

# BUDGET

Fiscal Year 2023-2024

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*Yavapai*  
COLLEGE

Prescott, Arizona



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Prescott Campus

# PRINCIPAL OFFICIALS

## DISTRICT GOVERNING BOARD

District	Name	Position	Term Ends
1	Ray Sigafoos	Board Member	December 31, 2024
2	Deb McCasland	Board Chair	December 31, 2028
3	Toby Payne	Board Member	December 31, 2024
4	Chris Kuknyo	Board Secretary	December 31, 2026
5	Steve Bracety	Board Member	December 31, 2026

## EXECUTIVE LEADERSHIP TEAM

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

# MISSION, VISION, VALUES, PRIORITIES

## MISSION

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

## VISION

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

## VALUES

### Learning

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

### Scholarship

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

### Stewardship

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

### Diversity

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

## PRIORITIES

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

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

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

Yavapai County residents have access to social and cultural opportunities.



# MESSAGE FROM THE PRESIDENT

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

As I begin my fifth year as president of Yavapai College, I reflect on how quickly the world of higher education is changing and how far we have come as an institution. In March 2020, only a year in as president, COVID-19 hit the nation, impacting the health, economic security and way of life for all of us and our educational model was severely disrupted. Yavapai College reacted instantaneously ensuring minimal disruption in our delivery of courses and services to ensure that we continued to meet the needs of our communities. We slowly moved out of the pandemic and incrementally returned to face-to-face interactions. We adjusted operations during the pandemic in a manner that built College capacity for meeting the changing needs of the post-COVID world.

Post-pandemic, many of the anticipated changes that were headed our way jumped on a fast-track train and have already arrived at our doorstep. The nation has been impacted by record inflation. The U.S. Bureau of Labor Statistics' data shows the western region, including local and state economies, has felt the impact at a higher rate than the national average. The cost of goods and services continues to increase. In addition, the County's most valuable resource, employees, are feeling the strain creating additional budgetary pressures to keep pace with the true cost of living. Arizona is challenged by a severe shortage of affordable housing ranking among the most severe in the U.S. with only California and Nevada having more severe shortages.

Because of the good work and fiscal responsibility of the District Governing Board, the executive leadership team, the college and our finance department, we are positioned and prepared to respond to external pressures and changing demands from our students, employers and industry. Employers are calling for increased customized training,



employer sponsored programs, micro-credentials and self-paced learning options. We must act innovatively to serve students differently and in new, fiscally sustainable ways. We must redesign outmoded organizational structures that keep the college tethered to previous assumptions about the world. We must participate in the economic transformation in our community that prioritizes the needs of our students, amplifies the institutional mission and positions the college to play a pivotal role in the economic sustainability of our communities.

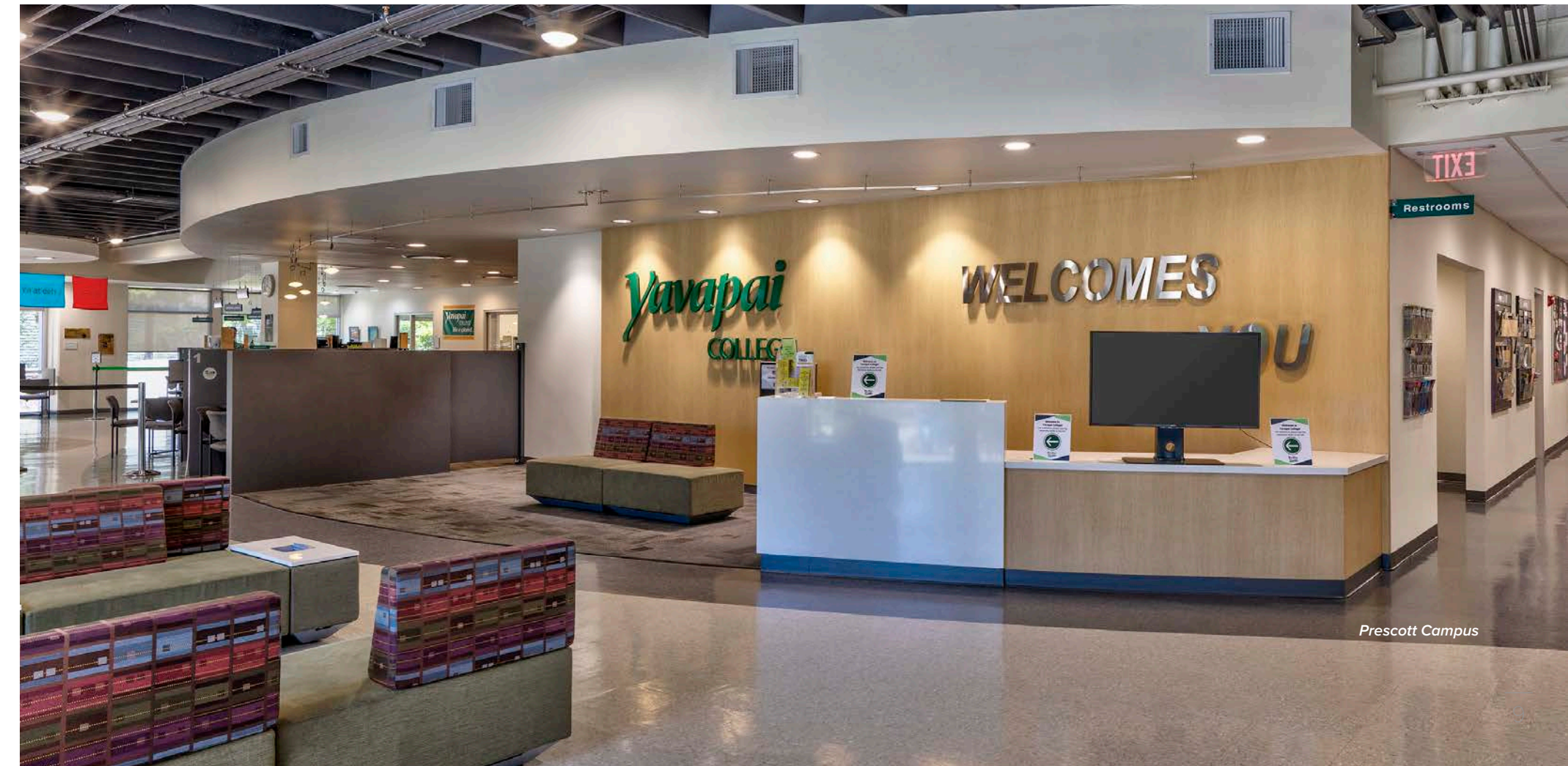
This year's budget reflects building capacity for increased workforce innovation and industry partnerships through expansion of our Regional Economic Development Center. We are exploring new course delivery models including use of advanced augmented and virtual reality platforms by building course supplements in the Metaverse. We are launching our first Bachelor of Science degree in Business that will allow students to complete their baccalaureate degree with us at significantly lower rates while staying employed and supporting their families in our

county. We will follow with a Bachelor of Science in Nursing to meet the rapidly growing healthcare needs in our county.

We are proud to be able to say that YC has some of the lowest tuition and property tax rates in the country. Yavapai College is dedicated to providing educational opportunities by promoting excellence in teaching and learning. We celebrate our emergence out of the pandemic and our proud of our progress in improving key metrics including degrees awarded, Arizona General Education Curriculum awards, retention rates, Hispanic enrollment, invested assets through our foundation

and substantially lowering our student default rates. Most of all, we honor the trust placed in us by the public and uphold it through quality programs, industry responsiveness, integrity of actions and efficient use of our resources. To those who so carefully and thoughtfully contributed to the preparation of this budget, thank you.

Sincerely,  
Lisa B. Rhine, Ph.D.



Prescott Campus

# MESSAGE FROM THE VP OF FINANCE & ADMINISTRATIVE SERVICES

To the Citizens of Yavapai County,

I am pleased to present this balanced budget which increases the services we provide to our students, the value we provide to our taxpayers, and addresses the financial challenges facing the college. Moreover, I am proud that YC continues to receive GFOA's Distinguished Budget Presentation Award due to the clear and comprehensive manner in which we present our budget.

Yavapai College is a comprehensive community college, serving students throughout their lifelong educational journey. Our primary focus continues to be on offering an even blend of General Education and Career Technical Education credit-based courses, while offering a more limited selection of non-credit courses for pk-12 and older adults. However, our program-mix, delivery methods, and support services continue to evolve to meet the rapidly changing needs of the new higher education marketplace.

As you know, or will learn in our Service District chapter, Yavapai County is a beautiful place to live and work, but it does have some challenges. Of note, our median income is 18% below the national average, while our cost of living has risen to 18% above the national average—this has been driven by the skyrocketing costs of housing which are now in the most expensive quartile in the nation at 24% above the national average.

YC is poised to be part of the solution to this problem. There is a direct relationship between education level and the average wealth of a household and the wealth of a community. There are over 70,000 Yavapai County residents who could benefit from continuing their education and earning a certificate or degree from YC.

YC takes its fiscal stewardship responsibility very seriously. We are proud to

- offer quality educational products at affordable tuition rates
- charge some of the lowest property taxes in the state and in the nation
- have some of the best-maintained college buildings in the country
- earn high credit ratings



And we appreciate the community's continued financial support to be able to do this. The FY24 Budget includes a Property Tax increase. For the average homeowner, this minimal annual investment will allow their neighbors to improve their family's economic outlook through education, and allow our communities to continue to flourish as a whole.

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

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

Sincerely,  
Clint Ewell, EdD

## GFOA DISTINGUISHED BUDGET PRESENTATION AWARD

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

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

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



GOVERNMENT FINANCE OFFICERS ASSOCIATION

### *Distinguished Budget Presentation Award*

PRESENTED TO

**Yavapai College  
Arizona**

For the Fiscal Year Beginning

**July 01, 2022**

Executive Director



# SERVICE DISTRICT YAVAPAI COUNTY

Devil's Bridge Trail  
Sedona

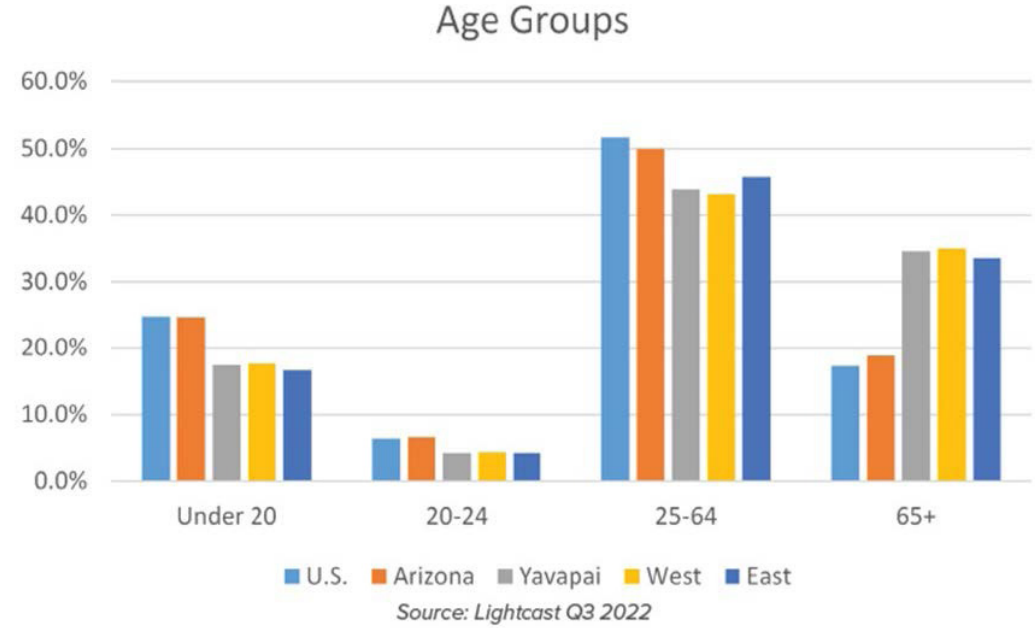
## YAVAPAI COUNTY

Yavapai College (YC) primarily serves the 247,000 residents of Yavapai County in north-central Arizona. The county encompasses 8123 square miles (larger than RI, DE, or CT). Incorporated cities and towns within the county include Camp Verde, Chino Valley, Clarkdale, Cottonwood, Dewey-Humboldt, Jerome, Prescott, Prescott Valley, and Sedona. There are many unincorporated areas of the county to serve as well, including the Yavapai-Prescott Indian Tribe and the Yavapai-Apache Nation.

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

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

Yavapai County has unique demographics with roughly twice the national average proportion of people 65 and older—this area has

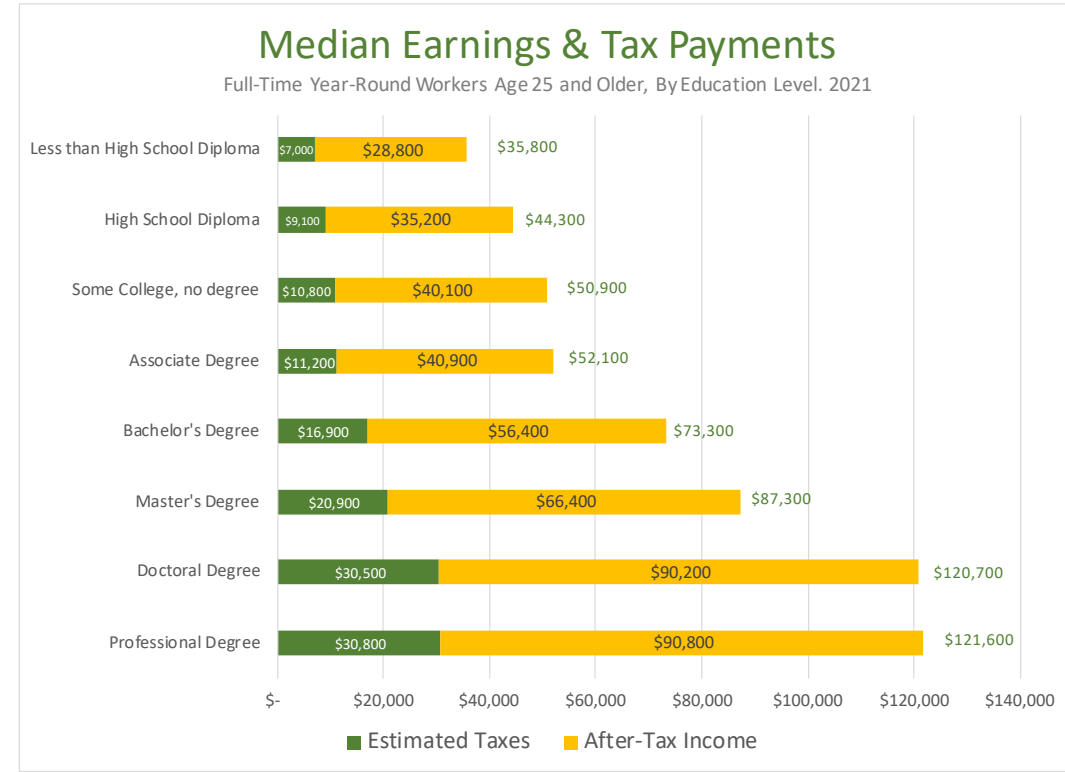


Source: US Census

become a popular retirement destination. Like many “Silver Cities” (McKinsey Consulting), virtually all county growth in the past decade has been through the in-migration of retirees. While these residents may not need traditional credit classes, many look to the College either to provide other programming which they can enjoy or to train tomorrow’s health care workers, business professionals, and other providers of services that retirees need.

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

Source: CollegeBoard, Education Pays 2023

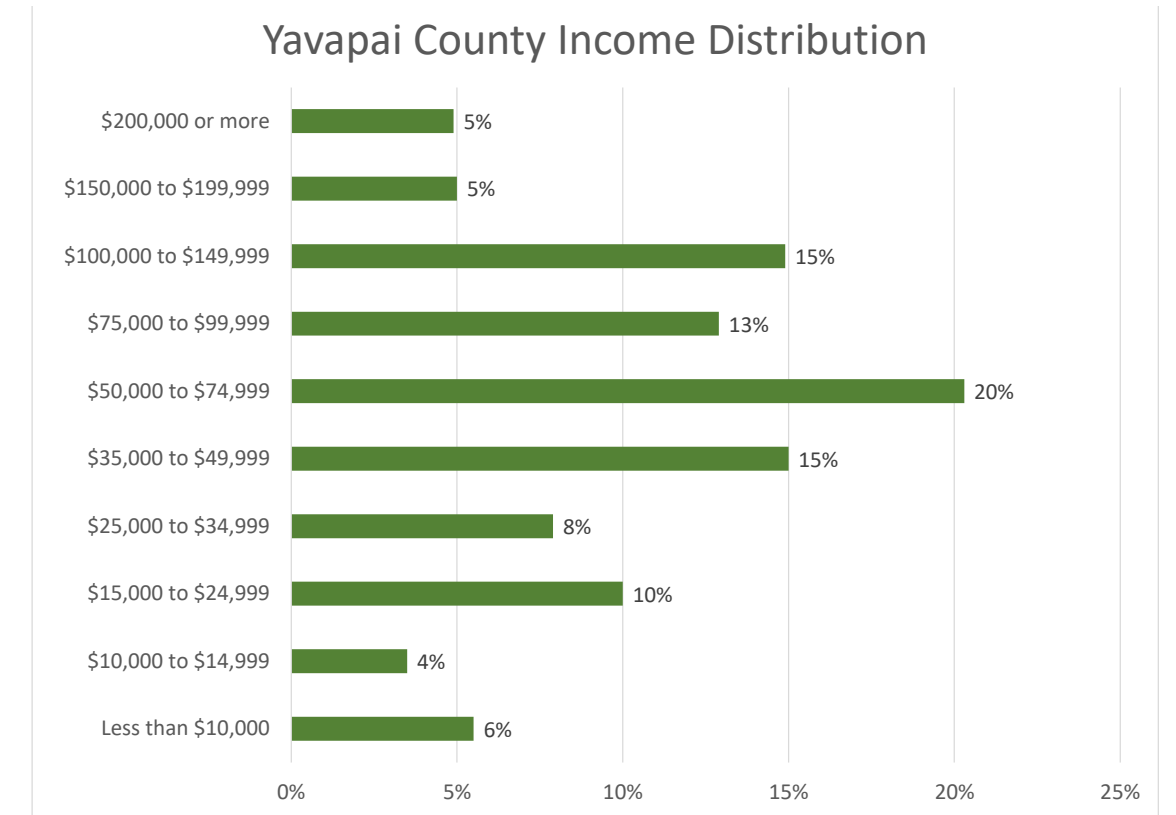


As you can see, Yavapai County is primarily White. Hispanics are the largest minority group, and their median age of 29 is significantly lower than the County median age of 55.

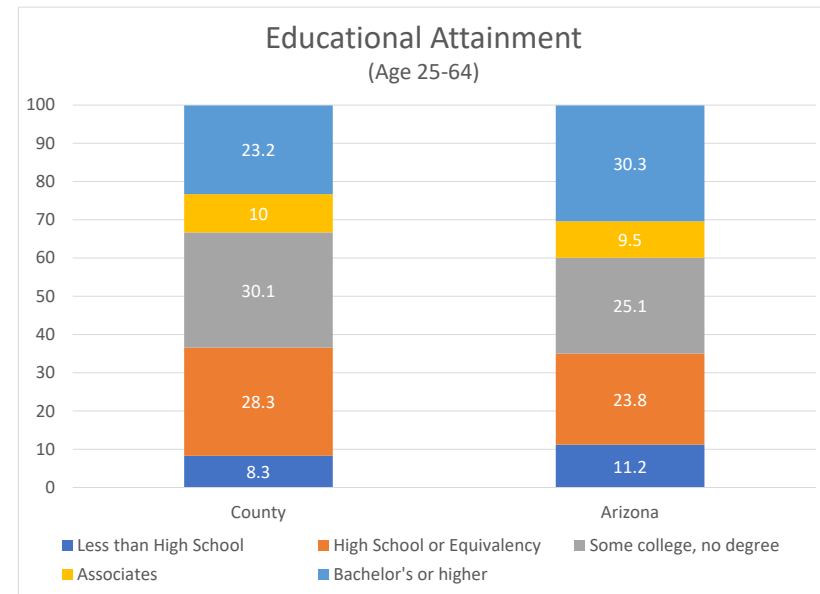
Including retirees, the county education level mirrors national achievement levels of Associate and Bachelor degree completion; however, the education level lags when focusing only on the workforce age population – there are roughly 70,000 people in the Yavapai County workforce who would likely benefit from a college certificate or degree. As you can see from the adjacent table, there is a strong positive relationship between education level and annual earnings.

The median income in Yavapai County is 18% below the national average, and the county poverty level of 12% is just above the national average. However, 44% of high school students in Yavapai County are eligible to receive free or reduced lunches. These families are under financial stress, struggling to make ends meet to cover household basics such as housing, food, childcare, transportation, health care, and technology. The United Way has developed a metric for this demographic called ALICE, which is an acronym for Asset-Limited, Income-Constrained, Employed. Per United Way, the proportion of ALICE residents in Yavapai County mirrors the proportion of students receiving free or reduced lunches.

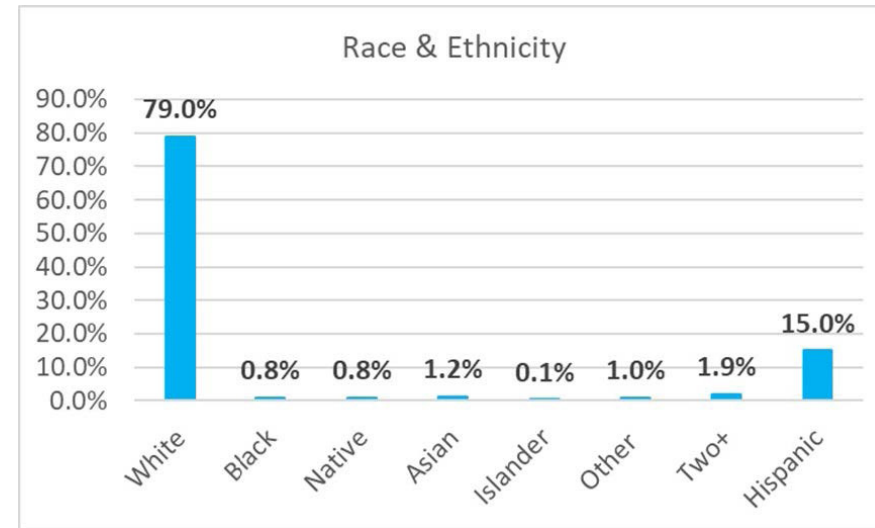
To a large degree, low median wage is driven by the mix of industries in our local economy. As mentioned above, our community is driven by Hospitality & Tourism as well as retirees.



Source: American Community Survey, S1901, 2021



Source: IPUMS, U.S. Census, ACS 5-Year 2016-2020



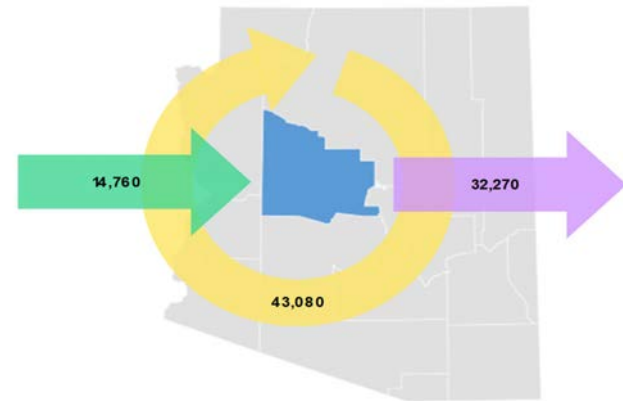
Source: IPUMS USA, 2016-2020 American Community Survey 5-Year Estimates Micro Dataset





Commuting patterns of Yavapai County

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

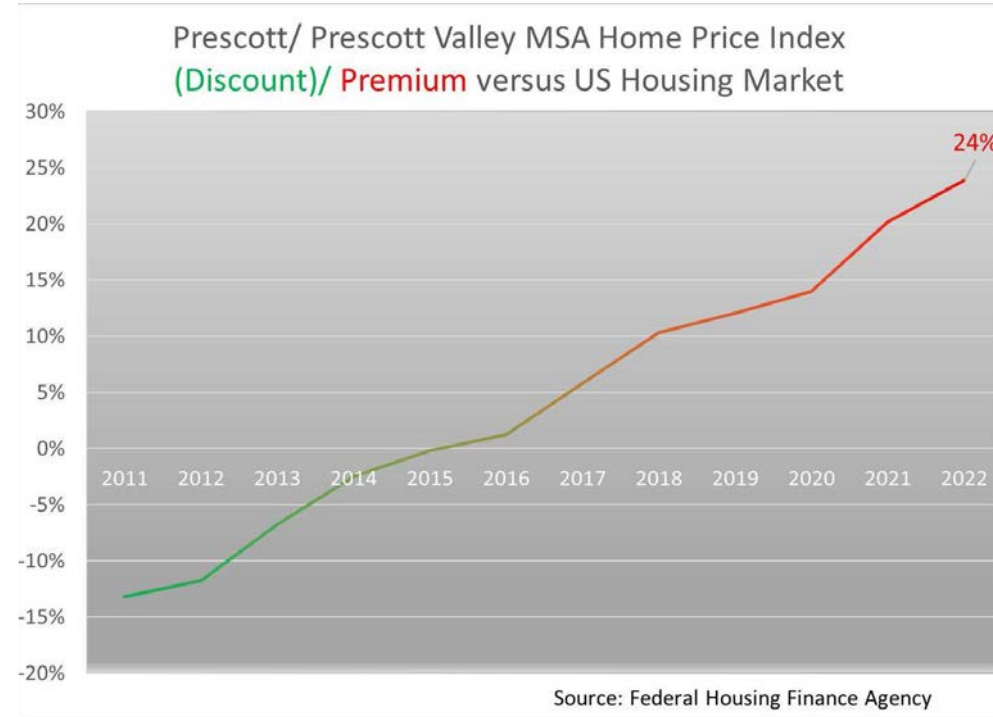


Source: Census Bureau, Center for Economic Studies.

Source: US Bureau of Labor Statistics

Description	2023 Jobs	Median Annual Earnings	Typical Entry Level Education
Retail Salespersons	2,664	\$29,302.18	No formal educational credential
General and Operations Managers	2,240	\$61,110.58	Bachelor's degree
Cashiers	2,212	\$28,807.38	No formal educational credential
Waiters and Waitresses	1,869	\$36,685.34	No formal educational credential
Office Clerks, General	1,700	\$36,688.26	High school diploma or equivalent
Home Health and Personal Care Aides	1,573	\$29,070.04	High school diploma or equivalent
Fast Food and Counter Workers	1,498	\$28,849.57	No formal educational credential
Secretaries and Administrative Assistants, Except Legal, Medical, and Executive	1,240	\$36,338.01	High school diploma or equivalent
Cooks, Restaurant	1,193	\$30,011.64	No formal educational credential
Stockers and Order Fillers	1,169	\$29,930.74	High school diploma or equivalent
Maids and Housekeeping Cleaners	1,143	\$29,319.65	No formal educational credential
Registered Nurses	1,092	\$77,009.68	Bachelor's degree
Maintenance and Repair Workers, General	1,061	\$36,748.27	High school diploma or equivalent
Postsecondary Teachers	1,054	\$63,321.60	Doctoral or professional degree
Laborers and Freight, Stock, and Material Movers, Hand	1,051	\$29,993.15	No formal educational credential
Heavy and Tractor-Trailer Truck Drivers	968	\$45,573.61	Postsecondary nondegree award
Customer Service Representatives	963	\$31,074.71	High school diploma or equivalent
Janitors and Cleaners, Except Maids and Housekeeping Cleaners	901	\$29,492.45	No formal educational credential
Construction Laborers	888	\$37,498.43	No formal educational credential
Bookkeeping, Accounting, and Auditing Clerks	798	\$38,369.37	Some college, no degree
Receptionists and Information Clerks	767	\$29,508.07	High school diploma or equivalent
Nursing Assistants	736	\$36,517.84	Postsecondary nondegree award
First-Line Supervisors of Food Preparation and Serving Workers	735	\$38,313.42	High school diploma or equivalent
First-Line Supervisors of Retail Sales Workers	714	\$37,215.05	High school diploma or equivalent
Cooks, Fast Food	663	\$28,640.93	No formal educational credential
First-Line Supervisors of Office and Administrative Support Workers	636	\$47,932.02	High school diploma or equivalent
Landscaping and Groundskeeping Workers	628	\$30,465.41	No formal educational credential
Teaching Assistants, Except Postsecondary	569	\$28,549.95	Some college, no degree
Elementary School Teachers, Except Special Education	565	\$47,579.61	Bachelor's degree
Bartenders	557	\$37,187.58	No formal educational credential

The adjacent table shows the 30 largest Occupations in Yavapai County. These 30 jobs represent 46% of the jobs in our Service District. As you can see, only 1/5 pay a living wage, and only 1/4 require a college certificate or degree.

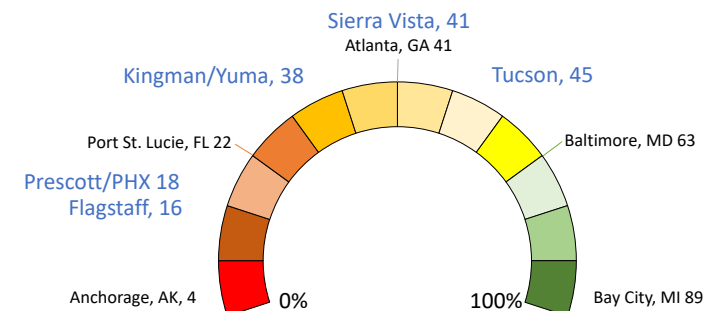
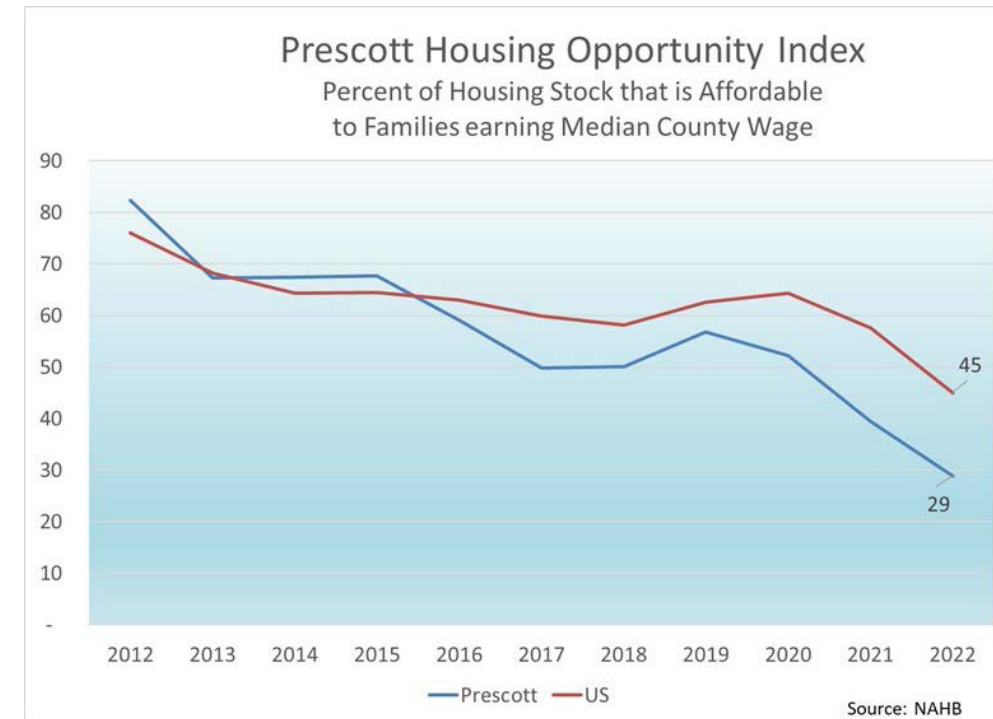


The most recent report from the Council for Community and Economic Research indicates that our county's cost of living is now **18% above the national average**, and is being driven primarily by the skyrocketing cost of housing.

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

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

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





# YAVAPAI COLLEGE

## COLLEGE PROFILE

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

To fulfill this charge, YC offers 7 Associate degrees and 75 certificates in over 60 disciplines, including several career & technical fields which train students to enter the workforce directly. Beginning in the Fall of 2023, YC will offer its first 4-year degree: the Bachelor of Science in Business. In 2023, Arizona became the 24<sup>th</sup> state to allow community colleges to offer baccalaureate degrees. YC operates 2 full-service campuses, one in Clarkdale and one in Prescott, in addition to four Centers in Chino Valley, Prescott Valley, Sedona, and a Career Technical Education Center by the Prescott airport. In addition to classes, the two campuses offer a variety of support services to help students be successful. These include Admissions, Advising, Computer Commons, Disability Resources, Financial Aid, Libraries and Tutoring.

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

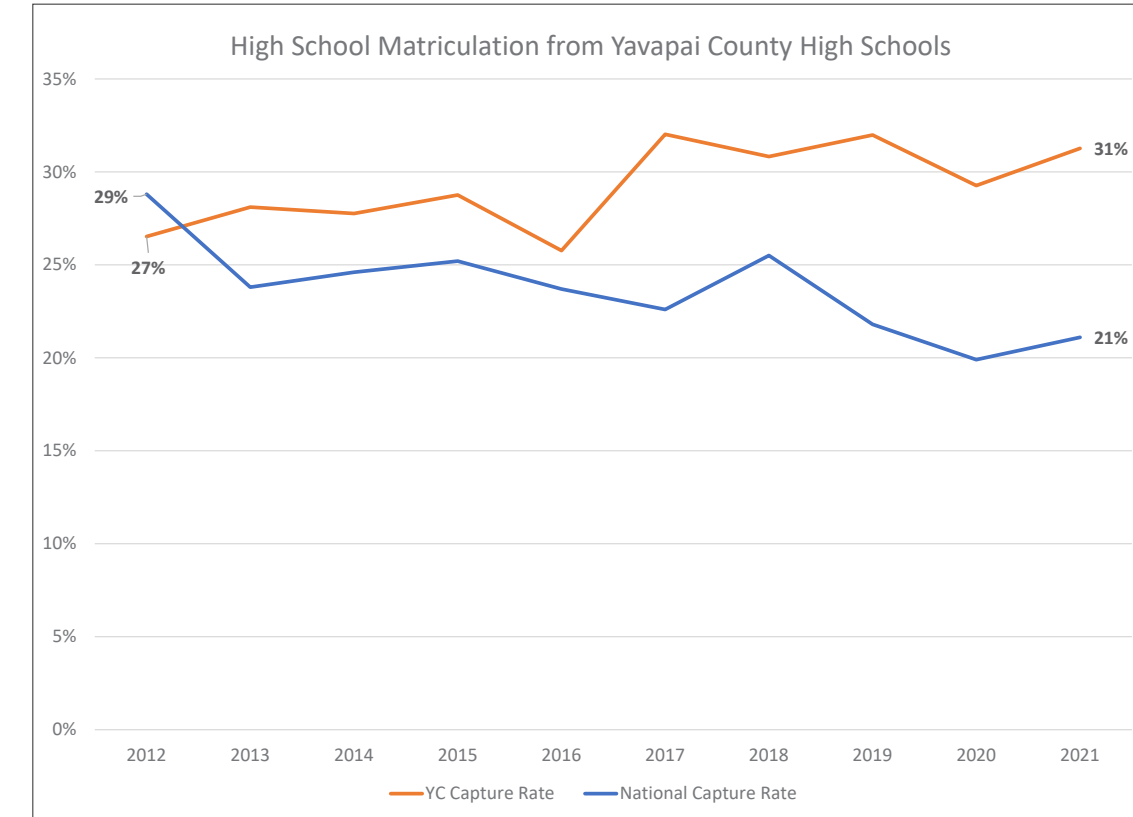


General education classes (core transfer subjects like math, English, science, social sciences & humanities that serve as building blocks for future learning) are offered at each location. These transfer to many four-year colleges and universities, allowing students to complete their Freshman and Sophomore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

In addition to delivering courses in college facilities, YC has developed strong relationships with area high schools and the Career Technical Education Districts. YC offers Dual Credit courses, where high school students take college courses taught by high school teachers at the high schools. Similarly, YC offers Concurrent Credit courses, where high school students take College courses taught by College professors typically at College facilities. **These programs allow students to earn high school and college credits at the same time, saving the students and their families roughly \$1.5M per year.** Over time, these partnerships have grown high school student enrollments to roughly 20% of total College enrollments. Moreover, these partnerships have encouraged more high school graduates to transfer to YC, with matriculation rates well above the national average.

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

In FY2022-23, the college piloted an Early College Academy where high school upperclassmen would come to a college location to fulfill the majority of their high school requirements with college classes. In FY23 there were 35 Early College Academy students, and we expect this to grow to over 135 participants in FY24. Most of these students will at least complete the Arizona General Education Core of 35 credits, and some will even complete an Associate's degree before they earn their high school diploma.



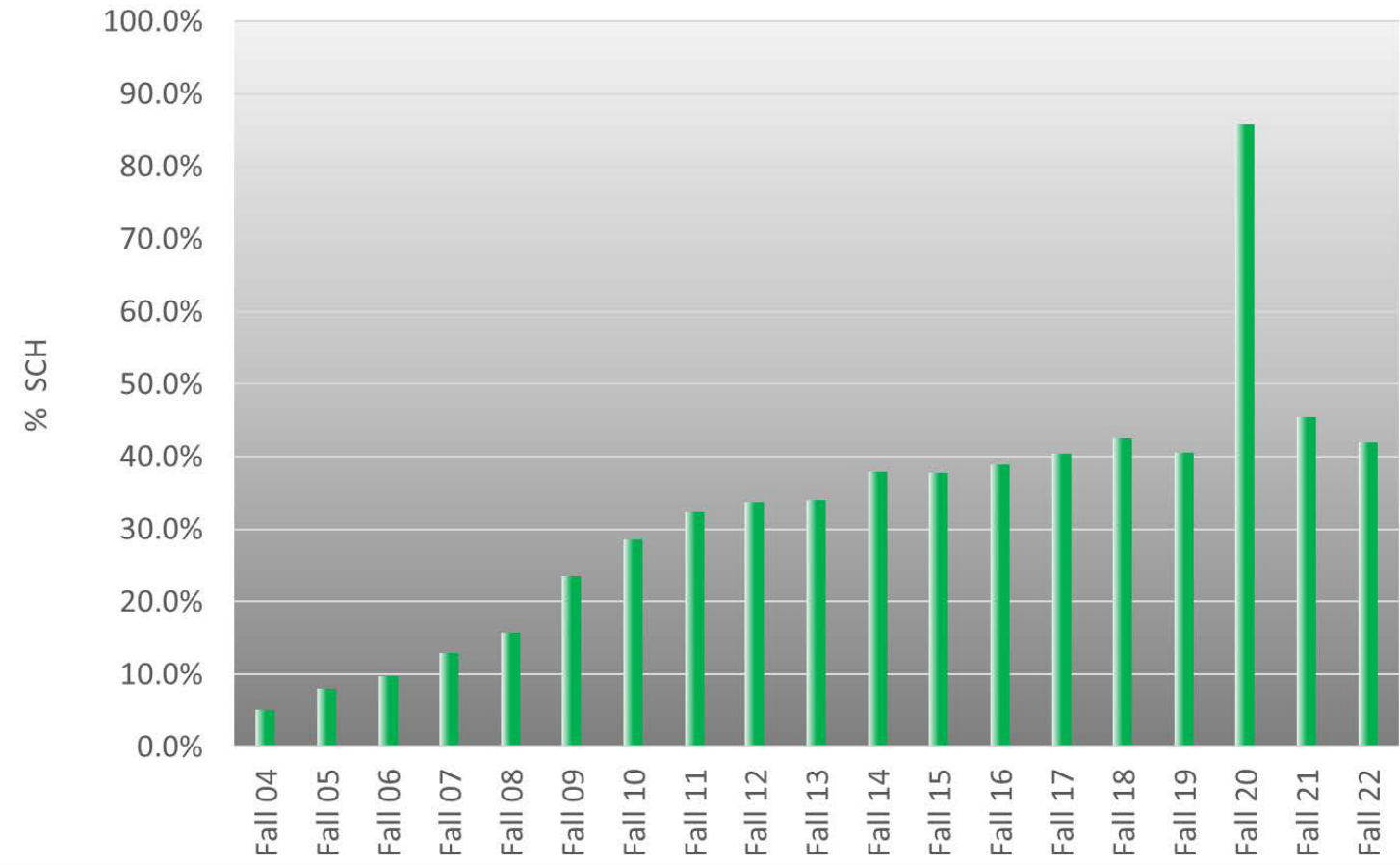
Source: AZ Department of Education, YC Institutional Research

Recent high school graduates are eligible to participate in the YC Promise, a nationally recognized scholarship which allows them to earn a tuition-free degree if they complete within 2 years. Our First two cohorts have been **completing degrees at more than twice the**

**national average!** Because of this, the District Governing Board has approved a similar program: the Workforce Promise. This new program is open to all Yavapai County residents who wish to pursue an Associate Degree in a CTE field that pays a living wage.



## Proportion of Student Credit Hours (SCH) Delivered Online



Source: YC Institutional Effectiveness and Research

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

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

In addition to the workforce training programs, YC provides a variety of services to strengthen the economy through the Regional Economic Development Center (REDC). Services include research studies for a variety of cities, towns, and chambers, as well as support services through the SBDC for entrepreneurs looking to start or grow their business. The REDC offers a variety of non-credit workforce training, primarily through Edtogo and Coursera, but with some custom training as well.

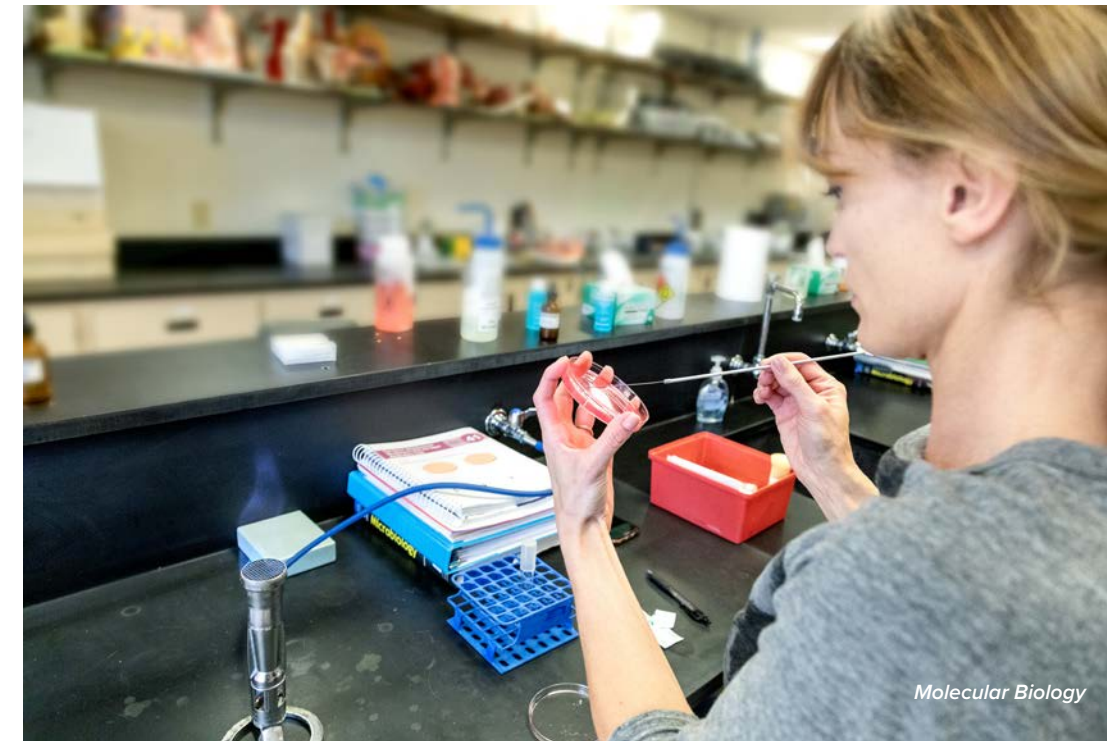
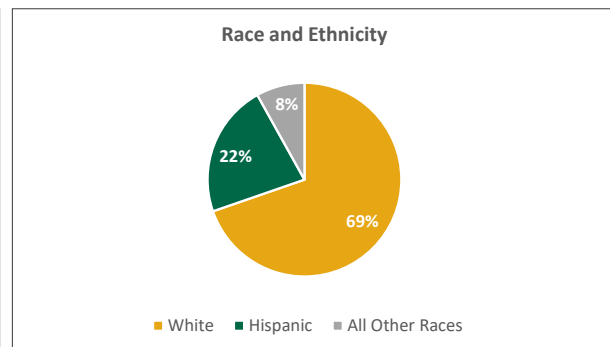
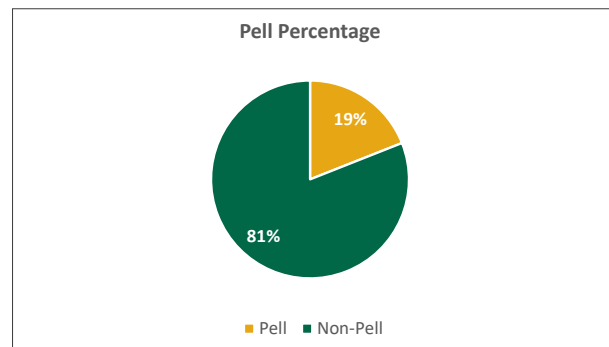
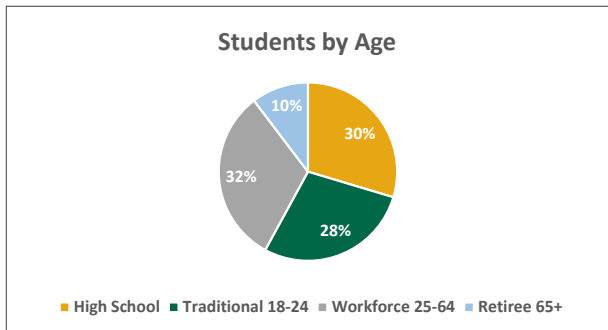
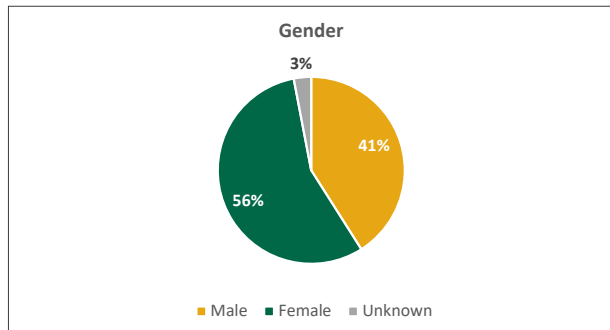
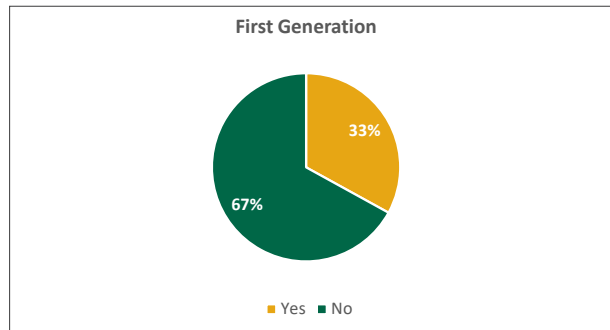
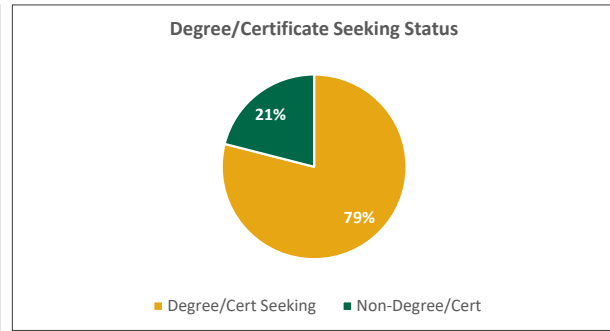
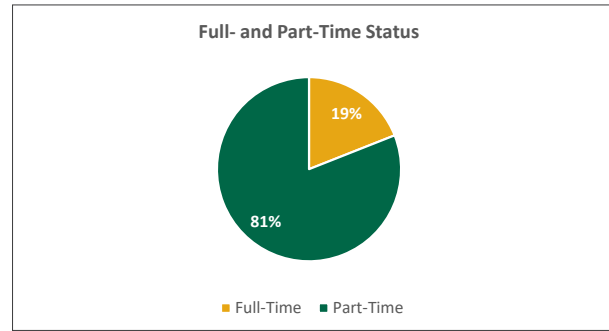
Finally, the College provides a variety of opportunities to engage in cultural activities. While this is primarily through the hundreds of different credit courses YC offers each year, YC provides affordable non-credit programming for people of all ages. The Osher Lifelong Learning Institute (OLLI) provides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

touring shows to perform in our Jim & Linda Lee Performing Arts Center as well as other venues throughout the county.

Yavapai College is a great asset for the residents of Yavapai County and beyond, offering high-quality instruction in state-of-the-art facilities. The primary way YC ensures quality is by meeting the standards provided in the Higher Learning Commission's (HLC) Criteria for Accreditation. Accreditation is an essential form of quality assurance for colleges and universities, ensuring that the courses and programs meet agreed upon industry standards so that credits earned by students at one institution may be confidently accepted by other accredited institutions. Accreditation also demonstrates the school's legitimacy, thereby allowing students to have access to federal grants and loans. YC's accreditation was renewed by HLC for 10 years in 2023; moreover, YC is one of the minority of schools that will not require an interim visit during that time period. In 2023, HLC also approved YC to deliver programs in 8 week and online formats. The HLC also approved YC's BS in Business degree.



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

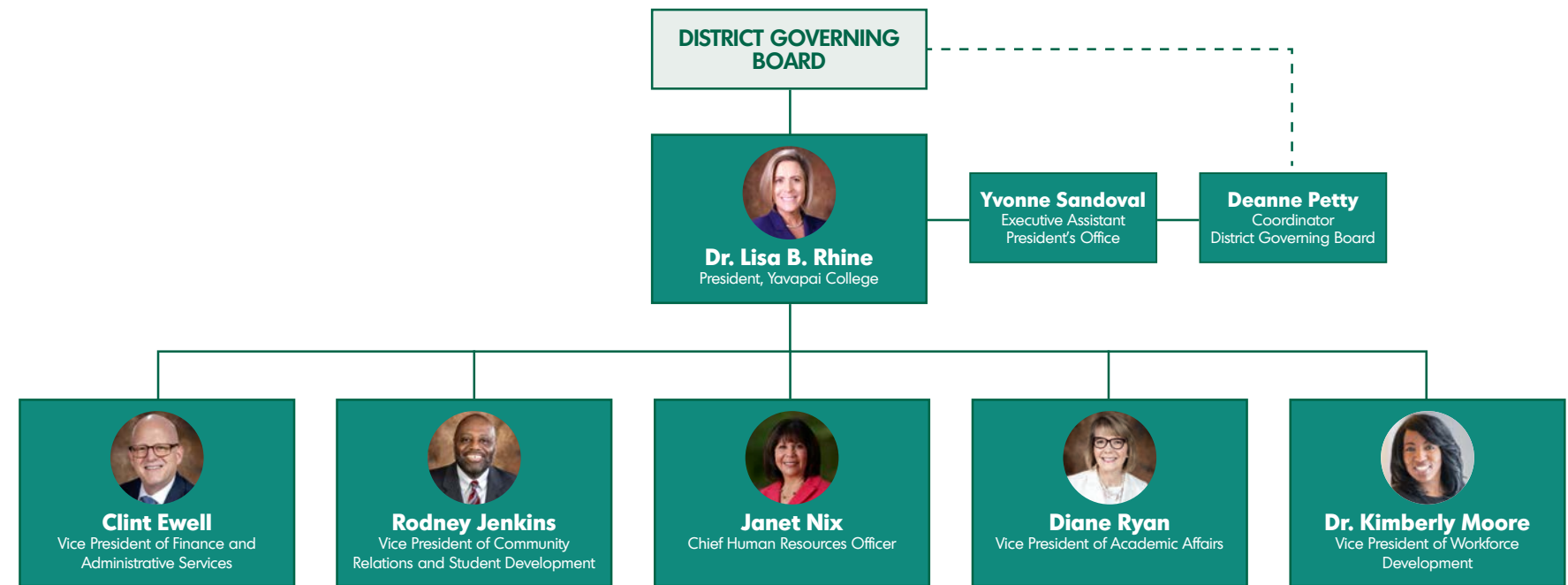




# YAVAPAI COLLEGE ORGANIZATION

Sedona Culinary Institute

# ORGANIZATION CHART



The District Governing Board has one employee: the President. Dr. Lisa Rhine has built a team with four main Divisions including Academic Affairs, Community Relations & Student Development, Finance & Administrative Services, and Human Resources. In FY2023-24, Yavapai College will add a new Division focused on Workforce Development. Each of these areas are described in more detail as follows:

# ACADEMIC AFFAIRS

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

## Leadership Team

**Dr. Diane Ryan**, VP of Academic Affairs

## Direct Reports

**Dr. Irina Del Genio**, Dean of Verde Valley, English, Humanities, & Social Sciences

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

**Stacey Hilton**, Dean of Instructional Support

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

**Dr. Marylou Mercado**, Dean of Health and Wellness, Science & Math

**John Morgan**, Dean of Career & Technical Education

**Billie Norris**, Coordinator

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

**Heather Scott**, Director of YCPAC Operations & FMA Program



# MAJOR BUSINESS UNITS

## Career & Technical Education

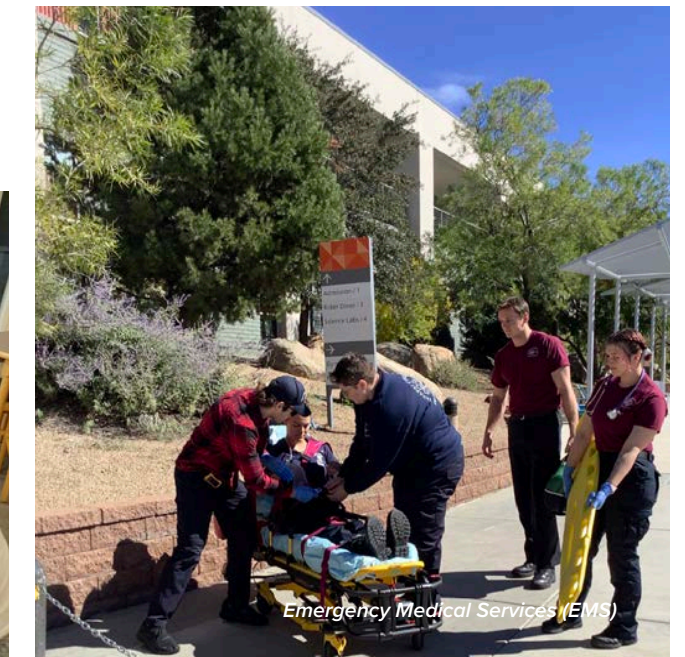
Areas of study include Advanced Manufacturing, Agriculture, Animal Care, Automotive, Aviation, Brewing, Commercial Driving, Construction, Diesel, Electrical, Electronics, Engineering, Film & Media, Fire Science, Gunsmithing, HVAC, Industrial Maintenance, Plumbing, Welding, and Wine. This area is responsible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

## Health & Wellness, Science & Math

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

## Instructional Support

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





## Performing Arts Program & YCPAC Programming & Development

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

## Professional Programs and Visual Arts

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

## Scheduling & Early College Partnerships

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



## Verde Valley Campus and English, Humanities & Social Sciences

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

The Dean also oversees The Literary Southwest, the Peer Writing Center, and Community Education which provides year-round non-credit enrichment classes for adults and children. Noncredit programming includes College for Kids summer programming, Edventure travel packages, and the Osher Lifelong Learning Institute at Yavapai College (OLLI) which provides member led classes designed for adults 50 years and older.



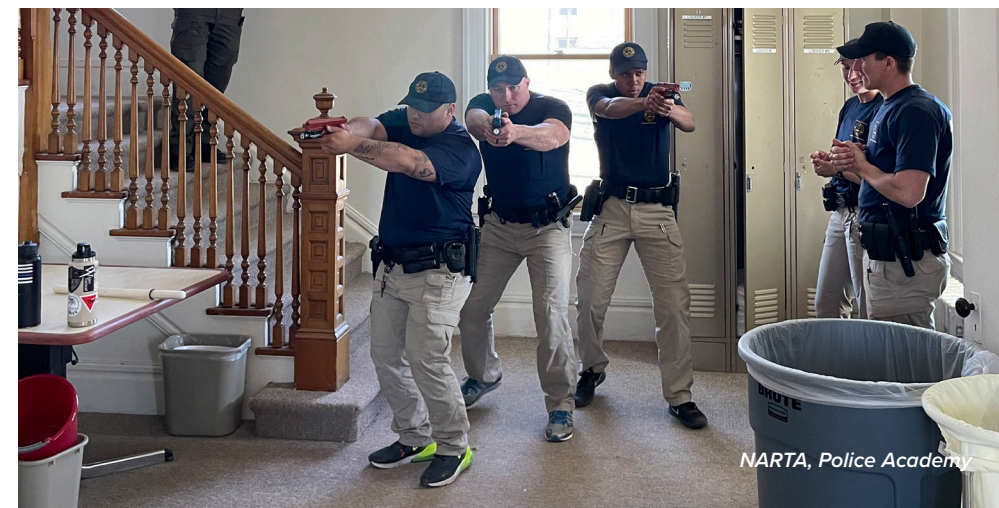
## YCPAC Operations & FMA Program

The YCPAC Director manages Box Office, Concessions, and Theater Operations personnel.



The BOYD TENNEY LIBRARY presents  
**The Literary Southwest**

Readings and Conversations with the Finest Writers in the West and Beyond



# COMMUNITY RELATIONS & STUDENT DEVELOPMENT

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

## Leadership Team

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

## Direct Reports

### Community Relations

- Brad Clifford**, Director of Athletics
- Rich Hernandez**, Executive Director of Government Relations
- Brooke Hickman**, Coordinator
- Tyler Rumsey**, Director of Marketing & Communications
- Mary Talosi**, Executive Director of the YC Foundation

### Student Development

- Diana Dowling**, Associate VP of Enrollment Management
- Tania Sheldahl**, Associate VP of Student Affairs & Dean of Students



# MAJOR BUSINESS UNITS

## Athletics

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

## Enrollment Management

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



## Government Relations

Government Relations works with local, state, and federal policymakers to better understand how the college can help them to achieve their objectives, and vice versa.

## Marketing & Communication

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

## Student Affairs

The Student Affairs department provides academic and non-academic support to students as they progress toward completing their certificate or degree. This area leads several different departments to engage and support students. Student Activities creates opportunities for students to engage outside of the classroom such as clubs, Student Ambassadors, Students of Leadership, Student Government, and a variety of events. The Testing Center offers various academic and industry assessments for students, prospective students, and community members. The

Learning Centers provide free tutoring. Disability Services ensures students have equal access and reasonable accommodations to all Yavapai College programs and activities. Residence Life provides semi-autonomous housing option for those students seeking to live on campus. TRIO Student Support Services provides success coaching, career exploration, and college financial support. Veterans Education and Transition Services provides support services for student veterans and military family members. In addition, Student Affairs is responsible for addressing student conduct issues.

## YC Foundation

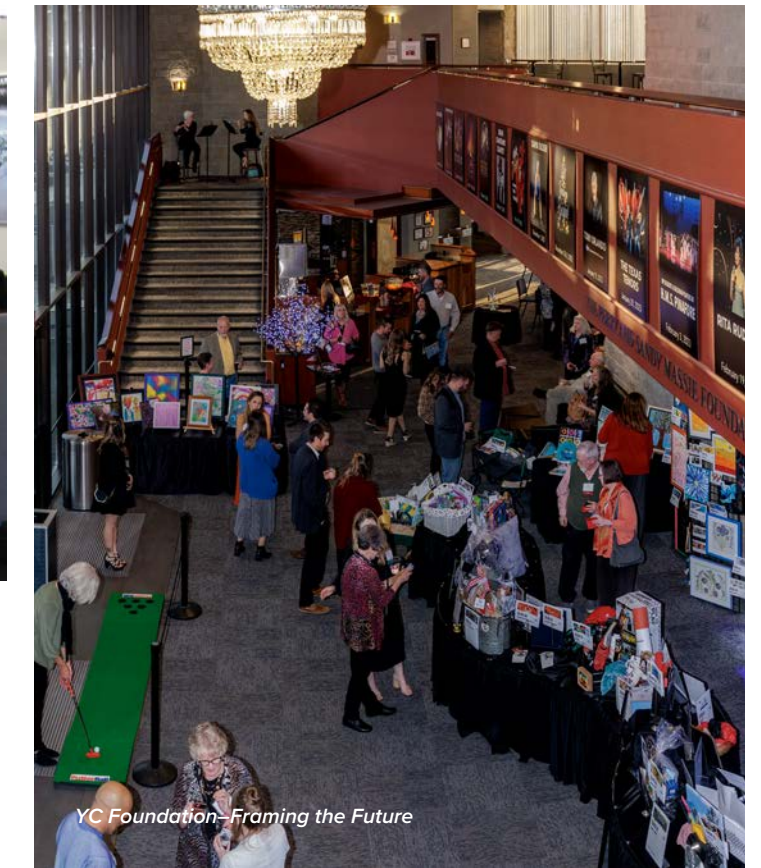
The Yavapai College Foundation's goal is to support the College's objectives and activities through resource development as well as promote community awareness of the College and its programs. Through philanthropic activities, the Foundation helps enhance educational, cultural, and social and economic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



Yavapai College  
Student Government Association



The Learning Center  
Prescott Campus



YC Foundation—Framing the Future

# FINANCE & ADMINISTRATIVE SERVICES

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

## Leadership Team

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

## Direct Reports

- Patrick Burns**, Chief Information Officer
- Frank D'Angelo**, Controller and Director of Business Services
- Dr. Tom Hughes**, Director of Institutional Effectiveness & Research
- David Laurence**, Director of Facilities
- Ty Payne**, Chief of Police
- Ivonne Zuniga**, Coordinator



Facilities

# MAJOR BUSINESS UNITS

## Business Services

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

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

## Campus Safety

The Yavapai College Campus Safety Department is a full-service police department staffed by certified Arizona Peace Officers, trained Safety Officers and professional staff. In addition to safeguarding the \$166,000,000 of College assets located at 6 locations throughout the county, the primary role of these officers is to serve and protect 1,000 employees, 10,000 students, and tens of thousands of visitors who come to YC locations each year.

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

## Facilities

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

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

## Information Technology Services

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

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

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



## Institutional Effectiveness and Research

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

In addition to supporting most of the Strategic Initiatives being led by the other Divisions, the FAS FY24 Strategic Initiatives include:

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

# HUMAN RESOURCES

The Chief Human Resources Officer leads the team responsible for helping the college to maximize its potential by optimizing our workforce.

## Leadership Team

**Dr. Janet Nix**, Chief Human Resources Officer

**Pam Pierce**, Assistant Director

## Our HR Vision

Yavapai College is a service organization, and our people are the key to creating value for our students and our community. As such, Human Resources is a vital function ensuring that our employees are well supported through:

- Attracting and retaining talented employees
- Designing market-competitive Compensations & Benefits
- Enhancing Employee Relations
- Building employee talents
- Training & Development opportunities
- Performance Management systems



Job Fair, Human Resources



Warm Welcome New Employees

# WORKFORCE DEVELOPMENT

## Leadership Team

Dr. Kimberly Moore, VP of Workforce Development

## Direct Reports

Karen Jones, Director of the Regional Economic Development Center

Ruth Ellen Elinski, Program Director, Small Business Development Center

## Regional Economic Development Center (REDC)

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

The REDC consults with local towns, cities, and economic development organizations to foster regional collaboration and by providing economic information and analyses. The REDC provides high-quality, on-demand workforce training for businesses or individuals. Businesses can find talent by posting positions or offer internships through our Pipeline AZ clearinghouse or through REDC-sponsored in-person job fairs.



## Small Business Development Center (SBDC)

The SBDC is a federally funded program aimed at supporting new and existing small business within Yavapai County. The SBDC helps entrepreneurs to start or grow their business in a variety of ways including free counseling, educational services, or access to funding.



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

## Budget by Major Business Unit & Fund

(in millions)

	General	Auxiliary	Restricted	Plant	Debt
District Governing Board	\$ 0.26	\$ -	\$ -	\$ -	\$ -
President	0.63	-	-	-	-
HR	1.19	-	-	-	-
Academic Affairs	0.87	-	0.95	-	-
Career & Technical Education	5.06	0.04	1.40	0.83	-
Health and Wellness, Science & Math	5.81	-	1.91	0.14	-
Instructional Support	3.05	-	-	0.03	-
Performing Arts	0.48	0.35	-	0.02	-
Professional Programs & Visual Arts	3.32	0.01	0.53	0.09	-
Scheduling & Early College	0.36	-	-	-	-
Verde Valley Operations and English, Humanities & Social Sciences & Lifelong Learning	6.51	1.83	0.34	0.28	-
YCPAC Operations	0.29	1.57	-	0.14	-
Community Relations & Student Development	0.58	-	-	-	-
Athletics	3.07	0.07	-	0.02	-
Enrollment Management	4.70	-	6.82	-	-
Marketing & Communications	1.04	-	-	-	-
Student Affairs	3.34	0.95	0.67	-	-
YC Foundation	0.13	0.53	0.59	-	-
Division of Workforce Innovation	-	-	-	-	-
REDC	-	0.02	1.38	-	-
SBDC	-	0.18	0.20	-	-
Finance & Administrative Services	0.41	-	-	-	-
Business Office	1.92	(0.04)	-	0.10	-
Campus Safety	0.94	-	0.04	0.01	-
Facilities	7.10	-	-	14.86	1.26
Contingency	0.53	0.10	-	0.76	-
District Other	0.70	-	5.57	-	-
Information Technology	5.86	-	-	1.05	-
Institutional Research	0.70	-	-	-	-



Drawing

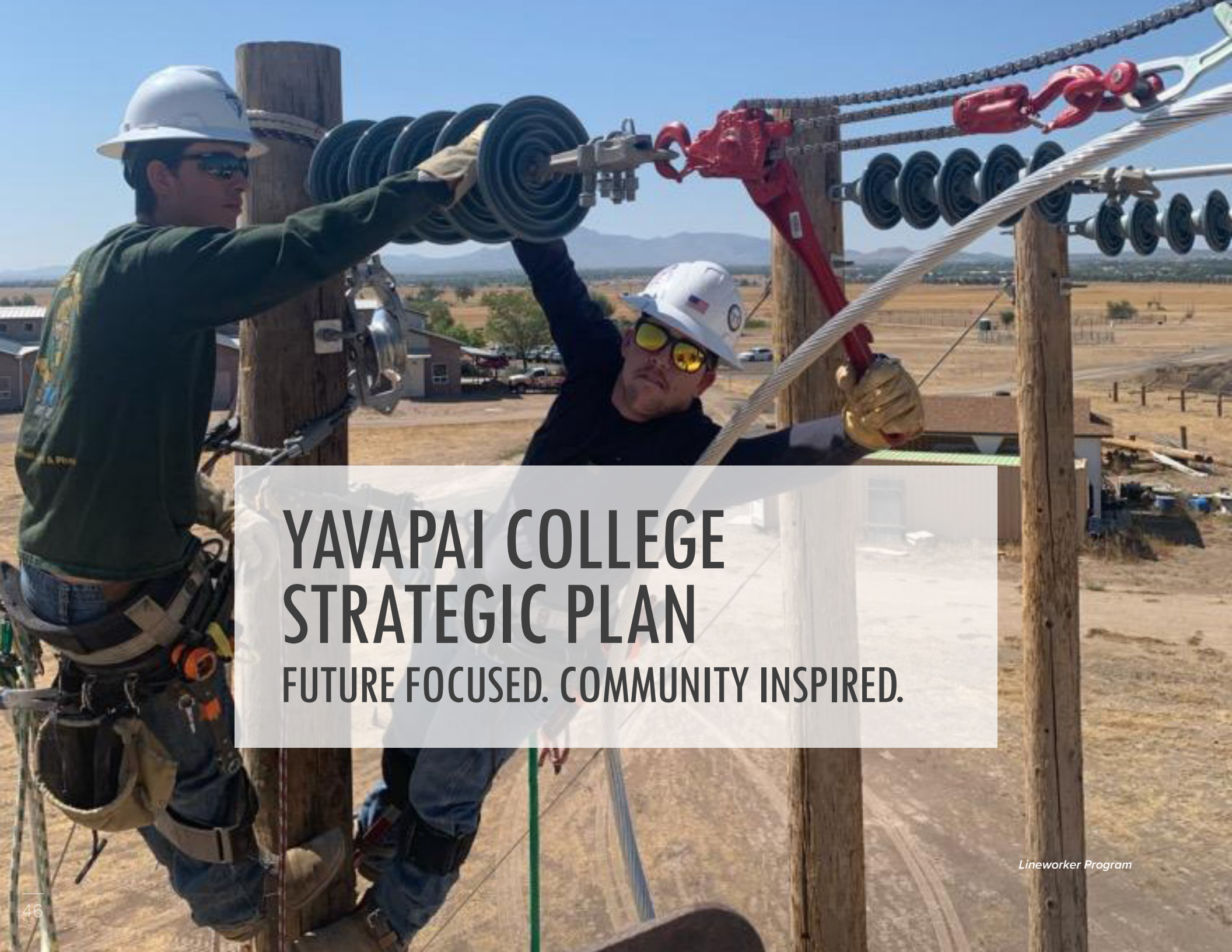


Film & Media Arts



Men's Basketball





# YAVAPAI COLLEGE STRATEGIC PLAN FUTURE FOCUSED. COMMUNITY INSPIRED.

Lineworker Program

## STRATEGIC PLANNING

### Process

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

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

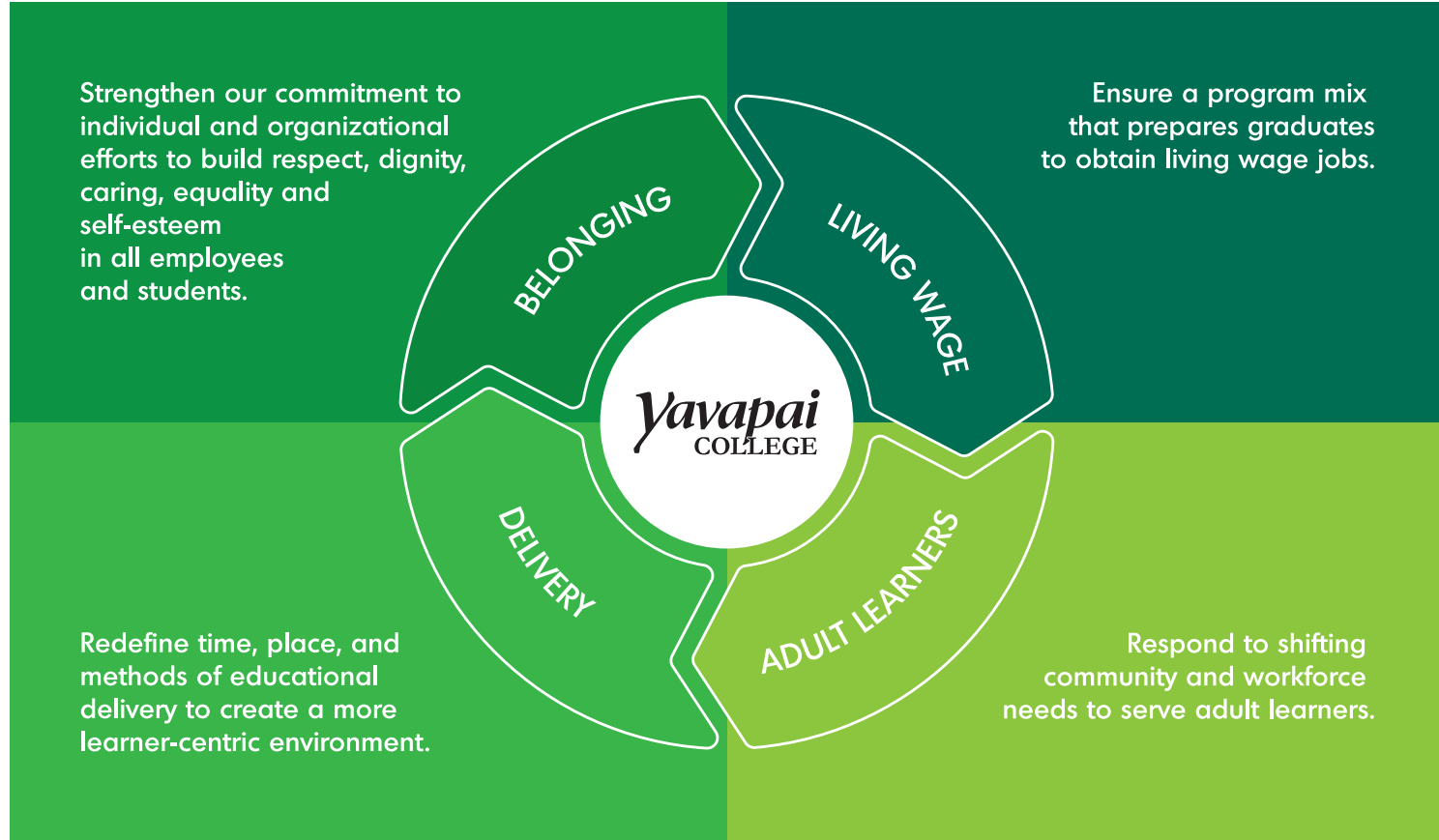
The SPC begins by assessing the Current State, reviewing internal reports and key performance indicators, as well as other major College plans. The SPC then turns its collective gaze outwards, looking at benchmark studies to assess how YC performs compared to its peers, reviewing the annual [Environmental Scan](#), and reading extensively to ascertain emerging trends and best practices.

Using all of this information, the SPC then conducts a SWOT analysis, assessing internal Strengths and Weaknesses, and identifying external Opportunities and Threats. All of this information, including the results of the SWOT analysis, can be reviewed by the greater Yavapai College community by visiting the [Strategic Planning](#) website.





S	W	O	T
Strengths	Weaknesses	Opportunities	Threats
Passion of employees: *Faculty and staff competency *Creative faculty and staff	Not enough cross silo communication and collaboration-- efficiencies are lost and competition is created	Partnering with external providers to obtain college credit	Educational competition: *Allure of university experience *Private online education providers
Visionary President	Clarity of processes creating inefficiencies	Industry partners/externships	Department of Education moving too slow
Fantastic physical facilities		AI/VR for students	Limited future opportunities (jobs) in the county
Well-funded and Board support		Transportation between campuses	Housing
		Awareness of FAFSA & Scholarships	Labor pool
		Promoting outside of Yavapai County	Expenditure limitation



This graphic summarizes the 4 Strategic Goals in the FY24-26 Strategic Plan.

The YC Strategic Plan has Goals, Initiatives and Action Plans. A Goal represents a shared idea of the future state that, when accomplished, will help us fulfill our DGB Priorities and the College's Vision. Initiatives are projects intended to lead to the accomplishment of the Goal. Actions Plans describe how and how much of an initiative will be accomplished in a given fiscal year. This includes who is responsible, who will support, target dates, and budget implications.

Finally, Key Performance Indicators have been developed to help the College assess its progress toward achieving its Goals.

<b>FY24 Strategic Initiatives</b>	<b>Belonging</b>	<b>Living Wage</b>	<b>Adult Learners</b>	<b>Delivery</b>
Expand Health Science Programs		X		
Integrate Artificial Intelligence and Virtual Reality into programs				X
Better Utilize Early Alert	X			
Develop Nursing Baccalaureate Degree for FY25 launch		X		
Expand Open Educational Resources				X
Implement best practices for online courses				X
Delineation of roles and responsibilities in workforce offerings			X	X
Co-award non-credit and credit			X	X
Launch semester-or-less training programs leading to Living Wage		X	X	X
Expand workforce training		X	X	
Prepare for ERP upgrade through college process review	X			
Improve Credit for Prior Learning options			X	
Expand Early College Academy				X

Academic Affairs
Workforce
Finance & Administrative Services
Community Relations & Student Development

The following is a brief description of college-wide Initiatives being led by Academic Affairs:

1. **Expand Health Sciences Programs:** Yavapai County is a “Silver City” per McKinsey Consulting, with the vast majority of growth coming from the in-migration of retirees. As such, the demand for Healthcare services will grow, and YC needs to be poised to fill that additional demand. YC will use Bureau of Labor data and discussions with Health partners to inform decisions regarding new programs and space needs.

2. **Integrate AI and VR into programs:** Artificial Intelligence and Virtual Reality are no longer solely the domain of science fiction, but have entered the workplace. YC need to take advantage of these new tools to enhance how we deliver programs and services, and YC needs to integrate AI & VR into our curriculum appropriately to teach students how to utilize these tools when they enter the workforce.
3. **Early Alert:** Institutional Research has developed predictive analytic tools, which help identify students who are likely to not be successful. With the help of faculty and staff, we can use this tool to intervene and help students adopt more successful behaviors.

4. **Develop BS in Nursing by FY25:** YC will launch BS in Nursing, as well as an LPN program, by the Fall of 2024. This coursework will be offered online, targeting the hundreds of YC RN graduates who would like to upgrade their skills and credentials.
5. **Open Educational Resources (OER):** Students do better in class when they have access to the course learning materials. However, many students on a budget cannot afford the book. OER allows colleges to provide low cost or no-cost learning materials. Over the past 3 years, YC has grown OER-Z (zero cost) to 16% and OER-L (low cost under \$50) to 25%. YC will continue to grow OER-Z by 10% per year.
6. **Online Courses:** The College will continue to update its online courses, to comply with industry best practices (Online Course Review) which have proven to help more students successfully complete the course with a C or better.
7. **Clarify roles and responsibilities:** Delineate how YC will fulfill workforce training needs through credit (Academic Affairs) and non-credit (Workforce) offerings. This will be coordinated between the VPAA and VPWD YC Concentrations.
8. **Co-award credit and non-credit:** With the goal of expanding our Expenditure Limit, YC will work with the Higher Learning Commission and the State of AZ to see if we can devise a system for awarding credit as students complete non-credit workforce training courses, rather than after-the-fact through traditional Credit-for-Prior-Learning processes. This will be coordinated between the VPAA and VPWD.

The following is a brief description of college-wide Initiatives being led by Workforce Development:

9. **Launch Semester-or-Less Training that leads to Living Wages:** Act as broker for 3rd parties to offer courses, badges and certificates that can be completed quickly and lead to living wage.
10. **Expand Workforce Training:** In addition to developing custom

training, YC will broker quality 3<sup>rd</sup> party training such as Coursera and EdtoGo. The intent is to provide access to on-demand, self-paced, competency-based (complete by demonstrating proficiency, regardless of seat-time) coursework. Moreover, many of these courses lead to badges demonstrating skills that are valued in the workplace.

The following is a brief description of college-wide Initiatives being led by Community Relations & Student Development:

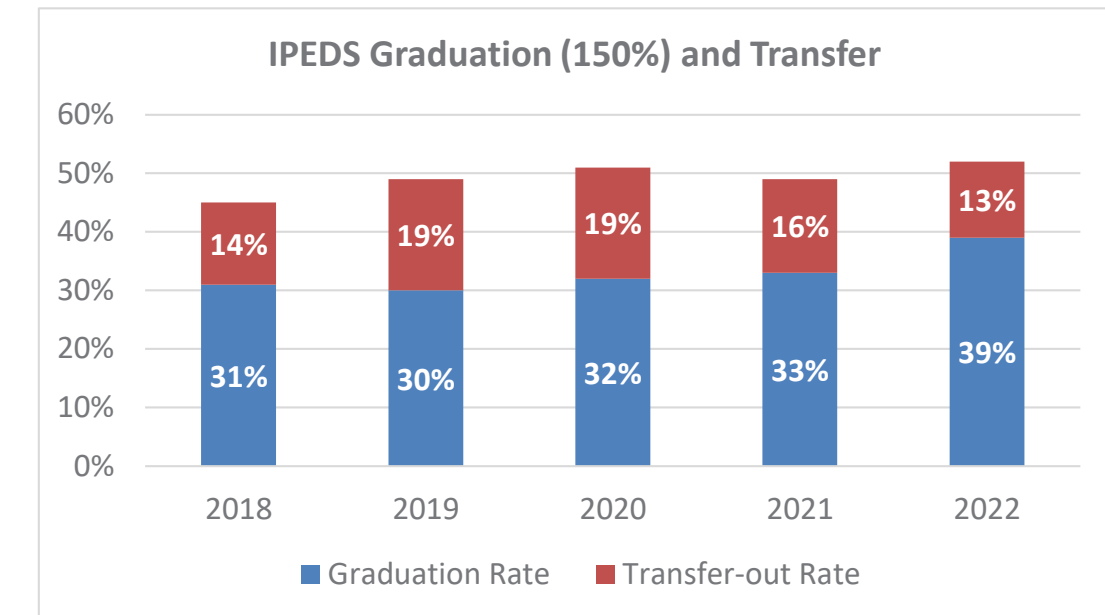
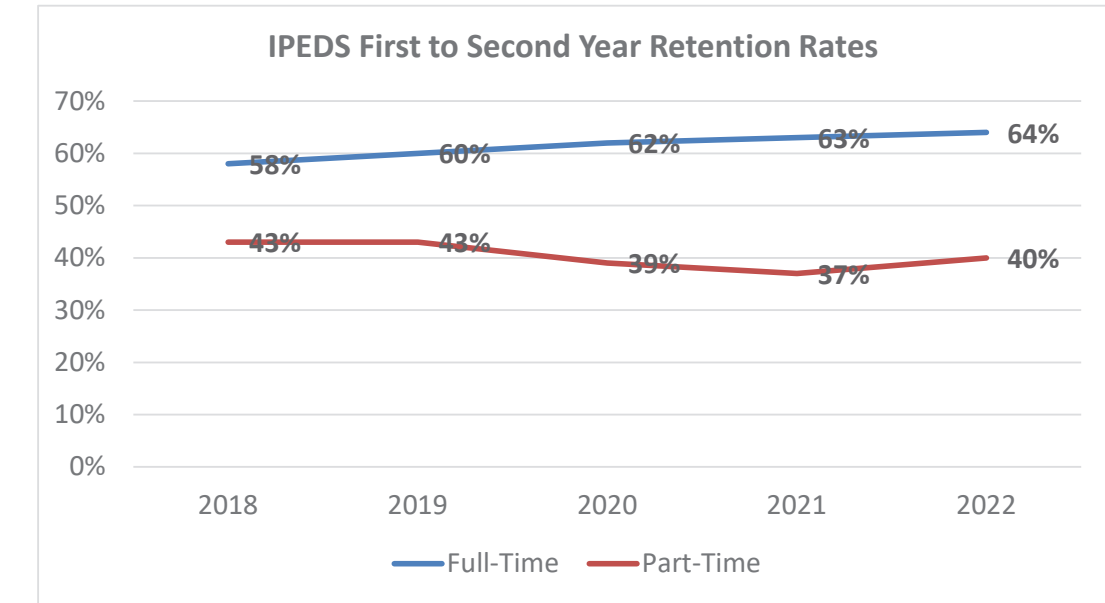
11. **Improve Credit for Prior Learning (CPL):** YC offers a variety of CPL awarding credit for AP, IB, Dual, Concurrent, and CLEP. YC will continue to adopt best practices in CPL, rewarding students for high-quality prior learning experiences in an effort to help students complete more quickly and cost-effectively.
12. **Expand Early College Academy:** YC successfully piloted this program with high school seniors in FY23. 35 seniors from Sedona Red Rock High School and Prescott High School took mostly college classes at a YC location, fulfilling their high school graduation requirements while earning college credits toward a certificate or degree. On average, participants earned a 3.19 GPA while averaging 12 credits per term (full-time). Based on this initial success, YC will expand this program to include juniors and other high schools.

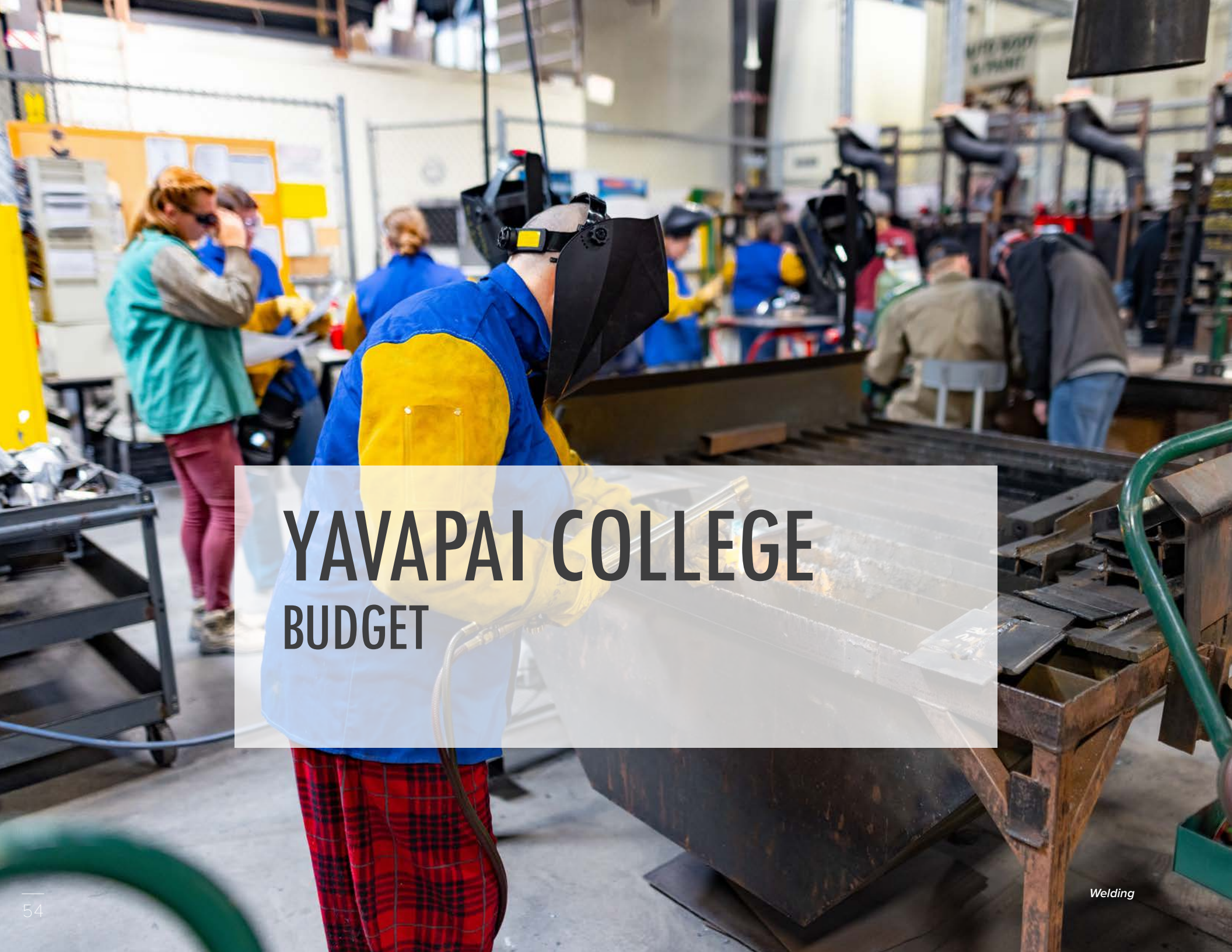
The following is a brief description of college-wide Initiatives being led by Finance & Administrative Services:

13. **Prepare for ERP Upgrade:** For over 10 years, YC has used Banner software to manage our college operations. Though it has minor upgrades every year, the underlying platform is approaching 30 years old. YC has undergone extensive research in FY23 to understand the current ERP players in the higher education market space. In FY24, YC will carefully review our processes to ensure we understand our current capabilities and future requirements when we conduct an RFP in FY25 to upgrade or replace our ERP software.



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





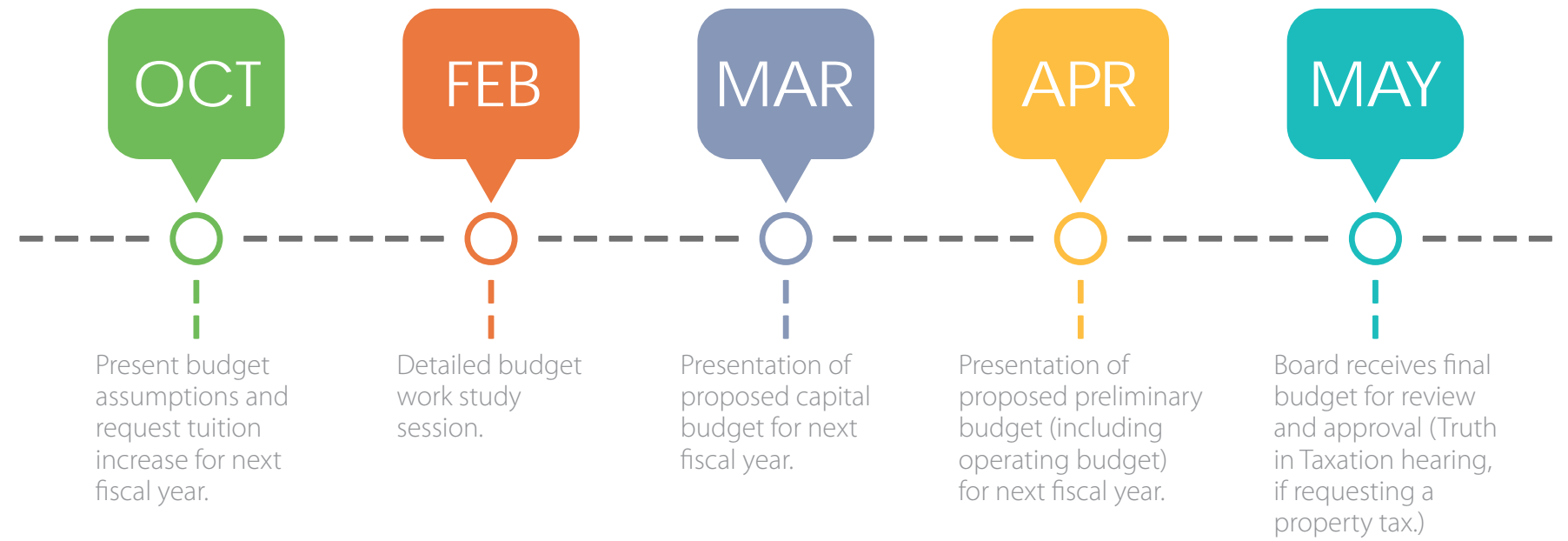
# YAVAPAI COLLEGE BUDGET

Welding

## BUDGET

### Annual Budget Process

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



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

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

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

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

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

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



### **Budget Adjustments**

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

### **Budget Controls**

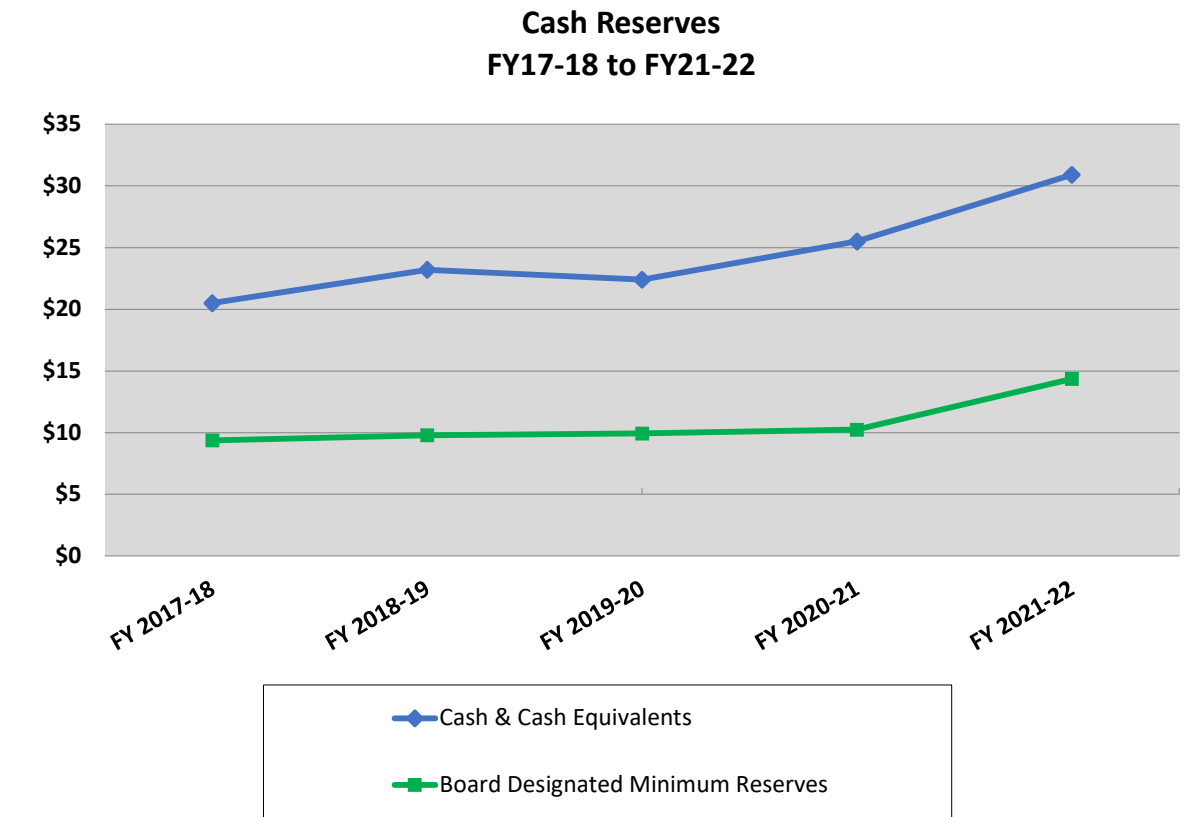
During the year, budgets are monitored on a monthly basis. Department managers may run budget reports for their areas. The Budget Director has developed exception reports to help identify budgetary issues, allowing the Director to take action if needed. The Controller shares budget information with the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

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

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

### **Balanced Budget**

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



## Basis of Accounting and Budgeting

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

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



## Financial Policies & Procedures

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

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

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

## Fund Accounting

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

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

## Budget Overview

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

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



# ALL FUNDS

## Exhibit 1

### SUMMARY OF REVENUE DATA

	Prior Year Actual 2021-2022	Current Year Budget 2022-2023	Proposed Budget 2023-2024	Dollar (\$) Difference	Percentage (%) Difference
<b>REVENUES</b>					
<b>Current Funds</b>					
General Fund					
Property Taxes - Primary, Net Contingency	\$ 41,135,200	\$ 42,014,600	\$ 45,219,600	\$ 3,205,000	7.6%
Tuition & Fees	10,827,800	11,860,000	12,896,000	1,036,000	8.7%
State Appropriations	4,177,400	2,143,800	4,027,000	1,883,200	87.8%
Other Sources	6,017,600	966,600	1,218,000	251,400	26.0%
Auxiliary Fund					
Sales and Services	3,132,260	3,632,300	3,887,800	255,500	7.0%
Other Sources	976,690	863,700	1,064,400	200,700	23.2%
<b>Sub-Total Current Funds - Unrestricted</b>	<b>\$ 66,266,950</b>	<b>\$ 61,481,000</b>	<b>\$ 68,312,800</b>	<b>\$ 6,831,800</b>	<b>11.1%</b>
Current Funds - Restricted					
Federal Grants and Contracts	\$ 14,569,500	\$ 11,060,000	\$ 10,616,800	\$ (443,200)	-4.0%
State Grants and Contracts	351,200	410,000	1,532,800	1,122,800	273.9%
State Appropriations/Props 207 & 301	3,508,700	3,861,100	4,437,200	576,100	14.9%
Private Gifts, Grants and Contracts	1,064,800	1,367,000	956,000	(411,000)	-30.1%
<b>Sub-Total Current Funds - Restricted</b>	<b>\$ 19,494,200</b>	<b>\$ 16,698,100</b>	<b>\$ 17,542,800</b>	<b>\$ 844,700</b>	<b>5.1%</b>
<b>TOTAL CURRENT FUNDS</b>	<b>\$ 85,761,150</b>	<b>\$ 78,179,100</b>	<b>\$ 85,855,600</b>	<b>\$ 7,676,500</b>	<b>9.8%</b>
<b>Capital Funds</b>					
Plant Fund					
Property Taxes - Primary, Net Contingency	\$ 7,891,600	\$ 7,845,500	\$ 8,235,500	\$ 390,000	5.0%
Other Sources	36,700	60,000	120,000	60,000	100.0%
Debt Fund					
Property Taxes - Secondary, Net Contingency	410,500	-	-	-	-
Other Sources	1,860	-	-	-	-
<b>TOTAL CAPITAL FUNDS</b>	<b>\$ 8,340,660</b>	<b>\$ 7,905,500</b>	<b>\$ 8,355,500</b>	<b>\$ 450,000</b>	<b>5.7%</b>
<b>GRAND TOTAL - CURRENT &amp; CAPITAL FUNDS</b>	<b>\$ 94,101,810</b>	<b>\$ 86,084,600</b>	<b>\$ 94,211,100</b>	<b>\$ 8,126,500</b>	<b>9.4%</b>
Fund Balance Applied to Budget	1,509,000	3,478,500	9,889,300	6,410,800	184.3%
<b>TOTAL REVENUES AVAILABLE FOR EXPENDITURES</b>	<b>\$ 95,610,810</b>	<b>\$ 89,563,100</b>	<b>\$ 104,100,400</b>	<b>\$ 14,537,300</b>	<b>16.2%</b>

## Exhibit 2

### SUMMARY OF EXPENSE DATA

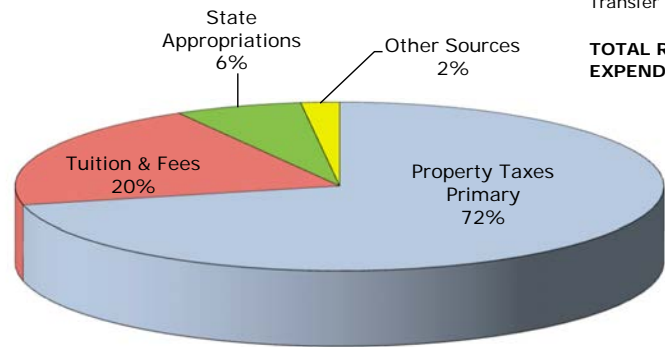
Expenditures by Fund	2021-2022 Actual	2022-2023 Budget	2023-2024 Proposed	Dollar (\$) Difference	Percentage (%) Difference
Current Funds					
Current General Fund - Unrestricted	\$ 48,131,000	\$ 54,908,300	\$ 59,010,200	\$ 4,101,900	7.5%
Auxiliary Enterprises	5,045,000	5,543,100	6,560,200	1,017,100	18.3%
<b>Sub-Total Current Funds - Unrestricted</b>	<b>\$ 53,176,000</b>	<b>\$ 60,451,400</b>	<b>\$ 65,570,400</b>	<b>\$ 5,119,000</b>	<b>8.5%</b>
Current Funds - Restricted	17,708,500	18,448,100	19,242,800	794,700	4.3%
<b>TOTAL CURRENT FUNDS</b>	<b>\$ 70,884,500</b>	<b>\$ 78,899,500</b>	<b>\$ 84,813,200</b>	<b>\$ 5,913,700</b>	<b>7.5%</b>
Plant Funds					
Unexpended Plant Fund	\$ 9,724,700	\$ 9,405,500	\$ 18,028,600	\$ 8,623,100	91.7%
Retirement of Indebtedness	2,258,500	1,258,100	1,258,600	500	0.04%
<b>TOTAL PLANT FUNDS</b>	<b>\$ 11,983,200</b>	<b>\$ 10,663,600</b>	<b>\$ 19,287,200</b>	<b>\$ 8,623,600</b>	<b>80.9%</b>
<b>GRAND TOTAL - CURRENT &amp; PLANT FUNDS</b>	<b>\$ 82,867,700</b>	<b>\$ 89,563,100</b>	<b>\$ 104,100,400</b>	<b>\$ 14,537,300</b>	<b>16.2%</b>
Expenditures by Program	2021-2022 Actual	2022-2023 Budget	2023-2024 Proposed	Dollar (\$) Difference	Percentage (%) Difference
Instruction	\$ 20,795,500	\$ 27,609,600	\$ 30,324,300	\$ 2,714,700	9.8%
Public Service	3,011,500	3,463,600	4,801,100	1,337,500	38.6%
Academic Support	5,299,600	5,903,900	6,167,900	264,000	4.5%
Student Services	9,334,800	11,993,400	12,598,600	605,200	5.0%
Institutional Support/Administration	10,749,300	12,225,600	13,186,600	961,000	7.9%
Physical Plant Operations/Maintenance	14,890,300	13,530,100	22,403,500	8,873,400	65.6%
Scholarships	14,504,500	9,625,400	8,700,800	(924,600)	-9.6%
Auxiliary	2,023,700	2,560,900	3,166,500	605,600	23.6%
Retirement of Indebtedness	2,258,500	1,258,100	1,258,600	500	0.0%
Contingency	-	1,392,500	1,492,500	100,000	7.2%
<b>TOTAL BUDGET</b>	<b>\$ 82,867,700</b>	<b>\$ 89,563,100</b>	<b>\$ 104,100,400</b>	<b>\$ 14,537,300</b>	<b>16.2%</b>
Expenditures by Natural Expense	2021-2022 Actual	2022-2023 Budget	2023-2024 Proposed	Dollar (\$) Difference	Percentage (%) Difference
Salaries and Benefits	\$ 43,842,300	\$ 50,099,700	\$ 55,394,300	\$ 5,294,600	10.6%
Supplies	3,939,700	5,952,500	5,771,000	(181,500)	-3.0%
Contractual Services and Other	4,978,400	8,287,500	8,190,400	(97,100)	-1.2%
Communications and Utilities	1,961,500	2,124,400	2,160,200	35,800	1.7%
Travel, Conferences & Memberships	1,013,330	1,521,600	1,206,800	(314,800)	-20.7%
Scholarships	14,504,500	9,625,400	8,700,800	(924,600)	-9.6%
Capital Projects and Equipment	10,369,470	9,301,400	19,925,800	10,624,400	114.2%
Debt payments	2,258,500	1,258,100	1,258,600	500	0.0%
Contingency	-	1,392,500	1,492,500	100,000	7.2%
<b>Total</b>	<b>\$ 82,867,700</b>	<b>\$ 89,563,100</b>	<b>\$ 104,100,400</b>	<b>\$ 14,537,300</b>	<b>16.2%</b>

# GENERAL FUND

## Exhibit 3

### GENERAL FUND - REVENUES AND OTHER ADDITIONS

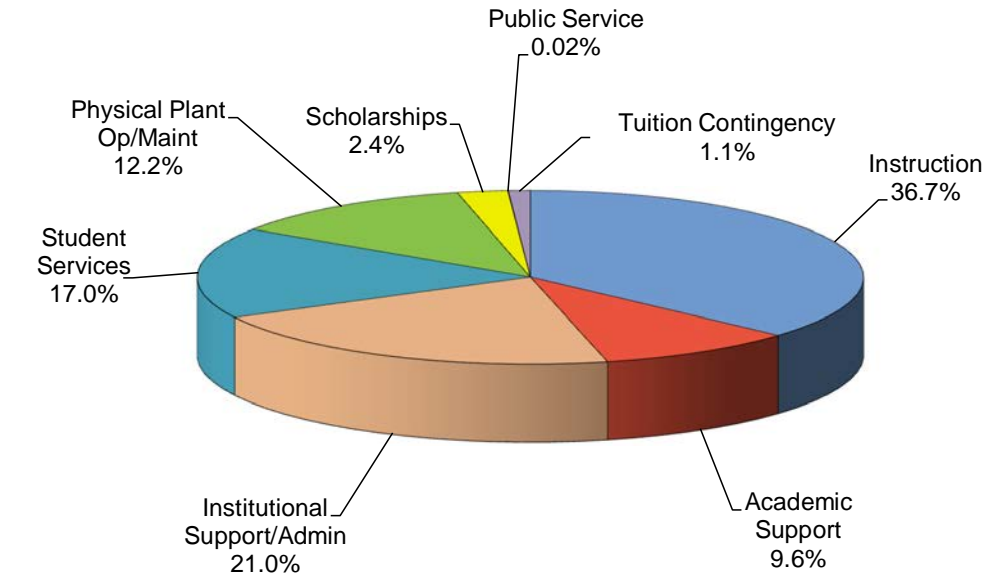
REVENUES	2021-2022 Actual	2022-2023 Budget	2023-2024 Proposed	DOLLAR (\$) DIFFERENCE	PERCENTAGE (%) DIFFERENCE
PROPERTY TAXES - PRIMARY	\$ 41,135,200	\$ 42,164,600	\$ 45,369,600	\$ 3,205,000	7.6%
Property Tax Contingency	-	(150,000)	(150,000)	-	0.0%
PROPERTY TAXES - PRIMARY	\$ 41,135,200	\$ 42,014,600	\$ 45,219,600	\$ 3,205,000	7.6%
STATE APPROPRIATIONS					
Maintenance Support	\$ 590,500	\$ 300,400	\$ 373,000	\$ 72,600	24.2%
Rural Community College Aid - One Time	1,793,450	-	1,810,600	1,810,600	100.0%
Rural Community College Aid - Recurring	1,793,450	1,843,400	1,843,400	-	0.0%
Sub-total State Appropriations	\$ 4,177,400	\$ 2,143,800	\$ 4,027,000	\$ 1,883,200	87.8%
TUITION & STUDENT FEES					
General Tuition	\$ 9,417,600	\$ 10,160,000	\$ 11,029,000	\$ 869,000	8.6%
Out-of-District Tuition	161,000	160,000	101,000	(59,000)	-36.9%
Out-of-State Tuition	729,000	820,000	1,000,000	180,000	22.0%
Tuition - Noncredit	130,900	238,000	219,000	(19,000)	-8.0%
REDC - Workforce Noncredit	35,600	100,000	200,000	100,000	100.0%
Student Fees	90,800	82,000	72,000	(10,000)	-12.2%
Tuition and Fee Remissions/Waivers	262,900	300,000	275,000	(25,000)	-8.3%
Sub-Total Tuition & Student Fees	\$ 10,827,800	\$ 11,860,000	\$ 12,896,000	\$ 1,036,000	8.7%
OTHER SOURCES					
Investment Income	\$ 44,600	\$ 70,000	\$ 300,000	\$ 230,000	328.6%
YCF Contribution - Basketball Program	-	423,700	406,000	(17,700)	100%
Other	5,973,000	472,900	512,000	39,100	8.3%
Sub-Total Other Sources	\$ 6,017,600	\$ 966,600	\$ 1,218,000	\$ 251,400	26.0%
<b>Gross Revenues</b>	<b>\$ 62,158,000</b>	<b>\$ 56,985,000</b>	<b>\$ 63,360,600</b>	<b>\$ 6,375,600</b>	<b>11.2%</b>
Unrestricted Fund Balance Applied to Budget	\$ -	\$ 1,727,000	\$ 2,824,600	\$ 1,097,600	63.6%
TRANSFERS IN/OUT					
Transfer to Auxiliary Fund	(1,413,600)	(1,451,600)	(2,008,900)	(557,300)	38.4%
Transfer to Retirement of Indebtedness Plant Fund	(1,365,800)	(852,100)	(855,500)	(3,400)	0.4%
Transfer to Plant Fund	(600,000)	(1,500,000)	(4,310,600)	(2,810,600)	187.4%
<b>TOTAL REVENUES AVAILABLE FOR EXPENDITURES</b>	<b>\$ 58,778,600</b>	<b>\$ 54,908,300</b>	<b>\$ 59,010,200</b>	<b>\$ 4,101,900</b>	<b>7.5%</b>



## Exhibit 4

### GENERAL FUND - EXPENDITURES AND OTHER DEDUCTIONS

EXPENDITURES	2021-2022 Actual	2022-2023 Budget	2023-2024 Proposed	DOLLAR (\$) DIFFERENCE	PERCENTAGE (%) DIFFERENCE
<b>Current General Fund</b>					
Instruction	\$ 17,709,200	\$ 20,751,600	\$ 21,652,400	\$ 900,800	4.3%
Academic Support	4,793,900	5,065,600	5,663,900	598,300	11.8%
Institutional Support/Administration	10,103,000	11,083,400	12,403,400	1,320,000	11.9%
Student Services	7,024,100	9,222,800	10,015,100	792,300	8.6%
Physical Plant Operations/Maintenance	6,072,300	6,832,500	7,192,400	359,900	5.3%
Scholarships	1,287,800	1,409,900	1,440,600	30,700	2.2%
Public Service	1,140,700	12,500	12,400	(100)	-0.8%
Tuition Contingency	-	530,000	630,000	100,000	18.9%
<b>TOTAL CURRENT GENERAL FUND BUDGET</b>	<b>\$ 48,131,000</b>	<b>\$ 54,908,300</b>	<b>\$ 59,010,200</b>	<b>\$ 4,101,900</b>	<b>7.5%</b>





# AUXILIARY FUND

## Exhibit 5

### AUXILIARY FUNDS - REVENUES AND OTHER ADDITIONS

	<u>2021-2022</u> <u>Actual</u>	<u>2022-2023</u> <u>Budget</u>	<u>2023-2024</u> <u>Proposed</u>	<u>DOLLAR (\$)</u> <u>DIFFERENCE</u>	<u>PERCENTAGE</u> <u>(%)</u> <u>DIFFERENCE</u>
<b>Revenues &amp; Other Additions By Source</b>					
<u>AUXILIARY ENTERPRISES</u>					
Residence Halls and Summer Conferences	\$ 1,208,480	\$ 1,282,000	\$ 1,307,000	\$ 25,000	2.0%
Bookstore	78,470	75,000	60,000	(15,000)	-20.0%
Food Services Sales	-	125,000	50,000	(75,000)	-60.0%
Vending	36,300	40,000	45,000	5,000	12.5%
Employee/Student Housing Rental	-	-	214,200	214,200	100.0%
Edventures & Community Education	42,220	340,000	342,000	2,000	0.6%
Winery - Tasting Room	339,650	275,000	300,000	25,000	9.1%
Family Enrichment Center	541,100	727,900	757,300	29,400	4.0%
Subtotal	\$ 2,246,220	\$ 2,864,900	\$ 3,075,500	\$ 210,600	7.4%
<u>PUBLIC SERVICES</u>					
Community Events	\$ 886,040	\$ 767,400	\$ 812,300	\$ 44,900	5.9%
Subtotal	\$ 886,040	\$ 767,400	\$ 812,300	\$ 44,900	5.9%
<u>OTHER REVENUES</u>					
Yavapai College Foundation	\$ 434,100	\$ 458,100	\$ 543,800	\$ 85,700	18.7%
Performing Arts Productions	372,620	215,000	340,000	125,000	58.1%
Miscellaneous	169,970	190,600	180,600	(10,000)	-5.2%
Subtotal	\$ 976,690	\$ 863,700	\$ 1,064,400	\$ 200,700	23.2%
<b>Total Revenues &amp; Other Additions</b>	<b>\$ 4,108,950</b>	<b>\$ 4,496,000</b>	<b>\$ 4,952,200</b>	<b>\$ 456,200</b>	<b>10.1%</b>
UNRESTRICTED FUND BALANCE AT JULY 1 APPLIED TO BUDGET	-	-	-	-	0.0%
<u>TRANSFERS IN/OUT</u>					
Transfer in from General Fund	\$ 1,413,600	\$ 1,451,600	\$ 2,008,900	\$ 557,300	38.4%
Transfer to Retirement of Indebtedness Plant Fund - Revenue Bond P & I	(402,800)	(404,500)	(400,900)	3,600	-0.9%
<b>TOTAL AVAILABLE FOR EXPENDITURES</b>	<b>\$ 5,119,750</b>	<b>\$ 5,543,100</b>	<b>\$ 6,560,200</b>	<b>\$ 1,017,100</b>	<b>18.3%</b>

## Exhibit 6

### AUXILIARY FUNDS - EXPENDITURES AND OTHER DEDUCTIONS

	<u>2021-2022</u> <u>Actual</u>	<u>2022-2023</u> <u>Budget</u>	<u>2023-2024</u> <u>Proposed</u>	<u>DOLLAR (\$)</u> <u>DIFFERENCE</u>	<u>PERCENTAGE</u> <u>(%)</u> <u>DIFFERENCE</u>
Instruction	\$ 585,100	\$ 240,100	\$ 384,000	\$ 143,900	59.9%
Student Services	824,100	915,200	1,021,400	106,200	11.6%
Auxiliary Enterprises	1,390,800	1,921,700	2,504,800	583,100	30.3%
Public Service	1,154,200	1,197,100	1,381,000	183,900	15.4%
Contingency	-	100,000	100,000	-	0.0%
Facilities & Administrative Allocation Expense	1,090,800	1,169,000	1,169,000	-	0.0%
<b>TOTAL CURRENT AUXILIARY FUNDS BUDGET</b>	<b>\$ 5,045,000</b>	<b>\$ 5,543,100</b>	<b>\$ 6,560,200</b>	<b>\$ 1,017,100</b>	<b>18.3%</b>

Exhibit 7

AUXILIARY FUND - REVENUES AND EXPENDITURES (WITHOUT ALLOCATION)

	FY2021-2022 REVENUE Actual	FY2021-2022 OPERATING EXPENSE Actual	NET	FY2022-2023 REVENUE	FY2022-2023 OPERATING EXPENSE	NET	FY2023-2024 REVENUE	FY2023-2024 OPERATING EXPENSE	NET	Net Dollar (\$) Difference	Net Percentage (%) Difference
<b>Auxiliary Enterprises</b>											
Residence Halls	\$ 1,133,000	\$ 269,860	\$ 863,140	\$ 1,157,000	\$ 360,700	\$ 796,300	\$ 1,182,000	\$ 378,100	\$ 803,900	\$ 7,600	1.0%
Summer Conferences	75,480	62,200	13,280	125,000	141,900	(16,900)	125,000	138,100	(13,100)	3,800	-22.5%
Debt Service - Transfer to Debt Fund	(402,800)	-	(402,800)	(404,500)	-	(404,500)	(400,900)	-	(400,900)	3,600	-0.9%
Sub-Total - Residence Halls	\$ 805,680	\$ 332,060	\$ 473,620	\$ 877,500	\$ 502,600	\$ 374,900	\$ 906,100	\$ 516,200	\$ 389,900	\$ 15,000	4.0%
Bookstore	78,420	-	78,420	75,000	-	75,000	60,000	-	60,000	(15,000)	-20.0%
Food Services Sales	-	127,380	(127,380)	125,000	192,000	(67,000)	50,000	403,700	(353,700)	(286,700)	427.9%
Vending	36,300	-	36,300	40,000	-	40,000	45,000	-	45,000	5,000	12.5%
Employee/Student Housing Rental	-	-	-	-	-	-	214,200	272,800	(58,600)	(58,600)	100.0%
Adventures & Community Education	42,250	63,800	(21,550)	340,000	349,800	(9,800)	342,000	352,300	(10,300)	(500)	5.1%
Family Enrichment Center	541,100	821,080	(279,980)	727,900	915,200	(187,300)	757,300	1,021,400	(264,100)	(76,800)	41.0%
<b>Public Services</b>											
Community Events	886,040	1,014,430	(128,390)	767,400	1,047,000	(279,600)	812,300	1,154,400	(342,100)	(62,500)	22.4%
Winery - Tasting Room	339,600	303,100	36,500	275,000	342,200	(67,200)	300,000	345,000	(45,000)	22,200	-33.0%
Total "Self-Supporting"	\$ 2,729,390	\$ 2,661,850	\$ 67,540	\$ 3,227,800	\$ 3,348,800	\$ (121,000)	\$ 3,486,900	\$ 4,065,800	\$ (578,900)	\$ (457,900)	378.4%
<b>Other Auxiliaries</b>											
SBDC	-	98,250	(98,250)	-	110,100	(110,100)	-	186,600	(186,600)	(76,500)	69.5%
Performing Arts Productions	372,610	539,900	(167,290)	215,000	221,000	(6,000)	340,000	345,900	(5,900)	100	-1.7%
Yavapai College Foundation	434,100	434,100	-	458,100	458,100	-	543,800	543,800	-	-	0.0%
Miscellaneous	170,000	81,800	88,200	190,600	136,100	54,500	180,600	149,100	31,500	(23,000)	-42.2%
Contingency	-	-	-	-	100,000	(100,000)	-	100,000	(100,000)	-	0.0%
Total Supported Areas	\$ 976,710	\$ 1,154,050	\$ (177,340)	\$ 863,700	\$ 1,025,300	\$ (161,600)	\$ 1,064,400	\$ 1,325,400	\$ (261,000)	\$ (99,400)	61.5%
<b>GRAND TOTAL</b>	<b>\$ 3,706,100</b>	<b>\$ 3,815,900</b>	<b>\$ (109,800)</b>	<b>\$ 4,091,500</b>	<b>\$ 4,374,100</b>	<b>\$ (282,600)</b>	<b>\$ 4,551,300</b>	<b>\$ 5,391,200</b>	<b>\$ (839,900)</b>	<b>\$ (557,300)</b>	<b>197.2%</b>



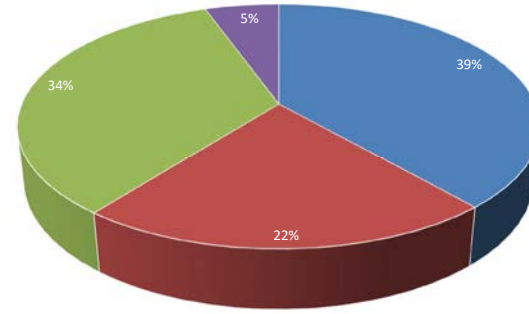
# RESTRICTED FUND

## Exhibit 8

### RESTRICTED FUNDS - REVENUES AND OTHER ADDITIONS

	<u>2021-2022</u> <u>Actual</u>	<u>2022-2023</u> <u>Budget</u>	<u>2023-2024</u> <u>Proposed</u>	<u>DOLLAR (\$)</u> <u>DIFFERENCE</u>	<u>PERCENTAGE</u> <u>(%)</u> <u>DIFFERENCE</u>
<b>Revenues and Other Additions by Source</b>					
GIFTS, GRANTS, AND CONTRACTS					
Federal Grants and Contracts					
U.S. DOE - TRIO Student Cluster	\$ 763,700	\$ 863,000	\$ 513,500	\$ (349,500)	-40.5%
U.S. DOE - Adult Education	368,600	430,000	555,200	125,200	29.1%
U.S. DOE - Financial Aid Cluster	6,350,000	6,756,500	6,770,600	14,100	0.2%
U.S. DOE - Vocational Education	222,800	269,000	231,000	(38,000)	-14.1%
U.S. DOE - COVID-19 Aid	6,274,900	2,000,000	-	(2,000,000)	-100.0%
U.S. DOE - Open Text Rural AZ	75,500	256,000	935,000	679,000	265.2%
U.S. DOL - QUEST Workforce & Jobs	-	-	738,800	738,800	100.0%
U.S. DHHS - Substance Abuse Prevention	185,300	180,000	45,000	(135,000)	-75.0%
U.S. Small Business Administration	176,800	130,000	190,000	60,000	46.2%
Other	151,900	175,500	637,700	462,200	263.4%
Subtotal	\$ 14,569,500	\$ 11,060,000	\$ 10,616,800	\$ (443,200)	-4.0%
State Grants and Contracts					
AZ DOE - Adult Education	\$ 300,000	\$ 300,000	\$ 305,000	\$ 5,000	1.7%
AZ DHS - Health/Wellness Nursing Initiative	-	-	600,000	600,000	100.0%
AZ DES - Childcare	-	-	468,800	468,800	100.0%
Other	51,200	110,000	159,000	49,000	44.5%
Subtotal	\$ 351,200	\$ 410,000	\$ 1,532,800	\$ 1,122,800	273.9%
Private Gifts, Grants and Contracts					
Bernard Osher Foundation	155,800	166,400	109,500	(56,900)	-34.2%
Yavapai College Foundation	605,900	769,500	590,000	(179,500)	-23.3%
Freepport-McMoRan	95,500	92,000	92,000	-	0.0%
Other	207,600	339,100	164,500	(174,600)	-51.5%
Subtotal	\$ 1,064,800	\$ 1,367,000	\$ 956,000	\$ (411,000)	-30.1%
OTHER REVENUES AND ADDITIONS					
Prop. 301 Workforce Development	1,150,600	1,250,000	1,300,000	50,000	4.0%
Prop. 207 Workforce Development/STEM	1,658,900	2,000,000	2,500,000	500,000	25.0%
State Appropriation - STEM Workforce Programs	699,200	611,100	637,200	26,100	4.3%
Subtotal	\$ 3,508,700	\$ 3,861,100	\$ 4,437,200	\$ 576,100	14.9%
<b>Total Revenues &amp; Other Additions</b>	<b>\$ 19,494,200</b>	<b>\$ 16,698,100</b>	<b>\$ 17,542,800</b>	<b>\$ 844,700</b>	<b>5.1%</b>
<b>Transfer to General Fund</b>					
RESTRICTED FUND BALANCE AT JULY 1 APPLIED TO BUDGET	224,000	1,750,000	1,700,000	(50,000)	-2.9%
<b>TOTAL AVAILABLE FOR EXPENDITURES</b>	<b>\$ 19,718,200</b>	<b>\$ 18,448,100</b>	<b>\$ 19,242,800</b>	<b>\$ 794,700</b>	<b>4.3%</b>

### Restricted Revenues by Source



■ Federal Financial Aid ■ Federal Other ■ State ■ Private

## Exhibit 9

### RESTRICTED FUNDS - EXPENDITURES AND OTHER DEDUCTIONS

	<u>2021-2022</u> <u>Actual</u>	<u>2022-2023</u> <u>Budget</u>	<u>2023-2024</u> <u>Proposed</u>	<u>DOLLAR (\$)</u> <u>DIFFERENCE</u>	<u>PERCENTAGE</u> <u>(%)</u> <u>DIFFERENCE</u>
<b>CURRENT RESTRICTED FUND (Note 1)</b>					
Instruction	\$ 1,879,500	\$ 6,216,700	\$ 7,949,400	\$ 1,732,700	27.9%
Academic Support	34,100	400,000	-	(400,000)	-100.0%
Institutional Support/Administration	210,100	400,000	-	(400,000)	-100.0%
Student Services	1,351,900	1,546,500	1,422,000	(124,500)	-8.1%
Physical Plant Operations/Maintenance	816,400	107,400	18,400	(89,000)	-82.9%
Scholarships	13,216,700	8,215,500	7,260,200	(955,300)	-11.6%
Public Service	199,800	1,562,000	2,592,800	1,030,800	66.0%
<b>TOTAL EXPENDITURES AND OTHER DEDUCTIONS OF CURRENT RESTRICTED FUNDS</b>	<b>\$ 17,708,500</b>	<b>\$ 18,448,100</b>	<b>\$ 19,242,800</b>	<b>\$ 794,700</b>	<b>4.3%</b>

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

# PLANT FUND

## Exhibit 10

### UNEXPENDED PLANT FUND - REVENUES AND OTHER ADDITIONS

	<u>2021-2022</u> <u>Actual</u>	<u>2022-2023</u> <u>Budget</u>	<u>2023-2024</u> <u>Proposed</u>	<u>DOLLAR (\$)</u> <u>DIFFERENCE</u>	<u>PERCENTAGE</u> <u>(%)</u> <u>DIFFERENCE</u>
<b>Revenues and Other Additions By Source</b>					
<u>Recurring</u>					
Primary Levy - Capital	\$ 7,891,600	\$ 7,890,500	\$ 8,280,500	\$ 390,000	4.9%
Property Tax Contingency	-	(45,000)	(45,000)	-	0.0%
Investment Income	24,400	30,000	80,000	50,000	166.7%
Other	12,300	30,000	40,000	10,000	33.3%
<b>Total Revenues</b>	<b>\$ 7,928,300</b>	<b>\$ 7,905,500</b>	<b>\$ 8,355,500</b>	<b>\$ 450,000</b>	<b>5.7%</b>
Fund Balance Applied to Budget	1,200,000	-	5,362,500	5,362,500	100.0%
<u>TRANSFERS IN/OUT</u>					
Transfer in from General Fund	600,000	1,500,000	4,310,600	2,810,600	187.4%
<b>AMOUNT AVAILABLE FOR EXPENDITURES - UNEXPENDED PLANT FUND</b>	<b>\$ 9,728,300</b>	<b>\$ 9,405,500</b>	<b>\$ 18,028,600</b>	<b>\$ 8,623,100</b>	<b>91.7%</b>

## Exhibit 11

### UNEXPENDED PLANT FUND - EXPENDITURES AND OTHER DEDUCTIONS

	<u>2021-2022</u> <u>Actual</u>	<u>2022-2023</u> <u>Budget</u>	<u>2023-2024</u> <u>Proposed</u>	<u>DOLLAR (\$)</u> <u>DIFFERENCE</u>	<u>PERCENTAGE</u> <u>(%)</u> <u>DIFFERENCE</u>
<b>UNEXPENDED PLANT FUND</b>					
<b>Buildings/Infrastructure</b>					
Planned Maintenance	\$ 3,835,300	\$ 3,974,000	\$ 3,974,000	\$ -	0.0%
Unplanned Maintenance	336,700	275,600	275,600	-	0.0%
Capital Improvement Projects (CIP)	3,407,400	1,757,300	10,446,300	8,689,000	494.5%
<b>Equipment</b>					
Equipment	1,872,300	2,153,700	2,221,800	68,100	3.2%
Furniture and Fixtures	188,800	257,500	257,500	-	0.0%
<b>Library Books</b>					
Library Books	84,200	90,900	90,900	-	0.0%
<b>Contributions to Capital Projects</b>					
Accumulation Account - Future Projects	-	134,000	-	(134,000)	-100.0%
Capital Contingency	-	762,500	762,500	-	0.0%
<b>TOTAL EXPENDITURES - UNEXPENDED PLANT FUNDS</b>	<b>\$ 9,724,700</b>	<b>\$ 9,405,500</b>	<b>\$ 18,028,600</b>	<b>\$ 8,623,100</b>	<b>91.7%</b>

## Exhibit 12

	<u>FY 2021-22</u> <u>Actual</u>	<u>FY 2022-23</u> <u>Budget</u>	<u>FY 2023-24</u> <u>Proposed</u>	<u>FY 2024-25</u>	<u>FY 2025-26</u>	<u>FY 2026-27</u>	<u>FY 2027-28</u>
Unplanned Maintenance	\$ 336,700	\$ 275,600	\$ 275,600	\$ 283,900	\$ 292,400	\$ 301,200	\$ 310,200
Planned Maintenance Total	<u>3,835,300</u>	<u>3,974,000</u>	<u>3,974,000</u>	<u>4,013,700</u>	<u>4,053,800</u>	<u>4,094,300</u>	<u>4,135,200</u>
<b>TOTAL MAINTENANCE</b>	<b><u>\$ 4,172,000</u></b>	<b><u>\$ 4,249,600</u></b>	<b><u>\$ 4,249,600</u></b>	<b><u>\$ 4,297,600</u></b>	<b><u>\$ 4,346,200</u></b>	<b><u>\$ 4,395,500</u></b>	<b><u>\$ 4,445,400</u></b>

### Planned Maintenance by Project

	<u>FY 2023-24</u> <u>Proposed</u>	
Prescott Campus, Bldg 1	250,000	Replace Building Boilers (2 older atmospheric)
Prescott Campus, Bldg 4	274,000	Upgrade building controls; Replace 3 Split Systems (Sanyo, mitsubishi mr. slim); Create a Micro Kitchen in the GLG lab prep area.
Prescott Campus, Bldg 8	100,000	Residence Halls Key Card Door Access
Prescott Campus, Bldg 10	100,000	Residence Halls Key Card Door Access
Prescott Campus, Bldg 12	74,000	Replace Concrete at Roll Up Doors; Replace windows
Prescott Campus, Bldg 13	60,000	Upgrade to LED add Acuity Controls; Deionizer
Prescott Campus, Bldg 14	900,000	Remove current heat pump, replace with a smaller chiller
Prescott Campus, Bldg 16	55,000	Replace Motor Control center - Remove
Prescott Campus, Bldg 20	48,000	Replace carpet (roll carpet, worn, stains), abatement needed
Prescott Campus, Bldg 28	205,000	Modernization; Replace ceiling grid and panels (2 by 4, old) Need controls update; Replace with polish concrete or LVT; Replace Electric Baseboard Radiation (Under windows); Replace Split System (York ); Replace Drop Ceiling Panels, Repair Roof
Chino Valley Campus, Bldg 57	249,000	Replace MAU (Electric Heat); Other Side Of Roof; Upgrade to LED add Acuity Control
Verde Campus, Bldg F	18,000	Upgrade to LED
Verde Campus, Bldg G	23,000	Upgrade to LED
Verde Campus, Bldg H	24,000	Upgrade to LED
Verde Campus, Bldg I	46,000	Upgrade to LED
Verde Campus, Bldg K	4,000	Upgrade to LED
Verde Campus, Bldg M	965,000	ADA Parking; Replace Sprinklers; Replace carpet; Paint Interior Shell; Upgrade to LED; Replace Fire Alarm Panel; Replace Drop Ceiling Panels; Upgrade Elevator Cab; Replace fixtures only - flush valves and faucets (1 single use); Update building interior signage; Replace wood in lobby with LVT (in second floor lobby); Replace HWH (40g electric room 135; 1 insta hot in kitchen); Replace fan coil unit; Replace Unit Heaters (mech room); Replace Backflow prevention; Replace and install bottle filler; Replace Exterior Stairs (2 flights, 1
Sedona Campus, Bldg SC	30,000	Refrigeration Unit - Replace with 3 condensers
Prescott, Campus Grounds	479,000	Repair retaining wall at building 3 - 100 ft by 16 ft; Add lighting to Sculpture Garden; Address leaking at building 2 tunnel; Repair retaining art ranch - rock basket wall - 10ft by 50 ft; Repair concrete sculture garden - 200 sq ft; Repair concrete art's ranch - 100 sq ft; Repair Parking Lot L near Res
Prescott, Campus Infrastructure	70,000	Replace 100ft of waste piping outside of building 11 and repair parking lot
Planned Maintenance Totals	<u>\$ 3,835,300</u>	<u>\$ 3,974,000</u>

## Exhibit 13

### FIVE YEAR EQUIPMENT PLAN

	<u>FY 2021-22</u> <u>Actual</u>	<u>FY 2022-23</u> <u>Budget</u>	<u>FY 2023-24</u> <u>Proposed</u>	<u>FY 2024-25</u>	<u>FY 2025-26</u>	<u>FY 2026-27</u>	<u>FY 2027-28</u>
Career & Technical Education	\$ 319,700	\$ 505,280	\$ 827,633	\$ 399,100	\$ 327,900	\$ 384,200	\$ 586,100
Arts & Humanities	20,500	80,850	91,978	78,300	76,100	77,200	48,800
Sciences, Nursing, Allied Health, HPER	229,200	312,664	426,524	444,300	400,900	238,800	323,300
Public Safety	28,800	92,500	108,225	182,900	193,900	199,000	352,200
Viticulture, Fermentation, Culinary & Cafés	46,400	23,900	163,000	119,800	191,200	343,800	152,900
Instructional Support	4,200	19,717	28,935	13,400	20,100	17,500	21,100
CISCO	20,500	46,920	50,250	24,600	23,200	22,800	20,300
Student Activities	1,900	-	2,000	-	-	-	-
Information Technology Services	792,500	1,023,833	1,051,856	1,074,500	1,112,900	1,156,500	1,194,800
Business Services	27,000	46,021	107,364	71,400	53,500	123,800	77,900
Facilities - All	211,300	168,500	251,000	214,200	172,900	257,700	258,200
District Safety	17,700	15,000	15,000	15,500	15,900	16,400	16,800
Campus Safety	4,400	8,340	5,800	5,600	2,100	1,700	1,800
Marketing	-	-	8,160	5,300	5,500	5,600	5,800
Athletics	32,200	175,000	15,000	15,500	15,900	16,400	16,800
Auxiliary Enterprises	116,000	153,575	140,675	154,100	159,800	162,700	165,700
SPAC Equipment	-	140,000	140,000	-	-	-	-
Furniture-Employee/Student Housing Rentals	-	-	125,000	-	-	-	-
District	-	-	-	92,000	230,000	76,000	-
<b>Sub-Total of Equipment</b>	<b>\$ 1,872,300</b>	<b>\$ 2,812,100</b>	<b>\$ 3,558,400</b>	<b>\$ 2,910,500</b>	<b>\$ 3,001,800</b>	<b>\$ 3,100,100</b>	<b>\$ 3,242,500</b>
Transfer Expenses to Restricted Fund - Prop. 301	-	(658,400)	(1,336,600)	(357,100)	(334,500)	(350,000)	(350,000)
<b>Total Equipment</b>	<b>\$ 1,872,300</b>	<b>\$ 2,153,700</b>	<b>\$ 2,221,800</b>	<b>\$ 2,553,400</b>	<b>\$ 2,667,300</b>	<b>\$ 2,750,100</b>	<b>\$ 2,892,500</b>

# FY2023-2024 CAPITAL IMPROVEMENT PLAN BUDGET RATIONALE

## April 2023

### 1. Verde Valley Campus Signage

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

### 2. Center for Learning & Innovation (M & 19)

This initiative includes shared space for the library, information technology support, tutoring, collaboration, content creation, meetings, socialization, and studying at the Prescott and Verde Valley Campuses.

### 3. Workforce Housing

This is a pilot to explore options for addressing the high cost of housing in Yavapai County. Purchase 10 manufactured homes in West County, renovate Building 34 to create an efficiency apartment on Prescott Campus, and acquire 4 RV's in East County to explore demand for attainable workforce housing. Spaces not used by employees may be used to meet student demand.

### 4. Sensory Integration Accelerator

Yavapai College will expand the Career and Technical Cetner (CTEC) by up to 20,000 square feet. Within the expanded space, the college will construct new programs and move a few existing programs to meet Freeport's current and future workforce needs. Specifically, this space will be used to train technicians with the newest automation and AI technologies.



## Exhibit 14

### FIVE-YEAR CAPITAL IMPROVEMENT PLAN

Capital Improvement Plan Projects - Description	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28
Center for Learning & Innovation (P)	\$ 3,089,000	\$ 10,296,600	\$ 2,059,300	\$ -	\$ -
Center for Learning & Innovation (VV)	2,618,600	523,700	-	-	-
Health Science Center (PV)	-	-	-	3,691,500	16,413,100
Electric Vehicle Maintenance (CTEC)	-	-	128,900	429,700	283,200
Electric Vehicle Maintenance (East)	-	-	128,900	429,700	283,200
Sensory Integration Accelerator (CTEC)	1,000,000	7,000,000	2,000,000	-	-
Workforce Housing	3,510,000	-	-	-	-
Bldg 3 - Rider Diner remodel (P)	250,000	-	-	-	-
Brewing & Distilling	-	-	1,662,700	7,042,400	3,602,600
Acoustical/ Tech Upgrades (Sedona)	-	-	146,000	-	-
Campus Signage/Marquees (VV)	150,000	-	-	-	-
ITS Relocate to Building 1 (P)	-	-	109,300	364,400	187,800
Contingency	465,900	1,082,000	635,300	2,391,500	5,716,900
Transfer Expenses to Restricted Fund - STEM	(637,200)	-	(620,000)	(600,000)	(600,000)
Transfer Expenses to Restricted Fund - Prop. 207	-	-	(1,300,000)	(500,000)	-
Grants and Donations	-	(7,000,000)	(2,000,000)	-	(15,813,100)
<b>Total Capital Projects</b>	<b>\$ 10,446,300</b>	<b>\$ 11,902,300</b>	<b>\$ 2,950,400</b>	<b>\$ 13,249,200</b>	<b>\$ 10,073,700</b>
<b>Revenue Sources</b>					
Capital Project Accumulation Account	\$ 10,446,300	\$ 11,902,300	\$ 2,950,400	\$ 13,249,200	\$ 10,073,700
<b>Total Revenues</b>	<b>10,446,300</b>	<b>11,902,300</b>	<b>2,950,400</b>	<b>13,249,200</b>	<b>10,073,700</b>
<b>Excess/(Needed Capital)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

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

Key:

Green = Continuing Projects Approved in prior years.

Red = Projects to be Approved this year

Black = Future Projects

# DEBT FUND

## Exhibit 15

### RETIREMENT OF INDEBTEDNESS PLANT FUND - REVENUES AND OTHER ADDITIONS

	<u>2021-2022 Actual</u>	<u>2022-2023 Budget</u>	<u>2023-2024 Proposed</u>	<u>DOLLAR (\$) DIFFERENCE</u>	<u>PERCENTAGE (%) DIFFERENCE</u>
<b>RETIREMENT OF INDEBTEDNESS</b>					
Secondary Tax Levy	\$ 410,500	\$ -	\$ -	\$ -	0.0%
2021 Revenue Refunding Bond Proceeds	-	-	-	-	0.0%
Interest Income	1,860	-	-	-	0.0%
<b>TOTAL RETIREMENT OF INDEBTEDNESS REVENUES</b>	<b>\$ 412,360</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>0.0%</b>
FUND BALANCE AT JULY 1 APPLIED TO BUDGET	\$ 85,000	\$ 1,500	\$ 2,200	\$ 700	46.7%
<b>TRANSFERS</b>					
Transfer in from General Fund - 2021 Revenue Refunding Bonds P & I	1,365,800	852,100	855,500	3,400	0.4%
Transfer in from Auxiliary Fund - Revenue Bond P & I	402,800	404,500	400,900	(3,600)	-0.9%
<b>TOTAL TRANSFERS</b>	<b>\$ 1,768,600</b>	<b>\$ 1,256,600</b>	<b>\$ 1,256,400</b>	<b>\$ (200)</b>	<b>0.4%</b>
<b>TOTAL AVAILABLE FOR EXPENDITURES - RETIREMENT OF INDEBTEDNESS</b>	<b>\$ 2,265,960</b>	<b>\$ 1,258,100</b>	<b>\$ 1,258,600</b>	<b>\$ 500</b>	<b>0.04%</b>

## Exhibit 16

### RETIREMENT OF INDEBTEDNESS PLANT FUND - EXPENDITURES AND OTHER DEDUCTIONS

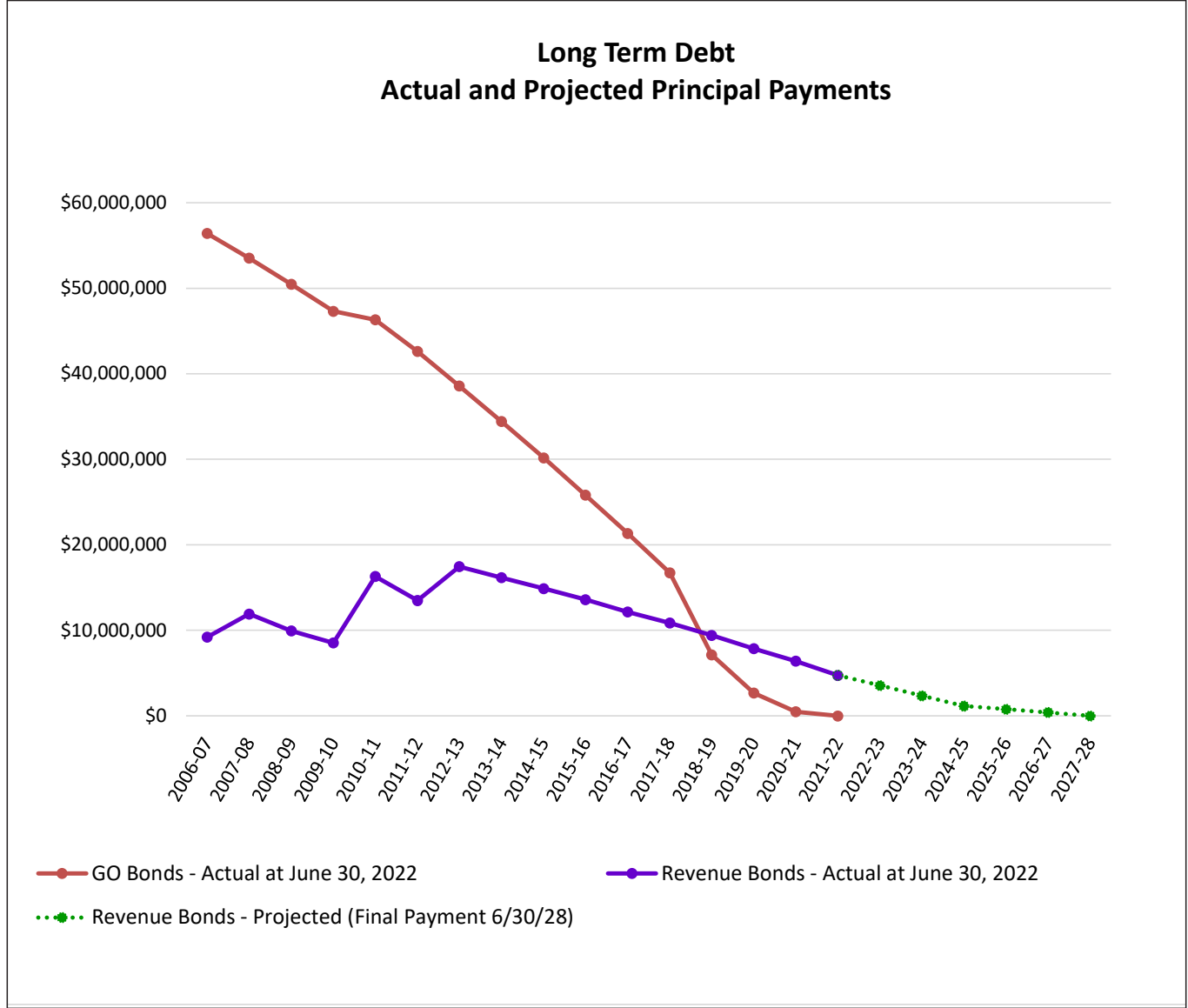
	<u>Final Maturity</u>	<u>2021-2022 Actual</u>	<u>2022-2023 Budget</u>	<u>2023-2024 Proposed</u>	<u>DOLLAR (\$) DIFFERENCE</u>	<u>PERCENTAGE (%) DIFFERENCE</u>
<b>RETIREMENT OF INDEBTEDNESS</b>						
Retirement of Indebtedness (Principal)						
General Obligation Bonds - 2012 Refunding	7/1/2022	\$ 470,000	\$ -	\$ -	\$ -	
Total General Obligation Bonds		470,000	-	-	-	
Revenue Refunding Bonds - 2021	7/1/2025	1,330,000	825,000	835,000	10,000	1.2%
Revenue Bonds - 2013	7/1/2028	340,000	350,000	355,000	5,000	1.4%
Sub-total Retirement of Indebtedness		\$ 2,140,000	\$ 1,175,000	\$ 1,190,000	\$ 15,000	1.3%
Interest on Indebtedness						
General Obligation Bonds - 2012 Refunding		\$ 18,800	\$ -	\$ -	\$ -	
Total General Obligation Bonds		18,800	-	-	-	
Revenue Refunding Bonds - 2021		35,800	27,100	20,500	(6,600)	-24.4%
Revenue Bonds - 2013		62,800	54,500	45,900	(8,600)	-15.8%
Sub-total Interest on Indebtedness		\$ 117,400	\$ 81,600	\$ 66,400	\$ (15,200)	-18.6%
Bank Fees		1,100	1,500	2,200	700	46.7%
<b>TOTAL EXPENDITURES AND OTHER DEDUCTIONS - RETIREMENT OF INDEBTEDNESS</b>		<b>\$ 2,258,500</b>	<b>\$ 1,258,100</b>	<b>\$ 1,258,600</b>	<b>\$ 500</b>	<b>0.04%</b>

# BEGINNING FUND BALANCES

Exhibit 17

FISCAL YEAR 2023 PROJECTED FUND BALANCES

	<u>Beginning FY24 Estimated Fund Balance</u>	<u>FY24 Estimated Revenues</u>	<u>FY24 Estimated Expenses</u>	<u>FY24 Interfund Transfers</u>	<u>Ending FY24 Estimated Fund Balance</u>	<u>Increase (Decrease) in Fund Balance</u>	<u>Beginning FY24 Estimated Cash Balance</u>
Unrestricted Funds	\$ 4,165,400	\$ 76,668,300	\$ (83,599,000)	\$ (1,256,400)	\$ (4,021,700)	\$ (8,187,100)	\$ 34,280,000
Restricted Funds	3,229,700	17,542,800	(19,242,800)	-	1,529,700	(1,700,000)	4,845,000
Retirement of Indebtedness Plant Fund	10,000	-	(1,258,600)	1,256,400	7,800	(2,200)	15,000
<b>Total</b>	<u>\$ 7,405,100</u>	<u>\$ 94,211,100</u>	<u>\$ (104,100,400)</u>	<u>\$ -</u>	<u>\$ (2,484,200)</u>	<u>\$ (9,889,300)</u>	<u>\$ 39,140,000</u>



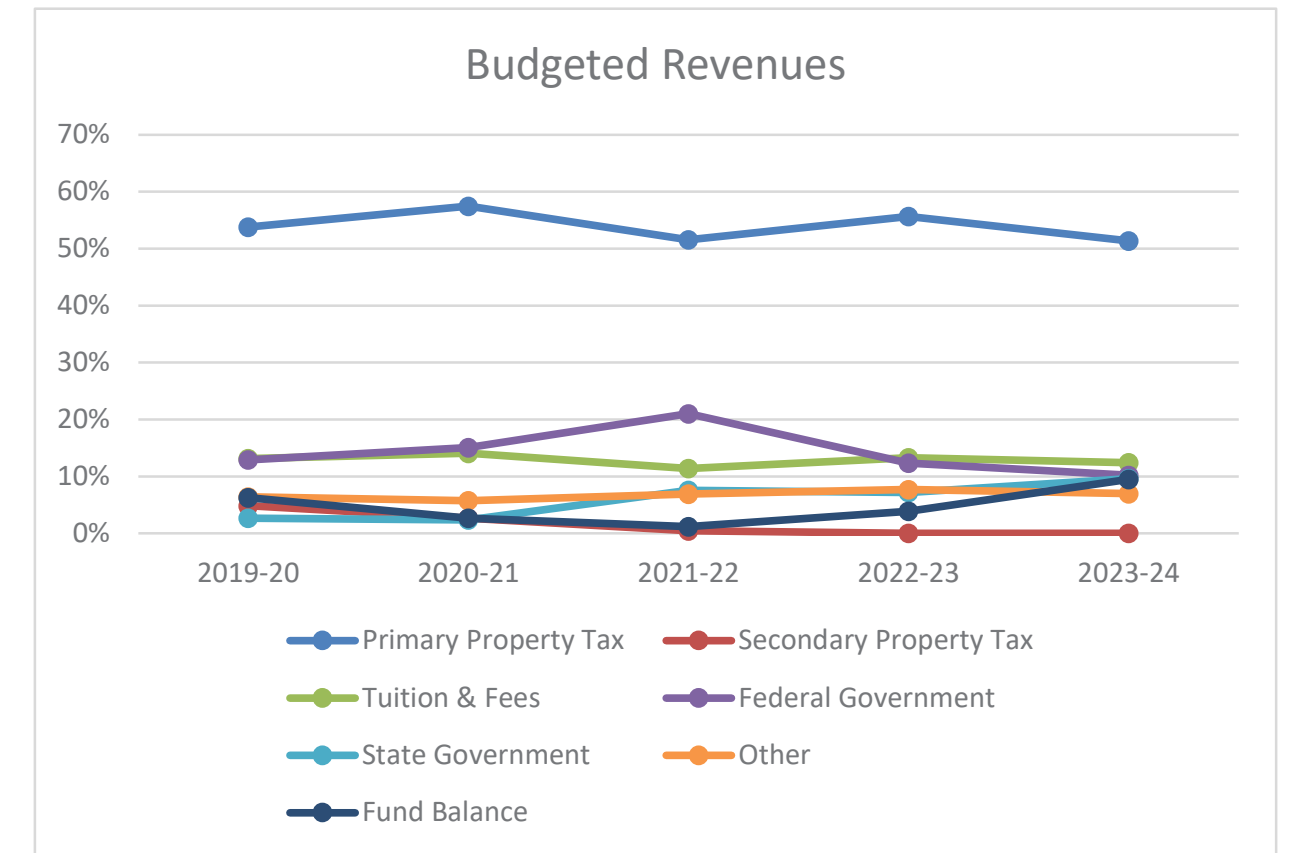




# YAVAPAI COLLEGE FINANCIAL DISCUSSION & ANALYSES

Advanced Manufacturing

## DISCUSSION OF BUDGETED REVENUES



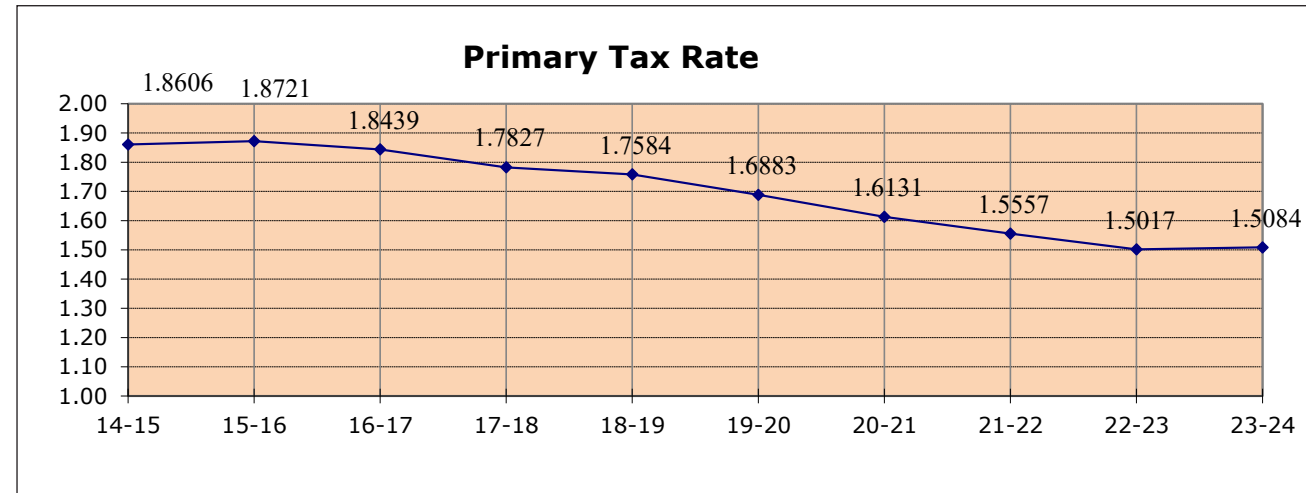
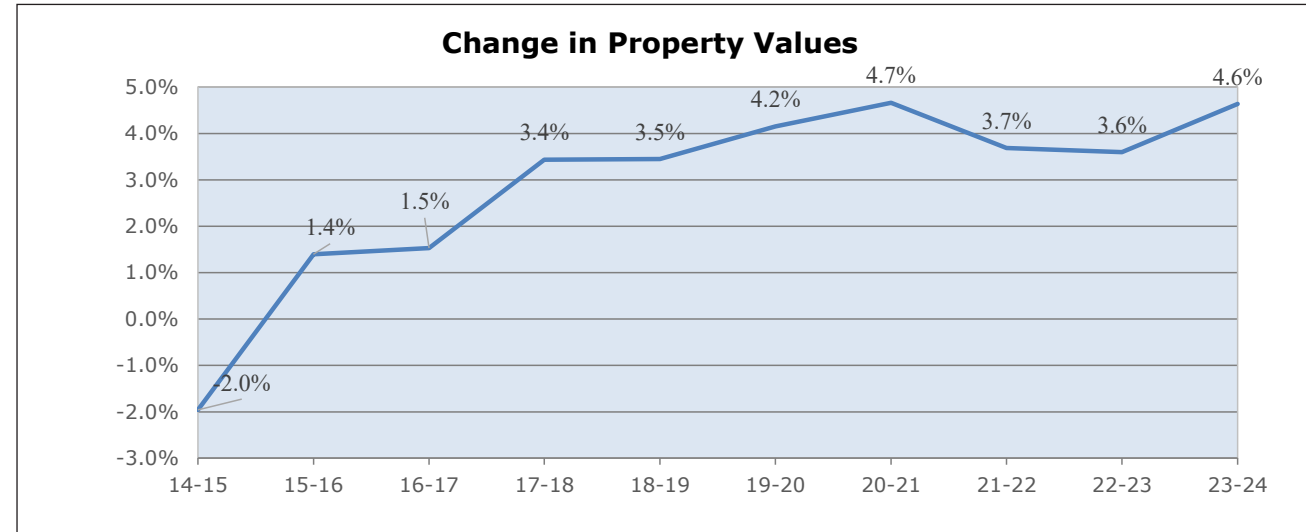
### Budgeted Revenues by Type

	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>5 Yr Change</u>
Primary Property Tax	\$ 46,497,900	\$ 47,516,000	\$ 47,924,100	\$ 49,860,100	\$ 53,455,100	15%
Secondary Property Tax	4,188,600	2,233,700	405,500	-	-	-100%
Tuition & Fees	11,341,000	11,647,000	10,574,000	11,860,000	12,896,000	14%
Federal Government	11,150,000	12,435,000	19,520,000	11,060,000	10,616,800	-5%
State Government	2,305,000	1,957,800	6,987,800	6,414,900	9,997,000	334%
Other	5,506,300	4,722,100	6,417,500	6,889,600	7,246,200	32%
Fund Balance	5,424,800	2,178,400	1,107,800	3,478,500	9,889,300	82%
<b>Total</b>	<b>\$ 86,413,600</b>	<b>\$ 82,690,000</b>	<b>\$ 92,936,700</b>	<b>\$ 89,563,100</b>	<b>\$ 104,100,400</b>	<b>20%</b>

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

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

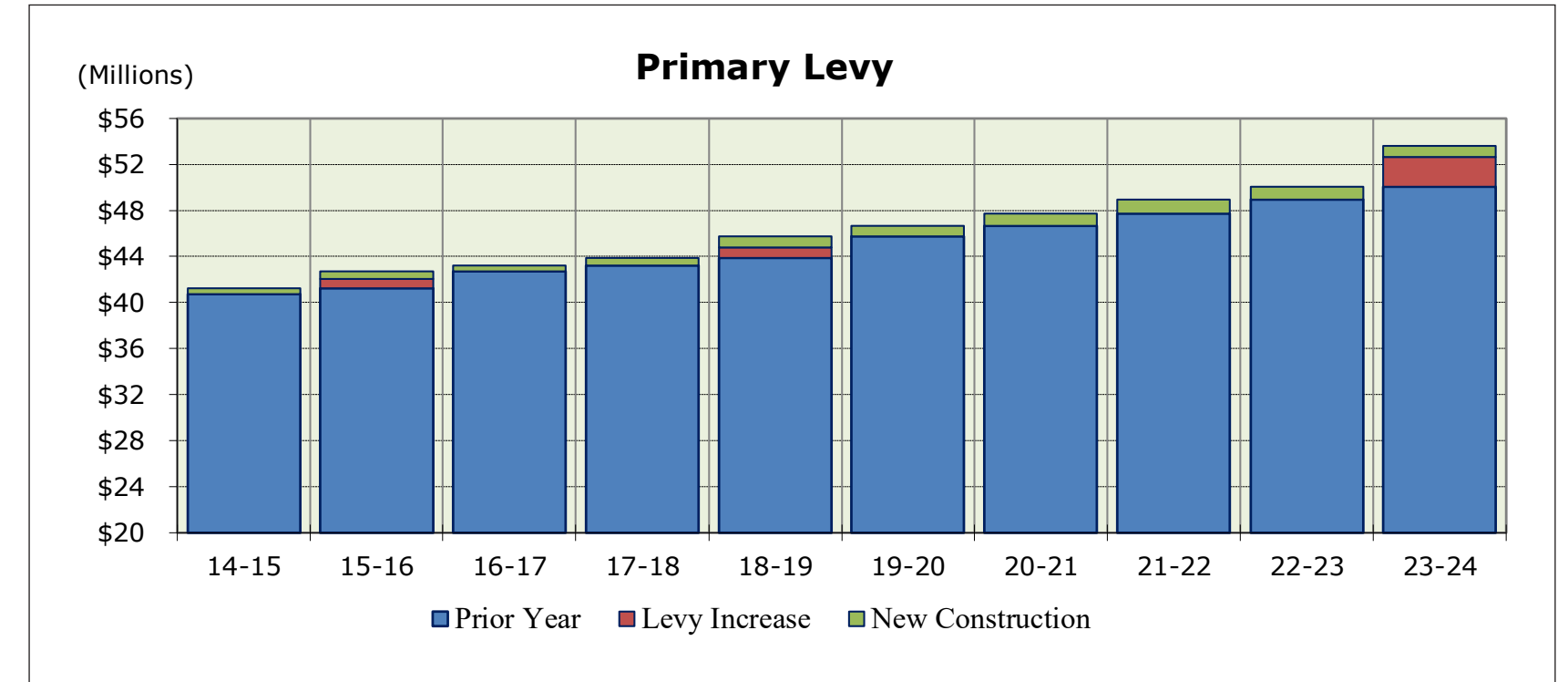
In these states, as the Assessed Value of properties increase, so does the Levy. Conversely, as Assessed Values decline, so does the Levy. However, AZ is different. In AZ, the Levy remains constant, so as Assessed Values increase, the Property Tax Rate declines to keep the Levy constant. Likewise when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



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

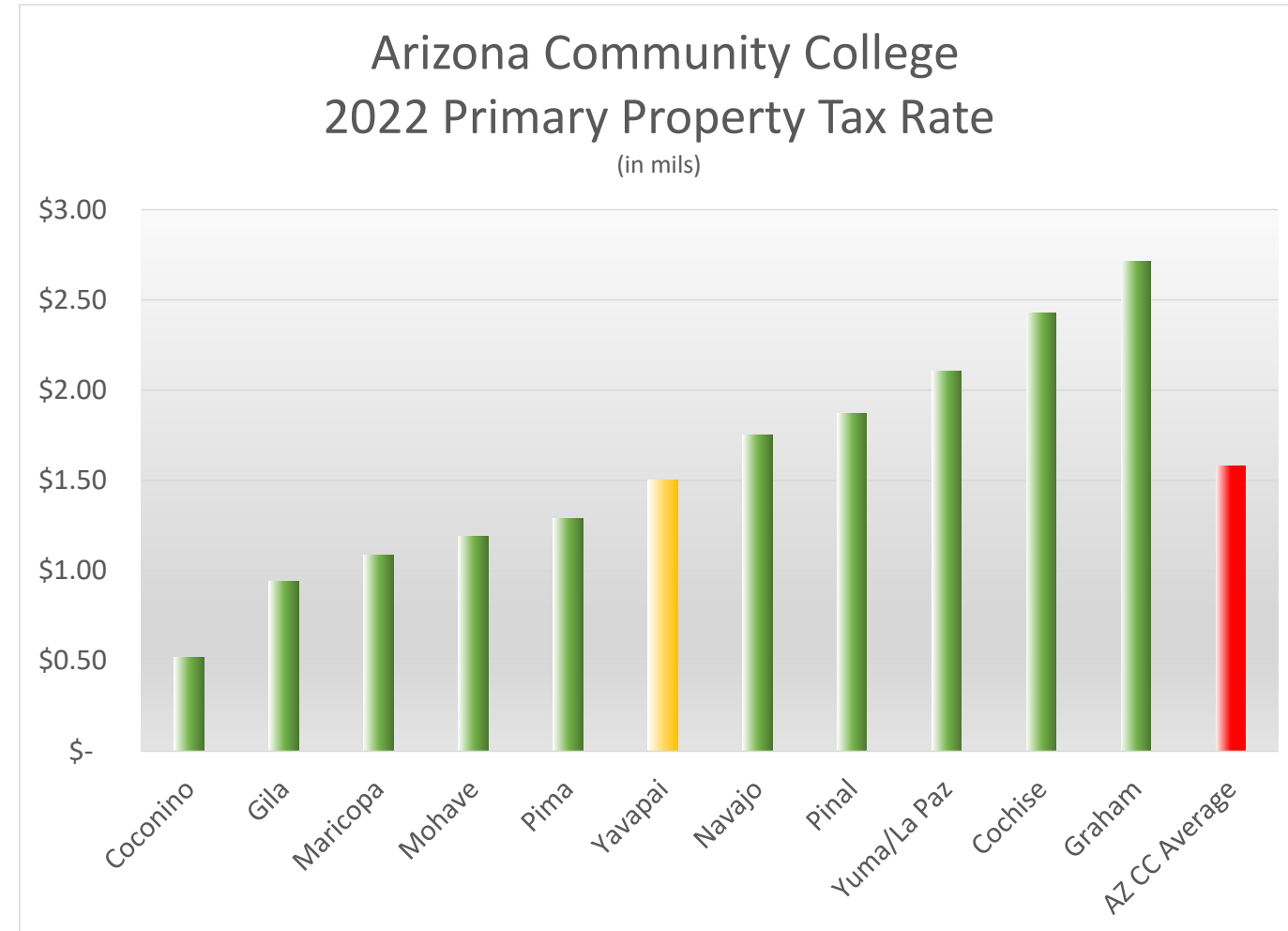
The second way to increase the Property Tax Levy is through the Board, which has the statutorily granted ability to raise the Levy by 2% per year. The effect is cumulative: for example, if a district forgoes a 2% increase in the Levy one year, it may raise the Levy 4% in a future year. The following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

Over the past 5 years, the only increase in primary property taxes came from new construction in Yavapai County. **Yavapai College is requesting a 5% increase in the property tax levy for FY2023-24. This is our first request for an increase in 5 years.**



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

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



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

**Tuition & Fees:** To be more transparent, Yavapai College has moved away from general fees charged to all students. The College has also discontinued course and program fees (except Aviation). Instead, the College has created 3 differentiated tuition rates. Our base tuition (Tier 1) covers general education courses, which are the majority of the courses we offer. In lieu of course fees, we charge \$16 more per credit for classes with smaller class caps and/or that require lab spaces (Tier 2). We charge \$28 above base tuition per credit for Career Technical Education classes which typically have small classes, lab space, and state of the art equipment (Tier 3).

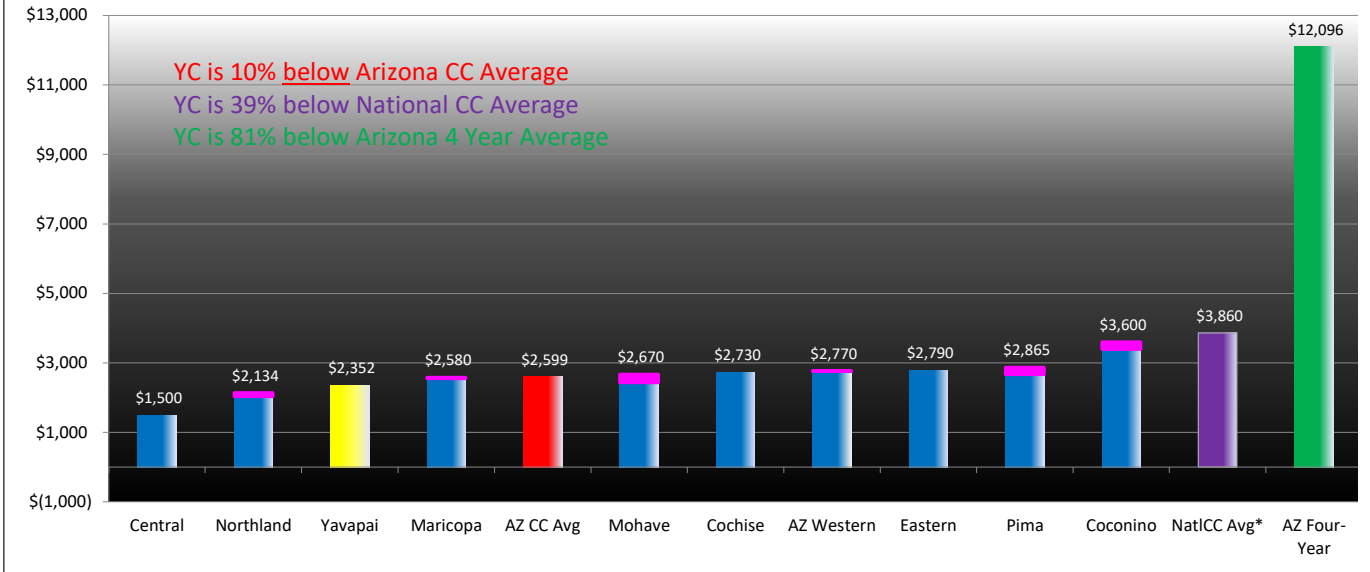
- There are a handful of programs that charge more than Tier 3. These programs charge Market-Based tuition: Aviation, Commercial Driver Training, Fire Science, Gunsmithing, Nursing, and Radiology.
- To remain affordable and accessible, YC tuition is purposefully below the national average tuition rate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

- 20% Full-Time Student discount (15 to Finish initiative) as an incentive for more students to attend full-time—studies have shown that full-time students are more likely to complete their certificate or degree, and reap the associated increase in earnings.
- 50% Senior Citizen discount for people 65 and older who take credit classes.
- Western Undergraduate Exchange (WUE) discount, wherein residents of 16 western states only pay 150% of in-state tuition rates, rather than the list price out of state tuition rates (roughly 300% of in-state tuition rates).
- ~90% Dual Credit discount for high school students taking College classes taught by high school teacher.
- 50% Concurrent Discount for High School students taking online College classes taught by College faculty.

YC has created a [College Cost Comparison Tool](#) to help residents see the true savings associated with attending YC versus one of the four-year AZ public universities.

### Weighted Annual Tuition and Fees - FY2022-23

Full Time - 30 Credits

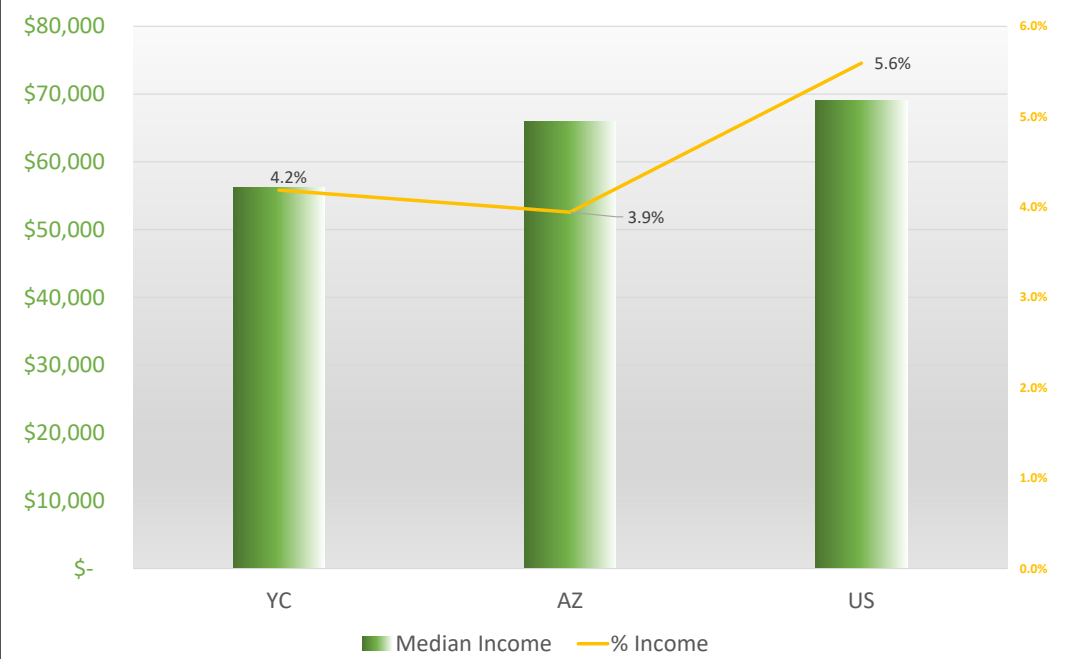


Source: FY2020-21 Arizona Community Colleges State Aid Request.  
 Source: ABOR Tuition history & ABOR Annual Report

This chart demonstrates that we have competitive pricing (what students pay us) compared to our AZ and National peers. We have the **3<sup>rd</sup> lowest tuition rate for full-time students in AZ, a state which has the 4<sup>th</sup> lowest tuition rate in the country.** And our tuition rate for part-time students is priced well-below the national average to reflect that the county's median household income is well below the national average. We are especially competitive compared to the 4-year AZ public universities, saving students roughly \$10,000 per year in Tuition (not to mention Room & Board) for their Freshman and Sophomore years.

### Affordability Index

FY23 Full-Time Tuition & Fees as a Proportion of 2021 Median Household Income



As mentioned above, the College purposefully sets pricing to remain affordable and accessible. We do this by making sure that our base tuition for part time students consumes the same (or smaller) portion of household income than at other community colleges across the nation (the Affordability Index). To compensate for Yavapai County income lagging national by 19%, YC offered tuition 20% lower than its national peers in FY2021-22 (39% lower for full-time students). Consequently, attending community college full time consumed 5.6% of the average household income nationally, but only 4.2% in Yavapai County. **In October, the District Governing Board approved tuition increase of \$5/credit for Tier 1, \$6/credit for Tier 2, and \$6/credit for Tier 3 beginning in FY24.**

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

- Federal
  - TRIO: Providing support services for low-income first generation students and students with disabilities
  - Adult Education: Helping adults earn General Equivalency Degree
  - Financial Aid: Pell Grants and subsidized loans
  - Vocational Education: money to support Career & Technical programs
  - COVID-19 Aid: helping colleges continue to offer programs safely during COVID
  - Open Text Rural AZ: support conversion to free learning materials (OER)
  - QUEST: Funds to increase skilled workforce capacity in high demand industries, focusing on Healthcare, Manufacturing & Logistics, and Professional, Technical, and Scientific Services
  - Substance Abuse Prevention: Educate students on dangers of substance abuse
  - Technical Education
  - Small Business Administration: helping entrepreneurs to start or grow a business through training, consulting, and access to funds
- State
  - Adult Education: matching funds for federal grant
  - Prop 301: Workforce Development funds
  - Prop 207: Workforce Development and STEM programs
  - STEM: Support programs for Science, Technology, Engineering, & Math

- Nursing Initiative: Funds to expand YC RN program to address Nursing shortage
- Child Care: Grant to provide stability for Child Care workforce and improve program quality

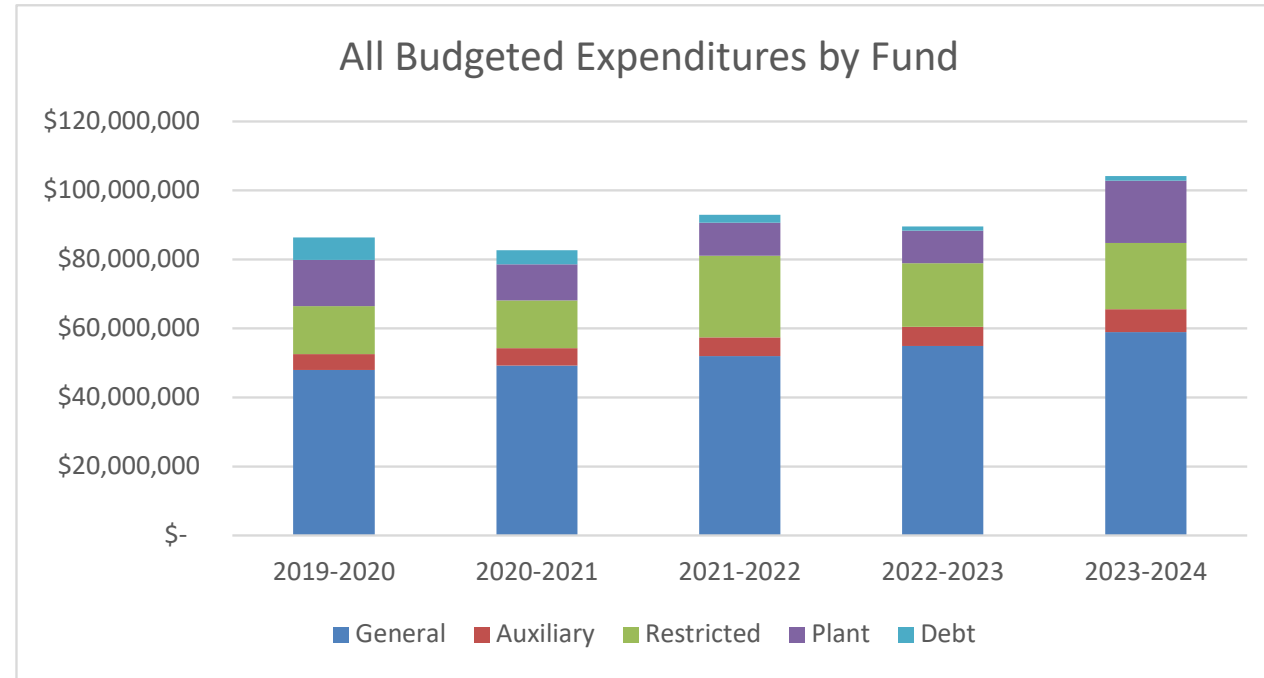
- Private
  - Osher: Support lifelong learning for 55+ adults
  - YC Foundation: Providing scholarships and program support
  - Freeport-McMoran: Support for programs related to natural resources

**State Support:** The state provides roughly \$22 per student credit hour of recurring unrestricted operational support. In other words, **only 3.5% of operating funds for this state institution come from the State of Arizona.** Over the past 30 years, the state has defunded community colleges, placing the primary financial burden on local communities through property taxes.

Instead, the state has begun providing restricted funds—with strings attached to achieve specific outcomes. Including restricted funds, **the state provides 10% of the colleges total budget.**

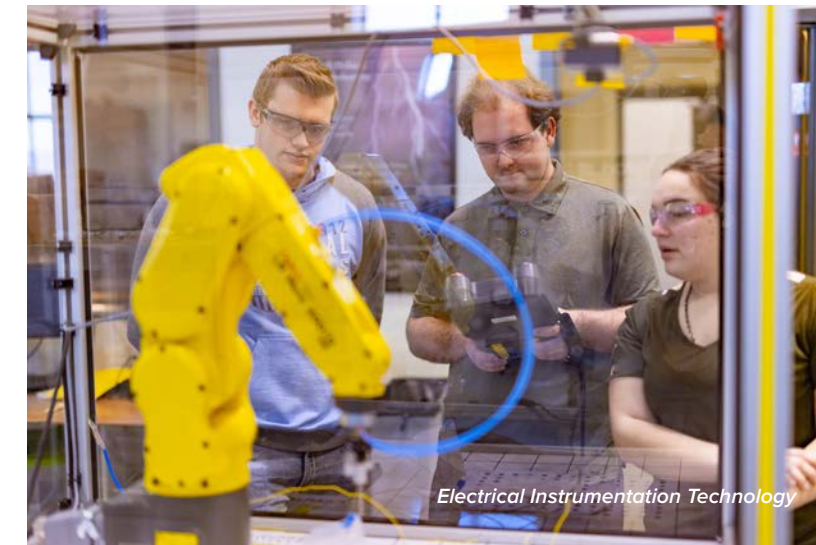
**Other Sources:** These revenues consist of a variety of things such as interest, facility rentals, payment plan fees, testing center fees, fitness and pool passes, federal indirect costs, and reimbursements from the YC foundation for staff salaries and benefits. This also includes Sales & Service revenues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

# DISCUSSION OF BUDGETED EXPENSES



All Budgeted Expenditures by Fund	2019-2020	2020-2021	2021-2022	2022-2023	2023-2024	5 Yr %
General	\$ 47,927,700	\$ 49,234,600	\$ 52,034,800	\$ 54,908,300	\$ 59,010,200	23.1%
Auxiliary	4,636,000	5,089,000	5,368,200	5,543,100	6,560,200	41.5%
Restricted	13,889,000	13,831,000	23,618,500	18,448,100	19,242,800	38.5%
Plant	13,400,300	10,405,500	9,654,300	9,405,500	18,028,600	34.5%
Debt	6,560,600	4,129,900	2,260,900	1,258,100	1,258,600	-80.8%
	\$ 86,413,600	\$ 82,690,000	\$ 92,936,700	\$ 89,563,100	\$ 104,100,400	20.5%

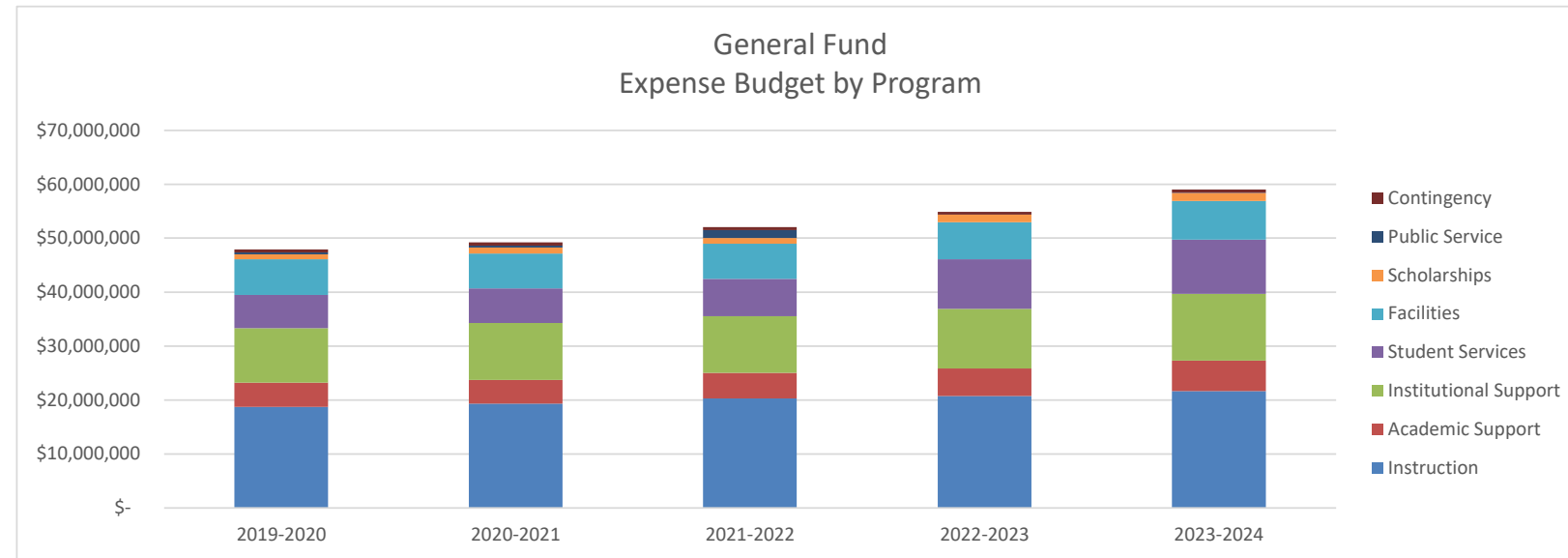
This balance of this section will discuss the trends in each fund, focusing on significant changes moving from this year's budget to next year's budget.



## GENERAL FUND EXPENSES

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

The General Fund is the operating budget of the college. General Fund expenses increased \$7M during this 5 year span. While some of the increase was due to inflation for goods and services, the vast majority of the change can be explained through examining Salaries and Benefits:



General Fund Expense Budget by Program	2019-2020	2020-2021	2021-2022	2022-2023	2023-2024	5 Yr %
Instruction	\$ 18,749,600	\$ 19,327,900	\$ 20,306,400	\$ 20,751,600	\$ 21,652,400	15.5%
Academic Support	4,483,100	4,432,200	4,740,800	5,065,600	5,663,900	26.3%
Institutional Support	10,093,500	10,487,100	10,482,900	11,083,400	12,403,400	22.9%
Student Services	6,182,900	6,479,600	6,943,700	9,222,800	10,015,100	62.0%
Facilities	6,580,700	6,467,100	6,542,400	6,832,500	7,192,400	9.3%
Scholarships	940,500	1,121,900	1,013,200	1,409,900	1,440,600	53.2%
Public Service	327,400	348,800	1,475,400	12,500	12,400	-96.2%
Contingency	570,000	570,000	530,000	530,000	630,000	10.5%
	\$ 47,927,700	\$ 49,234,600	\$ 52,034,800	\$ 54,908,300	\$ 59,010,200	

- Annual raises remain market-competitive and keep up with the increasing Cost of Living in Yavapai County.
- Market Adjustments, Career Ladders and Promotions.
- Increases in Benefits: This includes required Fringes (Social Security, Federal and State Unemployment, Medicare and Workers Comp) as well as Medical, Retirement, Life Insurance and Tuition Waivers.
- We complied with state increases in minimum wages and federal regulations expanding access to healthcare benefits.
- We budgeted more positions to expand programs and services during this timeframe, including past strategic decisions such as expanding Athletics, REDC, and Advising. New positions for the coming year will be discussed later in this chapter.

## AUXILIARY FUND EXPENSES

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

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



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

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

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

**Edventures:** This Community Education program educates non-credit students while traveling internationally. The costs are highly dependent on the destination and the size of the group, so it can vary from year to year. (Likewise, associated revenues go up and down depending on the destination of the program.)

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

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



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

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



**Southwest Wine Center (SWC):** The SWC encompasses the Viticulture & Enology academic program as well as a Tasting Room, where the public can purchase wines made by YC students. The academic program is accounted for within the Instruction function of the General Fund, and the Tasting Room—including vineyard expenses—is run as an Auxiliary. As more of our vineyard matures, we anticipate wine and grape sales will allow this department to break even.

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

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



## RESTRICTED FUND EXPENSES

- As mentioned in the revenues, the College receives these grants to be used for a specific purpose.
- This is the one area of expenses we would like to see increase as it brings more money into the Yavapai County community.
- Expenses go up or down as Grants are awarded in greater or fewer numbers to the College.
- \$6.8M of funds come through Federal Financial Aid grants such as PELL. These are pass-through funds that the College receives on behalf of lower income students, which the student uses to pay for tuition, books, and possibly more depending on the award. This number fluctuates with enrollments.
- Over the past couple of years, the college received large Federal grant awards to help students and the college recover from the pandemic. These Higher Education Emergency Relief Funds (HEERF) came in 3 phases: CARES, CRRSA, and ARP – roughly half of which needed to be given directly to students and the other half was to help the college deal with COVID-related expenses and revenue losses.
- Recurring restricted state revenues include STEM as well as voter-approved Prop 207 and Prop 301. YC continues to use Prop 301 funds to support the capital equipment and facilities needs related to workforce training. Prop 207 funds have been used to expand our Regional Economic Development Center and to launch our first two Bachelor of Science degrees in Business and in Nursing.

## PLANT FUND EXPENSES

There are several capital budgets monitored in this fund

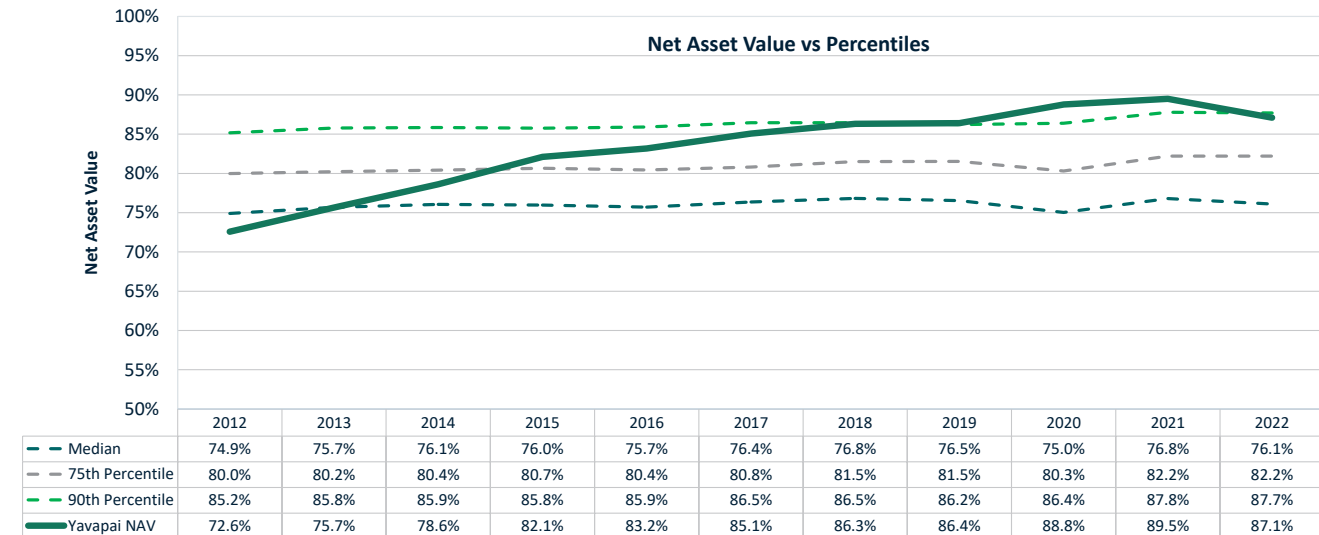
- Planned Maintenance
  - The College practices the philosophy that well-maintained assets lead to the lowest Total Cost of Ownership. Planned Maintenance projects address deferred maintenance issues to extend the useful life of the assets.
  - The College operates roughly 800,000 square feet of space in Chino Valley, Clarkdale, Prescott, Prescott Valley, and Sedona. In YC’s FY2021-22 financial statements, the College had \$166M of net depreciable assets (building and site improvements).
  - Using standard depreciation assumptions of 40 years for buildings and 15 years for site improvements, the College should be reinvesting in excess of \$4M per year in maintenance activities.
  - The College has worked with a consultant specializing in higher education facilities maintenance (Sightlines) to establish a process to assess the condition of various building systems (Electrical, Exterior Shell, Grounds, HVAC, Interior Shell, Mechanical, Plumbing, & Safety) throughout the district, then to prioritize strategic capital reinvestments to address our deferred maintenance via planned maintenance, rather than system failures.
  - Based on these analyses, the DGB has approved an average annual reinvestment of \$4M in our assets.
  - The strategy is working. Over the past decade, YC has improved its Net Asset Value (NAV) Score ([Total Replacement Value-Total 10 Year Asset Reinvestment Need]/ Total Replacement Value) to Best-in-Class levels.

- Unplanned Maintenance
  - Despite the best planning, systems fail unexpectedly. This budget is to address those issues. This budget is relatively flat.
- Equipment
  - The College reinvests in classroom and operational equipment each year to ensure that students train on the equipment they will find in the workplace, and that YC employees may be efficient. This budget is relatively flat.
- Furniture
  - The College systematically updates classroom and office furniture throughout the district, replacing a small portion each year. This budget is relatively flat.

- Capital Improvement Projects
  - This budget addresses the renovations and additions that are needed to meet the changing needs of our students and our community.
  - The CIP budget is primarily informed by the 2022 YC [Facilities Master Plan](#).
  - The Facilities Master Plan ensures that our buildings add value, not just costs, by creating a source of competitive advantage to what YC can offer above and beyond what our online competitors can do.

## Yavapai NAV versus Database Percentiles

YC is in the 88<sup>th</sup> percentile in 2022





– This budget is quite variable, changing from year to year based on which projects are being addressed.

– The SmithGroup reviewed a host of YC data including the Environmental Scan, the Strategic Plan and its sub-plans, program enrollments and completions, classroom utilization rates, GIS analyses of county and student populations, and much more. SmithGroup then solicited input in a variety of ways including a survey for students and employees; a survey for civic leaders; forums with students, employees and community members; and meetings with key campus leaders and departments. Through this iterative process, the following priorities have emerged:

- ◆ Converting Libraries at both campuses into Centers for Learning and Innovation
- ◆ Allocate space to support Early College Academies, where some high school students attend YC full time, thus fulfilling their high school requirements while beginning a college degree
- ◆ Pilot some Workforce Housing Models to help the college attract and retain qualified employees
- ◆ Build additional Career Technical Education spaces to existing and emerging workforce needs such as Brewing and Distillation, Health Sciences (PV), and the Workforce Accelerator (CTEC) (see page 74 for more details).

Square footage growth over the next 5-8 years is projected to be fairly modest. As a rule, the college is reluctant to build new space as there are many related annual costs which impact future Operating and Capital budgets long after the initial capital outlay. For example, buildings need to be heated, cooled, cleaned, staffed and maintained.

As such, our practice has been, and continues to be, to focus on renovating existing spaces that are underutilized. However some projects, such as the Health Science Center and the Brewing & Distilling program, will require additional square footage as we position the college to prepare the workforce of the future.

## DEBT FUND EXPENSES

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

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

## DEBT SERVICE SCHEDULE

Year Ending June 30,	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>

## DEBT LIMIT SCHEDULE

	2022/23	2021/22	2020/21	2019/20	2018/19
<b>Secondary Assessed Value</b>	\$ 3,333,228,464	\$ 3,143,221,200	\$ 2,957,724,707	\$ 2,765,677,073	\$ 2,599,537,841
<b>Legal Debt Margin</b>					
Debt limit - 15% of secondary assessed value	499,984,270	471,483,180	443,658,706	414,851,561	389,930,676
Amount of debt applicable to debt limit:					
General obligation bonded debt	0	0	(470,000)	(2,670,000)	(7,150,000)
Legal debt margin	<u>\$ 499,984,270</u>	<u>\$ 471,483,180</u>	<u>\$ 443,188,706</u>	<u>\$ 500,920,699</u>	<u>\$ 447,577,759</u>
Total general obligation bonded debt as a percentage of legal debt limit	0.00%	0.00%	0.11%	0.64%	1.83%

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



Career & Technical Education Center (CTEC)

## EFFICIENCY BENCHMARK

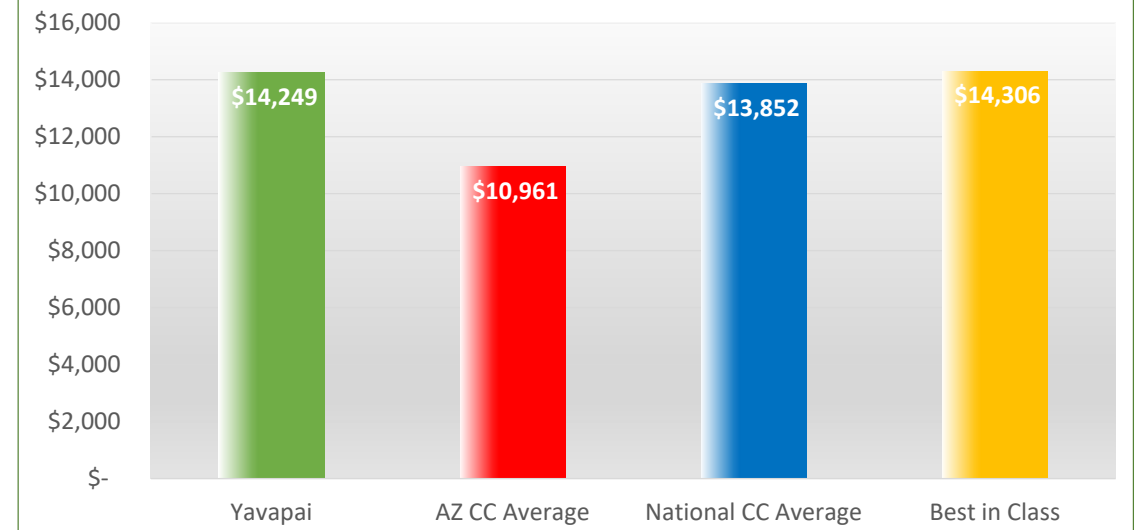
Though every community college has a similar Mission, every school has a unique combination of Teaching, Research, and Public Service programs designed to meet the unique needs of the community it serves, often leading to different costs. For example, YC has a very large service district which led it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

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

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

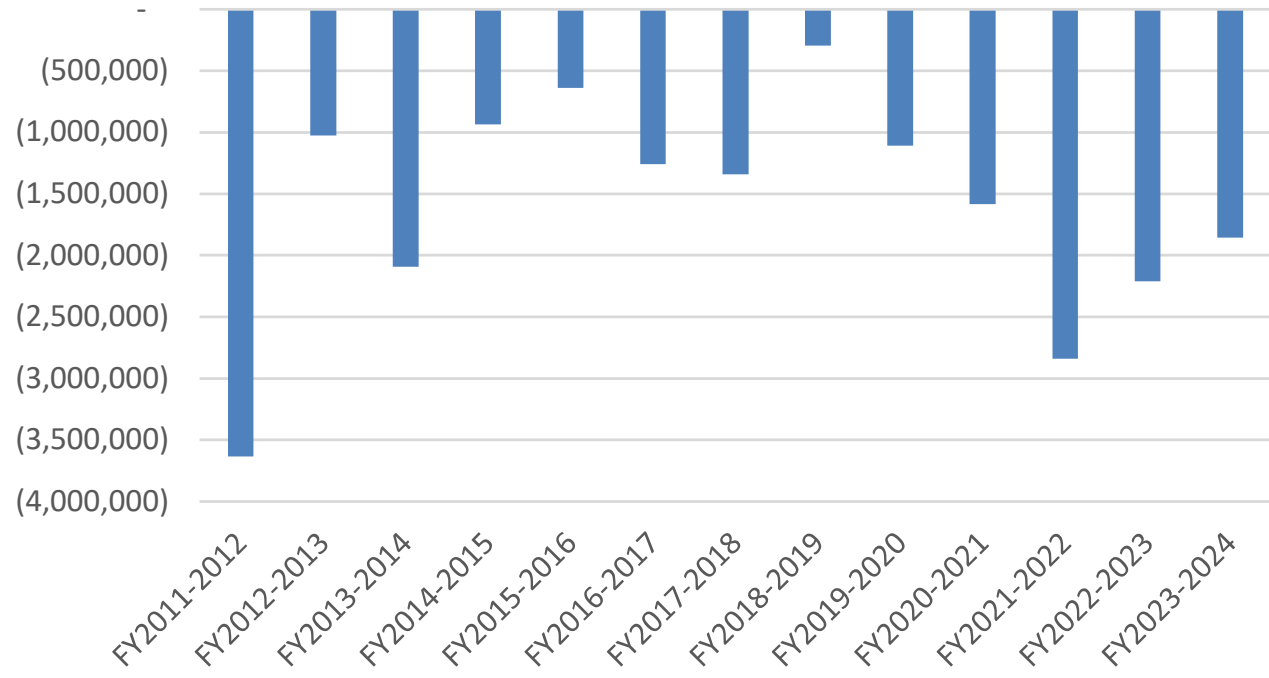
All of these unique programs add costs, but also add to the value YC provides the students and the communities it serves.

### 5 Year Average Operating Costs per Full Time Student Equivalent (I, AS, SS, IS, F, A, PS)



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

YC Reallocations

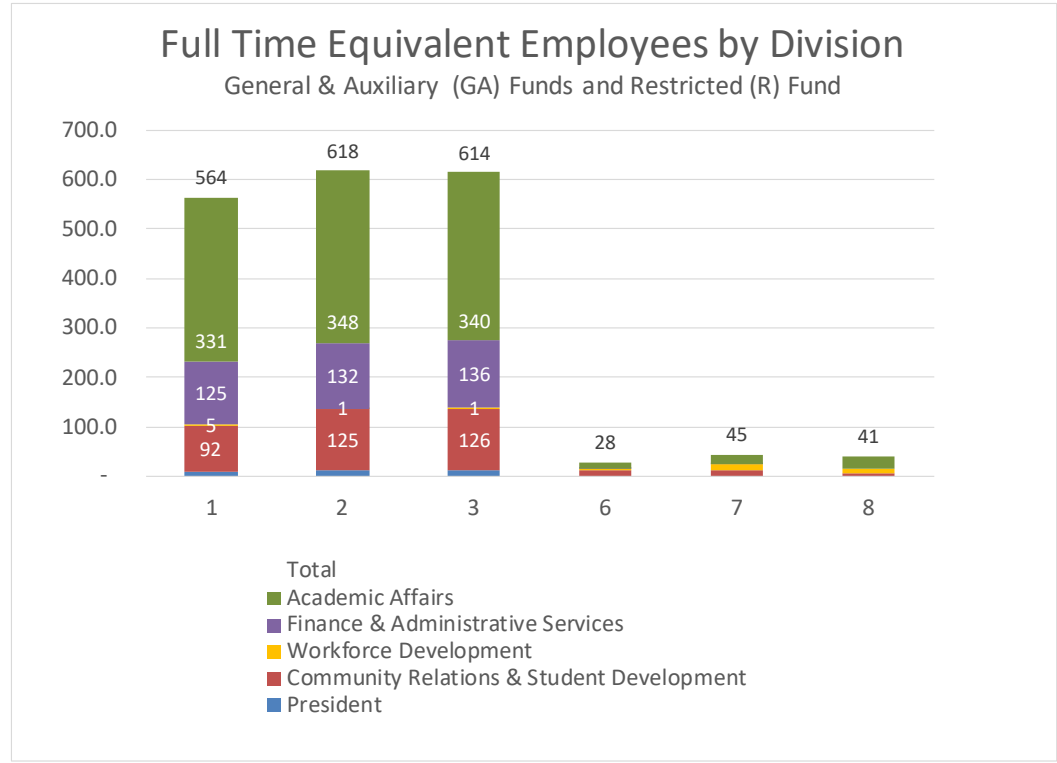


YC is able to control costs, in part, through an annual reallocation process. Each year, Deans and Directors are challenged to look for cost savings opportunities within their areas of responsibility. On average, they are able to reallocate 3% of the College’s existing unrestricted Current Funds budgets to support emerging priorities. This is achieved primarily by improving processes and eliminating vacant positions. **As part of the Budget Process, the College was able to reallocate \$2.2M (3.3%) in support of the new budget.**

# LABOR COSTS AND SALARY RECOMMENDATIONS

The following table is a visual representation of the change in positions at Yavapai College by Division and Major Business Unit. As you can see, there are more positions budgeted for next year, to support the Strategic Plan. Altogether, 3.3 General and Auxiliary (GA) Funds positions and 3.4 Restricted (R) Fund positions were reduced.

Current Funds	2022			Net Change 23 Tp 24	2023			Net Change FY23 to FY24
	Actual	Budgeted	Proposed		Actual	Budgeted	Proposed	
<b>General and Auxiliary Funds</b>								
President	2.3	1.9	1.9	(0.0)	-	-	-	-
DGB	0.7	1.1	1.1	0.0	-	-	-	-
Human Resources	6.1	8.1	8.1	0.0	-	-	-	-
VPFAS	2.0	2.0	2.0	-	-	-	-	-
Business Office	20.3	20.8	20.7	(0.1)	-	-	-	-
Campus Safety	10.1	11.1	11.2	0.1	0.6	0.7	-	(0.7)
Facilities	59.0	59.0	58.9	(0.1)	-	-	-	-
ITS	28.8	34.1	38.1	4.0	-	-	-	-
Institutional Research & Grants	5.4	5.0	5.0	-	-	-	-	-
VP CRSD	2.0	2.0	2.0	-	-	-	-	-
Community Relations (market, redc)	11.7	10.7	14.0	3.3	-	-	-	-
Athletics	13.0	22.0	23.0	1.0	-	-	-	-
Student Enrollment Mgmt	33.3	46.4	44.6	(1.8)	-	-	-	-
Student Development	32.1	44.0	42.7	(1.3)	11.5	11.4	6.0	(5.4)
VP Workforce Development (REDC)	4.4	-	-	-	0.1	11.4	9.0	(2.4)
VP Workforce Development (SBDC)	1.0	1.4	1.1	(0.2)	3.1	1.5	0.9	(0.6)
VP Academic Affairs	25.9	22.7	12.0	(10.6)	-	-	-	-
School of Arts & Humanities	67.5	70.1	61.5	(8.6)	-	-	-	-
School of Business	21.9	25.3	35.1	9.8	-	2.0	4.0	2.0
School of Social Sciences	34.0	34.0	32.5	(1.5)	-	-	-	-
School of Health & Wellness, Public Service	92.4	98.7	101.1	2.4	8.0	12.1	17.0	4.9
School of Career & Technical	60.6	63.4	62.7	(0.7)	-	1.0	1.0	-
Instructional Support	23.4	27.9	29.1	1.3	-	-	-	-
Community Education	5.6	6.2	6.1	(0.1)	4.6	4.7	3.5	(1.2)
	563.5	617.8	614.5	(3.3)	27.9	44.8	41.4	(3.4)



\*Actual number of positions as of 11/1

- We also moved existing faculty positions to meet demand for workforce training, including Business, Nutrition, and Biology; we created a new Electrical Faculty position
- We created new support positions to improve how we deliver coursework including an Instructional Designer and a Program Manager

### Community Relations & Student Development

- **Community Relations:** Added Executive Director of Government Relations
- **Foundation:** We will split fund an additional Coordinator with the YC Foundation to enhance fundraising capacity
- **Athletics:** We added an Assistant Athletics Trainer to support the growth in athletic teams

### Finance & Administrative Services

- **ITS:** We added 3 technicians to help manage the growing workload as hardware and software becomes more integral to how we provide educational and related support services

### STAFFING THE STRATEGIC PLAN

The following describes positions in each Division that either were funded during the current budget year or are planned for the coming budget year to support the Strategic Plan Goals of Belonging, Living Wage, Adult Learners, or Delivery:

#### Academic Affairs

- We moved existing faculty positions to adjust to changing student demand with new positions for Sociology, Math, and Art





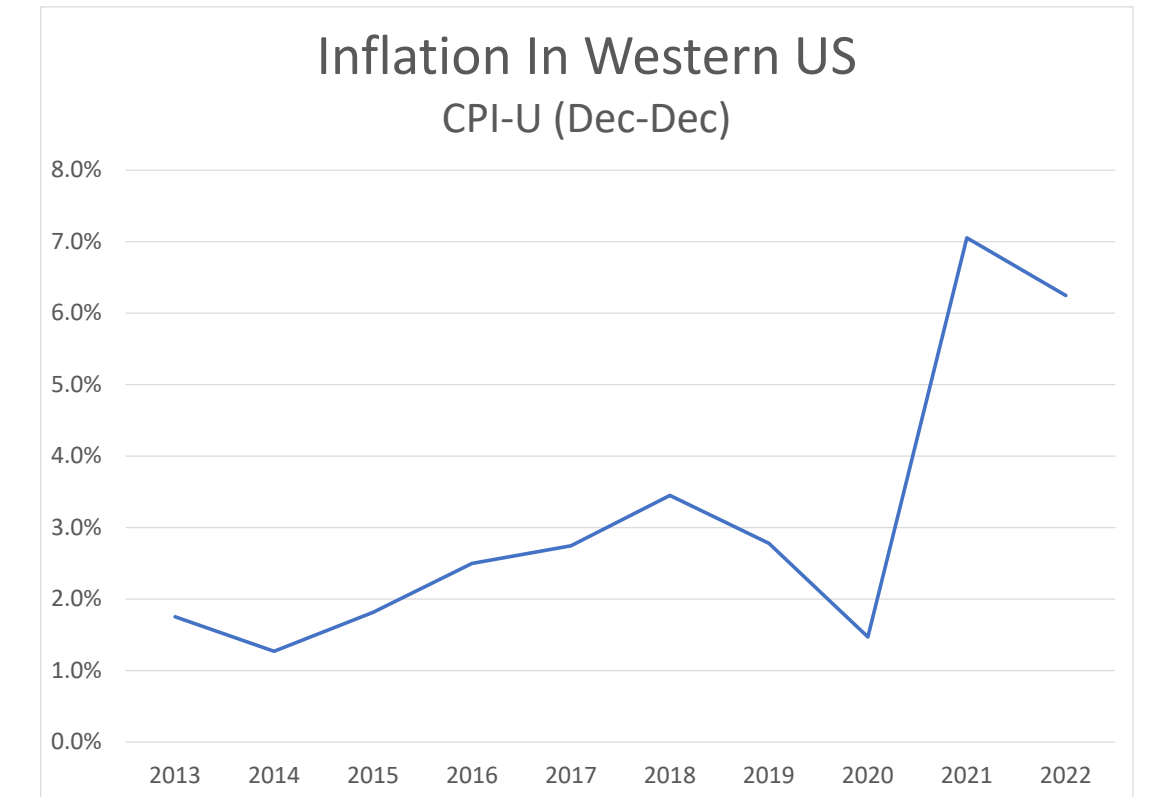
Because Labor is such a large financial component of the College’s budget, it is in the College’s best interest to ensure salaries are market-competitive. If YC pays too much, it is incurring unnecessary costs; conversely, if YC pays too little it will incur turnover costs or the costs of hiring less-qualified,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

The last time YC retained a consulting firm to officially evaluate our compensation system was in FY14. We believe it was a good

investment that served us well for almost 10 years; however, given recent rapid changes in national inflation, the local cost of housing, and the tightness in the post-pandemic workplace, we believed it was time for a fresh look. As such, YC has retained Huron Consulting to help us achieve this balancing act. The new study will be completed by the end of FY23, allowing us to begin the implementation of their recommended strategies in FY24.

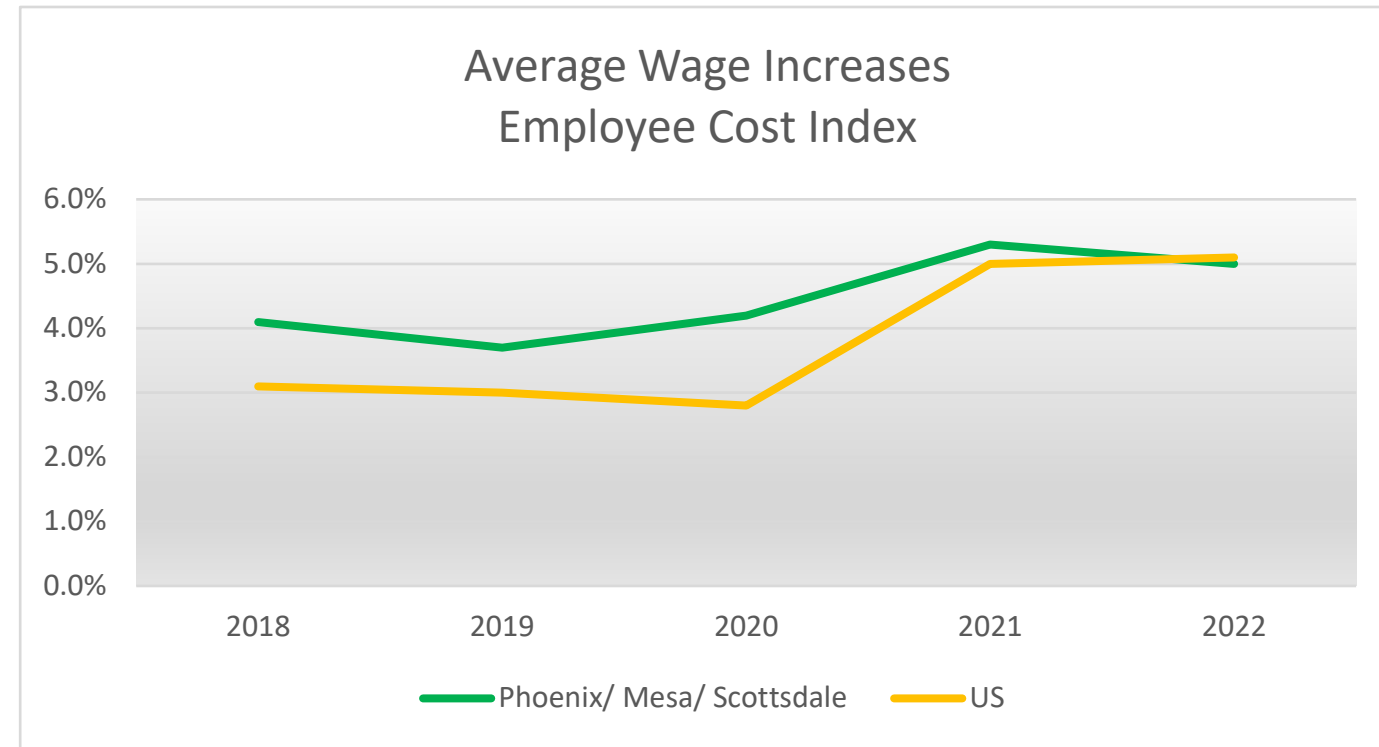
In addition to the position market analyses, the College researches and evaluates benchmark data in order to make annual compensation recommendations to the Board. The College uses a variety of sources including Mercer, Korn-Ferry, and Tower-Watson to forecast salary changes in the market. This year, experts forecast a national average raise of 4.4%. Of course, some industries and geographies will be higher and some will be lower.

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



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

Based on this information and the housing information discussed in the Service District chapter, the upcoming budget includes a 5% salary increase, which matches how much salaries have increased in Arizona this past year per the ECI. In addition to the 5% salary increase, the Board has authorized a 1% one-time bonus. Moreover, the budget includes an additional 1% which we will use to compensate employees who have completed career ladders, and to begin to make salary adjustments to below-market employees identified in the aforementioned Compensation Study.



## FINANCIAL PLANNING

### Budget Strategy and Long-range Planning

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



Long-term capital forecasting is developed from several sources including the 8 year Facilities Master Plan, the 5 year Capital improvement Plan (Exhibit 11), the 10 Year Net Asset Value assessment (Exhibit 10), and 5 year Equipment Replacement Plans (Exhibit 12).

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

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

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

In addition, as a college that relies on the property tax levy, county and local economic factors will influence the FY24 budget. Careful monitoring of economic conditions ensures the College can construct a realistic budget tailored to achieve its strategic goals and action plans.

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

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

**FIVE-YEAR PROJECTIONS OF REVENUES AND EXPENDITURES**

	<u>FY 2023-24</u>	<u>FY 2024-25</u>	<u>FY 2025-26</u>	<u>FY 2026-27</u>	<u>FY 2027-28</u>
<b>Revenues</b>					
Property Taxes - Primary	\$ 53,455,100	\$ 55,058,800	\$ 56,710,600	\$ 58,411,900	\$ 60,164,300
General Fund - Tuition and Fees	13,578,000	14,664,200	15,837,300	17,104,300	18,472,600
State Appropriations	4,664,200	4,757,500	4,852,700	4,949,800	5,048,800
Federal Grants and Contracts	10,616,800	10,829,100	11,045,700	11,266,600	11,491,900
State Grants and Contracts	1,532,800	1,548,100	1,563,600	1,579,200	1,595,000
State Workforce Development Funds	3,800,000	3,952,000	4,110,100	4,274,500	4,445,500
Investment Income	380,000	456,000	547,200	656,600	787,900
Sales and Services	4,238,400	4,344,400	4,453,000	4,564,300	4,678,400
Private Gifts, Grants and Contracts	1,905,800	1,943,900	1,982,800	2,022,500	2,063,000
Capital Projects Accumulation Account	5,362,500	6,833,700	-	7,498,800	3,713,100
Other (Fund Balance and Miscellaneous)	4,566,800	339,400	-	203,800	357,800
Total Revenues	<b>\$ 104,100,400</b>	<b>\$ 104,727,100</b>	<b>\$ 101,103,000</b>	<b>\$ 112,532,300</b>	<b>\$ 112,818,300</b>
<b>Expenditures</b>					
General Fund	\$ 59,010,200	\$ 61,518,100	\$ 64,132,600	\$ 66,858,200	\$ 69,699,700
Auxiliary Fund	6,560,200	6,658,600	6,758,500	6,859,900	6,962,800
Restricted Fund	19,242,800	15,060,900	15,362,100	15,669,300	15,982,700
Plant Fund - Operations	1,110,900	1,133,100	1,155,800	1,178,900	1,202,500
Plant Fund - Building Maintenance Program	4,249,600	4,297,600	4,346,200	4,395,500	4,445,400
Plant Fund - Equipment Replacement Program	2,221,800	2,910,500	3,001,800	3,100,100	3,242,500
Plant Fund - Capital Improvement Plan	10,446,300	11,902,300	2,950,400	13,249,200	10,073,700
Plant Fund - Capital Accumulation Account (Savings)	-	-	2,162,100	-	-
Debt Service Fund	1,258,600	1,246,000	1,233,500	1,221,200	1,209,000
Total Expenditures	<b>\$ 104,100,400</b>	<b>\$ 104,727,100</b>	<b>\$ 101,103,000</b>	<b>\$ 112,532,300</b>	<b>\$ 112,818,300</b>
Favorable/(Unfavorable)	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

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

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

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

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

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

	<u>FY 2023-24</u>	<u>FY 2024-25</u>	<u>FY 2025-26</u>	<u>FY 2026-27</u>	<u>FY 2027-28</u>
<b>Revenues</b>					
Property Taxes - Primary	\$ 53,455,100	\$ 55,058,800	\$ 56,710,600	\$ 58,411,900	\$ 60,164,300
General Fund - Tuition and Fees	13,578,000	14,935,800	16,429,400	18,072,300	19,879,500
State Appropriations	4,664,200	4,757,500	4,852,700	4,949,800	5,048,800
Federal Grants and Contracts	10,616,800	10,829,100	11,045,700	11,266,600	11,491,900
State Grants and Contracts	1,532,800	1,548,100	1,563,600	1,579,200	1,595,000
State Workforce Development Funds	3,800,000	3,952,000	4,110,100	4,274,500	4,445,500
Investment Income	380,000	456,000	547,200	656,600	787,900
Sales and Services	4,238,400	4,344,400	4,453,000	4,564,300	4,678,400
Private Gifts, Grants and Contracts	1,905,800	1,943,900	1,982,800	2,022,500	2,063,000
Capital Projects Accumulation Account	5,362,500	6,833,700	-	7,498,800	3,713,100
Other (Fund Balance and Miscellaneous)	4,566,800	339,400	-	203,800	357,800
Total Revenues	<b>\$ 104,100,400</b>	<b>\$ 104,998,700</b>	<b>\$ 101,695,100</b>	<b>\$ 113,500,300</b>	<b>\$ 114,225,200</b>
<b>Expenditures</b>					
General Fund	\$ 59,010,200	\$ 60,913,300	\$ 62,877,800	\$ 64,905,600	\$ 66,998,800
Auxiliary Fund	6,560,200	6,658,600	6,758,500	6,859,900	6,962,800
Restricted Fund	19,242,800	15,060,900	15,362,100	15,669,300	15,982,700
Plant Fund - Operations	1,110,900	1,133,100	1,155,800	1,178,900	1,202,500
Plant Fund - Building Maintenance Program	4,249,600	4,297,600	4,346,200	4,395,500	4,445,400
Plant Fund - Equipment Replacement Program	2,221,800	2,910,500	3,001,800	3,100,100	3,242,500
Plant Fund - Capital Improvement Plan	10,446,300	11,902,300	2,950,400	13,249,200	10,073,700
Plant Fund - Capital Accumulation Account (Savings)	-	-	-	-	-
Debt Service Fund	1,258,600	1,246,000	1,233,500	1,221,200	1,209,000
Total Expenditures	<b>\$ 104,100,400</b>	<b>\$ 104,122,300</b>	<b>\$ 97,686,100</b>	<b>\$ 110,579,700</b>	<b>\$ 110,117,400</b>
Favorable/(Unfavorable)	<b>\$ -</b>	<b>\$ 876,400</b>	<b>\$ 4,009,000</b>	<b>\$ 2,920,600</b>	<b>\$ 4,107,800</b>

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

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

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

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

	<u>FY 2023-24</u>	<u>FY 2024-25</u>	<u>FY 2025-26</u>	<u>FY 2026-27</u>	<u>FY 2027-28</u>
<b>Revenues</b>					
Property Taxes - Primary	\$ 53,455,100	\$ 54,791,500	\$ 56,161,300	\$ 57,565,300	\$ 59,004,400
General Fund - Tuition and Fees	13,578,000	14,256,900	14,969,700	15,718,200	16,504,100
State Appropriations	4,664,200	4,757,500	4,852,700	4,949,800	5,048,800
Federal Grants and Contracts	10,616,800	10,829,100	11,045,700	11,266,600	11,491,900
State Grants and Contracts	1,532,800	1,548,100	1,563,600	1,579,200	1,595,000
State Workforce Development Funds	3,800,000	3,952,000	4,110,100	4,274,500	4,445,500
Investment Income	380,000	456,000	547,200	656,600	787,900
Sales and Services	4,238,400	4,344,400	4,453,000	4,564,300	4,678,400
Private Gifts, Grants and Contracts	1,905,800	1,943,900	1,982,800	2,022,500	2,063,000
Capital Projects Accumulation Account	5,362,500	6,833,700	-	7,498,800	3,713,100
Other (Fund Balance and Miscellaneous)	4,566,800	339,400	-	203,800	357,800
Total Revenues	<b>\$ 104,100,400</b>	<b>\$ 104,052,500</b>	<b>\$ 99,686,100</b>	<b>\$ 110,299,600</b>	<b>\$ 109,689,900</b>
<b>Expenditures</b>					
General Fund	\$ 59,010,200	\$ 62,255,800	\$ 65,679,900	\$ 69,292,300	\$ 73,103,400
Auxiliary Fund	6,560,200	6,658,600	6,758,500	6,859,900	6,962,800
Restricted Fund	19,242,800	15,060,900	15,362,100	15,669,300	15,982,700
Plant Fund - Operations	1,110,900	1,133,100	1,155,800	1,178,900	1,202,500
Plant Fund - Building Maintenance Program	4,249,600	4,297,600	4,346,200	4,395,500	4,445,400
Plant Fund - Equipment Replacement Program	2,221,800	2,910,500	3,001,800	3,100,100	3,242,500
Plant Fund - Capital Improvement Plan	10,446,300	11,902,300	2,950,400	13,249,200	10,073,700
Plant Fund - Capital Accumulation Account (Savings)	-	-	-	-	-
Debt Service Fund	1,258,600	1,246,000	1,233,500	1,221,200	1,209,000
Total Expenditures	<b>\$ 104,100,400</b>	<b>\$ 105,464,800</b>	<b>\$ 100,488,200</b>	<b>\$ 114,966,400</b>	<b>\$ 116,222,000</b>
Favorable/(Unfavorable)	<b>\$ -</b>	<b>\$ (1,412,300)</b>	<b>\$ (802,100)</b>	<b>\$ (4,666,800)</b>	<b>\$ (6,532,100)</b>

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

## EXPENDITURE LIMIT (EL)

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

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

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

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

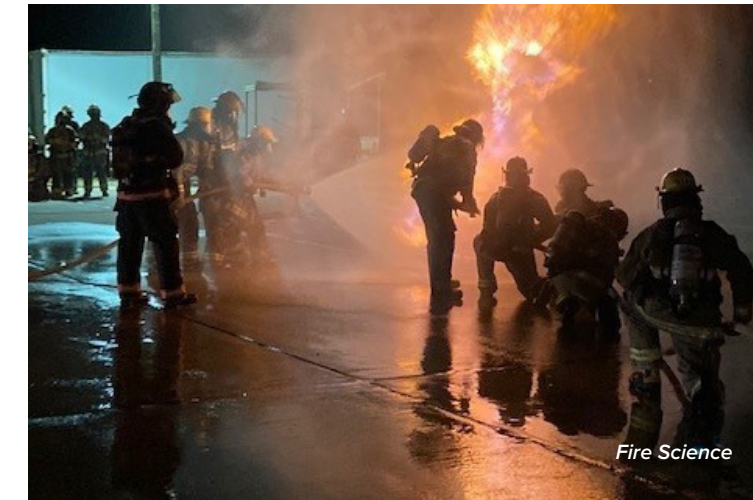
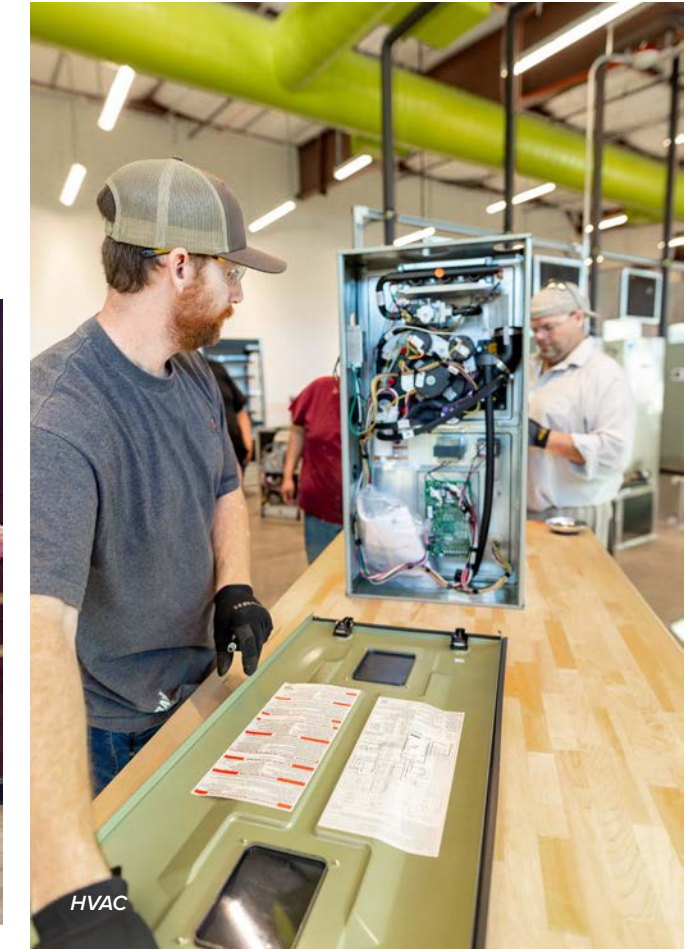
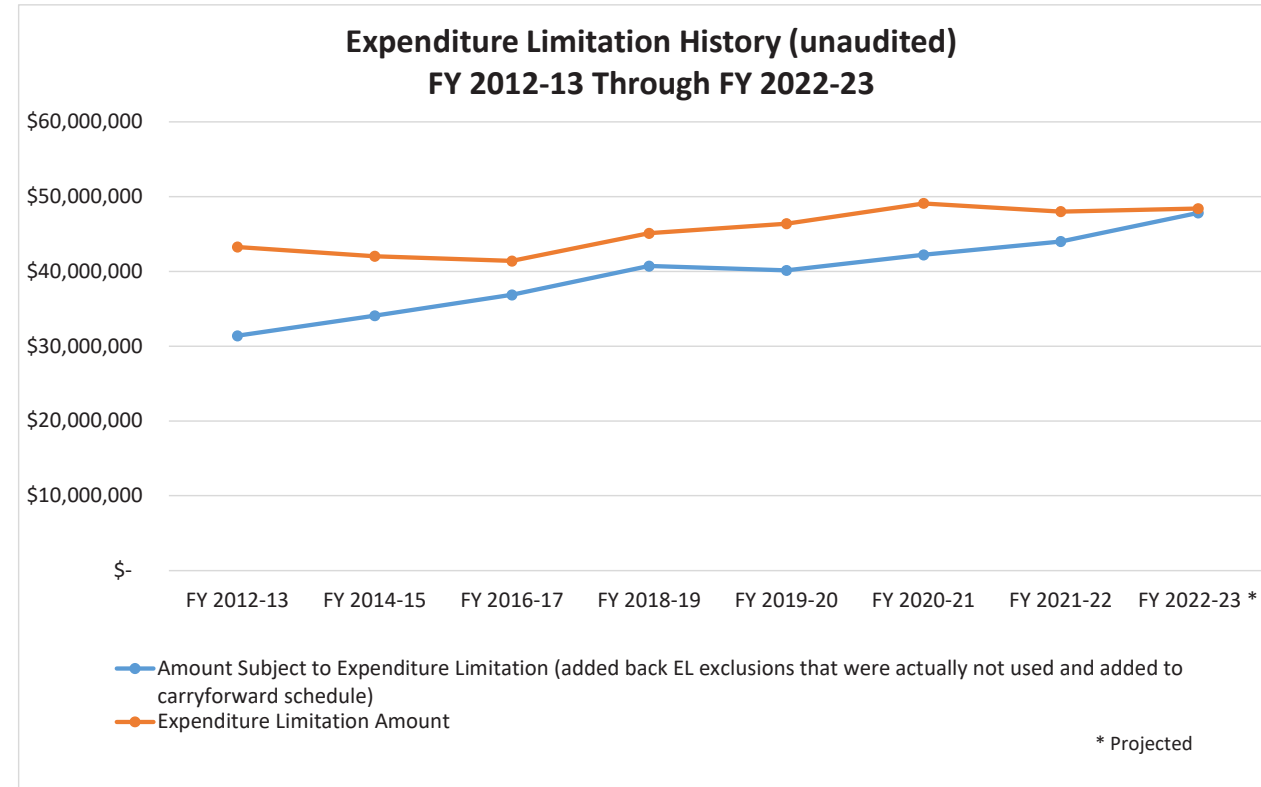
The definition of student population for EL purposes is defined by the legislature. It is currently defined as audited actual FTSE while also adding an extra 30% weight for Career and Technical Education (CTE) FTSE. For the purposes of the EL calculation, colleges may use either: prior year audited weighted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



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

The College is required to calculate and report EL every year, and the report is audited by the Arizona Auditor General. YC also uses its 5 year Financial Projections of Revenues and Expenses to develop a 5 year EL forecast. As has been shared with the DGB in the past, YC's Expenditure Limit margin is relatively slim but stable—as long as enrollments remain stable. Sound fiscal management has allowed the College to build up substantial “carryforward” reserves of \$32.3M.

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



**EXPENDITURE LIMITATION COMPLIANCE**

	Current Funds			Plant Funds		
	Unrestricted		Restricted	Plant	Debt	TOTAL
	General	Auxiliary				
PROJECTED BUDGET EXPENDITURES FOR EXPENDITURE LIMITATION (see below)	\$ 57,510,200	\$ 6,510,200	\$ 19,242,800	\$ 17,566,100	\$ 1,258,600	\$ 102,087,900
LESS EXCLUSIONS						
DEBT SERVICE/BONDED INDEBTEDNESS	-	-	-	-	1,256,400	1,256,400
DIVIDENDS, INTEREST AND GAIN ON SALE	300,000	-	-	80,000	-	380,000
GRANTS & AID FROM FEDERAL & STATE GOVERNMENT	-	-	12,149,600	-	-	12,149,600
GRANTS/CONTRIBUTIONS FROM PRIVATE AGENCIES	457,200	665,600	956,000	-	-	2,078,800
PROP. 207 & 301 FUNDS	-	-	5,500,000	-	-	5,500,000
AMOUNTS ACCUMULATED TO PURCHASE LAND AND CAPITAL RESEARCH AND ENTREPRENEURIAL ACTIVITES	-	-	-	12,978,300	-	12,978,300
TUITION AND FEES	12,896,000	2,281,300	-	-	-	15,177,300
PRIOR YEARS CARRY FORWARD USED	-	-	-	-	-	-
<b>TOTAL EXCLUSIONS</b>	<b>\$ 13,653,200</b>	<b>\$ 4,574,500</b>	<b>\$ 18,605,600</b>	<b>\$ 13,058,300</b>	<b>\$ 1,256,400</b>	<b>\$ 51,148,000</b>
BUDGET EXPENDITURES SUBJECT TO LIMIT	\$ 43,857,000	\$ 1,935,700	\$ 637,200	\$ 4,507,800	\$ 2,200	\$ 50,939,900
BUDGETED EXPENDITURE LIMITATION AS CALCULATED BY THE ECONOMIC ESTIMATES COMMISSION						\$ 51,167,433
AMOUNT (OVER) UNDER LIMITATION						\$ 227,533
PRIOR YEARS CARRY FORWARD AVAILABLE FOR USE:						
Balance Available as of July 1, 2022	\$ 19,500,000	\$ -	\$ 4,200,000	\$ 8,500,000	\$ -	\$ 32,200,000
BUDGETED EXPENDITURES	\$ 59,010,200	\$ 6,560,200	\$ 19,242,800	\$ 18,028,600	\$ 1,258,600	\$ 104,100,400
Less: Budgeted Items Not Expected to be Spent:						
Contingencies	300,000	50,000	-	362,500	-	712,500
Allowance for Unexpended Budget (e.g. vacancy savings etc.)	1,200,000	-	-	100,000	-	1,300,000
Total adjustments	\$ 1,500,000	\$ 50,000	\$ -	\$ 462,500	\$ -	\$ 2,012,500
PROJECTED BUDGETED EXPENDITURES FOR EXPENDITURE LIMITATION	\$ 57,510,200	\$ 6,510,200	\$ 19,242,800	\$ 17,566,100	\$ 1,258,600	\$ 102,087,900

**FIVE-YEAR PROJECTIONS OF EXPENDITURE LIMITATION COMPLIANCE**

	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28
<b>Expenditures</b>					
General Fund	\$ 59,010,200	\$ 61,518,100	\$ 64,132,600	\$ 66,858,200	\$ 69,699,700
Auxiliary Fund	6,560,200	6,658,600	6,758,500	6,859,900	6,962,800
Restricted Fund	19,242,800	15,060,900	15,362,100	15,669,300	15,982,700
Plant Fund - Operations	1,110,900	1,133,100	1,155,800	1,178,900	1,202,500
Plant Fund - Building Maintenance Program	4,249,600	4,297,600	4,346,200	4,395,500	4,445,400
Plant Fund - Equipment Replacement Program	2,221,800	2,910,500	3,001,800	3,100,100	3,242,500
Plant Fund - Capital Improvement Plan	10,446,300	11,902,300	2,950,400	13,249,200	10,073,700
Plant Fund - Contributions to Capital Projects	-	-	2,162,100	-	-
Debt Service Fund	1,258,600	1,246,000	1,233,500	1,221,200	1,209,000
Contingencies	(712,500)	(712,500)	(712,500)	(712,500)	(712,500)
Not Expected to be Expended	(1,300,000)	(1,250,000)	(1,250,000)	(1,250,000)	(1,250,000)
Total Adjusted Expenditures	<b>\$ 102,087,900</b>	<b>\$ 102,764,600</b>	<b>\$ 99,140,500</b>	<b>\$ 110,569,800</b>	<b>\$ 110,855,800</b>
<b>Exclusions</b>					
Bond Debt Service Payments	\$ 1,256,400	\$ 1,246,000	\$ 1,233,500	\$ 1,221,200	\$ 1,209,000
Interest Income	380,000	456,000	547,200	656,600	787,900
Federal & State Grants	12,149,600	12,177,200	12,409,300	12,645,800	12,886,900
Gifts from Private Agencies	2,078,800	1,943,900	1,982,800	2,022,500	2,063,000
Amounts Accumulated - Capital	12,978,300	15,065,900	6,858,800	16,233,100	13,502,800
Research and Entrepreneurial Activites	1,627,600	1,660,200	1,693,400	1,727,300	1,761,800
Tuition & Fees	15,177,300	16,239,700	17,538,900	18,766,600	20,080,300
Prop 207 & 301 Funds	5,500,000	3,952,000	4,110,100	4,274,500	4,445,500
Prior Years Carryforward Used	-	-	-	-	-
Total Exclusions	<b>\$ 51,148,000</b>	<b>\$ 52,740,900</b>	<b>\$ 46,374,000</b>	<b>\$ 57,547,600</b>	<b>\$ 56,737,200</b>
Expenditures Subject to Limitation	\$ 50,939,900	\$ 50,023,700	\$ 52,766,500	\$ 53,022,200	\$ 54,118,600
Estimated Expenditure Limitation	51,167,433	52,557,800	53,400,500	53,325,100	\$ 54,725,100
Favorable/(Unfavorable)	<b>\$ 227,533</b>	<b>\$ 2,534,100</b>	<b>\$ 634,000</b>	<b>\$ 302,900</b>	<b>\$ 606,500</b>
EL FTSE Estimates	3,917	3,836	3,749	3,635	3,601

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

Expenditure Limitation Credit Carryforward - \$32.2M



# YAVAPAI COLLEGE GLOSSARY

*Oil & Acrylic Painting*

## 1. FUND ACCOUNTING

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

### 1a. Current Funds

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

### 1b. General Fund

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

### 1c. Auxiliary Fund

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

### 1d. Restricted Fund

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

### 1e. Plant Fund

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

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

### 1f. Debt Fund

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

## 2. FUNCTIONAL EXPENSES

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

### 2a. Instruction

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

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

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

## 2b. Public Service

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

## 2c. Student Services

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

## 2d. Academic Support

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

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



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

## 2e. Institutional Support

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

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

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

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

## 2g. Auxiliary enterprises

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

### 3. NATURAL EXPENSE CLASSIFICATIONS

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

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

#### 3a. Salaries & Wages

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

#### 3b. Benefits

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

#### 3c. Scholarships and Fellowships

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

#### 3d. Travel

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



#### 3e. Supplies

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

#### 3f. Utilities

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

#### 3g. Contractual Services

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

#### 3h. Depreciation

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

#### 3i. Interest

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

#### 3j. Other

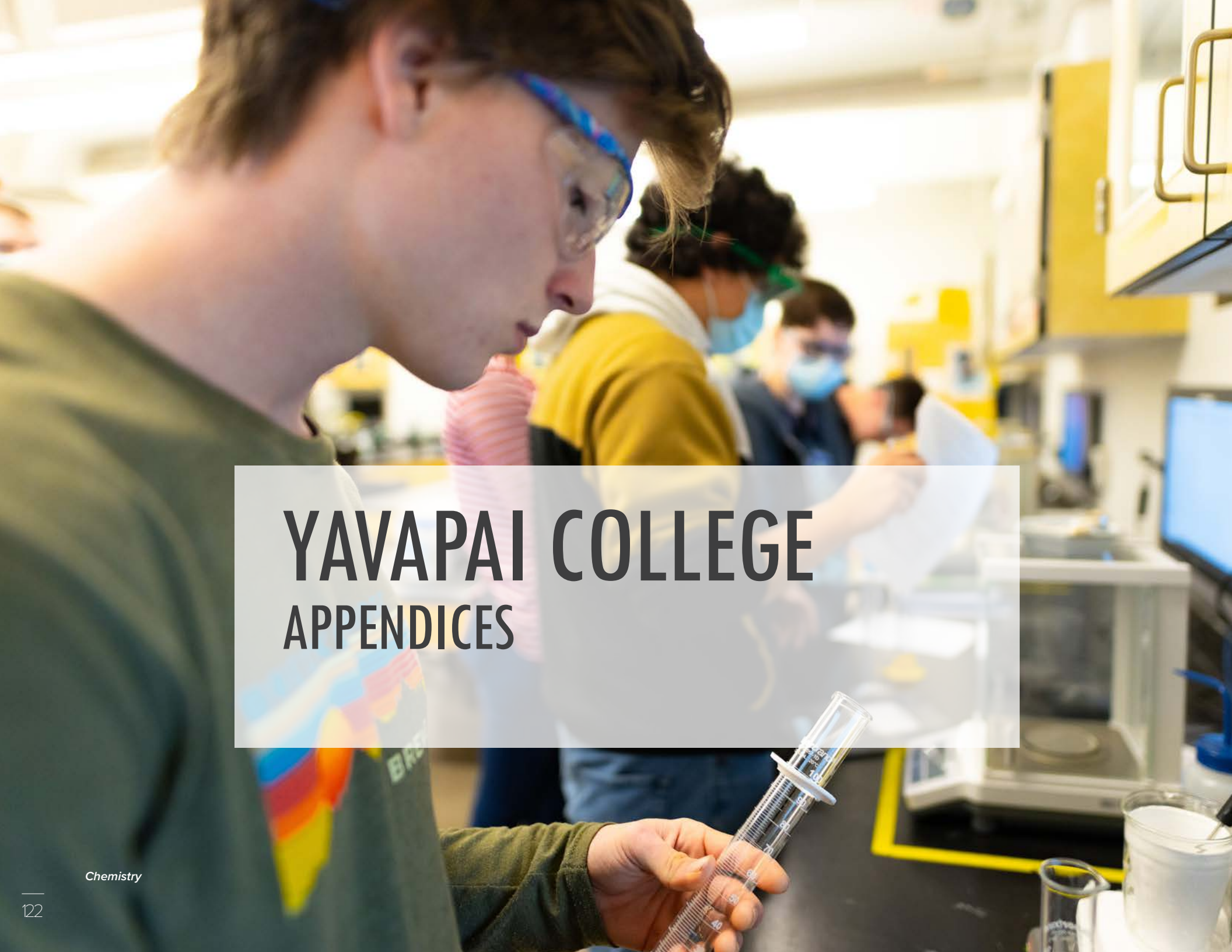
Expenses that do not fit in any of the classifications above are included in this classification.

### 4. OTHER

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

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

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



# YAVAPAI COLLEGE APPENDICES

## STATE BUDGET FORMS

**PUBLIC NOTICE  
YAVAPAI COMMUNITY COLLEGE DISTRICT  
PUBLIC HEARING AND SPECIAL BOARD MEETING NOTICE**

Notice is hereby given to the residents and taxpayers of the Yavapai County Community College District that the District Governing Board will hold a Public Hearing and a Special Board Meeting for consideration of the proposed Budget for the 2023-2024 fiscal year.

The Hearing will be held on Tuesday, May 16, 2023, at 1:00 p.m. at the Yavapai College Prescott Campus - Community Room 19-147, 1100 E. Sheldon Street, Prescott, AZ. A Special Board Meeting for the purpose of adopting the District's 2023-2024 Budget shall be held immediately following the Hearing at the same location.

The Budget will be posted on the Yavapai College website ([www.yc.edu/budget](http://www.yc.edu/budget)) no later than May 1, 2023. Budget data will conform to mandates of law specified in A.R.S. 15-1461 concerning the advertisement and publication of budget information. Yavapai County Community College District is in compliance with primary tax levy limitation for 2023-2024 assessed valuation estimates. It is the intent of the District to be in full compliance with all applicable provisions of A.R.S. 42-17051. When actual 2023 assessed valuation amounts are determined, the District primary tax levy proposed for 2023-2024 will be adjusted, if necessary, to meet legal requirements.

**TRUTH IN TAXATION HEARING  
NOTICE OF TAX INCREASE**

In compliance with section 15-1461.01, Arizona Revised Statutes, Yavapai community college district is notifying its property taxpayers of Yavapai community college district's intention to raise its primary property taxes over last year's level. The Yavapai community college district is proposing an increase in primary property taxes of \$2,553,300 or 5%.

For example, the proposed tax increase will cause Yavapai community college district's primary property taxes on a \$100,000 home to be \$150.84 (total proposed taxes including the tax increase). Without the proposed tax increase, the total taxes that would be owed on a \$100,000 home would have been \$143.66

This proposed increase is exclusive of increased primary property taxes received from new construction. The increase is also exclusive of any changes that may occur from property tax levies for voter approved bonded indebtedness or budget and tax overrides.

All interested citizens are invited to attend the public hearing on the tax increase that is scheduled to be held on Tuesday, May 16, 2023, at 1:00 p.m. at the Yavapai College Prescott Campus - Community Room 19-147, 1100 E. Sheldon Street, Prescott, AZ.

**SUMMARY OF BUDGET DATA**

	Budget 2024	Budget 2023	Increase/Decrease From Budget 2023 To Budget 2024	
			Amount	%
<b>I. CURRENT GENERAL AND PLANT FUNDS</b>				
<b>A. Expenditures:</b>				
Current General Fund	\$ 59,010,200	\$ 54,908,300	\$ 4,101,900	7.5%
Unexpended Plant Fund	18,028,600	9,405,500	8,623,100	91.7%
Retirement of Indebtedness Plant Fund	1,258,600	1,258,100	500	0.0%
<b>TOTAL</b>	<b>\$ 78,297,400</b>	<b>\$ 65,571,900</b>	<b>\$ 12,725,500</b>	<b>19.4%</b>
<b>B. Expenditures Per Full-Time Student Equivalent (FTSE):</b>				
Current General Fund	\$ 18,090 /FTSE	\$ 17,213 /FTSE	\$ 878 /FTSE	5.1%
Unexpended Plant Fund	\$ 5,527 /FTSE	\$ 2,948 /FTSE	\$ 2,578 /FTSE	87.5%
Projected FTSE Count	3,262	3,190		
<b>II. TOTAL ALL FUNDS ESTIMATED PERSONNEL COMPENSATION</b>				
Employee Salaries and Hourly Costs	\$ 42,108,700	\$ 37,875,300	\$ 4,233,400	11.2%
Retirement Costs	4,526,200	4,043,800	482,400	11.9%
Healthcare Costs	4,636,400	4,242,900	393,500	9.3%
Other Benefit Costs	4,123,000	3,779,100	343,900	9.1%
<b>TOTAL</b>	<b>\$ 55,394,300</b>	<b>\$ 49,941,100</b>	<b>\$ 5,453,200</b>	<b>10.9%</b>
<b>III. SUMMARY OF PRIMARY AND SECONDARY PROPERTY TAX LEVIES AND RATES</b>				
<b>A. Amount Levied:</b>				
Primary Tax Levy	\$ 53,650,100	\$ 50,055,100	\$ 3,595,000	7.2%
Property Tax Judgment				
Secondary Tax Levy				
<b>TOTAL LEVY</b>	<b>\$ 53,650,100</b>	<b>\$ 50,055,100</b>	<b>\$ 3,595,000</b>	<b>7.2%</b>
<b>B. Rates Per \$100 Net Assessed Valuation:</b>				
Primary Tax Rate	1.5084	1.5017	0.0067	0.4%
Property Tax Judgment				
Secondary Tax Rate				
<b>TOTAL RATE</b>	<b>1.5084</b>	<b>1.5017</b>	<b>0.0067</b>	<b>0.4%</b>
<b>IV. MAXIMUM ALLOWABLE PRIMARY PROPERTY TAX LEVY FOR FISCAL YEAR 2024 PURSUANT TO A.R.S. §42-17051</b>			\$ 62,462,500	
<b>V. AMOUNT RECEIVED FROM PRIMARY PROPERTY TAXES IN FISCAL YEAR 2023 IN EXCESS OF THE MAXIMUM ALLOWABLE AMOUNT AS CALCULATED PURSUANT TO A.R.S. §42-17051</b>			\$ -	

**BUDGET FOR FISCAL YEAR 2024 RESOURCES**

	CURRENT FUNDS			PLANT FUNDS		Other Funds 2024	Total All Funds 2024	Total All Funds 2023	% Increase/Decrease
	General Fund 2024	Restricted Fund 2024	Auxiliary Fund 2024	Unexpended Plant Fund 2024	Retirement of Indebtedness 2024				
<b>BEGINNING BALANCES-July 1*</b>									
Restricted	\$ -	\$ 4,845,000	\$ -	\$ -	\$ 15,000	\$ -	\$ 4,860,000	\$ 2,847,600	70.7%
Unrestricted	23,929,000	-	110,000	10,241,000	-	-	34,280,000	28,789,600	19.1%
Total Beginning Balances	\$ 23,929,000	\$ 4,845,000	\$ 110,000	\$ 10,241,000	\$ 15,000	\$ -	\$ 39,140,000	\$ 31,637,200	23.7%
<b>REVENUES AND OTHER INFLOWS</b>									
Student Tuition and Fees									
General Tuition	\$ 11,029,000	\$ -	\$ 1,099,300	\$ -	\$ -	\$ -	\$ 12,128,300	\$ 11,227,900	8.0%
Out-of-District Tuition	101,000	-	-	-	-	-	101,000	160,000	-36.9%
Out-of-State Tuition	1,000,000	-	-	-	-	-	1,000,000	820,000	22.0%
Student Fees	491,000	-	-	-	-	-	491,000	420,000	16.9%
Tuition and Fee Remissions or Waivers	275,000	-	-	-	-	-	275,000	300,000	-8.3%
State Appropriations									
Maintenance Support	373,000	-	-	-	-	-	373,000	300,400	24.2%
Equalization Aid	-	-	-	-	-	-	-	-	-
STEM Workforce	-	637,200	-	-	-	-	637,200	611,100	4.3%
Rural Community College Aid	3,654,000	-	-	-	-	-	3,654,000	1,843,400	98.2%
Property Taxes									
Primary Tax Levy	45,369,600	-	-	8,280,500	-	-	53,650,100	50,055,100	7.2%
Secondary Tax Levy	-	-	-	-	-	-	-	-	-
Property Tax Contingency	(150,000)	-	-	(45,000)	-	-	(195,000)	(195,000)	-
Gifts, Grants, and Contracts	406,000	13,105,600	-	-	-	-	13,511,600	13,260,700	1.9%
Sales and Services	-	-	2,788,500	-	-	-	2,788,500	2,564,400	8.7%
Investment Income	300,000	-	-	80,000	-	-	380,000	100,000	280.0%
State shared sales tax (Prop 301)	-	1,300,000	-	-	-	-	1,300,000	1,250,000	4.0%
Smart and Safe Arizona Act (Prop 207)	-	2,500,000	-	-	-	-	2,500,000	2,000,000	25.0%
Other Revenues	512,000	-	1,064,400	40,000	-	-	1,616,400	1,366,600	18.3%
Proceeds from Sale of Bonds	-	-	-	-	-	-	-	-	-
Total Revenues and Other Inflows	\$ 63,360,600	\$ 17,542,800	\$ 4,952,200	\$ 8,355,500	\$ -	\$ -	\$ 94,211,100	\$ 86,084,600	9.4%
<b>TRANSFERS</b>									
Transfers In	-	-	2,008,900	4,310,600	1,256,400	-	7,575,900	4,208,200	80.0%
(Transfers Out)	(7,175,000)	-	(400,900)	-	-	-	(7,575,900)	(4,208,200)	80.0%
Total Transfers	(7,175,000)	-	1,608,000	4,310,600	1,256,400	-	-	-	-
Reduction for amounts reserved for future budget year expenditures:									
Maintained for future financial stability	(20,500,000)	-	-	(4,800,000)	-	-	(25,300,000)	(20,800,000)	22%
Maintained for future capital acquisitions/projects	-	(1,500,000)	-	-	-	-	(1,500,000)	(5,000,000)	-70.0%
Maintained for future debt retirement	-	-	-	-	-	-	-	-	-
Maintained for grants or scholarships	-	-	-	-	-	-	-	-	-
<b>Total Resources Available for the Budget Year</b>	<b>\$ 59,614,600</b>	<b>\$ 20,887,800</b>	<b>\$ 6,670,200</b>	<b>\$ 18,107,100</b>	<b>\$ 1,271,400</b>	<b>\$ -</b>	<b>\$ 106,551,100</b>	<b>\$ 91,921,800</b>	<b>15.9%</b>

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

**EXPENDITURES AND OTHER OUTFLOWS**

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

**EXPENDITURES AND OTHER OUTFLOWS**

Instruction  
 Public Service  
 Academic Support  
 Student Services  
 Institutional Support (Administration)  
 Operation and Maintenance of Plant  
 Scholarships  
 Auxiliary Enterprises  
 Capital Assets/Maintenance  
 Debt service—general obligation bonds  
 Debt service—other long term debt  
 Other Expenditures  
 Property tax judgments  
 Contingency

Total Expenditures and Other Outflows

	CURRENT FUNDS			PLANT FUNDS		Other Funds 2024	Total All Funds 2024	Total All Funds 2023	% Increase/Decrease
	General Fund 2024	Restricted Fund 2024	Auxiliary Fund 2024	Unexpended Plant Fund 2024	Retirement of Indebtedness 2024				
	\$ 59,614,600	\$ 20,887,800	\$ 6,670,200	\$ 18,107,100	\$ 1,271,400	\$	\$ 106,551,100	\$ 91,921,800	15.9%
Instruction	\$ 21,652,400	\$ 7,949,400	\$ 384,000	\$	\$	\$	\$ 29,985,800	\$ 27,208,400	10.2%
Public Service	12,400	2,592,800	1,381,000				3,986,200	2,771,600	43.8%
Academic Support	5,663,900	-					5,663,900	5,465,600	3.6%
Student Services	10,015,100	1,422,000	1,021,400				12,458,500	11,684,500	6.6%
Institutional Support (Administration)	12,403,400	-					12,403,400	11,483,400	8.0%
Operation and Maintenance of Plant	7,192,400	18,400					7,210,800	6,939,900	3.9%
Scholarships	1,440,600	7,260,200					8,700,800	9,625,400	-9.6%
Auxiliary Enterprises			2,504,800				2,504,800	1,921,700	30.3%
Capital Assets/Maintenance				17,266,100			17,266,100	8,643,000	99.8%
Debt service—general obligation bonds					1,256,400		1,256,400	1,256,600	0.0%
Debt service—other long term debt					2,200		1,171,200	1,170,500	0.1%
Other Expenditures			1,169,000				1,171,200	1,170,500	0.1%
Property tax judgments									
Contingency	630,000		100,000	762,500			1,492,500	1,392,500	7.2%
<b>Total Expenditures and Other Outflows</b>	<b>\$ 59,010,200</b>	<b>\$ 19,242,800</b>	<b>\$ 6,560,200</b>	<b>\$ 18,028,600</b>	<b>\$ 1,258,600</b>	<b>\$</b>	<b>\$ 104,100,400</b>	<b>\$ 89,563,100</b>	<b>16.2%</b>



Automotive



Aquaculture Program



Unmanned Aircraft Systems



Sculpture Welded Metal





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More information can be found on the college's website: [www.yc.edu/budget](http://www.yc.edu/budget)