
| Other | 147,497 | - | 23,500 | 123,997 | 12,660 |
| Total long-term liabilities | <u>\$ 45,281,208</u> | <u>\$ 1,076,009</u> | <u>\$ 13,447,141</u> | <u>\$ 32,910,076</u> | <u>\$ 1,460,269</u> |

The District also had an unused line of credit in the amount of \$2,000,000.

**YAVAPAI COUNTY COMMUNITY COLLEGE DISTRICT
(YAVAPAI COLLEGE)
Notes to Financial Statements
June 30, 2022**

General Obligation Bonds and Revenue Bonds – The District’s debt consists of various issues of general obligation bonds and revenue bonds from direct placements that are generally callable with interest payable semiannually. Debt proceeds pay primarily for acquiring or constructing capital facilities, remodeling existing facilities, furnishing buildings and facilities and purchasing land adjacent to existing facilities. The District repays general obligation bonds from voter-approved property taxes. Revenue bonds are repaid from tuition, fees, rentals, and other charges to students, faculty, and others. The original amounts of outstanding general obligation bonds and revenue bonds were \$28,450,000 and \$8,910,000, respectively.

The general obligation bond issues are subject to the federal tax code arbitrage requirements. Excess earnings resulting from arbitrage will be rebated to the federal government. The District does not have a current arbitrage liability. The District’s general obligation bond legal debt limit is 15% of the secondary assessed value of real and personal property within Yavapai County. The District made its final GO bond debt payment at the end of the fiscal year and has no outstanding GO bond debt at June 30, 2022. The District’s total general obligation bond debt capacity and legal debt margin is \$471,483,180 as of June 30, 2022.

In prior years, the District defeased certain general obligation bonds by placing existing resources in an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and the liability related to the \$4,020,000 of outstanding defeased bonds at June 30, 2022, are not included in the District’s financial statements.

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 April 2021 revenue bonds. The revenue bonds are payable solely from these revenue sources and are payable through 2028 and 2025, respectively. Annual principal and interest payments on the revenue bonds are expected to require less than 3.9% of tuition, fees, dormitory rentals, bookstore, and other income. In the current year, total revenues of \$10,217,259 were pledged to cover the principal and interest paid of \$1,768,612.

Revenue bonds outstanding at June 30, 2022, were as follows:

| <u>Description</u> | <u>Original Amount Issued</u> | <u>Maturity Ranges</u> | <u>Interest Rates</u> | <u>Outstanding Principal</u> |
|---|-------------------------------|------------------------|-----------------------|------------------------------|
| Revenue bonds from direct placements | | | | |
| Series 2013 | \$5,000,000 | 7/1/22-7/1/28 | 2.45% | \$2,225,000 |
| Series 2021 | 3,910,000 | 7/1/22-7/1/25 | .55% - 1.35% | 2,500,000 |

**YAVAPAI COUNTY COMMUNITY COLLEGE DISTRICT
(YAVAPAI COLLEGE)
Notes to Financial Statements
June 30, 2022**

The following schedule details debt service requirements to maturity for the District's revenue bonds payable at June 30, 2022:

| Year Ending June 30, | Revenue Bonds from Direct placements | |
|-------------------------|---|-------------------|
| | <u>Principal</u> | <u>Interest</u> |
| 2023 | \$ 1,175,000 | \$ 81,638 |
| 2024 | 1,190,000 | 66,463 |
| 2025 | 1,205,000 | 48,580 |
| 2026 | 375,000 | 28,298 |
| 2027 | 385,000 | 19,110 |
| 2028 | <u>395,000</u> | <u>9,678</u> |
| Total | <u>\$ 4,725,000</u> | <u>\$ 253,767</u> |

Note 6 - Risk Management

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The District carries commercial insurance for all such risks of loss, including workers' compensation, 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.

Note 7 - 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.

**YAVAPAI COUNTY COMMUNITY COLLEGE DISTRICT
(YAVAPAI COLLEGE)
Notes to Financial Statements
June 30, 2022**

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 | |
|--|---|---|
| | <u>Initial membership date:</u> | |
| | <u>Before July 1, 2011</u> | <u>On or after July 1, 2011</u> |
| 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, 2022, statute required active ASRS members to contribute at the actuarially determined rate of 12.22 percent for retirement of the members' annual

**YAVAPAI COUNTY COMMUNITY COLLEGE DISTRICT
(YAVAPAI COLLEGE)
Notes to Financial Statements
June 30, 2022**

covered payroll, and statute required the District to contribute at the actuarially determined rate of 12.01 percent for retirement of the active members' annual covered payroll. In addition, the District was required by statute to contribute at the actuarially determined rate of 10.13 percent for retirement of annual covered payroll of retired members who worked for the District in positions that an employee who contributes to the ASRS would typically fill. The District's contributions to the pension plan for the year ended June 30, 2022, were \$2,830,591.

Pension liability - At June 30, 2022, the District reported a liability of \$25,969,018 for its proportionate share of the ASRS' net pension liability. The net pension liability was measured as of June 30, 2021. 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, 2020, to the measurement date of June 30, 2021. The total liabilities as of June 30, 2021, reflect changes in actuarial assumptions based on the results of an actuarial experience study for the 5-year period ended June 30, 2020, including decreasing the discount rate from 7.5 percent to 7.0 percent and changing the projected salary increases from 2.7-7.2 percent to 2.9-8.4 percent.

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, 2021. The District's proportion measured as of June 30, 2021, was .1976 percent which was a decrease of .0108 from its proportion measured as of June 30, 2020.

Pension expense and deferred outflows/inflows of resources - For the year ended June 30, 2022, the District recognized pension expense for ASRS of \$2,362,432. At June 30, 2022, 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 | \$ 395,874 | \$ - |
| Changes of assumptions or other inputs | 3,380,075 | - |
| Net differences between projected and actual earnings on plan investments | | 8,227,899 |
| Changes in proportion and differences between district contributions and proportionate share of contributions | 239,420 | 1,100,943 |
| District contributions subsequent to the measurement date | <u>2,830,591</u> | <u>-</u> |
| Total | <u>\$6,845,960</u> | <u>\$9,328,842</u> |

**YAVAPAI COUNTY COMMUNITY COLLEGE DISTRICT
(YAVAPAI COLLEGE)
Notes to Financial Statements
June 30, 2022**

The \$2,830,591 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, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to ASRS pensions will be recognized in expense as follows:

| Year ending June 30 | |
|--------------------------------|--------------|
| 2023 | \$ (236,003) |
| 2024 | (428,244) |
| 2025 | (1,813,830) |
| 2026 | (2,835,396) |

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

| | |
|-----------------------------|---------------------|
| Actuarial valuation date | June 30, 2020 |
| Actuarial roll forward date | June 30, 2021 |
| 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, 2020, 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 and by adding expected inflation. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

| <u>Asset class</u> | <u>Target allocation</u> | <u>Long-term expected geometric real rate of return</u> |
|-----------------------|--------------------------|---|
| Equity | 50% | 4.90% |
| Fixed income - credit | 20% | 5.20% |

**YAVAPAI COUNTY COMMUNITY COLLEGE DISTRICT
(YAVAPAI COLLEGE)
Notes to Financial Statements
June 30, 2022**

| | | |
|--|-------------|-------|
| Fixed income - interest rate sensitive | 10% | 0.70% |
| Real estate | <u>20%</u> | 5.70% |
| Total | <u>100%</u> | |

Discount rate – At June 30, 2021, the discount rate used to measure the ASRS total pension liability was 7.0 percent, which was a decrease of 0.5 from the discount rate used as of June 30, 2020. 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.

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:

| | <u>1% Decrease (6.0%)</u> | <u>Current discount rate (7.0%)</u> | <u>1% Increase (8.0%)</u> |
|---|-------------------------------|---|-------------------------------|
| District’s proportionate share of Net pension liability | \$40,847,091 | \$25,969,018 | \$13,564,823 |

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 \$221,244 of outstanding pension contribution amounts payable to ASRS for the year ended June 30, 2022.

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

**YAVAPAI COUNTY COMMUNITY COLLEGE DISTRICT
(YAVAPAI COLLEGE)
Notes to Financial Statements
June 30, 2022**

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, 2022, the District and employees contributed at the rate of 12.41 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, 2022, the District recognized pension expense for defined contribution plans of \$671,028. For the year ended June 30, 2022, forfeitures reduced the District’s pension expense by \$1,165.

Pension contributions payable - The District’s accrued payroll and employee benefits included \$49,849 of outstanding pension contribution amounts payable to TIAA/CREF, VALIC, and VOYA Financial for the year ended June 30, 2022.

Note 8 - Operating Expenses

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

| | |
|------------------------------|---------------------|
| Salaries and benefits | \$ 43,842,287 |
| Contract services | 3,676,464 |
| Supplies and other services | 3,337,061 |
| Communications and utilities | 1,990,286 |
| Scholarships | 10,409,119 |
| Depreciation | 7,628,745 |
| Other | <u>5,026,898</u> |
| Total | <u>\$75,910,860</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 \$48,980 in rebates from the use of credit cards.

**YAVAPAI COUNTY COMMUNITY COLLEGE DISTRICT
(YAVAPAI COLLEGE)
Notes to Financial Statements
June 30, 2022**

Note 9 - Discretely Presented Component Unit Disclosures

Nature of Activities and Summary of Significant Accounting Policies

Nature of Activities

The 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 Yavapai College Performing Arts Center (“YCPAC”) program for the College and financial resources for many academic and career and technical 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. There are two auxiliaries as follows:

- 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 fund:

- Performing Arts Center – The Performing Arts Charitable Endowment (PACE), through its annual disbursements, makes it possible to continue to offer spectacular seasons of music, dance, and theater in the Yavapai College 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.

**YAVAPAI COUNTY COMMUNITY COLLEGE DISTRICT
(YAVAPAI COLLEGE)
Notes to Financial Statements
June 30, 2022**

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).

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 statement 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.

**YAVAPAI COUNTY COMMUNITY COLLEGE DISTRICT
(YAVAPAI COLLEGE)
Notes to Financial Statements
June 30, 2022**

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.

Endowment Funds

The Foundation's endowment funds consist of 180 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 the 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

**YAVAPAI COUNTY COMMUNITY COLLEGE DISTRICT
(YAVAPAI COLLEGE)
Notes to Financial Statements
June 30, 2022**

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.

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, 2022:

| | |
|----------------------------|---------------------|
| Fixed income | \$ 5,604,012 |
| Equity funds | 8,354,872 |
| International equity funds | <u>5,135,138</u> |
| | <u>\$19,094,022</u> |

The following schedule summarizes the investment return for the year ended June 30, 2022:

| | |
|--|----------------------|
| Interest and dividend income | \$ 508,050 |
| Net realized gains | 149,425 |
| Net unrealized gains | (3,919,618) |
| Income distribution from perpetual trust | 17,378 |
| Investment fees | <u>(44,980)</u> |
| | <u>(\$3,289,745)</u> |

**YAVAPAI COUNTY COMMUNITY COLLEGE DISTRICT
(YAVAPAI COLLEGE)
Notes to Financial Statements
June 30, 2022**

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 non-active markets (Level 3).

The following is a summary of financial instruments measured at fair value on a recurring basis at June 30, 2022:

| | <u>Level 1</u> | <u>Level 2</u> | <u>Level 3</u> | <u>Total</u> |
|--|---------------------|----------------|-------------------|---------------------|
| Fixed income | \$ 5,604,012 | \$ - | \$ - | \$ 5,604,012 |
| Equity funds | 8,354,872 | - | - | 8,354,872 |
| International equity funds | <u>5,135,138</u> | <u>-</u> | <u>-</u> | <u>5,135,138</u> |
| Total investments | 19,094,022 | - | - | 19,094,022 |
| | | | | |
| Beneficial interest in perpetual trust | <u>-</u> | <u>-</u> | <u>462,236</u> | <u>462,236</u> |
| | <u>\$19,094,022</u> | <u>\$ -</u> | <u>\$ 462,236</u> | <u>\$19,556,258</u> |

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, 2022, there were 26 funds that were underwater for a total of \$78,486.

Endowment net asset composition at June 30, 2022, are as follows:

| | <u>Without Donor Restrictions</u> | <u>With Donor Restrictions</u> | <u>Total Endowment Funds</u> |
|------------------------------|---------------------------------------|------------------------------------|--------------------------------------|
| Board designated fund | \$ 800,249 | \$ - | \$ 800,249 |
| Donor restricted funds: | | | |
| Permanently restricted funds | - | 14,507,056 | 14,507,056 |
| Term endowment funds | <u>-</u> | <u>1,046,084</u> | <u>1,046,084</u> |
| | <u>\$ 800,249</u> | <u>\$15,553,140</u> | <u>\$16,353,389</u> |

**YAVAPAI COUNTY COMMUNITY COLLEGE DISTRICT
(YAVAPAI COLLEGE)
Notes to Financial Statements
June 30, 2022**

Changes in endowment funds are as follows:

| | <u>Without Donor Restrictions</u> | <u>With Donor Restrictions</u> | <u>Total Endowment Funds</u> |
|--------------------------------------|---------------------------------------|------------------------------------|--------------------------------------|
| Balance, June 30, 2021 | \$ 940,615 | \$18,105,807 | \$ 19,046,422 |
| Contributions | - | 1,024,040 | 1,024,040 |
| Board designations | 2,969 | 10,450 | 13,419 |
| Interest and dividend income | 20,939 | 422,556 | 443,495 |
| Realized gains | 6,184 | 123,523 | 129,707 |
| Unrealized gains | (160,643) | (3,245,791) | (3,406,434) |
| Amounts appropriated for expenditure | <u>(9,815)</u> | <u>(887,445)</u> | <u>(897,260)</u> |
| Balance, June 30, 2022 | <u>\$ 800,249</u> | <u>\$15,553,140</u> | <u>\$ 16,353,389</u> |

Required Supplementary Information Section



YAVAPAI COUNTY COMMUNITY COLLEGE DISTRICT
 REQUIRED SUPPLEMENTARY INFORMATION
 PROPORTIONATE SHARE OF NET PENSION LIABILITY
 June 30, 2022

| | Reporting Fiscal Year (Measurement Date) | | | | | | | | |
|--|---|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|--|
| | 2021/22 (2020/21) | 2020/21 (2019/20) | 2019/20 (2018/19) | 2018/19 (2017/18) | 2017/18 (2016/17) | 2016/17 (2015/16) | 2015/16 (2014/15) | 2014/15 (2013/14) | 2013/14 through 2012/13 |
| District's proportion of the net pension liability | 0.1976% | 0.2085% | 0.2033% | 0.1969% | 0.1975% | 0.1961% | 0.1963% | 0.1968% | Information not available |
| District's proportionate share of the net pension liability | \$ 25,969,018 | \$ 36,118,864 | \$ 29,585,426 | \$ 27,460,621 | \$ 30,763,535 | \$ 31,657,352 | \$ 30,574,152 | \$ 29,124,740 | |
| District's covered payroll | 22,263,493 | 22,743,998 | 21,475,349 | 19,631,503 | 18,617,192 | 18,437,842 | 18,155,456 | 17,826,189 | |
| District's proportion share of the net pension liability as a percentage of its covered payroll | 116.64% | 158.81% | 137.76% | 139.88% | 165.24% | 171.70% | 168.40% | 163.38% | |
| Plan fiduciary net position as a percentage of the total pension liability | 78.58% | 69.33% | 73.24% | 73.40% | 69.92% | 67.06% | 68.35% | 69.49% | |

YAVAPAI COUNTY COMMUNITY COLLEGE DISTRICT
 REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF PENSION CONTRIBUTIONS
 Last Ten Fiscal Years

| | 2021/22 | 2020/21 | 2019/20 | 2018/19 | 2017/18 | 2016/17 | 2015/16 | 2014/15 | 2013/14 | 2012/13 |
|---|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| Statutorily required contributions | \$ 2,830,591 | \$ 2,558,750 | \$ 2,630,912 | \$ 2,392,974 | \$ 2,132,540 | \$ 2,003,934 | \$ 2,007,043 | \$ 1,976,968 | \$ 1,905,579 | \$ 1,816,850 |
| Contributions in relation to the statutorily required contribution | (2,830,591) | (2,558,750) | (2,630,912) | (2,392,974) | (2,132,540) | (2,003,934) | (2,007,043) | (1,976,968) | (1,905,579) | (1,816,850) |
| Contribution deficiency (excess) | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| District's covered payroll | \$ 23,875,608 | \$ 22,263,493 | \$ 22,743,998 | \$ 21,475,349 | \$ 19,631,503 | \$ 18,617,192 | \$ 18,437,842 | \$ 18,155,456 | \$ 17,826,189 | \$ 17,799,555 |
| Contributions as a percentage of covered payroll | 11.86% | 11.49% | 11.57% | 11.14% | 10.86% | 10.76% | 10.89% | 10.89% | 10.69% | 10.21% |

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.

| <u>Contents</u> | <u>Page</u> |
|--|--------------------|
| Financial Trends | 56 |
| These schedules contain trend information to help the reader understand how the District's financial performance and well-being have changed over time. | |
| Revenue Capacity | 59 |
| These schedules contain trend information to help the reader assess the District's most significant revenue sources, property tax, and tuition. | |
| Debt Capacity | 65 |
| These schedules present information to help the reader assess the affordability of the District's current levels of outstanding debt and the District's ability to issue additional debt in the future. | |
| Demographic and Economic Information | 71 |
| These schedules offer demographic and economic indicators to help the reader understand the environment within which the District's financial activities take place. | |
| Operating Information | 76 |
| 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. | |

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

| | 2021/22 | 2020/21 | 2019/20 | 2018/19 | 2017/18 | 2016/17 (1) | 2015/16 | 2014/15 | 2013/14 (2) | 2012/13 |
|----------------------------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|---------------|---------------|---------------|
| Net investment in capital assets | \$ 161,537,817 | \$ 157,481,991 | \$ 152,382,909 | \$ 143,098,963 | \$ 133,877,780 | \$ 121,457,300 | \$ 107,845,781 | \$ 97,808,266 | \$ 86,471,782 | \$ 78,147,428 |
| Restricted - expendable | 4,281,185 | 1,882,365 | 510,989 | 878,339 | 1,200,234 | 1,076,477 | 1,203,553 | 1,369,160 | 1,310,624 | 1,254,116 |
| Restricted - nonexpendable | 100,000 | 100,000 | 100,000 | 100,000 | 100,000 | 200,000 | 200,462 | 495,124 | 516,894 | 536,143 |
| Unrestricted | 2,535,869 | (5,764,720) | (7,412,603) | (6,617,780) | (11,235,524) | (10,689,678) | (8,891,326) | (10,746,840) | (11,174,451) | 18,010,422 |
| Total net position | \$ 168,454,871 | \$ 153,699,636 | \$ 145,581,295 | \$ 137,459,522 | \$ 123,942,490 | \$ 112,044,099 | \$ 100,358,470 | \$ 88,925,710 | \$ 77,124,849 | \$ 97,948,109 |
| | | | | | | | | | | |

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.

Note 2: Balances prior to FY 2013/14 have not been adjusted for the implementation of GASB Statements No. 65, *Items Previously Reported as Assets and Liabilities* and No. 68, *Accounting and Financial Reporting for Pensions*.

YAVAPAI COUNTY COMMUNITY COLLEGE DISTRICT
CHANGES IN NET POSITION
Last Ten Fiscal Years

| | 2021/22 | 2020/21 | 2019/20 | 2018/19 | 2017/18 | 2016/17 | 2015/16 | 2014/15 | 2013/14 | 2012/13 |
|--|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| Operating expenses: | | | | | | | | | | |
| Educational and general: | | | | | | | | | | |
| Instruction | \$ 19,788,002 | \$ 18,844,972 | \$ 20,257,487 | \$ 18,627,532 | \$ 18,372,048 | \$ 18,094,814 | \$ 17,901,745 | \$ 18,066,535 | \$ 17,783,284 | \$ 17,655,723 |
| Public service | 2,948,761 | 1,800,557 | 2,247,444 | 2,191,127 | 1,735,370 | 1,772,188 | 1,591,489 | 1,474,787 | 1,499,841 | 1,319,994 |
| Academic support | 5,215,523 | 5,082,592 | 4,959,894 | 4,602,601 | 4,347,184 | 4,489,410 | 4,904,174 | 4,268,016 | 4,211,551 | 4,114,700 |
| Student services | 9,207,312 | 8,482,718 | 8,359,344 | 7,430,277 | 6,905,853 | 6,351,387 | 6,322,124 | 6,116,857 | 5,886,627 | 5,139,128 |
| Institutional support | 10,695,803 | 10,828,921 | 11,447,171 | 10,067,807 | 8,941,261 | 8,957,750 | 8,648,787 | 8,670,047 | 8,759,934 | 8,161,909 |
| Operation and maintenance of plant | 8,122,436 | 6,970,800 | 7,347,099 | 6,742,118 | 6,413,053 | 6,025,815 | 6,267,373 | 6,527,970 | 6,177,478 | 5,847,012 |
| Scholarships | 10,409,119 | 6,809,891 | 5,790,516 | 5,950,319 | 6,287,936 | 6,320,185 | 6,712,073 | 7,611,455 | 8,180,284 | 7,792,260 |
| Auxiliary enterprises | 1,895,159 | 1,822,706 | 1,943,218 | 2,033,663 | 1,947,162 | 1,923,756 | 1,880,689 | 1,752,743 | 1,472,356 | 2,795,291 |
| Depreciation | 7,628,745 | 7,728,980 | 7,588,582 | 7,174,803 | 6,599,726 | 6,401,955 | 6,118,198 | 5,731,591 | 5,780,151 | 5,113,014 |
| Other | - | - | - | - | - | - | - | - | - | 68,974 |
| Total operating expenses | 75,910,860 | 68,372,137 | 69,940,755 | 64,820,247 | 61,549,593 | 60,337,260 | 60,346,652 | 60,220,001 | 59,751,506 | 58,008,005 |
| Operating revenues: | | | | | | | | | | |
| Tuition and fees pledged as security for revenue bonds | 7,223,360 | 7,845,535 | 8,408,631 | 8,957,444 | 8,428,264 | 8,278,893 | 8,308,480 | 8,930,193 | 8,799,116 | 8,610,225 |
| Bookstore income | 78,420 | 74,540 | 133,991 | 162,945 | 195,656 | 180,954 | 196,417 | 209,632 | 211,418 | 216,100 |
| Food Service income | 137,770 | - | - | - | - | - | - | - | - | - |
| Dormitory rentals pledged as security for revenue bonds | 753,840 | 263,569 | 772,731 | 823,156 | 796,861 | 828,212 | 773,805 | 779,073 | 619,166 | 609,362 |
| Other | 1,979,277 | 487,994 | 1,402,117 | 1,563,697 | 1,542,733 | 1,243,645 | 1,143,191 | 1,242,302 | 1,069,747 | 1,545,639 |
| Total operating revenues | 10,172,667 | 8,671,638 | 10,717,470 | 11,507,242 | 10,963,514 | 10,531,704 | 10,421,893 | 11,161,200 | 10,699,447 | 10,981,326 |
| Operating loss | (65,738,193) | (59,700,499) | (59,223,285) | (53,313,005) | (50,586,079) | (49,805,556) | (49,924,759) | (49,058,801) | (49,052,059) | (47,026,679) |
| Nonoperating revenues (expenses): | | | | | | | | | | |
| Property taxes | 49,449,575 | 49,433,560 | 50,705,820 | 50,561,375 | 48,584,970 | 48,540,679 | 47,420,835 | 45,967,654 | 45,571,425 | 45,270,751 |
| Government grants | 4,876,600 | 13,582,961 | 11,191,331 | 10,894,560 | 11,316,220 | 10,937,647 | 11,573,903 | 12,610,675 | 13,241,015 | 13,332,275 |
| State appropriations | 20,963,403 | 1,283,300 | 3,065,800 | 1,288,900 | 1,356,400 | 1,574,600 | 1,696,000 | 1,689,900 | 893,900 | 957,600 |
| Share of state sales taxes | 1,150,633 | 1,031,911 | 838,562 | 778,901 | 725,010 | 696,928 | 682,641 | 666,264 | 597,221 | 533,514 |
| Smart and safe Arizona fund appropriations | 1,658,906 | 769,131 | - | - | - | - | - | - | - | - |
| Private grants and gifts | 1,692,953 | 1,705,565 | 1,611,282 | 1,444,067 | 1,393,012 | 1,199,853 | 1,254,889 | 1,056,495 | 761,844 | 841,367 |
| Investment earnings | 70,831 | 66,444 | 464,145 | 457,782 | 195,500 | 110,841 | 100,452 | 93,256 | 91,630 | 61,214 |
| Interest expense on debt | (136,397) | (367,066) | (570,657) | (780,289) | (1,101,584) | (1,249,134) | (1,389,862) | (1,544,711) | (1,695,668) | (1,737,933) |
| Loss on defeasance of debt | - | - | - | (346,595) | - | - | - | - | - | - |
| Gain (loss) on disposal of capital assets | 1,804 | 12,195 | 7,185 | 1,331,212 | 10,513 | 12,350 | (11,504) | 10,766 | 8,389 | 2,432 |
| Total nonoperating revenues | 79,728,308 | 67,518,001 | 67,313,468 | 65,629,913 | 62,480,041 | 61,823,764 | 61,327,354 | 60,550,299 | 59,469,756 | 59,261,220 |
| Income before other revenues, expenses, gains or losses | 13,990,115 | 7,817,502 | 8,090,183 | 12,316,908 | 11,893,962 | 12,018,208 | 11,402,595 | 11,491,498 | 10,417,697 | 12,234,541 |
| Capital appropriations | - | - | - | - | - | - | - | - | 248,600 | - |
| Capital grants and gifts | 765,120 | 300,839 | 31,590 | 1,200,124 | 4,429 | 110,161 | 30,165 | 309,363 | 475,770 | 4,136 |
| Increase in net position | \$ 14,755,235 | \$ 8,118,341 | \$ 8,121,773 | \$ 13,517,032 | \$ 11,898,391 | \$ 12,128,369 | \$ 11,432,760 | \$ 11,800,861 | \$ 11,142,067 | \$ 12,238,677 |

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 EXPENDITURE LIMITATION (1) | BUDGETED EXPENDITURES SUBJECT TO LIMITATION (2) | UNUSED LEGAL LIMIT |
|-------------|--------------------------------------|---|--------------------|
| 2012/13 | \$ 43,278,034 | \$ 43,278,033 | \$ 1 |
| 2013/14 | 43,747,725 | 43,747,724 | 1 |
| 2014/15 | 42,036,867 | 42,036,866 | 1 |
| 2015/16 | 42,312,883 | 41,937,884 | 374,999 |
| 2016/17 | 41,393,014 | 39,317,198 | 2,075,816 |
| 2017/18 | 45,586,098 | 44,870,438 | 715,660 |
| 2018/19 | 45,090,861 | 40,721,980 | 4,368,881 |
| 2019/20 | 46,385,213 | 43,838,630 | 2,546,583 |
| 2020/21 | 49,097,736 | 49,097,736 | - |
| 2021/22 | 48,002,250 | 48,002,250 | - |

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 |
|-------------|--------------------------------|--------------|---------------|------------------------------|---------------------------------|---------------------------------|---------------------------|---|
| 2012/13 | \$ 45,424,100 | \$ (859,105) | \$ 44,564,995 | \$ 43,997,586 | 96.86% | \$ 557,463 | \$ 44,555,049 | 99.98% |
| 2013/14 | 45,803,400 | (383,516) | 45,419,884 | 44,576,740 | 97.32% | 825,105 | 45,401,845 | 99.96% |
| 2014/15 | 46,313,200 | (452,001) | 45,861,199 | 44,829,589 | 96.80% | 1,021,454 | 45,851,043 | 99.98% |
| 2015/16 | 47,635,600 | (168,031) | 47,467,569 | 46,611,360 | 97.85% | 843,209 | 47,454,569 | 99.97% |
| 2016/17 | 48,203,300 | 277,051 | 48,480,351 | 47,542,093 | 98.63% | 922,456 | 48,464,549 | 99.97% |
| 2017/18 | 48,839,300 | (209,558) | 48,629,742 | 47,816,314 | 97.91% | 796,614 | 48,612,928 | 99.97% |
| 2018/19 | 50,628,300 | (58,210) | 50,570,090 | 49,818,650 | 98.40% | 733,743 | 50,552,393 | 99.97% |
| 2019/20 | 50,911,500 | (256,227) | 50,655,273 | 49,655,293 | 97.53% | 952,664 | 50,607,957 | 99.91% |
| 2020/21 | 49,959,700 | (227,484) | 49,732,216 | 48,928,364 | 97.94% | 741,204 | 49,669,568 | 99.87% |
| 2021/22 | 49,309,600 | 30,583 | 49,340,183 | 48,521,190 | 98.40% | - | 48,521,190 | 98.34% |

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

| Fiscal Year | Primary Assessed Value (1) | | | | Total Direct Tax Rate (2) | Estimated Actual Value | Assessed Value as a Percentage of Actual Value |
|-------------|---------------------------------|---------------------|------------------------------|------------------------------|---------------------------|------------------------|--|
| | Residential and Vacant Property | Commercial Property | Unattached Personal Property | Total Taxable Assessed Value | | | |
| 2012/13 | \$ 1,748,825,220 | \$ 573,976,929 | \$ 82,671,574 | \$ 2,405,473,723 | 1.8875 | \$ 20,142,814,909 | 11.94% |
| 2013/14 | 1,819,990,776 | 325,100,587 | 87,538,236 | 2,232,629,599 | 2.0468 | 19,088,929,991 | 11.70% |
| 2014/15 | 1,840,982,742 | 295,068,513 | 81,221,556 | 2,217,272,811 | 2.0837 | 19,418,863,184 | 11.42% |
| 2015/16 | 1,929,113,529 | 263,001,270 | 87,068,649 | 2,279,183,448 | 2.0901 | 20,061,477,030 | 11.36% |
| 2016/17 | 2,012,130,501 | 251,908,085 | 80,371,356 | 2,344,409,942 | 2.0561 | 21,142,413,672 | 11.09% |
| 2017/18 | 2,131,382,392 | 238,029,643 | 93,738,001 | 2,463,150,036 | 1.9828 | 22,327,112,822 | 11.03% |
| 2018/19 | 2,267,175,515 | 249,865,108 | 82,497,218 | 2,599,537,841 | 1.9476 | 23,680,652,430 | 10.98% |
| 2019/20 | 2,414,473,528 | 260,089,904 | 91,113,641 | 2,765,677,073 | 1.8408 | 25,260,274,257 | 10.95% |
| 2020/21 | 2,578,773,696 | 295,973,631 | 83,007,380 | 2,957,754,707 | 1.6891 | 27,104,661,346 | 10.91% |
| 2021/22 | 2,757,762,120 | 304,563,551 | 80,895,529 | 3,143,221,200 | 1.5688 | 28,946,138,131 | 10.86% |

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 62.

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

| Fiscal Year | Yavapai College | | | Overlapping Rates (2) | | | | | | |
|-------------|-----------------|----------------|--------|-----------------------|-----------------------------|--------|--|---------|-----------------------------|--------|
| | Primary Levy | Secondary Levy | Total | Yavapai County | Cities and Towns From To | | Fire and Special Districts From To | | School Districts From To | |
| 2012/13 | 1.6725 | 0.2150 | 1.8875 | 2.6766 | 0.4083 | 1.4400 | 0.0437 | 13.6892 | 1.2727 | 7.2224 |
| 2013/14 | 1.8241 | 0.2227 | 2.0468 | 2.9084 | 0.3351 | 1.6000 | 0.0622 | 16.2403 | 1.1401 | 7.8940 |
| 2014/15 | 1.8606 | 0.2231 | 2.0837 | 2.9305 | 0.3149 | 1.5739 | 0.0627 | 16.5100 | 2.4776 | 7.7759 |
| 2015/16 | 1.8721 | 0.2180 | 2.0901 | 2.9098 | 0.3047 | 1.7165 | 0.0642 | 17.1800 | 2.3885 | 7.7757 |
| 2016/17 | 1.8439 | 0.2122 | 2.0561 | 2.8920 | 0.3025 | 1.7316 | 0.0616 | 19.9088 | 2.0177 | 7.7737 |
| 2017/18 | 1.7827 | 0.2001 | 1.9828 | 2.8431 | 0.2821 | 1.6612 | 0.0583 | 8.3655 | 2.0537 | 8.5411 |
| 2018/19 | 1.7584 | 0.1892 | 1.9476 | 2.7437 | 0.2699 | 1.6455 | 0.0557 | 12.7400 | 2.2376 | 8.5394 |
| 2019/20 | 1.6883 | 0.1525 | 1.8408 | 2.9472 | 0.2599 | 1.6150 | 0.0565 | 12.1200 | 2.2348 | 8.4380 |
| 2020/21 | 1.6131 | 0.0760 | 1.6891 | 2.8201 | 0.2484 | 1.5841 | 0.0000 | 11.6000 | 1.9434 | 7.7737 |
| 2021/22 | 1.5557 | 0.0131 | 1.5688 | 2.7160 | 0.2378 | 1.5318 | 0.0000 | 4.2365 | 0.0000 | 7.5223 |

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 |
| 2012/13 | 2,405,473,723 | 1.6725 | 40,231,548 | 2,414,825,073 | .2150 | 5,191,874 |
| 2012/13 | \$ 2,405,473,723 | 1.6725 | \$ 40,231,548 | \$ 2,414,825,073 | .2150 | \$ 5,191,874 |
| 2013/14 | 2,232,629,599 | 1.8241 | 40,725,397 | 2,279,676,521 | .2227 | 5,076,840 |
| 2014/15 | 2,217,272,811 | 1.8606 | 41,254,578 | 2,267,389,484 | .2231 | 5,058,546 |
| 2015/16 | 2,279,183,448 | 1.8721 | 42,668,593 | 2,279,183,448 | .2180 | 4,968,620 |
| 2016/17 | 2,344,409,942 | 1.8439 | 43,228,575 | 2,344,409,942 | .2122 | 4,974,838 |
| 2017/18 | 2,463,150,036 | 1.7827 | 43,910,576 | 2,463,150,036 | .2001 | 4,928,763 |
| 2018/19 | 2,599,537,841 | 1.7584 | 45,710,273 | 2,599,537,841 | .1892 | 4,918,326 |
| 2019/20 | 2,765,677,073 | 1.6883 | 46,692,926 | 2,765,677,073 | .1525 | 4,217,658 |
| 2020/21 | 2,957,724,707 | 1.6131 | 47,711,057 | 2,957,724,707 | .0760 | 2,247,871 |
| 2021/22 | 3,143,221,200 | 1.5557 | 48,899,092 | 3,143,221,200 | .0131 | 411,762 |

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

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

| Taxpayer | 2021 Primary Assessed Valuation | Rank | Percent of Yavapai County's 2021/22 Primary Assessed Valuation | 2012 Primary Assessed Valuation | Rank | Percent of Yavapai County's 2012/13 Primary Assessed Valuation |
|--|---------------------------------|------|--|---------------------------------|------|--|
| Freeport McMoran (previously Phelps Dodge) | \$ 121,043,573 | 1 | 3.85% | \$ 161,545,894 | 1 | 6.72% |
| Arizona Public Service | 110,089,343 | 2 | 3.50% | 87,247,487 | 2 | 3.63% |
| Unisource Energy Corporation | 20,537,591 | 3 | 0.65% | 14,489,419 | 6 | 0.60% |
| Burlington Northern Santa Fe Railway Company | 19,405,247 | 4 | 0.62% | 10,119,508 | 8 | 0.42% |
| Transwestern Pipeline Company LLC | 17,533,673 | 5 | 0.56% | 30,190,221 | 3 | 1.26% |
| Drake Cement LLC | 17,503,847 | 6 | 0.56% | 19,979,189 | 5 | 0.83% |
| EL Paso Natural Gas Company | 10,414,749 | 7 | 0.33% | 9,039,557 | 9 | 0.38% |
| Wal-Mart | 7,106,836 | 8 | 0.23% | | | |
| New Enchantment LLC | 7,021,979 | 9 | 0.22% | | | |
| Ace Hardware Corp | 5,813,165 | 10 | 0.18% | | | |
| Phoenix Cement Co | | | | 27,309,650 | 4 | 1.14% |
| Qwest Corporation | | | | 11,478,653 | 7 | 0.48% |
| TWC II - Prescott Mall LLC | | | | 5,897,740 | 10 | 0.25% |
| Total Top Ten | <u>\$ 336,470,003</u> | | <u>10.69%</u> | <u>\$ 377,297,318</u> | | <u>15.71%</u> |

Source: Yavapai County Assessor.

YAVAPAI COUNTY COMMUNITY COLLEGE DISTRICT
Tuition Schedule
Last Ten Fiscal Years

| Fiscal Year | Annual Tuition Rates (1) | Tuition per Credit Hour |
|-------------|--------------------------|-------------------------|
| 2012/13 | \$ 2,100 | \$ 70 |
| 2013/14 | 2,100 | 70 |
| 2014/15 | 2,160 | 72 |
| 2015/16 | 2,250 | 75 |
| 2016/17 | 2,370 | 79 |
| 2017/18 | 2,490 | 83 |
| 2018/19 | 2,610 | 87 |
| 2019/20 | 2,184 | 91 |
| 2020/21 | 2,280 | 95 |
| 2021/22 | 2,280 | 95 |

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 2019/20, credits 13 and beyond were offered at no charge per semester.

For FY 2021/22, tier 1 classes were \$110 per credit hour and tier 2 classes were \$122 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) | Capital Lease Obligations | Total Outstanding Debt | Percentage of Personal Income (2) | Per Capita (2) |
|-------------|------------------------------|-------------------|---------------------------------|---------------------------|------------------------|-----------------------------------|----------------|
| 2012/13 | \$ 38,567,403 | \$ 5,000,000 | \$ 12,332,977 | \$ 118,471 | \$ 56,018,851 | 0.90% | \$ 263 |
| 2013/14 | 34,439,498 | 4,725,000 | 11,405,646 | 40,505 | 50,610,649 | 0.75% | 235 |
| 2014/15 | 30,181,593 | 4,440,000 | 10,448,313 | - | 45,069,906 | 0.64% | 206 |
| 2015/16 | 25,798,688 | 4,145,000 | 9,450,982 | - | 39,394,670 | 0.47% | 177 |
| 2016/17 | 21,315,784 | 3,845,000 | 8,413,651 | - | 33,574,435 | 0.40% | 149 |
| 2017/18 | 16,732,878 | 3,535,000 | 7,331,319 | - | 27,599,197 | 0.32% | 121 |
| 2018/19 | 7,724,331 | 3,220,000 | 6,208,988 | - | 17,153,319 | 0.20% | 74 |
| 2019/20 | 3,040,715 | 2,895,000 | 5,036,657 | - | 10,972,372 | 0.11% | 46 |
| 2020/21 | 639,099 | 6,395,000 | - | - | 7,034,099 | 0.07% | 29 |
| 2021/22 | - | 4,725,000 | - | - | 4,725,000 | 0.04% | 20 |

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 75 for data.

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

| | 2021/22 | 2020/21 | 2019/20 | 2018/19 | 2017/18 | 2016/17 | 2015/16 | 2014/15 | 2013/14 | 2012/13 |
|--|----------------|----------------|----------------|----------------|----------------|----------------|----------------|------------------|------------------|------------------|
| Secondary Assessed Value | 3,143,221,200 | 2,957,724,707 | 2,765,677,073 | 2,599,537,841 | 2,463,150,036 | 2,344,409,942 | 2,279,183,448 | \$ 2,553,473,159 | \$ 2,279,676,521 | \$ 2,414,825,073 |
| Legal Debt Margin | | | | | | | | | | |
| Debt limit - 15% of secondary assessed value | 471,483,180 | 443,658,706 | 414,851,561 | 508,070,699 | 463,292,759 | 432,296,793 | 409,121,073 | 383,020,974 | 341,951,478 | 362,223,761 |
| Amount of debt applicable to debt limit: | | | | | | | | | | |
| General obligation bonded debt | 0 | (470,000) | (2,670,000) | (7,150,000) | (15,715,000) | (20,110,000) | (24,405,000) | (28,600,000) | (32,670,000) | (36,610,000) |
| Legal debt margin | \$ 471,483,180 | \$ 443,188,706 | \$ 412,181,561 | \$ 500,920,699 | \$ 447,577,759 | \$ 412,186,793 | \$ 384,716,073 | \$ 354,420,974 | \$ 309,281,478 | \$ 325,613,761 |
| Total general obligation bonded debt as a percentage of legal debt limit | 0.00% | 0.11% | 0.64% | 1.41% | 3.39% | 4.65% | 5.97% | 7.47% | 9.55% | 10.11% |

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 |
|-------------|---|---|------------------------------|---|-----------------|---|----------------------------|
| 2012/13 | 212,065 | \$ 2,414,825,073 | \$ 38,567,403 | \$ 947,064 | \$37,620,339 | 1.56% | \$ 177.16 |
| 2013/14 | 214,539 | 2,279,676,521 | 34,439,498 | 964,317 | 33,475,181 | 1.47% | 155.68 |
| 2014/15 | 217,882 | 2,267,389,484 | 30,181,593 | 892,170 | 29,289,423 | 1.29% | 134.11 |
| 2015/16 | 221,019 | 2,279,183,448 | 25,798,688 | 783,958 | 25,014,730 | 1.10% | 112.89 |
| 2016/17 | 224,828 | 2,344,409,942 | 21,315,784 | 747,020 | 20,568,764 | 0.88% | 91.19 |
| 2017/18 | 228,398 | 2,463,150,036 | 16,732,878 | 623,576 | 16,109,302 | 0.65% | 70.60 |
| 2018/19 | 232,467 | 2,599,537,841 | 7,724,331 | 704,697 | 7,019,634 | 0.27% | 30.26 |
| 2019/20 | 236,062 | 2,765,677,073 | 3,040,715 | 246,608 | 2,794,107 | 0.10% | 11.84 |
| 2020/21 | 240,226 | 2,957,724,707 | 637,099 | 173,066 | 464,033 | 0.02% | 1.93 |
| 2021/22 | 242,253 | 3,143,221,200 | - | - | - | - | - |

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 75 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 | Principal | Interest | Total Debt Service | Total Operating Expenses | Percentage of Debt Service to Operating Expenses |
|--------------------|------------------|-----------------|---------------------------|---------------------------------|---|
| 2012/13 | \$ 3,860,000 | \$ 1,328,668 | \$ 5,188,668 | \$ 58,008,005 | 8.94% |
| 2013/14 | 3,940,000 | 1,109,600 | 5,049,600 | 59,759,430 | 8.45% |
| 2014/15 | 4,070,000 | 965,400 | 5,035,400 | 60,220,001 | 8.36% |
| 2015/16 | 4,195,000 | 850,850 | 5,045,850 | 60,346,652 | 8.36% |
| 2016/17 | 4,295,000 | 756,750 | 5,051,750 | 60,337,260 | 8.37% |
| 2017/18 | 4,395,000 | 660,800 | 5,055,800 | 61,549,593 | 8.21% |
| 2018/19 | 4,545,000 | 334,550 | 4,879,550 | 64,820,247 | 7.53% |
| 2019/20 | 4,480,000 | 230,600 | 4,710,600 | 69,940,755 | 6.74% |
| 2020/21 | 2,200,000 | 89,750 | 2,289,750 | 68,372,137 | 3.35% |
| 2021/22 | 470,000 | 18,800 | 488,800 | 75,910,860 | 0.64% |

Source: District records.

YAVAPAI COUNTY COMMUNITY COLLEGE DISTRICT
 COMPUTATION OF DIRECT AND OVERLAPPING DEBT
 GENERAL OBLIGATION BONDS
 June 30, 2022

| Jurisdiction | Debt Outstanding |
|--|-----------------------------|
| <u>Direct Debt:</u> | |
| Yavapai County Community College District GO Bonds | \$ - |
| Total direct debt | - |
| <u>Overlapping Debt(1):</u> | |
| School Districts | 91,425,000 |
| Fire Districts | 12,303,621 |
| Total overlapping debt | 103,728,621 |
| Total direct and overlapping debt | \$ 103,728,621 |

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 | | |
| 2012/13 | \$ 10,864,393 | \$ 880,000 | \$ 560,406 | \$ 1,440,406 | 7.54 |
| 2013/14 | 10,751,131 | 1,190,000 | 656,981 | 1,846,981 | 5.82 |
| 2014/15 | 11,214,479 | 1,230,000 | 607,518 | 1,837,518 | 6.10 |
| 2015/16 | 10,479,162 | 1,280,000 | 562,736 | 1,842,736 | 5.69 |
| 2016/17 | 10,579,821 | 1,325,000 | 516,109 | 1,841,109 | 5.75 |
| 2017/18 | 11,072,125 | 1,380,000 | 464,509 | 1,844,509 | 6.00 |
| 2018/19 | 11,769,695 | 1,425,000 | 414,114 | 1,839,114 | 6.40 |
| 2019/20 | 10,979,198 | 1,485,000 | 361,996 | 1,846,996 | 5.94 |
| 2020/21 | 8,710,400 | 1,530,000 | 214,168 | 1,744,168 | 4.99 |
| 2021/22 | 10,217,259 | 1,670,000 | 98,613 | 1,768,613 | 5.78 |

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 2021/22 principal and interest payments resulted from the series 2013 and 2021 revenue bonds.

YAVAPAI COUNTY COMMUNITY COLLEGE DISTRICT
 ECONOMIC INDICATORS FOR YAVAPAI COUNTY
 June 30, 2022

| Employment by Sector | Employees |
|-------------------------------------|-----------|
| Trade, Transportation and Utilities | 13,600 |
| Education and Health Services | 12,200 |
| Leisure and Hospitality | 10,600 |
| Government | 9,900 |
| Mining and Construction | 7,100 |
| Professional and Business Services | 5,000 |
| Manufacturing | 4,000 |
| Financial Activities | 2,500 |
| Other Services | 2,400 |
| Information | 500 |

| Employment by Occupation | Percent of Total |
|--|------------------|
| Office and Administrative | 13.2% |
| Food Preparation and Serving Related | 11.6% |
| Sales and Related | 10.3% |
| Transportation and Material Moving | 7.5% |
| Construction and Extraction | 7.0% |
| Healthcare Practitioners and Technical | 6.7% |
| Management | 6.1% |
| Other | 5.3% |
| Education, Training, and Library | 5.1% |
| Healthcare Support | 5.0% |
| Installation, Maintenance, and Repair | 4.5% |
| Production | 4.2% |
| Building, Grounds and Maintenance | 3.7% |
| Business and Financial Operations | 3.7% |
| Protective Service | 2.5% |
| Personal Care and Service | 1.9% |
| Community and Social Services | 1.7% |

| | |
|--------------------------|------|
| Unemployment Rate | 3.4% |
|--------------------------|------|

| | |
|--------------------|---------|
| Labor Force | 107,724 |
|--------------------|---------|

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

| Major Employers | FY 2021/22 | | | FY 2012/13 | | |
|----------------------------------|---------------|------|------------------------------------|--------------|------|------------------------------------|
| | Employees | Rank | Percent of Total County Employment | Employees | Rank | Percent of Total County Employment |
| Yavapai Regional Medical Center | 1,949 | 1 | 1.81% | 1,402 | 2 | 1.55% |
| Yavapai County | 1,539 | 2 | 1.43% | 1,414 | 1 | 1.56% |
| Walmart | 1,196 | 3 | 1.11% | - | - | - |
| Veterans Medical Center | 1,164 | 4 | 1.08% | 889 | 4 | 0.98% |
| Freeport McMoran Copper Mine | 1,060 | 5 | 0.98% | - | - | - |
| Verde Valley Medical Center | 742 | 6 | 0.69% | 959 | 3 | 1.06% |
| Humbolt Unified School District | 626 | 7 | 0.58% | 631 | 6 | 0.70% |
| State of Arizona | 614 | 8 | 0.57% | 561 | 9 | 0.62% |
| Embry-Riddle University | 592 | 9 | 0.55% | - | - | - |
| Yavapai College | 580 | 10 | 0.54% | 564 | 8 | 0.62% |
| Cyprus Bagdad Copper Mine | - | - | - | 871 | 5 | 0.96% |
| Sturm Ruger & Company | - | - | - | 579 | 7 | 0.64% |
| Prescott Unified School District | - | - | - | 495 | 10 | 0.55% |
| Total | 10,062 | | 9.34% | 8,365 | | 9.24% |

Source: District and the listed employers records.

YAVAPAI COUNTY COMMUNITY COLLEGE DISTRICT
 MISCELLANEOUS STATISTICS
 June 30, 2022

| | |
|------------------------------|------------------------------------|
| Established | July 1, 1966 |
| Geographical Location | West Central portion of Arizona |
| County Seat | Prescott |

| Population | 2010 | 2020 | 2021 |
|-------------------|-------------|-------------|-------------|
| Yavapai County | 211,144 | 236,209 | 242,253 |
| State of Arizona | 6,392,017 | 7,151,502 | 7,276,316 |

| Age Distribution | % of Total |
|-------------------------|-------------------|
| 0-14 | 12.8% |
| 15-24 | 9.1% |
| 25-44 | 18.0% |
| 45-64 | 26.4% |
| 65+ | 33.7% |

| Population Composition | % of Total |
|-------------------------------|-------------------|
| <u>RACE</u> | |
| White | 77.6% |
| Hispanic | 15.3% |
| African American | 1.0% |
| Native American | 2.2% |
| Asian or Pacific Islander | 1.5% |
| Other | 2.4% |
| TOTAL | 100.0% |

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) |
|--------------------|-------------------|---|---|
| 2012/13 | 212,065 | \$ 6,615,897 | \$ 31,197 |
| 2013/14 | 214,539 | 6,956,439 | 32,425 |
| 2014/15 | 217,882 | 7,541,833 | 34,614 |
| 2015/16 | 221,019 | 7,908,283 | 35,781 |
| 2016/17 | 224,828 | 8,287,653 | 36,862 |
| 2017/18 | 228,398 | 8,842,567 | 38,716 |
| 2018/19 | 232,467 | 9,321,549 | 40,098 |
| 2019/20 | 236,062 | 9,696,469 | 41,076 |
| 2020/21 | 240,226 | 10,687,662 | 44,490 |
| 2021/22 | 242,253 | 11,196,633 | 46,219 |

Source: Bureau of Economic Analysis and US Census Bureau.

Note 1: Personal Income and Per Capita Personal Income were not available for fiscal year 2021/22. 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 |
| 2012/13 | 21.0% | 79.0% | 43.7% | 56.3% | 85.9% | 11.5% | 2.5% | 0.1% |
| 2013/14 | 20.0% | 80.0% | 44.0% | 56.0% | 85.9% | 11.4% | 2.6% | 0.1% |
| 2014/15 | 22.0% | 78.0% | 43.0% | 57.0% | 85.6% | 11.6% | 2.7% | 0.1% |
| 2015/16 | 26.0% | 74.0% | 44.9% | 55.1% | 83.7% | 14.1% | 2.1% | 0.1% |
| 2016/17 | 24.0% | 76.0% | 45.4% | 54.6% | 82.3% | 15.2% | 2.4% | 0.1% |
| 2017/18 | 23.0% | 77.0% | 46.3% | 53.7% | 87.7% | 9.2% | 3.0% | 0.1% |
| 2018/19 | 23.0% | 77.0% | 41.0% | 59.0% | 86.9% | 11.0% | 2.0% | 0.1% |
| 2019/20 | 20.0% | 80.0% | 41.0% | 59.0% | 83.9% | 9.0% | 7.0% | 0.1% |
| 2020/21 | 18.0% | 82.0% | 40.0% | 60.0% | 84.3% | 8.2% | 7.4% | 0.1% |
| 2021/22 | 15.0% | 85.0% | 41.0% | 59.0% | 85.2% | 8.0% | 6.7% | 0.1% |

| Fiscal Year | Degrees Awarded | Certificates Awarded |
|-------------|-----------------|----------------------|
| 2012/13 | 524 | 938 |
| 2013/14 | 570 | 1067 |
| 2014/15 | 569 | 1083 |
| 2015/16 | 567 | 1194 |
| 2016/17 | 539 | 1212 |
| 2017/18 | 520 | 1235 |
| 2018/19 | 556 | 1327 |
| 2019/20 | 738 | 1458 |
| 2020/21 | 808 | 1388 |
| 2021/22 | 519 | 1191 |

| Fiscal Year | Age | | Ethnic Background | | | | | |
|-------------|--------|------|-------------------|----------------|----------|------------------|-------|---------------|
| | Median | Mean | American Indian | Asian American | Hispanic | African American | White | Other/Unknown |
| 2012/13 | 26 | 32 | 2.1% | 1.1% | 11.4% | 0.8% | 57.4% | 27.2% |
| 2013/14 | 25 | 33 | 2.0% | 0.9% | 12.4% | 0.9% | 53.3% | 30.5% |
| 2014/15 | 26 | 33 | 2.0% | 0.9% | 12.4% | 0.9% | 53.2% | 30.6% |
| 2015/16 | 25 | 32 | 2.0% | 1.1% | 14.0% | 0.8% | 53.1% | 29.0% |
| 2016/17 | 24 | 32 | 2.1% | 1.1% | 14.7% | 0.8% | 55.0% | 26.3% |
| 2017/18 | 23 | 32 | 2.1% | 1.2% | 16.2% | 0.9% | 57.4% | 22.2% |
| 2018/19 | 24 | 32 | 2.0% | 1.1% | 18.0% | 0.8% | 58.9% | 19.2% |
| 2019/20 | 22 | 31 | 1.8% | 1.2% | 17.7% | 0.8% | 60.5% | 18.0% |
| 2020/21 | 22 | 28 | 1.9% | 1.3% | 19.0% | 0.8% | 62.5% | 14.4% |
| 2021/22 | 22 | 30 | 1.9% | 1.3% | 19.7% | 0.9% | 66.8% | 9.4% |

Source: District records.

YAVAPAI COUNTY COMMUNITY COLLEGE DISTRICT
HISTORIC ENROLLMENT
Last Ten Fiscal Years

| Headcount | 2021/22 | 2020/21 | 2019/20 | 2018/19 | 2017/18 | 2016/17 | 2015/16 | 2014/15 | 2013/14 | 2012/13 |
|------------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| Credit | 9,713 | 8,393 | 10,086 | 9,809 | 10,116 | 10,000 | 10,245 | 10,970 | 11,518 | 11,764 |
| Non-Credit | 2,250 | 1,338 | 3,354 | 4,427 | 4,185 | 4,351 | 4,126 | 4,348 | 4,013 | 3,344 |

| FTSE by Campus | 2021/22 | 2020/21 | 2019/20 | 2018/19 | 2017/18 | 2016/17 | 2015/16 | 2014/15 | 2013/14 | 2012/13 |
|-----------------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| Prescott | 670 | 137 | 1,109 | 1,127 | 1,154 | 1,149 | 1,229 | 1,357 | 1,446 | 1,479 |
| Verde | 178 | 52 | 211 | 209 | 242 | 262 | 270 | 271 | 278 | 289 |
| Sedona | 20 | 19 | 18 | 21 | 22 | 1 | 1 | 1 | 21 | 42 |
| Prescott Valley | 65 | 26 | 99 | 96 | 125 | 134 | 155 | 135 | 208 | 175 |
| Chino Valley | 63 | 50 | 69 | 67 | 60 | 66 | 70 | 85 | 79 | 101 |
| CTEC | 222 | 167 | 240 | 266 | 267 | 272 | 287 | 298 | 305 | 250 |
| Online | 1,541 | 2,236 | 1,283 | 1,253 | 1,205 | 1,163 | 1,111 | 1,183 | 1,162 | 1,143 |
| Dual enrollment | 376 | 325 | 406 | 313 | 324 | 339 | 341 | 323 | 331 | 321 |
| Other (1) | 38 | 31 | 53 | 76 | 72 | 60 | 84 | 153 | 173 | 184 |
| Total District | 3,173 | 3,043 | 3,488 | 3,428 | 3,471 | 3,446 | 3,548 | 3,806 | 4,003 | 3,984 |

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

| | 2021/22 | 2020/21 | 2019/20 | 2018/19 | 2017/18 | 2016/17 | 2015/16 | 2014/15 | 2013/14 | 2012/13 |
|----------------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| Faculty | | | | | | | | | | |
| Regular | 96 | 99 | 105 | 105 | 97 | 97 | 101 | 104 | 106 | 111 |
| Adjunct | 82 | 57 | 66 | 75 | 93 | 90 | 98 | 96 | 99 | 97 |
| Staff | | | | | | | | | | |
| Regular | 342 | 321 | 325 | 330 | 319 | 301 | 306 | 300 | 297 | 298 |
| Temporary | 64 | 45 | 57 | 54 | 57 | 58 | 56 | 64 | 58 | 58 |

Source: District records.

YAVAPAI COUNTY COMMUNITY COLLEGE DISTRICT
CAPITAL ASSET INFORMATION
Last Ten Fiscal Years

| Asset Type | 2021/22 | 2020/21 | 2019/20 | 2018/19 | 2017/18 | 2016/17 | 2015/16 | 2014/15 | 2013/14 | 2012/13 |
|------------------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| Computers and Peripherals | \$ 1,537,801 | \$ 1,616,147 | \$ 1,631,024 | \$ 1,546,901 | \$ 1,295,356 | \$ 1,142,010 | \$ 1,150,495 | \$ 1,233,762 | \$ 1,196,160 | \$ 1,238,803 |
| Network Equipment | 2,535,318 | 2,701,523 | 2,477,802 | 2,883,050 | 3,064,437 | 2,913,689 | 2,654,860 | 2,677,376 | 2,359,675 | 2,255,702 |
| Audio Visual Equipment | 1,317,197 | 1,651,268 | 1,528,311 | 1,516,487 | 1,296,684 | 1,249,516 | 1,229,944 | 1,225,266 | 831,455 | 755,579 |
| Office Equipment & Furniture | 8,245,683 | 8,004,528 | 6,799,055 | 6,020,864 | 5,545,699 | 5,197,832 | 4,811,720 | 4,904,479 | 4,435,695 | 4,397,372 |
| Software | 2,149,149 | 2,149,149 | 2,149,149 | 2,149,149 | 2,149,149 | 2,149,149 | 2,149,149 | 2,149,148 | 2,149,148 | 2,149,148 |
| Vehicles | 3,060,813 | 2,855,762 | 2,673,598 | 2,438,450 | 2,187,536 | 1,987,405 | 1,928,094 | 1,702,607 | 1,597,998 | 1,383,983 |
| Intangibles | 273,587 | 273,587 | 273,587 | 273,587 | 273,587 | 273,587 | 273,587 | 273,587 | 273,587 | 273,587 |
| Library Books | 2,357,981 | 2,487,785 | 2,628,385 | 2,671,516 | 2,821,116 | 2,937,130 | 2,943,627 | 2,911,534 | 2,931,383 | 3,038,624 |
| Buildings ⁽¹⁾ | 210,052,476 | 201,902,654 | 192,612,218 | 190,931,114 | 188,925,334 | 168,515,842 | 168,842,849 | 153,119,356 | 146,564,885 | 137,801,065 |
| Construction in Progress | 258,529 | 4,769,641 | 7,503,553 | 1,343,304 | 150,275 | 14,601,323 | 1,041,996 | 10,889,328 | 6,072,505 | 3,515,542 |
| Site Improvements | 30,966,537 | 30,227,383 | 29,039,709 | 27,772,836 | 25,342,107 | 23,687,737 | 21,081,294 | 20,032,047 | 17,367,536 | 16,836,358 |
| Land | 7,828,893 | 5,628,526 | 5,628,526 | 5,628,526 | 5,628,526 | 5,628,526 | 5,628,526 | 5,628,526 | 5,415,888 | 5,415,888 |
| | \$ 270,583,964 | \$ 264,267,953 | \$ 254,944,917 | \$ 245,175,784 | \$ 238,679,806 | \$ 230,283,746 | \$ 213,736,141 | \$ 206,747,016 | \$ 191,195,915 | \$ 179,061,651 |

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.