YAVAPAI COUNTY COMMUNITY COLLEGE DISTRICT

ANNUAL BUDGETED EXPENDITURE LIMITATION REPORT

YEAR ENDED JUNE 30, 2025



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

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INDEPENDENT ACCOUNTANTS' REPORT

Auditor General of the State of Arizona and
The Governing Board of
Yavapai County Community College District

We have examined the accompanying Annual Budgeted Expenditure Limitation Report (report) of Yavapai County Community College District (the 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* (UERS) as described in Note 1. Our responsibility is to express an opinion on this report based on our examination.

Our examination was conducted 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 UERS 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 judgement, 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 of Yavapai County Community College District, referred to above is presented in accordance with the *Uniform Expenditure Reporting System* as described in Note 1, in all material respects.

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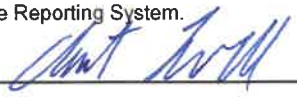
Tempe, Arizona
October 8, 2026

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Yavapai County Community College District
Annual budgeted expenditure limitation report—part I
Year ended June 30, 2025

1. Economic Estimates Commission expenditure limitation	$	53,180,239
2. Total amount subject to the limitation (from Part II, line C)		49,580,242
3. Amount under (in excess of) the expenditure limitation		3,599,997

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: Dr. Clint Ewell, Chief Operating Officer

Telephone number: 928-771-2661 Date: 10/8/2026

See accompanying notes to report.

Yavapai County Community College District
Annual budgeted expenditure limitation report—part II
Year ended June 30, 2025

	Description	Total
A.	Final adopted budgeted expenditures from Reconciliation, line E.3	$ 113,842,200
B.	Less exclusions claimed:	
1.	Debt proceeds (Note 3)	10,029,883
2.	Debt service requirements (Note 4)	2,310,677
3.	Dividends, interest, and gains on the sale or redemption of investment securities (Note 5)	2,090,300
4.	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 6)	16,252,446
5.	Grants, aid, contributions, or gifts from a private agency, organization, or individual, except amounts received in lieu of taxes (Note 7)	2,922,453
6.	Amounts accumulated for the purchase of land, and the purchase or construction of buildings or improvements (Note 8)	9,929,529
7.	Tuition and fees (Note 9)	15,629,088
8.	Amounts earned through research and entrepreneurial activities (Note 9)	3,629,590
9.	Amounts received from the State of Arizona for workforce development in accordance with A.R.S. §15-1472 (Note 10)	1,431,547
10.	Prior years carryforward (Note 11)	36,445
11.	Total exclusions claimed	64,261,958
C.	Amount subject to the expenditure limitation	$ 49,580,242

See accompanying notes to report.

Yavapai 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	$ 96,629,850
B.	Subtractions:	
1.	Items not requiring use of current financial resources:	
a.	Depreciation and amortization	8,731,692
b.	Loss on disposal of capital assets	58,977
c.	Bad debt expense	194,800
d.	Pension and other postemployment benefits (OPEB) expense (Note 12)	4,485,011
e.	Compensated absences (Note 13)	615,624
2.	Total subtractions	14,086,104
C.	Additions:	
1.	Principal payments on long-term debt (Note 14)	1,837,166
2.	Amortization of bond premiums	56,533
3.	Capital asset acquisitions	20,812,315
4.	Pension and OPEB contributions paid in the current year (Note 12)	3,937,656
5.	Scholarship allowance	4,427,503
6.	Compensated absences (Note 13)	227,284
7.	Total additions	31,298,457
D.	Total financial statement expenses adjusted to UERS-basis actual expenditures (Line A. - Line B.2. + Line C.7.)	113,842,203
E.	Total budgeted expenditures	
1.	Original adopted budgeted expenditures	126,792,000
2.	Final adopted budget adjustment (Note 2)	(12,949,800)
3.	Total budgeted expenditures subject to the expenditure limitation (reported on part II, line A)	$ 113,842,200

See accompanying notes to report.

Yavapai 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 by 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 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 reporting in the annual financial statements.

Note 2

The District has adopted a final budget equal to its UERS-basis actual expenditures as part of its standard year end procedures. The district's original budget included funding and expenditures expected for construction and an ERP replacement project that were delayed in 2025.

Note 3

Of the $16,300,674 reported as proceeds and premium from the issuance of capital debt on the statement of cash flows— primary government, net of $300,674 for issuance costs, only $10,029,883 was expended from debt proceeds and claimed as an exclusion. The remaining $5,970,117 of debt proceeds has been carried forward to future years.

Note 4

The exclusion claimed for debt service requirements includes the amounts reported as principal and interest paid on capital debt on the statement of cash flows—primary government, $1,620,000 and $690,677 respectively.

Note 5

The exclusion claimed for dividends, interest, and gains on the sale or redemption of investment securities of $2,090,300 consists of expended investment income reported on the statement of revenues, expenses, and changes in net position—primary government of $2,443,657. Remaining unspent, excludable revenues of $353,357 have been carried forward to future years.

Note 6

Of the $13,887,319 reported as government grants and $2,654,257 reported as smart and safe Arizona fund appropriations on the statement of revenues, expenses, and changes in net position—primary government, $16,252,446 was expended and claimed as an exclusion for 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. The remaining $289,130 has been carried forward to future years.

Note 7

Of the combined $2,995,592 reported as private grants and gifts and capital grants and gifts on the statement of revenues, expenses, and changes in net position—primary government, $2,922,453 was expended and claimed as an exclusion for grants, aid, contributions, or gifts from a private agency, organization, or individual except amounts received in lieu of taxes. Of the remaining $73,139, $51,182 was not excludable revenue and $21,957 has been carried forward to future years.

Note 8

Amounts accumulated for the purchase of land, and the purchase or construction of buildings or improvements of $9,929,529 are included in the acquisition of capital assets on the Statement of Cash Flows-Primary Government. Of the $20,812,315 reported as acquisition of capital assets in the Statement of Cash Flows- Primary Government, $852,903 was not recorded as an exclusion since that amount was used for equipment, software, library books, and professional services expenditures. The remaining amount of $10,029,883 was already claimed as an exclusion as part of bond proceeds.

Note 9

The District does not budget tuition and fees and dormitory rental revenues net of scholarship allowances. The following schedule presents revenues from which exclusions have been claimed for tuition and fees and amounts earned through research and entrepreneurial activities, which are included in other revenues:

Statement of revenues, expenses, and changes in net position—primary government:		
Tuition and fees (gross)	$	14,539,629
Dormitory rentals (gross)		1,501,014
Bookstore income		16,454
Other operating revenues		3,838,676
Total	$	19,895,773
Annual budgeted expenditure limitation report:		
Tuition and fees	$	15,629,088
Amounts earned through research and entrepreneurial activities		3,629,590
Nonexcludable revenue		209,086
Unspent, excludable revenues carried forward		428,009
Total	$	19,895,773

Note 10

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 $1,431,547 of revenues received was expended and claimed as an exclusion.

Note 11

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 excludable revenue sources and the changes in those balances is shown in the table below.

Description	Balance June 30, 2025	Carryforward added	Carryforward used	Balance June 30, 2026
Debt proceeds	$ -	$ 5,970,117	$ -	$ 5,970,117
Dividends, interest, and gains on the sale or redemption of investment securities	-	353,357	-	353,357
Grants, aid, or contributions from the federal government, the State of Arizona, other political subdivisions, tribal governments, or special taxing districts	5,474,350	289,130	1,545	5,761,935
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	30,670	21,957	20,581	32,046
Amounts accumulated for the purchase of land, and the purchase or construction of buildings or improvements	5,914,349	-	-	5,914,349
Tuition and fees	25,787,571	428,009	-	26,215,580
Amounts received from the State of Arizona for workforce development in accordance with A.R.S. §15-1472	1,483,981	-	14,319	1,469,662
Total carryforward	$ 38,690,921	$ 7,062,570	$ 36,445	$ 45,717,046

Note 12

The $4,485,011 subtraction for pension expense consists of changes in the net pension liabilities and changes in deferred inflows and outflows related to pensions recognized in the current year. The $3,937,656 addition for pension contributions paid in the current year consists of the required pension 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 deferred inflows related to pensions	$1,085,582
Change in deferred outflows related to pensions	(2,627,486)
Change in net pension liability	2,089,259
Total	$547,355
Annual budgeted expenditure limitation report reconciliation:	
Pension contributions - addition	$3,937,656
Pension expense - subtraction	(4,485,011)
Total	($547,355)

Note 13

The $615,624 subtraction for compensated absences represents estimated costs incurred and recognized as expense in the current year but not yet paid. The $227,284 addition represents cash payments made in the current year for compensated absences that were recognized as expense in prior years. The net effect of these adjustments is $388,340, which agrees to the compensated absences amount reported in the financial statement notes.

Note 14

The $1,837,166 reported as principal payments on long-term debt additions reported on the Reconciliation includes both the $1,620,000 payments of revenue bond debt and the payments of subscription-based information technology arrangements of $217,166 reported in payments to suppliers and providers of goods and services on the statement of cash flows.



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