

Yavapai College District Governing Board

Workshop

Friday, February 24, 2023

9:00 a.m.

Rock House



Yavapai
COLLEGE

DISTRICT GOVERNING BOARD

1. General Functions: Procedural

a. Call to Order

b. Adoption of Agenda - **DECISION**

2. Board Business

a. Executive Session

- i. Pursuant to A.R.S. §38-431.03(A)(7),
Discussion and Consultation with College
Representatives Regarding Potential Purchase
of Real Property in Yavapai County near
Prescott Valley - **PROCEDURAL**

2. Board Business

a. Executive Session

- ii. Pursuant to A.R.S. §38-431.03(A)(7),
Discussion and Consultation with College
Representatives Regarding Potential Lease of
Real Property in Yavapai County near Verde
Valley - **PROCEDURAL**

2. Board Business

b. Reconvene in Public Session

- i. Possible Action: Confirm Instructions to College Representatives Regarding Negotiations for Potential Purchase of Real Property in Yavapai County near Prescott Valley, as the Result of Executive Session - **DECISION**

2. Board Business

b. Reconvene in Public Session

- ii. Possible Action: Confirm Instructions to College Representatives Regarding Negotiations for Potential Purchase of Real Property in Yavapai County near Prescott Valley, as the Result of Executive Session - **DECISION**

3. Study Session

- a. Overview of Arizona Economy – Dr. George W. Hammond, Director of the Economic and Business Research Center – Eller College of Management at The University of Arizona -

INFORMATION AND DISCUSSION



Arizona's Economy Remains Resilient

George Hammond

Director
Economic and Business Research Center
Eller College of Management
The University of Arizona
ghammond@arizona.edu

Yavapai College
February 24, 2023



Eller College
of Management

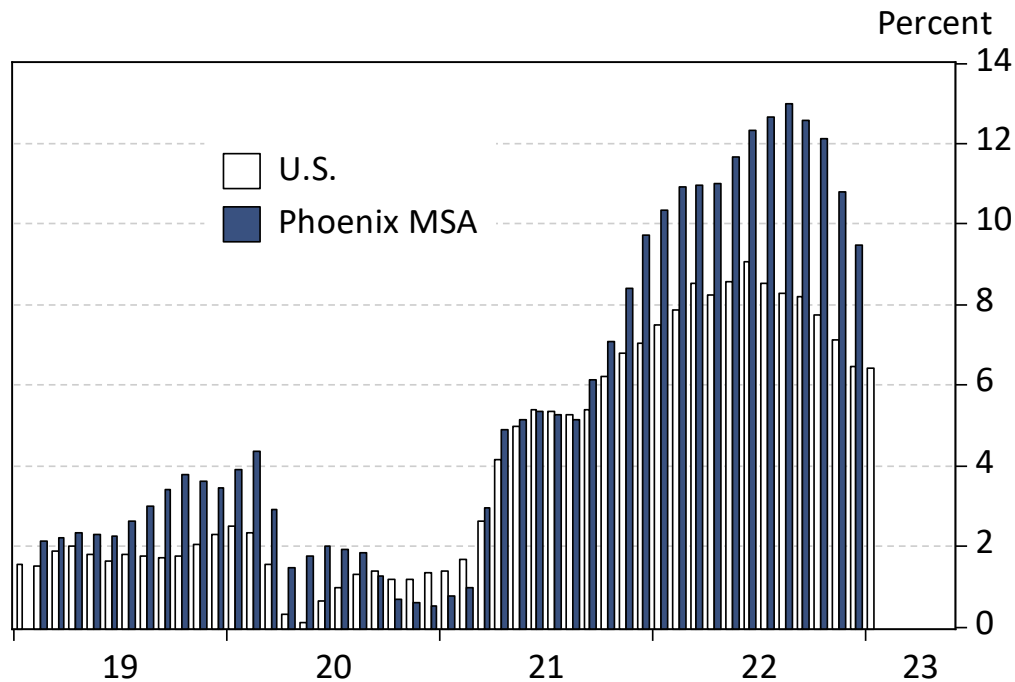


Key Topics

- ▶ **Phoenix inflation shows early signs of deceleration**
 - ▶ But prices are still rising much faster than nationally
- ▶ **Housing affordability was dismal again in the fourth quarter**
- ▶ **Arizona's unemployment rate is low**
 - ▶ But labor market churn, wage growth, and open jobs are high
- ▶ **Baseline forecast calls for significantly slower growth in Arizona**
 - ▶ U.S. forecast assumes a mild recession

Phoenix Inflation Is Outpacing the U.S.

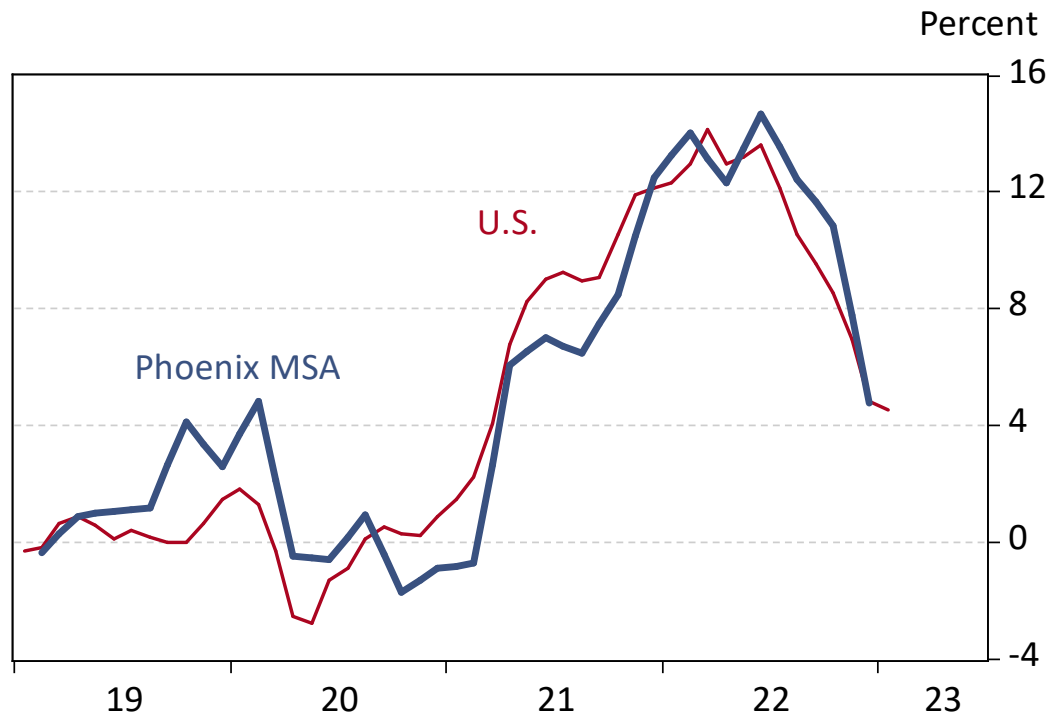
All-Items CPIU, Over the Year



	December 2022
U.S.	6.5%
Phoenix	9.5%

It's Not Because of Commodities Inflation

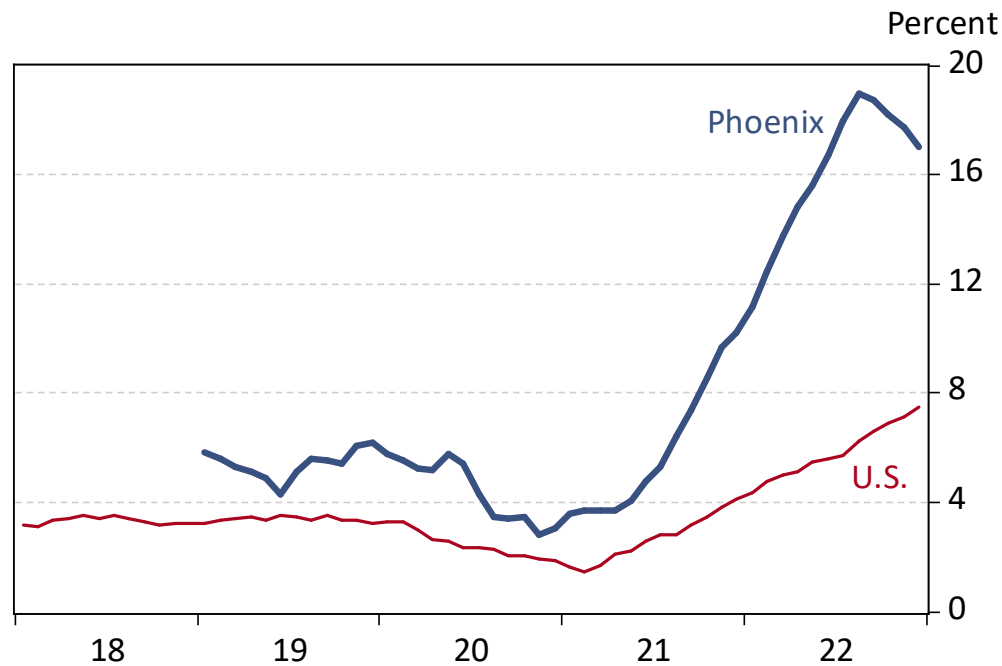
Commodities CPIU, Over the Year



	December 2022
U.S.	4.8%
Phoenix	4.8%

Phoenix Shelter Inflation Far Above U.S.

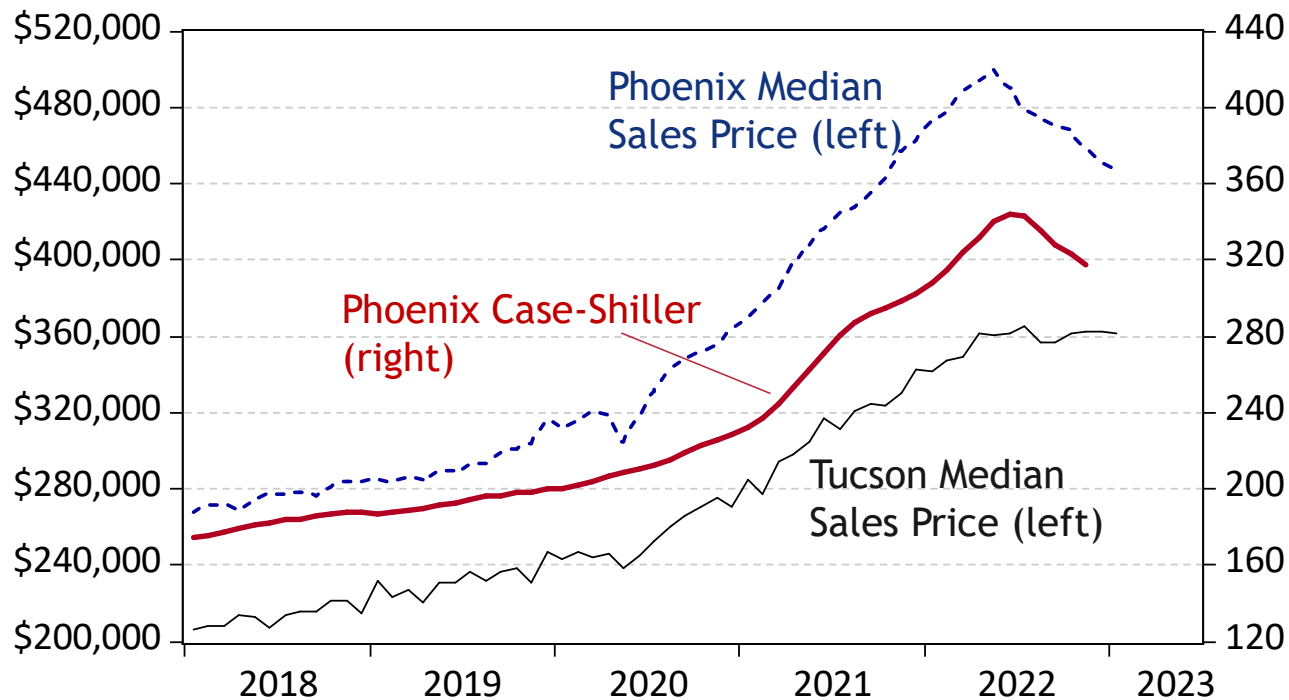
Shelter CPIU, Over the Year



	December 2022
U.S.	7.5%
Phoenix	17.0%

House Prices Have Begun to Drop

Phoenix and Tucson



Median House Price

	Tucson	Phoenix
Jan. 2022	\$334,500	\$464,710
Jan. 2023	\$350,000	\$439,900
%change	6.0%	-5.3%

Phoenix median sales price is down **13.7%** from May peak.
Tucson median sales price is down **5.4%** from June/July peak.



Measuring House Prices

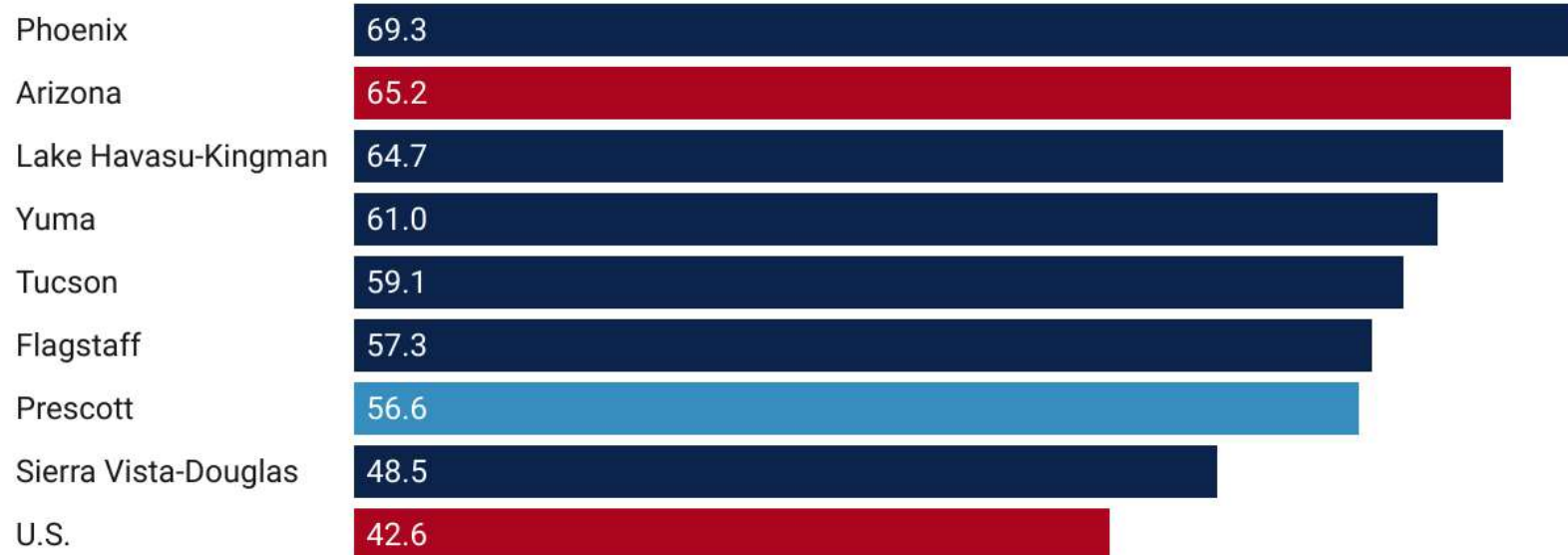
Federal Housing Finance Agency (fhfa.gov)

- ▶ **The time trend of median house prices can be influenced in important ways by shifts in the value of homes sold in a given period**
- ▶ **FHFA indexes measure average price changes in repeat sales or refinancings on the same properties over time.**
 - ▶ Uses single-family properties whose mortgages have been purchased or securitized by Fannie Mae or Freddie MAC.
 - ▶ Misses sales of homes whose mortgages do not conform (loans above \$647k).



House Prices Have Risen Rapidly

Arizona Metropolitan Areas, All-Transactions House Price Appreciation Over-the-Year Growth, Third Quarter 2019-Third Quarter 2022



fhfa.gov



Housing Affordability Trends

NAHB-Wells Fargo

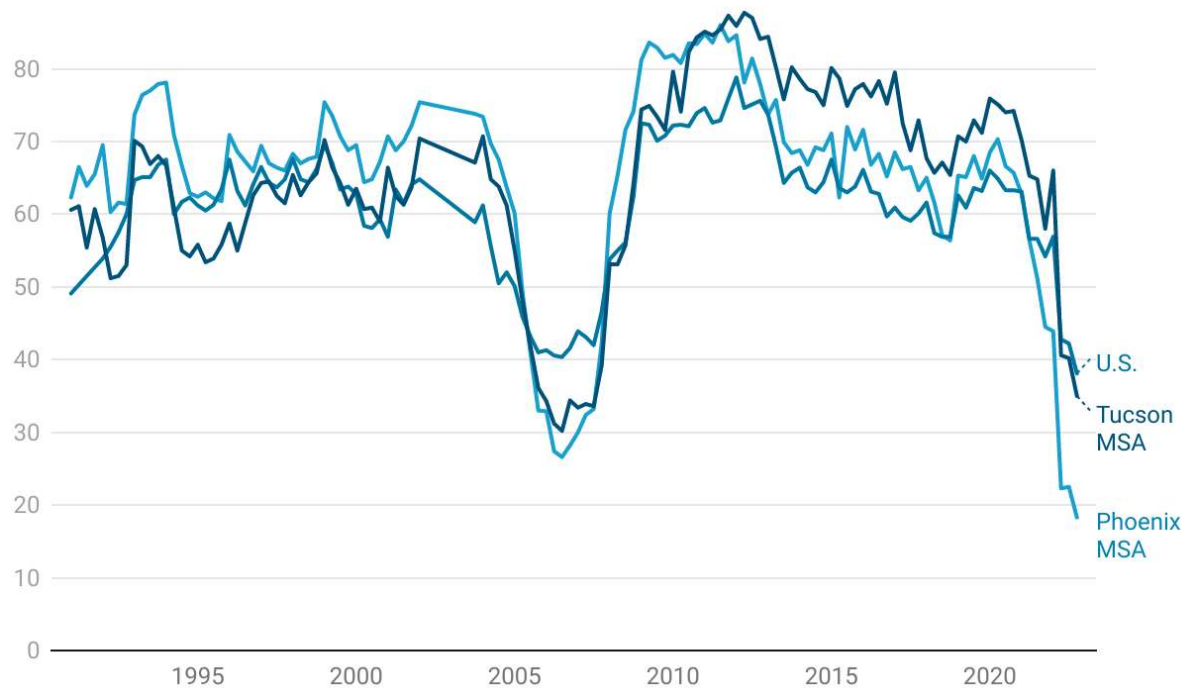
▶ NAHB-Wells Fargo Housing Opportunity Index

- ▶ The share of homes sold in that area that would have been affordable to a family earning the local median income, based on standard mortgage underwriting criteria
 - ▶ Median family income, from Census Bureau, is substantially higher than median household income
 - ▶ Family spends 28% of gross income on housing
 - ▶ Home sales data from CoreLogic
 - ▶ 30-year fixed mortgage, 10% down
 - ▶ Includes estimated property taxes and property insurance, but not mortgage insurance



Housing Affordability Trends

NAHB-Wells Fargo



The share of homes sold that are affordable to a family making the median income.

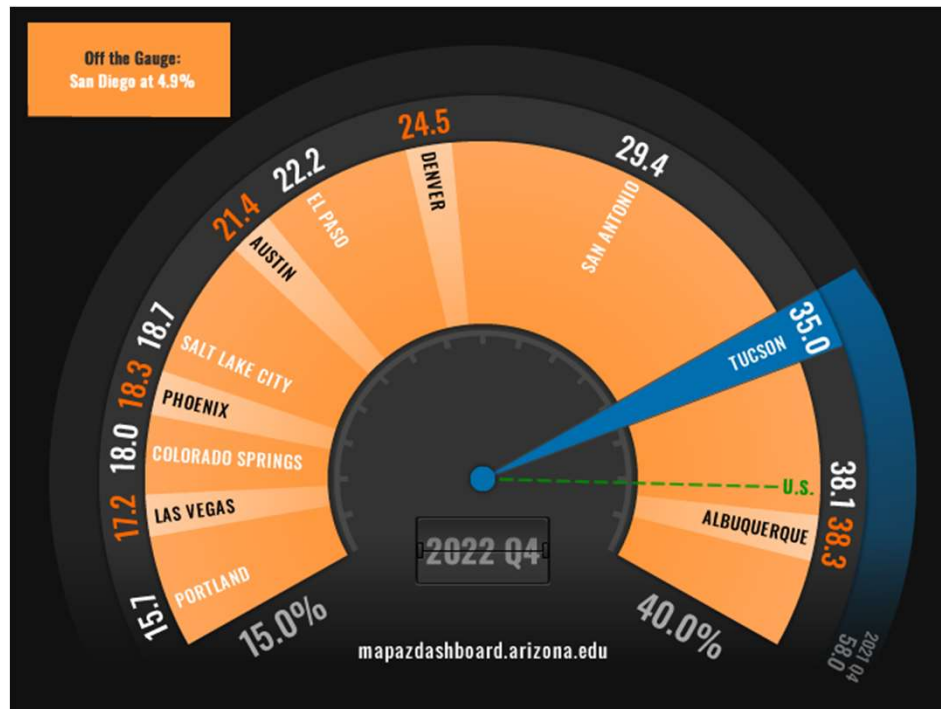
	Phx	Tus	U.S.
2019Q4	64.9	71.2	63.2
2020Q4	65.7	74.2	63.3
2022Q1	43.9	66.0	56.9
2022Q2	22.3	40.6	42.8
2022Q3	22.5	40.2	42.2
2022Q4	18.3	35.0	38.1



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Housing Affordability

NAHB-Wells Fargo

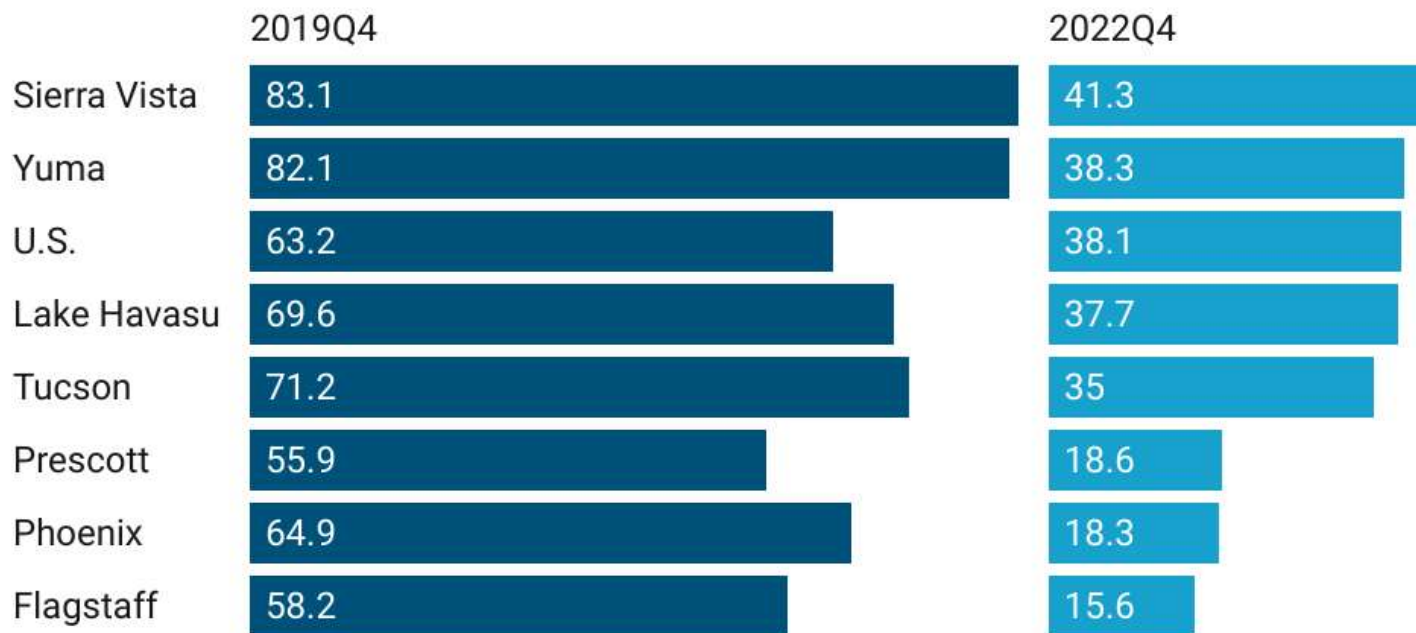


	2019Q4	2022Q4
Los Angeles	11.3	2.2
San Francisco	12.3	4.9
San Jose	20.6	7.3
Seattle	44.3	18.0
U.S.	63.2	38.1

The share of homes sold that are affordable to a family making the median income.

Housing Affordability

NAHB-Wells Fargo



The share of homes sold that are affordable to a family making the median income.

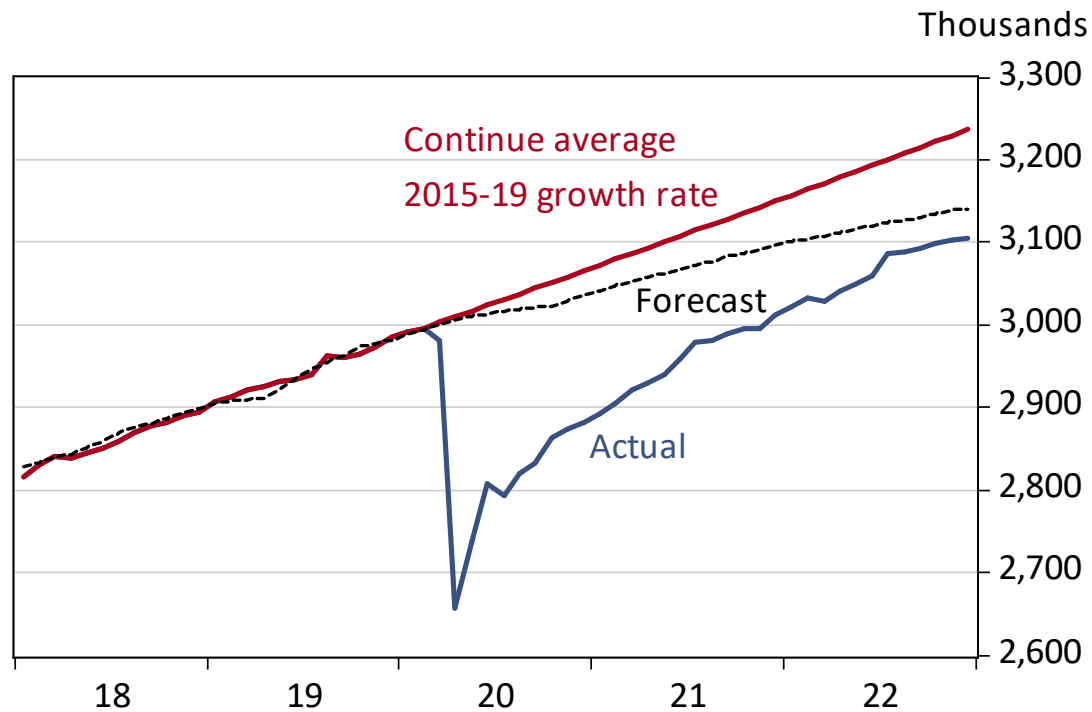


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Arizona Nonfarm Payroll Jobs

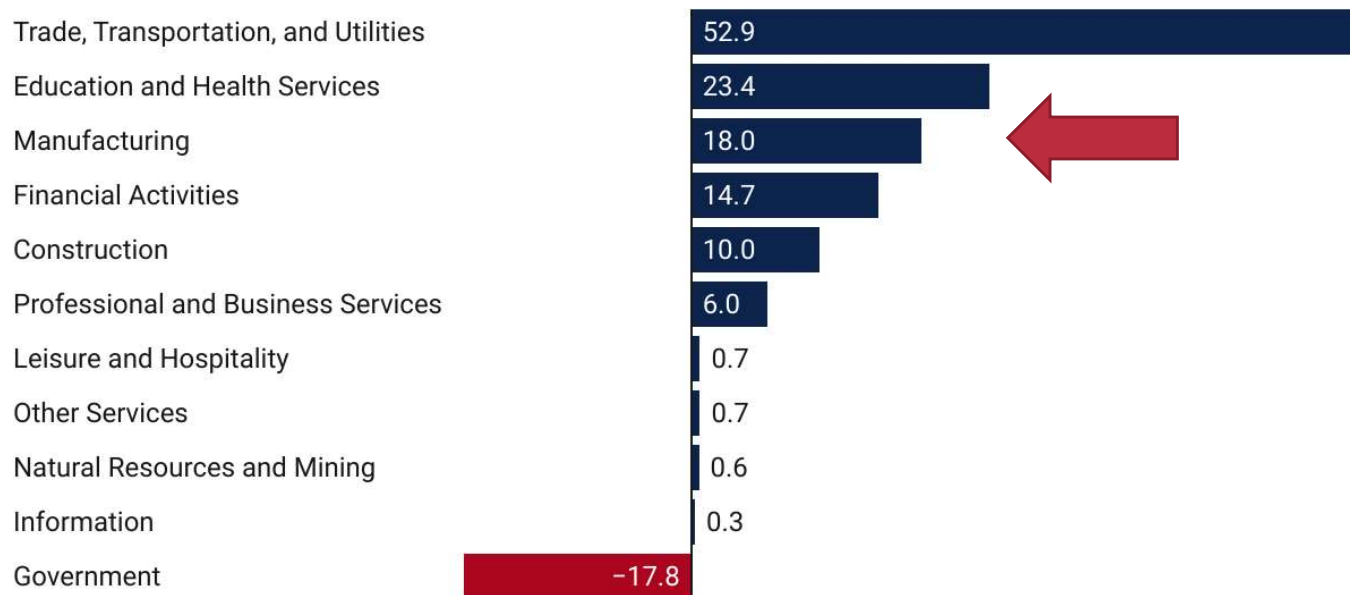
Seasonally Adjusted, Through December 2022

Arizona jobs are 131,000 below their pre-pandemic trend, but 35,000 below the first quarter 2020 prediction.



Arizona Jobs by Industry

Change from February 2020 to December 2022
Thousands, Seasonally Adjusted



Arizona Jobs Recovery by Metro Area

Thousands, Seasonally Adjusted

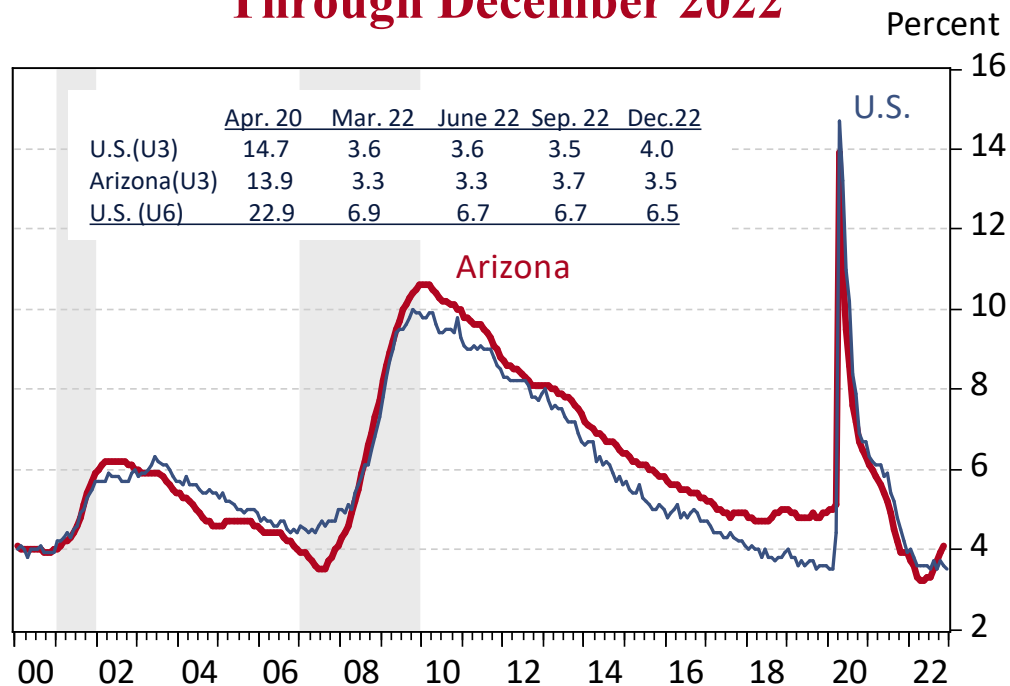
	Jobs Lost (000s)	Jobs Gained (000s)	Replacement Rate (%)
	Feb.-April 2020	April 2020-Dec. 2022	December 2022
Flagstaff	-12.8	14.4	112.5
Lake Havasu City-Kingman	-6.1	8.9	145.9
Phoenix	-249.7	347.9	139.3
Prescott	-8.9	12.1	136.0
Sierra Vista-Douglas	-2.2	1.8	81.8
Tucson	-45.5	45.4	99.8
Yuma	-5.9	7.7	130.5
Arizona	-338.7	448.2	132.3
U.S.	-21,991.0	23,230.0	105.6

Arizona's Labor Market Is Tight

Arizona and U.S. Unemployment Rates, Seasonally Adjusted, Through December 2022

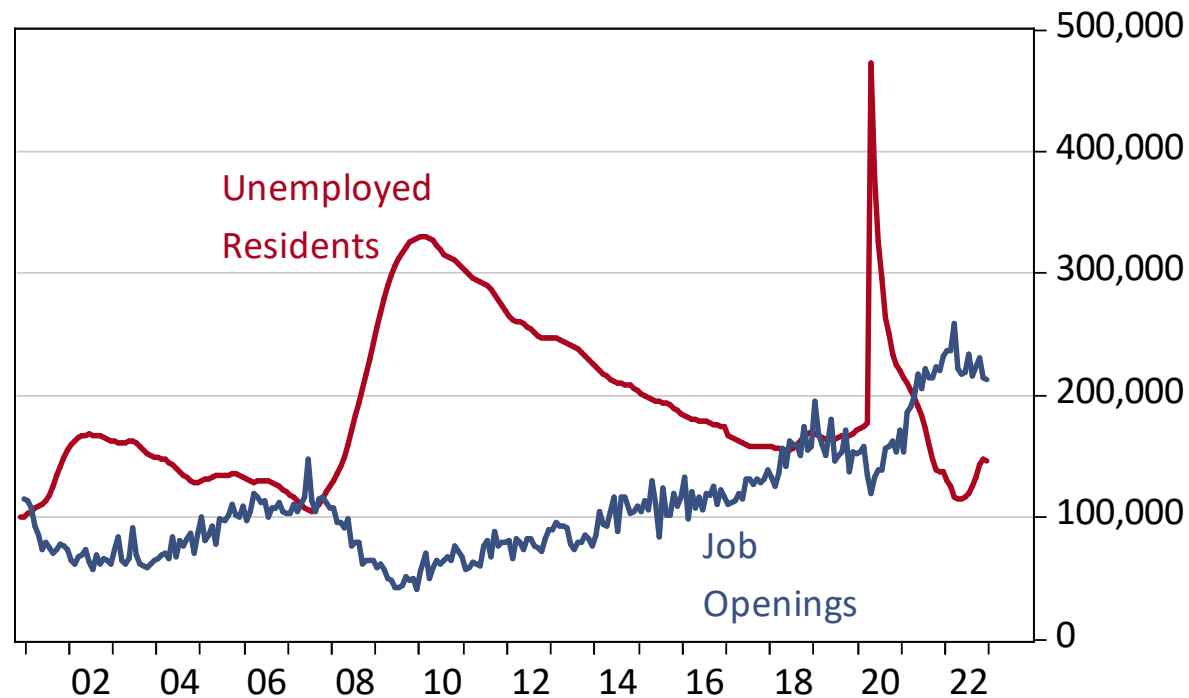
Arizona's preliminary unemployment rate in May was the lowest on record since 1976.

U3 is the official rate. U6 is a broad measure including marginally attached workers and those working part-time for economic reasons.



Arizona's Labor Market Is Tight

Arizona Job Openings and Unemployed Residents, Seasonally Adjusted



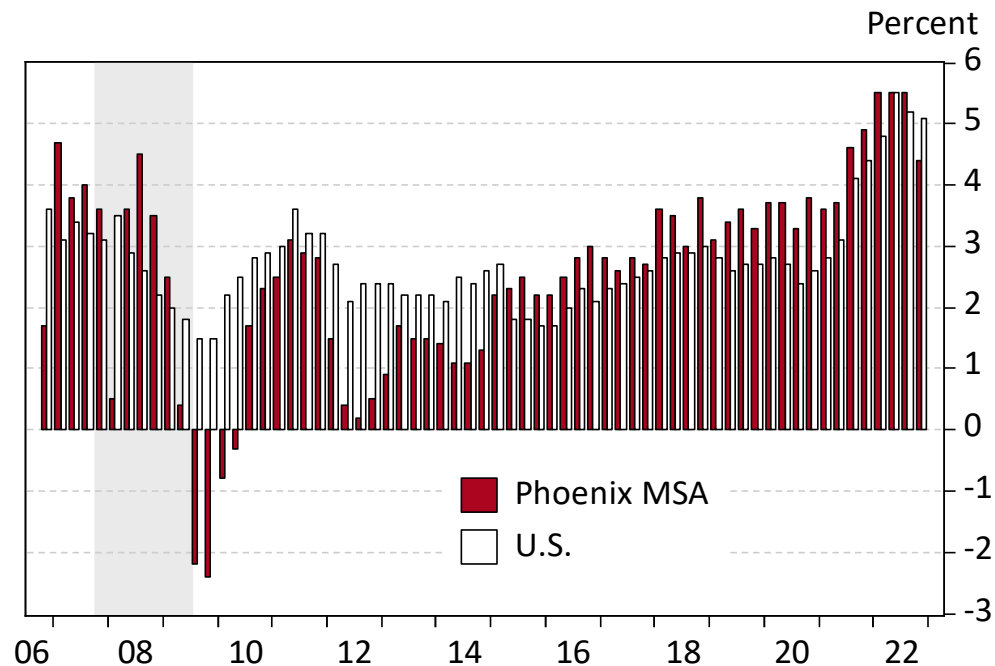


Employment Cost Index

- ▶ **There are many measures of labor income**
 - ▶ **The pandemic has distorted some of the common measures**
 - ▶ Like headline average wages per job (total wages paid divided by total jobs) and headline average hourly wages
 - ▶ Detailed industry breakdowns can help
 - ▶ **The Employment Cost Index is less subject to these problems because it is adjusted to account for shifts of workers across industries and occupations**
 - ▶ Total compensation and wages & salaries
 - ▶ Data show over-the-year changes by quarter
 - ▶ Available for large metropolitan areas, including Phoenix

Employment Cost Index

Total Private-Sector Compensation for U.S. and Phoenix MSA



Year-Over-Year Percent Change

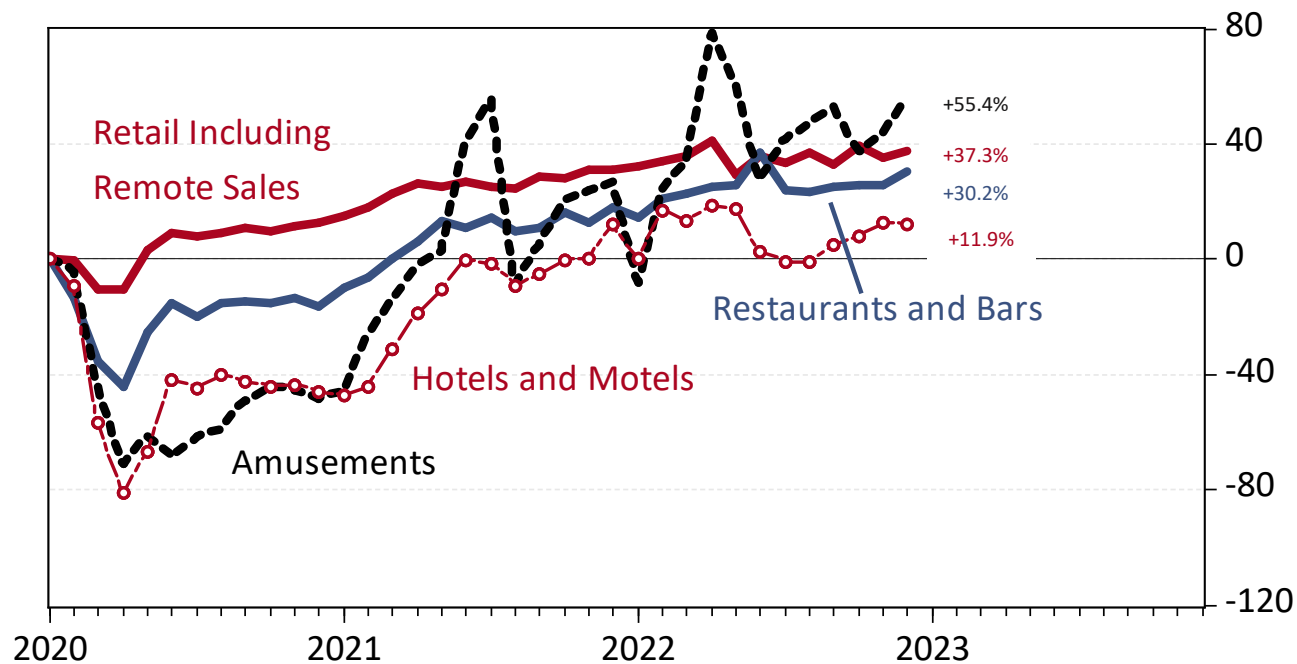
	Arizona	U.S.
2021Q1	3.6	2.8
2021Q2	3.7	3.1
2021Q3	4.6	4.1
2021Q4	4.9	4.4
2022Q1	5.5	4.8
2022Q2	5.5	5.5
2022Q3	5.5	5.2
2022Q4	4.4	5.1

https://www.bls.gov/regions/west/news-release/employmentcostindex_phoenix.htm

Arizona Taxable Sales

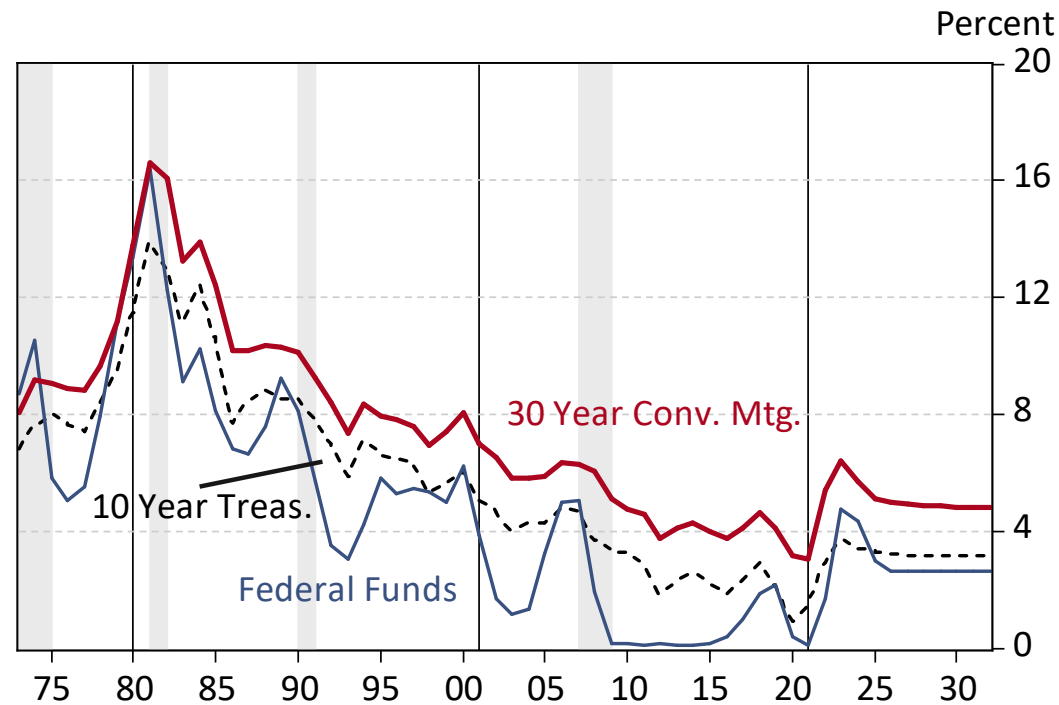
Relative to January 2020, Seasonally Adjusted, Accrual

Percent Change from January 2020



U.S. Interest Rates

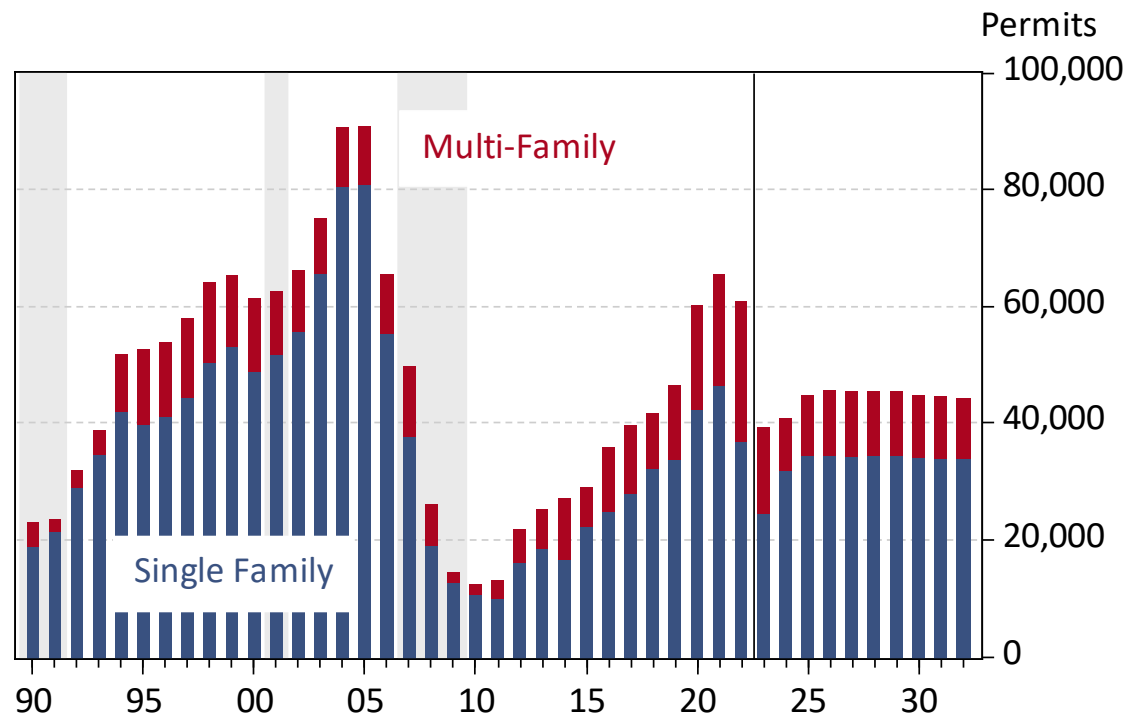
IHS Markit, January 2023



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Arizona Housing Permits

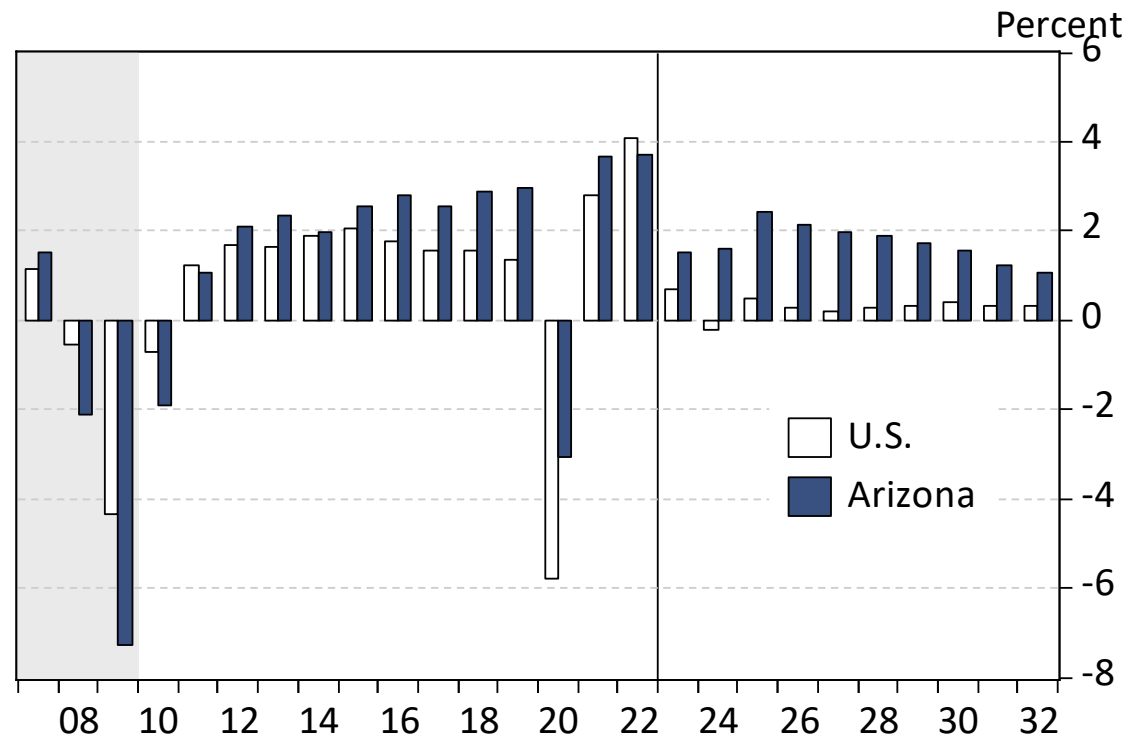
Annual



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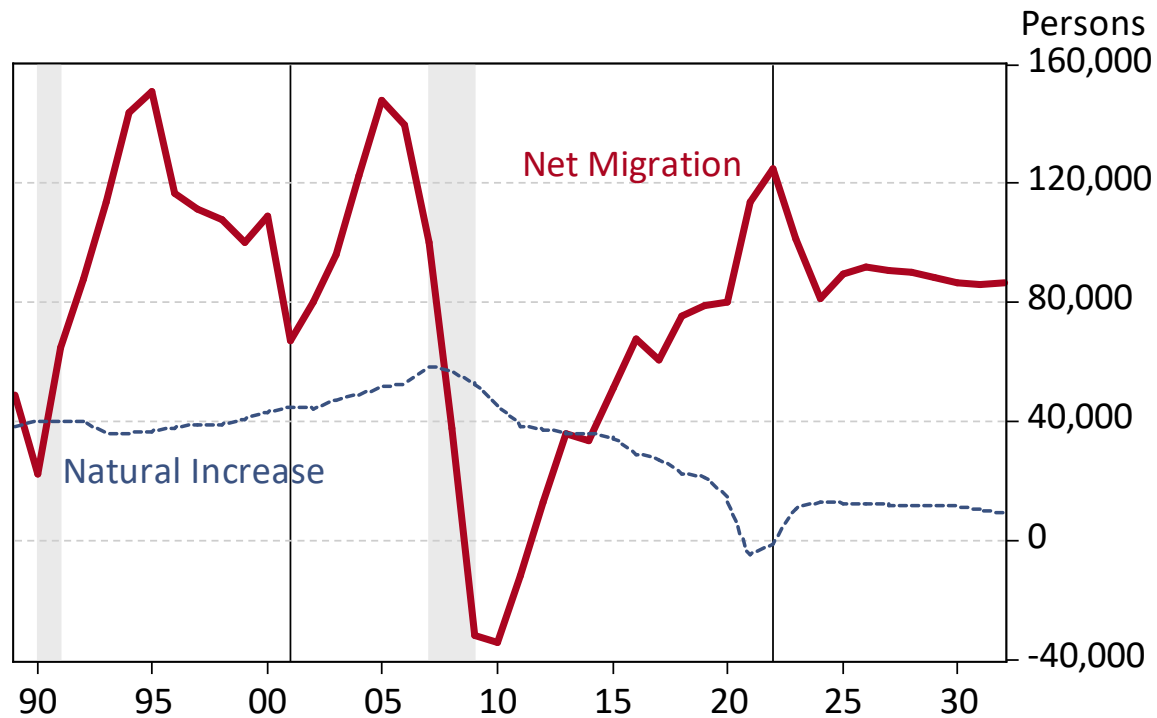
Arizona Job Growth

Annual Growth Rates



Arizona Net Migration and Natural Increase

Annual



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Arizona Forecast Summary

First Quarter 2023

	Actual 2022	Forecast		
		2023	2024	2025
Growth Rate				
Nonfarm Jobs	3.7	1.5	1.6	2.4
Personal Income*	2.9	5.0	5.9	6.4
Retail Plus Remote Sales*	8.1	2.2	3.7	6.3
Population	1.7	1.5	1.2	1.3
Level				
Unempl. Rate	3.6	5.0	5.2	4.8
Housing Permits	60,910	39,319	40,620	44,812

*Personal income and retail sales data are forecast in 2022.



Key Takeaways

- ▶ **Inflation is still rapid but the slowdown may have begun**
- ▶ **Housing affordability is down massively**
 - ▶ Which has put downward pressure on sales and prices
- ▶ **Arizona's labor market remains tight**
 - ▶ But will loosen as the economy slows
- ▶ **The baseline forecast calls for Arizona's growth to slow significantly**
 - ▶ But to outperform the nation

Visit the award-winning Arizona's Economy



azeconomy.org



New features now available!

The Arizona's Economy App

Real-time data at your fingertips.



Free at the Apple App Store and Google Play.



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Learn about Southern Arizona.

mapazdashboard.arizona.edu

The screenshot displays the MAP Dashboard website. At the top, the logo reads "MAP MAKING ACTION POSSIBLE for Southern Arizona". A navigation bar includes icons and labels for Economy, Education, Health & Social Well-Being, Infrastructure, Quality of Place, and Workforce & Demographics. The main content area features a large banner with the text "MEASURING PROGRESS, INSPIRING ACTION" and a description of the MAP Dashboard project. To the right of the banner, it mentions a "2021 Research Award for Data Collection, Dissemination, and Visualization" from C2ER. Below the banner, a section titled "SUSTAINING SPONSORS" lists TRBF, TEP (Tucson Electric Power), and the Freeport-McMoRan Foundation. At the bottom, a "Partners" section lists the Community Foundation for Southern Arizona, PAG (Pima Association of Governments), SALC (Southern Arizona Leadership Council), SUN Corridor, and The University of Arizona.

MAP MAKING ACTION POSSIBLE
for Southern Arizona

ECONOMY EDUCATION HEALTH & SOCIAL WELL-BEING INFRASTRUCTURE QUALITY OF PLACE WORKFORCE & DEMOGRAPHICS

MEASURING PROGRESS, INSPIRING ACTION

The MAP Dashboard project is intended to measurably improve Southern Arizona through data driven collective civic action and education.

LEARN MORE >

36 CORE INDICATORS
Tracked on the MAP Dashboard

C2ER THE COUNCIL FOR COMMUNITY AND ECONOMIC RESEARCH
Promoting excellence in community and economic research since 1967

2021 Research Award for Data Collection, Dissemination, and Visualization

SUSTAINING SPONSORS

TRBF
THOMAS R. BROWN FOUNDATIONS

TEP
Tucson Electric Power

Freeport-McMoRan
FOUNDATION

Partners

COMMUNITY FOUNDATION
for SOUTHERN ARIZONA

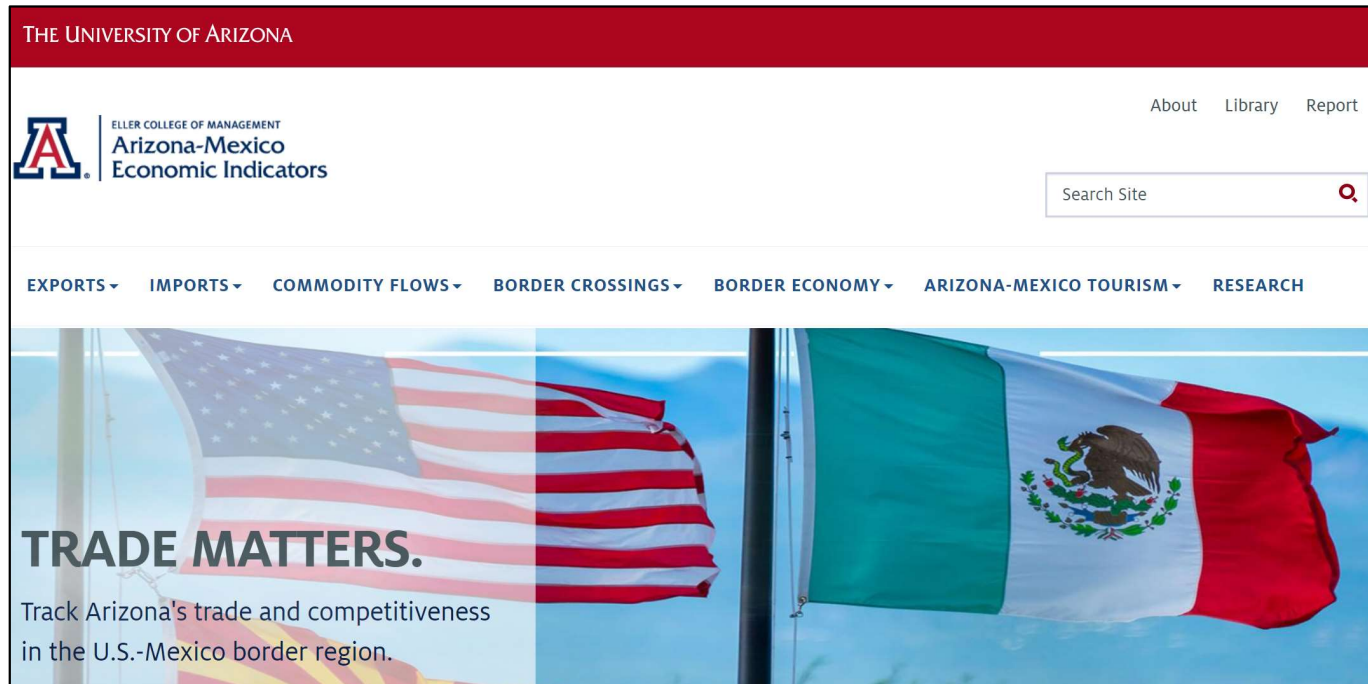
PAG
Pima Association of Governments

SALC
Southern Arizona Leadership Council

SUN
CORRIDOR

THE UNIVERSITY OF ARIZONA

Explore data for border economies. Arizona-Mexico Economic Indicators



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ADOT

azmex.eller.arizona.edu



THE UNIVERSITY
OF ARIZONA

Eller MBA



Tucson:

Evening – one
night per week



Phoenix:

Executive – one
weekend per month



Chandler:

Professional – material
available 24/7



Online

Material available 24/7

Your growth, accelerated.
Your potential, amplified.
Own your career with our flexible options.



ellermba.arizona.edu

3. Study Session

- b. Environmental Scan Highlights for Fiscal Year 2022-2023 - Dr. Tom Hughes -
INFORMATION AND DISCUSSION



Yavapai College Environmental Scan Highlights

2022-2023
Budget Workshop
District Governing Board
February 24, 2023

Scan Purpose

The purpose of the environmental scan is to provide a wide range of information that will enable decision-makers to understand the current context in which we operate, predict future trends, and incorporate this understanding into the college's strategic direction.



Trends



DEMOGRAPHICS



SOCIAL & POLITICAL



ECONOMY & WORKFORCE

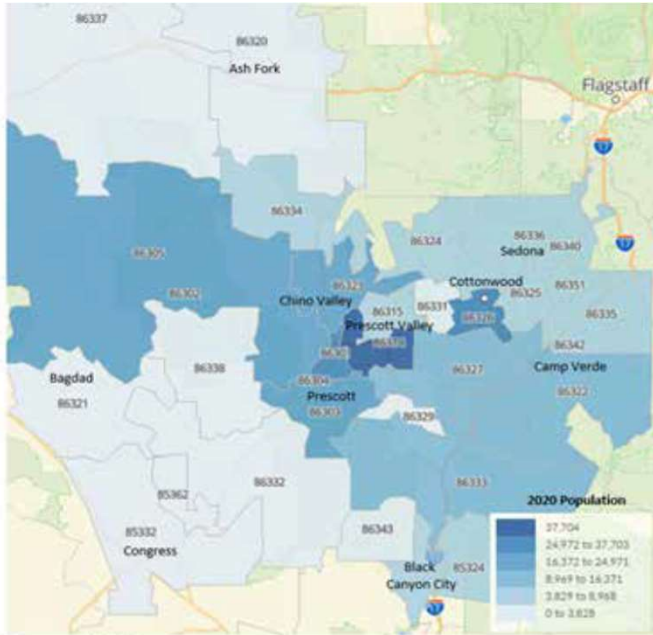


EDUCATION



TECHNOLOGY

Demographics



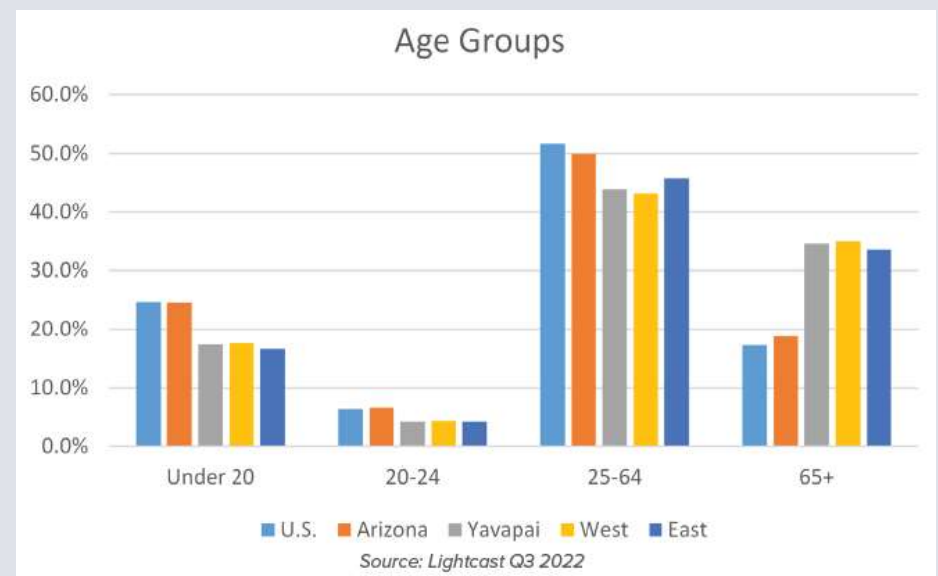
Source: EMSI



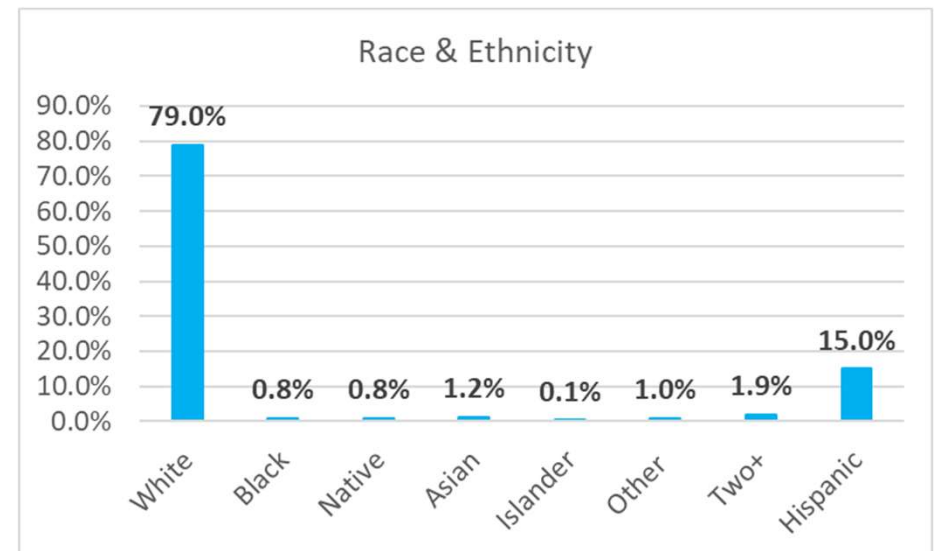
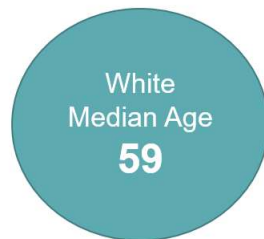
2022 Population Estimate **247,571**



Median Age **55.3**



Race/Ethnicity



Income Level & Financial Challenge



POVERTY THRESHOLD

Family of 4 = \$27,750

More than 1 in 5 County residents
live in near poverty or worse



\$65K

Median Household
Income In The
United States
Of America



\$61.5K

Median
Household
Income In
Arizona



\$53.3K

Median
Household
Income In
Yavapai

High School Students Eligible for Federal Funded Programs

Income Eligibility 1 or 2

Select County High Schools	Percent	Student Count
Prescott High School	24.0%	346
Bradshaw Mountain High School	29.2%	466
Chino Valley High School	45.1%	353
Mayer High School	72.7%	128
Sedona Red Rock Junior/Senior High School	57.4%	273
Mingus Union High School	43.1%	535
Camp Verde High School	53.0%	259

Income eligibility for federal aid programs funded under the Elementary and Secondary Education Act are another indicator of financial challenge.

Affordability



Category	Prescott-Prescott Valley Area	Phoenix-Area	National Average
Grocery	101	98.7	100
Housing	146.9	121.3	100
Utilities	90.5	103.9	100
Transportation	108.2	107.8	100
Health	94.1	97	100
Miscellaneous	113	91.8	100
Composite	117.9	104.8	100

Source: Council for Community and Economic Research, 2022 Q2

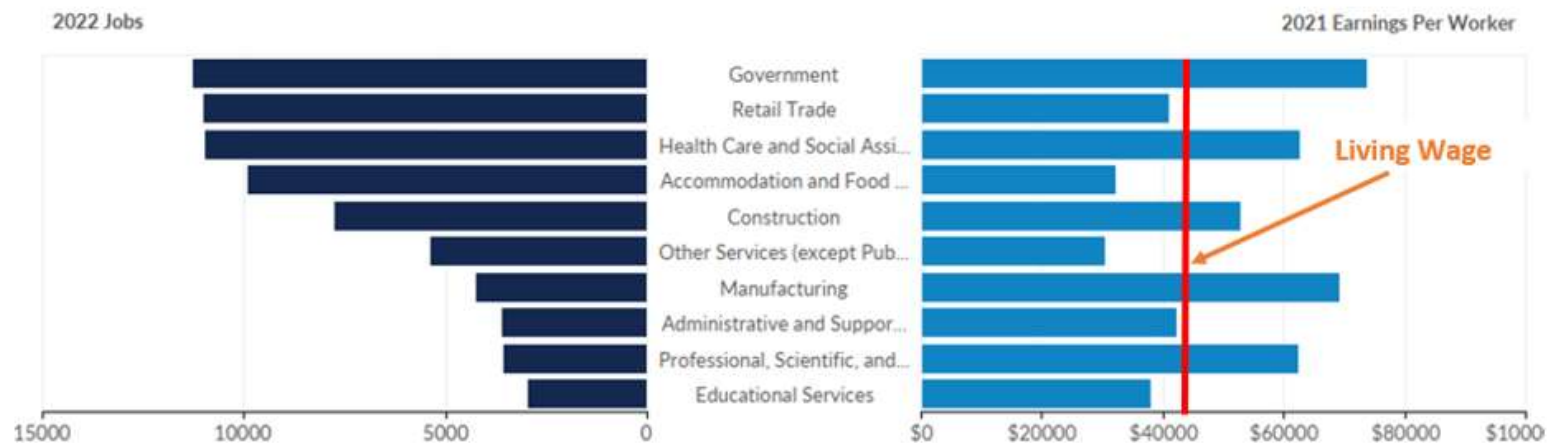


Source: Lightcast, Q2 2022



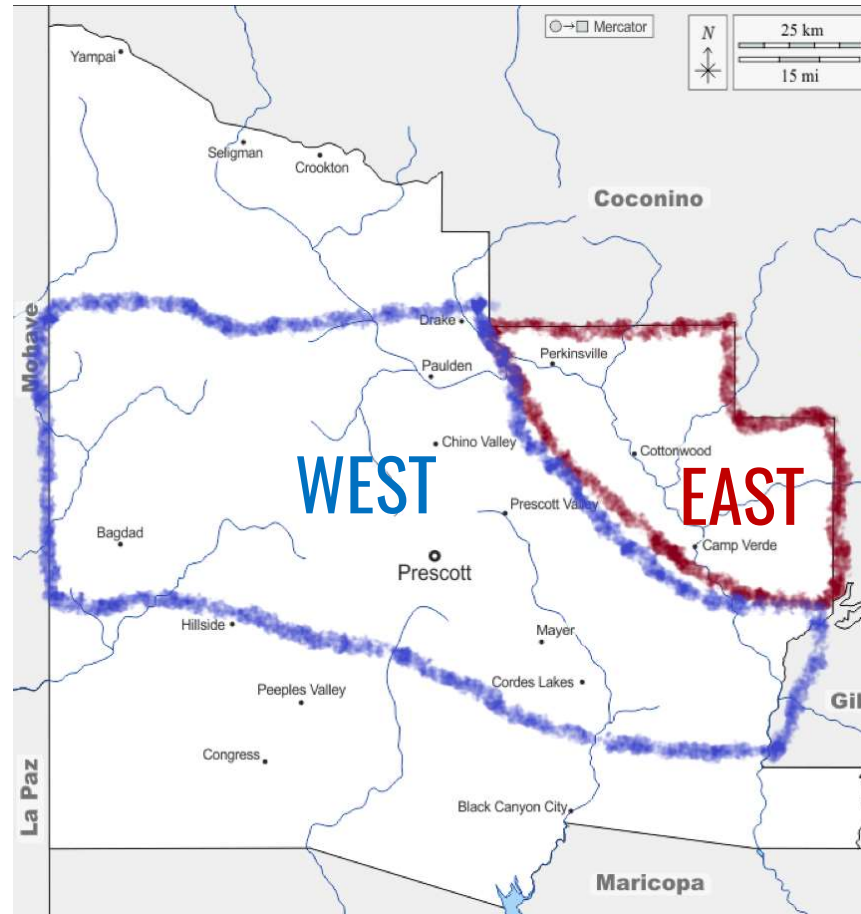
Industry Analysis

Largest Industry Sectors in Yavapai County 2022



Source: Lightcast, Q2 2022

Map View – East vs. West Yavapai County



East Compared to West

Population:

East Yavapai County: 72,000

West Yavapai County: 162,000

Jobs:

East Yavapai County: 25,000

West Yavapai County: 47,000

GRP:

East Yavapai County: \$2.5B

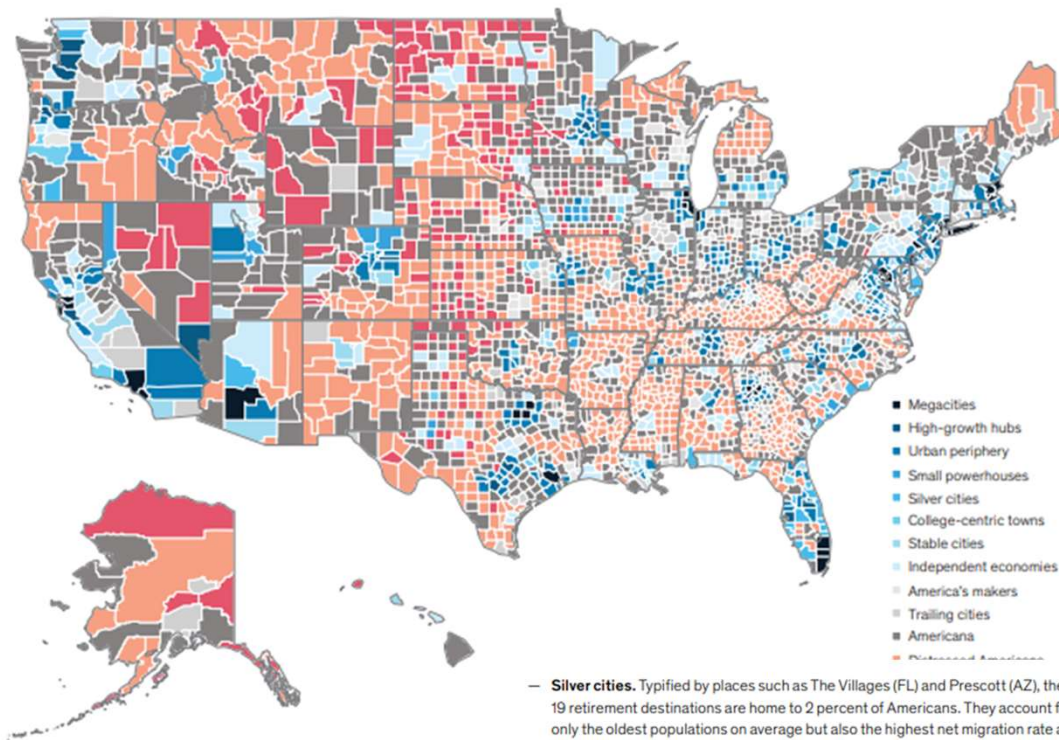
West Yavapai County: \$5.1B

Jobs by Occupation Group

	WEST	EAST	EAST/WEST
Office and Administrative Support Occupations	5714	3049	53%
Food Preparation and Serving Related Occupations	4333	3242	75%
Sales and Related Occupations	4147	2739	66%
Transportation and Material Moving Occupations	3035	1940	64%
Construction and Extraction Occupations	3480	1109	32%
Healthcare Practitioners and Technical Occupations	2947	1547	52%
Management Occupations	2767	1496	54%
Healthcare Support Occupations	2487	1175	47%
Educational Instruction and Library Occupations	2611	932	36%
Installation, Maintenance, and Repair Occupations	2070	996	48%
Building and Grounds Cleaning and Maintenance Occupations	1731	1183	68%
Production Occupations	2118	745	35%
Business and Financial Operations Occupations	1689	745	44%
Personal Care and Service Occupations	1229	702	57%
Protective Service Occupations	1055	555	53%
Community and Social Service Occupations	1012	425	42%
Arts, Design, Entertainment, Sports, and Media Occupations	653	364	56%
Computer and Mathematical Occupations	443	224	51%
Architecture and Engineering Occupations	537	122	23%
Life, Physical, and Social Science Occupations	380	169	45%
Farming, Fishing, and Forestry Occupations	244	182	74%
Legal Occupations	280	125	45%
Military-only occupations	173	50	29%

The United States is a complex mosaic of local economies, with 13 distinct community archetypes.

Map of county types (color-coded by segment)



— **Silver cities.** Typified by places such as The Villages (FL) and Prescott (AZ), these 19 retirement destinations are home to 2 percent of Americans. They account for not only the oldest populations on average but also the highest net migration rate as the baby boom generation continues to retire. Healthcare services are a major driver of economic growth.

Source: McKinsey Global Institute analysis



The future of work in America

People and places, today and tomorrow

Silver City:

Oldest population

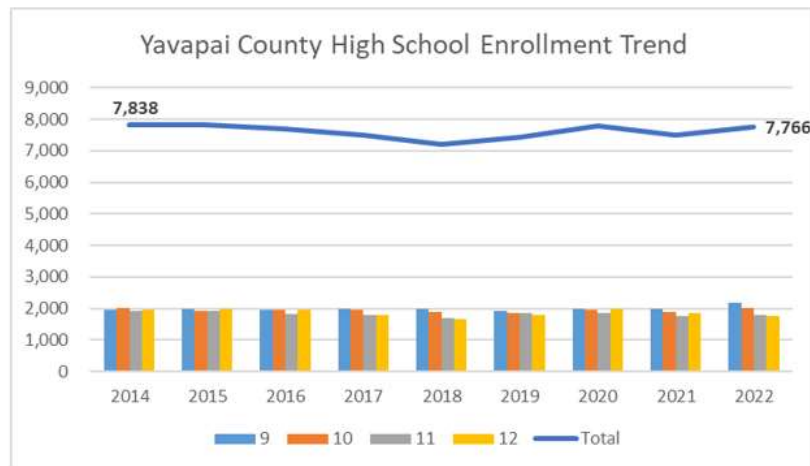
Retires migrate to certain locations

Healthcare and CTE are Economic Drivers

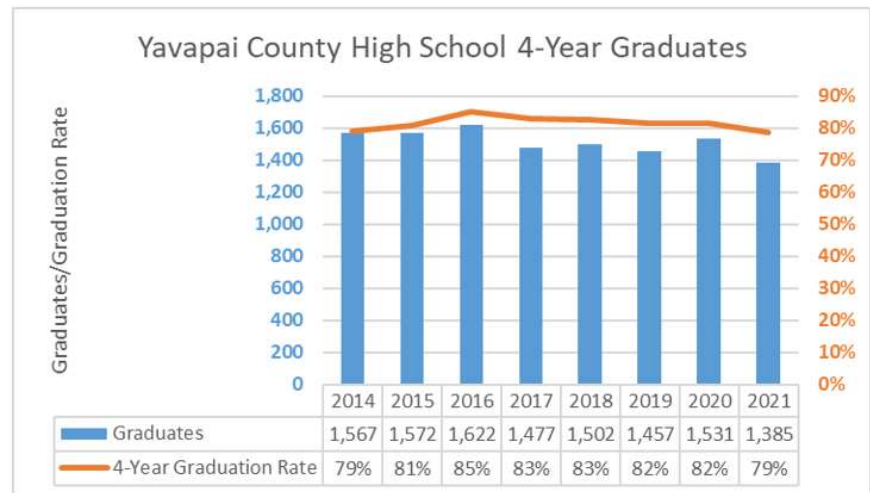
Silver City Economy

Yavapai County

K-12 Trends



Source: Arizona Department of Education—Four Year Graduation Rate Reports.



Source: Arizona Department of Education—Arizona October 1 Enrollment Reports.

Bachelor's Degrees at Community Colleges

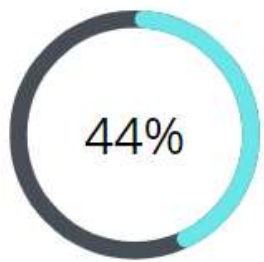


B.S. Business – Fall 2023
B.S. Nursing – Spring 2024

First Rural AZ Community College to Offer 4-Year Degree

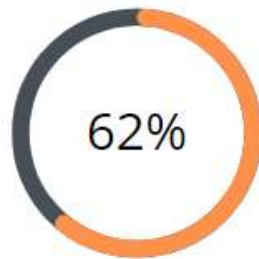
Affordable, in-demand, four-year degrees

Higher Education Students



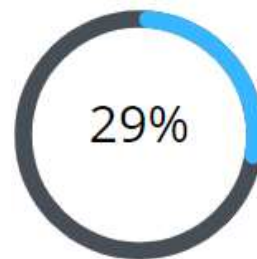
Age
25+

42%



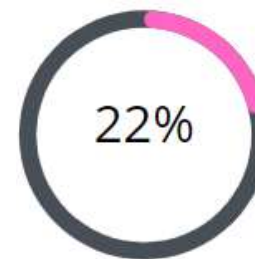
Working

76%



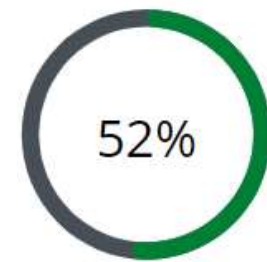
1st Generation

37%



Have
Children

?



Housing Insecure

70%*

46%*

*

Three quarters of college students are not traditional age (18-24)

Higher Education Trends



Borderless - Competitors will be offering programs within the territory assumed in others' catchment areas, and the opportunity is there to do the same.



Unbundling - Fewer students will wish to undertake full-service degrees. More student interest in micro-credentialing, competency-based education, nano-degrees and curated degrees.



Competing at Scale - The institution that can provide on-demand learning, at scale and personalized to the needs and wishes of the student, is the organization which can build resilience into its future.



Experiential & Credit for Prior Learning- Demand will increase for learning by doing. Students, especially adult learners, will desire to convert work experience and skills into college credits.

Competition

coursera **Google** **YouTube**



**CAREER
BUILDER™**



Outlier.org



Rio Salado
College



The Changing Landscape of Higher Education

Are we keeping up?



The **power of consumers** (students) will continue to increase.



Universal digital access—students will seek same things they get from music, movies, and news



New content providers (competitors) will drive up competition and consumer choice and drive down prices.

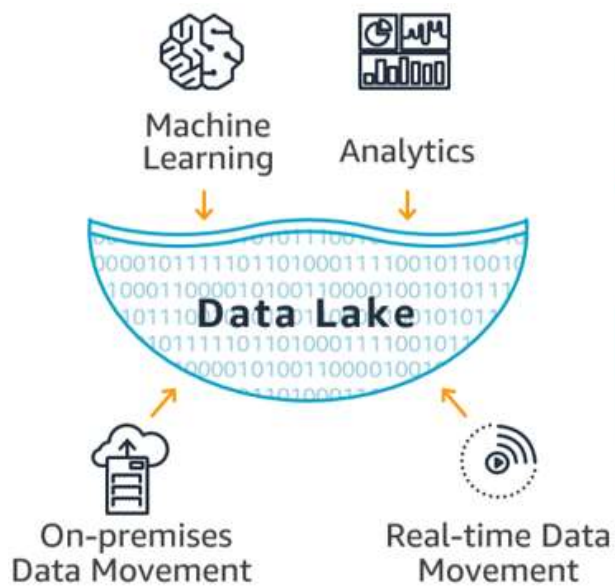


Shift to **skills or outcomes-based** learning.



Just in-time education will increase in status and value.

Technology



Enterprise Resource Planning

Big Data

Artificial Intelligence

Virtual Reality: Metaverse

OER

Questions

**Thank
You!**

3. Study Session

- c. Yavapai College Update - Dr. Lisa Rhine -
INFORMATION AND DISCUSSION

COLLEGE UPDATE

to the District Governing Board

February 24, 2023

Lisa B. Rhine

WORKFORCE TRAINING

TRANSFER EDUCATION

LIFELONG LEARNING

CULTURAL ENRICHMENT

Yavapai
COLLEGE

2019-2020



Broke ground on the Verde Valley Skilled Trades Center.



Began renovations of Building L



Moved the Division of Student Affairs



Created a true Enrollment Management Unit

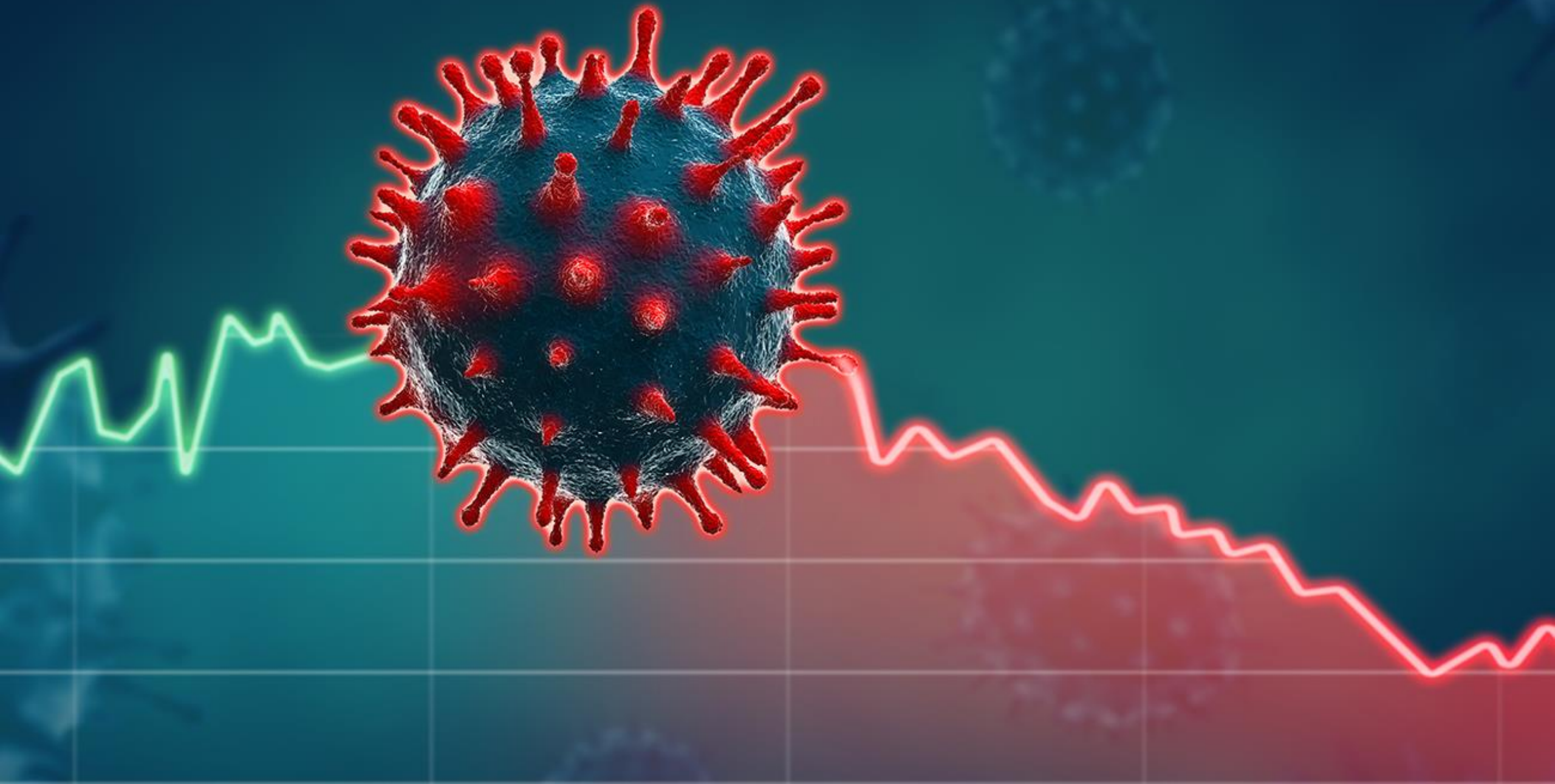


Restructured the Academic Division



Moved Human Resources as a direct report to me

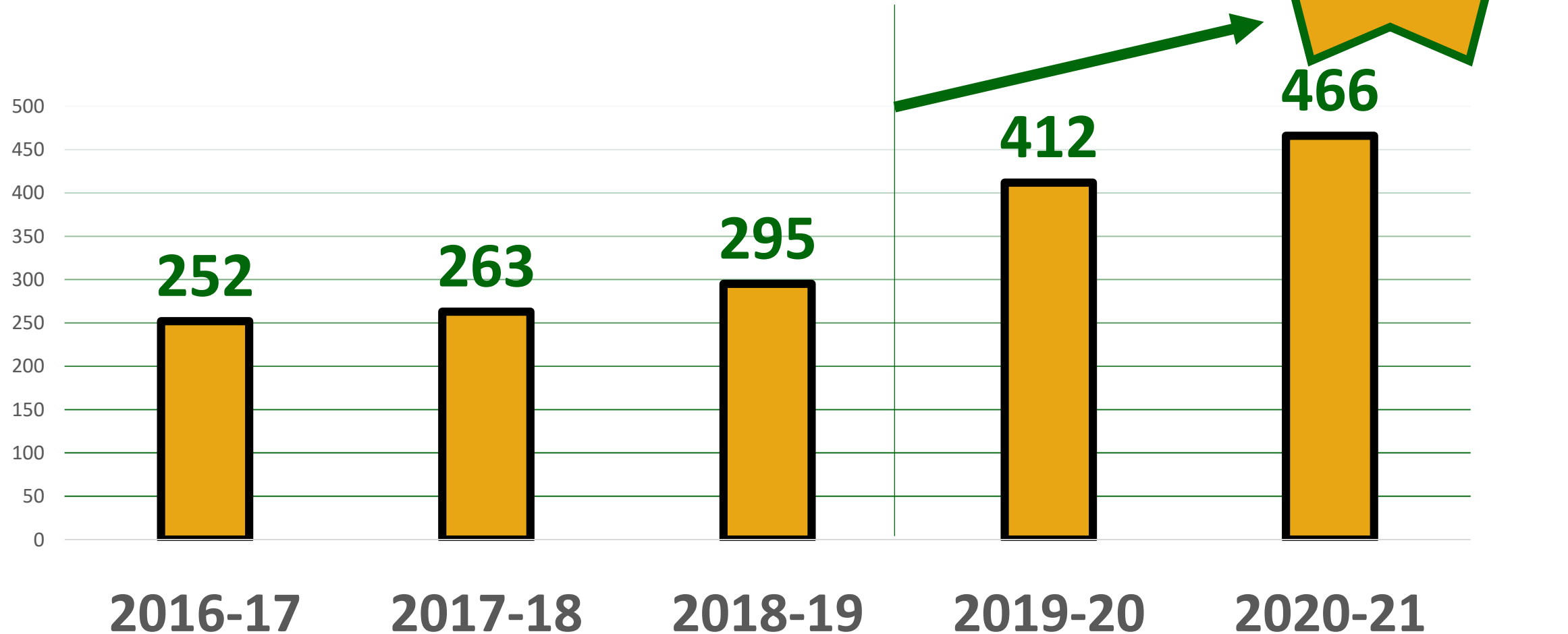
And Just One Year & One Month Later,



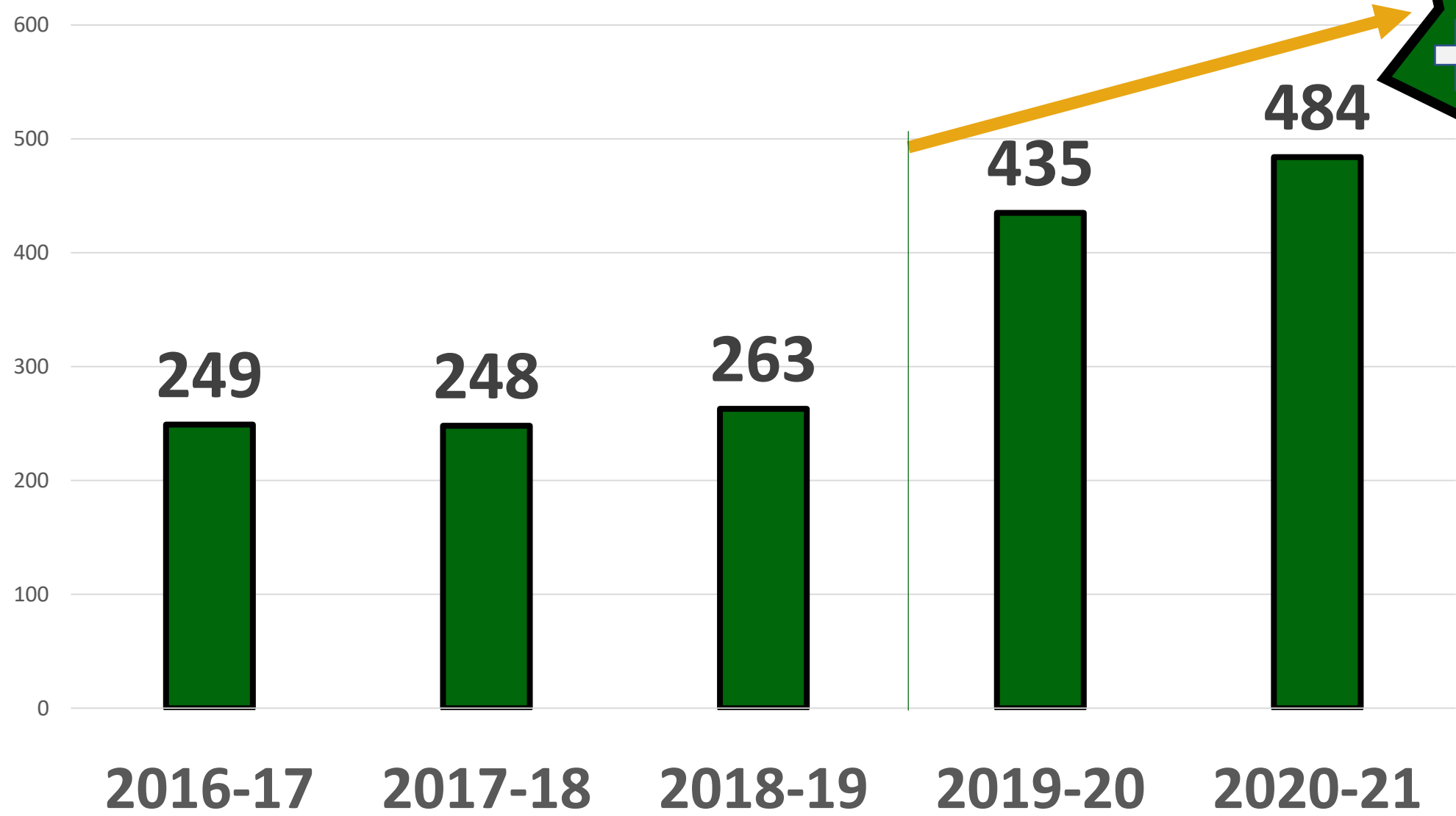
There is Much Cause for Celebration



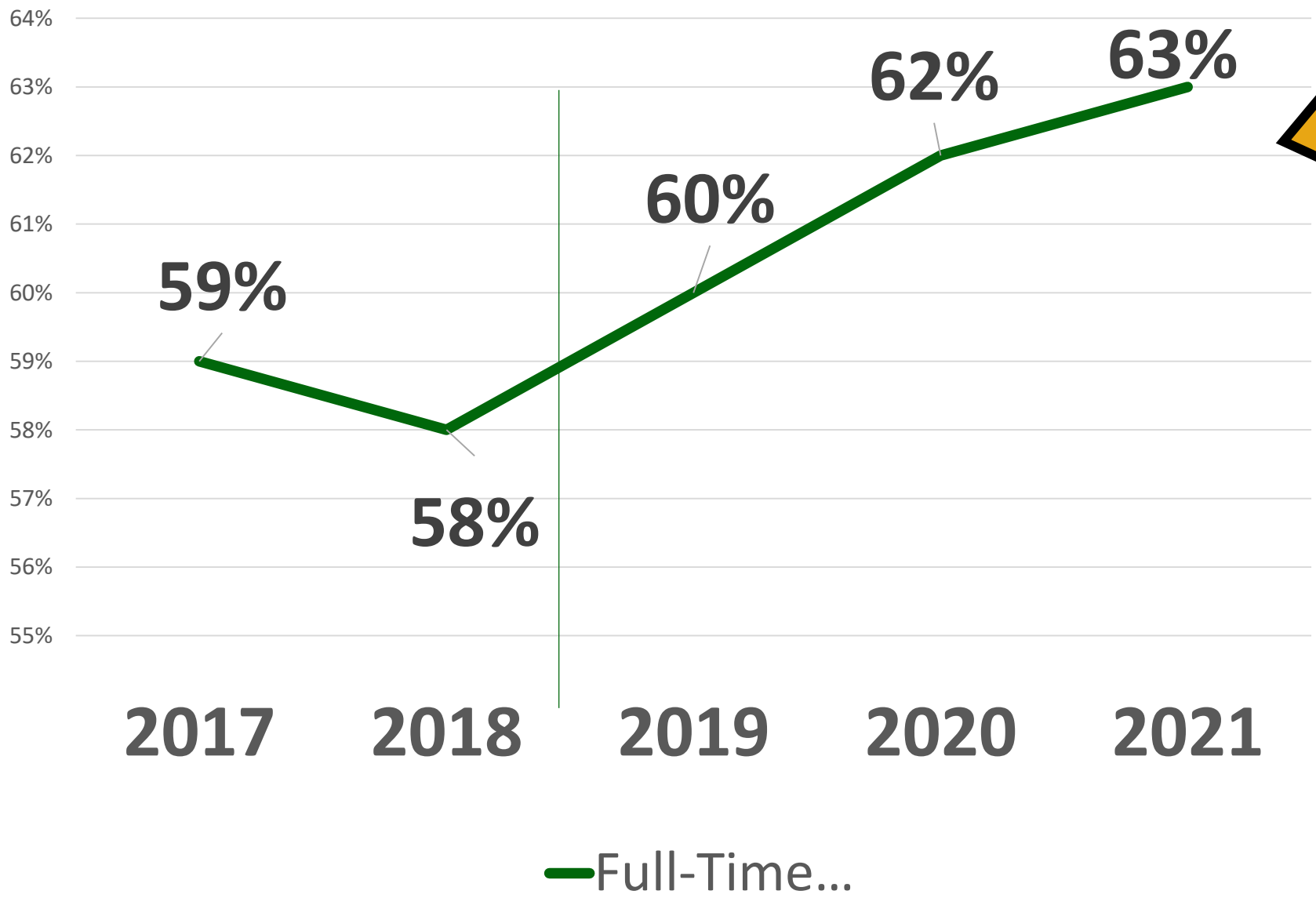
YC Annual Associate Degree Awards



YC Annual AZ General Education Certificates Awarded



IPEDS First to Second Year Retention Rate



Hispanic Student Enrollment

24%

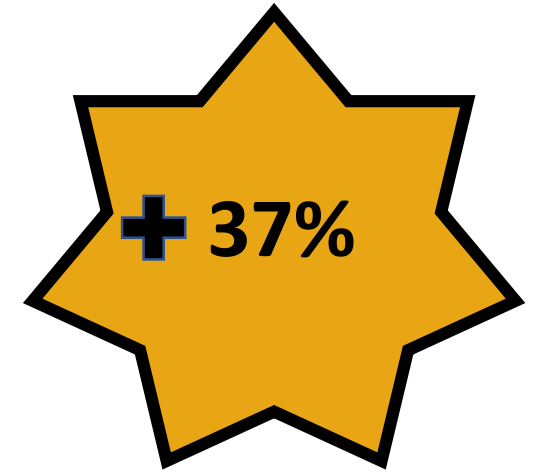
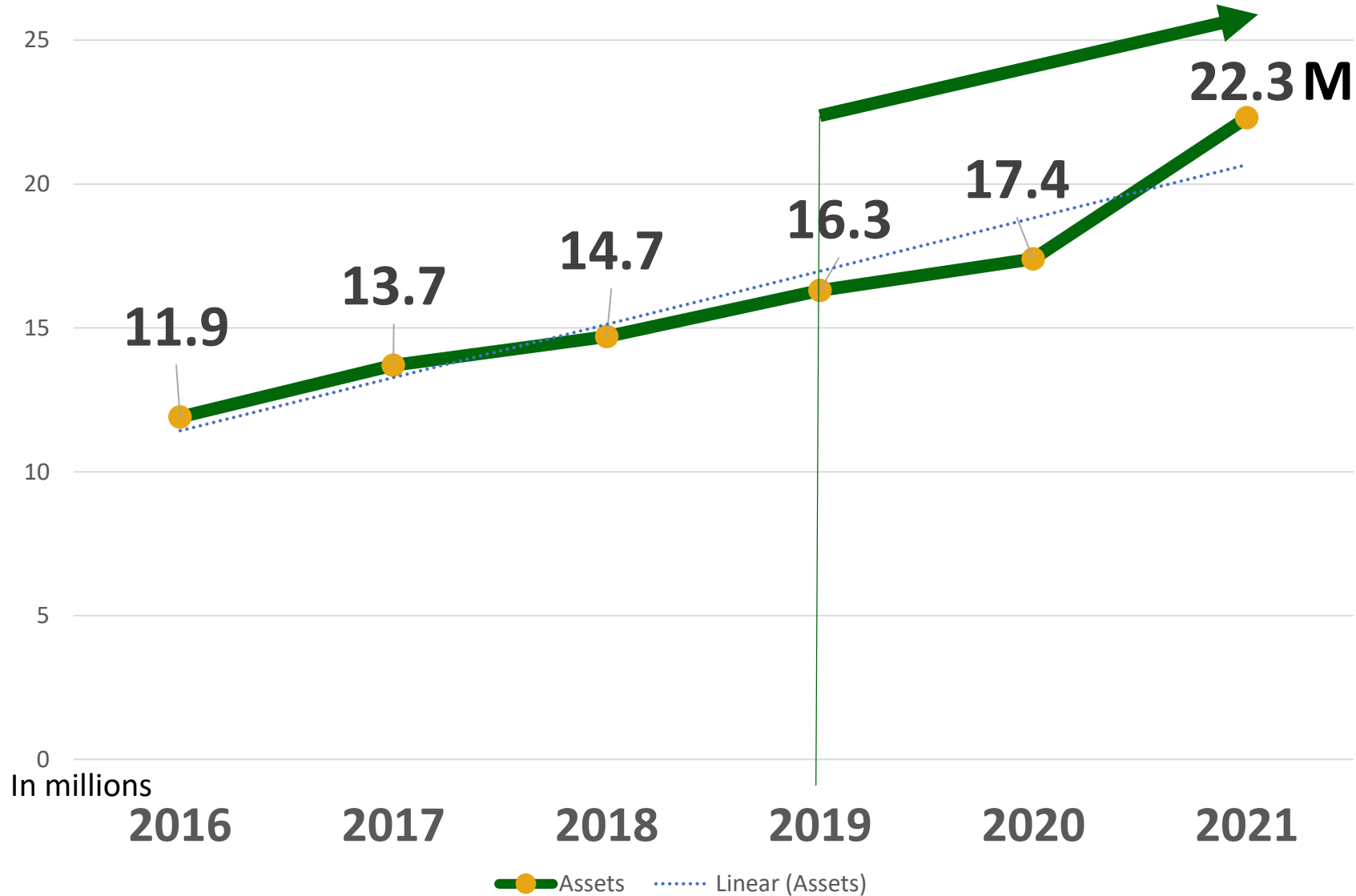
Aspiración

Hispanic

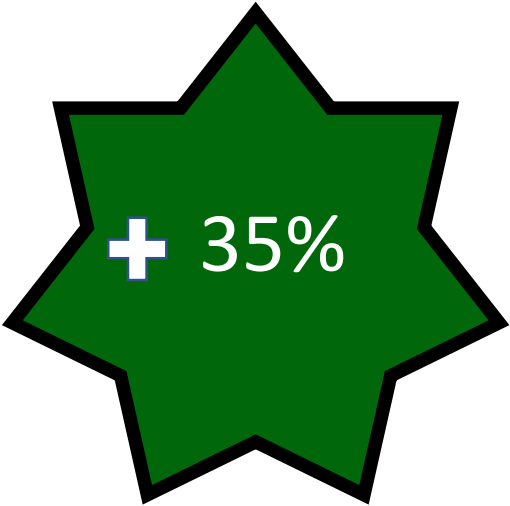
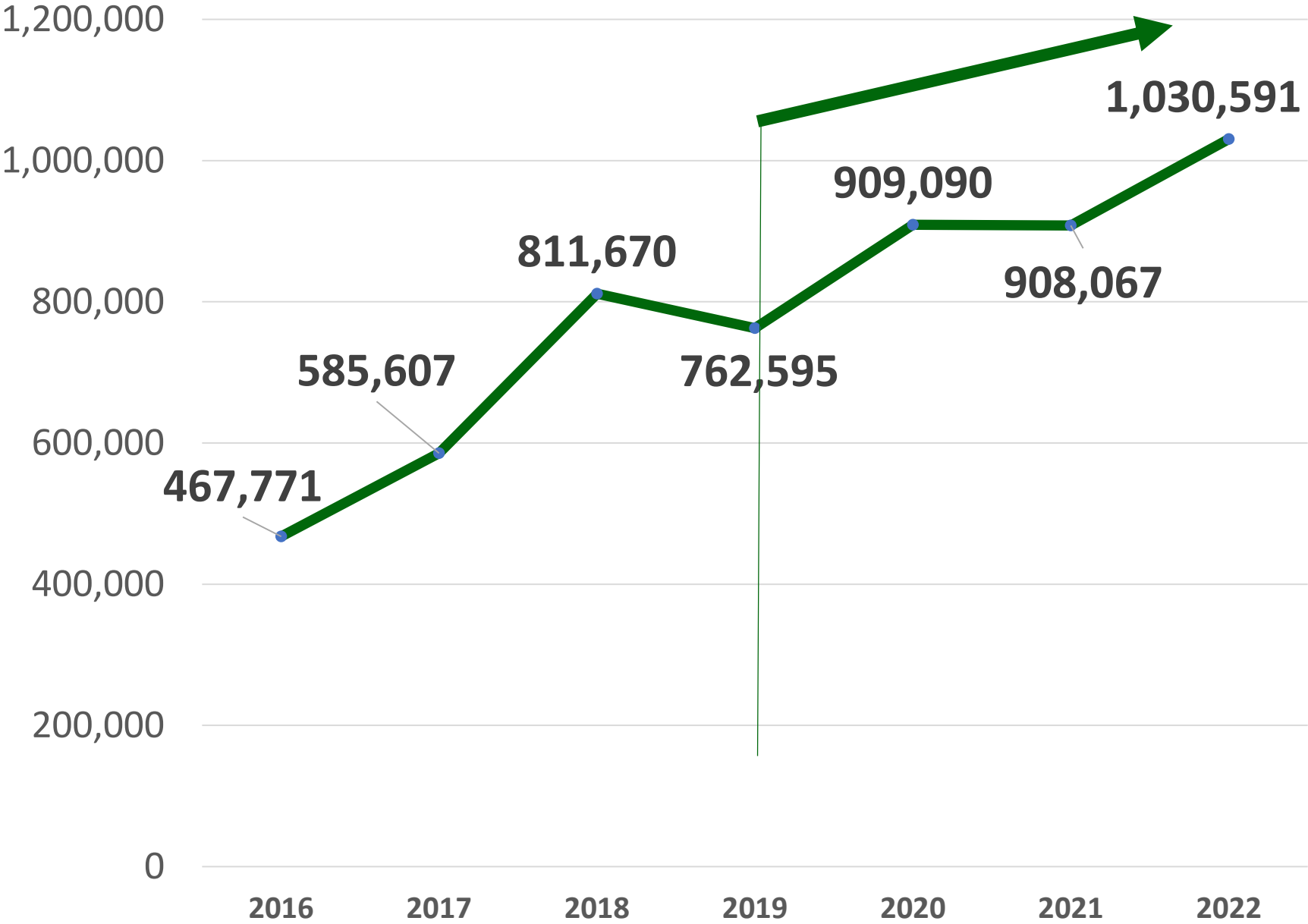
Serving

Institution

Foundation Invested Assets



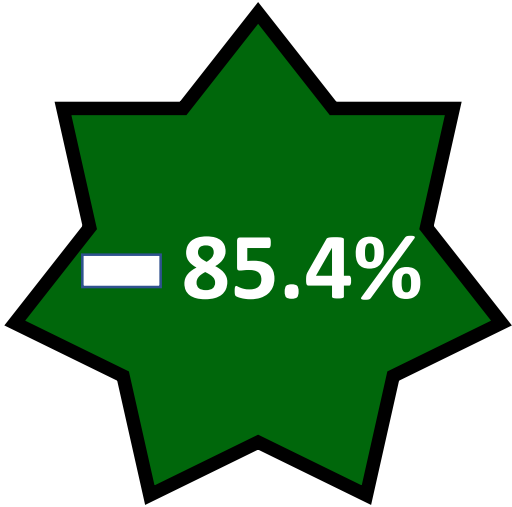
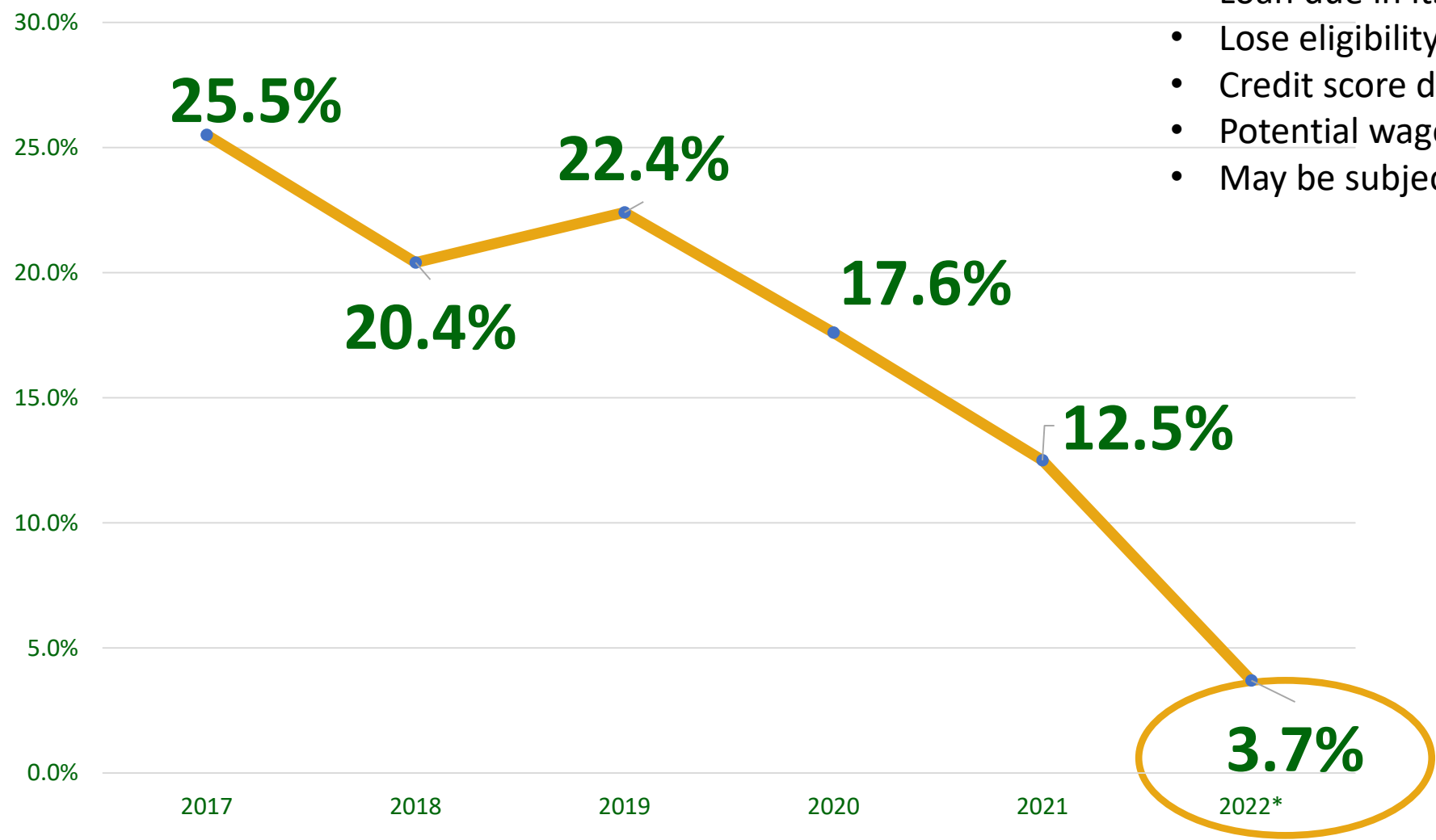
Foundation Scholarships & Program Supports



Student Default Rate

Why this matters to our students

- Loan due in its entirety
- Lose eligibility for future benefits
- Credit score declines
- Potential wage garnishing/tax withholding
- May be subject to legal action



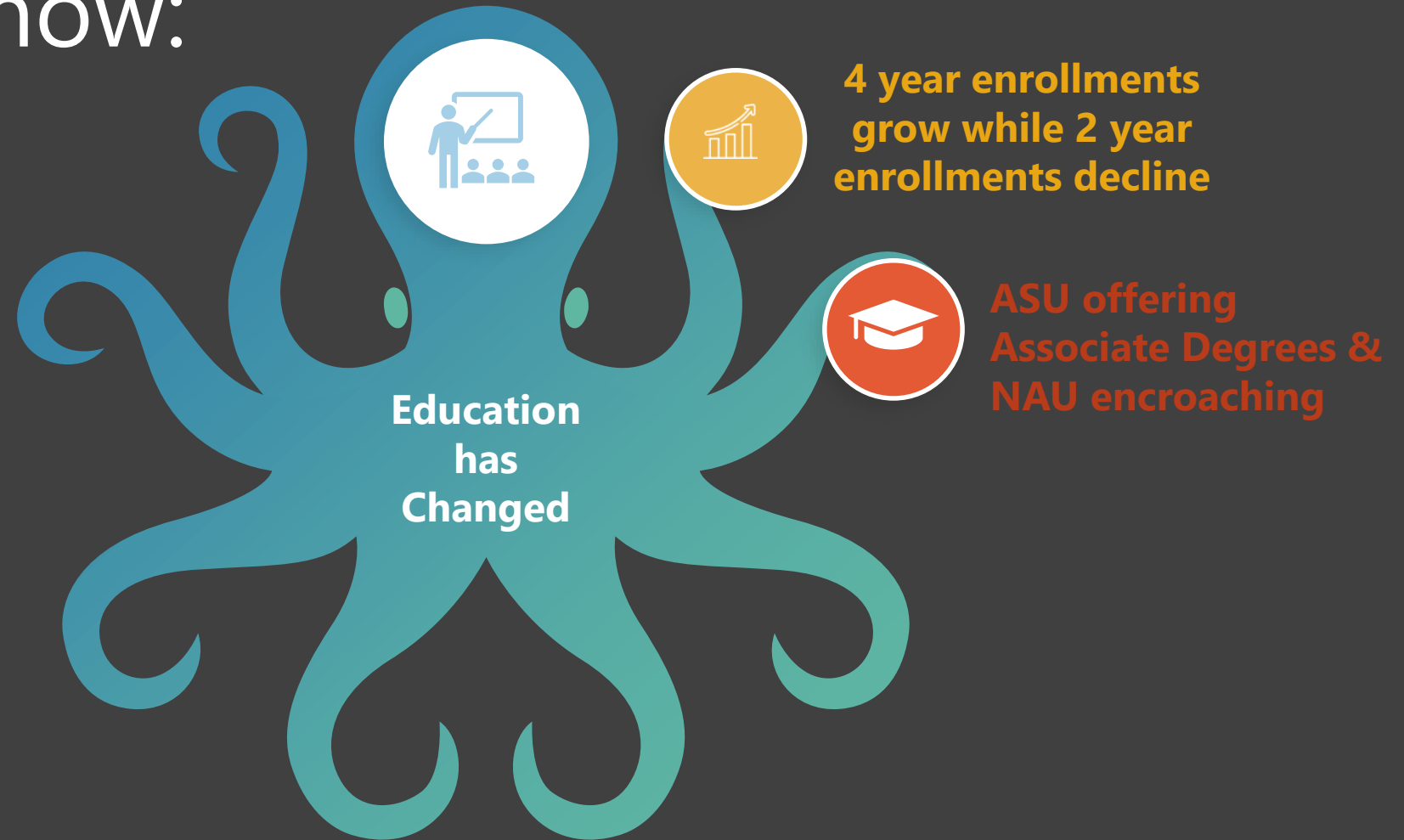


- Received stellar review and reaccreditation from ACEN for our Nursing Program
- Granted International Association of Campus Law Enforcement Administrators accreditation for our Campus Safety department
- Added College Promise Program
- Selected as a finalist for a Bellwether Award for College Promise
- Added our Early College Program
- Expanded advisor support and support for first generation students and connections to community support
- Added athletic teams and refreshed Athletic coaches
- Created our College Council
- Award for Budget Reporting
- Received a flawless HLC decennial accreditation review with no monitoring
- Received permission to offer our first bachelor's degree
- Nominated for a national award for our student success initiatives by American Association of Community Colleges



**CHALLENGE
AHEAD**

What we know:



Benchmark: Enrollment by Sector

Number of full-time equivalent students enroll in postsecondary institutions annually

(limited by Sector of Institution)¹

Line | Bar | Table [Modify Years](#)

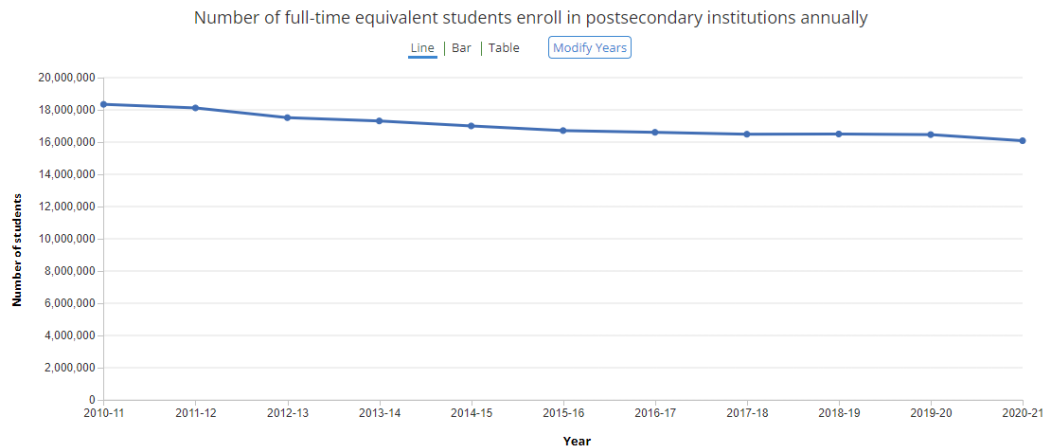


Public 4-year grew 12% since FY11
Private 4-year grew 5% since FY11

Nationally, community colleges FTSE
declined 41% from FY11 peak

Source: IPEDS

Benchmark: All Enrollment



Nationally, higher ed shrank 12% since FY11

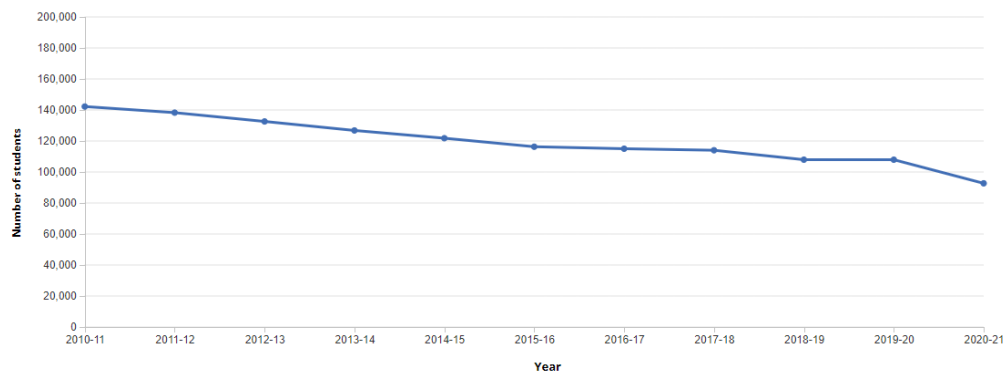
Source: IPEDS

Benchmark: AZ Enrollment

Number of full-time equivalent students enroll in postsecondary institutions annually

(limited by Sector of Institution and State)¹

[Line](#) | [Bar](#) | [Table](#) | [Modify Years](#)

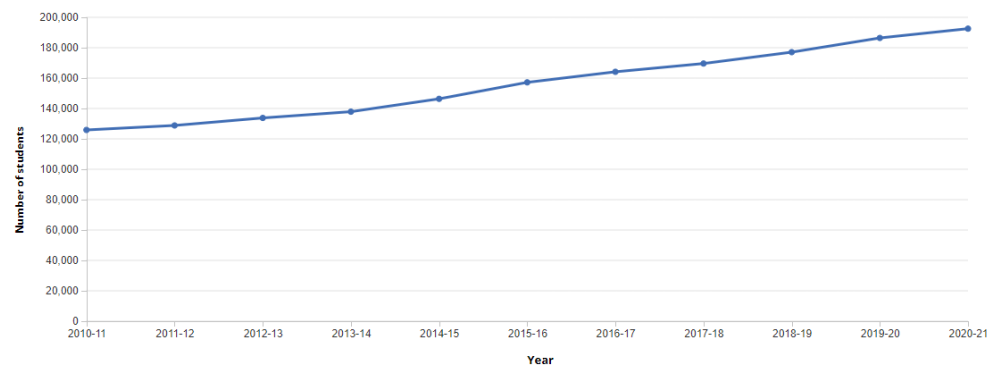


Arizona community college
FTSE declined 37% from FY11 peak
(-50,000 FTSE)

Number of full-time equivalent students enroll in postsecondary institutions annually

(limited by Sector of Institution and State)¹

[Line](#) | [Bar](#) | [Table](#) | [Modify Years](#)



AZ 4-yr schools grew 53% since FY11
(+67,000 FTSE)
(About 30,000 are lower division AZ Residents)

Source: IPEDS

■ FOR SUBSCRIBERS EDUCATION

ASU looks to start 2-year associate degree trial program, moving in on community college territory

The State Press

Politics

Science and Tech

Community

ABOR APPROVES ASU ASSOCIATE'S DEGREE PILOT PROGRAM

The associate degree in professional studies will be offered to students at three high school groups

And it's not just ASU...

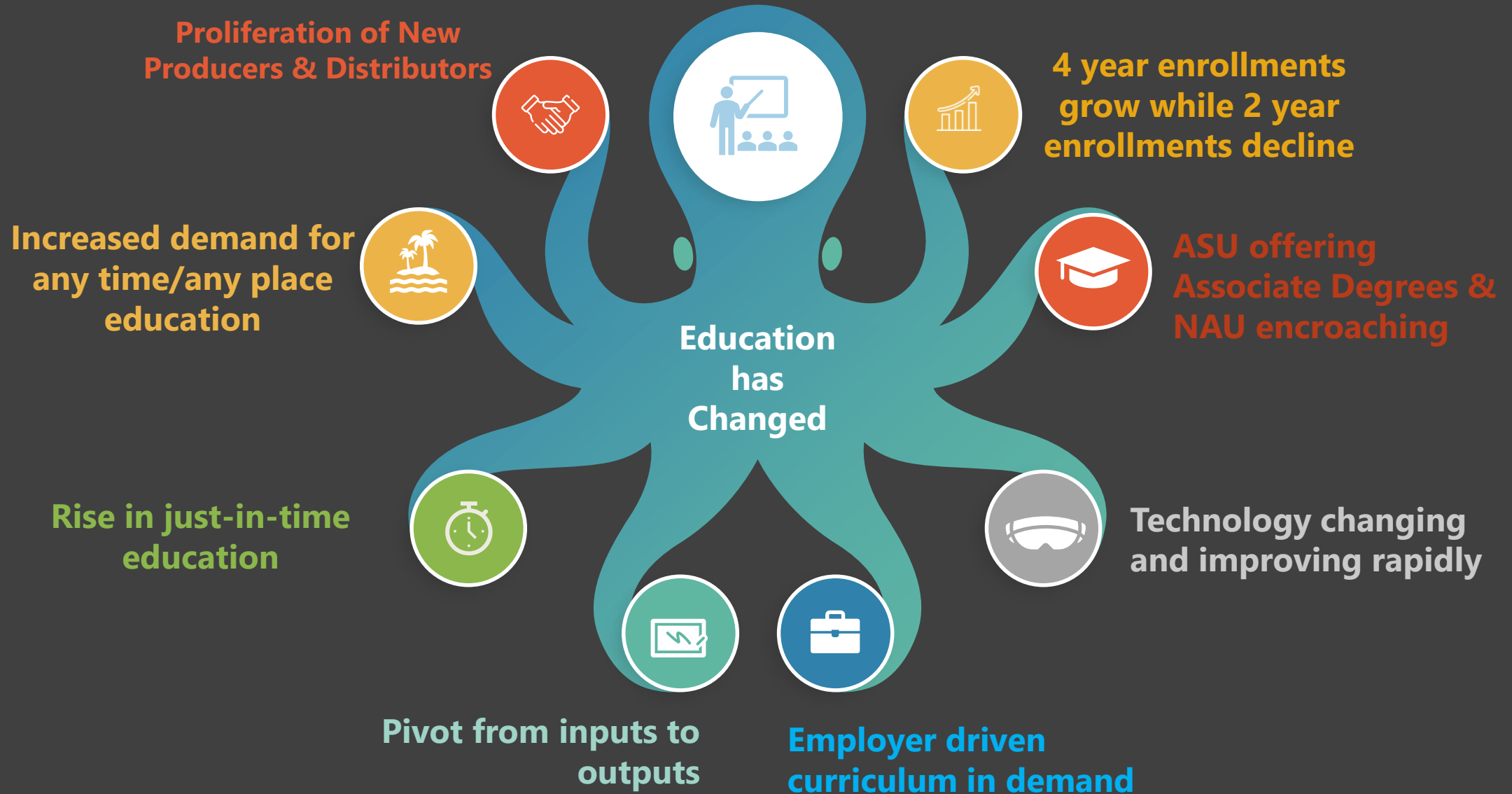
SEP 29, 2022 [EDITORS](#)

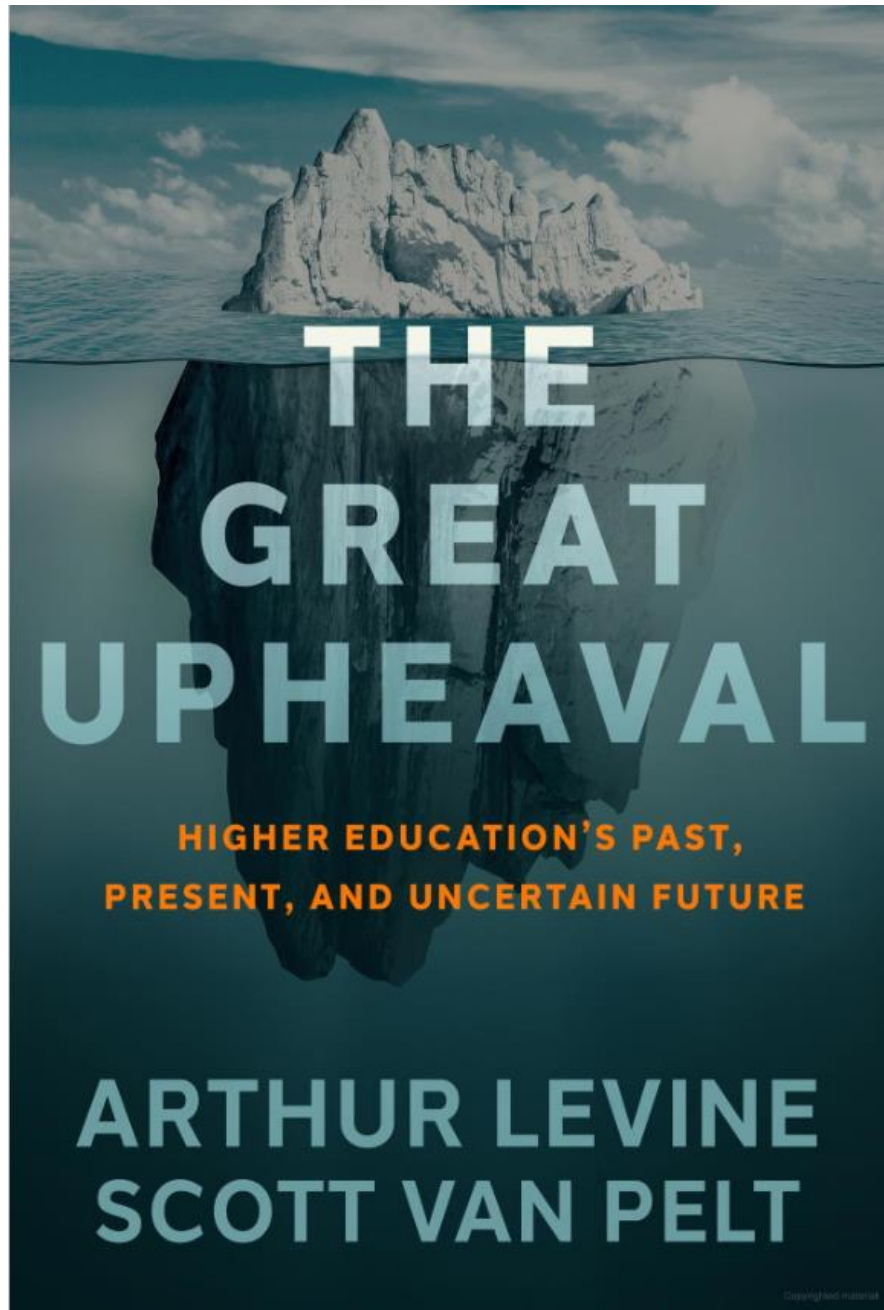
NAU, statewide partners launch Arizona Attainment Alliance, to improve educational attainment and drive economic mobility in Arizona

NAU Regional Centers

NAU Online and Innovative Educational Initiatives is seeking four (4) experienced and motivated Regional Director's to join our team. The Regional Director is responsible for the development and cultivation of student and faculty centric strategic partnerships for the university.

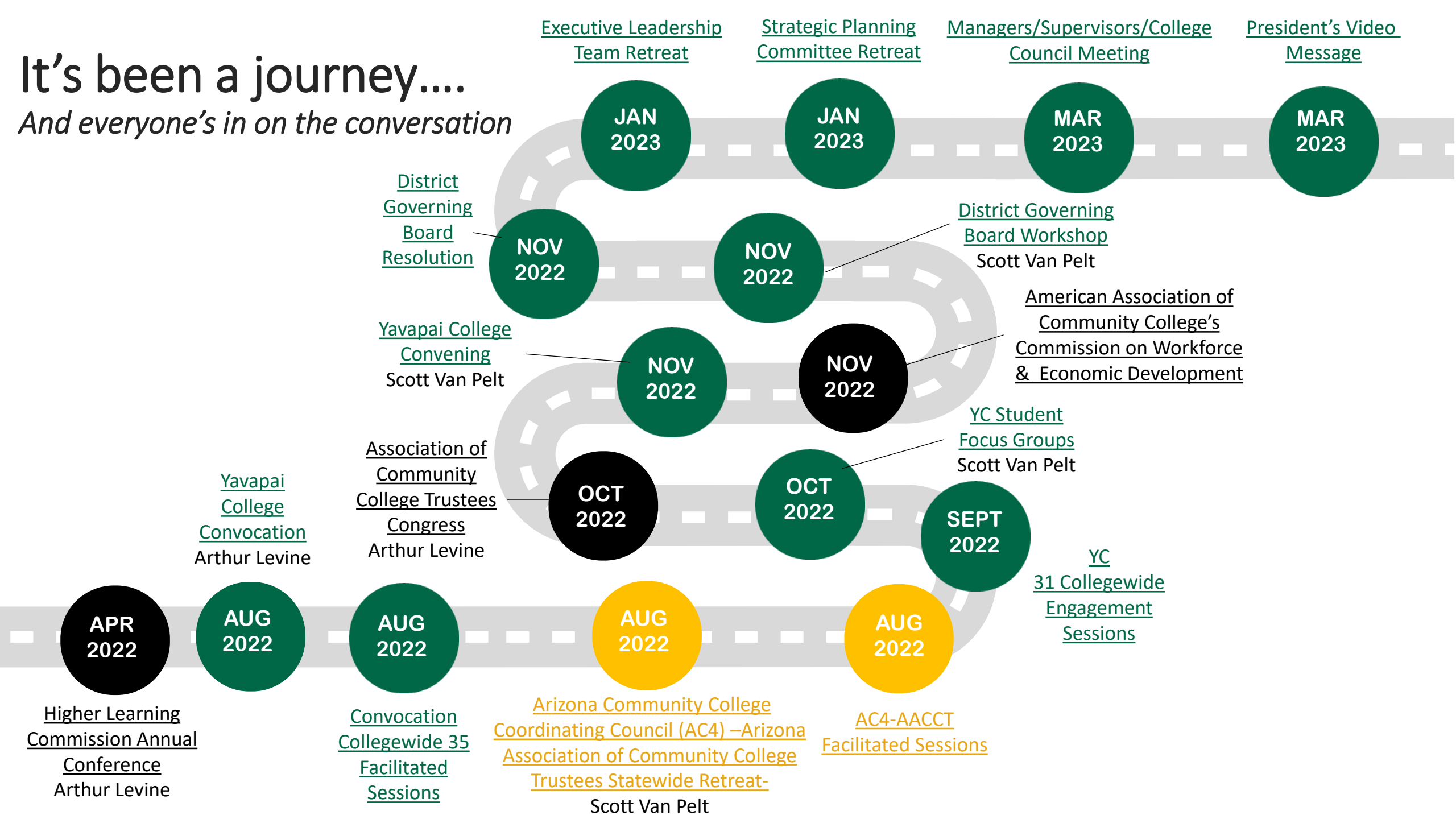
- There are four (4) positions available to be located within the following regions.
- Northern Region: Apache, Navajo, Gila, Coconino, Mohave
- Central Region: Maricopa, Pinal, Yavapai
- Southeastern Region: Pima, Santa Cruz, Cochise, Graham, Greenlee
- Southwestern Region: Yuma, La Paz





It's been a journey....

And everyone's in on the conversation



College-wide Facilitated Engagement Sessions

on

Levine & Van Pelt's *The Great Upheaval: Higher Education's
Past, Present & Uncertain Future*

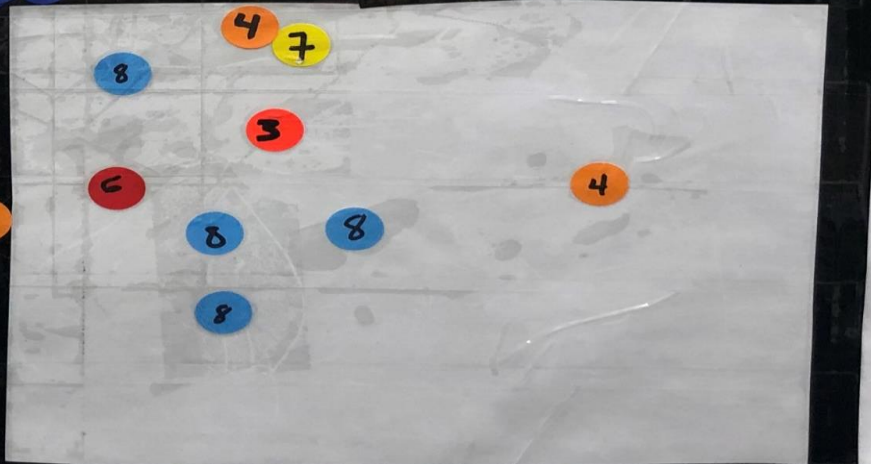
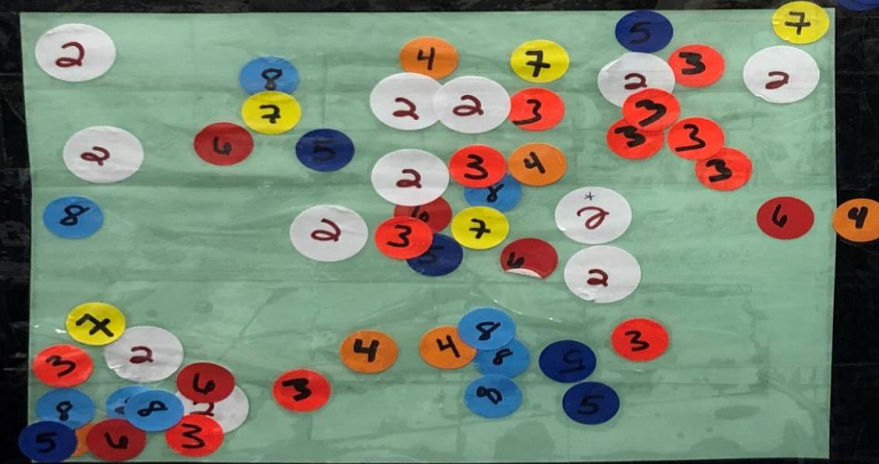
September 26-October 7, 2022

Total Number of Groups: 31

Total Number of Participants: 224

DELIVERY MATRIX

HIGH IMPACT
ON GETTING YC
CLOSER TO MEETING
THE VARIED NEEDS OF
STUDENTS MOVING
FORWARD



1 = 1111
5 = 111
6 = 1
-4 = 1
2 = 1

Engagement
Session Leaders:

8 = 1
5 = 1
4 = 1
1 = 1
2 = 1

NOT URGENT

URGENT
THAT WE BEGIN
ADDRESSING/CREATING
THIS AS SOON AS
POSSIBLE

DELIVERY MATRIX

High Impact

On getting YC closer to meeting the varied needs of students moving forward

<p>Low High Impact / Lower Middle Urgent</p> <p>1=(1) 6=(0) 2=(0) 7=(0) 3=(1) 8=(0) 4=(2) 5=(2)</p>	<p>Middle High Impact / Middle Urgent</p> <p>1=(0) 6=(2) 2=(0) 7=(2) 3=(3) 8=(2) 4=(3) 5=(0)</p>	<p>High Impact / Middle Urgent</p> <p>1=(1) 6=(3) 2=(2) 7=(3) 3=(1) 8=(2) 4=(0) 5=(1)</p>	<p>High Impact/Low Urgent</p> <p>1=(3) 6=(0) 2=(0) 7=(2) 3=(0) 8=(0) 4=(4) 5=(1)</p>	<p>High Impact / Middle Urgent</p> <p>1=(9) 6=(4) 2=(3) 7=(0) 3=(0) 8=(2) 4=(3) 5=(3)</p>	<p>High Impact/Urgent</p> <p>1=(9) 6=(4) 2=(2) 7=(6) 3=(0) 8=(3) 4=(3) 5=(5)</p>
<p>Middle High Impact / Middle Low Urgent</p> <p>1=(0) 6=(1) 2=(1) 7=(0) 3=(3) 8=(2) 4=(2) 5=(0)</p>	<p>Middle High Impact / Middle Low Urgent</p> <p>1=(0) 6=(1) 2=(0) 7=(0) 3=(2) 8=(0) 4=(1) 5=(0)</p>	<p>Middle High Impact / Middle Low Urgent</p> <p>1=(1) 6=(3) 2=(3) 7=(5) 3=(5) 8=(1) 4=(4) 5=(1)</p>	<p>Middle High Impact / Low Urgent</p> <p>1=(4) 6=(2) 2=(6) 7=(2) 3=(0) 8=(4) 4=(1) 5=(9)</p>	<p>Middle High Impact / Middle Urgent</p> <p>1=(2) 6=(2) 2=(1) 7=(4) 3=(1) 8=(0) 4=(0) 5=(2)</p>	<p>Low High Impact / Middle Urgent</p> <p>1=(1) 6=(1) 2=(1) 7=(0) 3=(1) 8=(0) 4=(0) 5=(0)</p>
<p>Middle/Lower High Impact Not/Lower Urgent</p> <p>1=(0) 6=(6) 2=(12) 7=(5) 3=(13) 8=(9) 4=(5) 5=(6)</p>			<p>Lower High Impact Lower Urgent</p> <p>1=(0) 6=(1) 2=(0) 7=(1) 3=(1) 8=(4) 4=(3) 5=(0)</p>		

Low Impact

Engagement Session

Dates:

September 26, 2022
- October 7, 2022

Engagement Session

Leaders:

Dr. Rhine
Dr. Ryan
Mr. Jenkins
Dr. Ewell

of Participants:

224

of Groups:

31

Not Urgent

1 2 3 4

5 = 1 6 = 1 7 = 1 8 = 2

Urgent

That we begin addressing/creating this as soon as possible

Results of Collegewide Prioritization Exercise

01 Online Learning



Improve online quality and consistency



02 General Education



Gen Ed content and modalities must change



03 Competency-based Learning



Competency-based learning critical



04 Micro-credentials



Micro-credentials, unbundled classes



Results of Collegewide Prioritization Exercise

05 Self-paced



Self-paced, just-in-time learning options



06 AI/VR



Explore & expand Artificial Intelligence & Virtual Reality



07 3rd Party Providers



Partner with third party providers



08 Subscription-based

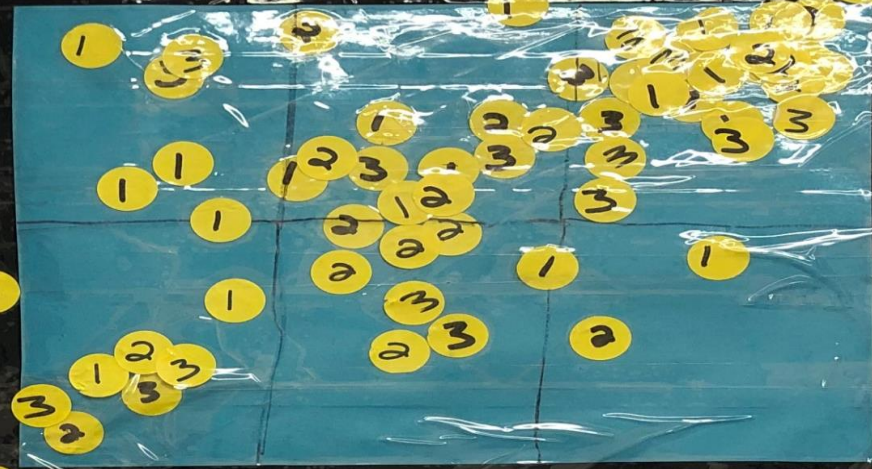
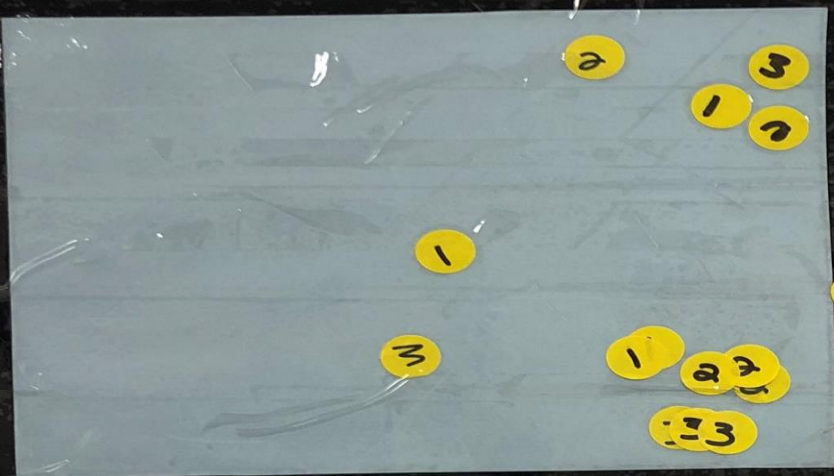


Consider subscription based offerings



INDUSTRY/EMPLOYER PARTNERSHIPS MATRIX

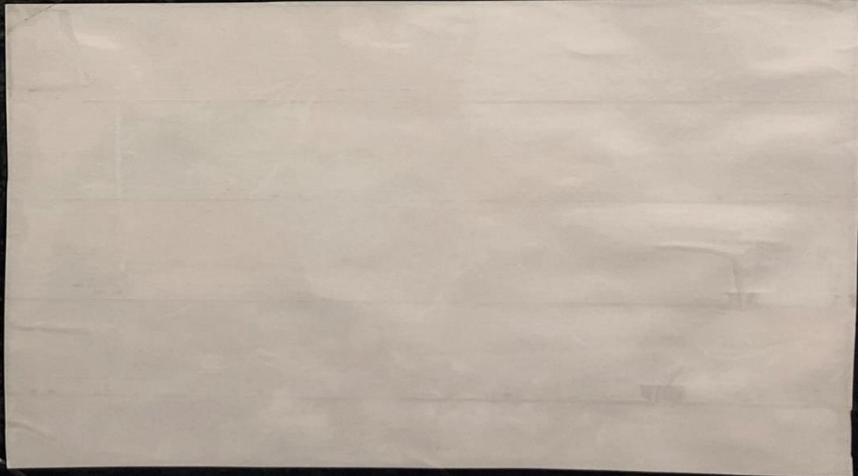
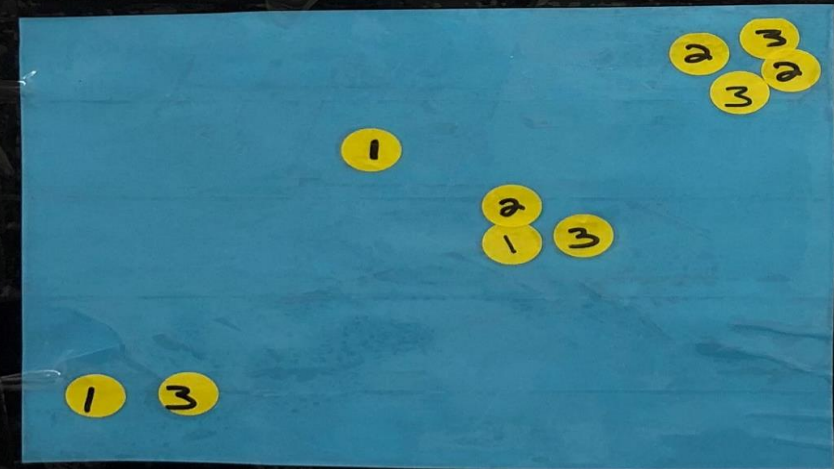
HIGH IMPACT
GETTING YC
CLOSE TO MEETING
1. ASSESS NEEDS OF
STUDENTS MOVING
FORWARD



3 = 11111
1 = 11111
3 = 11111

**Engagement
Session Leaders:**

**# of
Participants:**



LOW IMPACT

NOT URGENT

URGENT
THAT WE BEGIN
ADDRESSING/CREATING
THIS AS SOON AS
POSSIBLE

1 2 3
1 2 3

INDUSTRY/EMPLOYER PARTNERSHIPS MATRIX

High Impact

On getting YC
closer to meeting
the varied needs of
students
moving forward

High Impact/Not Urgent

1=(4)
2=(5)
3=(6)

High Impact /
Low Urgent
1=(4)
2=(0)
3=(2)

High Impact /
Middle Urgent
1=(5)
2=(5)
3=(3)

High Impact/Urgent
1=(9)
2=(8)
3=(7)

Engagement
Session
Dates:
September 26, 2022
- October 7, 2022

Middle High Impact
/ Low Urgent
1=(2)
2=(2)
3=(5)

Middle High Impact
/ Middle Urgent
1=(1)
2=(5)
3=(2)

Low High Impact /
Middle Urgent
1=(1)
2=(1)
3=(0)

Engagement
Session
Leaders:
Dr. Rhine
Dr. Ryan
Mr. Jenkins
Dr. Ewell

Low Impact/Not Urgent

1=(3)
2=(3)
3=(4)

Low Impact/ Urgent
None

of
Participants:
224
of Groups:
31

Low Impact

Not Urgent

1 = 2

2 = 2

3 = 2

Urgent

That we begin addressing/
creating this as soon as
possible

Workforce Training and Career Readiness

1

Industry/ Employers-
Customize Training

2

Industry/ Employers-
Experiential Learning

3

Employment
Preparation &
Collaboration

The Strategic Planning Committee

Three Deliverables this Year:

- FY24 Strategic Planning Priorities
- S.W.O.T. Analysis
- FY23 Key Strategic Priorities Update

End April

Launch new video on Strategic Direction and Decisions

02

03

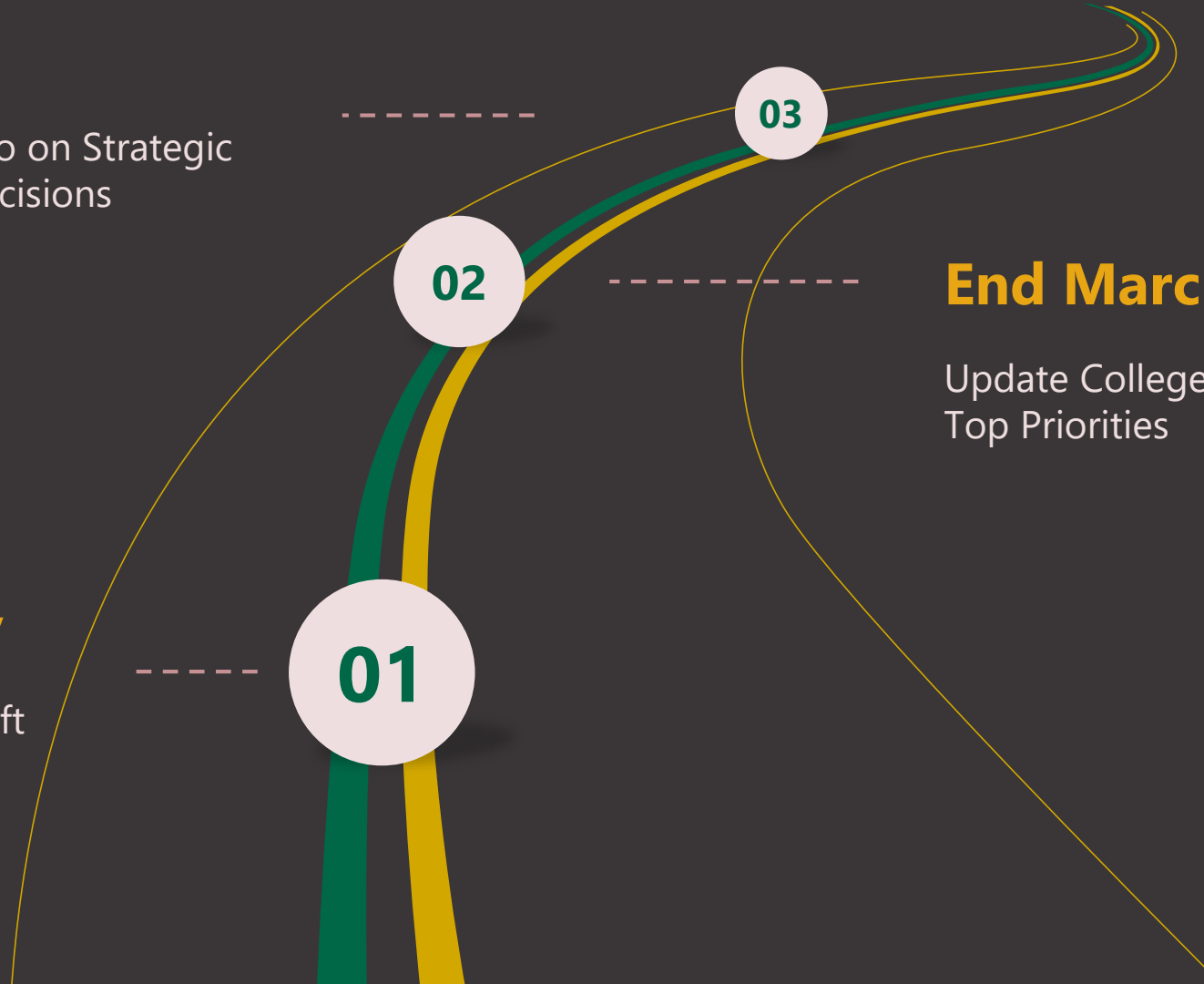
End March

Update College Plans with FY24 Top Priorities

End February

Update Strategic Draft Plan

01



Two Efforts will
Begin
Immediately



● Expand
Workforce
Training &
Partnerships

● Explore &
Expand Use
of
AI and VR



**Customized Training
Program**



**Employer Sponsored
programs**



**Micro-credentials & Self-
Paced Options**



**Experiential
Opportunities for
Students with Employers**



**Employment preparation
& collaboration**



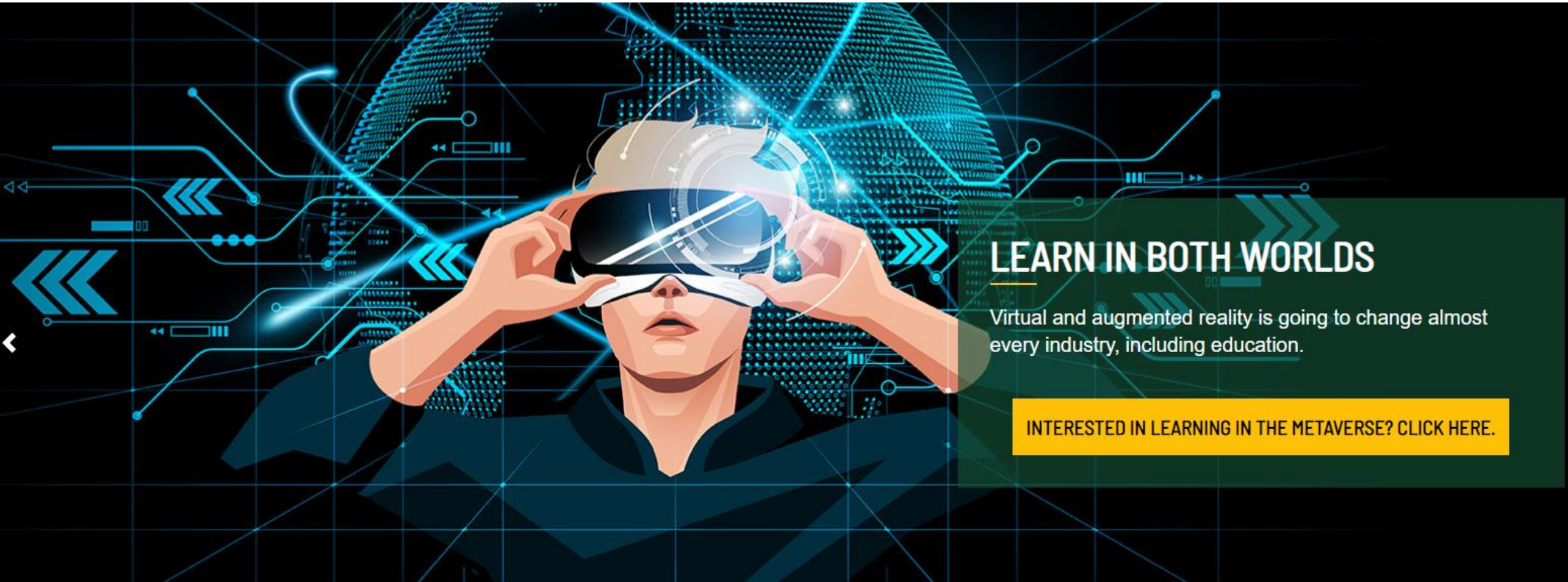
3rd Party Collaborations

Workforce Innovation

Building on the Success of the REDC

Expand workforce training and
partnerships

The Metaverse



LEARN IN BOTH WORLDS

Virtual and augmented reality is going to change almost every industry, including education.

[INTERESTED IN LEARNING IN THE METAVERSE? CLICK HERE.](#)

What I Ask of You



Celebrate
how far we
have come




Carry the
good news
forward



Participate in
Strategic
Planning
activities



Be open to
change &
opportunity



Unless you continually work, evolve,
and innovate, you'll learn a quick and
painful lesson from someone who has.

Cael Sanderson

“ quote fancy ”



There will be many
challenges ahead, and I'm
looking forward to them.

Cael Sanderson

What Questions Do You Have?

WORKFORCE TRAINING

TRANSFER EDUCATION

LIFELONG LEARNING

CULTURAL ENRICHMENT

Yavapai
COLLEGE

3. Study Session

d. Yavapai College Finances for Fiscal
Year 2023-2024 – Dr. Clint Ewell

INFORMATION AND DISCUSSION

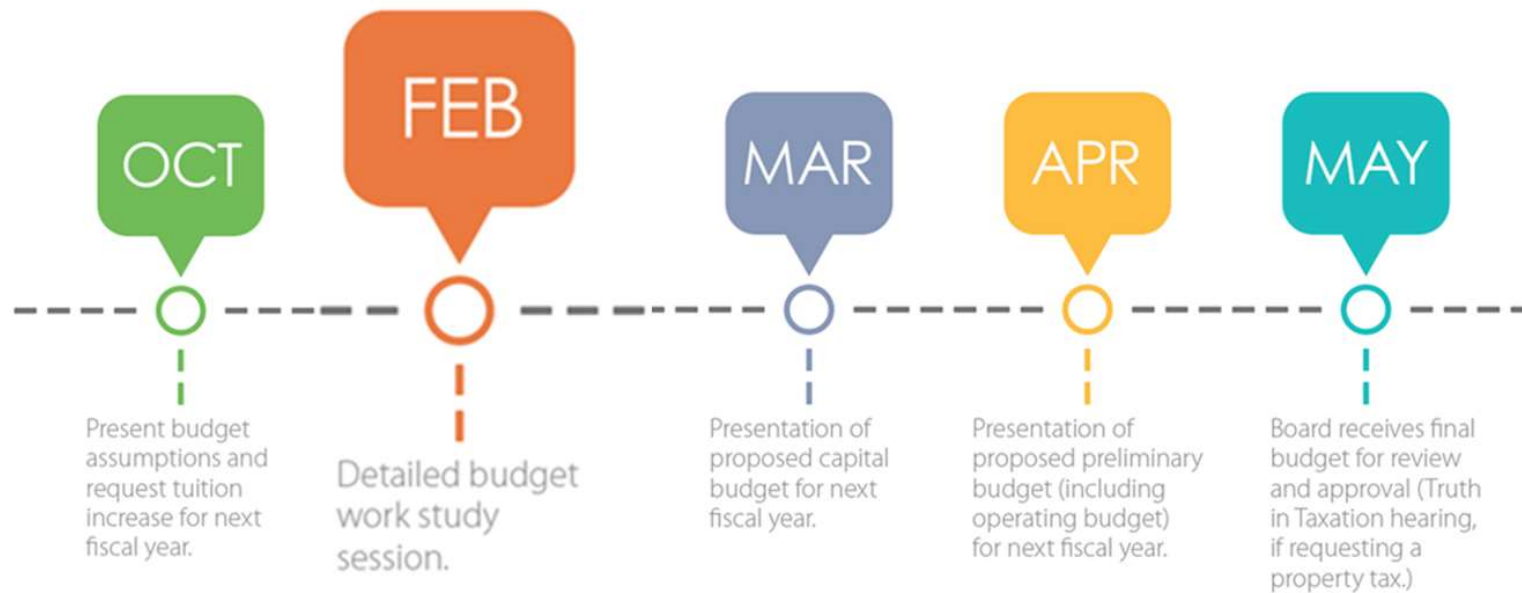


Yavapai College Finances

District Governing Board
Budget Work Study

125,058	154,568	95,054	124,500
125,487	56,845	97,511	125,000
124,000	110,000	99,011	154,000
450	150,000	99,216	95,000
	35,000	101,090	154,200
		101,684	110,000
		101,962	89,000
			50,000
			2,700

Timeline



Agenda

Expenditure Limit

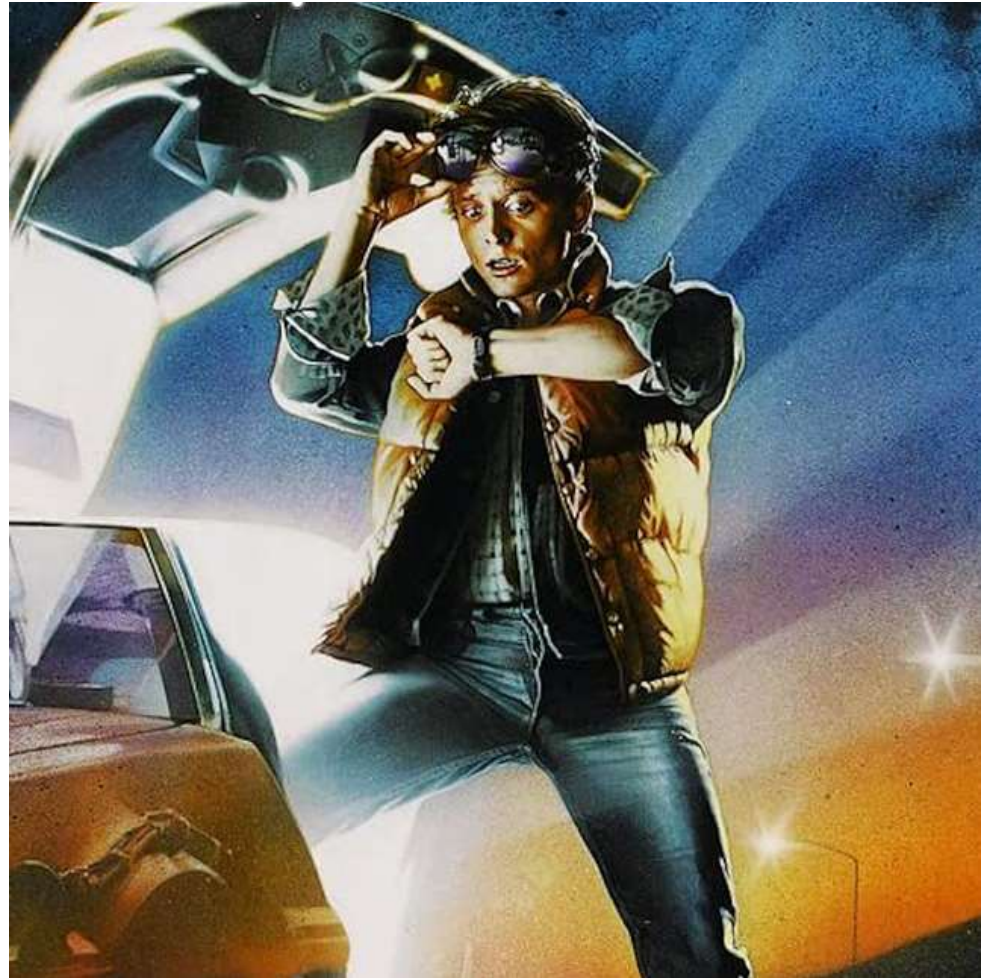
Property Taxes

Revenues &
Expenditures

Highlights and
Challenges

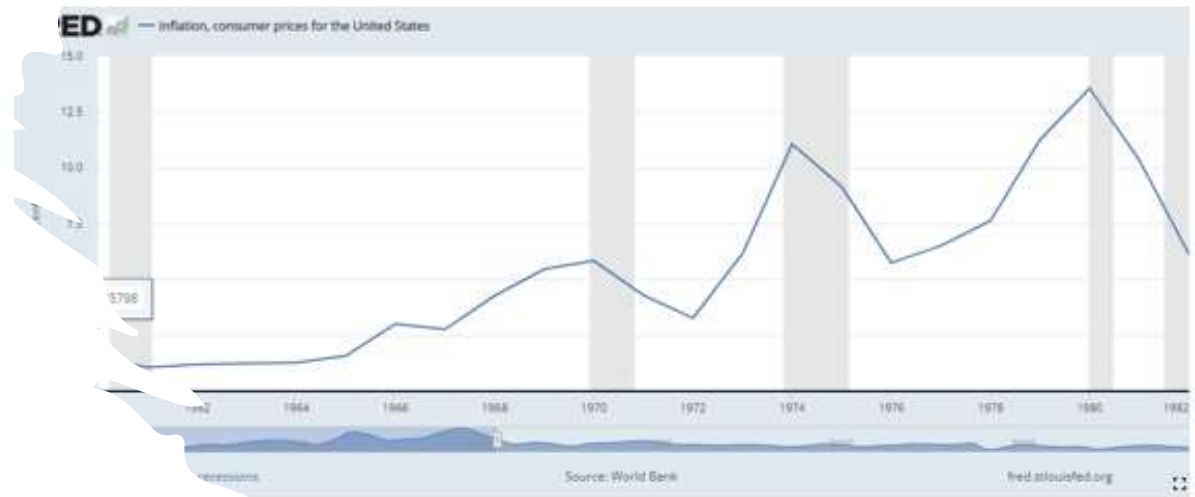
Expenditure Limit

Let's Revisit 1980



Context

- On June 6, 1980 AZ voters approved Constitutional Amendment to Article IX, Section 21
 - Limits Spending per capita of local revenues to same rate as 1980, adjusted for inflation (GDP deflator)
- Affects all local agencies
 - Community colleges
 - Cities
 - Counties
 - K-12
- Financial penalty up to 1/3 of YC's state appropriation



EL Calculation Exclusions

- Revenues

- Interest
- Federal/ State/ Private
Grants & Donations
 - Prop 301, Prop 207

- Capital accumulation funds
- Tuition & Fees

- Research & Entrepreneurial
Activities

- Rentals, Community
Events

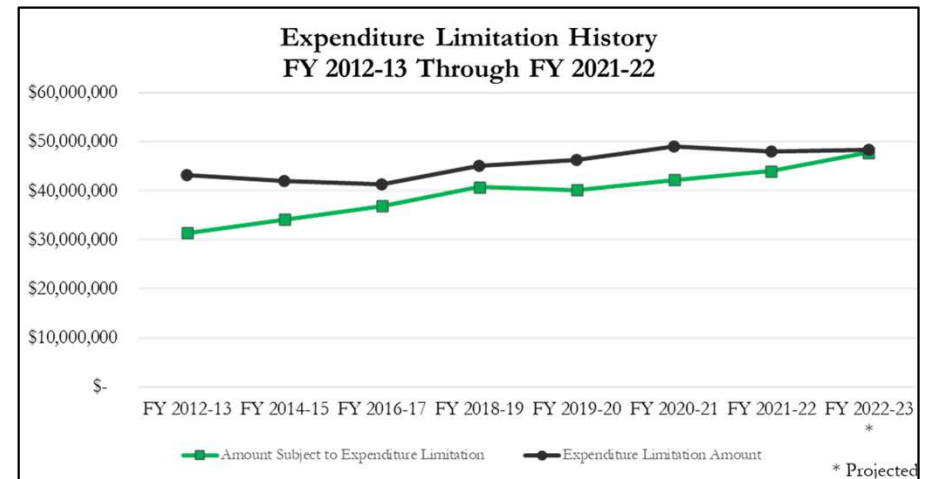
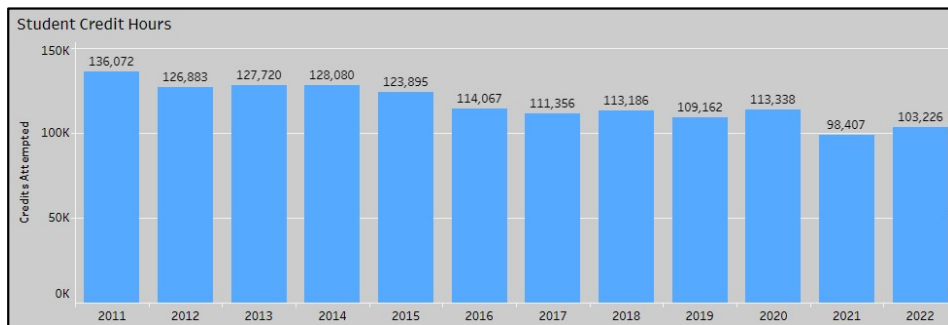
- Auxiliary Fees

- Bookstore, Food,
Residence Halls

- Expenses

- Capital debt payments
 - Bonds
 - Capital leases
- Intergovernmental
contracts

Downward Enrollments Create EL Pressure

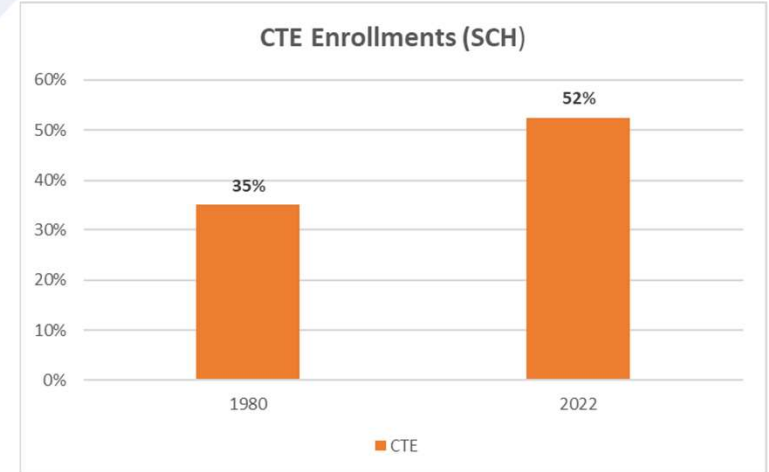


Carryforward ~\$30M

Changes in Product Mix Create EL Pressure

- New Areas of Study

- FY11: Aviation, Pre-engineering, Radiologic Technology
- FY12: CNC Machining
- FY13: Viticulture, Industrial Plant Tech., Video Game Design, Construction AAS
- FY14: Enology
- FY15: Culinary, Hotel & Restaurant Management (HRM)
- FY16: Computed Tomography, Magnetic Resonance, Electric Utility Worker, Emergency Mgmt AAS, Sports Medicine
- FY17: Medical Assistant, Animation, Creative Writing, Gerontology
- FY18: Cyber Security, HIT AAS, Machine Bearings, Machine Alignment, Paralegal post-degree
- FY19: Basic Carpentry, Pharmacy Tech, Social/ Human Services AAS
- FY20: CDT, Advanced Tax, Viticulture, VGD AAS, Helicopter AAS, Photography
- FY21: Expand CNC & Pre-Engineering, Assisted Living Caregiver, Brewing, Residential Trades, HRM, Animation
- FY22: Additive Mfg, Advanced Electronics, Electrician, HVAC, Plumbing, Leadership, Supervision, Microsoft Office Specialist, Technical Theater, 3D Construction, UAS



Next Steps

- Growth is a priority
- Non-credit workforce training
- Constitutional amendment

THE PROPOSED CONSTITUTION FOR THE STATE OF ARIZONA

Adopted by the Constitutional Convention, held at
Phoenix, Arizona, from October 10
to December 9, 1910.

PREAMBLE.

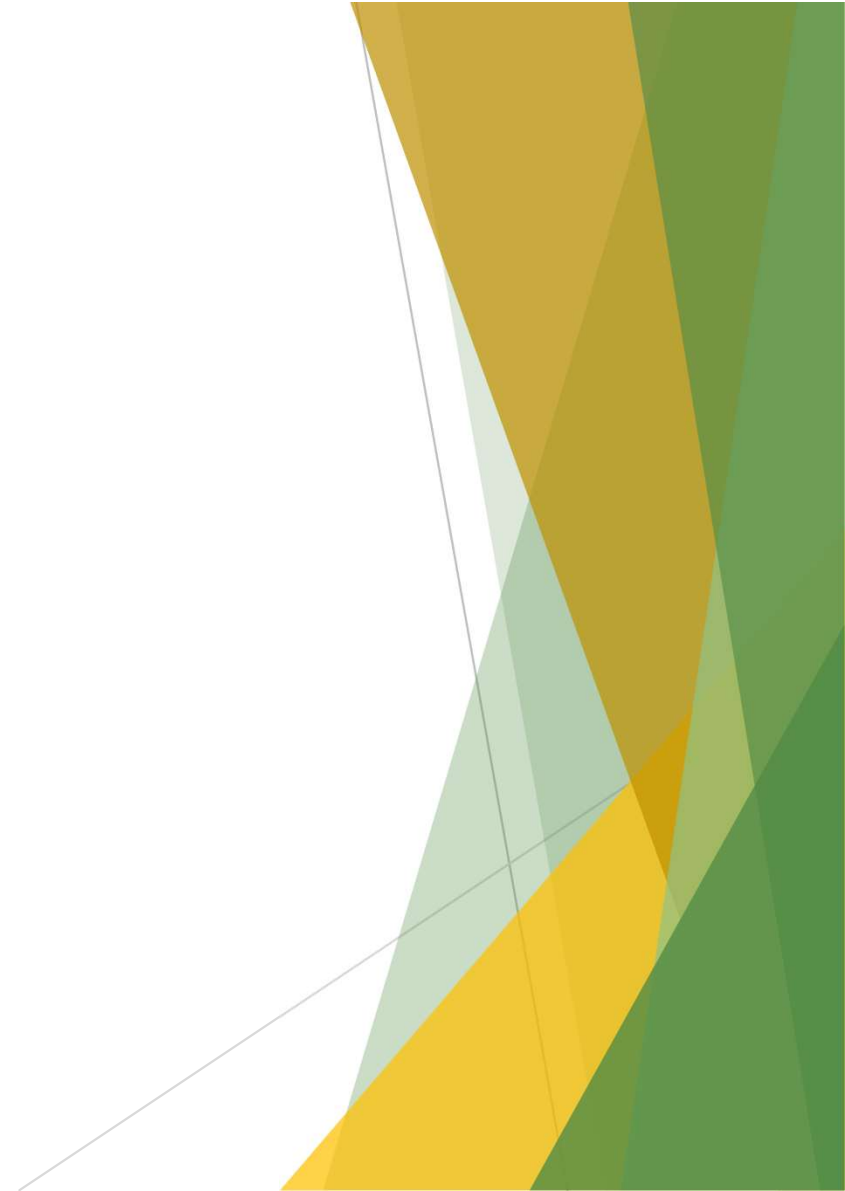
We, the people of the State of Arizona, grateful to Almighty
God for our liberties, do ordain this Constitution.

ARTICLE I.

STATE BOUNDARIES.

The boundaries of the State of Arizona shall be as follows,
namely: Beginning at a point on the Colorado River twenty
English miles below the junction of the Gila and Colorado Rivers,
as fixed by the Gadsden Treaty between the United States and
Mexico, being in latitude thirty-two degrees, twenty-nine minutes,
forty-four and forty-five one-hundredths seconds north, and longi-
tude one hundred and fourteen degrees, forty-eight minutes, forty-
four and fifty-three one-hundredths seconds west of Greenwich;
thence along and with the international boundary line between the
United States and Mexico in a southeastern direction to Monu-
ment Number 127 on said boundary line, in latitude thirty-one
degrees, twenty minutes north; thence east along and with said
parallel of latitude, continuing on said boundary line to an inter-
section with the meridian of longitude one hundred nine degrees,
two minutes, fifty-nine and twenty-five one-hundredths seconds
west, being identical with the southwestern corner of New Mexico;

Property Taxes



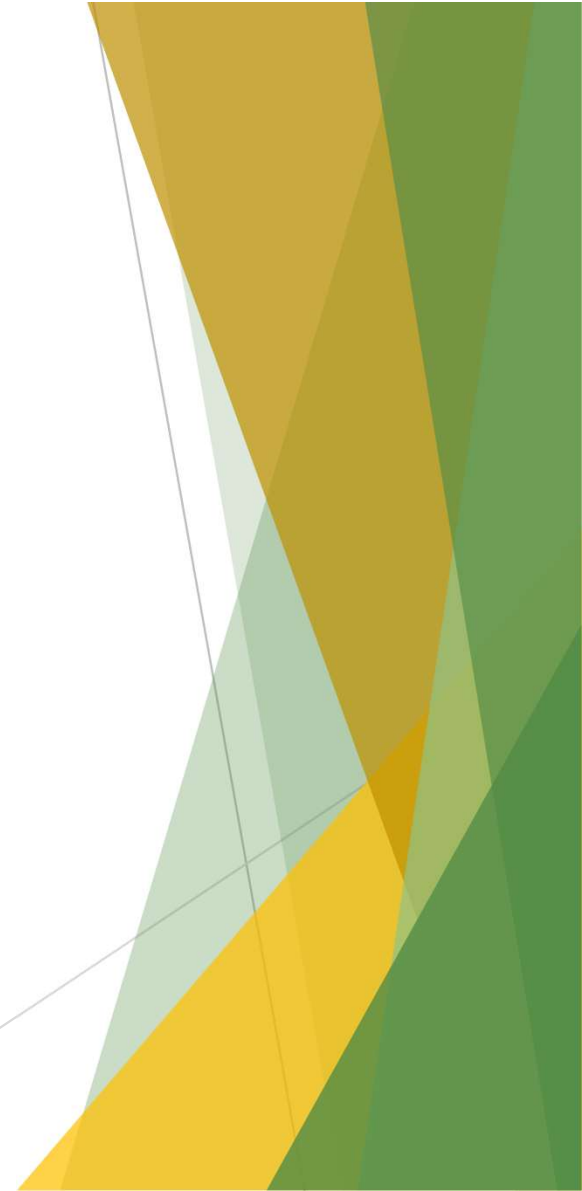
What Does My Property Tax Pay For?

► Property tax revenues help fund service operations (Primary):

- State and Local Governments
- Schools
- Law Enforcement
- Library

► Voter-approved Capital Projects (Secondary):

- Sewer, Wastewater and Sanitary, Domestic Water
- Fire Districts
- Parks
- Street Lights
- Other Capital Projects



Formula

- ▶ County Assessor estimates Full Cash Value (FCV) every year
 - i.e. Market Value
- ▶ Starting in 2012, FCV growth is limited to 5% per year = Limited Property Value
- ▶ Property classification & Rate
 - Commercial, industrial, utilities, mines (18%)
 - Agriculture and vacant land (15%)
 - Residential (10%)
 - Etc.
- ▶ $LPV \times \text{class assessment rate} = \text{Net Assessed Value (NAV)}$
- ▶ $NAV \times \text{Primary Tax Rate} = \text{Primary Taxes Owed}$

Example Calculation Homeowner Property Tax

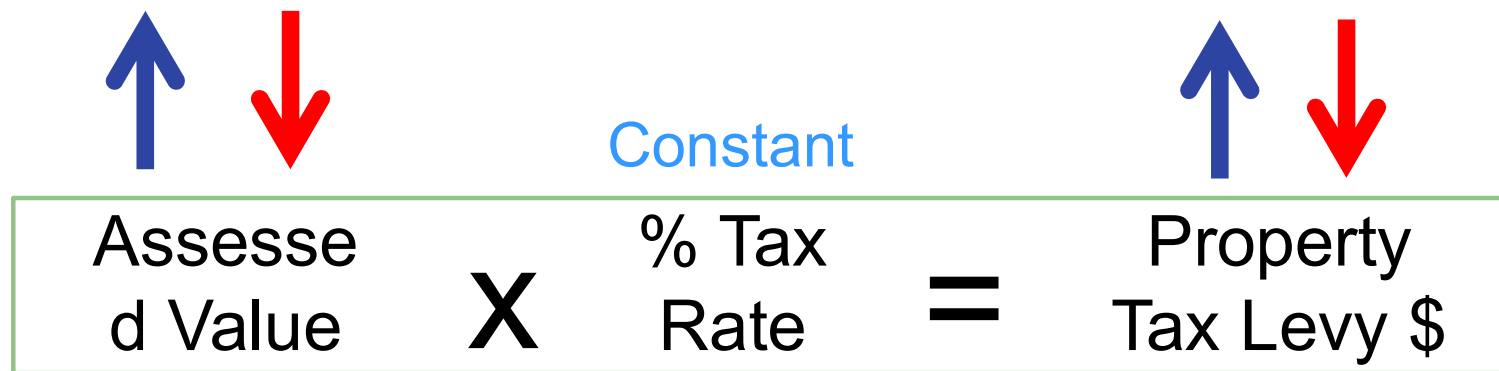
- ▶ Full Cash Value \$252,000
- ▶ LPV \$180,000
- ▶ Classification rate: 10%

- ▶ $LPV \times Class = NAV = \$18,000$

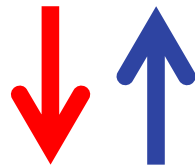
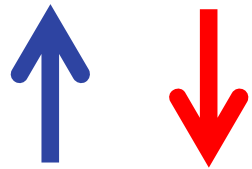
- ▶ Primary Tax Rate \$1.7584 (per \$100)
- ▶ $NAV \times Tax\ rate / 100 = \316.51



Calculating Property Levy in Most States


$$\begin{array}{ccccc} \begin{array}{c} \uparrow \downarrow \\ \text{Assessed Value} \end{array} & \times & \begin{array}{c} \text{Constant} \\ \% \text{ Tax Rate} \end{array} & = & \begin{array}{c} \uparrow \downarrow \\ \text{Property Tax Levy \$} \end{array} \end{array}$$

Calculating Property Levy in Arizona



Constant

Assessed Value

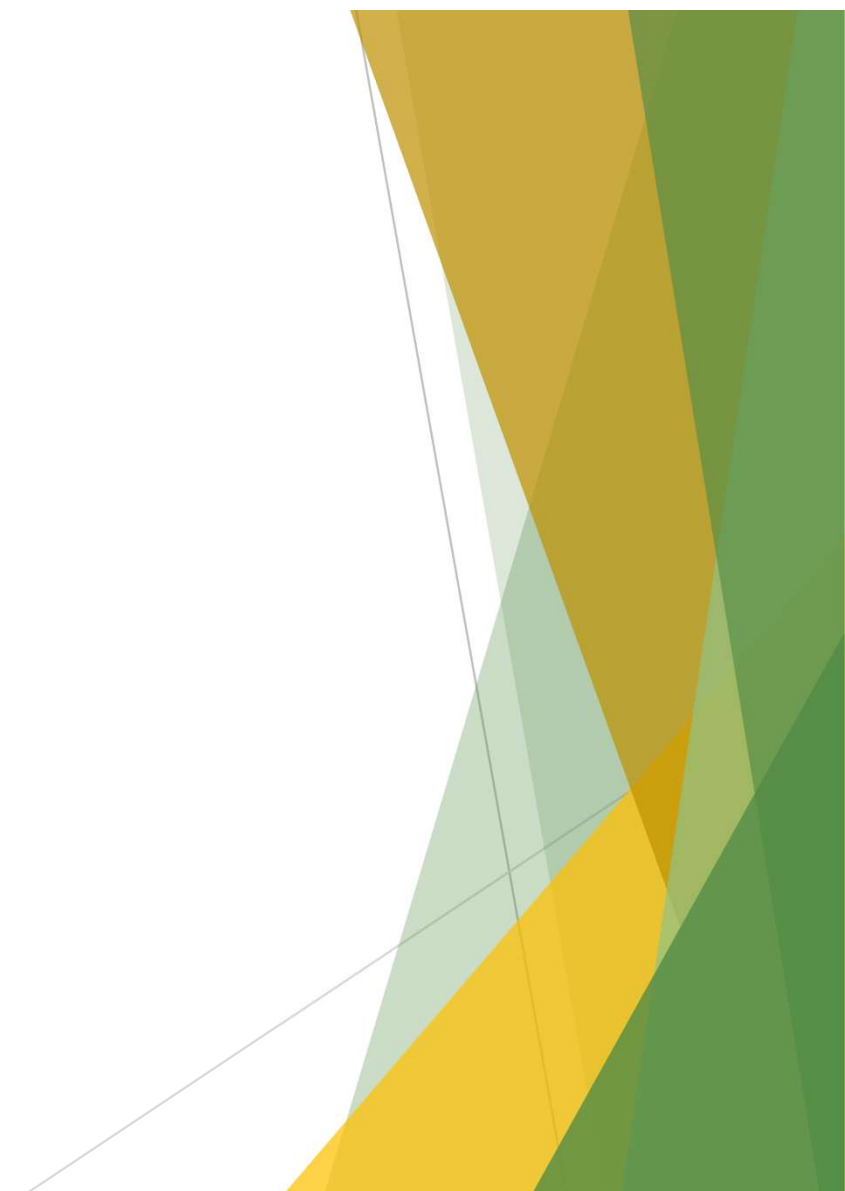
X

% Tax Rate

=

Property Tax Levy \$

Splitting the Check



Split the Town's budget: \$1,000



\$250,000



\$250,000



\$250,000



\$250,000



Split the Town's budget: \$1,000



\$240,000



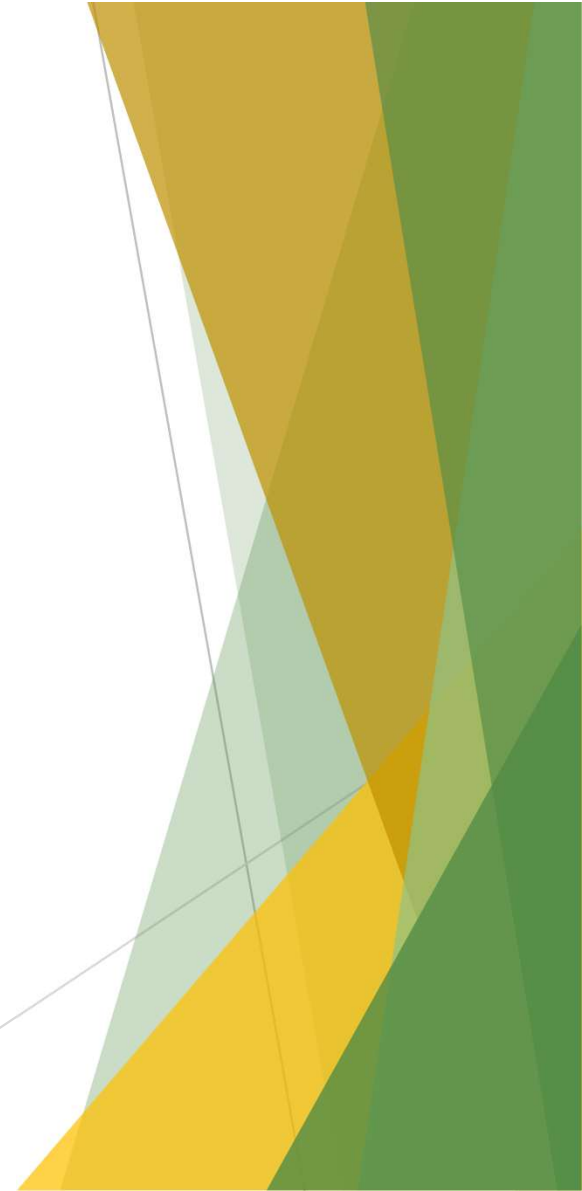
\$240,000



\$240,000



\$240,000



Split the Town's budget: \$1,000



\$300,000



\$300,000



\$300,000



\$300,000



Split the Town's budget: \$1,000



\$250,000
(\$263)



\$200,000
(\$210)



\$300,000
(\$274)

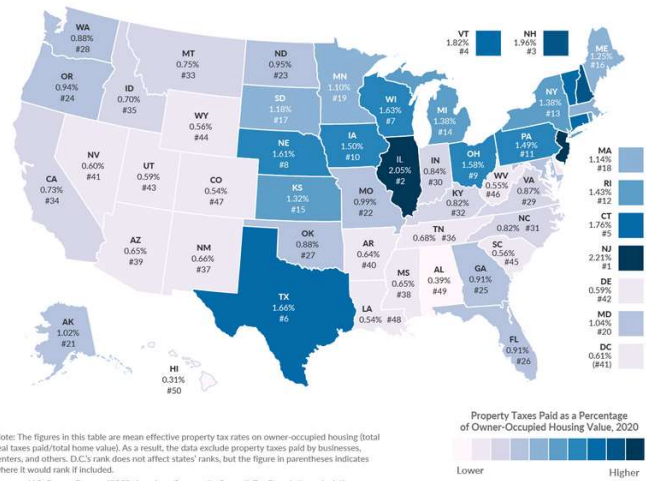


\$240,000
(\$253)



How High Are Property Taxes in Your State?

Property Taxes Paid as a Percentage of Owner-Occupied Housing Value, 2020

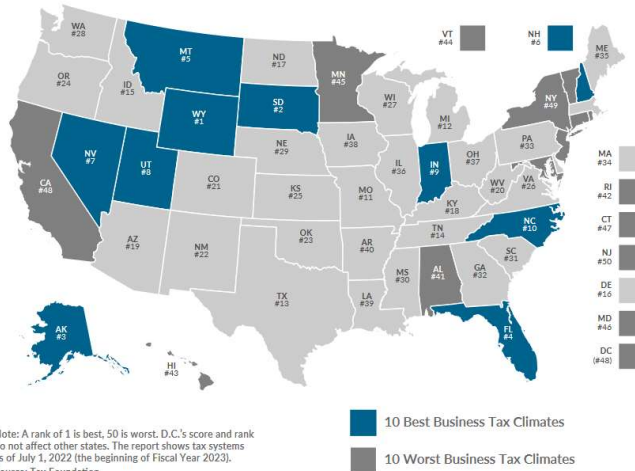


TAX FOUNDATION

@TaxFoundation

Residential is 12th Lowest in US

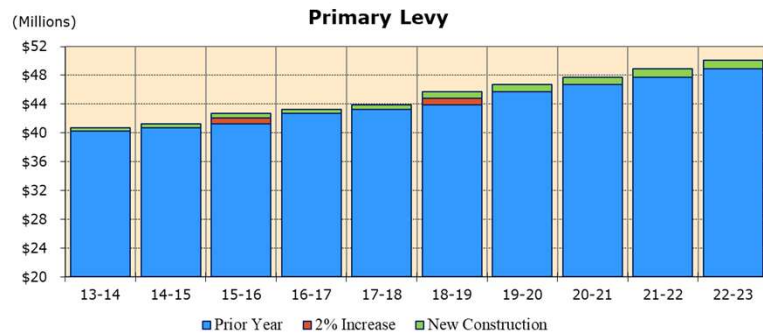
2023 State Business Tax Climate Index



Business is 11th Lowest in US

-- TaxFoundation.org

Increasing Property Tax Levy in Arizona

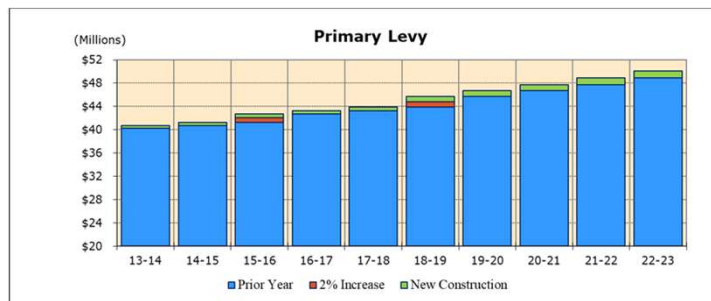


- ▶ New Construction
- ▶ Tax District may increase levy 2% per year
 - ▶ Cumulative
 - ▶ Collect \$50.1M
 - ▶ Allowable \$60.0M

FY24 Property Tax Updates

► New Construction

- \$1.04M



► Example of 2% Increase Levy

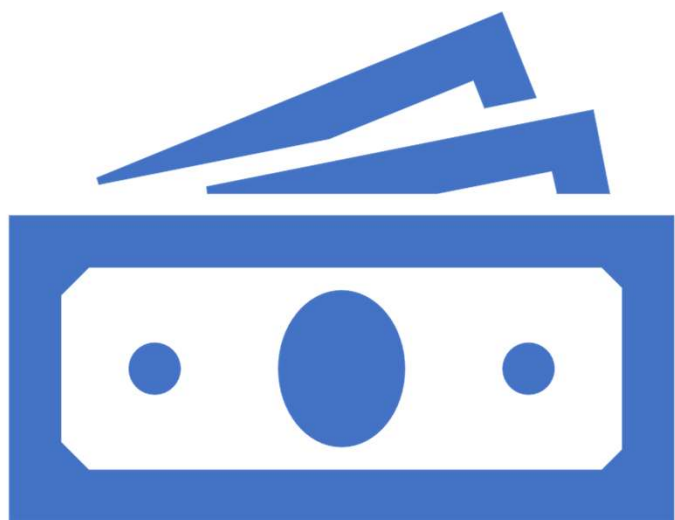
- Median Home \$500,000
- Tax Bill Increase \$14

► Example of 5% Levy Increase

- Median Home \$500k
- Tax Bill Increase \$36



A budget is more than just revenues and expenses– it shows what we are passionate about.



Revenues

Revenue Streams

Where the Money Comes From



State



Primary Property Taxes

Expenditure
Limit



Sales & Service



Tuition & Fees



Other



Grants & Gifts

No
Expenditure
Limit

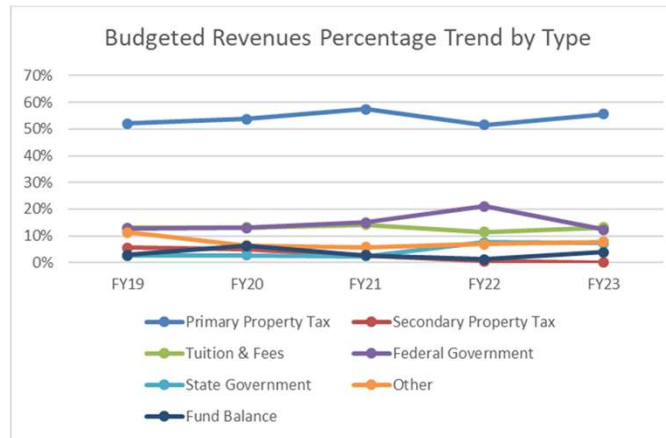
Restricted



Expenditure Limit & Restricted

FY2022-2023 Budget

Property Taxes	\$49.9M	
State – M&O	\$0.3M	
State – Rural Aid	\$1.8M	EL controls \$52.2M
Tuition & Fees	\$11.8M	
Sales & Service	\$3.6M	No EL for \$37.4M
Grants & Gifts	\$16.7M	
Other	\$1.9M	
Fund Balance	\$3.5M	
•TOTAL	\$89.6M	

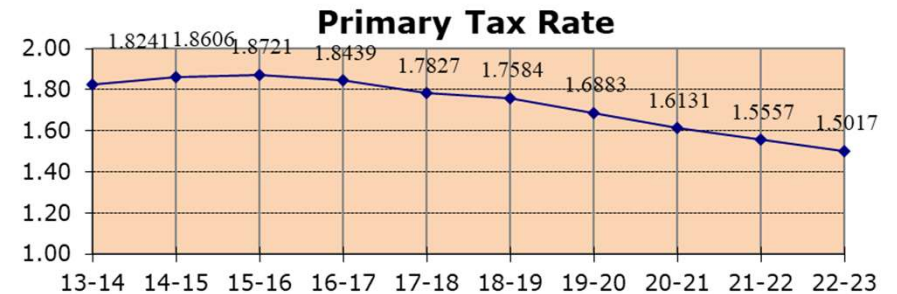
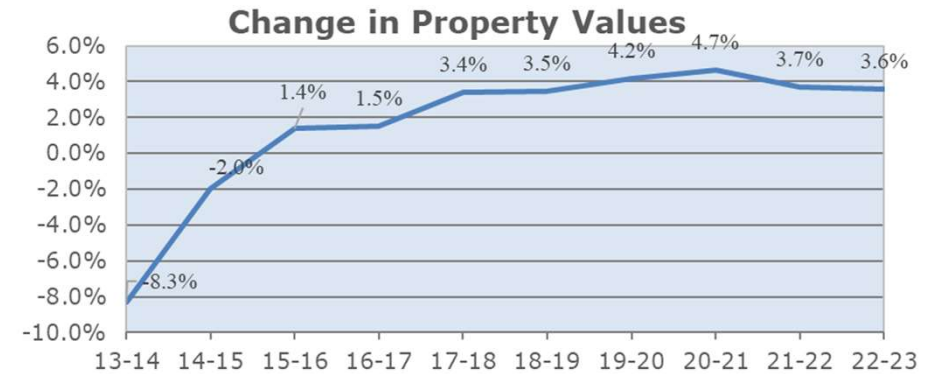
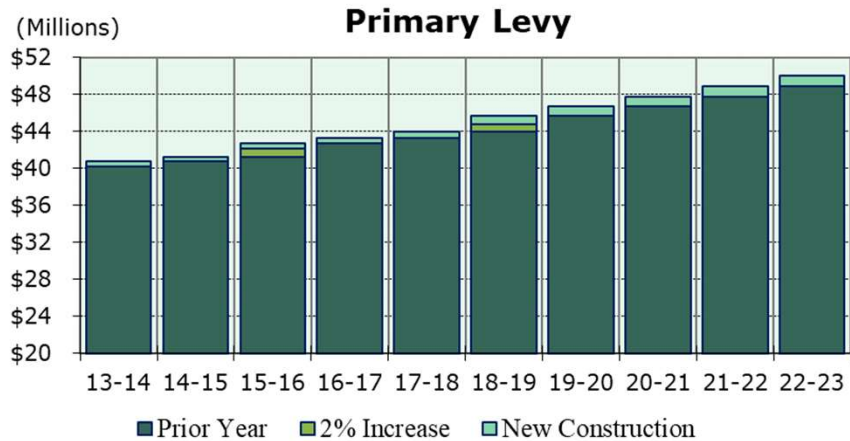


Budgeted Revenues by Type

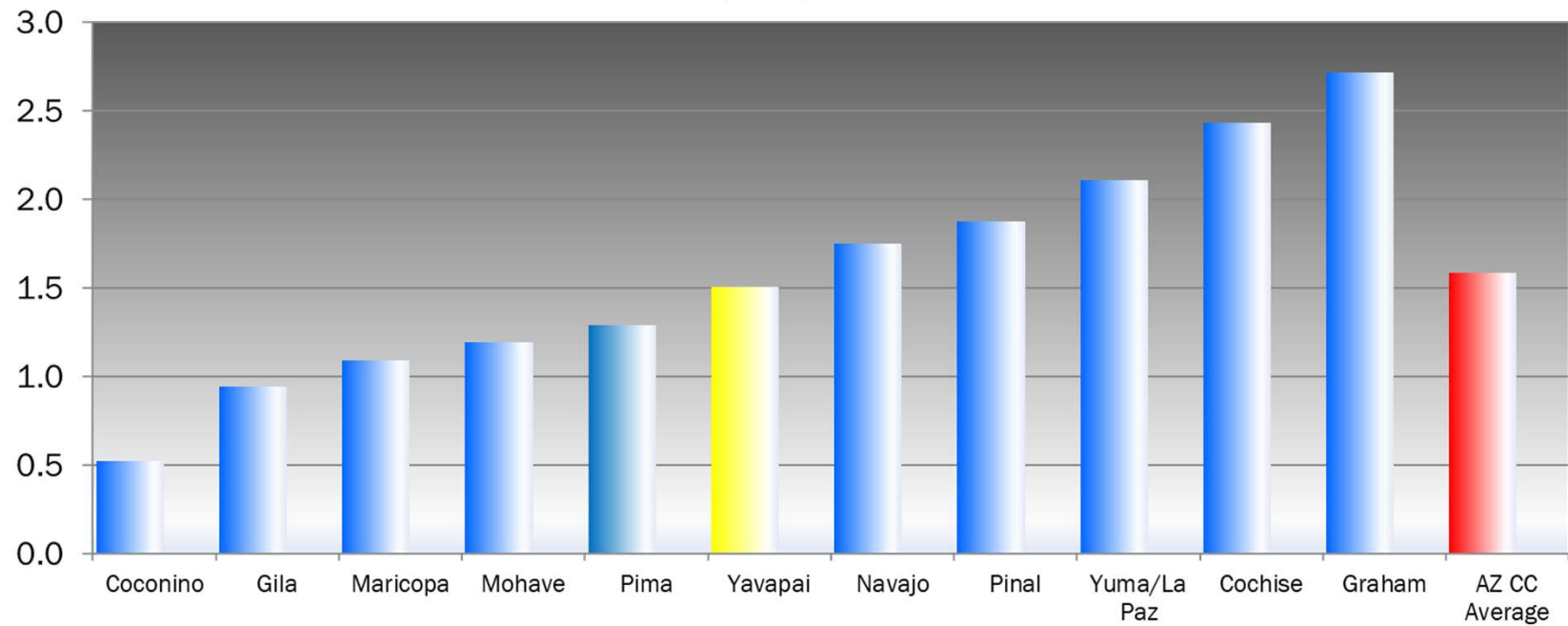
	<u>FY19</u>	<u>FY20</u>	<u>FY21</u>	<u>FY22</u>	<u>FY23</u>	<u>5 Yr %</u>
Primary Property Tax, Net Contingency	\$ 45,514,700	\$ 46,497,900	\$ 47,516,000	\$ 47,924,100	\$ 49,860,100	9.5%
Secondary Property Tax, Net Contingency	4,888,600	4,188,600	2,233,700	405,500	-	-100.0%
Tuition & Fees	11,355,000	11,341,000	11,647,000	10,574,000	11,760,000	3.6%
Federal Government	11,122,000	11,150,000	12,435,000	19,520,000	11,060,000	-0.6%
State Government	2,218,100	2,305,000	1,957,800	6,987,800	6,414,900	189.2%
Other	9,849,900	5,506,300	4,722,100	6,417,500	6,989,600	-29.0%
Fund Balance	2,542,700	5,424,800	2,178,400	1,107,800	3,478,500	36.8%
	\$ 87,491,000	\$ 86,413,600	\$ 82,690,000	\$ 92,936,700	\$ 89,563,100	2.4%

Revenue Trends

Property Taxes



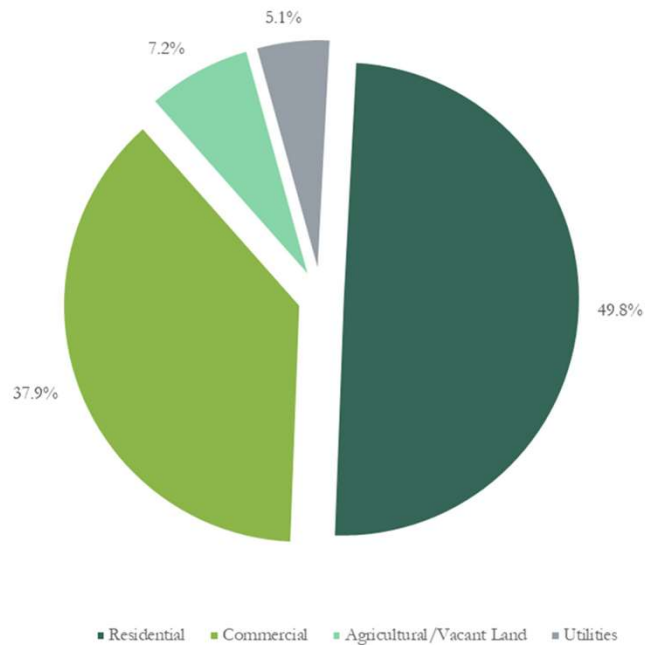
Arizona Community College
2023 Primary Property Tax Rates
(in mils)



Source: FY2023-24 Arizona Community Colleges State Aid Request

FY2022

Yavapai County Property Tax by Type

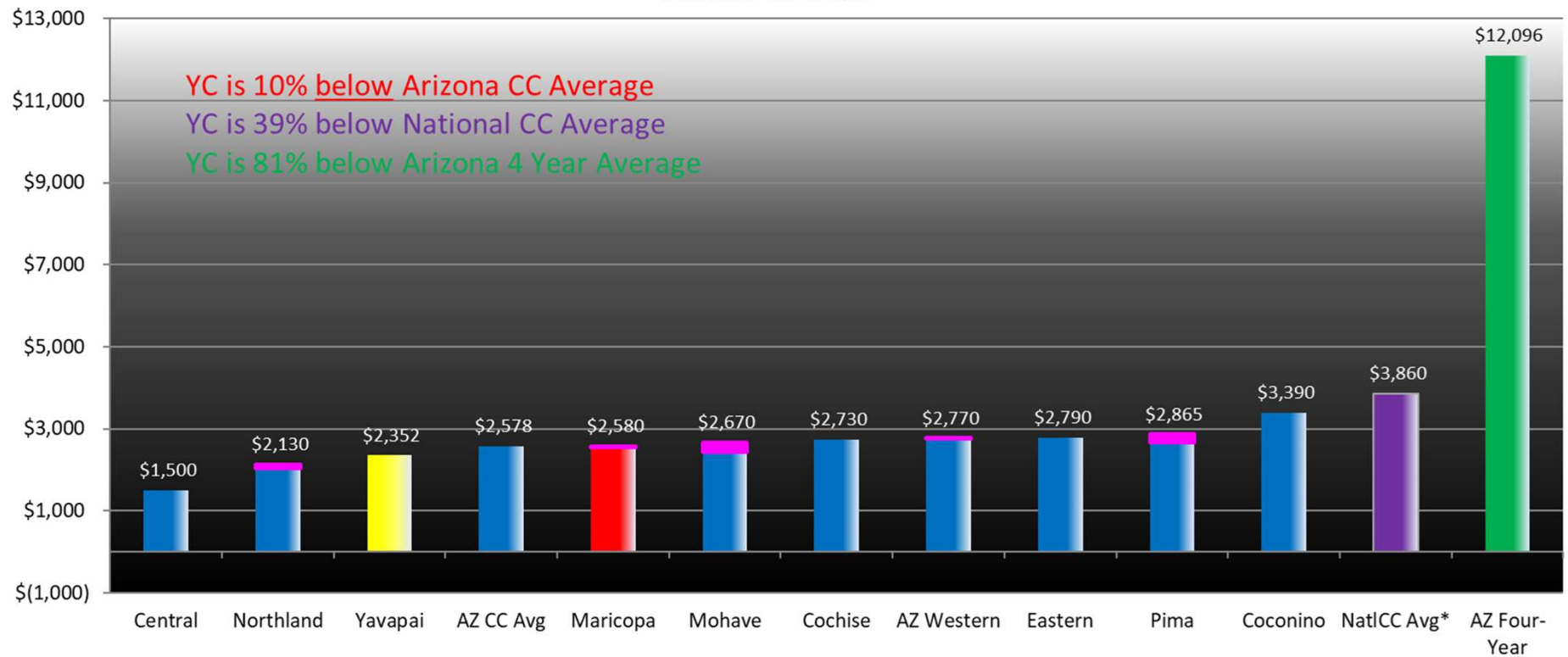


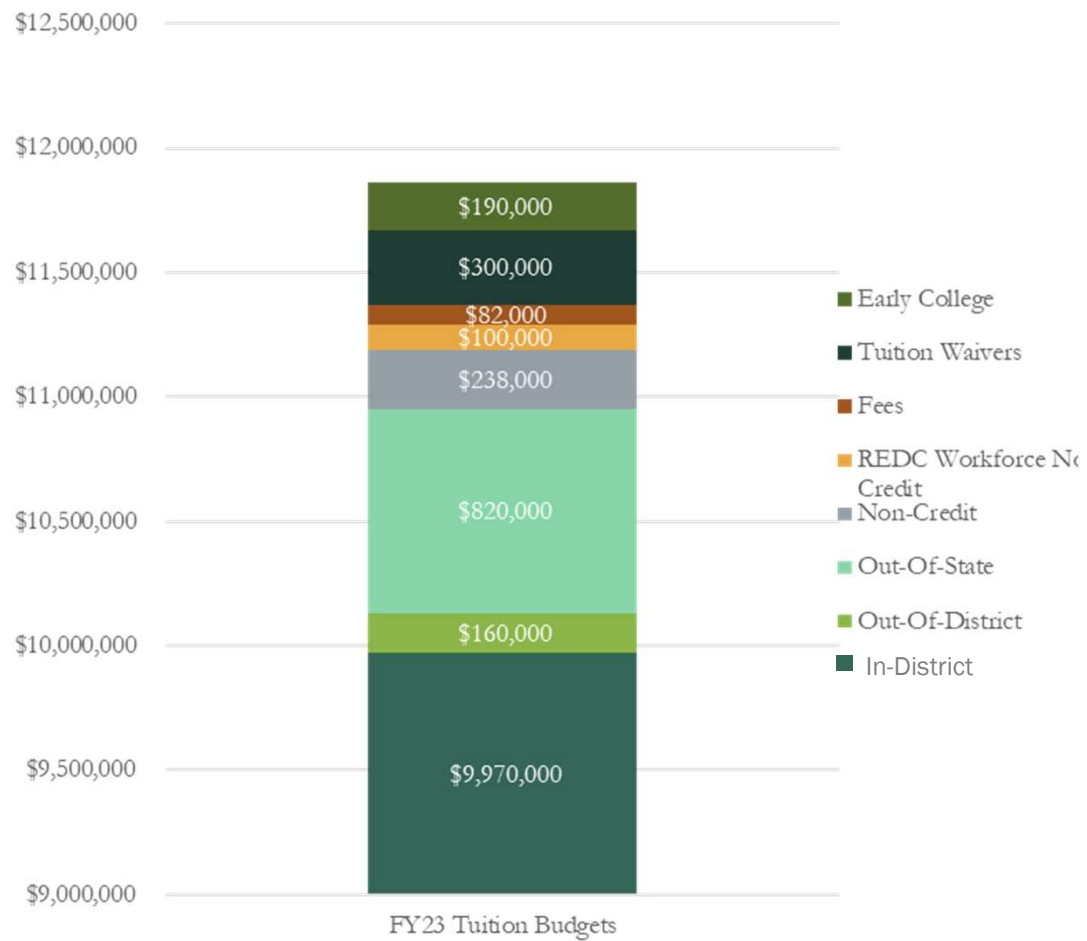
Top 50 Taxpayers provide 13.4% of total Property Tax Revenue

Top Taxpayers		Programs
1	Freeport McMoran (previously Phelps Dodge)	Diesel, Electrical Instrumentation, Industrial Machine Maintenance, Welding
2	Arizona Public Service	Lineworker and Electrical Instrumentation Technology
3	Unisource Energy Corporation	Diesel, Industrial Machine Maintenance
4	Burlington Northern Santa Fe Railway Company	Diesel, Electrical Instrumentation, Industrial Machine Maintenance, Welding
5	Transwestern Pipeline Company LLC	Welding
6	Drake Cement	Diesel, Electrical Instrumentation, Industrial Machine Maintenance, Welding
7	EL Paso Natural Gas Company	Diesel, Industrial Machine Maintenance
8	Wal-Mart	Business, Gen Ed
9	New Enchantment LLC	Business, Gen Ed
10	Ace Hardware Corp	Business, Gen Ed

Weighted Annual Tuition and Fees - FY2022-23

Full Time - 30 Credits



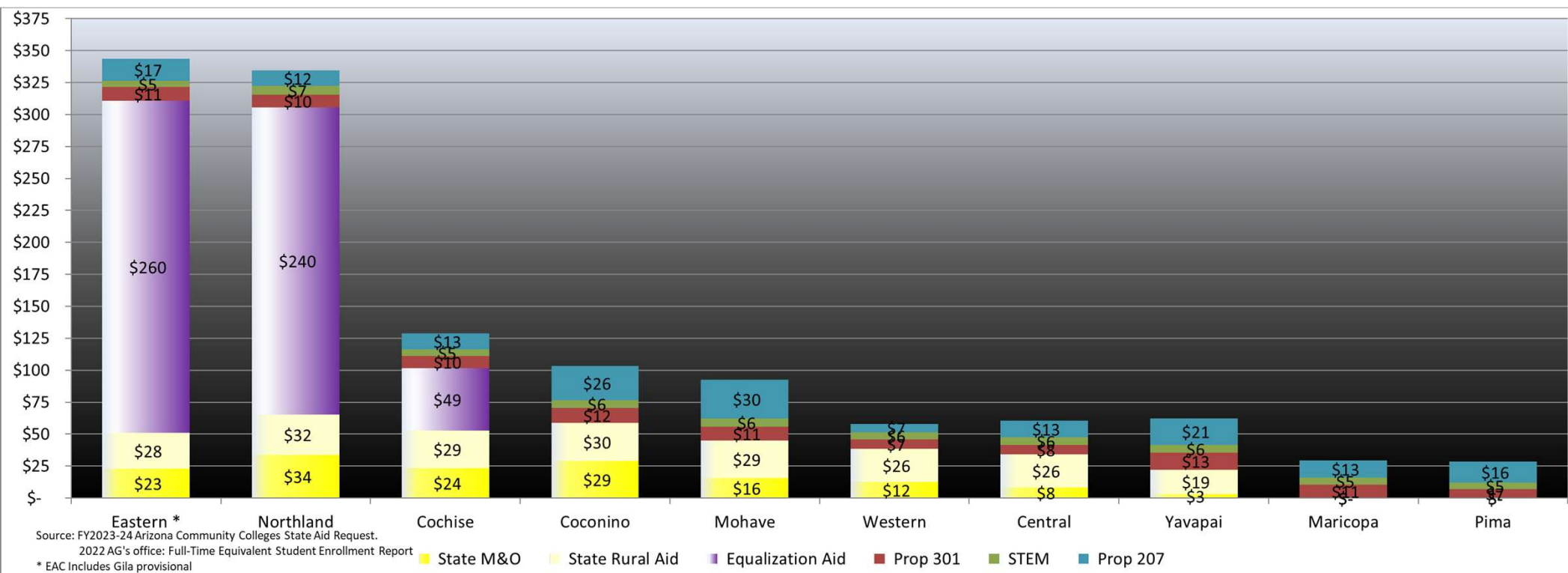


Tuition Details



State Government

Operations & Maintenance	\$ 300,400
Rural Aid	\$ 1,843,400
Science Technology Engineering & Math	\$ 611,100
Prop 207 Workforce/ STEM	\$ 2,000,000
Prop 301 Workforce Development	\$ 1,250,000
Adult Basic Education	\$ 300,000
Other	\$ 110,000
	\$ 6,414,900



FY23 State Support for Community Colleges per Student Credit Hour



Expenses

Exhibit 2

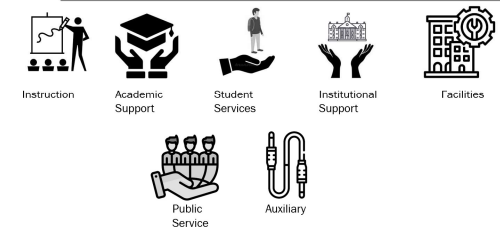
SUMMARY OF EXPENSE DATA

Expenditures by Fund	2020-2021 Actual	2021-2022 Budget	2022-2023 Proposed	Dollar (\$) Difference	Percentage (%) Difference
Current Funds					
Current General Fund - Unrestricted	\$ 46,099,200	\$ 52,034,800	\$ 54,908,300	\$ 2,873,500	5.5%
Auxiliary Enterprises	3,873,600	5,368,200	5,543,100	174,900	3.3%
Sub-Total Current Funds - Unrestricted	\$ 49,972,800	\$ 57,403,000	\$ 60,451,400	\$ 3,048,400	5.3%
Current Funds - Restricted	13,481,200	23,618,500	18,448,100	(5,170,400)	-21.9%
TOTAL CURRENT FUNDS	\$ 63,454,000	\$ 81,021,500	\$ 78,899,500	\$ (2,122,000)	-2.6%
Plant Funds					
Unexpended Plant Fund	\$ 10,093,400	\$ 9,654,300	\$ 9,405,500	\$ (248,800)	-2.6%
Retirement of Indebtedness	7,899,600	2,260,900	1,258,100	(1,002,800)	-44.4%
TOTAL PLANT FUNDS	\$ 17,993,000	\$ 11,915,200	\$ 10,663,600	\$ (1,251,600)	-10.5%
GRAND TOTAL - CURRENT & PLANT FUNDS	\$ 81,447,000	\$ 92,936,700	\$ 89,563,100	\$ (3,373,600)	-3.6%
Expenditures by Program	2020-2021 Actual	2021-2022 Budget	2022-2023 Proposed	Dollar (\$) Difference	Percentage (%) Difference
Instruction	\$ 20,642,200	\$ 26,022,200	\$ 27,612,100	\$ 1,589,900	6.1%
Public Service	1,786,600	3,760,500	3,463,600	(296,900)	-7.9%
Academic Support	5,303,200	6,284,600	5,903,900	(380,700)	-6.1%
Student Services	8,706,100	9,632,500	11,993,400	2,360,900	24.5%
Institutional Support/Administration	11,410,800	13,464,800	12,225,600	(1,239,200)	-9.2%
Physical Plant Operations/Maintenance	14,435,500	13,485,900	13,530,100	44,200	0.3%
Scholarships	9,325,200	14,141,700	9,625,400	(4,516,300)	-31.9%
Auxiliary	1,937,800	2,446,000	2,558,400	112,400	4.6%
Retirement of Indebtedness	7,899,600	2,260,900	1,258,100	(1,002,800)	-44.4%
Contingency	-	1,437,600	1,392,500	(45,100)	-3.1%
TOTAL BUDGET	\$ 81,447,000	\$ 92,936,700	\$ 89,563,100	\$ (3,373,600)	-3.6%
Expenditures by Natural Expense	2020-2021 Actual	2021-2022 Budget	2022-2023 Proposed	Dollar (\$) Difference	Percentage (%) Difference
Salaries and Benefits	\$ 42,799,100	\$ 46,185,600	\$ 50,099,700	\$ 3,914,100	8.5%
Supplies	3,526,200	6,067,800	5,952,500	(115,300)	-1.9%
Contractual Services and Other	4,740,900	10,612,700	8,287,500	(2,325,200)	-21.9%
Communications and Utilities	1,816,300	2,155,100	2,124,400	(30,700)	-1.4%
Travel, Conferences & Memberships	593,000	1,228,600	1,521,600	293,000	23.8%
Scholarships	9,325,200	14,141,700	9,625,400	(4,516,300)	-31.9%
Capital Projects and Equipment	10,746,700	8,846,700	9,301,400	454,700	5.1%
Debt payments	7,899,600	2,260,900	1,258,100	(1,002,800)	-44.4%
Contingency	-	1,437,600	1,392,500	(45,100)	-3.1%
Total	\$ 81,447,000	\$ 92,936,700	\$ 89,563,100	\$ (3,373,600)	-3.6%

5 Funds



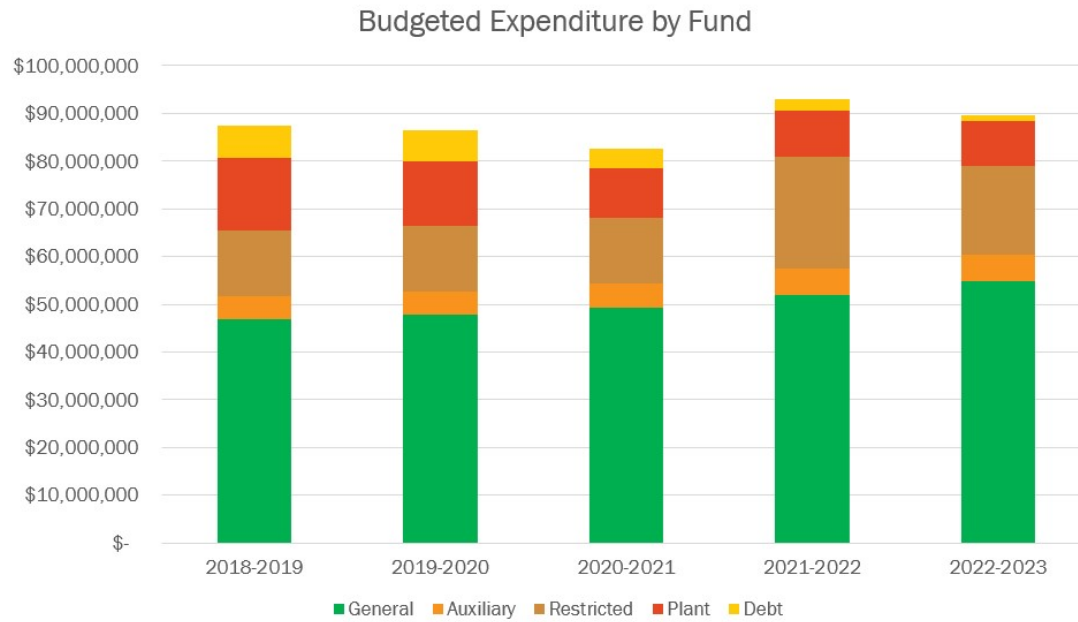
7 Programs



9 Natural Expenses



How We Keep Track of the Money

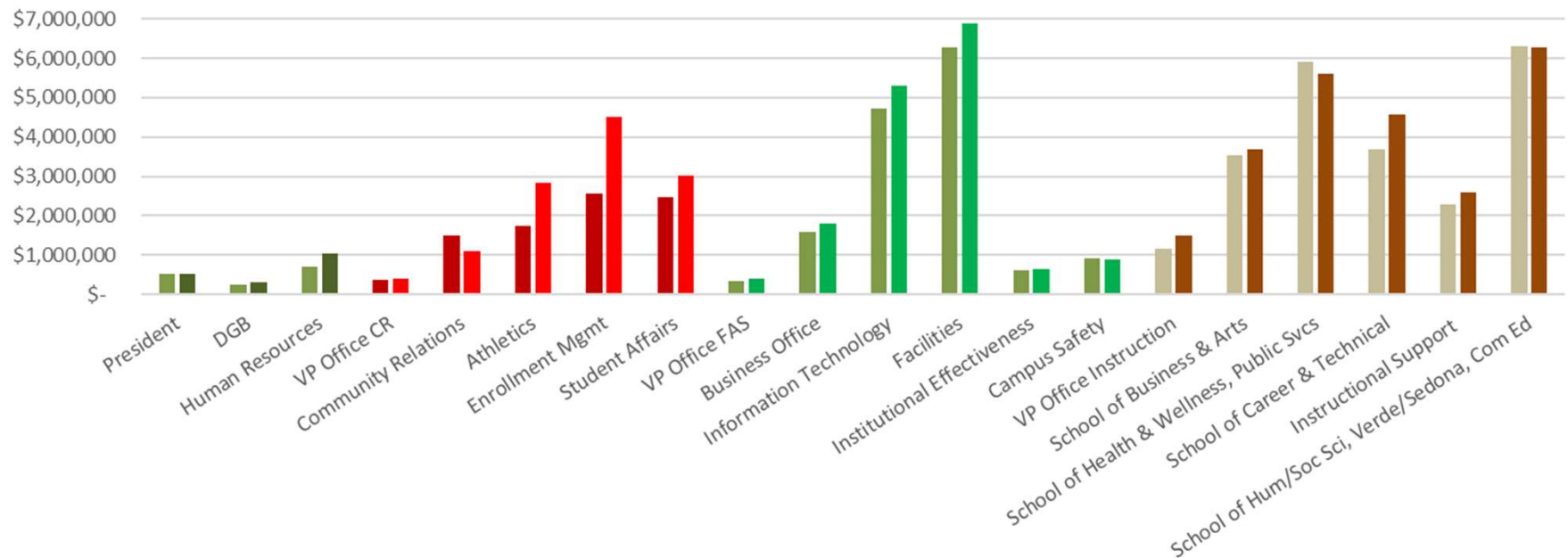


<u>Budgeted Expenditure by Fund</u>	<u>2018-2019</u>	<u>2019-2020</u>	<u>2020-2021</u>	<u>2021-2022</u>	<u>2022-2023</u>	<u>5Yr%</u>
General	\$46,918,900	\$47,927,700	\$49,234,600	\$52,034,800	\$54,908,300	17.0%
Auxiliary	\$4,752,000	\$4,636,000	\$5,089,000	\$5,368,200	\$5,543,100	16.6%
Restricted	\$13,844,200	\$13,889,000	\$13,831,000	\$23,618,500	\$18,448,100	33.3%
Plant	\$15,088,200	\$13,400,300	\$10,405,500	\$9,654,300	\$9,405,500	-37.7%
Debt	\$6,887,700	\$6,560,600	\$4,129,900	\$2,260,900	\$1,258,100	-81.7%

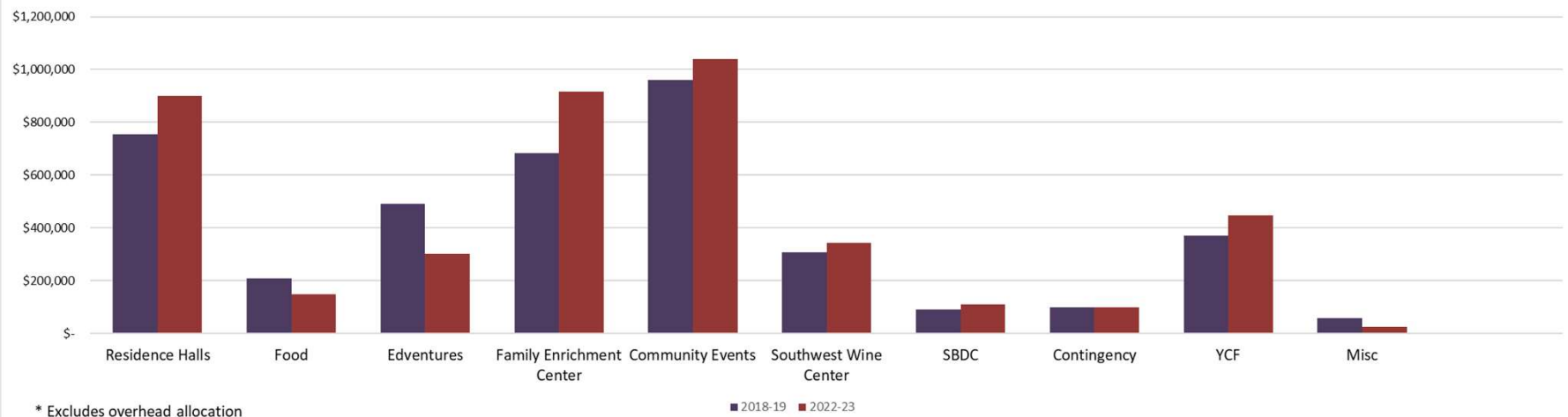
General Fund Budget

by Major Business Unit

FY2018-19 vs FY2022-23



Auxiliaries Budgeted Expenditures by Service

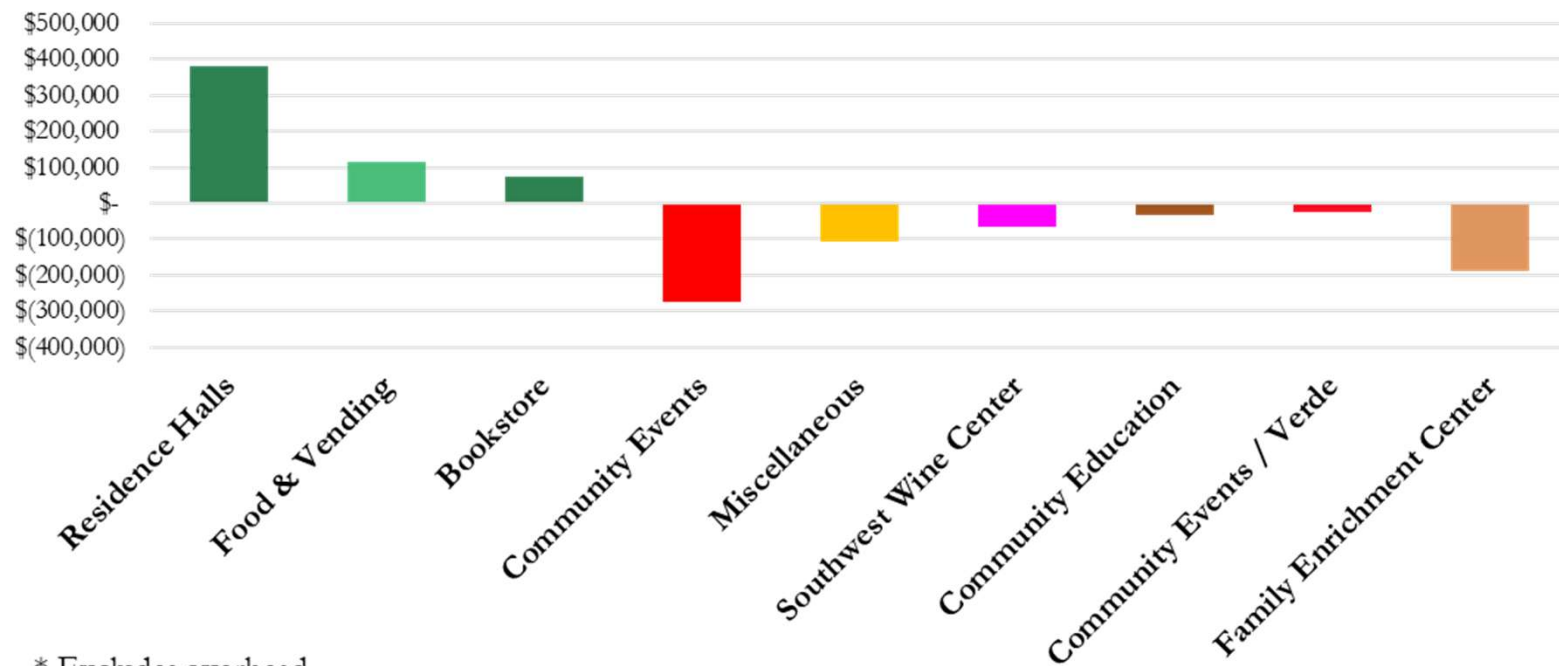


* Excludes overhead allocation

Auxiliaries Budgeted Surplus/(Deficit)

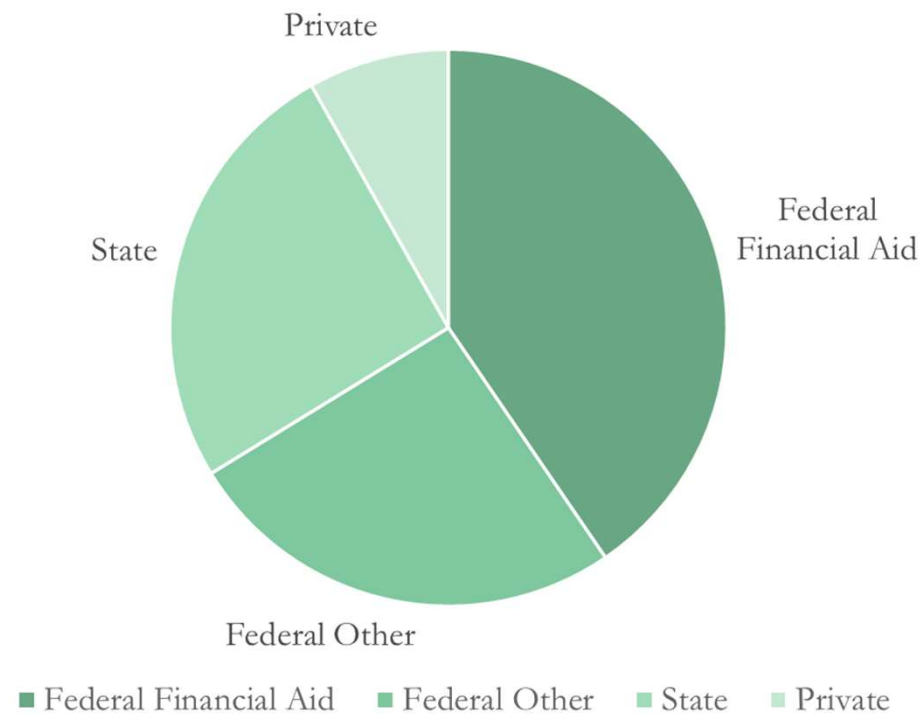
Without Overhead Allocation

FY2022-23



* Excludes overhead

Restricted Fund



CAPITAL (PLANT) FUND

This fund records large improvements in building, infrastructure, and grounds, which are then depreciated over time.



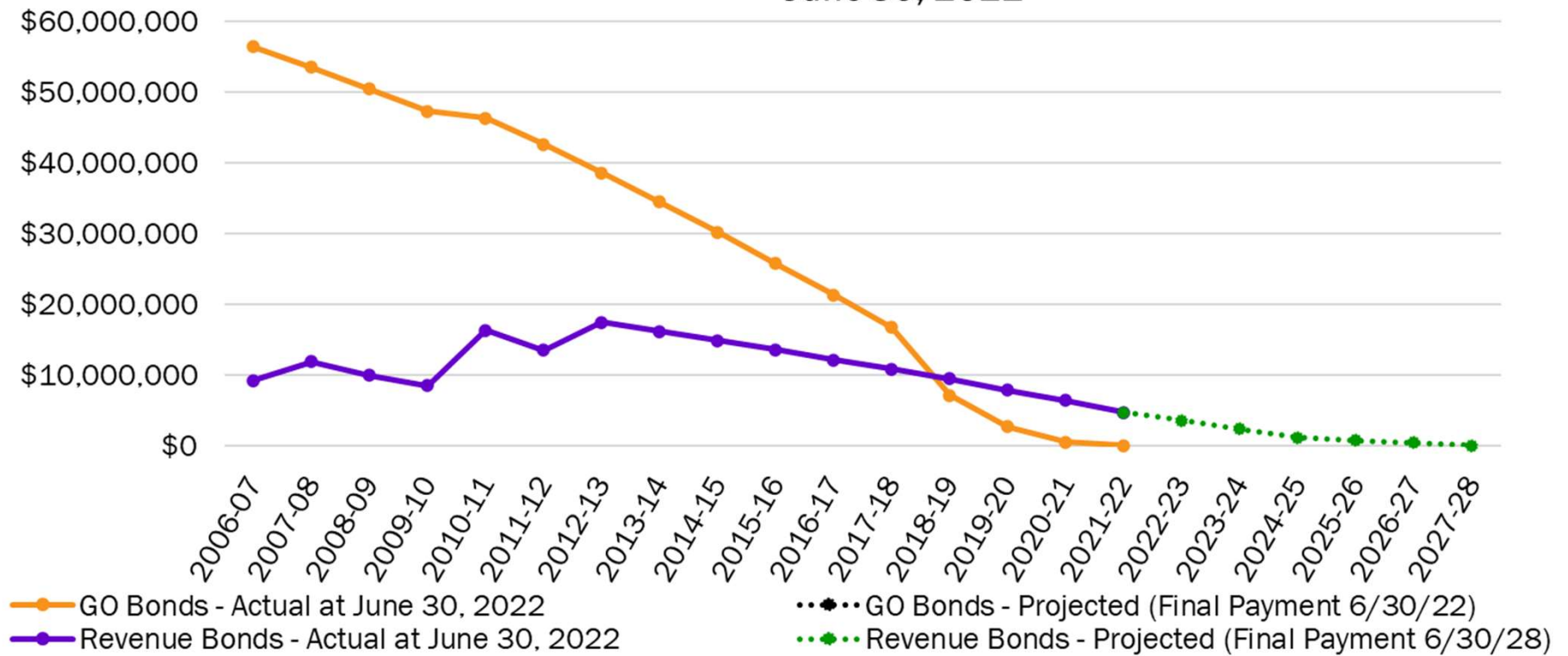
Fixed Capital

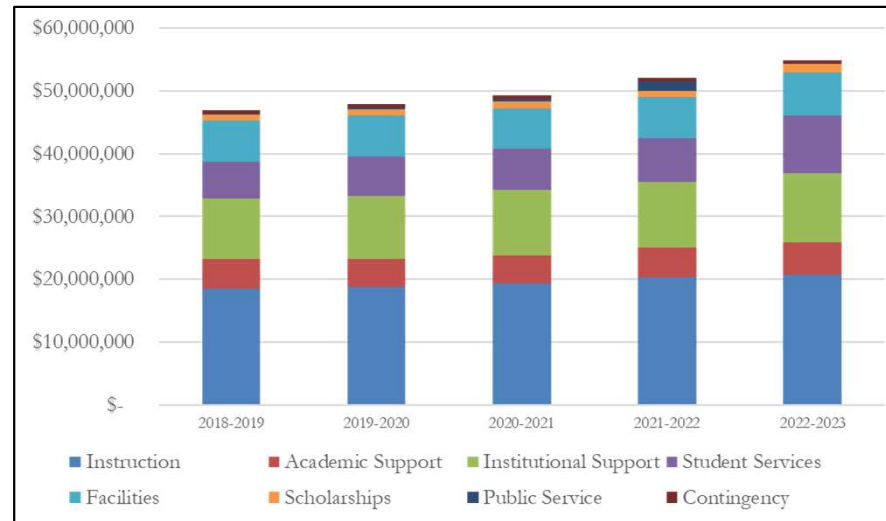
Planned Maintenance	\$4.0M
Unplanned	\$0.3M
Equip Replacement	\$2.2M
FFE	\$0.3M
Library	\$0.1M
Contingency	\$0.8M
TOTAL	\$7.7M

Variable Capital

Capital Improvement Plan	\$1.8M
--------------------------	--------

Long Term Debt Actual and Projected Principal Payments June 30, 2022

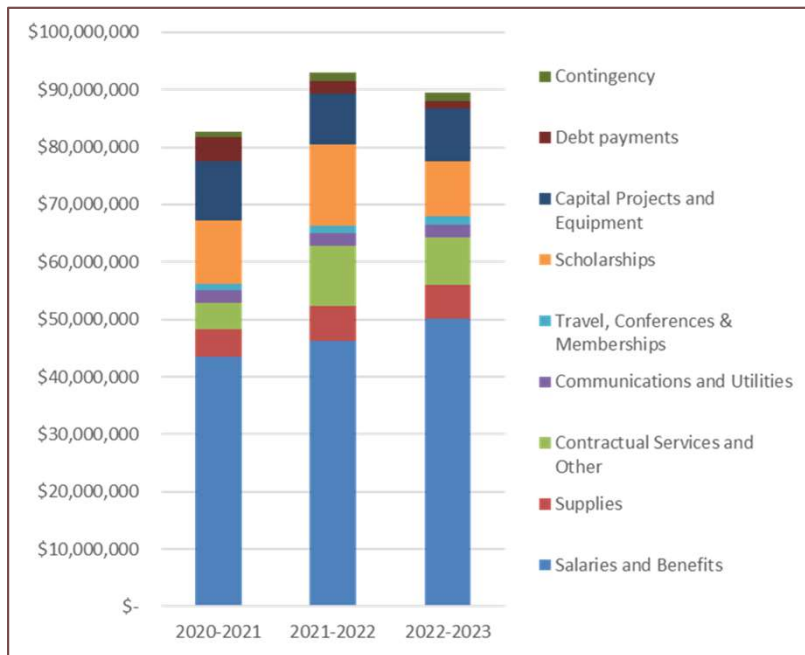




<u>General Fund Budget by Program</u>	<u>2018-2019</u>	<u>2019-2020</u>	<u>2020-2021</u>	<u>2021-2022</u>	<u>2022-2023</u>	<u>5 Yr %</u>
Instruction	\$ 18,476,900	\$ 18,749,600	\$ 19,327,900	\$ 20,306,400	\$ 20,751,600	12.3%
Academic Support	4,743,000	4,483,100	4,432,200	4,740,800	5,065,600	6.8%
Institutional Support	9,683,000	10,093,500	10,487,100	10,482,900	11,083,400	14.5%
Student Services	5,828,000	6,182,900	6,479,600	6,943,700	9,222,800	58.2%
Facilities	6,552,000	6,580,700	6,467,100	6,542,400	6,832,500	4.3%
Scholarships	880,000	940,500	1,121,900	1,013,200	1,409,900	60.2%
Public Service	186,000	327,400	348,800	1,475,400	12,500	-93.3%
Contingency	570,000	570,000	570,000	530,000	530,000	-7.0%

By Program

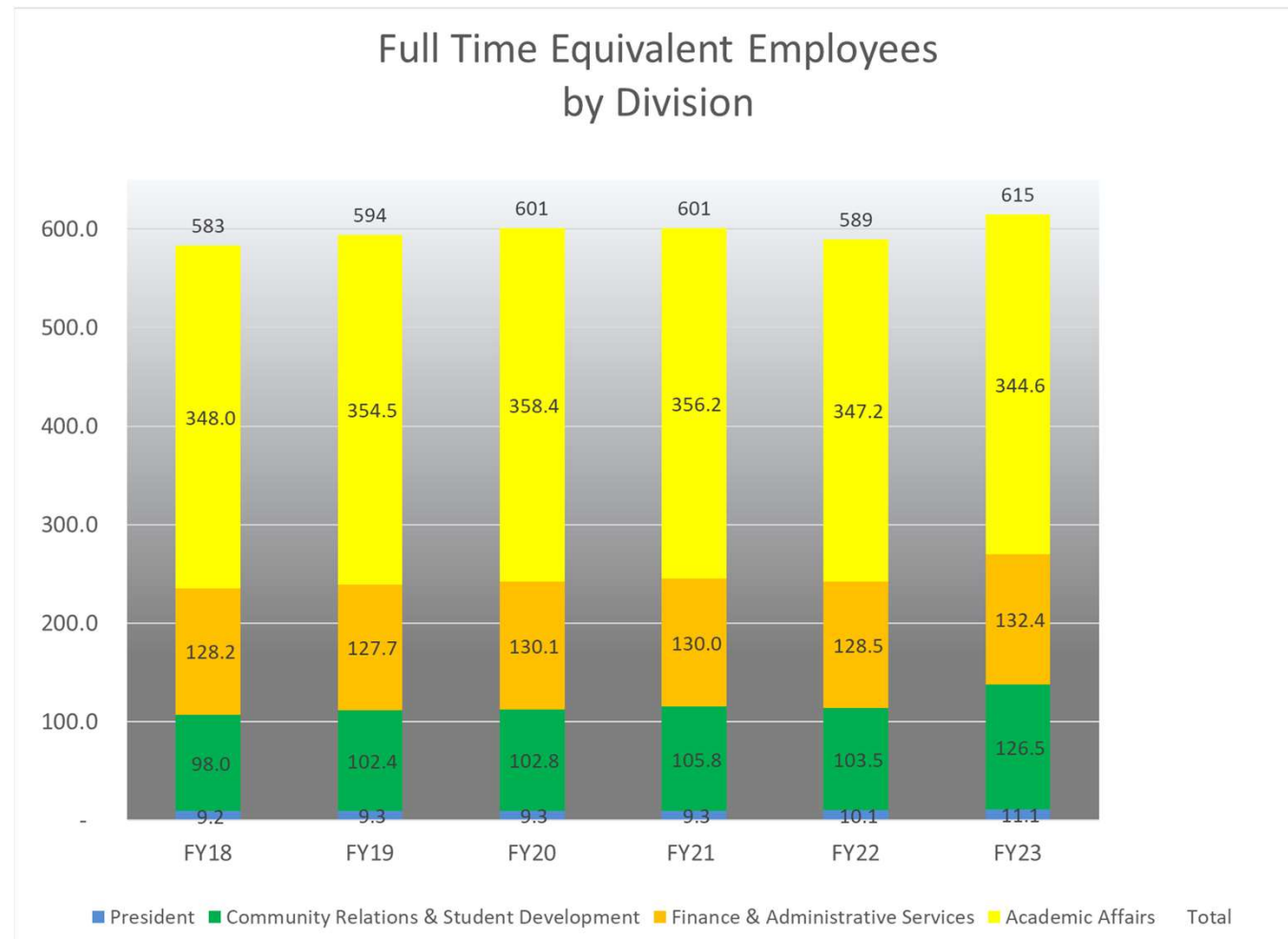
By Natural Expense



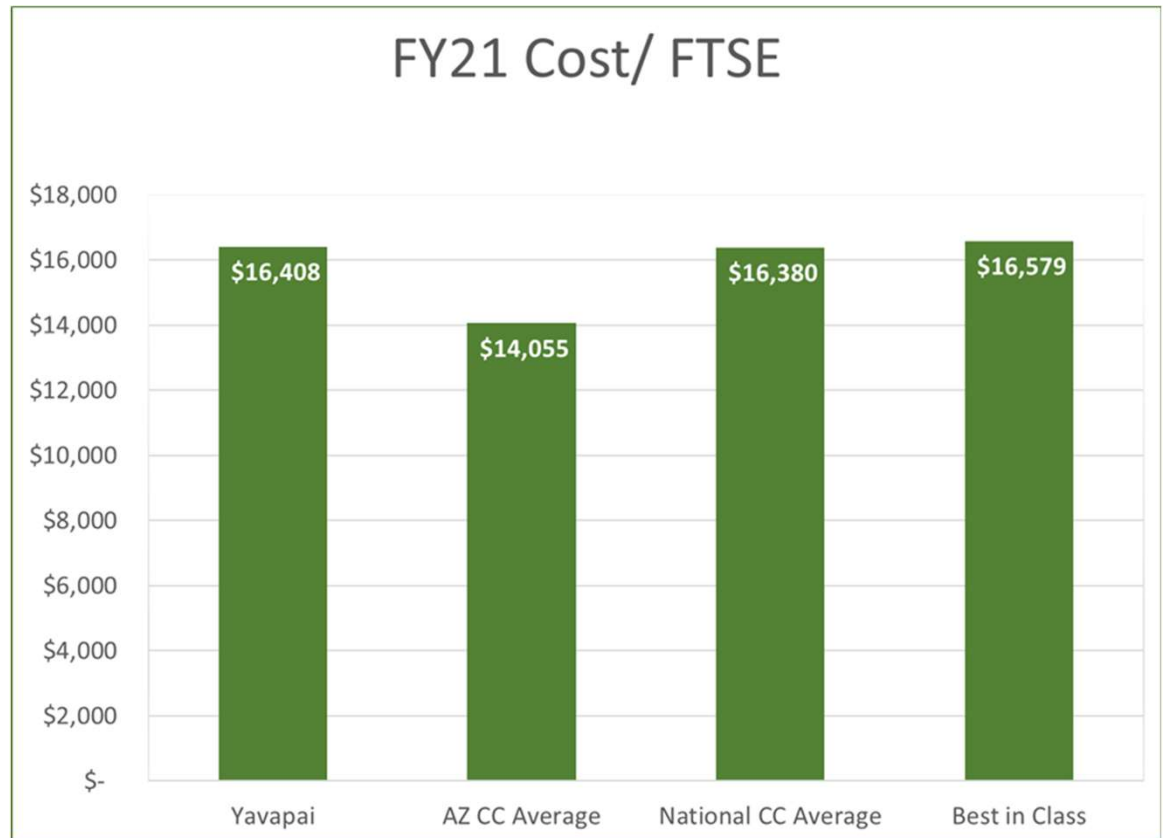
Budget by Natural Expense	2020-2021	2021-2022	2022-2023	3 Yr %
Salaries and Benefits	\$43,434,600	\$46,185,600	\$50,099,700	15.3%
Supplies	4,869,243	6,067,800	5,952,500	22.2%
Contractual Services and Other	4,660,115	10,612,700	8,287,500	77.8%
Communications and Utilities	2,103,061	2,155,100	2,124,400	1.0%
Travel, Conferences & Memberships	1,048,381	1,228,600	1,521,600	45.1%
Scholarships	11,052,400	14,141,700	9,625,400	-12.9%
Capital Projects and Equipment	10,405,500	8,846,700	9,132,900	-12.2%
Debt payments	4,129,900	2,260,900	1,258,100	-69.5%
Contingency	986,800	1,437,600	1,392,500	41.1%
Total	\$82,690,000	\$92,936,700	\$89,394,600	8.1%

Labor

Cost Driver



Benchmark





Strong Credit Ratings



Affordable Tuition



Low Property Taxes



Sports & Residence Halls



REDC, FEC, Community Ed, Community Events



Career Technical Education



Quantity and Condition of Facilities



Cost per Full Time Student Equivalent (FTSE)

Things you
should know
about YC
Finances

Challenges

Demographics

Product Mix

Competition

Expenditure
Limit



Questions and Discussion

3. Study Session

e. Academic Master Plan – Dr. Clint
Ewell - INFORMATION AND
DISCUSSION



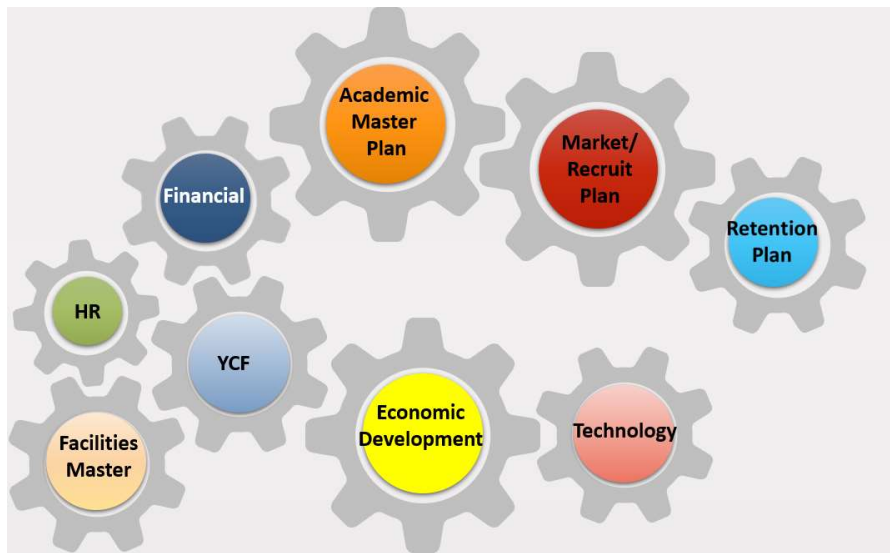
Yavapai College

Academic Master Plan
2022-2024

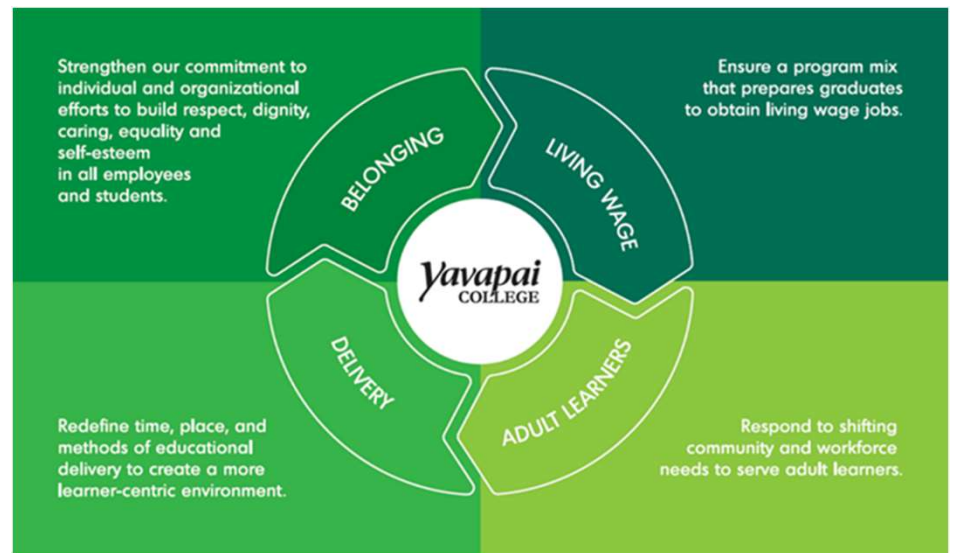
Retooling the products we offer,
and how we deliver them,
to meet the needs of a changing marketplace

Planning at YC

Multiple Plans Aligned with



the Strategic Plan



Philosophy

“As a college, it is our responsibility to leave students better off than when they came to us.

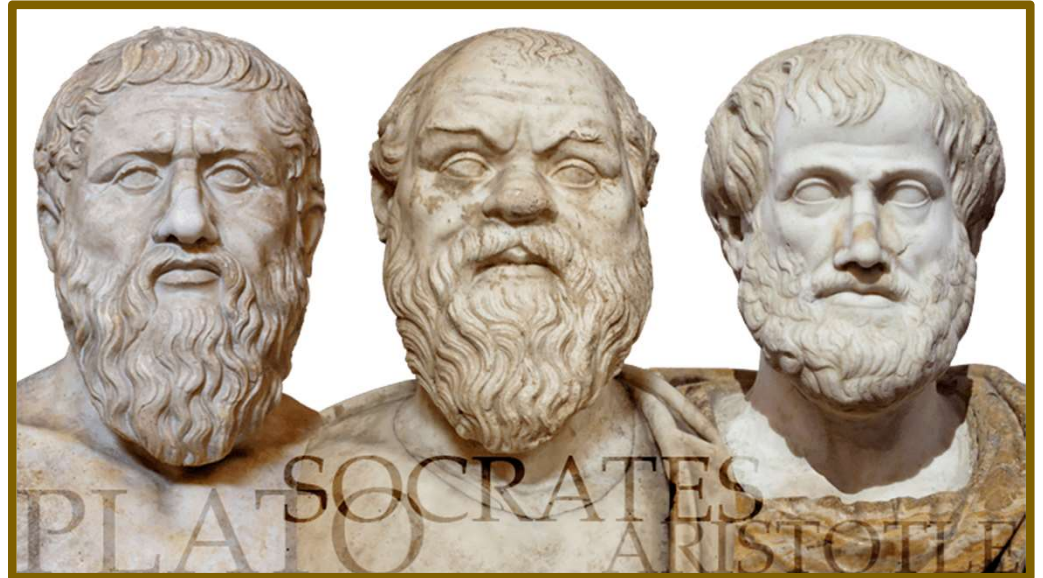
“Refocus our efforts to make the college student-ready.



Career Technical or Liberal Arts?



52%



48%

General Education

Liberal Arts/ Transfer

- core oral & written communication, numeracy, and critical thinking skills
- “soft skills” such as collaboration & teamwork, creativity, ethical judgement, time management, and organization



Career Technical Education

National Career
Cluster Framework



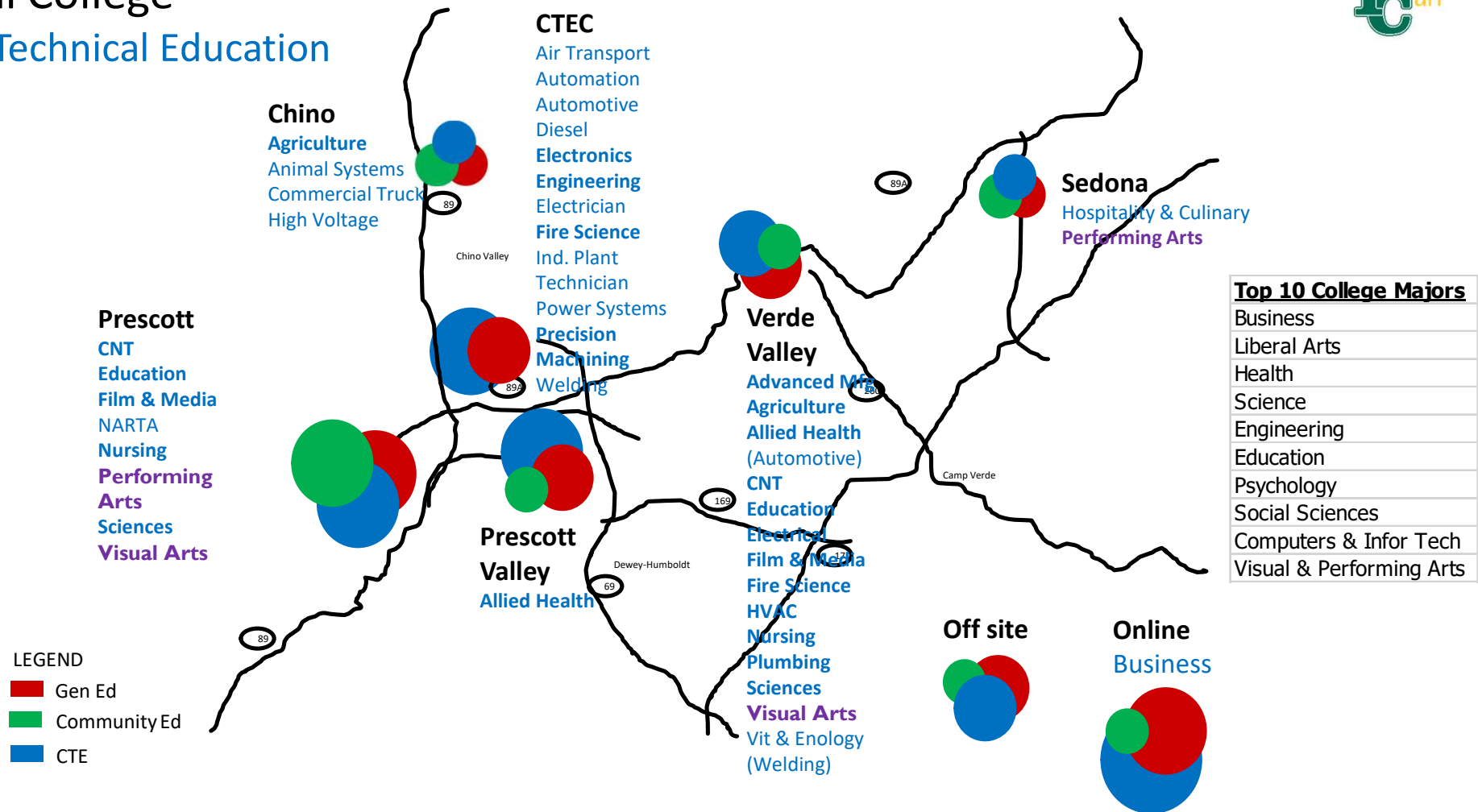


	County	State	National
Occupations	451	791	798

Program Mix

Yavapai College

Career Technical Education

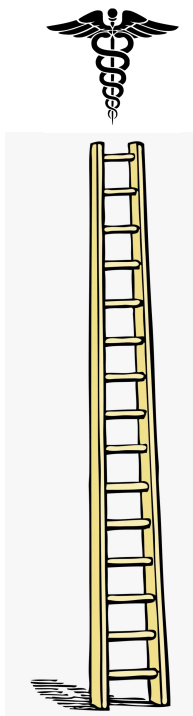


AMP FY23-25 Highlights

- Review & Implement CTE programs that have employer and student demand
 - Focus on local then state demand
 - Median pay meets or exceeds Living Wage
 - Requires college-level training to enter field



BSN
RN
LPN
Medical Assistant
CNA



Expand Workforce Training

- Broker for 3rd party providers
- Self-paced/ Competency-
based/ On-demand
- Badges to recognize skills
- Internships
- Co-award



Expand Partnerships

- ERAU
- Early College Academy
- Spectrum Health
- Freeport McMoran



YAVAPAI COLLEGE

EARLY COLLEGE ACADEMY

PRESCOTT HIGH SCHOOL

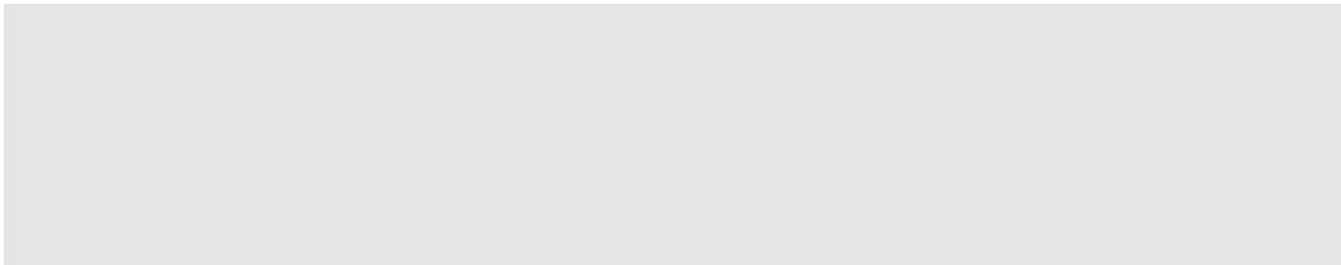



Optimize General Education

- Rationalize General Education course offerings, sunsetting those that do not count toward 4-year degree



Grow Community Education, Profitably





Increase
Open Educational
Resources

Engage with Early Alert System

- Predictors
 - Frequency in CANVAS
 - Early-Term Grades



An illustration of a person wearing VR goggles, with hands adjusting them. The background is dark blue with glowing blue lines and dots, suggesting a digital or network environment. A semi-transparent circle is overlaid on the left side of the image, containing the text 'Develop Metaverse Tools'.

Develop
Metaverse
Tools



Intrusive Tutoring in classes with low Student Success

Weekend tutoring for Bachelor of Science in Business to meet students' timeline and need

- **A DEGREE MORE
WITH YOU IN MIND**
- **COMING FALL 2023**

A hand in a grey sweater points at a tablet screen. The screen displays the text 'ONLINE COURSES' in a bold, grey, blocky font. Surrounding the text are various colorful icons: a globe, a network diagram, a cloud with signal waves, a headset, a microphone, a laptop with a play button, a red apple, a graduation cap, a pencil, a lightbulb, a book, a medal, and speech bubbles. A white circular overlay is on the right side of the screen.

ONLINE COURSES

Improve Online
Student Success
Rates

Credit for What you Know

Earn credits for your life experiences, skills or knowledge.



Credit for Prior Learning

Advanced
Placement
Concurrent
Dual

International
Baccalaureat
e

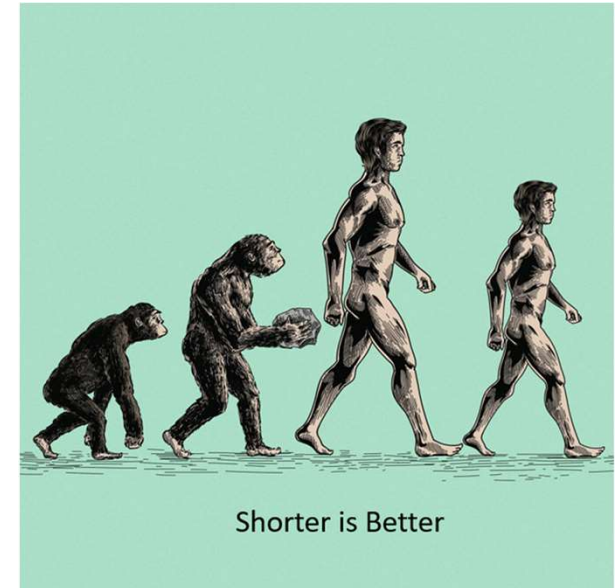
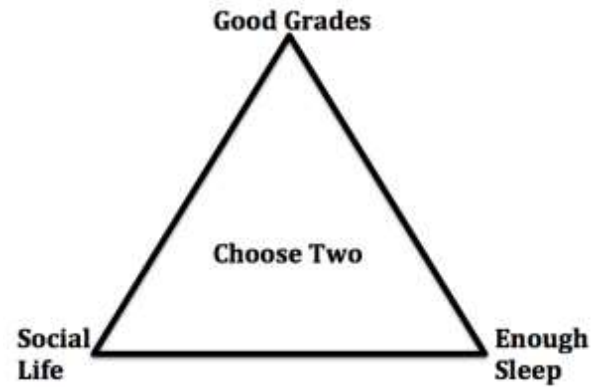
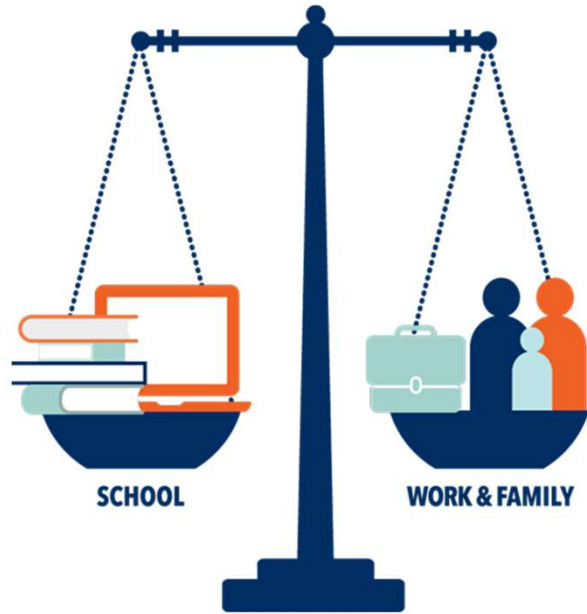
Joint
Services
Transcript

ACE
Alternative
Credit
Program

Industry
Certification

College-Level
Examination Program

Dantes
Subject
Standardized
Tests



More 8-week Courses & Programs

Questions
&
Discussion



3. Study Session

f. Broadband in Yavapai County –
Mr. Patrick Burns –

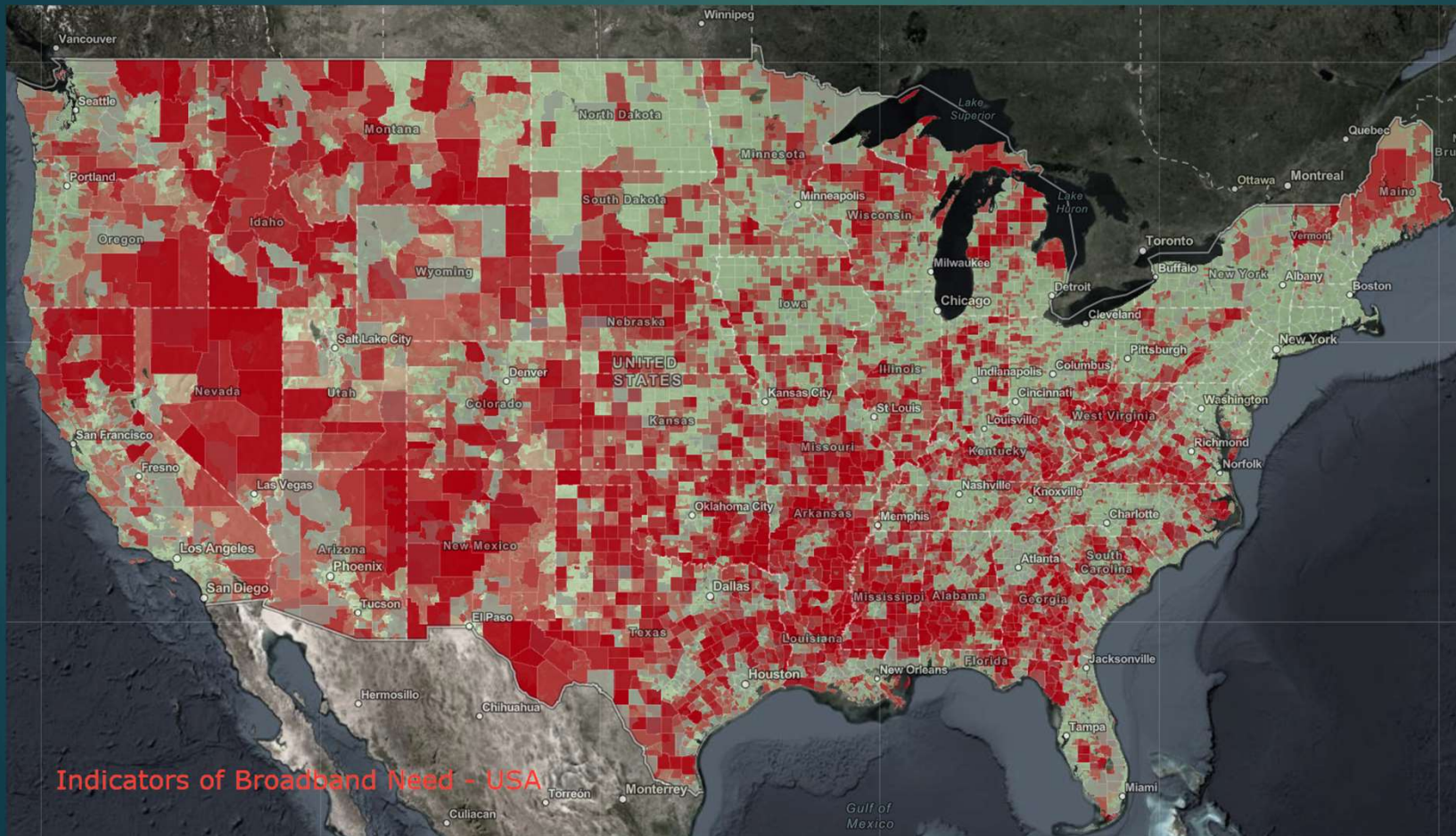
INFORMATION AND DISCUSSION



Yavapai County Broadband Update

2-24-2023 – YC DISTRICT GOVERNING BOARD

American Broadband Issues



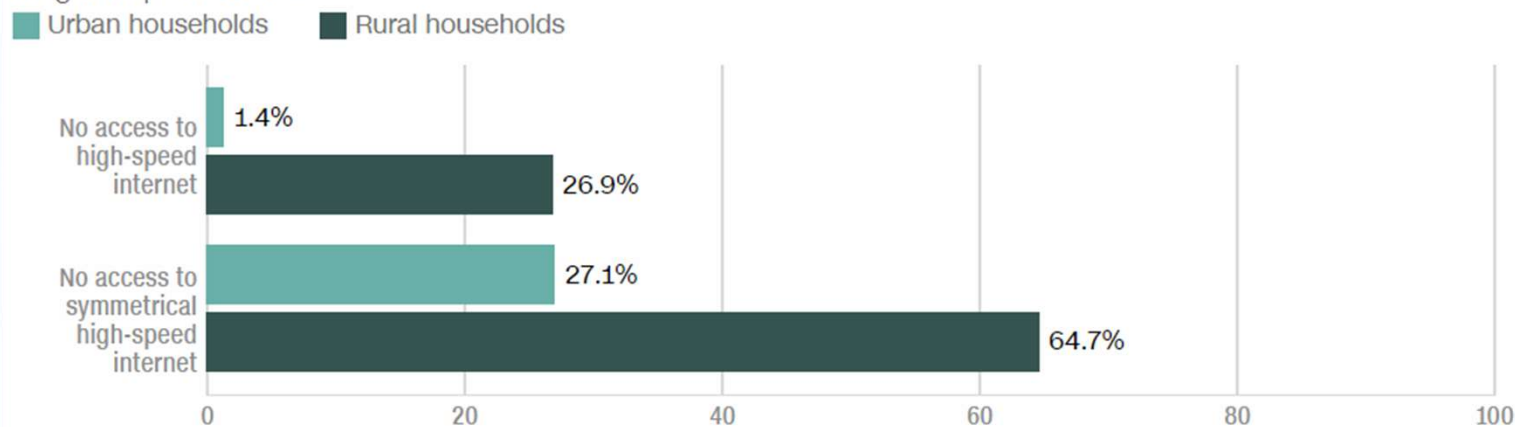
Arizona ranks
36th for
broadband
coverage

31 percent
of Arizonans
are either
unserved or
underserved

American Broadband Issues

Most rural US households don't have access to internet fast enough to work and learn remotely

More than a quarter of the 29 million rural US households don't have access to high-speed internet. Under normal circumstances, high-speed internet might be enough to browse the web, check email and stream videos. But now that families are working and learning from home, they increasingly need internet connections strong enough to upload large files and to make and receive video calls. Nearly two-thirds of rural American households don't have access to that kind of faster symmetrical connection, capable of handling both uploads and downloads at 25 megabits per second.



Note: Urban and rural will not add up to 100% due to undefined areas

Source: FCC Form 477 via Purdue University's Center for Regional Development

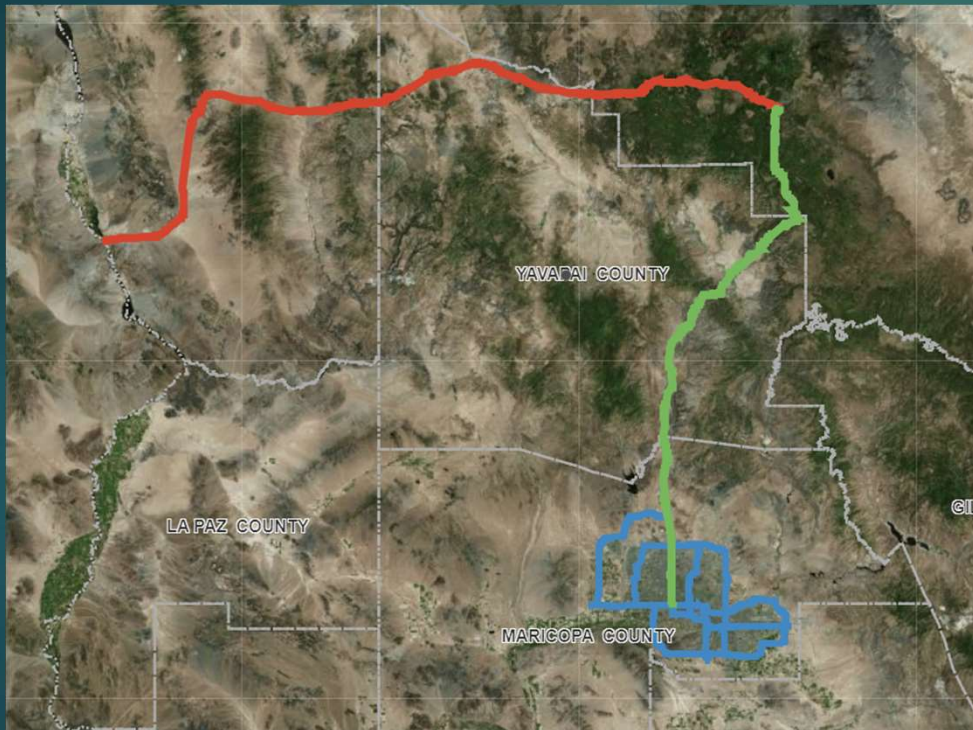
Graphic: Christopher Hickey, CNN

Arizona Broadband Plan

- ▶ Implement Priority Interstate Corridors
 - ▶ 70 percent (approximately 560,000 households) of the unserved and underserved households are residing within a five-mile radius of the interstate network (e.g., I-17, I-40)
- ▶ Implement Select State Routes / Segments
 - ▶ Approximately 9 percent (approximately 70,000 households) of the unserved and underserved households are residing within a five-mile radius of the select state routes (e.g., SR-69, SR-89)
- ▶ Implement Program Governance
 - ▶ Expand the Role of the Broadband Office

AZ Commerce Authority \$100 Million in broadband grants in 2022. Yavapai County was not an awardee.

Arizona Broadband Plan



Under Construction State-Owned Fiber Conduit Routes

FolderPath

- I-17: Estimated Construction Completion is February 2023
- I-19: Estimated Construction Completion is February 2023
- I-40: Estimated Construction Beginning July 2023

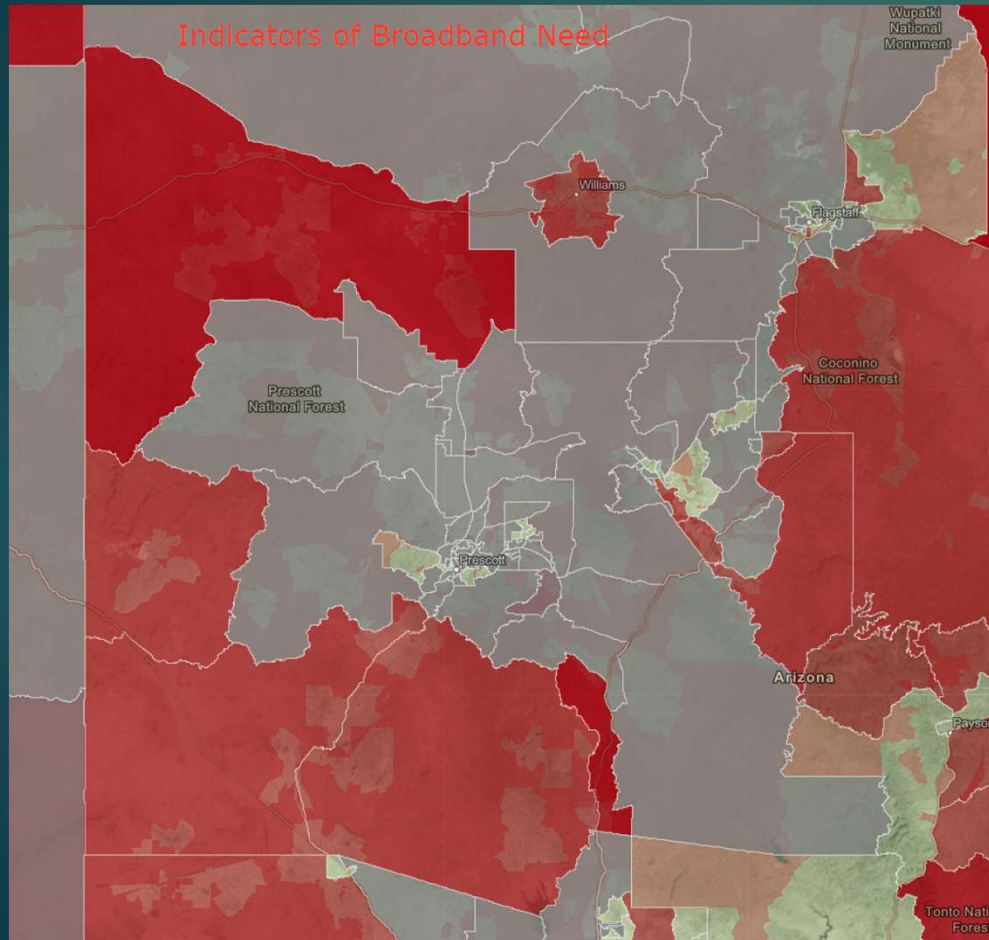
Existing State-Owned Conduit



Statewide Middle-Mile Network, which will add 200 miles of broadband conduit in designated corridors along I-17 and I-19 by 2023.

Yavapai County Broadband Issues

Indicators of
Broadband Need



Yavapai County, Arizona	
Population (FCC 2020 Estimate):	240,225
ACS Percentage of Households without Internet Access:	12.40%
ACS Percentage of Households without Computer, Smartphone or Tablet:	8.00%
M-Lab Speed Test Median (Mbps):	50.12/8.14
Ookla Speedtest Median (Mbps):	38.55/8.07
Microsoft Percentage of Downloads Completed Over 25 Mbps or Higher:	0.9278

Yavapai County Broadband Issues

Maricopa County

Population (FCC 2020 Estimate):	4,579,004
ACS Percentage of Households without Internet Access:	8.70%
ACS Percentage of Households without Computer, Smartphone or Tablet:	5.20%
M-Lab Speed Test Median (Mbps):	55.39/8.95
Ookla Speedtest Median (Mbps):	107.01/10.29
Microsoft Percentage of Downloads Completed Over 25 Mbps or Higher:	0.9933

Yavapai County

Population (FCC 2020 Estimate):	240,225
ACS Percentage of Households without Internet Access:	12.40%
ACS Percentage of Households without Computer, Smartphone or Tablet:	8.00%
M-Lab Speed Test Median (Mbps):	50.12/8.14
Ookla Speedtest Median (Mbps):	38.55/8.07
Microsoft Percentage of Downloads Completed Over 25 Mbps or Higher:	0.9278

Yavapai County Efforts

- ▶ 2018 Yavapai County decision to spend \$3.7 million on a fiber-optic middle mile network connecting 74 schools and libraries (Middle Mile Project).
- ▶ Yavapai County Educational Technology Consortium (YCETC)
Awarded \$1.8 million to pay 100% of the construction costs to bring high speed fiber (broadband) to rural schools and libraries that are members of the consortium.
- ▶ Active Project: \$20 million of the county's \$45.6 million in America Rescue Plan (ARPA 2021) funds

Mr. Tim Carter (YCESA) has been the catalyst for Yavapai County Broadband Projects

Yavapai County Broadband Initiative

Public Private Partnership

- ▶ RFP in October 2021
- ▶ Design, construction, implementation, provision, and maintenance of broadband services to households and businesses without access to broadband and those with connections that do not reliably meet or exceed broadband upload and download speeds of 100 megabits per second (Mbps).
- ▶ Fiber used to build last mile given preference over other technologies
- ▶ Offerors are asked to develop a plan that includes as many of the unserved or underserved households and businesses in unincorporated platted areas of Yavapai County as possible

Yavapai County Broadband Initiative

- ▶ “Last Mile” - means connection to the customer premises
- ▶ “Middle Mile” - means connection from the local communication provider point of presence to the provider backhaul.
- ▶ “Passing” - A common term used in the broadband industry which indicates, “fiber run (laid, buried) in front or past a site”, which would normally be a home or a business location.
- ▶ Goal - target the unserved and underserved, total households and businesses, 100 Mbps downloads, between 20 Mbps and 100 upload, scalable to 100 Mbps symmetrical, low cost of service post build

FCC Broadband
Definition – 25 Mbps
down, 3 Mbps up

Yavapai County Broadband Initiative

Awards

- ▶ Cox Communications
 - ▶ \$3,757,763 to expand service to 2,923 locations in two towns
 - ▶ Congress (Completion July 2023) (Passings = 1262)
 - ▶ Black Canyon City (Completion October 2023) (Passings = 1661)
- ▶ Altice USA (Suddenlink/Optimum)
 - ▶ Altice has been awarded \$12,614,582 for Mayer, the Beaver Creek area, Cornville, and Paulden
 - ▶ Rimrock/Beaver Creek (Completion November 2023) (Passings = 2357)
 - ▶ Mayer (Completion November 2023) (Passings = 3125)
 - ▶ Cornville (Completion November 2023) (Passings = 295)
 - ▶ Paulden (Completion November 2023) (Passings = 1897)

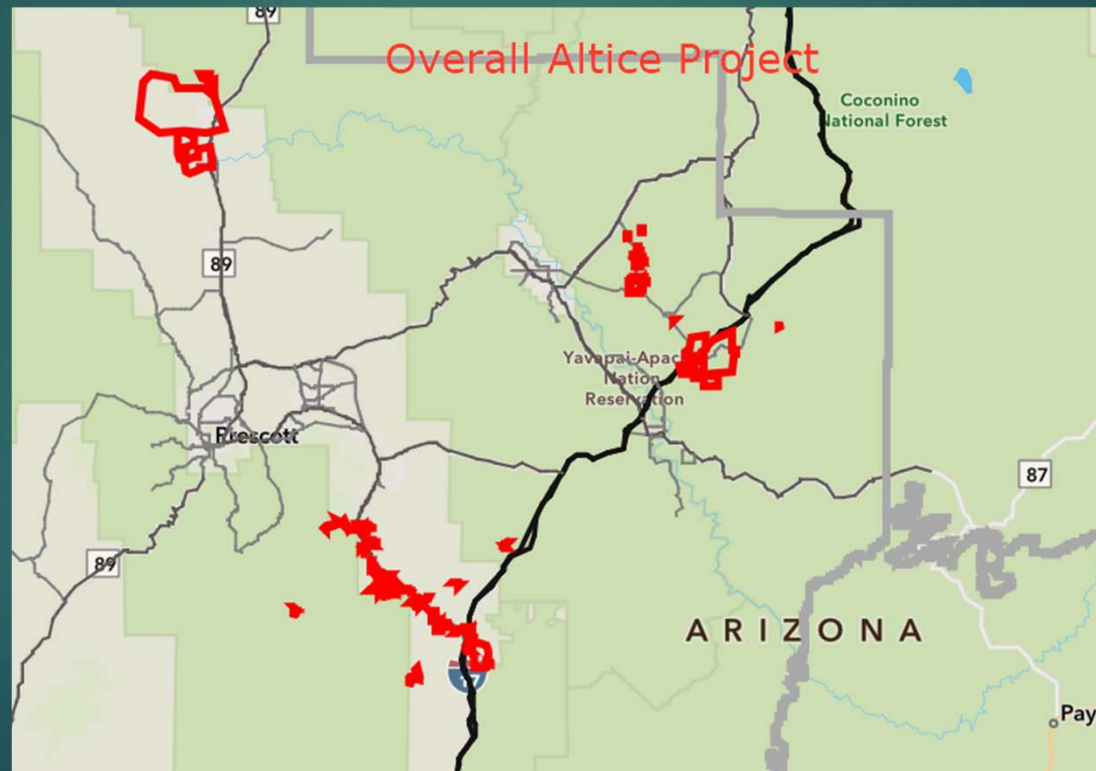
South Yavapai County Projects

[Cox Communication Interactive Map](#)



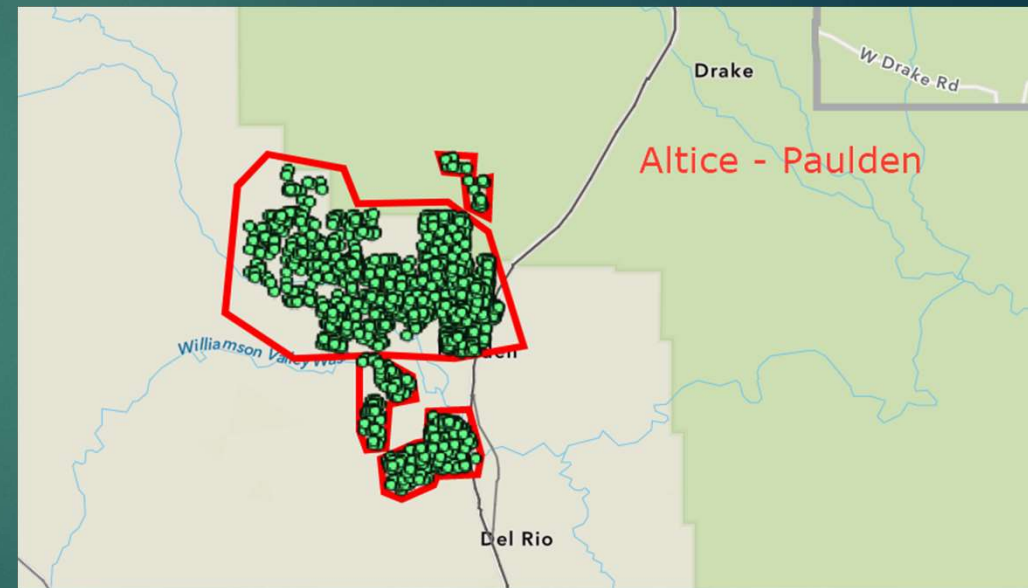
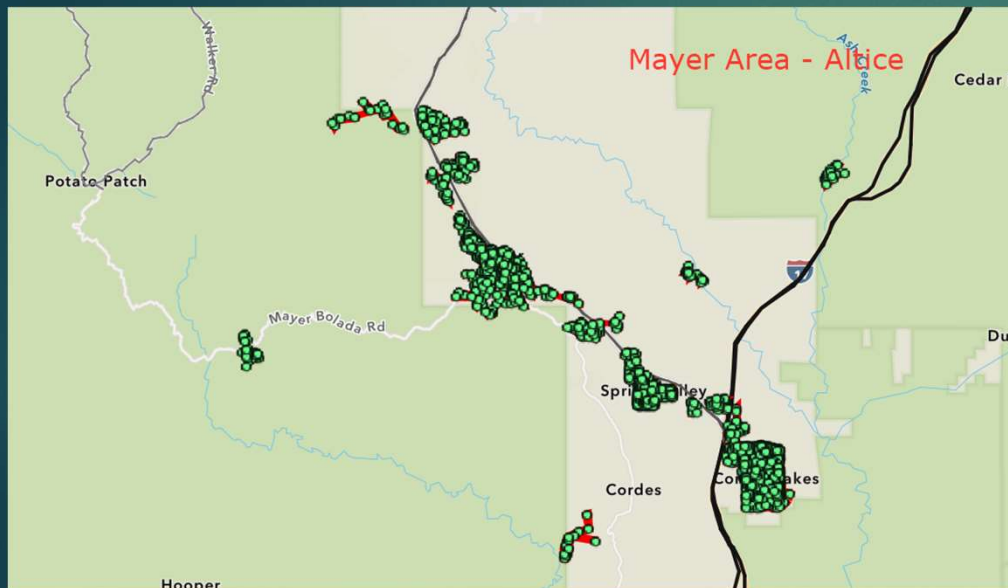
North Yavapai County Projects

[Altice Interactive Map](#)



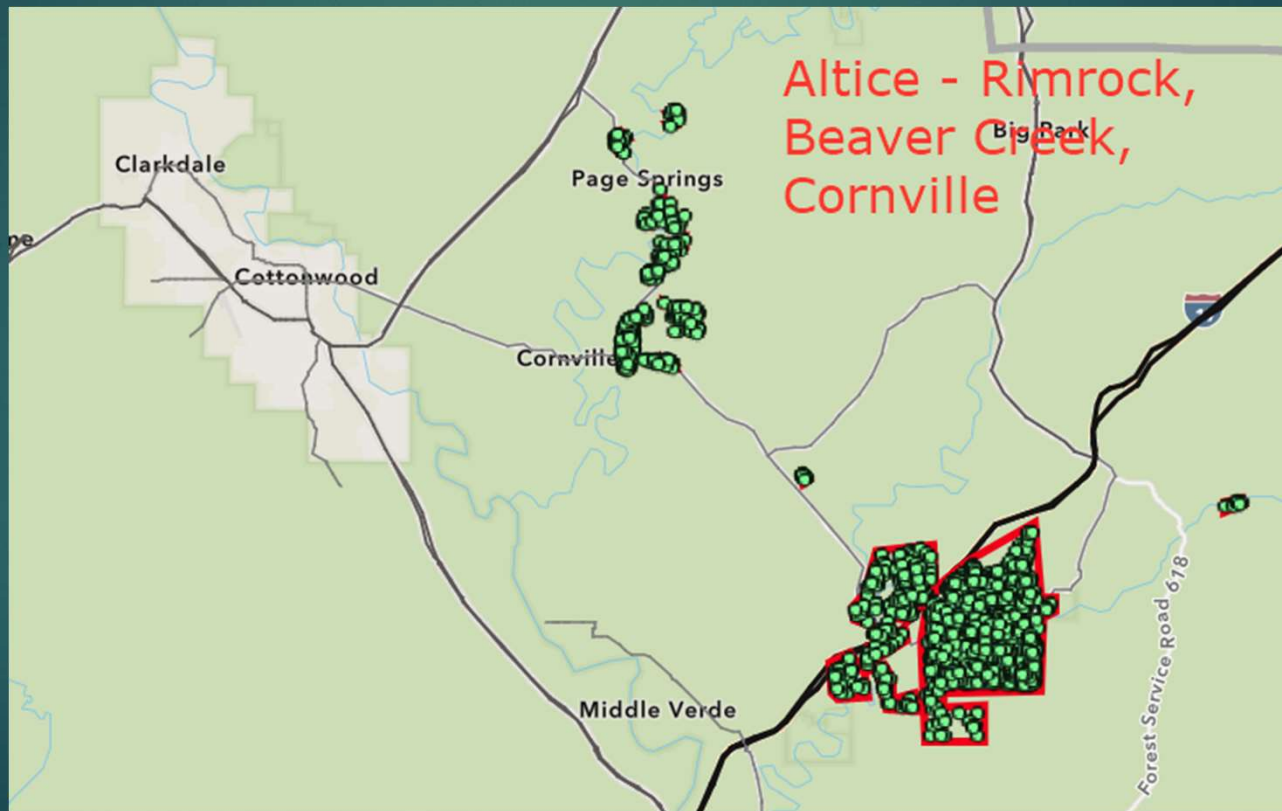
North Yavapai County Projects

[Altice Interactive Map](#)



North Yavapai County Projects

[Altice Interactive Map](#)



Consumer Rates

Green Highlight – Low Income Option

Alice Proposed Rates

Tier	Download	Upload	Data Cap	Monthly
1	100 Mbps	100 Mbps	None	\$29.99
2	300 Mbps	300 Mbps	None	\$39.99
3	500 Mbps	500 Mbps	None	\$59.99
4	1 Gbps	1 Gbps	None	\$79.99
Adv	50 Mbps	5 Mbps	None	\$14.99

Cox Proposed Rates

Download	Upload	Monthly
50 Mbps	5 Mbps	\$9.95
50 Mbps	5 Mbps	\$30.00
25 Mbps	5 Mbps	\$29.99
50 Mbps	5 Mbps	\$39.99
250 Mbps	250 Mbps	\$59.99
500 Mbps	500 Mbps	\$79.99
1 Gbps	1 Gbps	\$99.99

Broadband Islands Remain

- ▶ Seligman • Ash Fork • Between Paulden and Chino Valley
- ▶ Skull Valley • Kirkland • Hillside • Yarnell - Peebles Valley • Bagdad
- ▶ Village of Oak Creek • Clarkdale-Jerome
- ▶ Along the north side of the Verde River, from Highway 89 to the Apache Nation
- ▶ Poland Junction and Dewy-Humboldt
- ▶ Along the lower Verde River from Camp Verde to the merger with Clear Creek

Delivering last mile fiber to every last unserved portion of unincorporated Yavapai County could cost anywhere between \$99 and \$176 million

Options for Unserved in Yavapai

- ▶ Starlink (\$110 Month for 50 Mbps Down/7 Mbps Up) (Equipment \$599)
- ▶ Mile High Networks (\$69 Month for 35-50 Mbps Down/2-3 Mbps Up)
- ▶ Verde Valley Internet (\$105.99 Month for 25 Mbps Down/5 Mbps Up)
- ▶ Bolt Internet (\$125 Month for 25 Mbps Down/5 Mbps Up)

Recommended bandwidth for Zoom meetings

- For 720p HD video: 2.6Mbps/1.8Mbps (up/down)
- For 1080p HD video: 3.8Mbps/3.0Mbps (up/down)

3. Study Session

- g. Receipt of the Yavapai College's Comprehensive Annual Financial Report (CAFR), Independent Auditors' Report on Internal Controls and Independent Auditors' Report on Compliance for Each major Federal Program – for the Fiscal Year Ended June 30, 2022 – Dr. Clint Ewell and Mr. Frank D'Angelo - INFORMATION AND DISCUSSION

Overview of Yavapai College Annual Comprehensive Financial Report & Audit Results

FY 2021–22



Yavapai College

February 2023

Audit Results and ACFR Highlights:

- ▶ Financial Audit
 - No audit findings
- ▶ Unmodified (Clean) Audit Opinion
- ▶ The Certificate of Achievement for Excellence in Financial Reporting award from GFOA
- ▶ Federal Single Audit & Internal Controls Report
 - No audit findings
- ▶ EL (Expenditure Limitation) Audit



ACFR Financial Statements

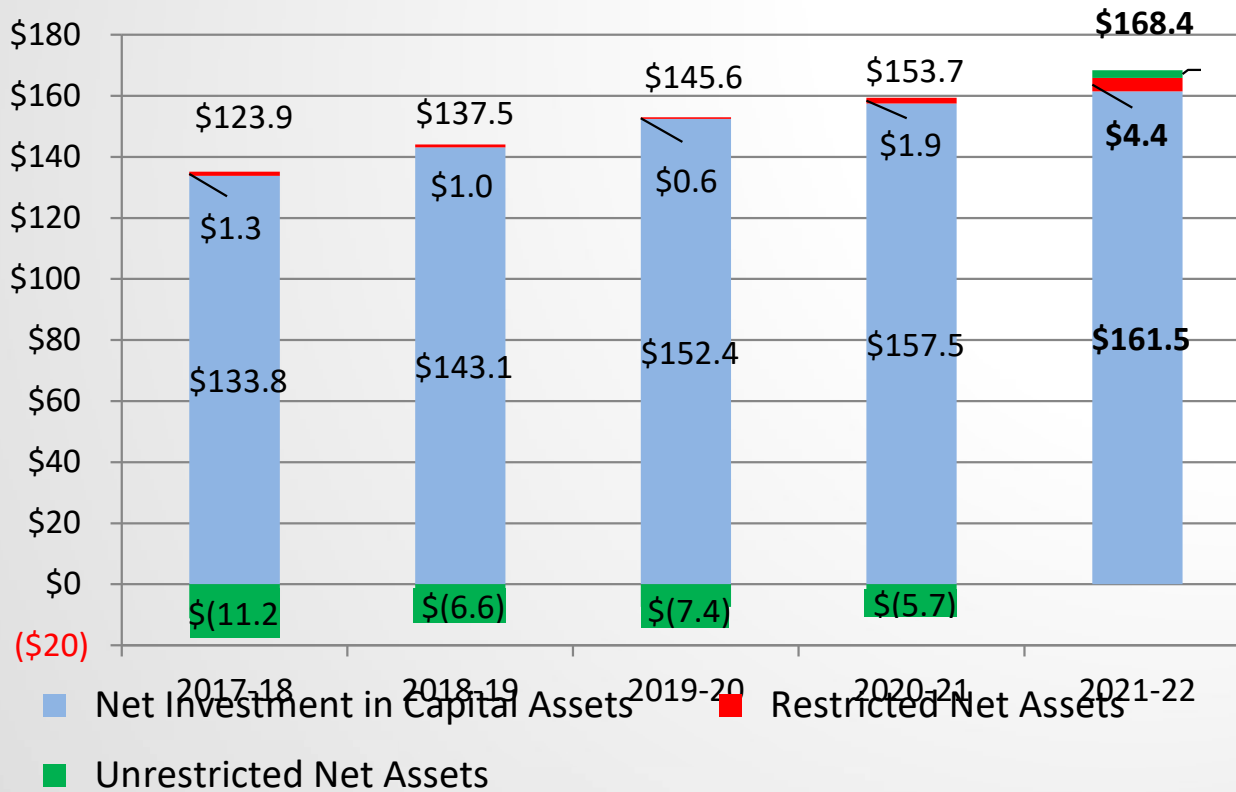
- ▶ Positive Financial Results

- ❖ Statement of Net Position (Balance Sheet)
- ❖ Statement of Revenues, Expenses, and Changes in Net Position (Income Statement)
- ❖ Statement of Cash flows



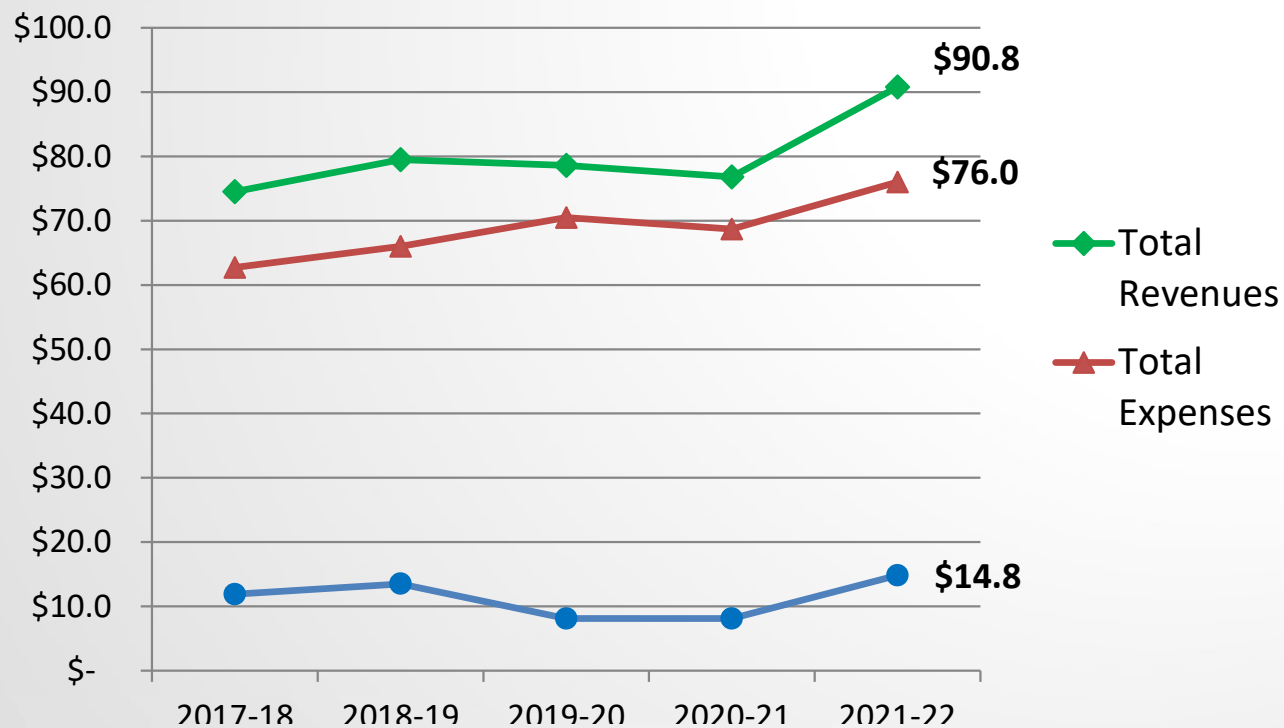
Statement of Net Position

(in millions of dollars)



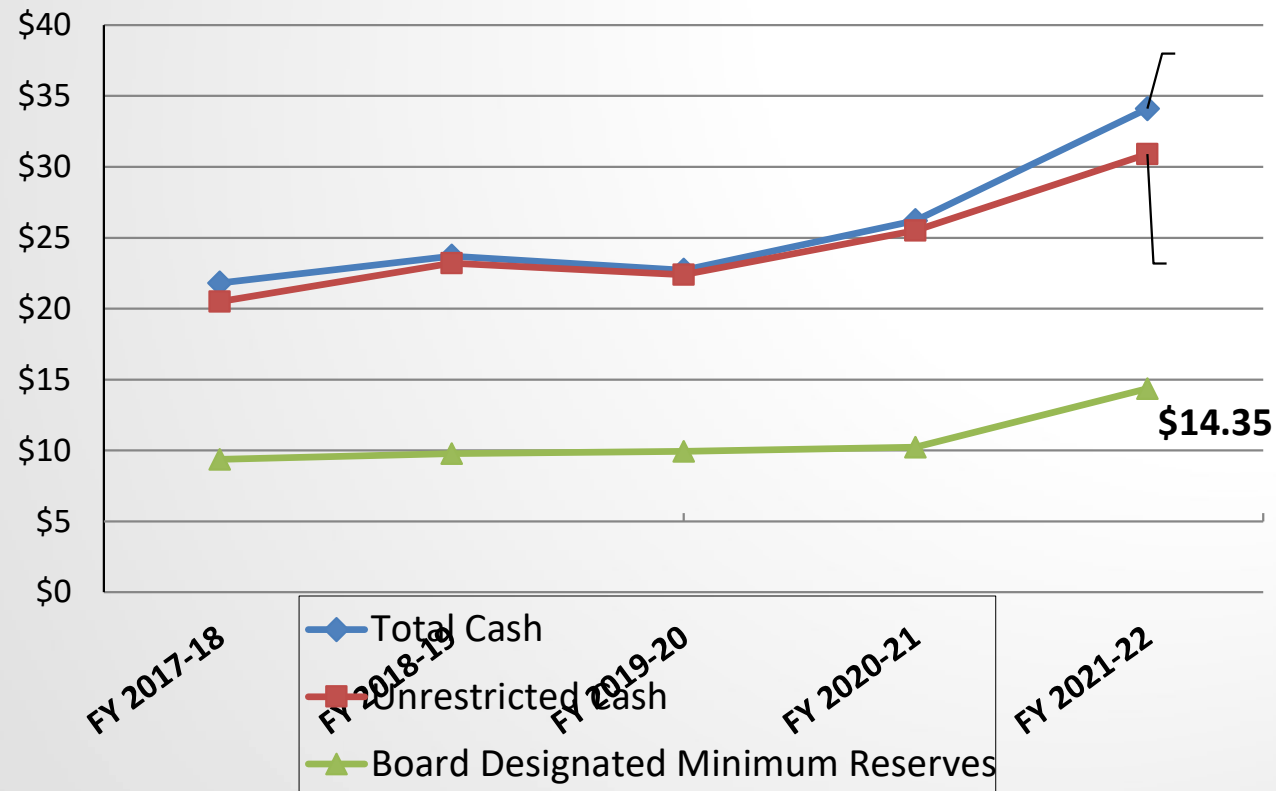
Statement of Revenues, Expenses, and Changes in Net Position

(in millions of

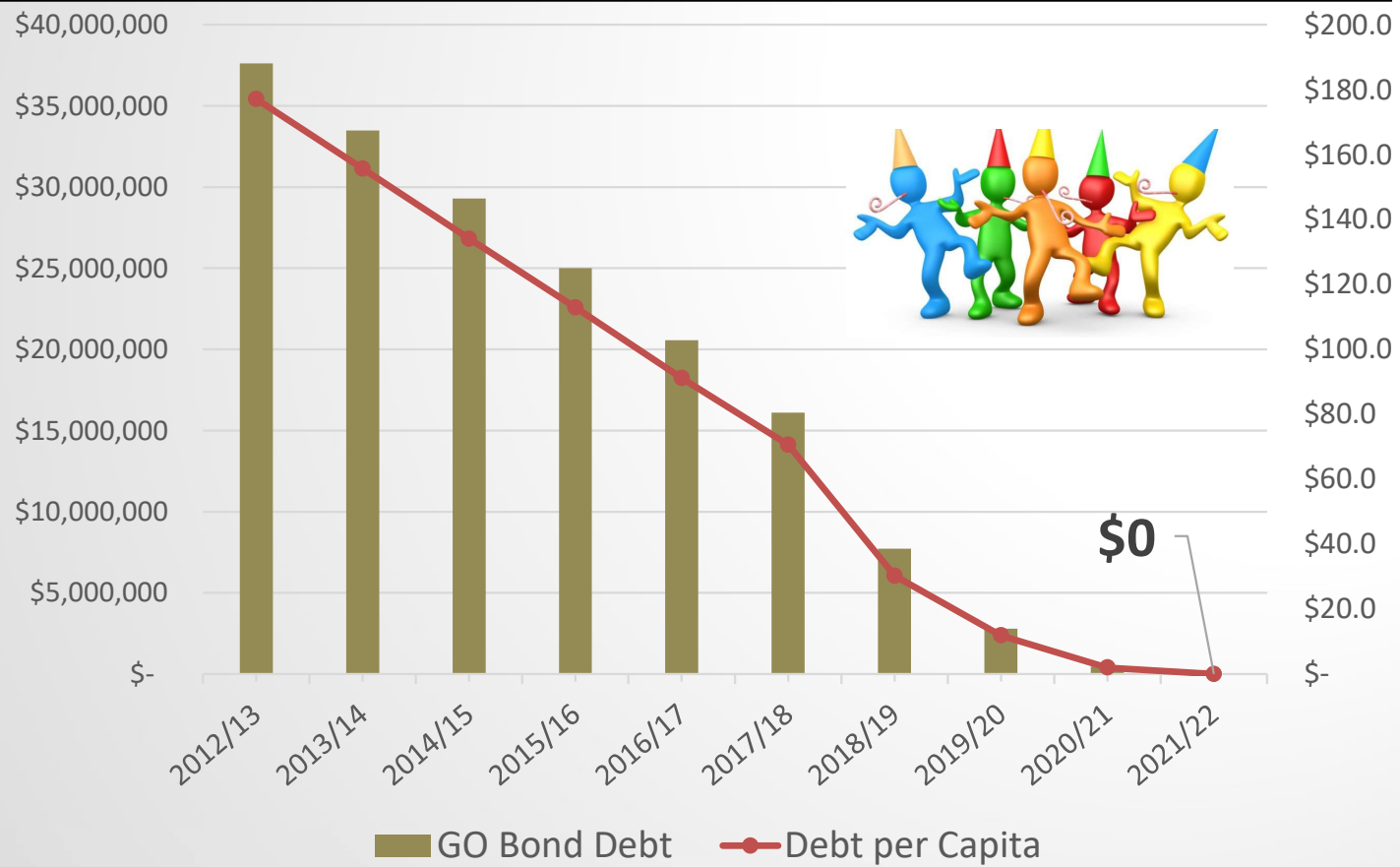


Statement of Cash Flows

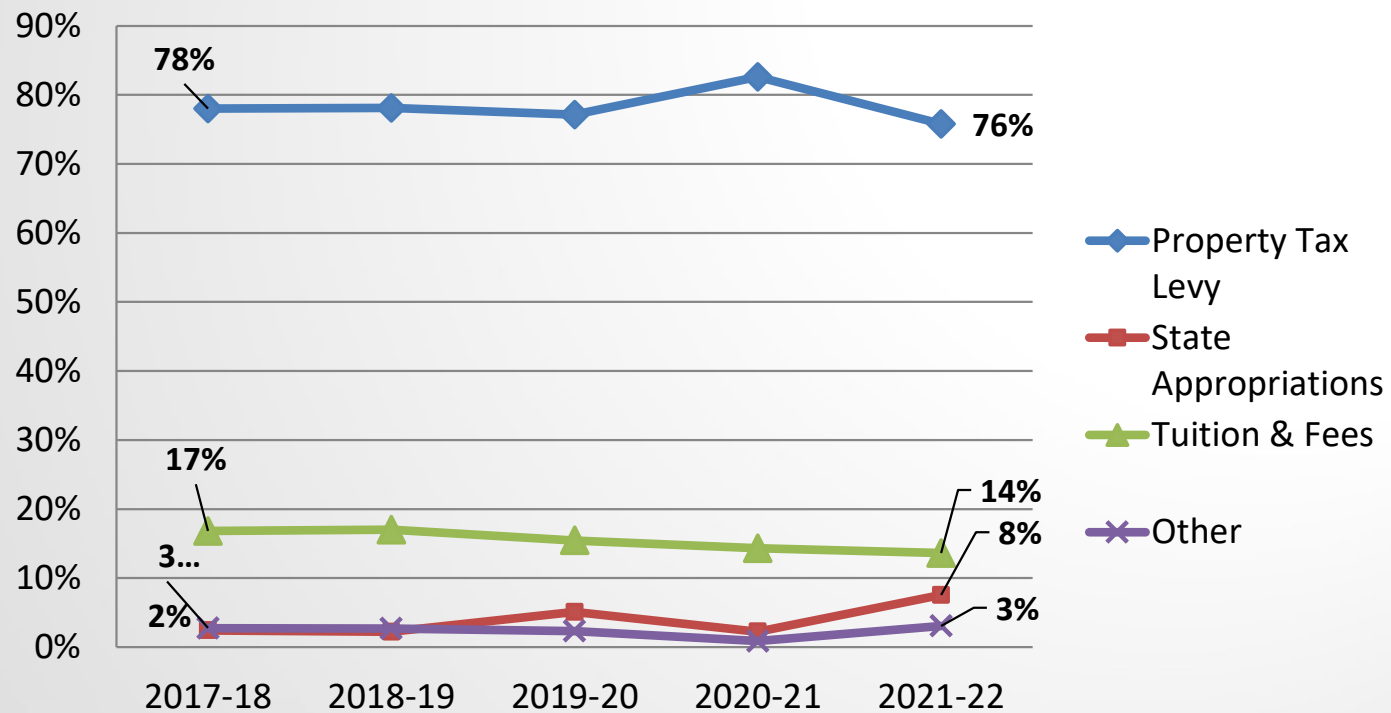
(in millions of dollars)



GO Bond Debt per Capita



Revenue Source as a % of Total Unrestricted Revenues



NACUBO Composite Financial Index (CFI)

- ▶ Report to HLC annually
 - Both with and without the impact of GASB 68 pension liabilities.
 - NACUBO benchmarks have not been updated to reflect the impact of GASB 68.
 - YC's CFI score meets the HLC's acceptable range.
- ▶ Provides insight on the financial health of the District

Primary Reserve Ratio

Viability Reserve Ratio



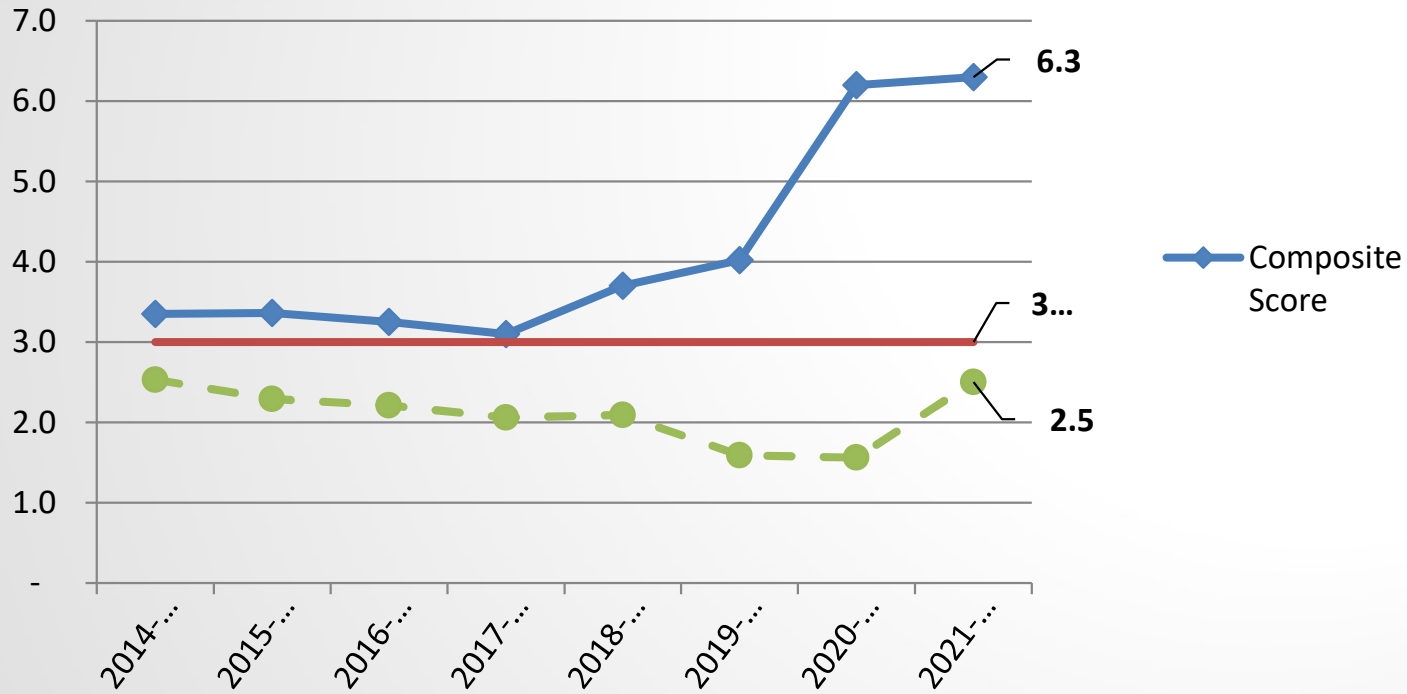
Return on Net Assets Ratio

Net Operating Revenue Ratio

Composite Financial Index

YC

Composite Financial Index



The CFI is a combination of the four core ratios using a prescribed weighting that is an indicator of the overall financial health of an institution. It's important to note that the benchmarks used for the CFI have not been updated to reflect pension liabilities, and consequently, the benchmarks do not necessarily provide the financial guidance intended when developed. The HLC requires the CFI be reported with and without the pension liabilities.

Questions ?

YC

4. Adjournment of Board Workshop: Procedural – DECISION

NEXT MEETING

Tuesday, March 21, 2023, at 1:00 p.m.

Sedona Campus