

Yavapai College
District Governing Board
Regular Meeting

Tuesday, May 21, 2024

Immediately following adjournment of Budget Adoption Meeting (estimated time
3:00 p.m.).

The meeting location will be open to the public at 12:45 p.m. at the latest.

Livestream Link:

<https://www.youtube.com/user/YavapaiCollege>

Prescott Campus
The Community Room 19-147
1100 E. Sheldon Street
Prescott, Arizona 86301

Members Present:

Ms. Deb McCasland, Board Chair

Mr. Chris Kuknyo, Secretary

Mr. Ray Sigafos, Board Member

Mr. Steve Bracety, Board Member

Mr. Toby Payne, Board Member

Administration Present:

Dr. Lisa B. Rhine, President

Atty. Lynne Adams, Board Attorney

Ms. Yvonne Sandoval, Executive Assistant

Ms. Deanne Petty, DGB Coordinator

MINUTES

<https://yavapai.hosted.panopto.com/Panopto/Pages/Viewer.aspx?id=da5e0b4e-f7b9-4598-89c8-b178000ff70e>

1. General Functions: Procedural
 - a. Call to Order {Time: 1}

Chair McCasland called the Yavapai College District Governing Board Regular Meeting to order at 3:08 p.m.

- b. Pledge of Allegiance {Time: 1}

The Pledge of Allegiance was led by Dr. Rhine.

- c. Adoption of Agenda – **DECISION** {Time: 1}

Member Bracety moved, seconded by Member Sigafos, to adopt the agenda. Motion carried unanimously (Ayes: McCasland, Kuknyo, Sigafos, Bracety and Payne).

2. Study Session

- a. Yavapai College Revenue Bond – Dr. Clint Ewell, Mr. Nick Dodd, Managing Director at Raymond James Public Finance/Debt Investment Banking and Mr. Timothy A. Stratton Managing Partner at The Stratton Law Firm -
INFORMATION AND DISCUSSION {Time: 15}

Recorded discussion and comments are available and begin at 2:13:41.

Dr. Clint Ewell introduced Mr. Nick Dodd and Mr. Timothy A. Stratton. He further asked the board to modify the agenda to allow for item “3.a. Consideration and Action on a Bond Resolution Authorizing the Issuance of Revenue Bonds to Fund Various Capital Projects of the District” to be considered immediately after this agenda item. Chair McCasland stated that she would accept that change unless there was opposition from the board.

Member Sigafos moved, seconded by Member Bracety, to approve the change of agenda request and to consider agenda item 3.a immediately after this item. Motion carried unanimously (Ayes: McCasland, Kuknyo, Sigafos, Bracety and Payne).

Mr. Dodd detailed the legislative review process, repayment sources, and financial governance for revenue bonds, highlighting Yavapai College’s history with such bonds and upcoming repayments. In response to a board question, Mr. Stratton clarified that Arizona community colleges can issue bonds independently without an IDA and discussed the revenue categories pledged for the bond. Mr. Dodd provided insights into gross revenues, existing debt, and the benefits to investors from new bond sales, along with the debt service coverage ratio, indicating strong repayment prospects. Member Sigafos’s inquiry about bond trade differences was addressed by Mr. Dodd and Mr. Stratton. Mr. Stratton also discussed annual debt service limits and key documents in the board package.

Mr. Stratton outlined public disclosure requirements under SEC regulations, including the posting of annual financial statements on a website called EMMA, which serves as the repository for municipal bond information. He emphasized the importance of adhering to IRS guidelines for tax-exempt bonds. Mr. Dodd then presented on interest rate trends and market stability, illustrating historical interest rate trends, recent increases, and the effects of federal fiscal policies, financial crises, and COVID-19. He emphasized the relative stability of tax-exempt bond rates and the market's reduced volatility.

Mr. Dodd also addressed legal documents, interest rate fluctuations, and the College’s credit ratings for revenue and general obligation bonds, explaining the role of municipal bond insurance. Member Payne inquired about project parameters and the status of building M, with Mr. Stratton and Dr. Ewell providing clarifications on project completion, fund reallocation, and reimbursement regulations.

3. Board Business

- a. Consideration and Action on a Bond Resolution Authorizing the Issuance of Revenue Bonds to Fund Various Capital Projects of the District – Dr. Clint Ewell – **INFORMATION, DISCUSSION, and DECISION** {Time: 10} (*Attached*)

Chair McCasland explained that revenue bonds are a financial tool used to fund updates and services for College buildings and structures without imposing a burden on taxpayers. Dr. Ewell acknowledged this clarification and confirmed that the financing would rely solely on non-tax dollars. Secretary Kuknyo inquired about other revenue sources, to which Dr. Ewell responded that the funds would come strictly from fees and tuition. Member Sigafos, leveraging his expertise as an accountant, elaborated on the money source and usage process, seeking confirmation from Dr. Ewell, who affirmed the accuracy of his explanation.

Member Sigafos moved, seconded by Member Bracety, to approve the Bond Resolution Authorizing the Issuance of Revenue Bonds to Fund Various Capital Projects of the District, as presented. Motion carried 4:1 (Ayes: McCasland, Kuknyo, Sigafos, and Bracety; Nays: Payne).

2. Study Session

- b. President's Reports - Dr. Lisa Rhine - **INFORMATION** {Time: 60}
 - i. 2024 Yavapai College Faculty Emeritus – Dr. Douglas Berry, Provost (*Attached*)

Recorded discussion and comments are available and begin at 2:42:26.

Dr. Berry outlined the process for faculty to achieve emeritus status, which includes being nominated by two College members and meeting specific criteria. Dr. Berry then recognized Dr. Amy Ilona Stein for her 34 years of service, her efforts in accreditation, her teaching, and community engagement. Dr. Berry congratulated her on achieving emeritus status. Dr. Berry also introduced Dr. Beth Boyd, highlighting her teaching in chemistry and geology, her extensive rock collection, and her contributions to the community, and congratulated her on achieving emeritus status as well. Chair McCasland expressed gratitude for the opportunity to acknowledge the significant contributions of both faculty members.

- iii. Budget to Actual Monthly Report and Cash Reserves Monthly Report (*Attached*)

There were no comments or questions about the reports.

- c. Yavapai College District Governing Board – Rock House Updates – Dr. Clint Ewell, Vice President of Finance - **INFORMATION AND DISCUSSION** {Time: 15} (*Attached*)

Recorded discussion and comments are available and begin at 2:45:46.

Due to Dr. Ewell's temporary absence from the meeting at the time of this agenda item, Mr. David Laurence, Facilities Director, filled in for this presentation. Mr. Laurence provided an update on the Rock House Project, known as the ACCC

project, which focuses on acoustics, capacity, comfort, and communication. He discussed the status of HVAC units, sound damping orders, and communication technology improvements, along with the project's total cost and room reverb time. Mr. Gray mentioned engaging a consultant and plans for soundproofing and technology upgrades. Secretary Kuknyo raised the issue of similar improvements on the other side of the mountain, where Mr. Gray explained the impracticality of building a dedicated space like the Rock House in the Verde Valley due to infrequent meetings and instead proposed improved communication and recording systems for those meetings. Ms. Sandoval inquired about modifications to the Rock House board table, to which Mr. Gray responded that changes would be minimal. Mr. Gray further explained there would be a new presenter station accommodating three people instead of two. Member Payne asked about the progress on the Verde Valley Pavilion, which led to a brief discussion on the execution of the purchase order for the Pavilion. This discussion did not continue after advice from Attorney Adams that the items was not on the agenda. Mr. Laurence highlighted the costs associated with spiral ductwork and remodeling. Member Sigafos asked for clarification that the discussion was informational and not for voting, and Chair McCasland confirmed it was just for informational purposes. Member Sigafos indicated he was asking as he was unsure about the project's impact on the budget, to which Mr. Laurence responded that the current fiscal year funds would be used. The Board thanked the team for their efforts and expressed appreciation for the updates.

- d. Board Liaisons' Reports - **INFORMATION AND DISCUSSION** {Time: 10}
 - i. Board Spokesperson – Board Chair McCasland
 - ii. Arizona Association of Community College Trustee (AACCT) – Board Chair McCasland
 - iii. Yavapai College Foundation – Board Member Bracety

Recorded discussion and comments are available and begin at 2:53:14.

Chair McCasland shared her recent public engagements. She emphasized activities related to the Arizona Association Community College Trustees' meeting and the positive impact on students and families from attending various College ceremonies and events. She asked Member Sigafos to give a summary on what occurred at the recent AACCT meeting, as no other members were able to attend. Member Sigafos recounted discussions from the meeting, particularly focusing on artificial intelligence and a pertinent tax law case.

Member Bracety reported on the College Foundation's annual luncheon, noting significant fundraising achievements and changes in board leadership.

Secretary Kuknyo expressed gratitude to the staff for effectively countering misinformation about the library and books on social media. Chair McCasland also highlighted the efforts to provide accurate information regarding the College's budget and taxation issues to the public.

- e. Dates and Time of Future Meetings and Events - **INFORMATION AND DISCUSSION** {Time: 5}

- i. 2023-2024 Dates, Times, and Places of Future Board Meetings, Workshops, and Retreats (*Attached*)
- ii. 2023-2024 Dates, Times, and Places of Future College Events (*Attached*)
- iii. 2023-2024 Dates, Times, and Places of Future National, State, and Local Conferences (*Attached*)

Recorded discussion and comments are available and begin at 3:01:17.

Executive Assistant, Ms. Yvonne Sandoval, reviewed the future meetings, College events, and conference dates. She also made an announcement that the Board Self-Assessment was sent out to the board for completion. She further explained that she will send out a reminder to complete the assessment, as it has to be completed prior to next Tuesday's Workshop meeting.

3. Board Business

- b. Consent Agenda – **DECISION** {Time: 5}
 - i. Board Regular Meeting Minutes – Tuesday, April 23, 2024 (*Attached*)
 - ii. Receipt of Report on Revenues and Expenditures for April 2024 (*Attached*)
 - iii. Intergovernmental Grant Agreement with State of Arizona – The Office of the Governor (*Attached*)
 - iv. Intergovernmental Agreement with Northern Arizona Regional Training Academy Sergeant (*Attached*)
 - v. Intergovernmental Agreement with Mountain Institute Career Technical Education District No. 2 for Culinary Building Construction/Renovation (*Attached*)
 - vi. Yavapai College's Presentation Proposal Letter to the 2024 Association of Community College Trustees Leadership Congress (*Attached*)
 - vii. Yavapai College's Faculty Member Nomination Letter to the 2024 Association of Community College Trustees Leadership Congress (*Attached*)

Recorded discussion and comments are available and begin at 3:03:32.

Member Payne moved, seconded by Secretary Kuknyo, to approve the Consent Agenda. Motion carried unanimously (Ayes: McCasland, Kuknyo, Sigafos, Bracety and Payne).

- d. Executive Session
 - viii. A.R.S. §38-431.03(A)(1), Review of President's Annual Evaluation, Compensation, and Employment Agreement – Attorney Lynne Adams – **PROCEDURAL** {Time: 90}

Member Bracety moved, seconded by Member Sigafos, to go into Executive Session pursuant to A.R.S. §38-431.03(A)(1), Review of President's Annual Evaluation, Compensation, and Employment Agreement. Motion carried unanimously (Ayes: McCasland, Kuknyo, Sigafos, Bracety and Payne).

Secretary Kuknyo asked Attorney Adams to explain the reason for an executive session for this item because it has been portrayed as a secret meeting. Attorney Adams indicated that for employee matters, the board may meet in executive session, but it is the employee's purview, as it is their privacy interest in both their employment and evaluation that is being protected by meeting outside of a public meeting.

- e. Convene in Public Session
 - ix. Possible Action: President's Evaluation and Consideration of President's Contract, as the Result of Executive Session – Attorney Lynne Adams – **DECISION** {Time: 5}

The Board reconvened in public session at 5:23 p.m.

Recorded discussion and comments are available and begin at 3:07:21.

Member Bracety moved, seconded by Member Sigafos, to extend Dr. Rhine's contract for another year, extending it to June 30, 2029. Motion carried unanimously (Ayes: McCasland, Kuknyo, Sigafos, Bracety, and Payne).

Member Payne moved, seconded by Member Sigafos, to increase Dr. Rhine's salary by 10.2% for the next fiscal year. Motion carried 4:1 (Ayes: McCasland, Sigafos, Bracety, and Payne; Nays: Kuknyo).

- 3. Adjournment of Board Regular Meeting: Procedural - **DECISION** {Time: 1}

Member Sigafos moved, seconded by Member Bracety, to adjourn the Regular Meeting. Motion carried unanimously (Ayes: McCasland, Kuknyo, Sigafos, Bracety, and Payne).

Regular Meeting adjourned at 5:25 p.m.

Respectfully submitted:



Deanne K. Petty, Recording Secretary



Date



Ms. Deb McCasland, Board Chair



Mr. Chris Kuknyo, Secretary