

**MOHAVE COUNTY COMMUNITY COLLEGE DISTRICT
REPORT ON EXAMINATION OF
ANNUAL BUDGETED EXPENDITURE LIMITATION REPORT
YEAR ENDED JUNE 30, 2025**

**MOHAVE COUNTY COMMUNITY COLLEGE DISTRICT
ANNUAL BUDGETED EXPENDITURE LIMITATION REPORT
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YEAR ENDED JUNE 30, 2025**

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Independent Accountant's Report

The Arizona Auditor General

The Governing Board of
Mohave County Community College District

We have examined the accompanying Annual Budgeted Expenditure Limitation Report (report) of Mohave County Community College District for the year ended June 30, 2025, and the related notes to the report. The District's management is responsible for presenting this report in accordance with the Uniform Expenditure Reporting System as described in Note 1. Our responsibility is to express an opinion on this report based on our examination.

We conducted our examination in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether this report is presented in accordance with the Uniform Expenditure Reporting System in all material respects. An examination involves performing procedures to obtain evidence about the amounts and disclosures in the report. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material misstatement of the report, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

We are required to be independent and to meet our other ethical responsibilities in accordance with relevant ethical requirements relating to the engagement.

In our opinion, the Annual Budgeted Expenditure Limitation Report referred to above is presented in accordance with the Uniform Expenditure Reporting System as described in Note 1 in all material respects.

Snyder & Brown CPAs, PLLC

September 16, 2026

**MOHAVE COUNTY COMMUNITY COLLEGE DISTRICT
ANNUAL EXPENDITURE LIMITATION REPORT – PART I
YEAR ENDED JUNE 30, 2025**

Economic Estimates Commission expenditure limitation \$ 26,429,139

Total amount subject to the limitation (from Part II, line C) \$ 26,429,139

Amount under (in excess of) the expenditure limitation \$ -

I hereby certify, to the best of my knowledge and belief, that the information contained in this report is accurate and in accordance with the requirements of the Uniform Expenditure Reporting System.

Signature of chief fiscal officer: 

Name and title: Joline Pruitt, Chief Financial Officer

Telephone number: 928-681-5656 Ext. 1956 Date: 9/16/26

See accompanying notes to the report.

**MOHAVE COUNTY COMMUNITY COLLEGE DISTRICT
ANNUAL EXPENDITURE LIMITATION REPORT – PART II
YEAR ENDED JUNE 30, 2025**

	Description	Amount
A.	Final adopted budgeted expenditures from Reconciliation, line E	\$ 77,917,623
B.	Less exclusions claimed:	
	Debt proceeds (Note 2)	258,320
	Debt service requirements (Note 3)	191,766
	Dividends, interest, and gains on the sale or redemption of investment securities	1,825,333
	Grants, aid, or contributions from the federal government, and grants and donations from the State of Arizona or its other political subdivisions, tribal governments, or special taxing districts (Note 4)	17,217,625
	Grants, aid, contributions, or gifts from a private agency, organization, or individual, except amounts received in lieu of taxes (Note 5)	159,805
	Amounts accumulated for the purchase of land, and the purchase or construction of buildings or improvements (Note 6)	16,108,817
	Tuition and fees (Note 7)	11,202,333
	Refunds, reimbursements, and other recoveries (Note 8)	34,211
	Prior years carryforward (Note 15)	3,591,497
	Amounts received from the State of Arizona for workforce development in accordance with A.R.S. §15-1472 (Note 9)	898,777
	Total exclusions claimed	<u>51,488,484</u>
C.	Amount subject to the expenditure limitation	<u>\$ 26,429,139</u>

See accompanying notes to the report.

MOHAVE COUNTY COMMUNITY COLLEGE DISTRICT
ANNUAL BUDGETED EXPENDITURE LIMITATION REPORT – RECONCILIATION
YEAR ENDED JUNE 30, 2025

	Description	Total
A.	Total operating and nonoperating expenses and applicable special items and extraordinary items reported within the financial statements	\$ 58,738,220
B.	Subtractions:	
	Items not requiring use of current financial resources:	
	Depreciation and amortization	3,710,000
	Bad debt expense (Note 10)	1,352
	Pension and other postemployment benefits (OPEB) expense (Note 11)	2,964,717
	Claims incurred but not reported (IBNR) (Note 13)	885,865
	Compensated absences (Note 12)	314,300
	Total subtractions	<u>7,876,234</u>
C.	Additions:	
	Principal payments on long-term debt	1,687,024
	Capital asset acquisitions	17,448,305
	Pension and OPEB contributions paid in the current year (Note 11)	2,774,297
	Scholarship allowance	5,146,011
	Total additions	<u>27,055,637</u>
D.	Total financial statement expenses adjusted to UERS-basis actual expenditures (Line A - Line B Total + Line C Total)	<u>\$ 77,917,623</u>
E.	Total budgeted expenditures	
	Original adopted budgeted expenditures	\$ 60,244,448
	Expenditures in excess of adopted budget (Note 14)	<u>17,673,175</u>
	Total budgeted expenditures subject to the expenditure limitation (reported on part II, line A)	<u>\$ 77,917,623</u>

See accompanying notes to the report.

**MOHAVE COUNTY COMMUNITY COLLEGE DISTRICT
NOTES TO ANNUAL BUDGETED EXPENDITURE LIMITATION REPORT
YEAR ENDED JUNE 30,2025**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Annual Budgeted Expenditure Limitation Report (ABELR) is presented as prescribed by the Uniform Expenditure Reporting System (UERS), as required by Arizona Revised Statutes (A.R.S.) §41-1279.07. The ABELR excludes expenditures of certain revenues specified in the Arizona Constitution, Article IX, §21, and A.R.S. §§15-792.03, 15-795.01, 15-1444, and 15-1472, as applicable, from the total budgeted expenditures.

In accordance with the UERS requirements, a note to the ABELR is presented below for any exclusion reported in the total column on Part II and each subtraction or addition in the Reconciliation that cannot be traced directly to an amount reported in the annual financial statements.

NOTE 2 DEBT PROCEEDS

The \$258,320 represents the long-term financed purchase of equipment at the District.

NOTE 3 DEBT SERVICE REQUIREMENTS

The \$191,766 consists of \$186,598 in principal and \$5,168 in interest on the long-term financed purchase of equipment for the District.

NOTE 4 GRANTS, AID, OR CONTRIBUTIONS

The following schedule presents revenues from which exclusions have been claimed for government grants, aid, and contributions:

Statement of revenues, expenses, and changes in net position – primary government	
Government grants	\$ 16,625,298
State appropriations – STEM	1,959,127
Subtotal	<u>18,584,425</u>
Other Revenues (Non-Excludable)	
State Aid	(1,354,100)
Revenue reported as government grants but excluded within the private grants and contributions section:	
Donations	<u>(12,700)</u>
Total Exclusions	<u>\$ 17,217,625</u>

NOTE 5 PRIVATE GRANTS AND CONTRIBUTIONS

The \$159,805 exclusion is claimed from private grants and contributions received and expended during the current year. Of the total exclusion, \$147,105 was excluded from foundation donations during the current year and \$12,700 was excluded as a donation for the soccer program and veterans services. Of the \$147,105 reported as private contracts on the Statement of Revenues, Expenses, and Changes in Net Position —Primary Government, the entire amount was claimed as an exclusion. The \$12,700 donation was recorded within the Statement of Revenues, Expenses, and Changes in Net Position — Primary Government's government grants.

**MOHAVE COUNTY COMMUNITY COLLEGE DISTRICT
NOTES TO ANNUAL BUDGETED EXPENDITURE LIMITATION REPORT
YEAR ENDED JUNE 30,2025**

NOTE 6 AMOUNTS ACCUMULATED FOR THE PURCHASE OF LAND, CONSTRUCTION OF BUILDINGS OR BUILDING IMPROVEMENTS

Amounts accumulated for the purchase of land, and the purchase or construction of buildings or improvements of \$16,108,817 are included in the acquisition of capital assets on the Statement of Cash Flows—Primary Government. Of the \$17,448,305 reported as acquisition of capital assets in the Statement of Cash Flows—Primary Government, \$1,339,488 was not recorded as an exclusion since that amount was used for equipment, library books, or software system purchases.

NOTE 7 TUITION AND FEES

The District does not budget tuition and fees revenue net of scholarship allowances. The gross tuition and fees of \$10,839,993 reported on the Statement of Revenues, Expenses, and Changes in Net Position— Primary Government was reported as an exclusion. In addition, \$2,952 was claimed as an exclusion for cafeteria operations, \$83,811 for catering events, and \$275,577 for residential life housing revenue. Cafeteria operations were included within food service income and catering events and residential life were included in Other income on the Statement of Revenues, Expenses, and Changes in Net Position—Primary Government.

NOTE 8 REFUNDS, REIMBURSEMENTS, AND OTHER RECOVERIES

The \$34,211 exclusion claimed for refunds, reimbursements, and other recoveries were amounts reported within other revenue on the Statement of Revenues, Expenses, and Changes in Net Position— Primary Government. These exclusions related mainly to rebates from p-card transactions during the current year.

NOTE 9 AMOUNTS RECEIVED FOR WORKFORCE DEVELOPMENT

Amounts received from the State of Arizona for workforce development in accordance with A.R.S. §15-1472 are reported as the share of State sales taxes on the Statement of Revenues, Expenses, and Changes in Net Position—Primary Government. The entire \$898,777 was expended and claimed as an exclusion.

NOTE 10 BAD DEBT EXPENSE

Amounts subtracted for bad debt expense in the amount of \$1,352 are included in operating expenses on the Statement of Revenues, Expenses, and Changes in Net Position – Primary Government.

MOHAVE COUNTY COMMUNITY COLLEGE DISTRICT
NOTES TO ANNUAL BUDGETED EXPENDITURE LIMITATION REPORT
YEAR ENDED JUNE 30,2025

NOTE 11 PENSION AND OTHER POST-EMPLOYMENT BENEFITS (OPEB)

The \$2,964,717 subtraction for pension and other post-employment benefit (OPEB) expense consists of changes in the net pension and OPEB assets and liabilities and changes in deferred inflows and outflows related to pensions and OPEB recognized in the current year. The \$2,774,297 addition for pension and OPEB contributions paid in the current year consists of the required pension and OPEB contributions made to the Arizona State Retirement System. The schedule below reconciles the net effect the subtraction and addition have on the expenditures subject to the limitation to the amounts reported on the statement of cash flows' net effect on cash.

Statement of cash flows – primary government	
Change in OPEB assets	\$ 146,461
Change in deferred inflows related to pensions and OPEB	(550,419)
Change in deferred outflows related to pensions and OPEB	1,762,181
Change in net pension liability	(1,167,803)
Total	<u>\$ 190,420</u>
ABELR Reconciliation	
Pension / OPEB contributions – addition	\$ 2,774,297
Pension / OPEB (expense)/income – subtraction *	(2,964,717)
Total	<u>\$ (190,420)</u>

* Note: pension expense does not agree with the footnote disclosure for a difference of \$108,417 due to the footnote in the ACFR reporting pension expense per the actuarial reports, but immaterial adjustments were recorded to balance the pension and OPEB adjustment by \$108,417.

NOTE 12 COMPENSATED ABSENCES

The \$314,300 subtraction for compensated absences consists of the net increase in compensated absences incurred and expensed in the current year but not yet paid.

NOTE 13 CLAIMS INCURRED BUT NOT REPORTED (IBNR)

The \$885,865 subtraction for claims incurred but not reported (IBNR) is the net effect of \$3,585,394 in claims incurred during the fiscal year, net of \$2,699,529 of claims paid during the year. The \$3,585,394 agrees to the amount of claims expenses reported in the ACFR; however, it does not agree with the ACFR footnote disclosure because the ACFR footnote omitted a portion of the IBNR.

NOTE 14 EXPENDITURES IN EXCESS OF BUDGETED EXPENDITURES

The \$17,673,175 represents expenditures in excess of the adopted budget that are subject to the annual budgeted expenditure limitation report and is presented as an addition to the adopted budget. Unbudgeted capital expenditures for land and buildings accounted for the overexpenditure. Although carryover funds designated by the board were available, the related expenditures were not budgeted.

MOHAVE COUNTY COMMUNITY COLLEGE DISTRICT
NOTES TO ANNUAL BUDGETED EXPENDITURE LIMITATION REPORT
YEAR ENDED JUNE 30,2025

NOTE 15 PRIOR YEAR CARRYFORWARD

Revenues that are constitutionally excludable and unexpended in the year of receipt may be accumulated and excluded in future years when spent. A summary of the accumulated revenue sources and the change in those balances is shown in the table below. In the current year, \$3,591,497 of tuition and fees revenue collected and not excluded in prior years were excluded in the current year.

Description	Balance June 30, 2024	Carryforward Added	Carryforward Used	Balance June 30, 2025
Grants, aid, or contributions from the federal government, State of Arizona, other political subdivisions, tribal governments, or special taxing districts	\$ 3,839,485	\$ -	\$ -	\$ 3,839,485
Grants, aid, contributions, or gifts from private agency, organization, or individual, except amounts received in lieu of taxes	1,799,333	-	-	1,799,333
Tuition and fees	45,557,101	-	(3,591,497)	41,965,604
Total carryforward	<u>\$ 51,195,919</u>	<u>\$ -</u>	<u>\$ (3,591,497)</u>	<u>\$ 47,604,422</u>