

**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**

Pursuant to Arizona Revised Statutes (A.R.S.) §38-431.02, notice is hereby given to the members of the Yavapai College District Governing Board and to the general public that the Board will hold a public meeting, open to the public as specified below. The Board reserves the right to change the order of items on the agenda. One or more members of the Board may participate in the meeting by telephonic communication.

Pursuant to A.R.S. §38-431.03.A.2, A.3 and A.4, the Board may vote to go into Executive Session, which will not be open to the public, for legal advice concerning any item on the agenda to review, discuss and consider records exempt by law from public inspection, including the receipt and discussion of information or testimony that is specifically required to be maintained as confidential by state or federal law; or to consult with and instruct its attorneys regarding its position on contracts, litigation or settlement discussions. If indicated on the agenda, the Board may also vote to go into executive session, which will not be open to the public, to discuss specific agenda items.

Persons with a disability may request reasonable accommodation, such as a sign language interpreter or closed caption, by contacting the Executive Assistant at (928)776-2307. Requests should be made as early as possible to allow time to arrange the accommodation.

Please note that the meeting conclusion time is included for planning purposes only and does not necessarily reflect the actual time of the agenda item. When regular board meetings, public hearings (both truth in taxation and budget adoption public hearings) and budget adoption special meetings are scheduled for the same date, each hearing or meeting will begin immediately upon adjournment of the preceding hearing or meeting.

If the agenda includes an Open Call, members of the public will have no more than 3 minutes to speak. The time allotted for each speaker may be less than 3 minutes, depending on the number of individuals wishing to address the board at the meeting and the board president's determination of the total time available for open call at the meeting, given the other matters on the board's agenda. \*In addition, if there are a number of people who wish to speak about the same issue and who have the same viewpoint about that issue, the board president may direct them to appoint a representative or representatives to speak for the entire group. Members of the board may not discuss items that are not specifically identified on the agenda but that are raised in Open Call. Matters raised during Open Call that are on the current board agenda may be discussed and/or decided by the board at the appropriate time on the agenda.

## AGENDA

1. General Functions: Procedural
  - a. Call to Order {Time: 1}
  - b. Pledge of Allegiance {Time: 1}
  - c. Adoption of Agenda – **DECISION** {Time: 1}
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}
  - b. President’s Reports - Dr. Lisa Rhine - **INFORMATION** {Time: 60}
    - i. 2024 Yavapai College Faculty Emeritus – Dr. Douglas Berry, Provost (*Attached*)
    - iii. Budget to Actual Monthly Report and Cash Reserves Monthly Report (*Attached*)
  - c. Yavapai College District Governing Board – Rock House Updates – Dr. Clint Ewell, Vice President of Finance - **INFORMATION AND DISCUSSION** {Time: 15} (*Attached*)
  - 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
  - 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*)
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*)
  - 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*)

b. 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}

c. 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}

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

# Be More



## **Dr. Amy Ilona Stein**

Since completing the composition, substantiation, and submission of our recent HLC Assurance Argument and resigning my position as the last History professor at Yavapai College, my time has been devoted to family members and former colleagues who have no other advocates to manage their health care and financial matters. Although my experience as a faculty member and project manager at YC has proven beneficial in this endeavor, my formal education in History, the Humanities, logical and critical thinking has proven a hindrance. Additionally, I was convinced or coerced by community members to volunteer my time on the Clarkdale Historic Preservation and the Planning and Zoning Commissions. My contributions to city government are focused on editing ordinances and/or other formal documents. Hence, I continue my quest to make the world safe for the semicolon and free of subjective adverbs.

I am grateful for the time I enjoyed at Yavapai College when our wealth of human resources was honored and embraced. The time I spent building the Fine Arts Department with our brilliant team of Visual and Performing Arts Professors was a blessing. We accomplished a great deal together. The ten years working with Tom Hughes, Matt Percy and our Institutional Research team were intellectually stimulating and second only to my graduate studies. However, what any faculty member misses most is the opportunity to engage with students. Sharing the beauty of a work of art, challenging students to research and think for themselves, teaching an individual how to communicate their ideas, the memory of these opportunities, I will treasure.

# Be More



## **Dr. Beth Boyd**

Hired to teach both chemistry and geology, Beth always tried to provide her students with only the most effective instruction. She amassed the most comprehensive community college rock/mineral/fossil collection in the state and lead more than 600 days of field trips in the Southwest, establishing the geology department's first-rate reputation.

Internationally: Beth taught geology at the University of Canterbury in New Zealand, during a year's leave of absence and at Vancouver Island University in Canada, during a half-year faculty exchange.

Locally: Beth gave countless presentations to numerous schools, civic organizations, scout troops, clubs, and city gatherings.

"I am grateful for the many amazing people that I've had the good fortune to work with and teach and the many opportunities that my position provided. Thank you."

# Yavapai College Budget to Actual Status by Fund

**April 2024**

The President's Monthly report below provides a brief financial status of each of the District's five funds as of April 30, 2024.

Source: Monthly Revenue and Expenditure  
Financial Reports

## General Fund



As of April 30, 2024, the General Fund has a surplus of \$1,492,100. This is primarily due to receiving the fourth quarter appropriations from the state and interest income exceeding budget by a large amount. The strong interest income is a result of short-term interest rates being at a fifteen year high due to the recent Fed tightening.

For the fiscal year ended June 30, 2024, General Fund revenues are projected to be over budget by \$180,400 and expenditures are projected to be under budget by \$392,600 resulting in a net surplus of \$573,000.

## Auxiliary Fund

As of April 30, 2024, the Auxiliary Fund has a small surplus. For the fiscal year ended June 30, 2024, the Auxiliary Fund is projected to be within budget.

## Unexpended Plant Fund`



As of April 30, 2024, the Unexpended Plant Fund has a surplus of \$975,500. This is due to interest income exceeding budget and the timing of expenses. For the fiscal year ended June 30, 2024, the Unexpended Plant Fund is projected to be within budget.

## Restricted Fund



The Restricted Fund, which accounts for federal, state and private monies, includes expenditures that are restricted to the amount of grants or gifts received and which do not exceed the grant award or gift received. Restricted Funds are primarily driven by federal financial aid which will fluctuate depending on the financial needs of our students. As of April 30, 2024, the Restricted Fund has a modest surplus and is expected to be within budget for the fiscal year.

#### Debt Service Fund

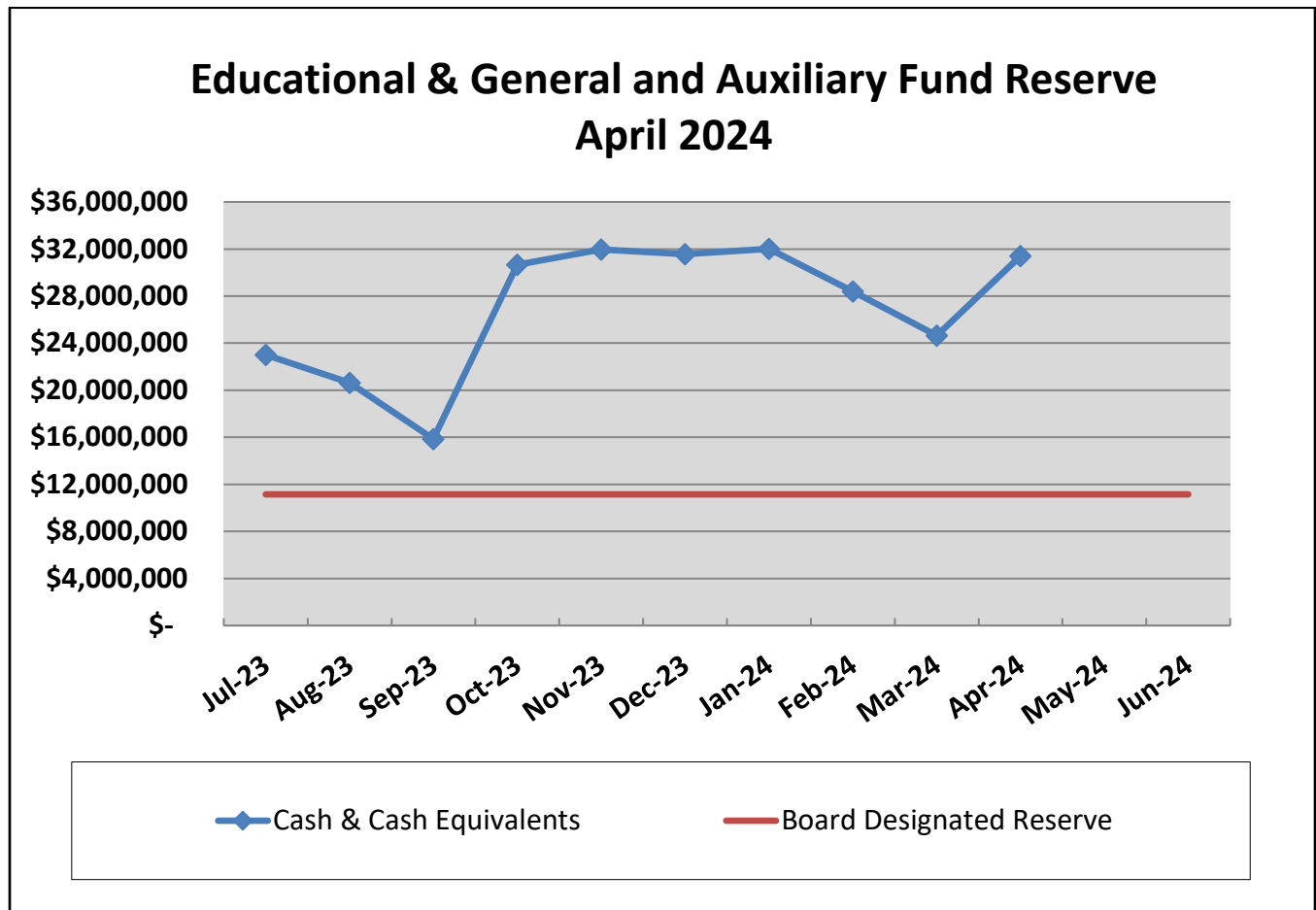


The Debt Service Fund accounts for the monies used to pay the interest and principal on the District's long-term bonds. College debt is at fixed rates of interest—as of April 30, 2024, there were no variances from budget.

## Yavapai College Cash Reserves April 2024

The President's monthly report on cash reserves below displays the District's reserves at April 30, 2024, in relation to the District Governing Board's (DGB) reserve requirements.

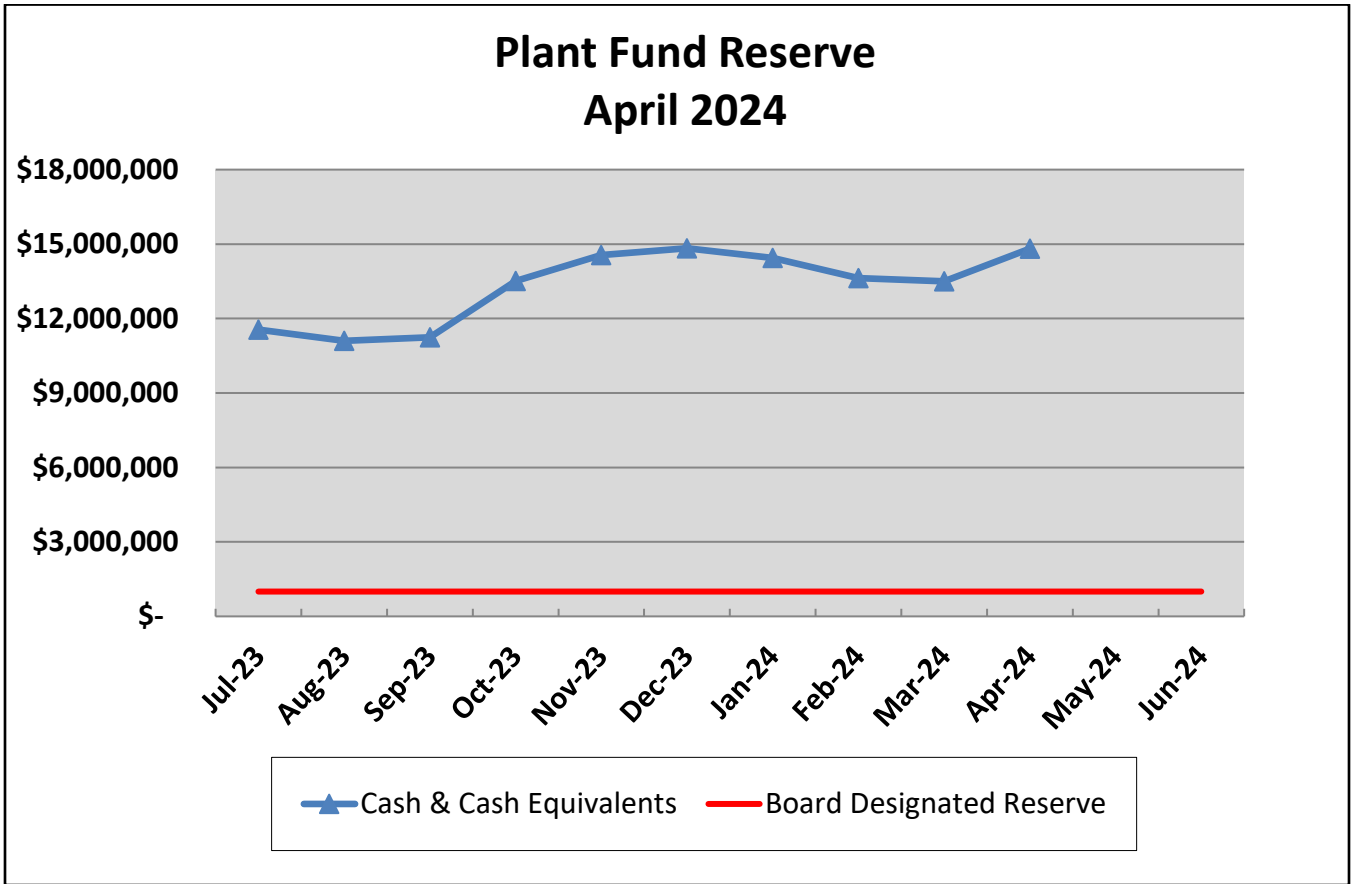
Source: Banner Finance



Current Fund Reserves shall not drop below seventeen percent (17%) of the operating budgets.

As of April 30, 2024, Current Fund reserves have exceeded the DGB's reserve requirements.





Plant Fund Reserves shall not drop below \$1,000,000.

As of April 30, 2024, Plant Fund reserves have exceeded the DGB's designated reserve.

# Rock House Upgrades

Prepared for DGB

05/24



# Scope

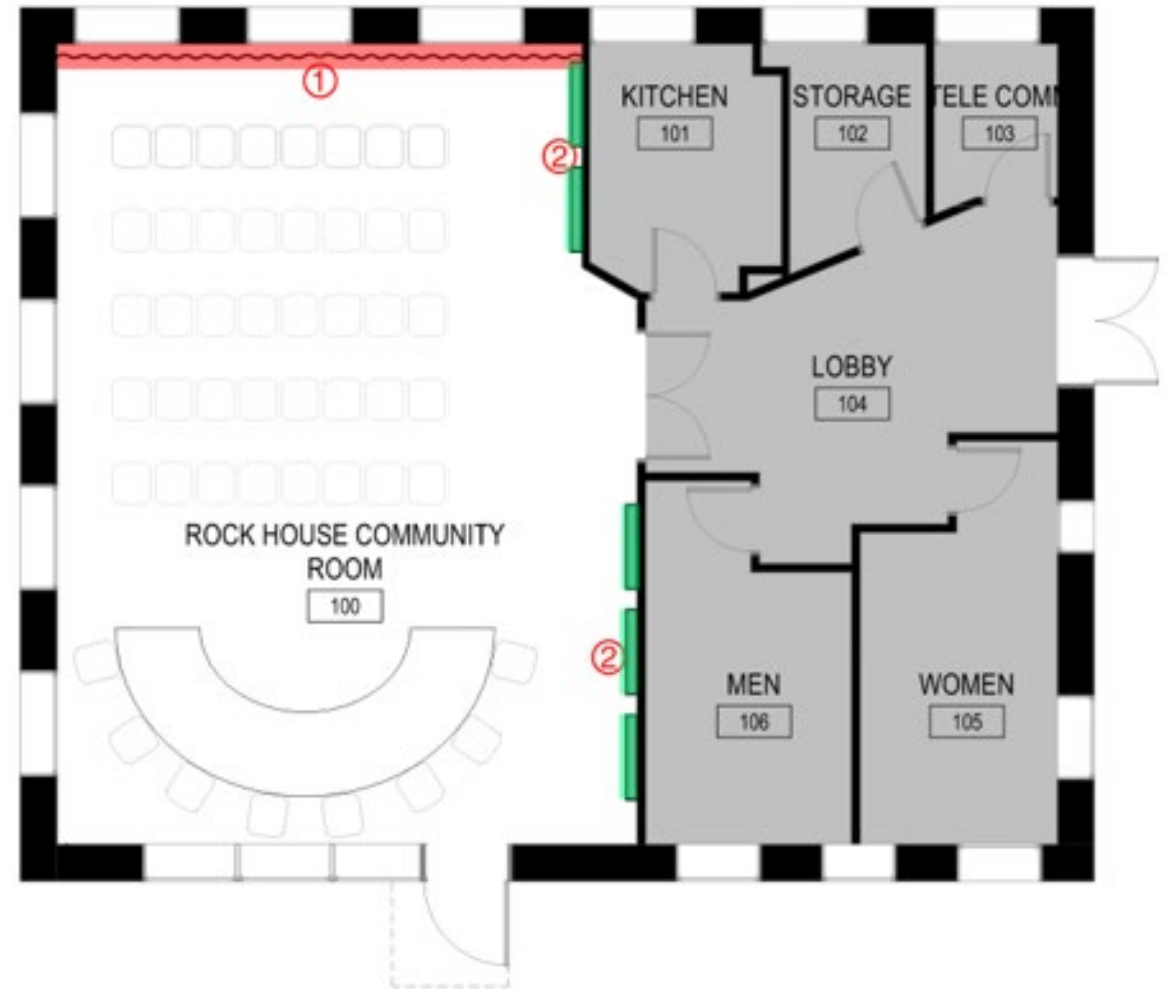
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- Create dedicated Board Room space
  - Acoustics
  - Comfort
  - Communications
  - Capacity

# Acoustics

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1. Install blackout curtains along back of room
2. Apply acoustic felt panels on the wall directly adjoined to the entry





# Comfort

Replace 3 x 5-ton split system units that are at end of life





# Communications

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- Individualized sound reinforcement for Board
- “Request to Speak” function
  
- Remote participation via Zoom Rooms platform
  
- Maintain existing large projection displays
- Add visual displays for Board and Audience to view remote participants and speaking order
  
- Remove production station from rear of room
- Install AI-powered multi-camera system
- Add dedicated production appliance for streaming and recording
- Create new permanent presenter station

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# Capacity

- Create seating for 49 with
  - 8 at dais
  - 1 at control panel in kitchen
  - 40 in audience
  - Additional seating for college employees in 32-119





# Questions/ Feedback



**2023-2024**  
**District Governing Board**  
**Calendar Dates**

<b>Month</b>	<b>Board Study Sessions</b>	<b>Board Meeting Type</b>
<b>Tuesday, May 28, 2024</b> 9:00am-4:00pm <b>Prescott Campus</b> <b>Rock House</b>		<b>Board Self-Assessment</b> <b>Workshop</b>

**DATES AND PLACES OF COLLEGE HOSTED EVENTS – FY 2023-2024**

<b>TYPE OF EVENT</b>	<b>DATE/DAY/TIME/LOCATION</b>
<b>NARTA Class 56 Graduation</b>	<b>Thursday, May 30, 2024 / Jim &amp; Linda Lee PAC / 11 AM – 1 PM</b>
<b>Verde Valley Center for Learning and Innovation Ribbon Cutting</b>	<b>Tuesday, August 13, 2024 / Clarkdale Campus / 11 am – 1pm</b>

**LIST OF DATES AND PLACES OF NATIONAL, STATE, AND LOCAL CONFERENCES, CONGRESSES, WEBINARS, SEMINARS AND EVENTS – FY 2023-2024**

<b>TYPE OF EVENT</b>	<b>DATE/DAY/TIME/LOCATION</b>
ACCT Leadership Congress 2024	Wednesday, October 23 – Saturday, October 26, 2024 Location: Seattle, Washington

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**RESOLUTION**

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**ADOPTED BY THE  
YAVAPAI COUNTY COMMUNITY COLLEGE DISTRICT OF  
YAVAPAI COUNTY, ARIZONA**

**May 21, 2024**

**AUTHORIZING THE ISSUANCE AND SALE OF  
REVENUE BONDS, SERIES 2024**

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- EXHIBIT D – ISSUANCE AND POST-ISSUANCE COMPLIANCE PROCEDURES**



**RESOLUTION AUTHORIZING THE ACQUISITION AND CONSTRUCTION OF COLLEGE FACILITIES AND IMPROVEMENTS; AND AUTHORIZING AN ISSUE OF YAVAPAI COUNTY COMMUNITY COLLEGE DISTRICT OF YAVAPAI COUNTY, ARIZONA, REVENUE BONDS, SERIES 2024, IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$16,000,000, FOR AND ON BEHALF OF THE DISTRICT AND PROVIDING FOR MATTERS RELATED THERETO.**

**WHEREAS**, Yavapai County Community College District of Yavapai County, Arizona (the “District”), is a community college district organized and existing under the laws of the State of Arizona; and

**WHEREAS**, the District upon due consideration and investigation has heretofore found and determined that it is advisable and necessary for the welfare of the District and its student body (i) to design, renovate, reconstruct, furnish, implement, install and equip all or a portion of facilities related to learning/digital common spaces at Building 19 on Prescott Campus and at Building M on Verde Campus, including the reconfiguration of library, laboratory and classroom spaces, (ii) to provide for certain capital improvements at the District, including HVAC and roof lab exhaust fan replacement, fume hood replacements, stucco replacement, window repairs, and costs related to the connection to the Town of Chino Falley’s sewer line at the Chino Valley campus, and (iii) to upgrade the District’s current enterprise resource planning systems to a cloud-based enterprise resource system and pay for the implementation of such systems, as well as such additional facilities as the Board may decide, together with appurtenant facilities and to pay contingent costs associated therewith (the “2024 Bond Project”) and does determine that the designing, renovating, reconstructing, furnishing, implementing, installing and equipping of such facilities and the subsequent maintenance and operation thereof are feasible; and

**WHEREAS**, the District will submit the 2024 Bond Project to the Joint Committee on Capital Review for review in accordance with A.R.S. §15-1483 and § 41-1252; and

**WHEREAS**, the District hereby determines that it is advisable and necessary that revenue bonds in the principal amount of not to exceed \$16,000,000 (the “Series 2024 Bonds”) be issued for the purpose of acquiring, constructing, renovating, implementing, installing, equipping and furnishing the improvements referred to above pursuant to the terms of a Bond Purchase Agreement as defined herein; and

**NOW, THEREFORE, BE IT AND IT IS HEREBY RESOLVED** by the Governing Board of the Yavapai County Community College District of Yavapai County, Arizona as follows:

**ARTICLE I  
DEFINITIONS**

**Section 1.1. Definitions.** Unless the context otherwise requires, the terms defined in this Section 1.1 shall, for all purposes of this Resolution, have the meanings herein specified.

**“Acquisition Costs”** means the price to be paid to acquire, construct, furnish and equip the 2024 Bond Project.

**“Acquisition Fund”** means the Yavapai County Community College District 2024 Bond Project Acquisition Fund established pursuant to Article III hereof and held by the Trustee.

**“Annual Current Principal Requirement”** means for any Bond Year the amount of principal coming due during such Bond Year on the Series 2024 Bonds and the Parity Obligations.

**“Annual Debt Service Requirement”** means for any Bond Year the aggregate of the Annual Mandatory Sinking Fund Redemption Requirement plus the Annual Current Principal Requirement for that Bond Year and the amount required to be deposited to pay interest on any Series 2024 Bonds or Parity Obligations in that Bond Year. For the purpose of compliance with the requirements of Section 6.3 of this Resolution with respect to the proposed issuance of additional Parity Obligations, such proposed Parity Obligations shall be treated as Outstanding for the determination of Annual Debt Service Requirement.

**“Annual Mandatory Sinking Fund Redemption Requirement”** means the amount of monies required to be paid in any Bond Year for the payment of, and equal to, the principal amount of Series 2024 Bonds and Parity Obligations, subject to mandatory sinking fund redemption during such Bond Year.

**“Bond Fund”** means the Yavapai County Community College District 2024 Bond Fund established and held by the Trustee pursuant to Article V hereof.

**“Bond Insurer”** means the issuer of any Financial Guaranty Insurance Policy with respect to the Series 2024 Bonds.

**“Bond Purchase Agreement”** means that final, executed agreement authorized hereunder to be executed on behalf of the District by the Director of Business Services establishing certain terms of the Series 2024 Bonds and providing for the sale of the Series 2024 Bonds to the Underwriter.

**“Bond Year”** means the period commencing July 1 and ending June 30 of the succeeding calendar year, unless otherwise determined and designated by the Governing Board of the District.

**“Book-Entry-Only System”** means, as to the Series 2024 Bonds, a system under which (i) physical Series 2024 Bond certificates in fully registered form are issued only to the Depository or its nominee as Owner, with the physical Series 2024 Bond certificates

“immobilized” in the custody of, or on behalf of, the Depository and (ii) the ownership of book entry interests in Series 2024 Bonds and principal of, premium, if any, and interest thereon may be transferred only through a book entry made by others than the District or the Trustee. The records maintained by entities other than the District or the Trustee constitute the written record that identifies the owners, and records the transfer, of book entry interests in those Series 2024 Bonds and principal of, premium, if any, and interest thereon.

“**Business Day**” means a day of the year on which banks in the State of Arizona are not closed and on which the New York Stock Exchange is not closed.

“**Certificate of Completion**” means the notice of completion, which shall be filed with the Trustee by the District Representative, stating that the 2024 Bond Project has been substantially completed.

“**Closing Date**” means the day when the Series 2024 Bonds, duly authenticated by the Trustee, are delivered to the Underwriter.

“**Completion Date**” means the date on which the Certificate of Completion is filed with the Trustee by the District Representative.

“**Construction Contract**” means, collectively, any contracts between the District and a Contractor, for the acquisition, construction or installation of any of the Improvements.

“**Contractor**” means any contractor under a Construction Contract and any successor, or assigns permitted.

“**Costs of Issuance**” means all items of expense directly or indirectly payable by or reimbursable to the District or the Trustee relating to the issuance, sale and delivery of the Series 2024 Bonds, including but not limited to filing and recording costs, settlement costs, printing costs, reproduction and binding costs, initial fees and charges of the Trustee, financing discounts, legal fees and charges, insurance fees and charges, financial and other professional consultant fees, costs of rating agencies for credit ratings, fees for execution, transportation and safekeeping of the Series 2024 Bonds and charges and fees in connection with the foregoing.

“**Costs of Issuance Fund**” means the Yavapai County Community College District 2024 Bond Project Costs of Issuance Fund established pursuant to Article III hereof.

“**Depository**” or “**DTC**” means a securities depository designated by the District to hold the Series 2024 Bonds in the Book-Entry-Only System. Initially, the Depository will be The Depository Trust Company, New York, New York.

“**Depository Trustee**” means any bank or trust company, which may include the Trustee, meeting the requirements of, and designated as, Depository Trustee in accordance with Section 13.1 hereof.

“**District**” means Yavapai County Community College District of Yavapai County, Arizona, a political subdivision of the State of Arizona.

“**District Representative**” means the Director of Business Services, or any other person authorized by the Chair of the Governing Board of the District to act on behalf of the District with respect to this Resolution.

“**Event of Default**” means an event of default hereunder or under any Parity Obligations except that if such default is other than the failure to pay principal, interest, redemption premium or other debt service when due on the Series 2024 Bonds or any Parity Obligations, such default will not be an Event of Default hereunder until sixty (60) days after notice thereof is given by the Trustee to the District.

“**Financial Guaranty Insurance Policy**” means any municipal bond insurance policy issued by the Bond Insurer insuring the payment when due of the principal of and interest on the Series 2024 Bonds as provided therein.

“**Fiscal Year**” means the period commencing each July 1 and ending June 30 of the succeeding calendar year, unless otherwise determined and designated by the District, and the Gross Revenues shall be accounted for on that basis.

“**Governing Board**” means the governing body of the District.

“**Gross Revenues**” means and includes tuitions, fees, rentals and other charges from students, faculty and others using or being served by, or having the right to use, or the right to be served by, the Project, and income, revenues and receipts to be received directly or indirectly from the use and operation thereof.

“**Improvements**” means the buildings and improvements to be constructed or acquired to be suitable for use by the District as college facilities as the same may be determined from time to time, including the 2024 Bond Project.

“**Independent Counsel**” means an attorney duly admitted to the practice of law before the highest court of the state in which such attorney maintains an office and who is not an employee of the District or the Trustee.

“**Interest Payment Date**” means each of the dates specified in Section 2.5 hereof on which interest is due and payable with respect to the Series 2024 Bonds.

“**Maximum Annual Debt Service Requirement**” means the greatest Annual Debt Service Requirement required to be paid in any Bond Year ending then or thereafter on or under the Outstanding Series 2024 Bonds and Parity Obligations.

“**Moody's**” means Moody's Investors Service, Inc., a corporation organized and existing under the laws of the State of Delaware, its successors and assigns, and, if such corporation shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, “Moody's” shall be deemed to refer to any other nationally recognized securities rating agency designated by the District by notice to the Trustee.

**“Outstanding”**, when used as of any particular time with respect to Series 2024 Bonds, means (subject to the provisions of Section 9.3 hereof) all Series 2024 Bonds theretofore authenticated and delivered by the Trustee under this Resolution (including those the principal and/or interest on which has been paid by the Bond Insurer) except:

(1) Series 2024 Bonds theretofore cancelled by the Trustee or surrendered to the Trustee for cancellation;

(2) Series 2024 Bonds for the payment or redemption of which funds or noncallable Permitted Investments in the necessary amount shall have theretofore been deposited with the Trustee (whether upon or prior to the maturity or redemption date of such Series 2024 Bonds, provided that, if such Series 2024 Bonds are to be redeemed prior to maturity, notice of such redemption shall have been given as provided in Section 4.3 hereof or provision satisfactory to the Trustee shall have been made for the giving of such notice); and

(3) Series 2024 Bonds in lieu of or in exchange for which other Series 2024 Bonds shall have been executed and delivered by the Trustee pursuant to Section 2.10 hereof.

When used as of any particular time with respect to the Parity Obligations, Outstanding means all such Parity Obligations theretofore executed and delivered under the applicable authorizing document except: those which have been cancelled or surrendered for cancellation; those for which payment or redemption has been irrevocably provided for with funds or noncallable Permitted Investments in the necessary amount and all other actions have been taken as required under the authorizing documents for the payment thereof; and those in lieu of or in exchange for which Parity Obligations shall have been executed and delivered pursuant to the authorizing documents.

**“Owner”** or any similar term, when used with respect to the Series 2024 Bonds or the Parity Obligations, means the person in whose name such Series 2024 Bonds or Parity Obligations, as applicable, shall be registered.

**“Parity Obligations”** means and includes any bonds, lease purchase agreements or other obligations authorized on a parity with the Series 2024 Bonds in accordance with the terms and conditions of Section 6.3 hereof, and specifically the District’s Revenue Bonds, Series 2013 and the District’s Revenue Refunding Bonds, Series 2021.

**“Payment Date”** means any date on which a payment of principal or interest is due on the Series 2024 Bonds and as set forth in the Bond Purchase Agreement.

**“Payment Request Form”** means the form set forth in Exhibit B which is attached hereto and made a part hereof.

**“Permitted Investments”** means any of the following, if and to the extent the same are at the time legal for the investment of the District's money and are acceptable to the Bond Insurer, if any:

(a) United States Obligations.

(b) Bonds, debentures, notes or other evidences of indebtedness issued by any of the following: Federal Home Loan Banks; Federal Home Loan Mortgage Corporation (including participation certificates); Federal Land Banks; Federal Financing Bank; Export-Import Bank of the United States; the Government National Mortgage Association; or any other agency or instrumentality of the United States of America (created by an Act of Congress) substantially similar to the foregoing in its legal relationship to the United States of America, provided that such obligations are backed by the full faith and credit of the United States of America.

(c) Interest-bearing time or demand deposits, certificates of deposit, or other similar banking arrangements including investment agreements with any bank (including the Trustee), provided that such deposits, certificates and other arrangements are (i) fully insured by the Federal Deposit Insurance Corporation, or (ii) in or with a bank, trust company, or national banking association having a combined capital and surplus not less than \$50,000,000, and which are fully secured by obligations described in paragraphs (a) or (b) of this definition which are held by the Trustee or on behalf of the Trustee and in which the Trustee has at all times a perfected security interest, and which have a market value, at the time of the investment and at least quarterly thereafter, at least equal to the amount so invested.

(d) Repurchase agreements with terms not to exceed 90 days with a bank (including the Trustee) or savings and loan association having an officially reported combined capital, surplus, undivided profits and reserves of at least \$50,000,000, or with brokerage houses listed, or whose parent is listed, on the New York Stock Exchange or which has an officially reported capital, surplus, undivided profits and reserves of at least \$120,000,000, and which repurchase agreements are fully secured by obligations described in paragraphs (a) or (b) of this definition and which have a market value at the time of the investment at least equal to the amount so invested and which are held by the Trustee or on behalf of the Trustee and in which the Trustee has at all times a perfected security interest.

(e) Investments in money market funds rated “AAAm” or “AAAm-G” or better by S&P, the portfolio of which are limited to obligations described in paragraphs (a) and (b) of this definition.

(f) Guaranteed investment contracts secured by investments described in (a) or (b) above.

(g) Such other or additional investments agreed to between the Bond Insurer, if any, and the District.

(h) Any other investment in which the District may lawfully invest such monies in accordance with state law, but only when designated or described by type in a written direction from the District to the Trustee and only if consented to by the Bond Insurer.

**“Personal Property”** means the personal property to be acquired and installed to be used with the Improvements for college purposes.

**“Project”** means any classrooms, student or faculty residence halls, dormitories, dining halls, student union buildings, field houses, stadia and other revenue producing facilities of

the District located in the District, together with sites therefor, equipment, furnishings, heating, lighting and other service facilities connected therewith now existing or hereafter constructed or acquired, including, without limitation, bookstore facilities, food service facilities, auditoriums and parking facilities and shall also include such other facilities as in the future may be permitted pursuant to law.

“**Record Date**” means the close of business of the Trustee on the fifteenth day of the month preceding an Interest Payment Date.

“**Reimbursement Request Form**” means the form set forth in Exhibit C hereof.

“**S&P**” means Standard & Poor's Rating Services, a division of McGraw-Hill, a corporation organized and existing under the laws of the State of New York, its successors and assigns, and, if such corporation shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, “S&P” shall be deemed to refer to any other nationally recognized securities rating agency designated by the District by notice to the Trustee.

“**Series 2024 Bonds**” or the “**Bonds**” means the Yavapai County Community College District of Yavapai County, Arizona, Revenue Bonds, Series 2024, dated as stated in the Bond Purchase Agreement, issued pursuant to this Resolution in the original principal amount of not to exceed \$16,000,000 and containing such additional terms as set forth in the Bond Purchase Agreement which shall be made part of and supplement to this Resolution.

“**Special Record Date**” means the close of business of the Trustee on the date set by the Trustee with respect to defaulted interest pursuant to Section 2.12 hereof.

“**State**” means the State of Arizona.

“**Trustee**” means a financial institution as set forth in the Bond Purchase Agreement as specified by the District Representative or any successor thereto acting as Trustee with respect to the Series 2024 Bonds under this Resolution.

“**Underwriter**” means the underwriter of the Series 2024 Bonds to be selected by the District Representatives.

“**United States Obligations**” means any bonds or other obligations which are direct obligations of or fully guaranteed as to timely payment of principal, interest and any premium by the United States of America (including REFCORP Strips).

“**Value at Market**” or “**Market Value**” means the indicated bid value of the investment or investments to be valued as shown in the Wall Street Journal or any publication having general acceptance as a source of valuation of the same or similar types of securities or any securities pricing service available to or used by the Trustee and generally accepted as a source of valuation, except that, with respect to guaranteed investment contracts, Value at Market or Market Value means the principal amount payable under the guaranteed investment contract.

“**Vendor**” means any supplier of items for inclusion in the 2024 Bond Project who is to be paid from amounts held in the Acquisition Fund.

“**2024 Bond Project**” means the Improvements and the Personal Property financed by the Series 2024 Bonds, as more particularly described in the recitals hereto, including such additional facilities as the Board may decide.

“**2024 Bond Project Costs**” means, with respect to the 2024 Bond Project, the price paid or to be paid to acquire, construct, renovate, implement, install, equip and furnish the buildings and improvements, all architectural, engineering, soils, survey, archaeology, demolition, training, consulting, hardware and software costs, construction management fees, development fees, contingencies and other related costs of acquiring, constructing, renovating, implementing, installing, equipping and furnishing the 2024 Bond Project and all costs payable to a Contractor under a Construction Contract, or incurred by the Trustee or the District with respect to the transaction to which this Resolution pertains.

**Section 1.2. Interpretation.**

a. Any reference herein to the District or any officer thereof shall include those succeeding to their functions, duties or responsibilities pursuant to or by operation of law or who are lawfully performing their functions.

b. Unless the context otherwise indicates, words importing the singular shall include the plural and vice versa and the use of the neuter, masculine, or feminine gender is for convenience only and shall be deemed to mean and include the neuter, masculine or feminine gender.

c. Words importing the redemption of a Series 2024 Bond or the calling of a Series 2024 Bond for redemption do not mean or include the payment of a Series 2024 Bond at its stated maturity or the purchase of a Series 2024 Bond.

**Section 1.3. Authorization.** The District and the Trustee each hereby represent and warrant that it has full legal authority and is duly empowered to adopt and accept, respectively, this Resolution, and has taken all actions necessary to authorize the execution of this Resolution by the officers and persons signing it.

**ARTICLE II  
REVENUE BONDS**

**Section 2.1. Determination of Necessity.** The District does hereby find and determine:

a. That there is the necessity for acquiring, constructing, renovating, implementing, installing, equipping and furnishing the 2024 Bond Project.

b. That such facilities shall be acquired and, as applicable, constructed or renovated, all in accordance with the plans and specifications therefor approved by the District and now on file in the District office with such changes or additions as may be hereafter approved by the District.



**Section 2.2. Authorization.** For the purpose of providing funds for the 2024 Bond Project Costs and to pay the Costs of Issuance, there is hereby created an issue of bonds by the District in an aggregate principal amount of not to exceed \$16,000,000. Each of the Series 2024 Bonds shall be designated “Yavapai County Community College District of Yavapai County, Arizona, Revenue Bonds, Series 2024.” The Trustee is hereby authorized and directed to authenticate and deliver to the Underwriter the Series 2024 Bonds in an aggregate principal amount of not to exceed \$16,000,000. The actual principal amount shall be as set forth in the Bond Purchase Agreement. The District hereby authorizes and approves a preliminary official statement in connection with the marketing and sale of the Series 2024 Bonds. The series designation of the Bonds may change if the Bonds are not sold in calendar year 2024.

**Section 2.3. Date.** Each Series 2024 Bond shall be dated the date of initial delivery as set forth in the Bond Purchase Agreement, and interest with respect thereto shall be payable from such date, or from the most recent Interest Payment Date to which interest has previously been paid or made available for payment with respect to the Outstanding Series 2024 Bonds.

**Section 2.4. Maturities.** The Series 2024 Bonds shall be in the denomination of \$5,000 or any integral multiple thereof and shall mature on July 1 in any or all of the years 2025 through and including 2044 in such principal amounts as set forth in the Bond Purchase Agreement.

**Section 2.5. Form of Series 2024 Bonds; Interest on Series 2024 Bonds.** The Series 2024 Bonds shall be in fully registered certificated form.

Interest on the Series 2024 Bonds shall be payable semiannually on January 1 and July 1 of each year commencing January 1, 2025, or such later date as stated in the Bond Purchase Agreement, to and including the date of maturity or redemption, whichever is earlier.

The Series 2024 Bonds will bear interest at the rates set forth in the Bond Purchase Agreement. Interest with respect to any Series 2024 Bond shall be computed on the basis of a 360-day year of twelve 30-day months.

**Section 2.6. Form.** The fully registered form of the Series 2024 Bonds and the assignment to appear thereon shall be substantially in the form set forth in Exhibit A, attached hereto and incorporated herein.

**Section 2.7. Execution and Authentication.** All of the Series 2024 Bonds shall be executed for and on behalf of the District by the manual or facsimile signature of the Chair of the Governing Board and attested by the manual or facsimile signature of the Board Secretary. In case any of the officers who shall have signed or attested any of the Series 2024 Bonds shall cease to be such officer before the Series 2024 Bonds so signed or attested shall have been actually issued and delivered, such Series 2024 Bonds shall be valid, nevertheless, and may be issued by the District with the same effect as though the persons who had signed or attested such Series 2024 Bonds had not ceased to be such officers.

All Series 2024 Bonds shall have thereon a certificate of authentication substantially in the form set forth as Exhibit A hereto, and shall be duly executed by the Trustee

as authenticating agent of the District and showing the date of authentication. No Bond shall be valid or obligatory for any purpose or be entitled to any security or benefit under this Resolution unless and until such certificate of authentication shall have been duly executed by the Trustee by manual signature, and such certificate of authentication upon any such Bond shall be conclusive evidence that such Bond has been authenticated and delivered under this Resolution. The certificate of authentication on any Bond shall be deemed to have been executed by it if signed by a person who at the actual date of execution is an authorized representative of the Trustee, but it shall not be necessary that such authorized representative have been an authorized representative on the original issue date or that the same officer sign the certificate of authentication on all of the Series 2024 Bonds issued hereunder.

**Section 2.8. Book-Entry-Only System.** The Series 2024 Bonds shall be initially issued to the Depository for holding in a Book-Entry-Only System, without further action by the District. There shall be a single Series 2024 Bond representing the entire aggregate principal amount of each maturity of the Series 2024 Bonds and each Series 2024 Bond shall be registered in the name of the Depository or its nominee, as Owner, and immobilized initially in the custody of, or on behalf of, the Depository.

So long as the Series 2024 Bonds are held in the Book-Entry-Only System, the Trustee, pursuant to a request by the District for the removal or replacement of the Depository, and upon 30 days' notice to the Depository, may remove or replace the Depository. The Trustee agrees to remove or replace the Depository at any time at the request of the District. No other action by the District shall be required to effect such a removal or replacement. The Depository may determine not to continue to act as Depository for the Series 2024 Bonds upon 30 days' written notice to the Trustee. The Owners have no right to either a Book-Entry-Only System or a Depository for the Series 2024 Bonds.

Notwithstanding any other provision of this Resolution or the Series 2024 Bonds, so long as the Series 2024 Bonds are in the Book-Entry-Only System and the Depository or its nominee is the registered Owner of the Series 2024 Bonds:

a. **Presentation.** Presentation of Bonds to the Trustee at redemption or at maturity, shall be deemed made to the Trustee when the right to exercise ownership rights in the Bonds through the Depository or the Depository's participants is transferred by the Depository on its books.

b. **Fractionalized Representation.** The Depository may present notices, approvals, waivers, votes or other communications required or permitted to be made by Owners under this Resolution on a fractionalized basis on behalf of some or all of those persons entitled to exercise ownership rights in the Bonds through the Depository or its participants.

c. **Bonds Not Registered to Buyer.** Series 2024 Bonds purchased by the District shall not be registered in the name of the District on the register maintained by the Trustee and shall not be physically held by any party other than the Depository.

d. **Limitations on Transfer.** Bonds or any portion thereof shall not be transferable or exchangeable except:

- (1) To any successor of the Depository;
- (2) To any new Depository not objected to by the Trustee, upon (a) the resignation of the then current Depository or its successor from its functions as Depository or (b) termination of the use of the Depository by direction of the District; or
- (3) To any Persons who are the assigns of the Depository or its nominee, upon (a) the resignation of the Depository from its functions as Depository hereunder or (b) termination by the District of use of the Depository.

If the use of the Book-Entry-Only System is discontinued, then after the Trustee has made provision for notification of the beneficial owners of their book entry interests in the Bonds by appropriate notice to the then Depository, the District and the Trustee shall permit withdrawal of the Bonds from the Depository, and authenticate and deliver Bond certificates in fully registered form and in denominations authorized by this Article to the assignees of the Depository or its nominee. Such withdrawal, authentication and delivery shall be at the cost and expense (including costs of printing or otherwise preparing, and delivering, such replacement Bond certificates) of the District.

Subject to any arrangements made by the Trustee with a Depository with respect to the Bonds held in a Book-Entry-Only System, which arrangements are hereby authorized subject to the approval of the District, principal of, premium, if any, and interest shall be payable on any Bond as provided in this Resolution.

**Section 2.9. Application of Proceeds.** The purchase price of the Series 2024 Bonds shall be paid to, and received by, the Trustee. The proceeds received by the Trustee from the sale of the Series 2024 Bonds shall forthwith be set aside by the Trustee in the following respective funds and accounts and in the following order of priority:

- a. Unless paid on behalf of the District by the Underwriter, the Trustee shall pay to the Bond Insurer, if any, in immediately available funds, the premium for the Financial Guaranty Insurance Policy;
- b. The Trustee shall deposit to the Costs of Issuance Fund the amount directed by the District Representative; and
- c. The Trustee shall deposit the remainder of the proceeds to the Acquisition Fund.

**Section 2.10. Transfer and Exchange.** So long as the Book-Entry-Only System is in effect, the Series 2024 Bonds will not be subject to transfer or exchange. If the Book-Entry-Only System is discontinued, the following shall apply:

- a. **Transfer of Series 2024 Bonds.** Any Series 2024 Bond may, in accordance with its terms, be transferred upon the register required to be kept pursuant to the provisions of Section 2.14 hereof by the person in whose name it is registered, in person or by his duly authorized attorney, upon surrender of such Series 2024 Bond for cancellation, accompanied by delivery of a written instrument of transfer in a form approved by the Trustee, duly executed. Whenever any

Series 2024 Bond shall be surrendered for transfer, the Trustee shall execute and deliver a new Series 2024 Bond in fully registered form for a like aggregate principal amount.

b. Exchange of Series 2024 Bonds. Series 2024 Bonds may be exchanged at the designated corporate trust office of the Trustee for a like aggregate principal amount of Series 2024 Bonds of authorized denominations of the same maturity and interest rate. In connection with any such exchange or transfer of Series 2024 Bonds, the Owner requesting such exchange or transfer shall, as a condition precedent to the exercise of the privilege of making such exchange or transfer, remit to the Trustee an amount sufficient to pay any tax, or other governmental charge required to be paid, or any fee or expense of the Trustee or the District with respect to such exchange or transfer.

**Section 2.11. Series 2024 Bonds Mutilated, Lost, Destroyed or Stolen.** If any Series 2024 Bond shall become mutilated, the Trustee, at the expense of the Owner of said Series 2024 Bond, shall execute and deliver a new Series 2024 Bond of like tenor, maturity and amount in exchange and substitution for the Series 2024 Bond so mutilated, but only upon surrender to the Trustee of the Series 2024 Bond so mutilated. Any mutilated Series 2024 Bond so surrendered to the Trustee shall be cancelled by it and redelivered to, or upon the order of, the Series 2024 Bond Owner. If any Series 2024 Bond shall be lost, destroyed or stolen, evidence of such loss, destruction or theft may be submitted to the Trustee, and, if such evidence is satisfactory to the Trustee and, if an indemnity satisfactory to the Trustee shall be given, the Trustee, at the expense of the Series 2024 Bond Owner, shall execute and deliver a new Series 2024 Bond of like tenor, maturity and amount and numbered as the Trustee shall determine in lieu of and in substitution for the Series 2024 Bond so lost, destroyed or stolen. The Trustee may require payment of an appropriate fee for each new Series 2024 Bond delivered under this Section 2.11 and of the expenses which may be incurred by the Trustee in carrying out the duties under this Section 2.11. Any Series 2024 Bond issued under the provisions of this Section 2.11 in lieu of any Series 2024 Bond alleged to be lost, destroyed or stolen shall be equally and proportionately entitled to the benefits of this Resolution with all other Series 2024 Bonds secured by this Resolution. The Trustee shall not be required to treat both the original Series 2024 Bond and any replacement Series 2024 Bond as being Outstanding for the purpose of determining the principal amount of Series 2024 Bonds which may be executed and delivered hereunder or for the purpose of determining any percentage of Series 2024 Bonds Outstanding hereunder, but both the original and replacement Series 2024 Bond shall be treated as one and the same. Notwithstanding any other provision of this Section 2.11, in lieu of delivering a new Series 2024 Bond for a Series 2024 Bond which has been mutilated, lost, destroyed or stolen, and which has matured, the Trustee may make payment with respect to such Series 2024 Bond upon receipt of the aforementioned indemnity.

**Section 2.12 Payment.**

a. In the Book-Entry-Only System. So long as the Series 2024 Bonds are administered under the Book-Entry-Only System described herein, interest payments and principal payments that are part of periodic principal and interest payments shall be paid to Cede & Co., or any successor nominee so designated by DTC, or the nominee's registered assigns in same-day funds no later than 2:30 p.m. (Eastern Time) on each Payment Date (or in accordance with then existing arrangements between the District and DTC).

b. Discontinuation of the Book-Entry-Only System. If the Book-Entry-Only system is discontinued, the following shall apply:

(1) Payment of interest due with respect to any Series 2024 Bond on any Interest Payment Date shall be made to the person appearing on the registration books of the Trustee as the Owner thereof as of the Record Date immediately preceding such Interest Payment Date, such interest to be paid by check mailed by first class mail to such Owner at his address as it appears on such registration books.

(2) The principal and redemption price, if any, with respect to the Series 2024 Bonds shall be payable in lawful money of the United States of America upon surrender when due at the designated corporate trust office of the Trustee.

(3) Interest and, if arrangements for surrender are made with the Trustee, principal and redemption premium, if any, payable to any Owner of \$1,000,000 or more in principal amount of Series 2024 Bonds shall be paid by wire transfer in immediately available funds to an account in the United States if the Owner makes a written request of the Trustee at least twenty (20) days before the Interest Payment Date specifying the account address. The notice may provide that it shall remain in effect for subsequent interest payments until otherwise requested in a subsequent written notice.

(4) Any interest on any Series 2024 Bond which is payable on, but is not punctually paid or duly provided for on, any Interest Payment Date (herein referred to as "Defaulted Interest") shall forthwith cease to be payable to the Owner on the relevant Record Date solely by virtue of such Owner having been such Owner. Such Defaulted Interest shall thereupon be paid, together with interest thereon at the same rate per annum as such Defaulted Interest, by the Trustee to the persons in whose names such Series 2024 Bonds are registered at the close of business on a Special Record Date for the payment of such portion of Defaulted Interest as may then be paid from the sources herein provided. When the Trustee has funds available to pay the Defaulted Interest and interest thereon, the Trustee shall fix a Special Record Date for the payment of such Defaulted Interest and interest thereon which shall be not more than fifteen (15) nor less than ten (10) days prior to the date of the proposed payment by the Trustee. The Trustee shall promptly cause notice of the proposed payment of such Defaulted Interest and interest thereon and the Special Record Date therefor to be mailed, first class postage prepaid, to each Owner of a Series 2024 Bond at his address as it appears in the Bond Register not less than ten (10) days prior to such Special Record Date. Notice of the proposed payment of such Defaulted Interest and interest thereon and the Special Record Date therefor having been mailed as aforesaid, such Defaulted Interest and interest thereon shall be paid to the persons in whose names the Series 2024 Bond are registered on such Special Record Date.

**Section 2.13. Execution of Documents and Proof of Ownership.** Any request, direction, consent, revocation of consent, or other instrument in writing required or permitted by this Resolution to be signed or executed by Series 2024 Bond Owners may be in any number of concurrent instruments of similar tenor, and may be signed or executed by such Owners in person or by their attorneys or agents appointed by an instrument in writing for that purpose, or by any bank, trust company or other depository for such Series 2024 Bonds. Proof of the execution of any such instrument, or of any instrument appointing any such attorney or agent, and of the ownership

of Series 2024 Bonds shall be sufficient for any purpose of this Resolution (except as otherwise herein provided), if made in the following manner:

a. The fact and date of the execution by any Owner or his attorney or agent of any such instrument and of any instrument appointing any such attorney or agent, may be proved by a certificate, which need not be acknowledged or verified, of an officer of any bank or trust company located within the United States of America, or of any notary public, or other officer authorized to take acknowledgments of deeds to be recorded in such jurisdictions, that the persons signing such instruments acknowledged before him the execution thereof. Where any such instrument is executed by an officer of a corporation or association or a member of a partnership on behalf of such corporation, association or partnership, such certificate shall also constitute sufficient proof of his authority.

b. The fact of the ownership of Series 2024 Bonds by any person and the amount, the maturity and the numbers of such Series 2024 Bonds and the date of his holding the same be proved on the registration books maintained pursuant to Section 2.14 hereof. Nothing contained in this Article II shall be construed as limiting the Trustee to such proof, it being intended that the Trustee may accept any other evidence of the matters herein stated which the Trustee may deem sufficient. Any request or consent of the Owner of any Series 2024 Bond shall bind every future Owner of the same Series 2024 Bond in respect of anything done or suffered to be done by the Trustee in pursuance of such request or consent.

**Section 2.14. Series 2024 Bond Register.** The Trustee will keep or cause to be kept, at its designated corporate trust office, sufficient books for the registration and transfer of the Series 2024 Bonds which shall at all times during regular business hours be open to inspection by the District and, upon presentation for such purpose, the Trustee shall, under such reasonable regulations and with reasonable notice as it may prescribe, register or transfer or cause to be registered or transferred, on said books, Series 2024 Bonds as hereinbefore provided.

**Section 2.15. Payment of Unclaimed Amounts.** In the event any check for payment of interest on a Series 2024 Bond is returned to the Trustee unendorsed or is not presented for payment or any Series 2024 Bond is not presented for payment of principal at the maturity or redemption date, if funds sufficient to pay such interest or principal due upon such Series 2024 Bond shall have been made available to the Trustee for the benefit of the Owner thereof, it shall be the duty of the Trustee to hold such funds, without liability for interest thereon, for the benefit of the Owner of such Series 2024 Bond who shall thereafter be restricted exclusively to such funds for any claim of whatever nature relating to such Series 2024 Bond or amounts due thereunder. Subject to the escheat laws of the State, the Trustee's obligation to hold such funds shall continue for two years and six months following the date on which such interest or principal payment became due, whether at maturity, or at the date fixed for redemption, or otherwise, at which time the Trustee shall surrender such unclaimed funds so held to the District, whereupon any claim of whatever nature by the Owner of such Series 2024 Bond arising under such Series 2024 Bond shall be made upon the District.

### **ARTICLE III APPLICATION OF PROCEEDS RECEIVED BY TRUSTEE; ACQUISITION FUND**

**Section 3.1. Acquisition Fund.** The Trustee shall establish a special trust fund designated as the “Yavapai County Community College District 2024 Bond Project Acquisition Fund” (hereinafter referred to as the “Acquisition Fund”); shall keep such fund separate and apart from all other funds and moneys held by it; and shall administer such fund as provided in this Resolution.

**Section 3.2. Purpose.** Except as provided in Section 3.4, moneys in the Acquisition Fund shall be expended only for 2024 Bond Project Costs.

**Section 3.3. Payment of 2024 Bond Project Costs.**

a. The amounts held in the Acquisition Fund will be applied to the payment of the 2024 Bond Project Costs, as hereinafter provided, upon receipt by the Trustee of a duly executed Payment Request Form in substantially the form attached hereto as Exhibit B, certified by the District Representative. The Trustee shall remit to the District or the payee, as designated in the Payment Request Form, the amount requested to be paid in such Payment Request Form within three (3) Business Days following submission of such Payment Request Form. Notwithstanding the foregoing, the Trustee shall apply moneys on deposit in the Acquisition Fund to reimburse the District for any 2024 Bond Project Costs incurred or advanced by the District within three (3) Business Days of receipt of a duly executed Reimbursement Request Form in substantially the form attached hereto as Exhibit C duly executed by the District Representative.

b. If the Payment Request Form is requesting final payment for a Contractor or Vendor, it shall so state thereon. Upon receipt of the Payment Request Form for the final payment for 2024 Bond Project Costs due to a Contractor or Vendor duly executed by the District Representative, the Trustee shall remit to the payee designated in the Payment Request Form the amount requested to be paid in such final Payment Request Form within three (3) Business Days.

c. 2024 Bond Project Costs will be paid directly to the Contractor, the Vendor or the payee named in the Payment Request Form unless the Contractor, the Vendor or the District Representative request payment to be made to the Contractor, the Vendor or payee and another party jointly, in which case such cost shall be paid jointly.

d. Should any shortfall or deficiency occur in either the Costs of Issuance Fund or the Acquisition Fund, the District shall pay, or cause to be paid, such amounts to the Trustee.

**Section 3.4. Transfers Upon Completion.** On the Completion Date, all remaining moneys in the Acquisition Fund not otherwise needed to pay 2024 Bond Project Costs (hereinafter referred to as “Excess Proceeds”) shall be transferred to the Bond Fund and applied by the Trustee to the interest and principal payments due from the District on the next succeeding Payment Dates.

**Section 3.5. Establishment and Application of Costs of Issuance Fund.**

a. The Trustee shall establish a special trust fund designated as the “Yavapai County Community College District 2024 Bond Project Costs of Issuance Fund” (hereinafter referred to as the “Costs of Issuance Fund”), shall keep such fund separate and apart from all other funds and moneys held by it, and shall administer such fund as provided in this Article III.

b. Amounts in the Costs of Issuance Fund shall be disbursed for Costs of Issuance. Disbursements from the Costs of Issuance Fund shall be made by the Trustee upon receipt of a request for disbursement by the District Representative. Each such request shall:

(1) set forth the amounts to be disbursed for payment, or reimbursement of previous payments, of Costs of Issuance and the person or persons to whom said amounts are to be disbursed;

(2) state that the amounts to be disbursed constitute Costs of Issuance, were necessarily and reasonably incurred, and are not being paid in advance of the time, if any, fixed for payment; and

(3) state that no amount set forth in the request was included in any previous request from the Costs of Issuance Fund pursuant to this Section 3.5.

c. On the earlier of November 1, 2024, or when all Costs of Issuance have been paid (as determined by a District Representative), the Trustee shall transfer any amounts remaining in the Costs of Issuance Fund to the Bond Fund or the Acquisition Fund as directed by the District Representative, and the Costs of Issuance Fund shall be closed.

**Section 3.6. Application of Acquisition Fund Investment Earnings.** Subject to Section 7.7 pertaining to arbitrage rebate, any investment earnings on the moneys on hand in the Acquisition Fund, shall be deposited in the Acquisition Fund to pay 2024 Bond Project Costs, except that, if directed to do so by the District Representative, the Trustee shall transfer, on or before each Interest Payment Date, all or a portion of such earnings to the Bond Fund to be applied and credited to pay principal and interest due on the Series 2024 Bonds.

**Section 3.7. Payments by the District.** Subject to the limitation to payment from Gross Revenues, the District shall make, or cause to be made, payments to the Trustee of principal and interest at least three (3) days prior to each Payment Date, taking into account any funds on deposit in the Bond Fund as a credit towards any payment then due. The Trustee, not less than ten (10) Business Days prior to each Payment Date, shall notify the District of the amount required to be paid after taking into account interest earnings which will be transferred to the Bond Fund in accordance herewith, on or before such Payment Date.



**ARTICLE IV  
REDEMPTION OF SERIES 2024 BONDS**

**Section 4.1. Optional and Mandatory Redemption.** The Series 2024 Bonds may be subject to optional or mandatory sinking fund redemption as set forth in the Bond Purchase Agreement.

**Section 4.2. Selection of Series 2024 Bonds for Redemption.** The Series 2024 Bonds shall be redeemed only in the principal amounts of \$5,000 each or integral multiples thereof. With respect to optional redemptions, the District shall, at least forty-five (45) days prior to the redemption date, notify the Trustee of such redemption date and of the maturities of the Series 2024 Bonds and the principal amount of the Series 2024 Bonds of any such maturity to be redeemed on such date. For the purposes of any optional redemption of less than all of the Series 2024 Bonds of a single maturity and mandatory sinking fund redemption of any Series 2024 Bonds subject to mandatory sinking fund redemption, the particular Series 2024 Bonds or portions of Series 2024 Bonds of such maturity to be redeemed shall, if the Book-Entry-Only System is in effect, be selected in accordance with the Depository's standard methods, and, if the Book-Entry-Only System is not in effect, be selected by lot not more than forty-five (45) nor less than thirty (30) days prior to the redemption date by the Trustee by such selection methods as the Trustee shall in its sole discretion deem appropriate and fair; provided, however, that such selection methods shall provide for the selection of the Series 2024 Bonds or portions thereof for redemption in principal amounts of \$5,000 or integral multiples thereof such that any \$5,000 Series 2024 Bond or \$5,000 portion of a Series 2024 Bond shall be as likely to be called for redemption as any other such \$5,000 Series 2024 Bond or \$5,000 portion thereof. The Trustee shall promptly notify the District in writing of the Series 2024 Bonds so selected for redemption.

**Section 4.3 Notice of Redemption.** When redemption is authorized pursuant to this Article IV, the Trustee shall give notice of the redemption of the Series 2024 Bonds. Such notice shall specify: (a) that the Series 2024 Bonds or a designated portion thereof are to be redeemed, (b) the date of redemption, (c) the place or places where the redemption will be made, (d) in the case of each Series 2024 Bond called only in part, the portion of the principal thereof which is to be redeemed, and (e) that if, on the specified redemption date, moneys for redemption of all said Series 2024 Bonds to be redeemed, together with interest to the date of redemption, shall be held by the Trustee, then, from and after such date of redemption, interest with respect to the Series 2024 Bonds so called shall cease to accrue and become payable. If the notice is for optional redemption under Section 4.1 hereof, the notice shall be conditional and shall also state that if the District does not deposit, or cause to be deposited, on or before 12:00 noon New York Time on the date set for redemption the funds necessary for such redemption, the redemption will be cancelled.

Notice of such redemption shall be mailed by first class mail to the Underwriter, or if the Underwriter is a syndicate, to the managing member of such syndicate, and to the respective Owners of Series 2024 Bonds designated for redemption at their addresses appearing on the Series 2024 Bond registration books, at least thirty (30) days, but not more than sixty (60) days prior to the redemption date; provided that neither failure to receive such notice nor any defect in any

notice so mailed shall affect the sufficiency of the proceedings for the redemption of such Series 2024 Bonds.

For any optional redemption, if the District does not deposit, or cause to be deposited, on or before 12:00 noon New York Time on the date set for redemption, the funds necessary therefor, the redemption will be cancelled. If the redemption is cancelled, the Trustee shall promptly mail notice of cancellation of the redemption to all persons to whom the notice of redemption was mailed.

**Section 4.4. Partial Redemption of Series 2024 Bonds.** Upon surrender of any Series 2024 Bond redeemed in part only, the Trustee shall authenticate and deliver to the registered Owner thereof, at the expense of the District, a new Series 2024 Bond or Series 2024 Bonds of authorized denominations equal in aggregate principal amount to the unredeemed portion of the Series 2024 Bond surrendered and of the same maturity.

**Section 4.5. Effect of Notice of Redemption.** Notice having been given as aforesaid, and moneys for the redemption (including the interest on Series 2024 Bonds to the applicable date of redemption and any applicable premium), having been set aside in the Bond Fund, the Series 2024 Bonds shall become due and payable on said date of redemption, and, upon presentation and surrender thereof at the office or offices specified in said notice, said Series 2024 Bonds shall be paid at the unpaid principal amount (or applicable portion thereof) with respect thereto, plus interest accrued and unpaid to said date of redemption on Series 2024 Bonds and any applicable premium.

If, on said date of redemption, moneys for the redemption of all the Series 2024 Bonds to be redeemed, together with interest to said date of redemption, shall be held by the Trustee so as to be available therefor on such date of redemption, and, if notice of redemption thereof shall have been given as aforesaid, then, from and after said date of redemption, interest with respect to the Series 2024 Bonds shall cease to accrue and become payable. All moneys held by or on behalf of the Trustee for the redemption of Series 2024 Bonds shall be held in trust for the account of the Owners of the Series 2024 Bonds so to be redeemed.

All Series 2024 Bonds paid at maturity or redeemed prior to maturity pursuant to the provisions of this Article shall be cancelled upon surrender thereof and delivered to or upon the order of the District.

**Section 4.6. Credit Against Mandatory Redemption.** The Series 2024 Bonds subject to mandatory sinking fund redemption which are called for optional redemption or otherwise purchased, redeemed (other than by mandatory sinking fund redemption) or delivered by the District to the Trustee for cancellation shall satisfy and be credited against the mandatory sinking fund redemption requirements on the dates determined by the District.

**ARTICLE V**  
**BOND PAYMENTS; BOND FUND**

**Section 5.1. Establishment of Bond Fund.** The Trustee shall establish a special fund designated as the “Yavapai County Community College District 2024 Bond Fund” (which shall also be known as the “Bond Fund”). All moneys at any time deposited by the Trustee in the Bond Fund shall be held by the Trustee in trust for the benefit of the Owners of the Series 2024 Bonds and the Parity Obligations. So long as any Series 2024 Bonds are Outstanding, the District shall have no beneficial right or interest in the Bond Fund or the moneys deposited therein, except only as provided in this Resolution, and such moneys shall be used and applied by the Trustee as hereinafter set forth.

**Section 5.2. Deposits.** The Director of Business Services of the District shall remit to the Trustee by noon of the day which is three (3) Business Days preceding each Interest Payment Date for deposit into the Bond Fund, such amounts of the Gross Revenues of the District as are available and necessary to make the deposits required herein and maintain the funds and accounts herein established and to make the payments required with respect to the Series 2024 Bonds. The Governing Board may, at its option, make the required remittances from any money lawfully available therefor. The Trustee shall deposit in the Bond Fund all payments of principal, interest and premium, if any, received.

**Section 5.3. Application of Moneys.** All amounts in the Bond Fund shall be used and withdrawn by the Trustee solely for the purpose of paying the principal of and interest and redemption premiums, if any, with respect to the Series 2024 Bonds as the same shall become due and payable, in accordance with the provisions of Articles II and IV hereof.

**Section 5.4. Transfers of Investment Earnings to Bond Fund.** Subject to Section 7.7 pertaining to arbitrage rebate and Section 3.6 pertaining to the Acquisition Fund, the Trustee shall, at least semiannually fifteen days prior to each Interest Payment Date, transfer any net income or profit on the investment of moneys in the funds hereunder to the Bond Fund or, at the direction of the District Representative, the Acquisition Fund.

**Section 5.5. Payment Pursuant to Financial Guaranty Insurance Policy.** If a Financial Guaranty Insurance Policy shall be in full force and effect, the District and the Trustee agree to comply with the provisions as may be required by the Bond Insurer, which are incorporated herein by this reference. Such requirements may be set forth in an Insurance Agreement approved and executed on behalf of the District by the Director of Business Services.

**Section 5.6. Surplus.** Any surplus remaining in any of the funds or accounts created hereunder, after redemption and payment of all Series 2024 Bonds, including accrued interest and premium, if any, and payment of any applicable fees to the Trustee, or provision for such redemption or payment having been made to the satisfaction of the Trustee, shall be withdrawn by the Trustee and remitted to the District.

**Section 5.7. Separate Funds and Accounts.** Monies and investments properly paid into and held in the funds and accounts established hereunder, other than the Bond Fund, shall not be subject to the claims of the owners of any Parity Obligations. The owners of the Series 2024 Bonds shall have no claim or lien upon any monies or investments properly paid into and held in

the funds and accounts established under the proceedings for any Parity Obligations other than any debt service fund.

**Section 5.8. Notice of Anticipated Deficiency.** If the Trustee is notified in writing by the District of its expectation that it will not make a payment of principal or interest when due, the Trustee shall immediately give notice thereof to the Bond Insurer, if any, by facsimile transmission or other delivery method the Bond Insurer deems acceptable. Failure to give such notice shall not excuse performance by the Bond Insurer under the Financial Guaranty Insurance Policy.

## **ARTICLE VI PLEDGE AND LIEN**

**Section 6.1. Pledge.** Each Series 2024 Bond authorized hereunder is payable from a pledge of, and secured by a lien on, the Gross Revenues as may be necessary for its prompt and punctual payment on parity with the pledge of Gross Revenues to the payments due on any Parity Obligations as provided herein. Said pledge of, and said lien on, the Gross Revenues is hereby irrevocably made and created by the District for the prompt and punctual payment of principal and interest due on the Series 2024 Bonds according to their terms, and to create and maintain the funds as specified in this Resolution. None of the Series 2024 Bonds or the Parity Obligations shall be entitled to priority or distinction one over the other in the application of the Gross Revenues hereby pledged to the payment thereof, regardless of the issue of the Series 2024 Bonds or the Parity Obligations in series, or the delivery of any of the Series 2024 Bonds or the Parity Obligations prior to the delivery of any other of the Series 2024 Bonds or the Parity Obligations of said series, or regardless of the time or times the Series 2024 Bonds or the Parity Obligations mature or are called for redemption prior to maturity or otherwise. All of the Series 2024 Bonds and the Parity Obligations are co-equal as to the pledge of and lien on the Gross Revenues pledged for the payment thereof and share ratably, without preference, priority or distinction, as to the source or method of payment from Gross Revenues or security therefor.

**Section 6.2. Protection of Lien.** The Trustee and the District will not make or create or suffer to be made or created any assignment or lien having priority or preference over the assignment and lien hereof upon the interests granted hereby or any part thereof. The Trustee and the District will not issue any obligations the payment of which is secured by an equal claim on or interest in property or revenues pledged hereunder except in lieu of, or upon transfer of registration or exchange of, any Series 2024 Bond as provided herein and except for Parity Obligations.

**Section 6.3. Parity Obligations.** The District reserves the right to issue additional Parity Obligations payable from and secured by an equal lien on the Gross Revenues with the Series 2024 Bonds herein authorized and for the purpose or purposes as specified by law, but no such additional Parity Obligations shall be issued unless all of the following conditions are met:

- a. All deposits in the funds and accounts created under Article V hereof must be current.
- b. A certificate of the Director of Business Services of the District or other officer acting as chief fiscal officer of the District shall have been received and placed on file with

the Trustee to evidence that the aggregate amount of Gross Revenues herein pledged and received by or on behalf of the District during the Fiscal Year next preceding the date of issuance of any such additional Parity Obligations is at least equal to 200% of the Maximum Annual Debt Service Requirement (including such additional Parity Obligations proposed to be issued) for the Outstanding Series 2024 Bonds and any Parity Obligations for the Bond Years in which the Series 2024 Bonds or any Parity Obligations are Outstanding.

If the District issues Parity Obligations to refund the Series 2024 Bonds or one or more series of Parity Obligations by providing for payment of the amounts due thereon in advance of their maturity then, for purposes of this Resolution, such refunded Series 2024 Bonds and Parity Obligations, to the extent they will no longer be Outstanding after the refunding, will be treated as not Outstanding for the purpose of determining the Annual Debt Service Requirement.

c. The obligation to make payments on the Parity Obligations from Gross Revenues shall not be subject to acceleration for any reason and such payments shall not be made immediately due and payable prior to their scheduled due date except as provided for optional and mandatory redemption.

Parity Obligations may include any long term obligation or deferred payment for property including, without limitation, installment purchase or lease purchase agreements. For the purpose of this Section 6.3, payments on installment purchase or lease purchase agreements shall be deemed to include a principal component and an interest component and references in this Resolution to the payment of principal, interest and premium shall include the payment of lease purchase or installment purchase payments. On or before the date of issuance of any Parity Obligations, the District shall deliver to the Trustee in writing a description of the Parity Obligations, the dates and amounts due thereon and shall further provide the Trustee with a copy of the proceedings authorizing the Parity Obligations.

## ARTICLE VII MONEYS IN FUNDS; INVESTMENT

**Section 7.1. Held in Trust.** The moneys and investments held by the Trustee under this Resolution are irrevocably held in trust for the benefit of the Owners of the Series 2024 Bonds, and for the purposes herein specified, and such moneys, and any income or interest earned thereon, shall be expended only as provided in this Resolution, and shall not be subject to levy or attachment or lien by or for the benefit of any creditor of the District, the Trustee or any Owner of Series 2024 Bonds.

**Section 7.2. Investments Authorized.** Upon written order of the District Representative, moneys held by the Trustee hereunder shall be invested and reinvested by the Trustee, to the maximum extent practicable in Permitted Investments having the highest yield reasonably obtainable. In the absence of such direction, the Trustee may invest or reinvest moneys it holds in the funds and accounts hereunder in investments described in paragraph (e) of the definition of Permitted Investments. The District Representative may by written order filed with the Trustee direct such investment in specific Permitted Investments. Such investments, if registrable, shall be registered in the name of the Trustee and shall be held by the Trustee. The Trustee may purchase or sell to itself or any affiliate, as principal or agent, investments authorized

by this Section 7.2. Such investments and reinvestments shall be made giving full consideration to the time at which funds are required to be available. The Trustee may act as purchaser or agent in the making or disposing of any investment.

**Section 7.3. Accounting.** The Trustee shall furnish to the District, not less than semiannually, an accounting (which may be in the form of its customary statement) of all investments made by the Trustee. The Trustee shall not be responsible or liable for any loss suffered in connection with any investment of funds made by it in accordance with Section 7.2 hereof.

**Section 7.4. Allocation of Earnings.** Subject to Section 7.7 pertaining to arbitrage rebate, Section 3.6 pertaining to the Acquisition Fund, and Section 5.4 pertaining to net income or profit, any income, profit or loss on such investments shall be deposited in or charged to the respective funds from which such investments were made, and any interest on any deposit of funds shall be deposited in the fund from which such deposit was made, except as otherwise provided herein.

**Section 7.5. Valuation and Disposition of Investments.** For the purpose of determining the amount in any fund, all Permitted Investments credited to such fund shall be valued at Market Value, except that guaranteed investment contracts shall be valued at their principal amount payable. The Trustee may sell at the best price obtainable, or present for redemption, any Permitted Investment so purchased by the Trustee whenever it shall be necessary in order to provide moneys to meet any required payment, transfer, withdrawal or disbursement from the fund to which such Permitted Investment is credited, and the Trustee shall not be liable or responsible for any loss resulting from such investment.

**Section 7.6. Arbitrage Covenant.** The District hereby covenants with the Owners of the Series 2024 Bonds that it will make or permit no use of the proceeds of the Series 2024 Bonds or other moneys which would cause the Series 2024 Bonds to be “arbitrage bonds” subject to federal income taxation by reason of Section 148 of the Internal Revenue Code of 1986, as amended (the “Code”).

**Section 7.7. Tax Covenants.** In consideration of the acceptance and execution of this Resolution by the Trustee and the purchase by the Owners of Series 2024 Bonds, from time to time, and in consideration of retaining the exclusion of the interest income on the Series 2024 Bonds from gross income for federal income tax purposes, the District covenants with the Trustee and the Series 2024 Bond holders from time to time to neither take nor fail to take any action, which action or failure to act is within its power and authority and would result in the interest income on the Series 2024 Bonds to become subject to inclusion in gross income for federal income tax purposes under either laws existing on the date of issuance of the Series 2024 Bonds or such laws as they may be modified or amended.

The District agrees that it will comply with such requirement(s) and will take any such action(s) as are necessary to prevent interest income with respect to this Resolution or the Series 2024 Bonds from becoming subject to inclusion in gross income for federal income tax purposes. Such requirements may include but are not limited to making further specific covenants; making truthful certifications and representations and giving necessary assurances; complying with all representations, covenants and assurances contained in certificates or agreements to be

prepared by special counsel; to pay to the United States of America any required amounts representing rebates of arbitrage profits relating to this Resolution or the Series 2024 Bonds; filing forms, statements and supporting documents as may be required under the federal tax laws; limiting the term of and yield on investments made with moneys relating to the Series 2024 Bonds; and limiting the use of the proceeds of the Series 2024 Bonds and property financed thereby.

The Trustee shall establish a separate “Arbitrage Rebate Fund”. The Arbitrage Rebate Fund shall be held separate and apart from all other funds and accounts held by the Trustee. The Arbitrage Rebate Fund shall be funded with earnings and profits from the investment of the Series 2024 Bond proceeds on an annual basis. The District will compute, or engage professionals to compute, the exact amount of earnings which need to be deposited into the Arbitrage Rebate Fund no later than sixty (60) days before each anniversary of the Series 2024 Bond issuance. If requested by the Trustee, the District shall provide Trustee with copies of such computation.

No later than sixty (60) days after each fifth anniversary of the Series 2024 Bond issuance, upon receipt from the District, the Trustee shall file a completed Form 8038-T, and remit the payment required by Code Section 148(f)(3), as directed by the District with the Internal Revenue Service Center, Ogden, Utah 84201. Such payment shall be from moneys contained in the Arbitrage Rebate Fund. In addition, upon the payment or redemption of the last Series 2024 Bond of the issue, upon receipt from the District, the Trustee shall file, within sixty (60) days after the last redemption, a completed Form 8038-T and remit, as directed by the District, the final payment as required by Code Section 148(f)(3). In the event there is insufficient moneys in the Arbitrage Rebate Fund to make a payment when due, the District shall pay to the Trustee from Gross Revenues or other money lawfully available therefor the amount necessary to provide the Trustee with an amount sufficient to make such payment when due.

**Section 7.8. Record Retention.** Unless otherwise directed in writing by the District Representative, the Trustee shall maintain books and records showing the receipt, expenditure and investment of funds, including investment earnings received or losses incurred so long as any Series 2024 Bonds are outstanding and for at least three years thereafter.

## **ARTICLE VIII THE TRUSTEE**

**Section 8.1. Appointment of Trustee.** U.S. Bank Trust Company, National Association is hereby appointed Trustee by the District for the purpose of receiving all moneys required to be deposited with the Trustee hereunder and to allocate, use and apply the same as provided in this Resolution. The District covenants that it will maintain as Trustee a bank or trust company with a combined capital and surplus of at least Fifty Million Dollars (\$50,000,000), and subject to supervision or examination by federal or State authority, so long as any Series 2024 Bonds are Outstanding. If such bank or trust company publishes a report of condition at least annually pursuant to law or to the requirements of any supervising or examining authority above referred to then for the purpose of this Section 8.1 the combined capital and surplus of such bank or trust company shall be deemed to be its combined capital and surplus as set forth in its most recent report of condition so published.

The Trustee is hereby authorized to redeem the Series 2024 Bonds when duly presented for payment at maturity, or on redemption, and to cancel all Series 2024 Bonds upon

payment thereof. The Trustee shall keep accurate records of all funds administered by it and of all Series 2024 Bonds paid and discharged.

The Trustee, and any other trustee with respect to any Parity Obligations, are authorized and directed to enter into such agreements as may be reasonable and appropriate between the trustees for the application of Gross Revenues and other amounts held in any funds or accounts hereunder or under the proceeds with respect to such Parity Obligations.

**Section 8.2. Liability of Trustee; Standard of Care.** The recitals of facts, covenants and agreements herein and in the Series 2024 Bonds contained shall be taken as statements, covenants and agreements of the District, and the Trustee assumes no responsibility for the correctness of the same, or makes any representations as to the validity or sufficiency of this Resolution or of the Series 2024 Bonds or shall incur any responsibility in respect thereof, other than in connection with the duties or obligations herein or in the Series 2024 Bonds assigned to or imposed upon them, respectively, including but not limited to the Trustee's obligations under Section 7.7 hereof. Prior to the occurrence of an Event of Default, or after the timely cure of an Event of Default, the Trustee shall perform only such duties as are specifically set forth in this Resolution and no implied covenants or obligations shall be read into this Resolution against the Trustee. After the occurrence of an Event of Default, the Trustee shall exercise such of the rights and powers vested in it, and use the same degree of care and skill in such exercise, as a prudent indenture trustee would exercise under the circumstances in the conduct of the Trustee's corporate trust business.

**Section 8.3. Merger or Consolidation.** Any company into which the Trustee may be merged or converted or with which it may be consolidated or any company resulting from any merger, conversion or consolidation to which it shall be a party or any company to which the Trustee may sell or transfer all or substantially all of its corporate trust business, provided that such company shall be eligible under Section 8.1 hereof, shall be the successor to the Trustee without the execution or filing of any paper or further act, anything herein to the contrary notwithstanding.

**Section 8.4. Protection and Rights of the Trustee.** The Trustee shall be protected and shall incur no liability in acting or proceeding in good faith upon any resolution, notice, telegram, request, consent, waiver, certificate, statement, affidavit, voucher, bond, requisition or other paper or document which it shall in good faith believe to be genuine and to have been passed or signed by the proper board or person or to have been prepared and furnished pursuant to any of the provisions of this Resolution, and the Trustee shall be under no duty to make any investigation or inquiry as to any statements contained or matters referred to in any such instrument, but may accept and rely upon the same as conclusive evidence of the truth and accuracy of such statements. The Trustee shall not be bound to recognize any person as an Owner of any Series 2024 Bond or to take any action at his request unless such Series 2024 Bond shall be deposited with the Trustee and satisfactory evidence of the ownership of such Series 2024 Bond shall be furnished to the Trustee. The Trustee may consult with counsel, who may be counsel to the District with regard to legal questions and the opinion of such counsel shall be full and complete authorization and protection in respect of any action taken or suffered by it hereunder in good faith in accordance therewith.



Whenever in the administration of its duties under this Resolution, the Trustee shall deem it necessary or desirable that a matter be proved or established prior to taking or suffering any action hereunder, such matter (unless other evidence in respect thereof be herein specifically prescribed) shall be deemed to be conclusively proved and established by the certificate of the District Representative and such certificate shall be full warranty to the Trustee for any action taken or suffered under the provisions of this Resolution upon the faith thereof, but in its discretion the Trustee may, in lieu thereof, accept other evidence of such matter or may require such additional evidence as to it may seem reasonable.

The Trustee may become the Owner of the Series 2024 Bonds with the same rights it would have if it were not Trustee; may acquire and dispose of other bonds or evidence of indebtedness of the District with the same rights it would have if it were not the Trustee; and may act as a depository for and permit any of its officers or directors to act as a member of, or in any other capacity with respect to, any committee formed to protect the rights of Owners of Series 2024 Bonds, whether or not such committee shall represent the Owners of the majority in principal amount of the Series 2024 Bonds then Outstanding.

The recitals, statements and representations by the District contained in this Resolution or in the Series 2024 Bonds shall be taken and construed as made by and on the part of the District and not by the Trustee, and the Trustee does not assume, and shall not have, any responsibility or obligation for the correctness of any thereof.

The Trustee may execute any of the trusts or powers hereof and perform the duties required of it hereunder by or through attorneys, agents, or receivers, and shall be entitled to advice of counsel concerning all matters of trust and its duty hereunder, and the Trustee shall not be answerable for the default or misconduct of any such attorney, agent, or receiver selected by it with reasonable care. The Trustee shall not be answerable for the exercise of any discretion or power under this Resolution or for anything whatever in connection with the funds and accounts established hereunder, except only for its own willful misconduct or negligence.

No provision in this Resolution shall require the Trustee to risk or expend its own funds or otherwise incur any financial liability in the performance of any of its duties hereunder.

The Trustee shall not be accountable for the use or application by the District or any other party of any funds which the Trustee has released in accordance with the terms of this Resolution.

Notwithstanding any provision in this Resolution to the contrary, the Trustee shall not be required to take notice or be deemed to have notice of an Event of Default, except an Event of Default under Section 12.2(1) hereof, unless the Trustee has actual notice thereof or is specifically notified in writing of such default by the District or the Owners of at least twenty- five percent (25%) in aggregate principal amount of the Series 2024 Bonds then Outstanding.

**Section 8.5. Compensation of Trustee.** The District shall from time to time, as agreed upon between the District and the Trustee, pay, or cause to be paid, to the Trustee reasonable compensation for its services, and shall reimburse the Trustee for all its advances and expenditures, including but not limited to advances to, and reasonable fees and expenses of, independent appraisers, accountants, consultants, counsel, agents and attorneys-at-law or other

experts employed by it in the exercise and performance of its powers and duties hereunder. The fees and reimbursement shall be pursuant to a schedule agreed to between the Trustee and the Director of Business Services, which schedule may be amended in writing from time to time by the District and the Trustee.

**Section 8.6. Removal of Trustee.** The District (but only if no Event of Default has occurred and is continuing), or the owners of a majority in aggregate principal amount of all Series 2024 Bonds Outstanding, or the Bond Insurer, by written directive, at any time and for any reason, may remove the Trustee and any successor thereto, but any such successor shall be a bank or trust company doing business and having an office in the State of Arizona, having a combined capital (exclusive of borrowed capital) and surplus of at least Fifty Million Dollars (\$50,000,000) and subject to supervision or examination by Federal or State authority. If such bank or trust company publishes a report of condition at least annually, pursuant to law or the requirements of any supervising or examining authority above referred to, then, for the purposes of this Section 8.6, the combined capital and surplus of such bank or trust company shall be deemed to be its combined capital and surplus as set forth in its most recent report of condition so published.

The Trustee may at any time resign by giving written notice to the District and the Bond Insurer. Upon receiving such notice of resignation, the District shall promptly appoint a successor trustee by an instrument in writing; provided, however, that in the event that the District does not appoint a successor trustee within thirty (30) days following receipt of such notice of resignation, the resigning Trustee may petition the appropriate court having jurisdiction to appoint a successor trustee. Any resignation or removal of the Trustee and appointment of a successor trustee shall become effective upon acceptance of appointment by the successor trustee. The Trustee and the District shall execute any documents reasonably required to affect the transfer of rights and obligations of the Trustee to the successor trustee. Upon such acceptance, the successor trustee shall mail notice thereof to the Series 2024 Bond Owners at their respective addresses set forth on the Series 2024 Bond registration books maintained pursuant to Section 2.14 hereof.

Notwithstanding the foregoing, in the event the Trustee merges or becomes consolidated with any other entity which resulting entity is otherwise qualified to be a successor trustee hereunder, such resulting entity shall assume all rights, obligations and duties of the Trustee hereunder without the execution or filing of any papers or any further act on the part of either party hereto.

**Section 8.7. Appointment of Agent.** The Trustee may appoint an agent or agents to exercise any of the powers, rights or remedies granted to the Trustee under this Resolution, and to hold title to property or to take any other action which may be desirable or necessary.

**Section 8.8. Commingling.** The Trustee may commingle any of the funds held by it pursuant to this Resolution in a separate fund or funds for investment purposes only; provided, however, that all funds or accounts held by the Trustee hereunder shall be accounted for separately notwithstanding such commingling by the Trustee.

**Section 8.9. Records.** The Trustee shall keep complete and accurate records of all moneys received and disbursed under this Resolution, which shall be available for inspection by the District, or any of their agents, at any time during regular business hours. The Trustee shall provide the District Representative with semiannual reports of funds transactions and balances.

**Section 8.10. Force Majeure.** The Trustee shall not be considered in breach of or in default in its obligations hereunder or progress in respect thereto in the event of enforced delay (“unavoidable delay”) in the performance of such obligations due to unforeseeable causes beyond its control and without its fault or negligence, including, but not limited to, acts of God or of the public enemy or terrorists, acts of a government, acts of the other party, fires, floods, epidemics, quarantine restrictions, strikes, freight embargoes, earthquakes, explosion, mob violence, riot, inability to procure or general sabotage or rationing of labor, equipment, facilities, sources or energy, material or supplies in the open market, litigation or arbitration involving a party or others relating to zoning or other governmental action or inaction pertaining to the project, malicious mischief, condemnation, and unusually severe weather or delays of suppliers or subcontractors due to such causes or any similar event and/or occurrences beyond the control of the Trustee.

**Section 8.11. Facsimile Instruction.** The Trustee agrees to accept and act upon facsimile transmission of written instructions and/or directions pursuant to this Resolution provided, however, that: (a) subsequent to such facsimile transmission of written instructions and/or directions the Trustee shall forthwith receive the originally executed instructions and/or directions, (b) such originally executed instructions and/or directions shall be signed by a person as may be designated and authorized to sign for the party signing such instructions and/or directions, and (c) the Trustee shall have received a current incumbency certificate containing the specimen signature of such designated person.

The Trustee agrees to accept and act upon instructions or directions pursuant to this Resolution sent by unsecured e-mail, facsimile transmission or other similar unsecured electronic methods, provided, however, that, the Trustee shall have received an incumbency certificate listing persons designated to give such instructions or directions and containing specimen signatures of such designated persons, which such incumbency certificate shall be amended and replaced whenever a person is to be added or deleted from the listing. If the District elects to give the Trustee e-mail or facsimile instructions (or instructions by a similar electronic method) and the Trustee in its discretion elects to act upon such instructions, the Trustee’s understanding of such instructions shall be deemed controlling. The Trustee shall not be liable for any losses, costs or expenses arising directly or indirectly from the Trustee’s reliance upon and compliance with such instructions notwithstanding such instructions conflict or are inconsistent with a subsequent written instruction. The District agrees to assume all risks arising out of the use of such electronic methods to submit instructions and directions to the Trustee, including without limitation the risk of the Trustee acting on unauthorized instructions, and the risk of interception and misuse by third parties.

## **ARTICLE IX MODIFICATION OR AMENDMENT OF AGREEMENTS**

**Section 9.1. Amendments Permitted.** This Resolution and the rights and obligations of the Owners of the Series 2024 Bonds, may be modified or amended at any time by a supplemental resolution which shall become effective when the written consent of the Owners of a majority in aggregate principal amount of the Series 2024 Bonds then Outstanding, exclusive of Series 2024 Bonds disqualified as provided in Section 9.3 hereof, shall have been filed with the Trustee. No such modification or amendment shall (1) extend or have the effect of extending the fixed maturity of any Series 2024 Bond or reducing the interest rate with respect thereto or extending the time of payment of interest, or reducing the amount of principal thereof or reducing any premium payable upon the redemption thereof, without the express consent of the Owner of

such Series 2024 Bond, or (2) reduce or have the effect of reducing the percentage of Series 2024 Bonds required for the affirmative vote or written consent to an amendment or modification of this Resolution, or (3) modify any of the rights or obligations of the Trustee without its written assent thereto. Any such supplemental resolution shall become effective as provided in Section 9.2 hereof.

This Resolution and the rights and obligations of the Owners of the Series 2024 Bonds, may be modified or amended at any time by a supplemental resolution, without the consent of any such Owners, but only (1) to add to the covenants and agreements of any party, other covenants to be observed, or to surrender any right or power herein reserved to the District, (2) to cure, correct or supplement any ambiguous or defective provision contained herein or therein, or (3) in regard to questions arising hereunder or thereunder, as the parties hereto or thereto may deem necessary or desirable and which shall not adversely affect the interests of the Owners of the Series 2024 Bonds. Any such supplemental resolution shall become effective upon adoption by the District and acceptance by the Trustee.

**Section 9.2. Procedure for Amendment With Written Consent of Series 2024 Bond Owners.** This Resolution may be amended by supplemental resolution as provided in this Section 9.2 in the event the consent of the Owners of the Series 2024 Bonds are required pursuant to Section 9.1 hereof. A copy of such supplemental resolution, together with a request to the Series 2024 Bond Owners for their consent thereto, shall be mailed by the Trustee to each Owner of a Series 2024 Bond at his address as set forth on the Series 2024 Bond registration books maintained pursuant to Section 2.14 hereof, but failure to mail copies of such supplemental resolution and request shall not affect the validity of the supplemental resolution when assented to as in this Section 9.2 provided.

Such supplemental resolution shall not become effective unless there shall be filed with the Trustee the written consent of the Owners of a majority in principal amount of the Series 2024 Bonds then Outstanding (exclusive of Series 2024 Bonds disqualified as provided in Section 9.3 hereof) and a notice shall have been mailed as hereinafter in this Section 9.2 provided. The consent of an Owner of a Series 2024 Bond shall be effective only if accompanied by proof of ownership of the Series 2024 Bonds for which such consent is given, which proof shall be such as is permitted by Section 2.13 hereof. Any such consent shall be binding upon the Owner of the Series 2024 Bond giving such consent and on any subsequent Owner (whether or not such subsequent Owner has notice thereof) unless such consent is revoked in writing by the Owner giving such consent or a subsequent Owner by filing such revocation with the Trustee prior to the date when the notice hereinafter in this Section 9.2 provided for has been mailed.

After the Owners of the required percentage of Series 2024 Bonds shall have filed their consents to such supplemental resolution, the Trustee shall mail a notice to the Owners of the Series 2024 Bonds in the manner hereinbefore provided in this Section 9.2 for the mailing of such supplemental resolution of the notice of adoption thereof, stating in substance that such supplemental resolution has been consented to by the Owners of the required percentage of Series 2024 Bonds and will be effective as provided in this Section 9.2 (but failure to mail copies of said notice shall not affect the validity of such supplemental resolution or consents thereto). A record, consisting of the papers required by this Section 9.2 to be filed with the Trustee, shall be conclusive proof of the matters therein stated. Such supplemental resolution shall become effective upon the mailing of such last-mentioned notice, and such supplemental resolution shall be deemed

conclusively binding upon the parties hereto and the Owners of all Series 2024 Bonds at the expiration of sixty (60) days after such filing, except in the event of a final decree of a court of competent jurisdiction setting aside such consent in a legal action or equitable proceeding for such purpose commenced within such sixty (60) day period.

**Section 9.3. Disqualified Series 2024 Bonds.** Series 2024 Bonds owned or held by or for the account of the District or by any person directly or indirectly controlled by, or under direct or indirect common control with the District (except any Series 2024 Bonds held in any pension or retirement fund) shall not be deemed Outstanding for the purpose of any vote, consent, waiver or other action or any calculation of Outstanding Series 2024 Bonds provided for in this Resolution, and shall not be entitled to vote upon, consent to, or take any other action provided for in this Resolution.

**Section 9.4. Effect of Supplemental Resolution.** From and after the time any supplemental resolution becomes effective pursuant to this Article IX, this Resolution shall be deemed to be modified and amended in accordance therewith, the respective rights, duties and obligations of the parties hereto or thereto and all Owners of Series 2024 Bonds Outstanding, as the case may be, shall thereafter be determined, exercised and enforced hereunder subject in all respects to such modification and amendment, and all the terms and conditions of any supplemental resolution shall be deemed to be part of the terms and conditions of this Resolution for any and all purposes.

The Trustee may require each Series 2024 Bond Owner, before his consent provided for in this Article IX shall be deemed effective, to reveal whether the Series 2024 Bonds as to which such consent is given are disqualified as provided in Section 9.3 hereof.

**Section 9.5. Endorsement or Replacement of Series 2024 Bonds Delivered After Amendments.** The Trustee may determine that Series 2024 Bonds delivered after the effective date of any action taken as provided in this Article IX shall bear a notation, by endorsement or otherwise, in form approved by the Trustee, as to such action. In that case, upon demand of the Owner of any Series 2024 Bond Outstanding at such effective date and presentation of his Series 2024 Bond for the purpose at the office of the Trustee, a suitable notation shall be made on such Series 2024 Bond. The Trustee may determine that the delivery of substitute Series 2024 Bonds, so modified as in the opinion of the Trustee is necessary to conform to such Series 2024 Bond Owners' action, which substitute Series 2024 Bonds shall thereupon be prepared, executed and delivered. In that case, upon demand of the Owner of any Series 2024 Bond then Outstanding, such substitute Series 2024 Bond shall be exchanged at the principal office of the Trustee, without cost to such Owner, for a Series 2024 Bond of the same character then Outstanding, upon surrender of such Outstanding Series 2024 Bond.

**Section 9.6. Amendatory Endorsement of Series 2024 Bonds.** The provisions of this Article IX shall not prevent any Series 2024 Bond Owner from accepting any amendment as to the particular Series 2024 Bonds held by him, provided that proper notation thereof is made on such Series 2024 Bonds.

**Section 9.7. Consent of the Bond Insurer.** Any provision hereof recognizing or granting rights in or to the Bond Insurer may not be amended in any manner which affects the rights of the Bond Insurer hereunder without the prior written consent of the Bond Insurer. The

Bond Insurer may consent in lieu of the Owners for any modification or amendment except for any modification or amendment described in clauses 1 or 2 of Section 9.1 hereof.

**Section 9.8. Adverse Effect on Owners.** Notwithstanding any other provision of this Resolution, in determining whether the rights of the Owners will be adversely affected by any action taken pursuant to the terms and provisions of this Resolution, the Trustee shall consider the effect on the Owners as if there were no Financial Guaranty Insurance Policy.

## ARTICLE X COVENANTS ; NOTICES

**Section 10.1. General.** The District hereby expressly covenants and agrees with the Owner or Owners of the Series 2024 Bonds, so long as any of the Series 2024 Bonds are Outstanding, as provided in this Article.

**Section 10.2. Performance of Covenants.** The District covenants that it will faithfully perform at all times any and all covenants, undertakings, stipulations and provisions on its part to be performed as provided herein and in each and every Series 2024 Bond executed, authenticated and delivered hereunder and in all proceedings of the District pertaining thereto.

**Section 10.3. Instruments of Further Assurance.** The District covenants that it will do, execute, acknowledge and deliver or cause to be done, executed, acknowledged and delivered, such instruments supplemental hereto and such further acts, instruments and transfers as the Trustee may reasonably require for the better assuring, transferring, granting, conveying, pledging, assigning and confirming unto the Trustee the District's interest in and to the interests, revenues, assessments and receipts pledged hereby to the payment of the principal hereof, premium, if any, and interest on the Series 2024 Bonds in the manner and to the extent contemplated herein.

**Section 10.4. General Covenants.** So long as any of the Series 2024 Bonds are Outstanding, the District covenants and agrees:

a. That it will maintain and preserve and keep the Project in good repair, working order and condition so that the Project will at all times be available for maximum use and occupancy, and that it will at all times continuously operate and manage the Project in an efficient manner and at reasonable cost.

b. That proper books of records and accounts, separate from all other records and accounts of the District, will be kept, in which complete and correct entries shall be made of all transactions relating to the acquisition and development of any portion of the 2024 Bond Project, that the District will promptly assist and cooperate with the Auditor General of the State of Arizona in the conduct of any audit of the District, and the audit report prepared by a certified public accountant or by the Auditor General of the State of Arizona reflecting in reasonable detail the financial condition of the District for the previous fiscal year shall be furnished to the Trustee, the Bond Insurer and to any holder of the Series 2024 Bonds upon written request of such holder not more than ten (10) days after receipt by the District of such report.

c. That the Trustee, the Bond Insurer and any holder or holders of the Series 2024 Bonds, or their agents duly authorized for that purpose, shall have the right at all reasonable times while the Series 2024 Bonds are Outstanding to inspect the Project and all records, accounts and data of the District relating to the Project and Gross Revenues. That the tuition, fees, charges, admissions, rentals chargeable to the occupants, students, faculty and others using and being served by, or having the right to use, or having the right to be served by the District, shall be so fixed and revised from time to time and shall be so collected that the proceeds thereof shall be sufficient at all times to provide moneys sufficient to make all of the payments and deposits required to be made hereunder and to maintain the minimum balances specified herein.

**Section 10.5. Notification to the District of Failure to Make Payments.** The Trustee shall notify the District of any failure to make any payment required hereunder to be made to the Trustee, in writing and within one (1) Business Day of any such failure. Such notice shall not be a prerequisite for the occurrence of an Event of Default hereunder.

**Section 10.6. Contractual Obligations.** The provisions of this Resolution and of each section and subsection hereof shall constitute a contract by and between the District and the Owners or any of them, and after delivery of any such Series 2024 Bonds no change, alteration or amendment of any provision of this Resolution or of any section or subsection hereof shall ever be made which will impair the interest of the Owners of any of the Series 2024 Bonds then Outstanding, except as provided in Article IX hereof.

**ARTICLE XI  
LIMITATION OF LIABILITY**

**Section 11.1 Limited Liability of the District.** Except for the payment of principal, interest and redemption premium, if any, on the Series 2024 Bonds from Gross Revenues when due in accordance with this Resolution and the performance of the other covenants and agreements of the District contained in this Resolution, the District shall have no pecuniary obligation or liability to any of the other parties or to the Owners of the Series 2024 Bonds with respect to this Resolution, or the terms, execution, delivery or transfer of the Series 2024 Bonds, or the distribution of payments to the Owners by the Trustee.

**Section 11.2. No Liability of the District for Trustee Performance.** The District will have no obligation or liability to any of the other parties or to the Owners of the Series 2024 Bonds with respect to the performance by the Trustee of any duty imposed upon it under this Resolution.

**Section 11.3 Opinion of Counsel.** Before being required to take any action, the Trustee may require an opinion of Independent Counsel acceptable to the Trustee, which opinion shall be made available to the other parties hereto upon request, which counsel may be counsel to any of the parties hereto, or a verified certificate of any party hereto, or both, concerning the proposed action. If it does so in good faith, the Trustee shall be absolutely protected in relying thereon.

**ARTICLE XII  
EVENTS OF DEFAULT AND REMEDIES OF BOND OWNERS**

**Section 12.1. Rights held in Trust.** The Trustee is hereby granted all of the rights in and to payment under this Resolution in trust, including without limitation all of the rights to exercise such rights and remedies conferred on the Trustee pursuant hereto as may be necessary or convenient to enforce payment of any amounts required to be deposited in the Bond Fund and enforcement of the pledge of Gross Revenues hereunder.

**Section 12.2. Events of Default.** The following shall be an Event of Default hereunder: upon (1) the nonpayment of the whole or any part of any payment due hereunder at the time when the same is to be paid as provided herein, (2) the violation by the District of any other covenant or provision of this Resolution, (3) the occurrence of an event of default with respect to any outstanding Parity Obligations, or (4) the insolvency or bankruptcy of the District as the same may be defined under any law of the United States of America or the State of Arizona, or any voluntary or involuntary action of the District or others to take advantage of, or to impose, as the case may be, any law for the relief of debtors or creditors, including a petition for reorganization, and if such default has not been cured (i) in the case of nonpayment of any payment hereunder on the due date, or the nonpayment of installment payments on their due dates with respect to any Parity Obligations; and (ii) in the case of the breach of any other covenant or provision of this Resolution or of any other agreement pertaining to Parity Obligations within sixty (60) days after notice in writing from the Trustee specifying such default.

**Section 12.3. Remedy.** Subject to Section 12.9 of this Resolution, if an Event of Default shall happen, then and in each and every such case during the continuance of such Event



of Default, the Trustee may, and upon request of the Owners of twenty-five percent (25%) in aggregate principal amount of the Series 2024 Bonds and after being indemnified to its satisfaction from any liability or expense shall, exercise one or more of the following remedies:

a. The Trustee may proceed to protect and enforce its rights and the rights of the holders of the Series 2024 Bonds under this Resolution by a suit or suits in equity or at law, either for the specific performance of any covenant or agreement contained in this Resolution, or in aid of the execution of any power granted herein, or for the enforcement of any other appropriate legal or equitable remedy, as the Trustee, being advised by counsel, may deem most effectual to protect and enforce any of the rights or interests under the Series 2024 Bonds and this Resolution. All rights of action under this Resolution or under any of the Series 2024 Bonds may be enforced by the Trustee without the possession of any of the Series 2024 Bonds or the production thereof on any trial or other proceeding relative thereto, and any such suit or proceeding instituted by the Trustee shall be brought in its name as Trustee, and any recovery of judgment shall be for the ratable benefit of the holders of the Series 2024 Bonds.

b. The Trustee, upon the bringing of a suit to enforce any of its rights hereunder, as a matter of right without notice and without giving bond to the District or anyone claiming under them, may (i) have a receiver appointed of all the Gross Revenues which are pledged for the payment of the Series 2024 Bonds, pending such proceedings, with such powers as the Court making such appointment shall confer, including such powers as may be necessary or usual in such cases for the protection, possession, control and management of the Project and for the collection and proper disbursement of the Gross Revenues pledged for the payment of the Series 2024 Bonds, and the District does hereby irrevocably consent to such appointment and (ii) seek and obtain such injunctive relief as may be appropriate.

The Trustee is hereby appointed, and the successive respective Owners by taking and owning the Series 2024 Bonds, shall be conclusively deemed to have so appointed the Trustee, the true and lawful attorney-in-fact of the respective Owners, with authority to make or file, in the respective names of the Owners or in behalf of all Owners as a class, any proof of debt, amendment to proof of debt, petition or other document; to receive payment of all sums becoming distributable on account thereof; to execute any and all acts and things for and in behalf of all Owners as a class, as may be necessary or advisable, in the opinion of the Trustee, in order to have the respective claims of the Owners against the District allowed in any equity receivership, insolvency, liquidation, bankruptcy or other proceedings to which the District shall be a party. The Trustee shall have full powers of substitution and delegation in respect of any such powers.

Notwithstanding anything herein to the contrary, there shall be no right under any circumstances to accelerate the maturities of the Series 2024 Bonds nor to declare any principal or interest not then past due or in default to be immediately due and payable.

**Section 12.4. Application of Funds.** All moneys received by the Trustee pursuant to any right given or action taken under the provisions of this Article XII shall be applied by the Trustee in the order following upon presentation of the several Series 2024 Bonds, and the stamping thereon of the payment if only partially paid, or upon the surrender thereof if fully paid:

**First**, to the payment of the costs and expenses of the Trustee and of the Series 2024 Bond Owners in declaring such Event of Default, including reasonable compensation to its or their agents, attorneys and counsel;

**Second**, to the payment of the whole amount then owing and unpaid with respect to the Series 2024 Bonds for principal and interest, with interest on the overdue principal and installments of interest at the applicable interest rate (but such interest on overdue installments of interest shall be paid only to the extent funds are available therefor following payment of principal and interest and interest on overdue principal, as aforesaid), and in case such moneys shall be insufficient to pay in full the whole amount so owing and unpaid with respect to the Series 2024 Bonds, then to the payment of such principal and interest allocating such payments(i) first to interest due and unpaid, ratably without preference or priority of any installment of unpaid interest over any other installment of unpaid interest, (ii) then to principal due and unpaid, ratably without preference or priority of any installment of unpaid principal over any other installment of unpaid principal, and (iii) then to interest on overdue interest, ratably without preference or priority of any installment over any other installment.

**Section 12.5. Institution of Legal Proceedings.** If one or more Events of Default shall happen and be continuing, the Trustee in its discretion may, and upon the written request of the Owners of a majority in aggregate principal amount of the Series 2024 Bonds then Outstanding, and upon being indemnified to its satisfaction therefor, shall, proceed to protect or enforce its rights or the rights of the Owners of Series 2024 Bonds by a suit in equity or action at law for the specific performance of any covenant or agreement contained herein.

**Section 12.6. Non-waiver.** Nothing in this Article XII or in any other provision of this Resolution or in the Series 2024 Bonds, shall affect or impair the obligation of the District to pay amounts due on the Series 2024 Bonds as provided herein, or affect or impair the right of action, which is absolute and unconditional, of the Series 2024 Bond Owners to institute suit to enforce and collect such payment. No delay or omission of the Trustee or of any Owner of any of the Series 2024 Bonds to exercise any right or power arising upon the happening of any Event of Default shall impair any such right or power or shall be construed to be a waiver of any such Event of Default or an acquiescence therein, and every power and remedy given by this Article XII to the Trustee or the Owners of Series 2024 Bonds may be exercised from time to time and as often as shall be deemed expedient by the Trustee or the Series 2024 Bond Owners.

**Section 12.7. Power of Trustee to Control Proceedings.** In the event that the Trustee, upon the happening of an Event of Default, shall have taken any action, by judicial proceedings or otherwise, pursuant to its duties hereunder, whether upon its own discretion or upon the request of the Owners of twenty-five percent (25%) in aggregate principal amount of the Series 2024 Bonds then Outstanding, it shall have full power, in the exercise of its discretion for the best interests of the Owners of the Series 2024 Bonds, with respect to the continuance, discontinuance, withdrawal, compromise, settlement or other disposal of such action; provided, however, that the Trustee shall not discontinue, withdraw, compromise or settle, or otherwise dispose of any litigation pending at law or in equity, without the consent of a majority in aggregate principal amount of the Series 2024 Bonds Outstanding.

**Section 12.8. Limitation on Series 2024 Bond Owners' Right to Sue.** No Owner of any Series 2024 Bond issued hereunder shall have the right to institute any suit, action or

proceeding at law or in equity, for any remedy under or upon this Resolution, unless (a) such Owner shall have previously given to the Trustee written notice of the occurrence of an Event of Default hereunder; (b) the Owners of at least twenty-five percent (25%) in aggregate principal amount of all the Series 2024 Bonds then Outstanding shall have made written request upon the Trustee to exercise the powers hereinbefore granted or to institute such action, suit or proceeding in its own name; (c) said Owners shall have tendered to the Trustee reasonable indemnity against the costs, expenses, and liabilities to be incurred in compliance with such request; and (d) the Trustee shall have refused or omitted to comply with such request for a period of sixty (60) days after such written request shall have been received by, and said tender of indemnity shall have been made to, the Trustee.

Such notification, request, tender of indemnity and refusal or omission are hereby declared, in every case, to be conditions precedent to the exercise by any Owner of Series 2024 Bonds of any remedy hereunder; it being understood and intended that no one or more Owners of Series 2024 Bonds shall have any right in any manner whatever by his or their action to enforce any right under this Resolution, except in the manner herein provided, and that all proceedings at law or in equity with respect to an Event of Default shall be instituted, had and maintained in the manner herein provided and for the equal benefit of all Owners of the Outstanding Series 2024 Bonds.

The right of any Owner of any Series 2024 Bond to receive payment of the principal, interest and premium, if any, on said Owner's Series 2024 Bond as the same become due, or to institute suit for the enforcement of such payment, shall not be impaired or affected without the consent of such Owner, notwithstanding the foregoing provisions of this Section 12.8 or any other provision of this Resolution.

**Section 12.9 Bond Insurer Control of Proceedings.** Anything in this Resolution to the contrary notwithstanding, unless the Bond Insurer is in bankruptcy, receivership, insolvency or similar proceedings or is in default or is contesting its obligations under the Financial Guaranty Insurance Policy, (a) the Bond Insurer shall be entitled to control and direct enforcement of all rights and remedies granted to the Owners or the Trustee for the benefit of the Owners under this Resolution, (b) the Bond Insurer shall have the right to approve any reorganization or liquidation plan with respect to the District and shall have the right to vote thereon on behalf of all Owners; and (c) the Bond Insurer shall also be entitled to approve all waivers of Events of Default.

**ARTICLE XIII  
DEFESANCE**

**Section 13.1. Defeasance.** If and when all Outstanding Series 2024 Bonds shall be paid and discharged in any one or more of the following ways:

(a) by paying or causing to be paid the principal of and interest and redemption premium (if any) with respect to all Series 2024 Bonds Outstanding, as and when the same become due and payable;

(b) by depositing with a Depository Trustee, in trust for such purpose, at or before maturity, money which, together with the amounts then on deposit in the Bond Fund is fully sufficient to pay or cause to be paid all Series 2024 Bonds Outstanding, including all principal and interest and redemption premium, if any;

(c) by depositing with a Depository Trustee, in trust for such purpose, any noncallable Permitted Investments in such amount as shall be certified to the Trustee and the District by a national firm of certified public accountants acceptable to both the Trustee and the District, as being fully sufficient, together with the interest to accrue thereon and moneys then on deposit in the Bond Fund, together with the interest to accrue thereon, to pay and discharge or cause to be paid and discharged all Series 2024 Bonds (including all principal, interest and redemption premium, if any) at their respective maturity dates or prior redemption dates; notwithstanding that any Series 2024 Bonds shall not have been surrendered for payment, all obligations of the Trustee and the District with respect to all Outstanding Series 2024 Bonds shall cease and terminate, except only the obligation of the Trustee to pay or cause to be paid, from funds deposited pursuant to paragraphs (b) and (c) of this Section 13.1, to the Owners of the Series 2024 Bonds not so surrendered and paid all sums due with respect thereto, and in the event of deposits pursuant to paragraphs (b) and (c), the Series 2024 Bonds shall continue to represent direct and proportionate interests of the Owners thereof in the amounts and investments so deposited.

Any funds held by the Trustee, at the time of one of the events described in paragraphs (a) through (c) of this Section 13.1, which are not required for the payment to be made to Owners, shall be paid over to the District.

Any Series 2024 Bond or portion thereof in authorized denominations may be paid and discharged as provided in this Section 13.1; provided, however, that if any such Series 2024 Bond or portion thereof is to be redeemed, notice of such redemption shall have been given in accordance with the provisions hereof or the District shall have submitted to the Trustee instructions expressed to be irrevocable as to the date upon which such Series 2024 Bond or portion thereof is to be redeemed and as to the giving of notice of such redemption; and provided further, that if any such Series 2024 Bond or portion thereof will not mature or be redeemed within sixty (60) days of the deposit referred to in paragraphs (b) and (c) of this Section 13.1, the Trustee shall give notice of such deposit by first class mail to the Owners. After provision for the Series 2024 Bonds has been made under (c) above, at the direction of the District, all or any part of the Permitted Investments held by the Depository Trustee may be liquidated and the proceeds therefrom together with all or any portion of the moneys held by the Depository Trustee may be used to acquire other Permitted Investments which the Depository Trustee shall hold provided that thereafter the moneys and Permitted Investments held by the Depository Trustee shall remain

sufficient, as evidenced by a certificate of a national firm of certified public accountants to pay and discharge all Series 2024 Bonds (including all principal, interest and redemption premium, if any) at their respective maturity dates or prior redemption dates.

No Series 2024 Bond may be so provided for and no liquidation or acquisition may be made if, as a result thereof, or of any other action in connection with which the provisions for payment of such Series 2024 Bond is made, the interest payable on any Series 2024 Bond is thereby made includable in gross income for federal income tax purposes. The Trustee, the Depository Trustee and the District may rely upon an opinion of nationally recognized bond counsel (which opinion may be based upon a ruling or rulings of the Internal Revenue Service) to the effect that the provisions of this paragraph will not be breached by so providing for the payment of any Series 2024 Bonds.

Notwithstanding anything herein to the contrary, in the event that the principal and/or interest due on the Series 2024 Bonds shall be paid by the Bond Insurer pursuant to the Financial Guaranty Insurance Policy, the Series 2024 Bonds shall remain Outstanding for all purposes, not be defeased or otherwise satisfied and not be considered paid by the District, and the assignment and pledge hereunder and all covenants, agreements and other obligations of the District to the registered Owners shall continue to exist and shall run to the benefit of the Bond Insurer, and the Bond Insurer shall be subrogated to the rights of such registered Owners.

The Depository Trustee shall be any bank or trust company, which may be the Trustee, designated by the District, with a combined capital and surplus of at least Fifty Million Dollars (\$50,000,000) and subject to supervision or examination by federal or State of Arizona authority.

#### **ARTICLE XIV MISCELLANEOUS**

**Section 14.1. Records.** The Trustee shall keep complete and accurate records of all moneys received and disbursed under this Resolution, which shall be available for inspection by the District, the Contractor and any Owner, or the agent of any of them, at any time during regular business hours.

**Section 14.2. Notices.** All written notices to be given under this Resolution shall be given by mail or personal delivery to the party entitled thereto at its address set forth below, or at such address as the party may provide to the other party in writing from time to time. Notice shall be effective upon deposit in the United States mail, postage prepaid or, in the case of personal delivery, upon delivery to the address set forth below:

If to the District:      Yavapai County Community College District  
   of Yavapai County, Arizona  
   1100 East Sheldon Street  
   Prescott, Arizona 86301  
   Attn: Director of Business Services

With a copy to: The Stratton Law Firm, PLLC  
9375 E. Shea Blvd, Suite 100  
Scottsdale, Arizona 85260  
Attention: Timothy A. Stratton

If to the Trustee: U.S. Bank Trust Company, National Association  
2222 E. Camelback Road, Suite 110  
Phoenix, Arizona 85061  
Attention: Corporate Trust Services

If to the Bond Insurer: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**Section 14.3. Covenant as to Conflict of Interest.** A.R.S. Section 38-511 provides that the District may, within three years after its execution, cancel any contract, without penalty or further obligation, if any person significantly involved in initiating, negotiating, securing, drafting or creating the contract on behalf of the District is, at any time while the contract or any extension of the contract is in effect, an employee or agent of any other party to the contract in any capacity or a consultant to any other party of the contract with respect to the subject matter of the contract. In addition, the District may recoup any fee or commission paid or due to any person significantly involved in initiating, negotiating, securing, drafting or creating the contract on behalf of the District from any other party to the contract arising as a result of the contract. To be in compliance with this statute in the event it was held to be applicable to this Resolution, the Trustee hereby covenants and agrees that within three years after the adoption and acceptance of this Resolution it will not take any action or perform any act which would give District the right to cancel this Resolution pursuant to the provisions of said A.R.S. Section 38-511.

**Section 14.4. Consent of the Bond Insurer; Consent in Lieu of Owners'.** Except as otherwise provided in Section 14.5 of this Resolution, the Bond Insurer's consent shall be required for the following purposes: (i) execution and delivery of any supplemental resolution; (ii) removal of the Trustee or selection and appointment of any successor trustee; and (iii) initiation or approval of any action not described in (i) or (ii) above which requires consent of the Owners. The Bond Insurer may consent in lieu of Owners as provided in Section 9.7 hereof and such consent shall be deemed consent of a majority of the Owners.

**Section 14.5. Default by the Bond Insurer.** Any provision of this Resolution to the contrary notwithstanding, if under any provision hereof any action is to be taken only with the consent or approval of the Bond Insurer, if at the time such consent or approval would otherwise be called for, the Bond Insurer is in bankruptcy, receivership, insolvency or similar proceedings or is in default of or is contesting its obligations under the Financial Guaranty Insurance Policy, then the consent or approval of the Bond Insurer shall not be required. If no Financial Guaranty Insurance Policy is in effect, then all references to the Financial Guaranty Insurance Policy and the Bond Insurer shall be deemed to be omitted from this Resolution.

**Section 14.6. Governing Law.** This Resolution shall be construed and governed in accordance with the laws of the State of Arizona.

**Section 14.7. Binding Effect and Successors.** This Resolution shall be a contract binding upon and inuring to the benefit of the District, the Trustee, the Owners and their respective successors and assigns. Whenever in this Resolution either the District or the Trustee is named or referred to, such reference shall be deemed to include successors or assigns thereof, and all the covenants and agreements in this Resolution contained by or on behalf of the District or the Trustee shall bind and inure to the benefit of the respective successors and assigns thereof whether so expressed or not.

**Section 14.8. Execution in Counterparts.** This Resolution and the acceptance thereof may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same Resolution and acceptance.

**Section 14.9. Destruction of Cancelled Series 2024 Bonds.** Whenever in this Resolution provision is made for the surrender to or cancellation by the Trustee and the delivery to the District of any Series 2024 Bonds, the Trustee may, upon the request of the District Representative, in lieu of such cancellation and delivery, destroy such Series 2024 Bonds and deliver a certificate of such destruction to the District.

**Section 14.10 Headings.** The headings or titles of the several Articles and Sections hereof, and any table of contents appended to copies hereof, shall be solely for convenience of reference and shall not affect the meaning, construction or effect of this Resolution. All references herein to “Articles”, “Sections”, and other subdivisions are to the corresponding Articles, Sections or subdivisions of this Resolution; and the words “herein”, “hereof”, “hereunder” and other words of similar import refer to this Resolution as a whole and not to any particular Article, Section or subdivision hereof.

**Section 14.11. The Bond Insurer as Third Party Beneficiary.** To the extent that this Resolution confers upon or gives or grants to the Bond Insurer any right, remedy or claim under or by reason of this Resolution, the Bond Insurer is hereby explicitly recognized as being a third-party beneficiary hereunder and may enforce any such right, remedy or claim conferred, given or granted hereunder.

**Section 14.12. Parties Interested Herein.** Nothing in this Resolution or the Series 2024 Bonds, expressed or implied, is intended or shall be construed to confer upon, or give or grant to, any person or entity, other than the District, the Trustee, the Bond Insurer and the registered Owners of the Series 2024 Bonds, any legal or equitable right, remedy or claim under or by reason of this Resolution or any covenant, condition or stipulation hereof, and all covenants, stipulations, provisions and agreements in this Resolution contained by and on behalf of the District shall be for the sole and exclusive benefit of the District, the Trustee, the Bond Insurer and the registered Owners of the Series 2024 Bonds.

**Section 14.13. Waiver of Notice.** Whenever in this Resolution the giving of notice by mail or otherwise is required, the giving of such notice may be waived in writing by the person entitled to receive such notice and in any case the giving or receipt of such notice shall not be a condition precedent to the validity of any action taken in reliance upon such waiver.

**Section 14.14. Severability of Invalid Provisions.** In case any one or more of the provisions contained in this Resolution or in the Series 2024 Bonds shall for any reason be held to be invalid, illegal or unenforceable in any respect, then such invalidity, illegality or unenforceability shall not affect any other provision of this Resolution, and this Resolution shall be construed as if such invalid or illegal or unenforceable provision had never been contained herein. The District and the Trustee hereby declare that they would have adopted and accepted this Resolution and each and every other section, paragraph, sentence, clause or phrase hereof and authorized the issuance, authorization and delivery of the Series 2024 Bonds pursuant hereto irrespective of the fact that any one or more sections, paragraphs, sentences, clauses or phrases of this Resolution may be held illegal, valid or unenforceable.

**Section 14.15 E-Verify Requirements.** To the extent applicable under A.R.S. Section 41-4401, the Trustee and its subcontractors warrant compliance with all federal immigration laws and regulations that relate to their employees and their compliance with the E-verify requirements under A.R.S. Section 23-214(A). The Trustee or its subcontractors' breach of the above-mentioned warranty shall be deemed a material breach of this Resolution and may result in the termination of the Trustee's services by the District. The District retains the legal right to randomly inspect the papers and records of the Trustee or its subcontractor employee who work on this Resolution to ensure that the Trustee and its subcontractors are complying with the above-mentioned warranty.

The Trustee and its subcontractors warrant to keep the papers and records open for random inspection during normal business hours by the District. The Trustee and its subcontractors shall cooperate with the District's random inspections including granting the District entry rights onto its property to perform the random inspections and waiving their respective rights to keep such papers and records confidential.

**Section 14.16 No Boycott of Israel.** Pursuant to A.R.S. § 35-393 et seq., the Bank hereby certifies it is not currently engaged in, and for the duration of this Resolution will not engage in, a boycott of Israel. The term "boycott" has the meaning set forth in A.R.S. § 35- 393.

## ARTICLE XV APPROVAL AND EXECUTION OF INSTRUMENTS

**Section 15.1. General.** The officers of the District, on behalf of the District, are each hereby authorized and directed to execute and deliver such certificates, proceedings and agreements, including any agreements or certificates pertaining to continuing disclosure with respect to the Series 2024 Bonds, as may be necessary or convenient to be executed and delivered on behalf of the District to evidence compliance with, or further the purposes of, all the terms and conditions of this Resolution. The Director of Business Services may make such insertions, deletions or changes to this Resolution prior to the delivery of the Series 2024 Bonds as are necessary to further the purposes of this Resolution. Execution and delivery of the Series 2024 Bonds shall be conclusive evidence of such officers' approval of any such insertions, deletions or changes.

**Section 15.2. Completion and Execution of the Bond Purchase Agreement.** The final terms of the Series 2024 Bonds, including provisions for the maturity schedule, interest rates and redemption provisions, shall be set forth in the Bond Purchase Agreement. The Chair of



the Governing Board, any other member of the Governing Board or the Director of Business Services is each hereby authorized and directed to approve the terms of the Series 2024 Bonds and the Bond Purchase Agreement and to execute the Bond Purchase Agreement, as completed, in substantially the form on file with the District, such execution to be conclusive evidence of approval of the final terms of the Bonds and any insertions, deletions or modifications of the Bond Purchase Agreement.

**Section 15.3. Sale to Underwriter.** The sale of the Series 2024 Bonds to the Underwriter is hereby ordered in accordance with the proposal of the Underwriter with such final terms and provisions as may be approved by the Director of Business Services. The Chair of the Governing Board, or any other member of the Governing Board or the Director of Business Services, is each hereby authorized and directed to request authentication of the Series 2024 Bonds and to cause the Series 2024 Bonds to be delivered to the Underwriter upon receipt of payment therefor and satisfaction of the other conditions for delivery thereof as provided herein.

**Section 15.4. Bond Insurance.** The Chair of the Governing Board, any member of the Governing Board, and the Director of Business Services are each hereby authorized, to the extent applicable, to obtain, and execute and deliver all necessary documents and agreements in connection with obtaining, the Financial Guaranty Insurance Policy on such terms and conditions and upon such premiums as they determine to be appropriate.

**Section 15.5. Approval of Official Statement.** Distribution by the District of the Preliminary Official Statement in substantially the form before this meeting and the use by the Underwriter of the information therein in connection with the public offering and sale of the Series 2024 Bonds is hereby authorized, adopted, ratified, confirmed and approved in all respects. The Underwriter is authorized to distribute a final Official Statement relating to the Series 2024 Bonds in substantially the form of the Preliminary Official Statement with such changes and additions thereto as may be necessary to conform the final Official Statement to the final terms of the sale.

The Chair of the Governing Board or any member of the Governing Board is authorized to approve and execute the final Official Statement on behalf of the Board. The Chair of the Governing Board or the Director of Business Services of the District is authorized to deem the Preliminary Official Statement as “final” for all purposes of Section 240.15c2-12, General Rules and Regulations, Securities Exchange Act of 1934, as amended, on behalf of the Board.

**Section 15.6. Issuance and Post-Issuance Compliance Procedures.** The District adopts and approves the issuance and post-issuance compliance procedures attached hereto as Exhibit D.

**ADOPTED AND APPROVED** this 21st day of May 2024.

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Chair, Governing Board, Yavapai County Community  
College District of Yavapai County

Attest:

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Secretary, Governing Board, Yavapai County  
Community College District of Yavapai County

**TRUSTEE ACCEPTANCE**

U.S. Bank Trust Company, National Association, having been appointed Trustee pursuant to the foregoing Resolution, hereby accepts the duties and obligations imposed upon it as Trustee, by said Resolution and agrees that it will hold in trust for the benefit of the holders of the Series 2024 Bonds all money held by the Trustee for the payment of principal, interest and any premium on the Series 2024 Bonds.

**U.S. BANK TRUST COMPANY, NATIONAL  
ASSOCIATION**, as Trustee

By: \_\_\_\_\_  
Authorized Officer

**EXHIBIT A**

No: \_\_\_\_\_

Denomination: \$ \_\_\_\_\_

**Unless this Bond is presented by an authorized representative of The Depository Trust Company, a New York corporation (“DTC”), to the Registrar (or any successor registrar) for registration of transfer, exchange, or payment, and any Bond issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), any transfer, pledge, or other use hereof for value or otherwise by or to any person is wrongful inasmuch as the registered owner hereof, Cede & Co., has an interest herein.**

**STATE OF ARIZONA  
YAVAPAI COUNTY COMMUNITY COLLEGE DISTRICT  
OF YAVAPAI COUNTY, ARIZONA  
REVENUE BONDS, SERIES 2024**

Interest Rate                      Maturity Date                      Original Dated Date                      CUSIP

Registered Owner:                      CEDE & CO.

Principal Amount:

**YAVAPAI COUNTY COMMUNITY COLLEGE DISTRICT OF YAVAPAI COUNTY, ARIZONA** (the “District”), for value received, hereby promises to pay to the Registered Owner identified above, or registered assigns as provided herein, on the maturity date set forth above, the principal amount set forth above, and to pay interest on the unpaid principal amount at the interest rate shown above.

Interest is payable on January 1 and July 1 of each year commencing January 1, 2025 (each an “Interest Payment Date”), and will accrue from the most recent date to which interest has been paid, or, if no interest has been paid, from the original dated date set forth above. Interest will be computed on the basis of a year comprised of 360 days consisting of twelve (12) months of thirty (30) days each.

Principal of and interest on this Series 2024 Bond are payable in lawful money of the United States of America. Interest payments and principal payments that are part of periodic principal and interest payments shall be received by Cede & Co., as nominee of DTC, or its registered assigns in same-day funds no later than 2:30 p.m. (Eastern Time) on each interest or principal payment date in accordance with existing arrangements between the District and DTC.

This Series 2024 Bond is one of a total authorized issue of \$16,000,000 aggregate principal amount authorized by a resolution of the Governing Board of the District dated May 21, 2024 (the

“2024 Bond Resolution”) to provide funds to acquire, construct, furnish, implement, install and equip certain college facilities within the District.

The obligation of the District to make payments of principal and interest on the Series 2024 Bonds does not represent or constitute a general obligation of the District for which the District is obligated to levy or pledge any form of taxation nor does the obligation to make payments of principal and interest on the Series 2024 Bonds constitute an indebtedness of the District, the State of Arizona or any of its political subdivisions within the meaning of any constitutional or statutory debt limitation or restriction or otherwise and is within the applicable limit for obligations of its type.

The Series 2024 Bonds are payable from a pledge of, and secured by a lien on, the Gross Revenues as are necessary for the prompt and punctual payment of the Series 2024 Bonds, on a parity with any Parity Obligations issued in the future, with respect to the pledge of Gross Revenues, all as more fully described in, and provided by, the 2024 Bond Resolution, and as authorized by the Constitution and laws of the State of Arizona. The owner hereof shall never have the right to demand payment of this Series 2024 Bond out of any funds other than said described income and revenues pledged for payment thereof and such other funds as may be provided for under the 2024 Bond Resolution.

For further definitions, a description of the terms on which the Series 2024 Bonds are issued, a more complete statement of the income and revenues from which, and conditions under which, this Series 2024 Bond is payable, the conditions under which additional Parity Obligations may be authorized, a statement of the terms under which the 2024 Bond Resolution may be modified, a statement of the general covenants and provisions pursuant to which this Series 2024 Bond is issued, and of the rights of the holders of the Series 2024 Bond, reference is made to the 2024 Bond Resolution, and to all the provisions thereof the holder hereof, by acceptance of this Series 2024 Bond, consents and agrees. All Series 2024 Bonds of the total authorized amount and all obligations issued as Parity Obligations, as provided in the 2024 Bond Resolution, are co-equal as to the pledge of and lien on all such Gross Revenues securing the payment thereof, and share ratably without any preference, priority or distinction as to the source or method of payment from Gross Revenues and security thereof.

The Series 2024 Bonds are issuable only as fully registered bonds in the denominations authorized and, except as hereinafter provided, in printed or typewritten form, registered in the name of CEDE & CO. as nominee of The Depository Trust Company (DTC), which shall be considered to be the registered owner for all purposes of the Resolution, including, without limitation, payment of debt service, and receipt of notices and exercise of rights by registered owners (the “Book-Entry-Only System”). There shall be a single Series 2024 Bond for each maturity which shall be immobilized in the custody of DTC with the beneficial owners having no right to receive Series 2024 Bonds in the form of physical securities or certificates. Ownership of beneficial interests in the Series 2024 Bonds shall be shown by book entry on the system maintained and operated by DTC and its participants, and transfers of ownership of beneficial interests shall be made only by DTC and its participants and by book entry, the District and the Trustee having no responsibility therefor. DTC is expected to maintain records of the positions of participants in the Series 2024 Bonds, and the participants and persons acting through participants are expected to maintain records of the purchasers of beneficial interests in the Series 2024 Bonds.

The Book-Entry-Only System may be discontinued by the District at any time, in which case the beneficial owners will be entitled to receive printed Series 2024 Bonds in authorized denominations.

So long as the Book-Entry-Only System is in effect, this Series 2024 Bond is non-transferable. If the Book-Entry-Only System is discontinued, this Series 2024 Bond is transferable by the registered owner in person or by attorney duly authorized in writing at the designated office of the registrar, upon surrender and cancellation of the Series 2024 Bond. Upon such transfer, a new Series 2024 Bond or Series 2024 Bonds of the same maturity, interest rate and aggregate principal amount will be issued to the transferee in exchange. Series 2024 Bonds will be issued only in fully registered form in the denomination of \$5,000 of principal or integral multiples thereof.

The registered owner of this Series 2024 Bond shall have no right to enforce the provisions of the 2024 Bond Resolution or to institute any action to enforce the covenants thereof, or to take any action with respect to a default thereunder or hereunder, or to institute, appear in or defend any suit or other proceedings with respect thereto, except as provided in the 2024 Bond Resolution.

Neither the Trustee nor the registered owners of the Series 2024 Bonds shall have any right under any circumstances to accelerate the maturities of the Series 2024 Bonds except as provided for optional redemption and mandatory sinking fund redemption as described below.

To the extent and in the manner permitted by the terms of the 2024 Bond Resolution, the provisions of the 2024 Bond Resolution may be amended by the Board with the written consent of the owners of a majority in aggregate principal amount of the Series 2024 Bonds then outstanding, and may be amended without such consent under certain circumstances but in no event such that the interests of the owners of the Series 2024 Bonds are adversely affected, provided that no such amendment shall impair the right of any owner to receive in any case the principal and interest thereof in accordance with such owner's Series 2024 Bond.

The Series 2024 Bonds maturing on or before July 1, 20\_\_ are not subject to optional redemption prior to maturity.

The Series 2024 Bonds maturing on or after July 1, 20\_\_, are subject to redemption, in whole or in part, and in any order, on July 1, 20\_\_, or on any date thereafter, at a redemption price of par, together with accrued interest to the date fixed for redemption.

The Series 2024 Bonds maturing on July 1, 20\_\_ are subject to mandatory sinking fund redemption on July 1, in the following years and amounts at a redemption price of the principal amount thereof, together with accrued interest to the date fixed for redemption:

Redemption Date  
(July 1)

Redemption Date  
(July 1)

The Series 2024 Bonds subject to mandatory sinking fund redemption which are called for optional redemption or otherwise purchased, redeemed (other than by mandatory sinking fund redemption) or delivered by the District to the Trustee for cancellation still satisfy and will be

credited against the mandatory sinking fund redemption requirement on the dates determined by the District.

As provided in the 2024 Bond Resolution, notice of redemption shall be mailed by first class mail, not less than thirty (30) nor more than sixty (60) days before the redemption date, to the registered owner of this Series 2024 Bond, but neither failure to mail such notice nor any defect in the notice so mailed shall affect the sufficiency of the proceedings for redemption.

If this Series 2024 Bond is called for redemption and payment is duly provided therefor as specified in the 2024 Bond Resolution, this Series 2024 Bond shall cease to accrue interest from and after the date fixed for redemption. If payment is not duly provided for on the date set for redemption, other than mandatory sinking fund redemption, the redemption will be cancelled. In issuing this Series 2024 Bond, and the issue of Series 2024 Bonds of which this Series 2024 Bond is one, the District has covenanted and agreed to operate, use and maintain continuously any revenue producing projects of the District as described in the 2024 Bond Resolution, and all related facilities, at all times in an efficient and economical manner; and to charge and collect for the use thereof rates, fees, rentals and charges as more fully described in the 2024 Bond Resolution, fully sufficient to pay when due the principal of and interest on this Series 2024 Bond, and the issue of which it is one, and all obligations on a parity therewith, and to maintain all the accounts created by the 2024 Bond Resolution authorizing this Series 2024 Bond, and to pay all operating and other necessary expenses incident to the maintenance thereof.

It is hereby certified and recited that all acts, conditions and things required to exist, to happen and be performed precedent to and in the issuance of this bond have existed, have happened, and have been performed in due form, time and manner as required by law.

The recitals, statements and representations made in this Series 2024 Bond, except for the Certificate of Authentication, shall be taken and construed as made by and on the part of the District, and not by the Trustee, and the Trustee does not assume, and shall not have, any responsibility or obligation for the correctness of any thereof.

This Series 2024 Bond shall not be valid or become obligatory for any purpose until the certificate of authentication hereon shall have been signed by the Trustee.

**IN TESTIMONY WHEREOF**, the District has caused this bond to be executed by the Chair of the Governing Board and attested by the Secretary, whose signatures may be facsimile signatures.

**YAVAPAI COUNTY COMMUNITY  
COLLEGE DISTRICT OF YAVAPAI  
COUNTY, ARIZONA**

By: \_\_\_\_\_  
Chair

**ATTEST:**

\_\_\_\_\_  
Secretary

Date of Authentication: \_\_\_\_\_

**CERTIFICATE OF AUTHENTICATION**

This Series 2024 Bond is one of the Series 2024 Bonds described in the within mentioned 2024 Bond Resolution and is one of the Yavapai County Community College District of Yavapai County, Arizona, Revenue Bonds, Series 2024.

U.S. BANK TRUST COMPANY,  
NATIONAL ASSOCIATION,  
as Trustee

By \_\_\_\_\_ (Manual Signature)  
Authorized Representative

The following abbreviations, when used in the inscription on the face of this Series 2024 Bond, shall be construed as though they were written out in full according to applicable laws or regulations:

TEN COM - as tenants in common  
TEN ENT - as tenants by the entireties  
JT TEN - as joint tenants with right of survivorship and not as tenants in common

UNIF GIFT/TRANS MIN ACT  
Custodian  
(Cust) (Minor)  
under Uniform Gifts/Transfers  
Minors Act

Additional abbreviations may also be used though not in the above list.

ASSIGNMENT

FOR VALUE RECEIVED the undersigned hereby sells, assigns and transfers unto

Insert Social Security or Other  
Identifying Number of Transferee

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_  
(Please Print or Typewrite Name and Address of Transferee)

the within bond and all rights thereunder, and hereby irrevocably constitutes and appoints \_\_\_\_\_, attorney to transfer the within certificate on the books kept for registration thereof, with full power of substitution in the premises.

Dated \_\_\_\_\_

\_\_\_\_\_  
Note: The signature(s) on this assignment must correspond with the name(s) as written on the face of the within registered bond on every particular without alteration or enlargement or any change whatsoever.

Signature Guaranteed:

\_\_\_\_\_  
(Commercial Bank, Trust Company  
or Member of a National Securities  
Exchange)



**EXHIBIT B**

**PAYMENT REQUEST FORM**

Application No. \_\_\_\_\_

The Trustee is hereby requested to pay from the Acquisition Fund, as defined in the resolution adopted May 21, 2024 (the "2024 Bond Resolution"), adopted by the Yavapai County Community College District of Yavapai County, Arizona, with respect to the Revenue Bonds, Series 2024, to the person or corporation designated below as Payee, the sum set forth below such designation, in payment of the Acquisition Costs (as defined in the 2024 Bond Resolution) described below. The amount shown below is due and payable under a purchase order or contract with respect to the Acquisition Costs described below and has not formed the basis of any prior request for payment.

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Description of Acquisition Costs or portion thereof authorized to be paid to the Payee:

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The District acknowledges that it has received and inspected each item of the 2024 Bond Project described above and has found each item of the 2024 Bond Project so described to be in good condition, in conformity with the District's specifications and satisfactory for the District's purposes and in accordance with the applicable Construction Contract and the plans for the 2024 Bond Project. Accordingly, the District hereby accepts each item of the 2024 Bond Project so described. Notwithstanding anything herein to the contrary, the District shall not be deemed to have waived or released the Contractor or Vendor named herein from any liability or obligation to the District in the event the District's acknowledgment herein is discovered to be inaccurate in any respect as to any item of the 2024 Bond Project described above.

By execution of this Payment Request Form, the District requests and approves the payment of the amount stated above to the Payee set forth above.

DATED: \_\_\_\_\_.

**YAVAPAI COUNTY COMMUNITY  
COLLEGE DISTRICT OF YAVAPAI  
COUNTY, ARIZONA**

By: \_\_\_\_\_  
District Representative

**EXHIBIT C**

**REIMBURSEMENT REQUEST FORM**

Application # \_\_\_\_\_

The Trustee is hereby requested to pay from the Acquisition Fund established under the resolution adopted May 21, 2024 (the “2024 Bond Resolution”) adopted by the Yavapai County Community College District of Yavapai County, Arizona, with respect to the authorization, issuance and sale of Revenue Bonds, Series 2024, the sum set forth below as reimbursement of (all/a portion) of the Acquisition Costs (as defined in the 2024 Bond Resolution) described below. Payment of the amount shown below was made by the District. The amount shown below was paid by the District as an Acquisition Cost and has not formed the basis of any prior request for payment. The District hereby certifies that the statutorily prescribed period within which laborers', materialmen's or mechanics' lien may be filed has expired (or that an appropriate bond has been filed there against) with respect to the items covered by this Reimbursement Request Form and there are no such liens, other liens or security interest outstanding with respect to the 2024 Bond Project.

The District acknowledges that it has received and has inspected each item of the 2024 Bond Project described below and has found each item of the 2024 Bond Project so described to be in good condition, in conformity with the District's specifications and satisfactory for the District's purposes. Accordingly, the District hereby accepts each item of the 2024 Bond Project so described. Notwithstanding anything herein to the contrary, the District shall not be deemed to have waived or released the Contractor or Vendor named on the attached documentation, from any liability or obligation to the District in the event the District's acknowledgment herein is discovered to be inaccurate in any respect as to any item of the 2024 Bond Project described below.

Amount: \_\_\_\_\_

Description of Acquisition Costs or portion thereof for which reimbursement is hereby requested:

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Dated: \_\_\_\_\_, 20\_.

By \_\_\_\_\_  
District Representative

**EXHIBIT D**

**ISSUANCE AND POST-ISSUANCE COMPLIANCE PROCEDURES RELATING TO  
TAX-EXEMPT BONDS AND OTHER TAX-EXEMPT FINANCINGS AND  
CONTINUING DISCLOSURE POLICIES FOR YAVAPAI COUNTY COMMUNITY  
COLLEGE DISTRICT OF YAVAPAI COUNTY, ARIZONA**

**Date of Implementation: \_\_\_\_\_, 2024**

**A. TAX COMPLIANCE POLICIES**

**I. INTRODUCTION**

Many conditions, restrictions and requirements must be complied with to permit and preserve the tax-exempt treatment of general obligation bonds, revenue bonds, lease-purchase agreements and other tax-exempt financings by Yavapai County Community College District of Yavapai County, Arizona (the “District”). Prior to issuance, the District and its bond counsel will review the facts and the reasonable expectations to determine if the issue will comply with these conditions, restrictions and requirements at the time of issuance. There are certain actions the District must do after issuance to preserve the favorable tax treatment and certain actions of the District after issuance can adversely affect the tax treatment. In addition, the District must maintain proper records to demonstrate compliance. Because tax benefits may be critical to the investors' decision to purchase the bonds or other obligations, the District covenants to the bond purchasers to comply with all of the conditions, restrictions and requirements throughout the life of the bonds.

Failure to comply may cause the District to be (a) liable to the bondholders, (b) subject to enforcement action by the IRS and (c) subject to enforcement action by the Securities Exchange Commission. Therefore, it is important that the District take the necessary action to ensure compliance with the conditions, restrictions and requirements applicable to each bond or other financing.

To ensure compliance, the District must identify a single person with overall compliance responsibility. The Director of Business Services, or his or her designee, will be the responsible person and is referred to in these procedures as the “Bond Compliance Official.” Anyone with any questions about the bonds, the proceeds of the bonds, the facilities financed with the bonds or compliance with the conditions, restrictions and requirements should discuss them with the Bond Compliance Official who shall, as necessary, discuss them with bond counsel. The Bond Compliance Official shall meet with bond counsel to discuss these requirements and from time to time any changes in these requirements. In the event the District fails to comply with these procedures, the Bond Compliance Official shall meet with bond counsel as soon as practicable after the discovery of the failure to comply in order to discuss the steps required to correct the noncompliance.

**1. INVESTMENT OF PROCEEDS UNTIL EXPENDED.**

Detailed records of investments and earnings will be made and kept by the District with respect to all bond proceeds.

Generally, proceeds of bonds cannot be invested at a yield higher than the bond yield unless during certain specific temporary periods. Therefore, prior to closing, the Bond Compliance Official will determine with bond counsel which funds do or do not qualify for a temporary period. Qualifying information will be set out in a tax certificate. No proceeds will be invested at a yield higher than the bond yield unless they qualify. If the actual facts regarding the use of proceeds changes from what was reasonably expected at closing, the Bond Compliance Official will discuss those changes with bond counsel to see if the temporary periods are changed.

Bond proceeds include the amount received from the sale of the bonds, amounts held in a payment or reserve fund for the bonds *and investment earnings on those amounts*.

The proceeds will not be invested in any investment where a yield cannot be determined. Any investment in a guaranteed investment contract or similar investment agreement will only be made in compliance with the bidding requirements as reviewed by bond counsel.

Bond proceeds will be invested so that they can be tracked separately from any other funds of the District. The District will work with the registrar, trustee or other applicable person or entity to be sure that invested earnings are properly allocated between bond proceeds and other funds.

## **2. USE OF PROCEEDS.**

Detailed records will be made and kept by the District with regard to the use of bond proceeds. For each expenditure, the amount, date of and purpose will be recorded. If the project is also funded with non-bond proceeds, the records will reflect an allocation of expenditures between bond proceeds and other funds. No proceeds will be used to reimburse an expenditure made prior to the issue date of the bonds unless the reimbursement requirement, including the prior declaration of intent to reimburse, has been fully complied with and evidence of such compliance is maintained.

The District's Governing Board by taking action, or the Director of Business Services, or his or her designee, is authorized to complete the declaration of intent to reimburse.

The District is expected to exercise diligence to expend the proceeds, to enter into within six months of the issue date a binding contract to expend at least 10% of the proceeds and to have expended most of the proceeds within three years. After the third anniversary of the issue, any remaining proceeds in the construction account must be yield restricted.

The Bond Compliance Official shall periodically review the progress of the projects and the expenditure of proceeds to ensure timely expenditure of proceeds.

## **3. USE OF BOND FINANCED FACILITIES.**

Detailed records of the use of proceeds will identify those facilities that are financed in whole or in part with bond proceeds and must reflect the allocation of bond proceeds and other funds used. Any sale or lease to, or other agreement for use by, a private party in a trade or business can adversely affect the tax status of the bonds. The District will not sell or lease any bond financed property or enter into any agreement with non-governmental entities for use or management of any bond financed property without a thorough review by the Bond Compliance Official and bond counsel. While not a comprehensive list, the Bond Compliance Official will review the following types of transactions with bond counsel prior to entering into any agreement with non-governmental entities or persons: (a) the sale or lease of any bond financed property, (b) any management contracts with a food service provider or book store, (c) any research agreement and (d) public- private partnerships. The Bond Compliance Official shall periodically review the use of all bond financed facilities to ensure compliance with the private use restrictions. In the event the District takes action that causes the bonds to meet the private business tests or private loan financing test, the Bond Compliance Official shall meet with bond counsel as soon practicable after the issue is discovered to discuss the steps required to correct the noncompliance, including, if necessary, redeeming or defeasing all of the bonds that meet the private business tests or private loan financing test.

#### **4. ARBITRAGE REBATE.**

Any time that bond proceeds are permitted to be invested at a yield higher than the bond yield, the amount earned over the bond yield is arbitrage. With certain exceptions, the District is obligated to pay over (rebate) to the United States any arbitrage earned. The District will keep complete and accurate records of all investments of bond proceeds and all information supporting any applicable exceptions to the rebate requirement and will retain or ensure that the registrar or trustee has retained a professional rebate consultant to review the records and prepare a report so that the District or the registrar or trustee can make any necessary rebate payments. Unless exempt, the District must, at a minimum, make payments at every fifth anniversary of the issue and upon final payment. The Bond Compliance Official will review any exemption prior to each fifth anniversary and upon final payment to determine if any facts have changed which might eliminate the exemption.

#### **5. RECORD RETENTION.**

All records concerning the bond issue, including

- a) the transcript of the original proceedings,
- b) investment of proceeds,
- c) use and allocation of proceeds, including the declaration of intent to reimburse,
- d) non-governmental use of bond financed property,
- e) payment of principal and interest on the bonds,
- f) the interest rate or rates on the bonds from time to time, if variable,

- g) compliance with reimbursement requirements,
- h) refunding of all or part of the bonds, and
- i) payment of arbitrage rebate or information supporting any exemption to rebate shall be kept for the life of the bonds plus three years (and in compliance with any State of Arizona records retention policies) and, if the bonds are refunded, for the life of all of the refunding bonds plus three years (and in compliance with any State of Arizona records retention policies).

## **B. CONTINUING DISCLOSURE POLICIES**

The District is required to file audited financial statements and certain financial and operating information and operating data required by existing continuing disclosure certificates. Compliance includes ensuring that all of the tables and information required by the Continuing Disclosure Certificates are included in, or filed with, the District's Comprehensive Annual Financial Report, or filed separately in each case, no later than each fiscal year while the District's bonds require an annual filing date.

The annual filing date should be put into a docket/diary/tickler system which is maintained by a minimum of two people so that it will not be overlooked. The implementation of these procedures and the follow-through are extremely important. The District will agree to file annual audited financial statements and other financial information in the current Official Statement and has agreed to similar filings in past continuing disclosure certificates. When those listed on docket/diary/tickler system leave the District's employment new names *must* be added and the incoming employees who will be responsible for the Municipal Securities Rulemaking Board's Electronic Municipal Market Access system ("EMMA") filings should be briefed so that consistency is maintained.

The Municipal Securities Rulemaking Board launched a tool that allows the District to schedule automated e-mail reminders for these annual filings through EMMA. The District can add up to three e-mail recipients, so multiple staff members may be included on the alert. Please see the instructions below:

To schedule the alerts, access EMMA at [www.emma.msrb.org](http://www.emma.msrb.org) and click on the EMMA Dataport tab. Click on the "Login" button and enter your login information (User ID and password). From the Continuing Disclosure tab of the EMMA Dataport Submission Portal, click on "Schedule and manage e-mail reminders for recurring financial disclosures." Click the "Create Reminder" link to access the scheduling form.

Note: Some Districts engage the District's auditors or a dissemination agent to actually do the EMMA filings. If your District has such an agreement, the District is still responsible if the auditor or dissemination agent fails to timely file the required annual statement. Thus, even if the

auditor or dissemination agent agrees to make the required filings, the District must follow the schedule, as applicable, and inquire of the District's auditor or dissemination agent to determine if the filing deadline will be met. If the deadline may not be met, it is the District's, and not the District's auditors or dissemination agents, responsibility to file a notice with EMMA indicating that the deadline will not be met and an estimate as to when the audited financial statement and operating data will be filed. In lieu of audited financial statements, unaudited financial statements may be filed until audited financial statements are available.

The District is also required to file notices of “Listed Events” within ten business days of such events or occurrence. Please note: not all of the District's existing continuing disclosure certificates may have the same Listed Events; however, as the 2024 Continuing Disclosure Certificate will most likely be the broadest; following it will also cover past certificate requirements. There can be no guarantee that the regulations concerning Listed Events (Securities and Exchange Commission Rule 15c2-12) will not change and that additional events may be added in the future. The District should check with its bond counsel at the time future bonds are issued to determine if the Listed Events have been changed and, if the later continuing disclosure certificate differs from 2024. The events are listed below (and can also be found in the District's Continuing Disclosure Certificates):

**Section 5. Reporting of Listed Events.** (as in the Continuing Disclosure Certificate)

This Section 5 shall govern the giving of notices by the District of the occurrence of any of the following events with respect to the Bonds. The District shall in a timely manner, not in excess of ten business days after the occurrence of the event, provide notice of the following events with EMMA:

1. Principal and interest payment delinquencies;
2. Non-payment related defaults, if material;
3. Unscheduled draws on debt service reserves reflecting financial difficulties;
4. Unscheduled draws on credit enhancements reflecting financial difficulties;
5. Substitution of credit or liquidity providers, or their failure to perform;
6. Adverse tax opinions, the issuance by the Internal Revenue Service (the “IRS”) of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds;
7. Modifications to rights of Bondholders, if material;
8. Bond calls, if material, and tender offers;
9. Defeasances;

10. Release, substitution, or sale of property securing repayment of the Bonds, if material;
11. Rating changes;
12. Bankruptcy, insolvency, receivership or similar event of the District;
13. The consummation of a merger, consolidation, or acquisition involving the District or the sale of all or substantially all of the assets of the District, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action nor the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;
14. Appointment of a successor or additional trustee or the change of name of a trustee, if material;
15. Incurrence of a Financial Obligation of the obligated person, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the obligated person, any of which affect security holders, if material; and
16. Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the obligated person, any of which reflect financial difficulties.

“Materiality” will be determined in accordance with the applicable federal securities laws.

Note to part 5(12): For the purposes of the event identified in part 5(12), the event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for the District in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court of governmental authority has assumed jurisdiction over substantially all of the assets or business of the District, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the District.

Below is a short description of how to file notice of occurrence of “Listed Events” with EMMA:

How to File the Notices:

First, please save the Listed Events notice on your computer. You will also need the information contained in the Listed Events notice, so please print out a copy of the Listed Events notice.



1. Login to EMMA <http://dataport.emma.msrb.org/>
2. Click CREATE Continuing Disclosure Submission
3. Check Event Filing, click Next
4. Check “Type of Event” – In the description box type: “[type of notice].”
5. Check “I don't know my CUSIP -9s” and then use the District's base CUSIP number to find the affected bonds.
6. Check “all issues for issuer”, click Next
7. Click upload
8. Update contact information, if necessary
9. Upload the Listed Events notice (must be in PDF, word-searchable format)
10. Click preview
11. Publish the documents to EMMA
12. Print receipt and save in your bond documents for the life of the bonds.

Please note there is only a limited save option on EMMA. Therefore the District will not be able to start entering the information, exit and continue later.

Additional note: when filing, EMMA will ask for the District's six digit CUSIP number (“*base CUSIP number*”). The District's base CUSIP number is \_\_\_\_\_.

**PRELIMINARY OFFICIAL STATEMENT DATED JUNE \_\_, 2024****NEW ISSUE – BOOK-ENTRY-ONLY FORM****RATING:** See “RATING” herein

*In the opinion of The Stratton Law Firm, PLLC, Bond Counsel, under existing laws, regulations, rulings and judicial decisions, and assuming continuing compliance with certain restrictions, conditions and requirements by the District as described under “TAX EXEMPTION” herein, interest income on the Series 2024 Bonds is excluded from gross income for federal income tax purposes and exempt from Arizona income taxes. Such interest income is not an item of preference to be included in computing the alternative minimum tax of individuals or corporations; however, such interest income must be taken into account as an adjustment to federal alternative minimum taxable income for certain corporations, which income is subject to federal alternative minimum tax. See “TAX EXEMPTION,” “ORIGINAL ISSUE DISCOUNT” and “ORIGINAL ISSUE PREMIUM” herein.*

**\$16,000,000\***  
**YAVAPAI COUNTY COMMUNITY COLLEGE DISTRICT**  
**OF YAVAPAI COUNTY, ARIZONA**  
**(YAVAPAI COLLEGE)**  
**REVENUE BONDS**  
**SERIES 2024**

**Dated: Date of Initial Delivery****Due: July 1, as shown below**

The Revenue Bonds, Series 2024 (the “Series 2024 Bonds”) will be issued by the Yavapai County Community College District of Yavapai County, Arizona (the “District”), for the purpose of providing funds to (i) acquire, design, construct, furnish, equip and improve the 2024 Project (as defined herein), and (ii) pay costs relating to the issuance of the Series 2024 Bonds. See “SOURCES AND USES OF PROCEEDS OF SERIES 2024 BONDS” herein. The Series 2024 Bonds will be issued in book-entry-only form for purchase by purchasers of \$5,000 of principal amount maturing on a specified maturity date or integral multiples thereof through a book-entry system maintained by The Depository Trust Company, New York, New York (“DTC”). No physical delivery of the Series 2024 Bonds will be made to the ultimate purchasers thereof, and all payments of principal of and premium, if any, and interest on the Series 2024 Bonds will be made to such purchasers through DTC as described herein. Interest on the Series 2024 Bonds will be payable semiannually on each January 1 and July 1, commencing January 1, 2025\*. See Appendix F – “Book-Entry Only System” hereto.

The Series 2024 Bonds will be subject to redemption prior to their respective maturity dates as described herein. See “The SERIES 2024 BONDS - Redemption Provisions”.

The Series 2024 Bonds will be special, limited obligations of the District that, together with obligations issued and to be issued on a parity therewith as described herein, will be payable solely from, and secured solely by a lien on, and pledge of, the “Gross Revenues” of the District as described herein.

**The Series 2024 Bonds shall under no circumstances constitute a general obligation, or a pledge of the full faith and credit of the District, the State of Arizona or any of its political subdivisions, or be payable from any ad valorem taxes. The Series 2024 Bonds shall not directly, indirectly or contingently obligate the District or the State of Arizona or any of its political subdivisions to levy or pledge any ad valorem taxes therefor or to make any appropriation for the payment thereof, except from Gross Revenues. See “SECURITY AND SOURCE OF PAYMENT” herein.**

The scheduled payment of principal of and interest on the Series 2024 Bonds when due will be guaranteed under an insurance policy to be issued concurrently with the delivery of the Series 2024 Bonds by \_\_\_\_\_. See “BOND INSURANCE” and “BOND INSURANCE RISK FACTORS” herein.

**[INSURER LOGO TO COME]****Maturity Schedule\***

<b>Due July 1</b>	<b>Principal Amount</b>	<b>Interest Rate</b>	<b>Price or Yield</b>	<b>CUSIP</b>	<b>Due July 1</b>	<b>Principal Amount</b>	<b>Interest Rate</b>	<b>Price or Yield</b>	<b>CUSIP</b>
2025	\$565,000				2035	\$ 795,000			
2026	555,000				2036	825,000			
2027	580,000				2037	860,000			
2028	605,000				2038	895,000			
2029	625,000				2039	930,000			
2030	650,000				2040	965,000			
2031	680,000				2041	1,005,000			
2032	705,000				2042	1,045,000			
2033	735,000				2043	1,085,000			
2034	765,000				2044	1,130,000			

This cover page contains only a brief description of the Series 2024 Bonds and the security therefor. It is not a summary of material information with respect to the Series 2024 Bonds. Investors should read this Official Statement in its entirety to obtain information essential to making an informed investment decision with respect to the Series 2024 Bonds.

*The Series 2024 Bonds are offered when, as and if issued, subject to the approving opinion of The Stratton Law Firm, PLLC, Bond Counsel, as to validity and tax exemption. Certain matters will be passed upon for the Underwriter (as described below) by its*

\* Preliminary, subject to change.

*counsel, Squire Patton Boggs (US), LLP. It is expected that the Series 2024 Bonds will be available through the facilities of DTC on or about July \_\_, 2024\*.*

**RAYMOND JAMES®**

June \_\_, 2024

**YAVAPAI COUNTY COMMUNITY COLLEGE DISTRICT**  
**GOVERNING BOARD**

Ms. Deb McCasland, *Board Chair, District 2*

Mr. Chris Kuknyo, *Board Secretary, District 4*

Mr. Ray Sigafoos, *District 1*

Mr. Toby Payne, *District 3*

Ms. Steve Bracety, *District 5*

**PRESIDENT**

Dr. Lisa Rhine  
*President*

**ADMINISTRATION**

Dr. Doug Berry  
*Provost*

Mr. Rodney Jenkins  
*Vice President  
of Community Relations & Student  
Development*

Dr. Marylou Mercado  
*Vice President  
of Workforce and Health Sciences*

Dr. Clint Ewell  
*Vice President  
of Finance & Administrative  
Services*

Dr. Janet Nix  
*Chief Human Resources Officer*

**BOND COUNSEL**

The Stratton Law Firm, PLLC  
*Scottsdale, Arizona*

**BOND REGISTRAR, PAYING AGENT AND TRUSTEE**

U.S. Bank Trust Company, National Association  
*Phoenix, Arizona*

**THIS OFFICIAL STATEMENT, WHICH INCLUDES THE COVER PAGE, THE INSIDE COVER PAGE AND THE APPENDICES HERETO, DOES NOT CONSTITUTE AN OFFERING OF ANY SECURITY OTHER THAN THE ORIGINAL OFFERING OF THE SERIES 2024 BONDS IDENTIFIED ON THE INSIDE FRONT COVER PAGE HEREOF. NO PERSON HAS BEEN AUTHORIZED BY THE DISTRICT TO GIVE ANY INFORMATION OR TO MAKE ANY REPRESENTATIONS OTHER THAN AS CONTAINED IN THIS OFFICIAL STATEMENT, AND IF GIVEN OR MADE, SUCH OTHER INFORMATION OR REPRESENTATION NOT SO AUTHORIZED SHOULD NOT BE RELIED UPON AS HAVING BEEN GIVEN OR AUTHORIZED BY THE DISTRICT.**

**THE SALE AND ISSUANCE OF THE SERIES 2024 BONDS HAS NOT BEEN REGISTERED UNDER THE FEDERAL SECURITIES ACT OF 1933 OR THE SECURITIES EXCHANGE ACT OF 1934, BOTH AS AMENDED, IN RELIANCE UPON EXEMPTIONS PROVIDED THEREUNDER BY SECTION 3(A)2 AND 3(A)12, RESPECTIVELY, FOR THE ISSUANCE AND SALE OF MUNICIPAL SECURITIES; NOR HAS THE ISSUE BEEN QUALIFIED UNDER THE SECURITIES ACT OF ARIZONA, IN RELIANCE UPON VARIOUS EXEMPTIONS IN SUCH ACT. THIS OFFICIAL STATEMENT DOES NOT CONSTITUTE AN OFFER TO SELL OR A SOLICITATION OF AN OFFER TO BUY IN ANY STATE IN WHICH SUCH OFFER OR SOLICITATION IS NOT AUTHORIZED OR IN WHICH THE PERSON MAKING SUCH OFFER OR SOLICITATION IS NOT QUALIFIED TO DO SO OR TO ANY PERSON TO WHOM IT IS UNLAWFUL TO MAKE SUCH OFFER OR SOLICITATION.**

**THE INFORMATION CONTAINED IN THIS OFFICIAL STATEMENT HAS BEEN OBTAINED FROM THE DISTRICT AND OTHER SOURCES BELIEVED TO BE RELIABLE, BUT THE ACCURACY OR COMPLETENESS OF SUCH INFORMATION IS NOT GUARANTEED BY, AND SHOULD NOT BE CONSTRUED AS A PROMISE BY THE DISTRICT. THE PRESENTATION OF SUCH INFORMATION, INCLUDING TABLES OF RECEIPTS FROM TAXES AND OTHER SOURCES, IS INTENDED TO SHOW RECENT HISTORIC INFORMATION AND IS NOT INTENDED TO INDICATE FUTURE OR CONTINUING TRENDS. NO REPRESENTATION IS MADE THAT THE PAST EXPERIENCE, AS SHOWN BY SUCH FINANCIAL AND OTHER INFORMATION, WILL NECESSARILY CONTINUE OR BE REPEATED IN THE FUTURE. THIS OFFICIAL STATEMENT CONTAINS, IN PART, ESTIMATES AND MATTERS OF OPINION, WHETHER OR NOT EXPRESSLY STATED TO BE SUCH, WHICH ARE NOT INTENDED AS STATEMENTS OR REPRESENTATIONS OF FACT OR CERTAINTY, AND NO REPRESENTATION IS MADE AS TO THE CORRECTNESS OF SUCH ESTIMATES AND OPINIONS, OR THAT THEY WILL BE REALIZED. THIS OFFICIAL STATEMENT CONTAINS PROJECTIONS AND FORECASTS WHICH ARE “FORWARD LOOKING STATEMENTS” CONCERNING FACTS WHICH MAY OR MAY NOT OCCUR IN THE FUTURE. ALL SUCH FORWARD LOOKING STATEMENTS MAY NOT BE REALIZED AND MUST BE VIEWED WITH AN ABUNDANCE OF CAUTION. THE INFORMATION AND EXPRESSIONS OF OPINION HEREIN ARE SUBJECT TO CHANGE WITHOUT NOTICE, AND NEITHER THE DELIVERY OF THIS OFFICIAL STATEMENT NOR ANY SALE MADE HEREUNDER SHALL, UNDER ANY CIRCUMSTANCES, CREATE ANY IMPLICATION THAT THERE HAS BEEN NO CHANGE IN THE AFFAIRS OF THE DISTRICT SINCE THE DATE HEREOF.**

**IN CONNECTION WITH THIS OFFERING, RAYMONDS JAMES & ASSOCIATES (THE “UNDERWRITER”) MAY ALLOW CONCESSIONS OR DISCOUNTS FROM THE INITIAL PUBLIC OFFERING PRICES TO DEALERS AND OTHERS, AND THE UNDERWRITER MAY OVERALLOT OR ENGAGE IN TRANSACTIONS INTENDED TO STABILIZE THE PRICES OF THE SERIES 2024 BONDS AT LEVELS ABOVE THOSE WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET IN ORDER TO FACILITATE THEIR DISTRIBUTION. SUCH STABILIZATION, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME.**

**THE DISTRICT, UNDERWRITER, UNDERWRITER’S COUNSEL AND BOND COUNSEL (EACH AS DEFINED HEREIN) ARE NOT ACTUARIES, NOR HAVE ANY OF THEM PERFORMED ANY ACTUARIAL OR OTHER ANALYSIS OF THE DISTRICT’S UNFUNDED LIABILITIES UNDER THE ARIZONA STATE RETIREMENT SYSTEM.**

**THE DISTRICT HAS UNDERTAKEN TO PROVIDE CONTINUING DISCLOSURE WITH RESPECT TO THE SERIES 2024 BONDS AS REQUIRED BY RULE 15C2-12 OF THE U.S. SECURITIES AND EXCHANGE COMMISSION. SEE “CONTINUING DISCLOSURE” AND APPENDIX D – “FORM OF CONTINUING DISCLOSURE CERTIFICATE” HEREIN.**

**A WIDE VARIETY OF OTHER INFORMATION, INCLUDING FINANCIAL INFORMATION, CONCERNING THE DISTRICT IS AVAILABLE FROM PUBLICATIONS AND WEBSITES OF THE DISTRICT AND OTHERS. ANY SUCH INFORMATION THAT IS INCONSISTENT WITH THE INFORMATION SET FORTH IN THIS OFFICIAL STATEMENT SHOULD BE DISREGARDED. NO SUCH INFORMATION IS A PART OF OR INCORPORATED INTO THIS OFFICIAL STATEMENT, EXCEPT AS EXPRESSLY NOTED HEREIN. INVESTORS SHOULD NOT RELY ON INFORMATION PRESENTED ON THE DISTRICT WEBSITE IN DETERMINING WHETHER TO PURCHASE THE SERIES 2024 BONDS.**

**THE INFORMATION CONTAINED IN APPENDIX F – “BOOK-ENTRY-ONLY SYSTEM” HEREIN HAS BEEN FURNISHED BY THE DEPOSITORY TRUST COMPANY AND NO REPRESENTATION IS MADE BY THE DISTRICT OR THE UNDERWRITER, OR ANY OF THEIR COUNSEL OR AGENTS, AS TO THE ACCURACY OR COMPLETENESS OF SUCH INFORMATION.**

**THE UNDERWRITER HAS REVIEWED THE INFORMATION IN THIS OFFICIAL STATEMENT PURSUANT TO ITS RESPONSIBILITIES TO INVESTORS UNDER THE FEDERAL SECURITIES LAWS, BUT THE UNDERWRITER DOES NOT GUARANTEE THE ACCURACY OR COMPLETENESS OF SUCH INFORMATION.**

**[BOND INSURANCE DISCLOSURE TO COME]**

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**\$16,000,000\***  
**YAVAPAI COUNTY COMMUNITY COLLEGE DISTRICT**  
**OF YAVAPAI COUNTY, ARIZONA**  
**(YAVAPAI COLLEGE)**  
**REVENUE BONDS**  
**SERIES 2024**

**INTRODUCTION**

This Official Statement, which includes the cover page and the appendices hereto, provides certain information concerning the offering by the Yavapai County Community College District of Yavapai County, Arizona (the “District”), of \$16,000,000\* aggregate principal amount of Revenue Bonds, Series 2024, to be dated their date of initial delivery (the “Series 2024 Bonds”). The Series 2024 Bonds will be special, limited obligations of the District that, together with the Existing Parity Obligations (as defined herein) and any other Parity Obligations (as defined herein) hereafter issued, will be payable solely from, and secured solely by a lien on and pledge of the Gross Revenues (as defined herein) of the District made by the District pursuant to a Resolution adopted by the Governing Board of the District (the “Board”) on May 21, 2024 (the “Bond Resolution”). See “SECURITY AND SOURCE OF PAYMENT”.

Brief descriptions of the terms of and security for the Series 2024 Bonds are included in this Official Statement together with a summary of select provisions of the Bond Resolution. Such descriptions do not purport to be comprehensive or definitive. All references to the Bond Resolution are qualified in their entirety by reference to such document, and references herein to the Series 2024 Bonds are qualified in their entirety by reference to the form thereof included in the Bond Resolution. Terms not otherwise defined herein shall have the meanings assigned to such terms in Appendix B – “Summary of Provisions of the Bond Resolution”.

All financial and other information presented in this Official Statement has been provided by the District from its records, except for information expressly attributed to other sources. Information from other sources has not been independently confirmed or verified by the District and its accuracy is not guaranteed. The presentation of information, including tables of receipts from taxes and other sources, is intended to show recent historic information, and is not intended to indicate future or continuing trends in the financial position or other affairs of the District. No representation is made that past experience, as is shown by such financial and other information, will necessarily continue or be repeated in the future.

To the extent that any statements made in this Official Statement involve matters of opinion or estimates whether or not expressly stated to be such, they are made as such and not as representations of fact or certainty and no representation is made that any of these opinions or estimates have been or will be realized.

Neither this Official Statement nor any statement that may have been made orally or in writing is to be construed as part of a contract with any original purchaser or subsequent owner of any Series 2024 Bond or beneficial interest therein.

References to provisions of Arizona law, whether codified in the Arizona Revised Statutes or uncodified, or of the Arizona Constitution, are references to those current provisions. The provisions may be amended, repealed or supplemented.

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\* Preliminary, subject to change.



## THE SERIES 2024 BONDS

### Authorization and Use of Funds

The Series 2024 Bonds will issued by the District pursuant to Title 15, Chapter 12, Article 5 of the Arizona Revised Statutes and the provisions of the Bond Resolution. See Appendix B – “Summary of Provisions of the Bond Resolution.”

The Series 2024 Bonds are being issued for the purpose of providing funds to (i) acquire, design, construct, furnish, equip and improve the 2024 Project (as defined herein), and (ii) pay costs relating to the issuance of the Series 2024 Bonds. See “SOURCES AND USES OF PROCEEDS OF SERIES 2024 BONDS” herein.

### General Description

The Series 2024 Bonds will mature on the dates and in the principal amounts set forth on the cover page hereof and will bear interest at the rates set forth on the cover page hereof from the most recent January 1 or July 1 to which interest has been paid or duly provided for or, if no interest has been paid or duly provided for, from their issue date. Interest will be paid on each January 1 and July 1 (each an “Interest Payment Date”) during the term of the Series 2024 Bonds, commencing January 1, 2025\*. The principal of and interest on the Series 2024 Bonds will be payable, when due, to Cede & Co., as nominee of The Depository Trust Company, New York, New York (“DTC”). DTC will act as the securities depository of the Series 2024 Bonds for a book-entry-only system. So long as the book-entry-only system is in effect for the Series 2024 Bonds, no document of any nature whatsoever need be surrendered as a condition to payment of the principal of or interest on the Series 2024 Bonds. (Purchasers will not receive certificates representing their beneficial interest in the Series 2024 Bonds.) Purchases of beneficial ownership interests in the Series 2024 Bonds will be made in book-entry form in the amounts of \$5,000 of principal due on a specific maturity date or any integral multiple thereof. See Appendix F – “Book-Entry-Only System.”

If not in book-entry-only form, the Series 2024 Bonds will be issued in the form of fully registered bonds, without coupons, in the denominations of \$5,000 of principal amount or any integral multiples thereof. Under such circumstances, interest on the Series 2024 Bonds will be payable by check mailed to the registered owner thereof as shown on the registration books maintained by U.S. Bank Trust Company, National Association as the initial registrar and paying agent (the “Bond Registrar and Paying Agent”) and any successor thereto at the address appearing therein at the close of business on the 15<sup>th</sup> day of the calendar month next preceding that interest payment date. If in book-entry-only form, the principal of and premium, if any, on the Series 2024 Bonds will be payable at maturity or prior redemption upon presentation and surrender thereof at the designated corporate trust office of the Bond Registrar and Paying Agent. The District may change the Bond Registrar and Paying Agent without notice to or consent of the owners of the Series 2024 Bonds.

### Redemption Provisions\*

Optional Redemption. The Series 2024 Bonds maturing on or before July 1, 20\_\_, will not be subject to call for redemption prior to maturity. The Series 2024 Bonds maturing on or after July 1, 20\_\_ will be subject to call for redemption prior to maturity, at the option of the District, in whole or in part, on any date on or after July 1, 20\_\_, by the payment of a redemption price equal to the principal amount of each Series 2024 Bond called for redemption plus accrued interest to the date fixed for redemption, but without premium.

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\* Preliminary, subject to change.

Mandatory Sinking Fund Redemption. The Series 2024 Bonds maturing on July 1, 20\_\_ are subject to mandatory redemption prior to maturity at the price of par plus accrued interest to the redemption date, without premium, on July 1 of each of the years and in the amounts shown below:

<u>Year</u>	<u>Principal Amount to be Redeemed</u>
20__	
20__	
20__	
20__(maturity)	

The Series 2024 Bonds maturing on July 1, 20\_\_ are subject to mandatory redemption prior to maturity at the price of par plus accrued interest to the redemption date, without premium, on July 1 of each of the years and in the amounts shown below:

<u>Year</u>	<u>Principal Amount to be Redeemed</u>
20__	
20__(maturity)	

**Notice of and Procedures for Redemption**

*Selection of Series 2024 Bonds to be Redeemed.* For purposes of any redemption of less than all Series 2024 Bonds of a single series and maturity, the particular Series 2024 Bonds to be redeemed will be selected randomly by the Trustee by such method of lottery as the Trustee deems fair and appropriate.

So long as the Series 2024 Bonds are registered in book-entry-only form in the name of a nominee of DTC, a partial redemption of the Series 2024 Bonds of any series and maturity will be determined in accordance with DTC's procedures. While the District intends that the foregoing random redemption provisions be implemented by DTC, the Direct Participants or such other intermediaries, selection of Series 2024 Bonds for redemption in the DTC book- entry-only system is subject to DTC's practices and procedures as in effect from time to time, currently by lot. The District can provide no assurance that DTC or the Direct Participants or any other intermediaries will allocate redemptions among Beneficial Owners in accordance with the foregoing random redemption provisions.

*Notice of Redemption.* Notice of any redemption, identifying the redemption date, the redemption price, the particular Series 2024 Bonds, or portions thereof, to be redeemed and the place where the Series 2024 Bonds to be redeemed are to be surrendered for payment (which place will be the designated office of the Trustee) will be sent by first-class mail not less than 30 nor more than 60 days prior to the date fixed for redemption to the Registered Owner, initially DTC, of each Series 2024 Bond to be redeemed, in whole or in part, at the address shown on the registration books maintained by the Trustee or at such other address as may be furnished by such owners to the Trustee.

Notice having been properly given, the Series 2024 Bonds, as applicable, shall become due and payable on the redemption date so designated and, upon presentation and surrender thereof at the place specified in the redemption notice, the redemption price of such Series 2024 Bonds shall be paid. If on the redemption date sufficient moneys are held by the Trustee to pay the redemption price, then and after the redemption date interest on the Series 2024 Bonds, as applicable, shall cease to accrue.

A notice of optional redemption may contain a statement that the redemption is conditional upon receipt by the Trustee of funds on or before the date fixed for redemption sufficient to pay the redemption price of the Series 2024 Bonds so called for redemption, and that if such funds are not available, such redemption shall be cancelled by written notice to owners of the Series 2024 Bonds called for redemption in the same manner as the original redemption notice was mailed.

Failure to mail any such notice to a particular owner, or any defect therein, will not affect the validity of any proceedings for redemption of any other Series 2024 Bond for which notice was properly given. Such notice having been given and funds for such redemption having been timely deposited with the Trustee, the Series 2024 Bonds so called for redemption will, on the redemption date, become due and payable, and interest thereon will cease to accrue.

## **SECURITY AND SOURCE OF PAYMENT**

### **Gross Revenues**

The Series 2024 Bonds and any Parity Obligations (as defined herein) are payable solely from, and secured solely by a lien on and pledge of the Gross Revenues of the District pursuant to the Bond Resolution.

The term "Gross Revenues," as defined in the Bond Resolution and used in this Official Statement, means and includes all tuition, fees, rentals and other charges from students, faculty and others using or being served by, or having the right to use, or the right to be served by, the 2024 Project (as defined herein), and income, revenues and receipts to be received directly or indirectly by the District from the use and operation of the 2024 Project. The term "2024 Project," as defined in the Bond Resolution and used in this Official Statement, means and includes any classrooms, student or faculty residence halls, dormitories, dining halls, student union buildings, field houses, stadia and other revenue producing facilities of the District located in the District, together with sites therefor, equipment, furnishings, heating, lighting and other service facilities connected therewith now existing or hereinafter constructed or acquired, including, without limitation, bookstore facilities, food service facilities, auditoriums, and parking facilities and shall also include such other facilities as in the future may be permitted pursuant to law.

**The obligation of the District to make payments with respect to the Series 2024 Bonds will be limited to the Gross Revenues and will under no circumstances constitute indebtedness or a general obligation or a pledge of the full faith and credit of the District, the State of Arizona or any of its political subdivisions, or be payable from any ad valorem taxes. The Series 2024 Bonds will not directly, indirectly or contingently obligate the District, the State of Arizona or any political subdivision thereof to levy or to pledge any form of ad valorem taxation or to make any payment, or appropriation for the payment, thereof except from Gross Revenues.**

The District currently expects to issue approximately \$11 million of additional Parity Obligations in June of 2025 to finance additional projects.

Pursuant to the Act, at the time of issuance of any revenue bonds of the District, including the Series 2024 Bonds, any Parity Obligations or subordinate lien obligations, the maximum annual debt service on all revenue bonds of the District, including the revenue bonds to be issued, in any fiscal year may not be more than eight percent of the District's current expenditures. For the purposes of this section, the amount of the District's current expenditures is determined by reference to the most recently adopted budget of the District less any expenditures for retirement of general obligation bonds. At the time of the issuance of the Series 2024 Bonds, the District will be in compliance with this statutory limitation and any additional Parity Obligations or subordinate lien obligations would also be required to meet this limitation at the time of issuance or incurrence.

The schedule below provides a breakdown of the Gross Revenues for the most recent fiscal year and the subsequent five fiscal years.

**TABLE 1**  
**Schedule of Actual Gross Revenues**

Fiscal Year Ended June 30	Tuition, Registration & Student Fees <sup>(1)</sup>	Dormitory Revenues	Other Operating Revenues <sup>(2)</sup>	Investment Income <sup>(3)</sup>	Total Gross Revenue
2024*	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
2023	8,433,893	890,870	2,755,041	992,715	\$13,072,519
2022	7,223,360	753,840	2,195,467	70,831	10,243,498
2021	7,845,535	263,569	562,534	66,444	8,738,082
2020	8,408,631	772,731	1,536,108	464,145	11,181,615
2019	8,957,444	823,156	1,726,697	457,782	11,965,079

Source: Yavapai County Community College District Finance Department.

- (1) Tuition, Registration and Student Fees revenues are shown net of refunds and net of waivers for certain students on scholarships.
- (2) Includes Bookstore income, food service income (for certain years) and other revenues, certain reimbursements and other miscellaneous revenues. Not all miscellaneous revenues can be included in “Gross Revenues” and as such, this number is subject to reduction.
- (3) Not all investment income can be included in “Gross Revenues” and as such, this number is subject to reduction.

**Rate Covenant**

The District has covenanted pursuant to the Bond Resolution that the tuition, fees, charges, admissions, and rentals chargeable to the occupants, students, faculty members and others using or served by, or having the right to use, or having the right to be served by, the 2024 Project, will be fixed and revised from time to time and will be collected such that the proceeds thereof will be sufficient at all times to provide moneys sufficient to make all the payments and deposits required in connection with the Parity Obligations. See “Summary of Provisions of the Bond Resolution – General Covenants” in Appendix B.

**Parity Obligations**

Under the Bond Resolution, the District will agree not to make or create any lien on all or any part of the Gross Revenues having priority or preference over the pledge and lien of the Series 2024 Bonds. The pledge and lien of the Series 2024 Bonds on the Gross Revenues is on parity with the District’s Series 2013 Revenue Bonds (the “Series 2013 Bonds”) and the Series 2021 Refunding Bonds (the “Series 2021 Bonds” and together with the Series 2013 Bonds, the “Existing Parity Obligations”) and such additional obligations as may in the future be issued on a parity therewith (collectively, with the Series 2024 Bonds and the Existing Parity Obligations, the “Parity Obligations”). The District may issue additional Parity Obligations payable from and secured by a lien on the Gross Revenue on parity with the outstanding Parity Obligations if (i) all funds and accounts with respect to any outstanding Parity Obligations are current and (ii) Gross Revenues received by or on behalf of the District during the fiscal year immediately preceding the proposed issuance of such Parity Obligations are at least equal to 200% of the Maximum Annual Debt Service Requirement for outstanding Parity Obligations and the Parity Obligations proposed to be issued. See “Summary of Provisions of the Bond Resolution” in Appendix B.

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\* Preliminary, subject to change.

**Revenue Bonded Debt Outstanding**

The following table lists the revenue bonded debt of the District that will be outstanding after the issuance of the Series 2024 Bonds.

**TABLE 2  
Outstanding Bonds**

<u>Issue Series</u>	<u>Date of Issue</u>	<u>Original Par</u>	<u>Final Maturity</u>	<u>Outstanding Par</u>
Series 2013 Revenue Bonds	06/13/2013	\$5,000,000	2028	\$1,875,000
Series 2021 Refunding Bonds	04/06/2021	\$3,910,000	2025	1,675,000
Total Parity Debt Outstanding				3,550,000
Plus: The Series 2024 Bonds				16,000,000*
Net Parity Debt Outstanding				<u>\$19,550,000*</u>

**Action on Default**

Upon the occurrence of an event of default under the Bond Resolution, the Trustee may, and upon request of the Owners of 25% in aggregate principal amount of the Series 2024 Bonds then outstanding (after being indemnified to its satisfaction) the Trustee will, exercise all or any of the remedies specified in the Bond Resolution which include, among others, suit or suits in equity or law for specific performance of the covenants of the District under the Bond Resolution and appointment of a receiver to take control of the Gross Revenues. However, the Bond Resolution will expressly provide that the Trustee will not have the right under any circumstances to accelerate the maturities of the Series 2024 Bonds. See “Summary of Provisions of the Bond Resolution” in Appendix B.

**The enforcement of any remedies provided in the Bond Resolution could prove both expensive and time consuming. In addition, the enforcement of the remedies provided under the Bond Resolution could be subject to limitations on legal remedies against public agencies, provisions of federal bankruptcy laws and other laws or equitable principles that may affect the enforcement of creditors’ rights generally.**

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\* Preliminary, subject to change.

**Schedule of Estimated Gross Revenues, Debt Service Requirements and Coverage**

The following table sets forth the Gross Revenues available for debt service, the estimated annual debt service requirements for the Existing Parity Obligations, the estimated annual debts service requirements for the Series 2024 Bonds and the District’s projected debt service coverage (computed as the ratio of Gross Revenues to annual debt service requirements).

**TABLE 3\***

Fiscal Year Ended (June 30)	Gross Revenues Available for Debt Service <sup>(a)</sup>	The Existing Parity Obligations		The Series 2024 Bonds		Total Debt Service Requirements	Projected Debt Service Coverage
		Principal	Interest	Principal	Interest <sup>(b)</sup>		
2022-23	\$13,072,519						
2023-24		\$1,190,000	\$66,463			\$1,256,463	10.40x
2024-25		1,205,000	48,580	\$565,000	\$611,556	2,430,136	5.38x
2025-26		375,000	28,298	555,000	617,400	1,575,698	8.30x
2026-27		385,000	19,110	580,000	595,200	1,579,310	8.28x
2027-28		395,000	9,678	605,000	572,000	1,581,678	8.26x
2028-29				625,000	547,800	1,172,800	11.15x
2029-30				650,000	522,800	1,172,800	11.15x
2030-31				680,000	496,800	1,176,800	11.11x
2031-32				705,000	469,600	1,174,600	11.13x
2032-33				735,000	441,400	1,176,400	11.11x
2033-34				765,000	412,000	1,177,000	11.11x
2034-35				795,000	381,400	1,176,400	11.11x
2035-36				825,000	349,600	1,174,600	11.13x
2036-37				860,000	316,600	1,176,600	11.11x
2037-38				895,000	282,200	1,177,200	11.10x
2038-39				930,000	246,400	1,176,400	11.11x
2039-40				965,000	209,200	1,174,200	11.13x
2040-41				1,005,000	170,600	1,175,600	11.12x
2041-42				1,045,000	130,400	1,175,400	11.12x
2042-43				1,085,000	88,600	1,173,600	11.14x
2043-44				1,130,000	45,200	1,175,200	11.12x

(a) Gross Revenues shown are audited for fiscal year 2022-23. See Table 1 for historical information.

(b) Interest is estimated. First interest payment date is expected to be January 1, 2025\*.

(Remainder of page intentionally left blank)

\* Preliminary, subject to change.

## THE 2024 PROJECT

Proceeds of the sale of the Series 2024 Bonds will be used to re-design, reconstruct and improve Building 19 on the Prescott Campus (defined herein) and Building M on the Verde Campus (defined herein) into more modern Learning/Digital Commons buildings for the respective campuses; it is expected that \$11 million of Series 2024 Bond proceeds will be used for this project. Additionally, the District expects to spend approximately \$3 million of the proceeds from the Series 2024 Bonds on deferred maintenance and general capital improvements including HVAC and roof upgrades and repairs at the Prescott Campus, stucco replacement and window repairs at the Sedona Center (defined herein), and sewer improvements at the Chino Valley Campus (defined herein). Finally, the District plans to undertake a District-wide Enterprise Resource Planning (“ERP”) System upgrade; the District expects to spend approximately \$2 million of the Series 2024 Bond proceeds on the ERP system (collectively, the “2024 Project”). The District may also use proceeds from the Series 2024 Bonds for other District improvements as permitted by law.

Based on the foregoing, the proceeds to be received from the sale of the Series 2024 Bonds are expected to be used as shown below:

### SOURCES AND USES OF PROCEEDS OF SERIES 2024 BONDS

**Sources:**

Principal Amount of Series 2024 Bonds	\$
Net Original Issue Premium	<hr/>
Total	<hr/> <hr/>

**Uses:**

Payment of Costs of 2024 Project	\$
Payment of Costs of Issuance (Including Underwriter’s Compensation)	<hr/>
Total	<hr/> <hr/>

## **BOND INSURANCE**

The District has applied for a bond insurance policy (the “Policy”) to guarantee the scheduled payment of principal and interest on the Series 2024 Bonds. The District has yet to determine whether an insurance policy will be purchased with the Series 2024 Bonds. If the Policy is purchased, the following are risk factors relating to bond insurance.

### **Bond Insurance Risk Factors**

In the event of default of the payment of principal or interest with respect to the Series 2024 Bonds when all or some becomes due, any owner of the Series 2024 Bonds shall have a claim under the Policy for such payments. However, in the event of any acceleration of the due date of such principal by reason of mandatory or optional redemption or acceleration resulting from default or otherwise, other than any advancement of maturity pursuant to a mandatory redemption payment, the payments are to be made in such amounts and at such times as such payments would have been due had there not been any such acceleration. The Policy does not insure against redemption premium, if any. The payment of principal and interest in connection with mandatory or optional redemption of the Series 2024 Bonds by the District which is recovered by the District from the bond owner as a voidable preference under applicable bankruptcy law is covered by the Policy, however, such payments will be made by the Insurer at such time and in such amounts as would have been due absent such prepayment by the District unless the Insurer chooses to pay such amounts at an earlier date.

Under most circumstances, default of payment of principal and interest does not obligate acceleration of the obligations of the Insurer without appropriate consent. The Insurer may direct and must consent to any remedies and the Insurer’s consent may be required in connection with amendments to any applicable bond documents.

In the event the Insurer is unable to make payment of principal and interest as such payments become due under the Policy, the Series 2024 Bonds are payable solely from the moneys received pursuant to the applicable bond documents. In the event the Insurer becomes obligated to make payments with respect to the Series 2024 Bonds, no assurance is given that such event will not adversely affect the market price of the Series 2024 Bonds or the marketability (liquidity) for the Series 2024 Bonds.

The long-term ratings on the Series 2024 Bonds are dependent in part on the financial strength of the Insurer and its claims paying ability. The Insurer’s financial strength and claims paying ability are predicated upon a number of factors which could change over time. No assurance is given that the long-term ratings of the Insurer and of the ratings on the Series 2024 Bonds insured by the Insurer will not be subject to downgrade and such event could adversely affect the market price of the Series 2024 Bonds or the marketability (liquidity) for the Series 2024 Bonds. See “RATING” herein.

The obligations of the Insurer are contractual obligations and in an event of default by the Insurer, the remedies available may be limited by applicable bankruptcy law or state law related to insolvency of insurance companies.

Neither the District or Raymond James & Associates (the “Underwriter”), have made independent investigation into the claims paying ability of the Insurer and no assurance or representation regarding the financial strength or projected financial strength of the Insurer is given. Thus, when making an investment decision, potential investors should carefully consider the ability of the District to pay principal and interest on the Series 2024 Bonds and the claims paying ability of the Insurer, particularly over the life of the investment. See “BOND INSURANCE” herein for further information provided by the Insurer and concerning the Policy, which includes further instructions for obtaining current financial information concerning the Insurer.



## **YAVAPAI COUNTY COMMUNITY COLLEGE DISTRICT (YAVAPAI COLLEGE)**

### **History**

The District, also known as Yavapai College, was established in 1966 under the Arizona Community College Law of 1960. During the first year of instruction, 1969 - 1970, classes were held at various sites in Prescott, Arizona. The first buildings were dedicated in February, 1970 on 100 acres in Prescott that were once part of historic Fort Whipple. To better serve the growing communities on the east side of Yavapai County, Arizona (the "County") the Verde Valley campus was established in 1975 on 120 acres in Clarkdale, Arizona. Yavapai College education centers have been built in Chino Valley, Prescott Valley and Sedona. Yavapai College opened its Career and Technical Education Center ("CTEC") in fall 2007. There are other extension sites throughout the County.

The population of the County continues to increase; however, the rate of increase has stabilized in the last year due to economic factors. In the 2020 census, the County's population was 236,209; in 2023, the population had increased to 249,081. A key factor in this population growth has been the influx of retirees (ages 65 and older) who now make up approximately 37% of the County's residents. Historically, the area relied economically on ranching, farming and mining. In recent years, the service sector, light industry, and tourism have become more prominent components of the economy.

### **Organization and Administration**

The District is governed by a Board (the "Governing Board") comprised of five members, with each member elected from one of the five districts within the County. These members are elected for six-year terms on a staggered basis. The present members of the Governing Board are as follows:

Ms. Deb McCasland, *Board Chair, District 2*  
Mr. Chris Kuknyo, *Board Secretary, District 4*  
Mr. Ray Sigafoos, *District 1*  
Mr. Toby Payne, *District 3*  
Ms. Steve Bracety, *District 5*

The executive administrative staff of the District is comprised of Dr. Lisa Rhine, President, Dr. Doug Berry, Provost, Dr. Clint Ewell, Vice President of Finance and Administrative Services, Dr. Marylou Mercado, Vice President of Workforce and Health Sciences, Mr. Rodney Jenkins, Vice President of Community Relations & Student Development, and Dr. Janet Nix, Chief Human Resources Officer.

The overall administration of the District is the responsibility of Dr. Lisa Rhine, President.

Dr. Lisa Rhine became the tenth President of Yavapai College in February 2019, bringing to the institution over 30 years of leadership experience across a number of leading colleges and universities in Ohio, Kentucky and Virginia. Dr. Rhine assumed this role with a commitment to advance the mission of the college while ensuring access and support to those for whom opportunities may have been historically limited or denied. Prior to joining the District, Dr. Rhine served as Provost and Chief Operating Officer of the Chesapeake Campus at Tidewater Community College in VA, Interim Vice President for Student Affairs and Assistant Vice President for Student Affairs at Northern Kentucky University, Associate Provost for Student Success and Retention at Wittenberg University (OH), Director of Learning Enhancement and Academic Development at University of Dayton (OH) and Manager of Educational Support Services at Sinclair Community College (OH). She holds a certificate in Deaf Studies from Sinclair Community College, a Bachelor of Science in Rehabilitation Counseling at Wright State University, a Master of Science in Education: Special Education from the University of Dayton and a Doctor of Philosophy in Educational Administration from Capella University.

Dr. Doug Berry is the Provost for the District. Dr. Berry joined the District in 2023. Prior to joining the District, he served as the Dean of Liberal Arts and Sciences in the Maricopa County Community College District. He previously served Paradise Valley Community College as the Interim Vice President of Academic Affairs, responsible

for planning, directing, evaluating, and providing oversight of the Academic Affairs division of the College. He also previously served as Interim Vice President of Academic Affairs and the Accreditation Liaison Officer at Phoenix College and Dean of Academic Affairs at Paradise Valley Community College. In his role as Provost at the District, he oversees: Business and Professional programs, Visual and Performing Arts, Humanities, English, Social Sciences, Math, Science, and Computer Science, academic operations such as Instructional Support, Scheduling, the Yavapai College libraries, and academic initiatives. Dr. Berry also has numerous years of classroom teaching experience as an appointed full-time and adjunct faculty in the field of Psychology. He holds a Ph.D. in General Psychology with a research emphasis in Emotional Intelligence and Team Cohesion from Capella University, his M.A. in Sports and Exercise Psychology from Argosy University, and his B.A. in Psychology from Olivet Nazarene University.

Mr. Rodney Jenkins is the Vice President of Community Relations & Student Development for the District. In this role, Mr. Jenkins oversees: Regional Economic Development, Yavapai College Foundation, Alumni Affairs, Marketing & Communications, Enrollment Management, Student Affairs, Athletics, Food Service, and Government Relations. Mr. Jenkins relocated to Yavapai County from Lock Haven, PA where he was the Vice President for University Relations for Lock Haven University. Mr. Jenkins has over 25-years of experience developing and implementing effective public relations, communications, marketing, economic development, and fund development strategies. Mr. Jenkins also spent 5-years in the State of Georgia as the Director of Communications for Georgia's Department of Administrative Services. And as the Director of Communications & Marketing for the DeKalb County (Georgia) School District. Mr. Jenkins and his family reside in Prescott Valley. Mr. Jenkins holds both a Bachelor's of Science degree in Business Management and a Masters of Management degree (MBA) from David N. Myers University in Cleveland, Ohio.

Dr. Marylou Mercado is the Vice President of Workforce and Health Sciences at the District. Dr. Mercado came to the District in 2018, where she previously has held positions of Director of Nursing, Dean of Health Sciences, Math, Engineering, and Adult Basic Education, and Associate Vice President of Health Science. Through these roles, she has served on numerous college and statewide committees and groups, helped develop academic programming that filled employers' needs, helped secure federal and state grants, and created partnerships with local businesses and organizations. Dr. Mercado brings with her a number of years of leadership in higher education, and healthcare, along with numerous affiliations in local, state, and national organizations, and has created strong industry and community partnerships to help develop the future workforce of Yavapai County. Prior to joining the District, Dr. Mercado served as the Associate Dean of Nursing at Moraine Park Technical College in West Bend, Wisconsin. She also has experience as a Family Nurse Practitioner and was a Wisconsin State Aide Evaluator.

Dr. Clint Ewell serves as the Vice President of Finance and Administrative Services and joined the District in 2010 as the Vice President of Finance and Administrative Services. Prior to joining the District, Dr. Ewell spent 8 years in a variety of senior administrative roles in community colleges, as well as 14 years in the private sector. Most recently, Dr. Ewell was the Executive Director of Planning, Budget and Institutional Research at Central New Mexico Community College, a large urban community college serving over 28,000 students per semester. Dr. Ewell holds a Bachelor of Arts degree in History from the University of Notre Dame, a Master of Management specializing in Operations and Finance from Northwestern University's Kellogg Graduate School of Management, and a Doctor of Education (Ed.D.) in Educational Leadership from the University of New Mexico.

Dr. Janet Nix is the Chief Human Resources Officer of the District. Dr. Nix joined the District in 2023. Prior to joining the District, Dr. Nix was Chief of Organizational Development at Inland Empire Health Plan (IEHP), where she was responsible for the organizational development and operations of Human Resources. She brings over 30-years of experience to Yavapai College; 15 years in education, and 20 years in healthcare. She is very experienced in organizational development, employee engagement, training at all levels in hospital and health systems environments, and many other areas of Human Resources functions. Previously, Dr. Nix worked as the Chief Learning Officer for the Hospital Sisters Health System in Illinois, as Assistant Vice President of Learning and Curriculum at St. Mary's Medical Center, and as Dean of Instruction at Victor Valley Community College District. Dr. Nix earned her Bachelor of Arts in Social Welfare and Master of Public Administration from California State University, Sacramento and her Doctor of Educational Leadership from the University of LaVerne.

## **Mission Statement, Education Programs and Degrees**

The mission of the District is to provide high quality, convenient and cost effective learning opportunities for the diverse populations of the County. To fulfill its mission, the District provides education for transfer, employment and individual enrichment to its diverse and widely dispersed population through a broad range of classes, programs and services. The District:

- Awards associate degrees and certificates to students who successfully complete programs of study and prepares students for work, meeting personal goals, and/or for transition into other studies;
- Presents visual and performing arts and offers physical and recreational development to the community;
- Provides student support services, including academic advising, career counseling, financial direction, learning support, and activities for student enrichment;
- Encourages higher order of thinking and performance, advocates the free exchange of ideas, and is responsive to changes in technology, delivery structures and markets;
- Establishes opportunities for lifelong learning through partnerships with public/private schools and colleges, universities, governmental agencies, and economic development organizations;
- Supports communities in Yavapai County in their efforts to lead economic development, with emphasis on generating and sustaining economic base jobs; and
- Contributes to the economic development of the county through employee training and assistance to small businesses.

The District currently offers 7 Associate degrees and 75 certificates in over 60 disciplines, including several career & technical fields which train students to enter the workforce directly. In 2023, Arizona became the 24<sup>th</sup> state to allow community colleges to offer baccalaureate degrees. In FY2023-24, YC launched its first two Baccalaureate degrees, the BS in Business and the BS in Nursing.

## **Higher Education Partnerships**

The District has several PK-20 partnerships. For example, the District partners with high schools throughout Yavapai County to provide college coursework and credits to qualified high school students. In FY2022-23, the college piloted an Early College Academy where high school upperclassmen would come to a college location to fulfill the majority of their high school requirements with college classes. In its second year, ECA grew to 100 high school juniors and seniors who earned an average 3.5 GPA while taking 22 credits. Most of these students will at least complete the Arizona General Education Core of 35 credits, and some will even complete an Associate's degree before they earn their high school diploma. The District also offers classes which matriculate with all three State public research universities.

## **Accreditation**

In 1975, the District became accredited by the Commission of Institutions of Higher Education of the North Central Association of Colleges and Schools ("NCA"). The District's accreditation was renewed by HLC for 10 years in 2023; moreover, the District is one of the minority of schools that will not require an interim visit during that time period. In addition to Institution-wide accreditation, several programs demonstrate their quality through additional 3rd party accreditation, including:

- Automotive (ASE)
- EMS (CAAHEP)
- Nursing (ACEN)
- Radiology (JRCERT)

## **District Facilities**

The District serves the educational needs of the County area through two campuses and four educational centers. In addition, the district utilizes a number of facilities throughout the County including the public-school systems, churches, businesses and neighborhood centers. A brief description of each campus and center follows.

The original campus in Prescott (the “Prescott Campus”) was opened in 1970 and is located on 100 acres just east of central Prescott. It is the largest campus with approximately 400,000 square feet of space. In addition to offering a comprehensive offering of programs, the campus also offers many specialized industrial technology programs and is home of the Northern Arizona Regional Training Academy for police and public safety training. Facilities include classrooms, laboratories, a library, computer labs, a bookstore, a student center, a field house and District offices. The campus has two residence halls with capacity for 220 students and its home to the District's inter-collegiate athletic programs.

The Verde Valley Campus (the “Verde Campus”) was opened in 1975 and is located on 120 acres in Clarkdale. It also offers comprehensive programs including Nursing and many specialized industrial technology programs with the addition of the state-of-the-art Skilled Trades Center in 2021. Its facilities total over 100,000 square feet and include classrooms, laboratories, a library, computer labs and the award-winning Southwest Wine Center.

In addition to the two campuses, the district operates four education centers. The 25,000 square foot Chino Valley Agribusiness and Science Technology Center (the “Chino Valley Campus”) opened in 1994 and, in addition to general education classes, offers programs in agriculture technology, residential building technology, horticulture, equine care, linework and commercial driving.

The 40,000 square foot center in Prescott Valley offers general education and it houses most of the college’s allied health programs including Medical Assistant, Radiology, Nursing Assistant, Phlebotomy, Caregiver. and is the home of the Regional Economic Development Center (REDC). The REDC is a one-stop location in Yavapai County for business, entrepreneurial, employment and economic development services. The REDC provides high-quality, on-demand workforce training for businesses or individuals.

The Sedona Center for Arts and Technology (the “Sedona Center”) opened in 2000 and houses the Culinary Arts Program, where students learn in our two state-of-the-industry teaching kitchens. The Center features a nationally recognized Osher Lifelong Learning Institute (OLLI) and has various weblive classrooms and community spaces, OLLI Sedona-Verde offers academic, not-for-credit programming for adults 50 years and beyond.

CTEC opened in the fall of 2007. CTEC is located on eight acres near the Prescott airport. Occupational programs offered at CTEC include Automotive Technology, Aviation, Computer Numerical Control, Electrical & Instrumentation Technology, Gunsmithing, Industrial Technology, Manufacturing Engineering Technician, Mining Technology, Motorcycle Technology, and Welding. The Mining Technology program offered at CTEC is a partnership with Freeport McMoRan Copper and Gold, Inc.

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**Student Enrollment**

Since its first semester in 1969, the District has seen its student enrollment for credit classes grow from 817 students in fiscal year 1969-70 to a peak of over 11,000 in the last decade. The District's projected student enrollment for fiscal year 2023-24 is 12,400 students, or 3,392 full-time student equivalents. A large portion of the District's student enrollment consists of part-time enrollees.

The District has experienced, and expects to continue to experience fluctuations in its total student enrollment, due to the status of the economy (both at the local and national levels) and changes in the programs offered by the District.

The following table sets forth the projected credit and non-credit enrollment of the District for the current year and actual enrollments for the past ten years.

**TABLE 4**

<b>Fiscal Year Ended June 30</b>	<b>Total Enrollment</b>	<b>Fiscal Year Ended June 30</b>	<b>Total Enrollment</b>
2023-24 (a)	12,400	2017-18	14,301
2022-23	11,985	2016-17	14,351
2021-22	12,032	2015-16	14,371
2020-21	9,727	2014-15	15,318
2019-20	13,426	2013-14	15,531
2018-19	14,236		

(a) Data shown above for fiscal year 2023-24 is a number that the District uses for budgetary purposes. This estimate is a preliminary “forward looking” estimate that is subject to change without notice.

The following table sets forth the projected FTSE of the District for the current year and the actual full time student equivalents of the District for the past ten years.

**TABLE 5**

<b>Fiscal Year Ended June 30</b>	<b>FTSE</b>	<b>Fiscal Year Ended June 30</b>	<b>FTSE</b>
2023-24 (a)	3,392	2017-18	3,471
2022-23	3,174	2016-17	3,446
2021-22	3,173	2015-16	3,548
2020-21	3,043	2014-15	3,806
2019-20	3,488	2013-14	4,003
2018-19	3,428		

(a) Data shown above for fiscal year 2023-24 is a number that the District uses for budgetary purposes. This estimate is a preliminary “forward looking” estimate that is subject to change without notice.

## **FINANCIAL CONDITION OF THE DISTRICT**

### **Introduction**

The District's fiscal year is from July 1 through June 30. District budgeting for a fiscal year formally begins with the preparation of a budget calendar in October which outlines the activities necessary to meet statutory requirements related to the budget process. A proposed budget is submitted to the Governing Board no later than April 15 of each year. After publication of the budget and a public hearing, but no later than June 20, a budget is adopted for the upcoming fiscal year. The adopted budget must contain detailed information concerning the sums required for each purpose and the amount to be raised through property taxes. The District's ad valorem property tax levy rate is then set by the Board of Supervisors of Yavapai County based on the adopted budget figures.

### **Expenditure Limitation**

Commencing in fiscal year 1981-82, the District became subject to the annual expenditure limitation which is set by the Arizona Economic Estimates Commission. This limitation is based on the District's actual expenditures for fiscal year 1979-80, with annual adjustments to reflect student enrollments and cost of living. Certain expenditures are specifically excluded from the limits, such as expenditures made from tuition and fees, federal grants, state aid for capital outlay, and bond sale proceeds, as well as debt service payments. The Governing Board may authorize expenditures in excess of the limitation, subject to approval by the District's voters, for a period of not less than two years or more than seven years.

For the 2022-23 fiscal year, the expenditure limitation for the District was \$48,401,894 and the budgeted expenditures subject to the limitation in the 2022-23 fiscal year were \$48,401,894. For the 2023-24 fiscal year, the expenditure limit determined for the District is \$51,167,433 and the budgeted expenditures of the District subject to the limitation are estimated to be \$104,100,400.

### **Financial Reports and Examination of Accounts**

State law requires that the District's financial books and records be audited by the State Auditor General or independent certified public accountants on an annual basis. The audited financial statements of the District are presented in Appendix E as "Audited Financial Statements the fiscal year ended June 30, 2023."

The District's financial statements are presented in accordance with the rules of the Governmental Accounting Standards Board (GASB), the authoritative body establishing generally accepted accounting principles for state and local governments, including institutions of higher education.

### **Summary of Operations and Net Assets**

The table on the following page summarizes the Audited Revenues, Expenses, and Changes in Net Assets and reflects the results of operations and other changes for the five years ended June 30, 2023, followed by a detail of net assets for the same years. The information contained in the summary should be read in conjunction with the Financial Statements and accompanying Notes in Appendix E of this Official Statement.

**YAVAPAI COUNTY COMMUNITY COLLEGE DISTRICT**  
**(Yavapai College)**  
**Statement of Revenues, Expenses, and Changes in Net Position**  
**Year Ended June 30**

**TABLE 6**

	<b>Audited</b>				
	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>
<b>Operating Revenues:</b>					
Tuition and Fees (a)	\$8,957,444	\$8,408,631	\$7,845,535	\$7,223,360	\$8,433,893
Dormitory rentals and fees (b)	823,156	772,731	263,569	753,840	890,870
Other	<u>1,726,642</u>	<u>1,536,108</u>	<u>562,534</u>	<u>2,195,467</u>	<u>2,755,041</u>
Total Operating Revenues	<u>\$11,507,242</u>	<u>\$10,717,470</u>	<u>\$8,671,638</u>	<u>\$10,172,667</u>	<u>\$12,079,804</u>
<b>Operating Expenses:</b>					
Educational and General:					
Instruction	\$18,627,532	\$20,257,487	\$18,844,972	\$19,788,002	\$22,092,462
Public Service	2,191,127	2,247,444	1,800,557	2,948,761	3,379,051
Academic Support	4,602,601	4,959,894	5,082,592	5,215,523	5,391,109
Student Services	7,430,277	8,359,344	8,482,718	9,207,312	11,248,405
Institutional Support	10,067,807	11,447,171	10,828,921	10,695,803	11,740,897
Operation and Maintenance of plant	6,742,118	7,347,099	6,970,800	8,122,436	8,428,425
Scholarships	5,950,319	5,790,516	6,809,891	10,409,119	5,850,966
Auxiliary Enterprises	2,033,663	1,943,218	1,822,706	1,895,159	2,147,701
Depreciation	7,174,803	7,588,582	7,728,980	7,628,745	7,818,078
Total Operating Expenses	<u>\$64,820,247</u>	<u>\$69,940,755</u>	<u>\$68,372,137</u>	<u>\$75,910,860</u>	<u>\$78,097,094</u>
Operating Loss	<u>(\$5,313,005)</u>	<u>(\$59,223,285)</u>	<u>(\$59,700,499)</u>	<u>(\$65,738,193)</u>	<u>(\$66,017,290)</u>
<b>Non-Operating Revenues (Expenses):</b>					
Property Taxes	\$50,561,375	\$50,705,820	\$49,433,560	\$49,449,575	\$49,988,538
State Appropriations	1,288,900	3,065,800	1,283,300	4,876,600	3,693,700
Government Grants and Contracts	10,894,560	11,191,331	13,582,961	20,963,403	10,099,147
Share of State Sales Taxes	778,901	838,562	1,031,911	1,150,633	1,305,900
Smart and Safe Arizona Fund Appropriations	-	-	769,131	1,658,906	2,457,079
Private Grants and Gifts	1,444,067	1,611,282	1,705,565	1,692,953	2,338,638
Investment Earnings	457,782	464,145	66,444	70,831	992,715
Interest Expense on Debt	(780,289)	(570,657)	(367,066)	(136,397)	(81,638)
Loss on Defeasance	(346,595)	-	-	-	-
Gain (Loss) on Disposal of Capital Assets	1,331,212	7,185	12,195	1,804	14,005
Net Non-Operating Revenues	<u>\$65,629,913</u>	<u>\$67,313,468</u>	<u>\$67,518,001</u>	<u>\$79,728,308</u>	<u>\$70,808,084</u>
Income Before Other Revenues, Expenses, Gains, or Losses	<u>\$12,316,908</u>	<u>\$8,090,183</u>	<u>\$7,817,502</u>	<u>\$13,990,115</u>	<u>\$4,790,794</u>
Capital Grants and Gifts	1,200,124	31,590	300,839	765,120	6,197
Increase in Net Position	<u>\$13,517,032</u>	<u>\$8,121,773</u>	<u>\$8,118,341</u>	<u>\$14,755,235</u>	<u>\$4,796,991</u>
Beginning Net Position	<u>\$123,942,490</u>	<u>\$137,459,522</u>	<u>\$145,581,295</u>	<u>\$153,699,636</u>	<u>\$168,454,871</u>
Ending Net Position (June 30)	<u>\$137,459,522</u>	<u>\$145,581,295</u>	<u>\$153,699,636</u>	<u>\$168,454,871</u>	<u>\$173,251,862</u>

(a) The Tuition and Fees for 2019-23 are net of scholarship allowances of \$3,430,241, \$3,441,821, \$2,621,985, \$3,839,376 and \$2,878,735, respectively.

(b) The Dormitory Rentals and Fees for 2019-23 are net of scholarship allowances of \$359,851, \$332,083, \$91,196, \$421,936 and \$327,670, respectively.

Source: Amounts for fiscal years 2019-23 are from the District's audited financial statements. For complete audited financial statements of the District for the fiscal year ended June 30, 2023, see Appendix E.

**YAVAPAI COUNTY COMMUNITY COLLEGE DISTRICT**  
**(Yavapai College)**  
**Statement of Net Position**  
**June 30**

**TABLE 7**

	<b>Audited</b>				
	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>
<b><u>Assets</u></b>					
<b>Current Assets</b>					
Cash and Investments	\$23,729,517	\$22,668,618	\$26,237,976	\$34,127,833	\$42,280,836
Receivables:					
Accounts	288,711	316,023	465,731	384,480	461,558
Property Taxes	812,317	1,058,370	885,387	946,515	850,074
Government Grants and Contracts	686,731	1,216,768	5,629,132	3,513,572	994,200
Other	540,105	673,358	835,737	1,788,293	750,715
Prepaid Expenses	813,261	1,153,484	816,491	1,308,070	1,130,704
Prepaid Insurance	47,547	39,622	-	-	-
Other	153,189	178,504	186,897	207,482	279,213
<b>Total Current Assets</b>	<b>\$27,071,378</b>	<b>\$27,304,747</b>	<b>\$35,057,351</b>	<b>\$42,276,245</b>	<b>\$46,747,300</b>
<b>Non-Current Assets</b>					
<b>Restricted Assets</b>					
Property Taxes Receivable	\$88,124	\$97,672	\$47,592	\$16,953	\$7,492
Other Receivables	2,224	3,702	1,910	3,016	1,331
Capital Assets, not Being Depreciated	6,971,830	13,132,079	10,398,167	8,087,422	8,873,110
Capital Assets, Being Depreciated/Amortized, Net	154,282,762	151,366,887	156,053,183	158,374,055	156,940,346
<b>Total Non-Current Assets</b>	<b>\$161,344,940</b>	<b>\$164,600,340</b>	<b>\$166,500,852</b>	<b>\$166,481,446</b>	<b>\$165,822,279</b>
<b>Total Assets</b>	<b>\$188,416,318</b>	<b>\$191,905,087</b>	<b>\$201,558,203</b>	<b>\$208,757,691</b>	<b>\$212,569,579</b>
<b><u>Deferred Outflows of Resources</u></b>					
Deferred Charges on Debt Restructuring	\$558,251	\$372,167	\$186,084	-	-
Deferred Outflows Related to Pensions	3,957,162	3,925,714	7,169,183	\$6,845,960	\$5,357,204
<b>Total Deferred Outflows of Resources</b>	<b>\$4,515,413</b>	<b>\$4,297,881</b>	<b>\$7,355,267</b>	<b>\$6,845,960</b>	<b>\$5,357,204</b>
<b><u>Liabilities</u></b>					
<b>Current Liabilities</b>					
Accounts Payable	\$1,647,157	\$2,018,916	\$3,280,707	\$974,615	\$1,651,316
Retainage Payable	44,482	316,084	83,762	-	-
Accrued Payroll and Employee Benefits	2,224,389	2,545,647	2,689,974	2,662,711	1,428,197
Deposits Held in Custody for Others	99,027	4,936	108,649	108,655	135,785
Unearned Revenues	1,512,531	1,315,675	3,708,595	1,113,809	1,171,618
Dormitory and Other Deposits	55,272	58,517	60,939	50,072	50,471
Current Portion of Compensated Absences	105,883	222,573	245,080	272,609	239,930
Current Portion of Subscription Liability	-	-	-	-	224,967
Current Portion of Long-Term Debt	6,180,947	3,945,947	2,307,099	1,175,000	1,190,000
Current Portion of other Long-Term Liabilities	15,632	12,060	12,803	12,660	17,137
<b>Total Current Liabilities</b>	<b>\$11,885,320</b>	<b>\$10,440,355</b>	<b>\$12,497,608</b>	<b>\$6,370,131</b>	<b>\$6,109,421</b>
<b>Non-Current Liabilities</b>					
Compensated Absences Payable	\$1,729,468	\$1,582,819	\$1,737,668	\$1,819,452	\$1,810,320
Subscription Liability	-	-	-	-	224,907
Long-Term Debt	10,972,372	7,026,425	4,725,000	3,550,000	2,360,000
Net Pension Liability	27,460,621	29,585,426	36,118,864	25,969,018	32,677,086
Other	113,450	106,522	134,694	111,337	110,943
<b>Total Non-Current Liabilities</b>	<b>\$40,275,911</b>	<b>\$38,301,192</b>	<b>\$42,716,226</b>	<b>\$31,449,807</b>	<b>\$37,183,256</b>
<b>Total Liabilities</b>	<b>\$52,161,231</b>	<b>\$48,741,547</b>	<b>\$55,213,834</b>	<b>\$37,819,938</b>	<b>\$43,292,677</b>
<b><u>Deferred Inflows of Resources</u></b>					
Deferred Inflows Related to Pensions	\$3,310,978	\$1,880,126	-	\$9,328,842	\$1,382,244
<b><u>Net Position</u></b>					
Net Investment in Capital Assets	\$143,098,963	\$152,382,909	\$157,481,991	\$161,537,817	\$160,848,532
Restricted:					
Nonexpendable:					
Employee Loans	100,000	100,000	100,000	100,000	100,000
Expendable:					
Grants and Contracts	173,642	264,381	1,709,299	4,179,665	4,748,246
Debt Service	704,697	246,608	173,066	101,520	7,801



Unrestricted:	<u>(6,617,780)</u>	<u>(7,412,603)</u>	<u>(5,764,720)</u>	<u>2,535,869</u>	<u>7,547,283</u>
Total Net Position	<u>\$137,459,522</u>	<u>\$145,581,295</u>	<u>\$153,699,636</u>	<u>\$168,454,871</u>	<u>\$173,251,862</u>

Source: Amounts for fiscal years 2019-23 are from the District's audited financial statements. For complete audited financial statements of the District for the fiscal year ended June 30, 2023, see Appendix E.

## Debt Limitations

*Constitutional Debt Limitations:* Under the provisions of the Arizona Constitution and Arizona Revised Statutes, the total amount of general obligation bonded indebtedness of a community college district together with payments on leases and real property lease-purchase agreements may not exceed 15% of such district’s net secondary assessed valuation.

**TABLE 8**

FY 2023-24 Net Limited Property Assessed Valuation	\$3,556,683,081
15% of Net Limited Property Assessed Valuation	\$533,502,462
General Obligation Debt Outstanding	\$0
Lease and Lease Purchase Agreements for Real and Personal Property	\$0
Unused 15% Limitation	<u>\$533,502,462</u>

*Statutory Debt Limitation:* Pursuant to A.R.S. 15-1484(B), the District is subject to a statutory debt limitation restricting the maximum annual debt service on the aggregate amount of all revenue bonds at the time of issuance, including the Series 2024 Bonds to not more than 8% of the District’s current expenditures as set forth in the most recently adopted budget of the District for this fiscal year. At the time of the issuance of the Series 2024 Bonds, the District will be in compliance with this statutory debt limitation.

## Retirement Plan

**Plan Description** – The District contributes to a cost-sharing multiple-employer defined benefit pension plan administered by the Arizona State Retirement System (the “System”). Benefits are established by State statute and generally provide retirement, death, long-term disability, survivor and health insurance premium benefits. The System is governed by the Arizona State Retirement System Board according to the provisions of A.R.S. Title 38, Chapter 5, Article 2.

The System issues a comprehensive annual financial report that includes financial statements and required supplementary information. The most recent report may be obtained by writing the System, 3300 North Central Avenue, P.O. Box 33910, Phoenix, AZ 85067-3910 or by calling (602) 240-2000 or (800) 621-3778.

**Funding Policy** – The Arizona State Legislature establishes and may amend active plan members’ and the District’s contribution rate. For the year ended June 30, 2023, active plan members and the District were each required by statute to contribute at the actuarially determined rate of 12.03 percent (11.92 percent retirement and .11 percent long-term disability) of the members’ annual covered payroll. The District’s contributions to the System for the years ended June 30, 2023, 2022 and 2021, were \$3,201,288, \$2,830,591 and \$2,558,750 respectively, which were equal to the required contributions for the year.

*Reporting Requirements.* The Government Accounting Standards Board adopted GASB Statement Number 68, Accounting and Financial Reporting for Pensions (“GASB 68”), which, beginning with fiscal years starting after June 15, 2014, requires employers to report their “proportionate share” of the plan’s net pension liability in their government-wide financial statements. GASB 68 also requires that the employer’s pension expense component include its proportionate share of the plan’s pension expense, the net effect of annual changes in the employer’s proportionate share and the annual. Differences between employer’s actual contributions and its proportionate share. As of June 30, 2023, the District reported a liability of \$32,677,086 for its proportionate share of the net pension liability, which compares with a net pension liability of \$25,969,018 as of June 30, 2022.

## LITIGATION

To the knowledge of the District, no litigation or administrative action or proceeding is pending, restraining or enjoining, or seeking to restrain or enjoin, the issuance or delivery of the Series 2024 Bonds, the levy and/or collection of taxes to pay the debt service on the Series 2024 Bonds, contesting or questioning the proceedings and authority under which the Series 2024 Bonds have been authorized and are to be issued, sold, executed or delivered, or the validity of the Series 2024 Bonds. Representatives of the District will deliver a certificate to that effect at the time of the initial delivery of the Series 2024 Bonds.

## LEGAL MATTERS

Legal matters incident to the authorization, issuance and initial sale of the Series 2024 Bonds and with regard to the tax-exempt status thereof will be passed upon by The Stratton Law Firm, PLLC, Scottsdale, Arizona, Bond Counsel (“Bond Counsel”). A signed copy of that opinion, dated and speaking only as of the date of delivery of the Series 2024 Bonds, will be delivered to the District. The proposed form of Bond Counsel opinion is attached as Appendix C hereto. Fees of Bond Counsel will be paid from Series 2024 Bonds proceeds.

Pursuant to ARS §15-1483(B), the District is required to submit information regarding the capital projects that will be funded with the bond proceeds to the Joint Committee on Capital Review (“JCCR”) for review, including the 2024 Project. The District complied with the statute by submitting the 2024 Project for review to JCCR on May 15, 2024.

While Bond Counsel has participated in the preparation of portions of this Official Statement, it has not been engaged to confirm or verify, and expresses and will express no opinion as to, the accuracy, completeness or fairness of any statements in this Official Statement, or in any other reports, financial information, offering or disclosure documents or other information pertaining to the District or the Series 2024 Bonds that may be prepared or made available by the District or others to holders of the Series 2024 Bonds or others, except as specifically otherwise indicated in an opinion delivered by them at the time of initial delivery of the Series 2024 Bonds. Certain legal matters will be passed upon solely for the benefit of the Underwriter by Squire Patton Boggs (US), LLP, Phoenix, Arizona.

## TAX EXEMPTION

In the opinion of Bond Counsel, under existing laws, regulations, rulings and judicial decisions, and assuming continuing compliance with certain restrictions, conditions and requirements by the District as described below, interest income on the Series 2024 Bonds is excluded from gross income for federal income tax purposes and is exempt from State of Arizona income taxes. The opinion of Bond Counsel will be dated as of the date of delivery of the Series 2024 Bonds. A form of such opinion is included as Appendix C attached hereto.

The Internal Revenue Code of 1986, as amended (the “Code”), imposes various restrictions, conditions and requirements relating to the continued exclusion of interest income on the Series 2024 Bonds from gross income for federal income tax purposes, including a requirement that the District rebate to the federal government certain of its investment earnings with respect to the Series 2024 Bonds. The District has covenanted to comply with the provisions of the Code relating to such matters. Failure to comply with such restrictions, conditions and requirements could result in the interest income on the Series 2024 Bonds being included as gross income for federal income tax purposes, under certain circumstances, from the date of issuance. The opinion of Bond Counsel assumes continuing compliance with such restrictions, conditions and requirements.

The Code also imposes an “alternative minimum tax” (“AMT”) upon certain corporations and individuals. The AMT is equal to the excess (if any) of a taxpayer’s “tentative minimum tax” for a taxable year over its regular income tax liability for the taxable year. The tentative minimum tax is based upon a taxpayer’s “alternative minimum taxable income” (“AMTI”). A taxpayer’s AMTI is its taxable income with certain adjustments. Interest income on

the Series 2024 Bonds is not included in the AMTI of individuals or corporations however, such interest income must be taken into account for federal income tax purposes as an adjustment to AMTI.

Although Bond Counsel has rendered an opinion that, as of the delivery of the Series 2024 Bonds, interest income on the Series 2024 Bonds is excluded from gross income for federal income tax purposes, the accrual or receipt of interest on the Series 2024 Bonds may otherwise affect a bondholder's federal tax liability. Certain taxpayers may experience other tax consequences. Taxpayers purchasing the Series 2024 Bonds, including, without limitation, corporations subject to the branch profits tax, financial institutions, certain insurance companies, certain subchapter S corporations, individuals who receive Social Security or Railroad Retirement benefits and taxpayers who have or are deemed to have incurred indebtedness to purchase or carry tax-exempt obligations should consult their tax consultants as to the applicability of such tax consequences to the respective Bondholder. The nature and extent of these other tax consequences will depend upon the Bondholder's particular tax status and the Bondholder's other items of income or deduction. Bond Counsel expresses no opinion regarding any such other tax consequences.

The Series 2024 Bonds are not "private activity bonds" within the meaning of Section 141 of the Code.

Legislation affecting tax-exempt obligations is regularly considered by the United States Congress and may also be considered by the State legislature. Court proceedings may also be filed, the outcome of which could modify the tax treatment of obligations such as Series 2024 Bonds. There can be no assurance that legislation enacted or proposed, or actions by a court, after the date of issuance of the Series 2024 Bonds will not have an adverse effect on the tax status of interest on the Series 2024 Bonds or the market value or marketability of the Series 2024 Bonds. These adverse effects could result, for example, from changes to federal or state income tax rates, changes in the structure of federal or state income taxes (including replacement with another type of tax), or repeal (or reduction in the benefit) of the exclusion of interest on the Series 2024 Bonds from gross income for federal or state income tax purposes for all or certain taxpayers.

## **ORIGINAL ISSUE DISCOUNT**

The initial public offering price of certain of the Series 2024 Bonds maturing on July 1, 20\_\_ through July 1, 20\_\_ (referred to in this section as "Discount Obligations") is less than the amount payable at maturity. As a result, the Discount Obligations will be considered to be issued with original issue discount. The difference between the initial public offering price of the Discount Obligations based upon the amounts shown herein (the "Issue Price"), and the amount payable at maturity of the Discount Obligations will be treated as "original issue discount". With respect to a taxpayer who purchases a Discount Obligation in the initial public offering at the Issue Price and who holds the Discount Obligation to maturity, the full amount of original issue discount will constitute interest which is not includable in the gross income of the Beneficial Owner of the Discount Obligation for Federal income tax purposes or Arizona income tax purposes and that Beneficial Owner will not, under present Federal income tax law or present Arizona income tax law, realize taxable gain upon payment of the Discount Obligation at maturity.

The original issue discount on each of the Discount Obligations is treated for Federal income tax purposes and Arizona income tax purposes as accruing daily over the term of such Discount Obligations on the basis of a constant interest rate compounding at the end of each six-month period (or shorter period from the date of original issue) ending on January 1 and July 1 (with straight line interpolation between compounding dates).

The amount of original issue discount accruing each period will be added to the Beneficial Owner's tax basis for the Discount Obligations. The adjusted tax basis will be used to determine taxable gain or loss upon disposition of the Discount Obligations. A Beneficial Owner of a Discount Obligation who disposes of the Discount Obligation prior to maturity should consult his or her tax advisor as to the amount of original issue discount accrued over the period held and the amount of taxable gain or loss upon the sale or disposition of the Discount Obligation prior to maturity.

The Code contains certain provisions relating to the accrual of original issue discount in the case of subsequent Beneficial Owners of the Discount Obligations. Beneficial Owners who do not purchase the Discount Obligations in the initial offering should consult their own tax advisors with respect to the tax consequences of the ownership of the Discount Obligations.

A portion of the original issue discount that accrues in each year to a Beneficial Owner of a Discount Obligation may result in certain collateral Federal income tax consequences as described in “TAX EXEMPTION” herein.

The Beneficial Owners of Discount Obligations in states other than Arizona should consult their own tax advisors with respect to the state and local tax consequences. In the case of income tax laws of states other than Arizona, it is possible that under the applicable provisions governing the determination of state or local income taxes, accrued interest on the Discount Obligations may be deemed to be received in the year of accrual even though there will not be a corresponding cash payment until a later year.

## **ORIGINAL ISSUE PREMIUM**

The initial public offering prices of the Series 2024 Bonds maturing on July 1, \_\_\_\_ through and including July 1, \_\_\_\_ (collectively, the “Premium Bonds”) are greater than the respective amounts payable on such Premium Bonds at maturity. An amount equal to the difference between the initial public offering price of a Premium Bond (assuming that a substantial amount of the Premium Bonds of that maturity are sold to the public at such price) and the amount payable at maturity constitutes premium to the initial Beneficial Owner of such Premium Bonds. The basis for federal income tax purposes of a Premium Bond in the hands of such initial Beneficial Owner must be reduced each year by the amortizable bond premium, although no federal income tax deduction is allowed as a result of such reduction in basis for amortizable bond premium. Such reduction in basis will increase the amount of any gain (or decrease the amount of any loss) to be recognized for federal income tax purposes upon a sale or other taxable disposition of a Premium Bond. The amount of premium which is amortizable each year by an initial Beneficial Owner is determined by using such Beneficial Owner's yield to maturity. Beneficial Owners of the Premium Bonds should consult with their own tax advisors with respect to the determination of amortizable bond premium with respect to the Premium Bonds for federal income tax purposes and with respect to the state and local tax consequences of owning Premium Bonds.

## **RATING**

[Moody’s Investors Service, Inc. (“Moody’s”)] has assigned the rating of “\_\_” to the Series 2024 Bonds. Such rating reflects only the views of such organizations and any desired explanation of the significance of such rating should be obtained from the rating agency furnishing the same, at the following address: [Moody’s, 7 World Trade Center at 250 Greenwich Street, New York, New York 10007]. Generally, a rating agency bases its rating on the information and materials furnished to it, some of which may not have been included in this Official Statement, and on investigations, studies and assumptions of its own. There is no assurance such rating will continue for any given period of time or that such rating will not be revised downward or withdrawn entirely by the rating agency, if in its judgment of such rating agency, circumstances so warrant. Any such downward revision or withdrawal of such rating may have an adverse effect on the market price of the Series 2024 Bonds.

## **UNDERWRITING**

The Series 2024 Bonds are being purchased, subject to certain conditions, by the Underwriter at an aggregate purchase price of \$ \_\_\_\_\_ (consisting of the par amount of the Series 2024 Bonds, plus net original issue premium, less the compensation of the Underwriter) plus accrued interest, pursuant to a bond purchase agreement between the District and the Underwriter. If the Series 2024 Bonds are sold to produce the yields shown on the cover page, the Underwriter will receive compensation of \$ \_\_\_\_\_. The Underwriter may offer and sell the Series 2024 Bonds to certain dealers (including the Underwriter and other dealers depositing Series 2024 Bonds into unit investment trusts) and others at prices or yields different from the public offering prices or yields stated on the cover page hereof, and such public offering prices and yields may be changed, from time to time, by the Underwriter.

## **CONTINUING DISCLOSURE**

The District has covenanted for the benefit of certain owners of the Series 2024 Bonds to provide certain financial information and operating data relating to the District by not later than March 1 in each year commencing

March 1, 2025 (the "Annual Reports"), and to provide notices of the occurrence of certain enumerated events, (the "Listed Events Notice"). The Annual Reports, the Listed Events Notices and any other document or information required to be filed by the Continuing Disclosure Certificate will be filed by the District with the Municipal Securities Rulemaking Board (the "MSRB") through the MSRB's Electronic Municipal Market Access system, each described in Appendix D – "FORM OF CONTINUING DISCLOSURE CERTIFICATE." The specific nature of the information to be contained in the Annual Reports and the Material Events Notice is described in Appendix D. These covenants will be made in order to assist the Underwriter in complying with U.S. Securities and Exchange Commission Rule 15c2-12(b)(5) (the "Rule"). The form of the undertaking necessary pursuant to the Rule is included as Appendix D hereto. A failure by the District to comply with these covenants must be reported in accordance with the Rule and must be considered by any broker, dealer or municipal securities dealer before recommending the purchase or sale of the Series 2024 Bonds in the secondary market. *Also pursuant to Arizona law, the ability of the District to comply with such covenants is subject to annual appropriation of funds sufficient to provide for the costs of compliance with such covenants.* Should the District not comply with such covenants due to a failure to appropriate for such purpose, the District has covenanted to provide notice of such fact to the MSRB. [Absence of continuing disclosure, due to non-appropriation or otherwise, could adversely affect the Series 2024 Bonds and specifically their market price and transferability.]

[The District's has been in compliance with prior Continuing Disclosure Undertakings.]

## **FINANCIAL STATEMENTS**

The financial statements of the District as of June 30, 2023 and for its fiscal year then ended, which are included as Appendix E of this Official Statement, have been audited by the Office of the Auditor General, State of Arizona, as stated in its opinion which appears in Appendix E. The District neither requested nor obtained the consent of the Office of the Auditor General, State of Arizona, to include its report. The financial statements speak only as of their date and do not reflect events occurring after that date. The Auditor General, State of Arizona, has performed no procedures subsequent to rendering its opinion on the financial statements.

## **ADDITIONAL INFORMATION**

Additional information and copies of the Preliminary Official Statement and Authorizing Resolution may be obtained from the Underwriter, Raymond James & Associates, 8501 N. Scottsdale Road, Suite 250, Scottsdale, Arizona 85253, or by contacting Dr. Clint Ewell, Vice President for Finance and Administration, 1100 E. Sheldon Street, Prescott, Arizona 86301.

## CONCLUDING STATEMENT

To the extent that any statements made in this Preliminary Official Statement involve matters of opinion or estimates, whether or not expressly stated to be such, they are made as such and not as representations of fact or certainty and no representation is made that any of these opinions or estimates have been or will be realized. Information in this Preliminary Official Statement has been derived by the District from official and other sources and is believed by the District to be accurate and reliable. Information other than that obtained from official records of the District has not been independently confirmed or verified by the District and its accuracy is not guaranteed.

Neither this Preliminary Official Statement nor any statement that may have been or that may be made orally or in writing is to be construed as part of a contract with the original purchasers or subsequent owners of the Series 2024 Bonds.

YAVAPAI COUNTY COMMUNITY COLLEGE  
DISTRICT OF YAVAPAI COUNTY, ARIZONA

/s/ \_\_\_\_\_  
Ms. Deb McCasland, *Chair*

**YAVAPAI COUNTY, ARIZONA  
DEMOGRAPHIC AND ECONOMIC INFORMATION**

*The following information concerning Yavapai County, Arizona (the “County”), is for background information only. The boundaries of the District are coterminous with those of the County. The Series 2024 Bonds are not obligations of the County. The Series 2024 Bonds are special, limited obligations of the District payable solely from the sources described herein under the heading “SECURITY AND SOURCE OF PAYMENT.”*

**General Information**

The County was formed in 1864 and is located in the west central portion of Arizona bordering Gila County to the east, Coconino County to the east and north, Mohave and La Paz Counties to the west and Maricopa County to the south. The County's physical characteristics include forested mountains, picturesque rock formations, green valleys and high deserts. The County encompasses an area of approximately 8,125 square miles. The City of Prescott is the County seat.

The following table displays the population statistics for the County and Arizona.

**Populations Statistics**

	<b>City of Prescott</b>	<b>Yavapai County</b>	<b>State of Arizona</b>
2023 Estimated (a)	47,603	249,081	7,431,344
2020 Census	45,827	236,209	7,151,502
2010 Census	39,843	211,033	6,392,017
2000 Census	33,937	167,517	5,130,632
1990 Census	26,455	107,714	3,665,339

(a) Population estimates as of July 1, 2023 (released December 2022) provided by the Office of Employment and Population Statistics, Arizona Department of Administration.

Source: Except as otherwise described, U.S. Census Bureau

**Economy and Employment**

The main industries, which contribute to the County's economy, are services, wholesale and retail trade, and government. Figures from the Arizona Department of Economic Security indicate that an average of 106,845 persons were employed in the County through March 2024, as compared to 105,811 in 2023. The average unemployment rate for the County through March 2024 was 3.5% as compared to 3.7% in 2023. The table below shows comparative employment statistics for the County, Arizona and the United States.

**Comparative Employment Statistics**

<b>Calendar Year</b>	<b>Yavapai County</b>		<b>Unemployment Rate</b>		
	<b>Average Employment</b>	<b>Average Unemployment</b>	<b>Yavapai County</b>	<b>State of Arizona</b>	<b>United States</b>
2024 (a)	106,845	3,676	3.5%	3.8%	3.9%
2023	105,811	4,020	3.7%	4.2%	3.7%
2022	104,746	3,625	3.5%	3.8%	3.5%
2021	102,108	3,267	3.1%	3.7%	3.9%
2020	99,047	5,909	5.6%	6.6%	6.7%
2019	99,736	4,507	4.3%	4.7%	3.7%

(a) Data is seasonally adjusted, and is through March 2024.

Source: Arizona Office of Economic Opportunity; U.S. Bureau of Labor Statistics.



The following table shows a breakdown of the County’s total wage and salary employment by major industry.

**Yavapai County, Arizona**  
**Average Annual Employment by Industry (Non-Farm)**  
**2019 to 2024**

	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024(a)</u>
<b>Goods Producing</b>						
Mining and Construction	6,300	6,500	6,700	7,000	7,100	7,200
Manufacturing	3,800	3,600	3,800	4,000	3,700	3,600
<b>Service-Providing</b>						
Trade, Transportation and Utilities	12,700	12,500	13,200	13,700	13,700	13,800
Information	500	400	400	500	500	500
Financial Activities	2,100	2,300	2,500	2,800	2,700	2,700
Professional and Business Services	4,400	4,600	4,900	5,600	6,300	6,200
Educational and Health Services	12,500	12,000	11,900	12,000	12,300	12,500
Leisure and Hospitality	10,500	8,900	10,000	10,600	10,300	10,100
Other Services	2,400	2,200	2,300	2,400	2,500	2,600
<b>Government</b>	11,000	10,600	10,500	10,700	11,100	11,700
Total	65,900	63,700	66,300	69,100	70,300	70,900

(a) Data is not seasonally adjusted, and is through March 2024.

Source: Arizona Department of Administration; Office of Employment and Population Statistics; Current Employment Statistics (CES) tables.

**Government**

Government is the third-largest employer in the County providing 11,700 jobs according to the 2024 average employment figures as reported by the Arizona Department of Economic Security. Other major contributors to the local economy, in the governmental sector, include the County, Prescott Unified School District, the City of Prescott, and the District.

**Commerce**

Wholesale and retail trade includes restaurants, taverns, service stations, automobile repair shops, shopping malls and wholesale dealers. The retail sales for the County are shown below:

**Yavapai County**  
**Retail Sales (a)**

<u>Year</u>	<u>Amount</u>
2024 (b)	\$447,234,141
2023	3,047,247,237
2022	2,976,880,495
2021	2,829,725,609
2020	2,392,282,094
2019	2,118,121,790

(a) Excludes taxes on food and gasoline.

(b) Data is through February 2024. Retail sales for the similar period in 2023 were \$439,535,208.

Source: Northern Arizona University Economic Policy Institute.

**Tourism**

Tourism and recreation are important sectors of the County's economy. With three national forests extending into the County, outdoor recreation such as hiking, camping, fishing, boating and swimming is readily available.

**Banking**

The following sets forth bank deposits in the County for the most recent five fiscal years available.

**Yavapai County Bank Deposits  
(\$000)**

<b>As of June 30</b>	<b>Amount</b>
2023	\$5,727,666
2022	6,157,690
2021	5,417,294
2020	4,790,981
2019	4,090,841

Source: Federal Deposit Insurance Corporation.

**APPENDIX B**

**SUMMARY OF PROVISIONS OF THE BOND RESOLUTION**

[TO BE PROVIDED BY BOND COUNSEL]

FORM OF APPROVING LEGAL OPINION

July \_\_, 2024

GOVERNING BOARD  
YAVAPAI COUNTY COMMUNITY COLLEGE DISTRICT OF  
YAVAPAI COUNTY; ARIZONA

We have examined the transcript of proceedings relating to the issuance by the Yavapai County Community College District of Yavapai County, Arizona (the “District”), of its \$16,000,000 aggregate principal amount of Revenue Bonds, Series 2024 (the “Bonds”) issued pursuant to a resolution of the District adopted on May 21, 2024 (the “Bond Resolution”).

As to questions of fact material to our opinion, we have relied upon, and assumed due and continuing compliance with the provisions of, the proceedings and other documents, and have relied upon certifications, covenants and representations furnished to us without undertaking to verify the same by independent investigation, including, without limitation, those with respect to causing interest on the Bonds to be and remain excluded from gross income for federal income tax purposes.

Based upon the foregoing, we are of the opinion, as of this date, which is the date of initial delivery of the Bonds against payment therefor, that:

1. The District is duly organized and validly existing pursuant to the laws of the State of Arizona, is designated by law as a political subdivision of the State of Arizona, and has all requisite power to execute and deliver, to perform its obligations pursuant to the Bond Resolution and to issue the Bonds.

2. The Bond Resolution has been duly authorized, executed and delivered by the District and is valid and binding upon and enforceable against the District.

3. The proceedings show lawful authority for the Bonds under the Constitution and laws of the State of Arizona. The Bonds are valid and legally binding on the District, and the Bonds and all bonds and other obligations heretofore or hereafter issued on a parity therewith are payable exclusively from and enjoy a first lien on the tuitions, fees, rentals and other charges from students, faculty and others using or being served by, or having the right to use, or the right to be served by any classrooms and revenue producing projects, existing or hereafter constructed, held for and on behalf of the District and located in the District, all as provided in the Bond Resolution.

4. Under existing laws, regulations, rulings and judicial decisions, the interest income on the Bonds is excluded from gross income for the purpose of calculating federal income taxes and is exempt from Arizona income taxes. Interest income on the Bonds is not an item of tax preference to be included in computing the alternative minimum tax for individuals. For tax years beginning after December 31, 2022, interest on the Bonds may affect the corporate alternative minimum tax for certain corporations. The Bonds are not private activity bonds within the meaning of Section 141 of the Internal Revenue Code of 1986, as amended (the “Code”). We express no opinion regarding other federal tax consequences arising with respect to the Bonds.

The Code imposes various restrictions, conditions and requirements relating to the continued exclusion of interest income on the Bonds from gross income for federal income tax purposes, including a requirement that the District rebate to the federal government certain of the investment earnings with respect to the Bonds. Failure to comply with such restrictions, conditions and requirements could result in the interest income on the Bonds being included as gross income for federal income tax purposes from their date of issuance. The District has covenanted to comply with the restrictions, conditions, and requirements of the Code necessary to preserve the tax-exempt status of the Bonds. For

purposes of this opinion, we have assumed continuing compliance by the District with such restrictions, conditions and requirements.

The rights of the owners of the Bonds and the enforceability of those rights may be subject to bankruptcy, insolvency, reorganization, moratorium and similar laws affecting creditors' rights and the enforcement of those rights may be subject to the exercise of judicial discretion in accordance with general principles of equity.

Very truly yours,

---

Timothy A. Stratton, Esq  
The Stratton Law Firm, PLLC

FORM OF CONTINUING DISCLOSURE CERTIFICATE

\$16,000,000\*

YAVAPAI COUNTY COMMUNITY COLLEGE DISTRICT  
OF YAVAPAI COUNTY, ARIZONA  
(YAVAPAI COLLEGE)  
REVENUE BONDS  
SERIES 2024

CONTINUING DISCLOSURE CERTIFICATE  
(CUSIP Base No. 985205)

This Continuing Disclosure Certificate (this “*Disclosure Certificate*”) is undertaken by Yavapai County Community College District of Yavapai County, Arizona (the “*District*”) in connection with the issuance of \$16,000,000\* Revenue Bonds, Series 2024 (the “*Bonds*”). In consideration of the initial sale and delivery of the Bonds, the District covenants as follows:

**Section 1. Purpose of the Disclosure Certificate.** This Disclosure Certificate is for the benefit of the Bondholders and in order to assist the Participating Underwriter (as defined herein) in complying with the Rule (as defined herein).

**Section 2. Definitions.** Any capitalized term used herein shall have the following meanings, unless otherwise defined herein:

“*Annual Report*” shall mean the annual report provided by the District pursuant to, and as described in, Sections 3 and 4 of this Disclosure Certificate.

“*Bondholder*” shall mean any registered owner or beneficial owner of the Bonds.

“*Bond Counsel*” shall mean The Stratton Law Firm, PLLC or such other nationally recognized bond counsel as may be selected by the District.

“*Dissemination Agent*” shall mean the District, or any person designated in writing by the District as the Dissemination Agent.

“*EMMA*” shall mean the Electronic Municipal Market Access system, or any successor thereto approved by the U.S. Securities and Exchange Commission, as a repository for municipal continuing disclosure information pursuant to the Rule.

“*Financial Obligation*” shall mean a (i) debt obligation; (ii) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (iii) a guarantee of (i) or (ii). The term Financial Obligation shall not include municipal securities as to which a final official statement has been provided to the MSRB consistent with the Rule.

“*Listed Events*” shall mean any of the events listed in Section 5 of this Disclosure Certificate.

“*MSRB*” shall mean the Municipal Securities Rulemaking Board, or any successor thereto.

“*Official Statement*” shall mean the final official statement dated July \_\_\_, 2024 relating to the Bonds.

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\* Preliminary, subject to change.

“Participating Underwriter” shall mean any of the original underwriters of the Bonds required to comply with the Rule in connection with the offering of the Bonds.

“Rule” shall mean Rule 15c2-12(b)(5) adopted by the U.S. Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time.

**Section 3. Provision of Annual Reports.**

(a) The District shall, or shall cause the Dissemination Agent to, not later than March 1 of each year (the “Filing Date”), commencing March 1, 2025 provide electronically to MSRB, in a format prescribed by MSRB, an Annual Report for the fiscal year ending on the preceding June 30 which is consistent with the requirements of Section 4 of this Disclosure Certificate. Currently, filings are required to be made with EMMA. Not later than fifteen (15) business days prior to such Filing Date, the District shall provide the Annual Report to the Dissemination Agent (if other than the District).

(b) If the District is unable or for any reason fails to provide electronically to EMMA an Annual Report or any part thereof by the Filing Date required in subsection (a) above, the District shall, in a timely matter, send a notice to EMMA in substantially the form attached as Exhibit A not later than the Filing Date.

(c) If the District’s audited financial statements are not submitted with the Annual Report and the District fails to provide to EMMA a copy of its audited financial statements within 30 days of receipt thereof by the District, then the District shall, in a timely manner, send a notice to EMMA in substantially the form attached as Exhibit B.

(d) The Dissemination Agent shall:

(i) Determine each year prior to the date(s) for providing the Annual Report and audited financial statements the proper electronic filing address of EMMA, and

(ii) If the Dissemination Agent is other than the District, file a report or reports with the District certifying that the Annual Report and audited financial statements, if applicable, have been provided pursuant to this Disclosure Certificate, stating the date such information was provided and listing where it was provided.

**Section 4. Content of Annual Reports.**

(a) The Annual Report may be submitted as a single document or as separate documents comprising an electronic package, and may incorporate by reference other information as provided in this Section, including the audited financial statements of the District; provided, however, that if the audited financial statements of the District are not available at the time of the filing of the Annual Report, the District shall file unaudited financial statements of the District with the Annual Report and, when the audited financial statements of the District are available, the same shall be submitted to EMMA within thirty (30) days of receipt thereof by the District.

(b) The District’s Annual Report shall contain or incorporate by reference the following:

(i) Type of Financial and Operating Data to be Provided:

(A) Subject to the provisions of Sections 3 and 4(a) hereof, annual audited financial statements for the District.

(B) Annually updated financial information and operating data of the type contained in the following tables of the Official Statement:

Table 1 - Schedule of Actual Gross Revenues; and

Table 4 - Total Enrollment

Table 5 - Full Time Student Equivalents Enrollment.

(C) In the event of an amendment pursuant to Section 8 hereof not previously described

in an Annual Report, an explanation, in narrative form, of the reasons for the amendment and the impact of the change in the type of operating data or financial information being provided and, if the amendment is made to the accounting principles to be followed, a comparison between the financial statements or information prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles, including a qualitative discussion of the differences, and the impact on the presentation and, to the extent feasible, a quantitative comparison.

(ii) Accounting Principles Pursuant to Which Audited Financial Statements Shall Be Prepared: The audited annual financial statements shall be prepared in accordance with generally accepted accounting principles and state law requirements as are in effect from time to time. A more complete description of the accounting principles currently followed in the preparation of the District's audited annual financial statements is contained in Note 1 of the audited financial statements included within the Official Statement.

Notice of amendment to the accounting principles shall be sent within 30 days to EMMA.

(c) Any or all of the items listed above may be incorporated by reference from other documents, including official statements of debt issues of the District or related public entities, which have been submitted to EMMA or the U.S. Securities and Exchange Commission. If the document incorporated by reference is a final official statement, it must be available from EMMA. The District shall clearly identify each such other document so incorporated by reference.

**Section 5. Reporting of Listed Events.**

(a) This Section shall govern the giving of notices by the District, either directly or by directing the Dissemination Agent to do so, of the occurrence of any of the following events with respect to the Bonds. The District shall, in a timely manner, not in excess of ten business days after the occurrence of the event, provide notice of the following events with EMMA:

- (i) Principal and interest payment delinquencies;
- (ii) Non-payment related defaults, if material;
- (iii) Unscheduled draws on debt service reserves reflecting financial difficulties;
- (iv) Unscheduled draws on credit enhancements reflecting financial difficulties;
- (v) Substitution of credit or liquidity providers, or their failure to perform;
- (vi) Adverse tax opinions, the issuance by the Internal Revenue Service (the "IRS") of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds;
- (vii) Modifications to rights of Bondholders, if material;
- (viii) Bond calls, if material, and tender offers;
- (ix) Defeasances;
- (x) Release, substitution, or sale of property securing repayment of the Bonds, if material;
- (xi) Rating changes;
- (xii) Bankruptcy, insolvency, receivership or similar event of the District;
- (xiii) The consummation of a merger, consolidation, or acquisition involving the District or the sale of all or substantially all of the assets of the District, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;
- (xiv) Appointment of a successor or additional trustee or the change of name of a trustee, if material;
- (xv) Incurrence of a Financial Obligation of the obligated person, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the obligated person, any of which affect security holders, if material; and
- (xvi) Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the obligated person, any of which reflect financial difficulties.

(b) "Materiality" will be determined in accordance with the applicable federal securities laws.



Note to Section 5(12): For the purposes of the event identified in Section 5(a)(xii), the event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for the District in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the District, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the District.

**Section 6.** **Termination of Reporting Obligation.** The District's obligations under this Disclosure Certificate shall terminate upon the legal defeasance, prior redemption or payment in full of all of the Bonds. Such termination shall not terminate the obligation of the District to give notice of such defeasance or prior redemption.

**Section 7.** **Dissemination Agent.** The District may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Disclosure Certificate, and may discharge any such Dissemination Agent, with or without appointing a successor Dissemination Agent.

**Section 8.** **Amendment.** Notwithstanding any other provision of this Disclosure Certificate, the District may amend this Disclosure Certificate if:

(a) The amendment is made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in identity, nature or status of the District, or the type of business conducted;

(b) This Disclosure Certificate, as amended, would, in the opinion of Bond Counsel, have complied with the requirements of the Rule at the time of the primary offering of the Bonds, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and

(c) The amendment does not materially impair the interests of Bondholders, as determined by Bond Counsel.

**Section 9.** **Filing with EMMA.** The District shall, or shall cause the Dissemination Agent to, electronically file all items required to be filed with EMMA.

**Section 10.** **Additional Information.** If the District chooses to include any information in any Annual Report or notice of occurrence of a Listed Event in addition to that which is specifically required by this Disclosure Certificate, the District shall have no obligation under this Disclosure Certificate to update such information or include it in any future Annual Report or notice of occurrence of a Listed Event.

**Section 11.** **Default.** In the event of a failure of the District to comply with any provision of this Disclosure Certificate, any Bondholder may seek specific performance by court order to cause the District to comply with its obligations under this Disclosure Certificate. The sole remedy under this Disclosure Certificate in the event of any failure of the District to comply with this Disclosure Certificate shall be an action to compel performance and such failure shall not constitute a default under the Bonds or the resolution authorizing the Bonds.

**Section 12.** **Compliance by District.** The District hereby covenants to comply with the terms of this Disclosure Certificate. The District expressly acknowledges and agrees that compliance with the undertaking contained in this Disclosure Certificate is its sole responsibility and the responsibility of the Dissemination Agent, if any, and that such compliance, or monitoring thereof, is not the responsibility of, and no duty is present with respect thereto for, the Participating Underwriter or Bond Counsel.

**Section 13.** **Subject to Appropriation.** Pursuant to Arizona law, the District's undertaking to provide information under this Disclosure Certificate is subject to appropriation to cover the costs of preparing and sending the Annual Report and notices of Listed Events to EMMA. Should funds that would enable the District to provide the information required to be disclosed hereunder not be appropriated, then notice of such fact will be made in a timely manner to EMMA in the form attached as Exhibit C.

**Section 14. Beneficiaries.** This Disclosure Certificate shall inure solely to the benefit of the District, the Dissemination Agent, the Participating Underwriter and the Bondholders, and shall create no rights in any other person or entity.

**Section 15. Governing Law and Interpretation of Terms.** This Disclosure Certificate shall be governed by the law of the State of Arizona and any action to enforce this Disclosure Certificate must be brought in an Arizona state court. The terms and provisions of this Disclosure Certificate shall be interpreted in a manner consistent with the interpretation of such terms and provisions under the Rule and the federal securities law.

Dated: July \_\_, 2024

**YAVAPAI COUNTY COMMUNITY COLLEGE DISTRICT  
OF YAVAPAI COUNTY, ARIZONA**

By: \_\_\_\_\_  
Its: Director of Business Services

**EXHIBIT A  
NOTICE OF FAILURE TO FILE ANNUAL REPORT**

Name of Issuer: Yavapai County Community College District of Yavapai County, Arizona  
Name of Bond Issue: \$ \_\_\_\_\_ Revenue Bonds, Series 2024

Dated Date of Bonds: July \_\_, 2024 Base CUSIP: 985205 \_\_

NOTICE IS HEREBY GIVEN that the District has not provided an Annual Report with respect to the above-named Bonds as required by Section 3(a) of the Disclosure Certificate dated \_\_\_\_\_, 2024. The District anticipates that the Annual Report for fiscal year ended June 30, \_\_\_\_ will be filed by \_\_\_\_\_.

Dated: \_\_\_\_\_, \_\_\_\_\_

Yavapai County Community College District of Yavapai County,  
Arizona  
By \_\_\_\_\_  
Its \_\_\_\_\_

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**EXHIBIT B  
NOTICE OF FAILURE TO FILE AUDITED FINANCIAL STATEMENTS**

Name of Issuer: Yavapai County Community College District of Yavapai County, Arizona  
Name of Bond Issue: \$ \_\_\_\_\_ Revenue Bonds, Series 2024

Dated Date of Bonds: July \_\_, 2024 Base CUSIP: 985205 \_\_

NOTICE IS HEREBY GIVEN that the District failed to provide its audited financial statements with its Annual Report or, if not then available, within 30 days of receipt as required by Section 4(a) of the Disclosure Certificate dated \_\_\_\_\_, 2024, with respect to the above-named Bonds. The District anticipates that the audited financial statements for the fiscal year ended June 30, \_\_\_\_ will be filed by \_\_\_\_\_.

Dated: \_\_\_\_\_, \_\_\_\_\_

Yavapai County Community College District of Yavapai County,  
Arizona  
By \_\_\_\_\_  
Its \_\_\_\_\_

-----  
**EXHIBIT C  
NOTICE OF FAILURE TO APPROPRIATE FUNDS**

Name of Issuer: Yavapai County Community College District of Yavapai County, Arizona  
Name of Bond Issue: \$ \_\_\_\_\_ Revenue Bonds, Series 2024

Dated Date of Bonds: July \_\_, 2024 Base CUSIP: 985205 \_\_

NOTICE IS HEREBY GIVEN that the District failed to appropriate funds necessary to perform the undertaking required by the Disclosure Certificate dated \_\_\_\_\_, 2024.

Dated: \_\_\_\_\_, \_\_\_\_\_

Yavapai County Community College District of Yavapai  
County, Arizona  
By \_\_\_\_\_  
Its \_\_\_\_\_

**AUDITED FINANCIAL STATEMENTS FOR  
THE FISCAL YEAR ENDED JUNE 30, 2023**

The District neither requested nor obtained the consent of the State of Arizona Office of the Auditor General to include their report and the Office of the Auditor General has performed no procedures subsequent to rendering their opinion on the financial statements.

The following audited general purpose financial statements are for the fiscal year ended June 30, 2023. These are the most recent audited annual general purpose financial statements available to the District. These financial statements may not represent the current financial conditions of the District. For discussions about such statements and the availability of other financial reports of the District, see “FINANCIAL CONDITION OF THE DISTRICT – Financial Reports and Examination of Accounts” herein.

**BOOK-ENTRY-ONLY SYSTEM**

THE INFORMATION PROVIDED UNDER THIS SUBCAPTION “BOOK-ENTRY-ONLY SYSTEM” HAS BEEN PROVIDED BY DTC. NO REPRESENTATION IS MADE BY THE DISTRICT, BOND COUNSEL OR THE UNDERWRITER AS TO THE ACCURACY OR ADEQUACY OF SUCH INFORMATION PROVIDED BY DTC OR AS TO THE ABSENCE OF MATERIAL ADVERSE CHANGES IN SUCH INFORMATION SUBSEQUENT TO THE DATE HEREOF.

The Depository Trust Company (“DTC”), New York, NY, will act as securities depository for the Series 2024 Bonds. The Series 2024 Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC’s partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Bond will be issued for each maturity of the Series 2024 Bonds in the aggregate principal amount of the Series 2024 Bonds and will be deposited with DTC.

DTC, the world’s largest depository, is a limited-purpose trust company organized under the New York Banking Law, a “banking organization” within the meaning of the New York Banking Law, a member of the Federal Reserve System, a “clearing corporation” within the meaning of the New York Uniform Commercial Code, and a “clearing agency” registered pursuant to the provisions of section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC’s participants (“Direct Participants”) deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants’ accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations and certain other organizations. DTC is a wholly owned subsidiary of The Depository Trust & Clearing Corporation (“DTCC”). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly (“Indirect Participants”). DTC has a Standard & Poor’s rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at [www.dtcc.com](http://www.dtcc.com).

Purchases of beneficial interests in the Series 2024 Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Series 2024 Bonds on DTC’s records. The ownership interest of each actual purchaser of a beneficial interest in a Bond (“Beneficial Owner”) is in turn to be recorded on the Direct Participants’ and Indirect Participants’ records. Beneficial Owners will not receive written confirmation from DTC of their purchase, but Beneficial Owners are expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct Participant or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of beneficial ownership interests in the Series 2024 Bonds are to be accomplished by entries made on the books of Direct Participants and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in the Series 2024 Bonds, except in the event that use of the book-entry system for the Series 2024 Bonds is discontinued.

To facilitate subsequent transfers, all Series 2024 Bonds deposited by Direct Participants with DTC are registered in the name of DTC’s partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Series 2024 Bonds with DTC and their registration in the name of Cede & Co. or such other nominee effect no change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Series 2024 Bonds; DTC’s records reflect only the identity of the Direct Participants to whose accounts such Series 2024 Bonds are credited, which may or may not be the Beneficial Owners. The Direct Participants and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Series 2024 Bonds may wish to take certain steps to augment transmission to them of notices of significant events with respect to the Series 2024 Bonds such as redemptions, defaults, and proposed amendments to the Resolution. For example, Beneficial Owners of Series 2024 Bonds may wish to ascertain that the nominee holding the Series 2024 Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners, or in the alternative, Beneficial Owners may wish to provide their names and addresses to the Bond Registrar and request that copies of the notices be provided directly to them.

Redemption notices shall be sent to DTC. If less than all of the Series 2024 Bonds are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in the Series 2024 Bonds to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will, if applicable, consent or vote with respect to the Series 2024 Bonds unless authorized by a Direct Participant in accordance with DTC's procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the District as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the Series 2024 Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Principal, redemption premium, if any, and interest payments represented by the Series 2024 Bonds will be made by the Trustee to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts, upon DTC's receipt of funds and corresponding detail information from the District or the Trustee on the payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Trustee, or the District, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal, redemption premium, if any, and interest to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Trustee, disbursement of such payments to Direct Participants shall be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners shall be the responsibility of Direct Participants and Indirect Participants.

A Beneficial Owner shall give notice to elect to have its Series 2024 Bonds purchased or tendered, through its Participant, to the Trustee, and shall effect delivery of such Series 2024 Bonds by causing the Direct Participant to transfer the Participant's interest in the Series 2024 Bonds, on DTC's records, to the Trustee. The requirement for physical delivery of Series 2024 Bonds in connection with an optional tender or a mandatory purchase will be deemed satisfied when the ownership rights in the Series 2024 Bonds are transferred by Direct Participants on DTC's records and followed by a book-entry credit of tendered Series 2024 Bonds to the Trustee's DTC account.

DTC may discontinue providing its services as securities depository with respect to the Series 2024 Bonds at any time by giving reasonable notice to the Trustee or the District. Under such circumstances, in the event that a successor securities depository is not obtained, Series 2024 Bonds are required to be printed and delivered. The District may decide to discontinue use of the system of book-entry transfers through DTC (or a successor securities depository). In that event, Series 2024 Bonds will be printed and delivered.

NEITHER THE DISTRICT NOR THE TRUSTEE WILL HAVE RESPONSIBILITY OR OBLIGATION TO DTC PARTICIPANTS OR TO INDIRECT PARTICIPANTS WITH RESPECT TO (1) THE ACCURACY OF ANY RECORDS MAINTAINED BY DTC, ANY DIRECT PARTICIPANT, OR ANY INDIRECT PARTICIPANT; (2) ANY NOTICE THAT IS PERMITTED OR REQUIRED TO BE GIVEN TO THE OWNERS OF THE SERIES 2024 Bonds UNDER THE BOND RESOLUTION; (3) THE SELECTION BY DTC OR ANY DIRECT PARTICIPANT OR INDIRECT PARTICIPANT OF ANY PERSON TO RECEIVE PAYMENT IN THE EVENT OF A PARTIAL REDEMPTION OF THE SERIES 2024 Bonds; (4) THE PAYMENT BY DTC OR ANY DIRECT PARTICIPANT OR INDIRECT PARTICIPANT OF ANY AMOUNT WITH RESPECT TO THE PRINCIPAL OR

REDEMPTION PREMIUM, IF ANY, OR INTEREST DUE WITH RESPECT TO THE SERIES 2024 Bonds; (5) ANY CONSENT GIVEN OR OTHER ACTION TAKEN BY DTC AS THE OWNER OF SERIES 2024 Bonds; OR (6) ANY OTHER MATTERS.

So long as Cede & Co. is the registered Owner of the Series 2024 Bonds, as nominee for DTC, references herein to “Owner” or registered owners of the Series 2024 Bonds (other than under the caption “TAX EXEMPTION”) shall mean Cede & Co., as aforesaid, and shall not mean the Beneficial Owners of such Series 2024 Bonds.

When reference is made to any action which is required or permitted to be taken by the Beneficial Owners, such reference shall only relate to those permitted to act (by statute, regulation or otherwise) on behalf of such Beneficial Owners for such purposes. When notices are given, they shall be sent by the District or the Trustee to DTC only.

**SPECIMEN MUNICIPAL BOND INSURANCE POLICY**



THE STRATTON LAW FIRM, PLLC  
Attorneys and Counselors

9375 East Shea Boulevard, Suite 100  
Scottsdale, Arizona 85260

TIMOTHY A. STRATTON  
480-863-3444 (Office)  
480-202-5217 (Mobile)  
[tim@thestrattonlawfirm.net](mailto:tim@thestrattonlawfirm.net)

July \_\_, 2024

GOVERNING BOARD  
YAVAPAI COUNTY COMMUNITY COLLEGE  
DISTRICT OF YAVAPAI COUNTY; ARIZONA

RAYMOND JAMES & ASSOCIATES, INC.

We have examined the transcript of proceedings relating to the issuance by the Yavapai County Community College District of Yavapai County, Arizona (the “District”), of its \$16,000,000 aggregate principal amount of Revenue Bonds, Series 2024 (the “Bonds”) issued pursuant to a resolution of the District adopted on May 21, 2024 (the “Bond Resolution”).

As to questions of fact material to our opinion, we have relied upon, and assumed due and continuing compliance with the provisions of, the proceedings and other documents, and have relied upon certifications, covenants and representations furnished to us without undertaking to verify the same by independent investigation, including, without limitation, those with respect to causing interest on the Bonds to be and remain excluded from gross income for federal income tax purposes.

Based upon the foregoing, we are of the opinion, as of this date, which is the date of initial delivery of the Bonds against payment therefor, that:

1. The District is duly organized and validly existing pursuant to the laws of the State of Arizona, is designated by law as a political subdivision of the State of Arizona, and has all requisite power to execute and deliver, to perform its obligations pursuant to the Bond Resolution and to issue the Bonds.

2. The Bond Resolution has been duly authorized, executed and delivered by the District and is valid and binding upon and enforceable against the District.

3. The proceedings show lawful authority for the Bonds under the Constitution and laws of the State of Arizona. The Bonds are valid and legally binding on the District, and the Bonds and all bonds and other obligations heretofore or hereafter issued on a parity therewith are payable exclusively from and enjoy a first lien on the tuitions, fees, rentals and other charges from students, faculty and others using or being served by, or having the right to use, or the right to be served by

any classrooms and revenue producing projects, existing or hereafter constructed, held for and on behalf of the District and located in the District, all as provided in the Bond Resolution.

4. Under existing laws, regulations, rulings and judicial decisions, the interest income on the Bonds is excluded from gross income for the purpose of calculating federal income taxes and is exempt from Arizona income taxes. Interest income on the Bonds is not an item of tax preference to be included in computing the alternative minimum tax for individuals. For tax years beginning after December 31, 2022, interest on the Bonds may affect the corporate alternative minimum tax for certain corporations. The Bonds are not private activity bonds within the meaning of Section 141 of the Internal Revenue Code of 1986, as amended (the “Code”). We express no opinion regarding other federal tax consequences arising with respect to the Bonds.

The Code imposes various restrictions, conditions and requirements relating to the continued exclusion of interest income on the Bonds from gross income for federal income tax purposes, including a requirement that the District rebate to the federal government certain of the investment earnings with respect to the Bonds. Failure to comply with such restrictions, conditions and requirements could result in the interest income on the Bonds being included as gross income for federal income tax purposes from their date of issuance. The District has covenanted to comply with the restrictions, conditions, and requirements of the Code necessary to preserve the tax-exempt status of the Bonds. For purposes of this opinion, we have assumed continuing compliance by the District with such restrictions, conditions and requirements.

The rights of the owners of the Bonds and the enforceability of those rights may be subject to bankruptcy, insolvency, reorganization, moratorium and similar laws affecting creditors’ rights and the enforcement of those rights may be subject to the exercise of judicial discretion in accordance with general principles of equity.

Very truly yours,

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Timothy A. Stratton, Esq  
The Stratton Law Firm, PLLC

THE STRATTON LAW FIRM, PLLC

Attorneys and Counselors

9375 East Shea Boulevard, Suite 100  
Scottsdale, Arizona 85260

TIMOTHY A. STRATTON  
480-863-3444 (Office)  
480-202-5217 (Mobile)  
[tim@thestrattonlawfirm.net](mailto:tim@thestrattonlawfirm.net)

July \_\_, 2024

Raymond James & Associates, Inc.  
Scottsdale, Arizona

U.S. Bank Trust Company, National Association  
Phoenix, Arizona

Re: Yavapai County Community College District of Yavapai  
County, Arizona, Revenue Bonds, Series 2024  
Our File No. \_\_\_\_\_

Ladies and Gentlemen:

We have on this date rendered to the Governing Board of Yavapai County Community College District of Yavapai County, Arizona (the “District”), our approving legal opinion regarding the District’s \$16,000,000 aggregate principal amount of Revenue Bonds, Series 2024 (the “Bonds”).

We have examined the law and such documents and matters as we have deemed necessary to render this opinion, including the applicable laws of the State of Arizona and applicable portions of the Internal Revenue Code of 1986, as amended.

As to questions of fact material to our opinion, we have relied upon and have assumed due compliance with certifications and representations furnished to us without undertaking to verify the same by independent investigation.\

Any terms used herein and not defined have the meanings ascribed thereto in the Bond Purchase Agreement dated June \_\_, 2024 (the “Purchase Agreement”), by and between the District and Raymond James & Associates, Inc. (the “Underwriter”).

Based upon the foregoing, we are of the opinion that:

1. The Resolution has been duly adopted and is in full force and effect, and the other District Documents have been duly authorized, executed and delivered, as applicable, by the District and (assuming due authorization and execution by the other parties thereto, as applicable)

are legal, valid and binding obligations of the District, enforceable in accordance with their terms, subject to customary exceptions for bankruptcy and judicial discretion.

2. It is not necessary, in connection with the offering and sale of the Bonds, to register the Bonds under the Securities Act of 1933, as amended (the “1933 Act”) or to qualify the Resolution under the Trust Indenture Act of 1939, as amended (the “Trust Indenture Act”).

3. The information contained in the Preliminary Official Statement and the Official Statement on the cover page thereof, under the headings entitled “INTRODUCTION,” “THE SERIES 2024 BONDS,” “SECURITY AND SOURCE OF PAYMENT,” “TAX EXEMPTION,” “ORIGINAL ISSUE DISCOUNT,” “ORIGINAL ISSUE PREMIUM” and “CONTINUING DISCLOSURE” (other than matters relating to the District’s compliance with prior undertakings as to which no opinion shall be expressed) therein, and in Appendices B, C and D thereto, insofar as such information summarizes certain provisions of the Bonds, the District Documents and certain provisions of State and federal law, including the federal and State income status of interest on the Bonds, fairly present the information purported to be shown; provided, however, that such information does not purport to summarize all the provisions of, and is qualified in its entirety by, the complete documents which are summarized and, based solely on such counsel’s participation in the transaction as Bond Counsel, nothing has come to our attention that would lead us to believe that the information and statements in the Preliminary Official Statement, as of its date and as of the date hereof, and the Official Statement, as of the date hereof and as of the Closing Date, contained or contain any untrue statement of a material fact or omitted or omit to state a material fact necessary in order to make the statements therein, in light of the circumstances under which they were made, not misleading; provided, however, that no view need be expressed as to the financial statements of the District, any other financial forecast, technical or statistical data, and any information in the Preliminary Official Statement or the Official Statement regarding DTC [or the Insurer].

4. No consent of any other party and no consent, license, approval or authorization of, exemption by, or registration with any governmental body, authority, bureau or agency (other than those that have been obtained or will be obtained prior to the delivery of the Bonds and other than approvals that may be required under “blue sky” laws of any jurisdiction) is required in connection with the adoption by the District of the Resolution, or the authorization, execution, delivery and performance, as applicable, by the District of the other District Documents.

Notwithstanding the foregoing, the enforceability of the Purchase Agreement and the enforceability of the Bonds by the Underwriter, as the owner of the Bonds, is subject to all applicable laws regarding conflicts of interest, and we express no opinion with respect to the impact of any such laws on the enforceability of the Purchase Agreement and the enforceability of the Bonds by the Underwriter, as owner of the Bonds.

Very truly yours,

---

Timothy A. Stratton, Esq  
The Stratton Law Firm, PLLC

**\$16,000,000**  
**YAVAPAI COUNTY COMMUNITY COLLEGE**  
**DISTRICT OF YAVAPAI COUNTY, ARIZONA**  
**REVENUE BONDS, SERIES 2024**

**CONTINUING DISCLOSURE CERTIFICATE**  
**(CUSIP Base No. 985205)**

This Continuing Disclosure Certificate (this “*Disclosure Certificate*”) is undertaken by Yavapai County Community College District of Yavapai County, Arizona (the “*District*”) in connection with the issuance of \$16,000,000 Revenue Bonds, Series 2024 (the “*Bonds*”). In consideration of the initial sale and delivery of the Bonds, the District covenants as follows:

**Section 1.**     **Purpose of the Disclosure Certificate.** This Disclosure Certificate is for the benefit of the Bondholders and in order to assist the Participating Underwriter (as defined herein) in complying with the Rule (as defined herein).

**Section 2.**     **Definitions.** Any capitalized term used herein shall have the following meanings, unless otherwise defined herein:

“*Annual Report*” shall mean the annual report provided by the District pursuant to, and as described in, Sections 3 and 4 of this Disclosure Certificate.

“*Bondholder*” shall mean any registered owner or beneficial owner of the Bonds.

“*Bond Counsel*” shall mean The Stratton Law Firm, PLLC or such other nationally recognized bond counsel as may be selected by the District.

“*Dissemination Agent*” shall mean the District, or any person designated in writing by the District as the Dissemination Agent.

“*EMMA*” shall mean the Electronic Municipal Market Access system, or any successor thereto approved by the U.S. Securities and Exchange Commission, as a repository for municipal continuing disclosure information pursuant to the Rule.

“*Financial Obligation*” shall mean a (i) debt obligation; (ii) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (iii) a guarantee of (i) or (ii). The term Financial Obligation shall not include municipal securities as to which a final official statement has been provided to the MSRB consistent with the Rule.

“*Listed Events*” shall mean any of the events listed in Section 5 of this Disclosure Certificate.

“*MSRB*” shall mean the Municipal Securities Rulemaking Board, or any successor thereto.

“*Official Statement*” shall mean the final official statement dated June \_\_, 2024 relating to

the Bonds.

“*Participating Underwriter*” shall mean any of the original underwriters of the Bonds required to comply with the Rule in connection with the offering of the Bonds.

“*Rule*” shall mean Rule 15c2-12(b)(5) adopted by the U.S. Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time.

### **Section 3. Provision of Annual Reports.**

(a) The District shall, or shall cause the Dissemination Agent to, not later than March 1 of each year (the “*Filing Date*”), commencing March 1, 2025 provide electronically to MSRB, in a format prescribed by MSRB, an Annual Report for the fiscal year ending on the preceding June 30 which is consistent with the requirements of Section 4 of this Disclosure Certificate. Currently, filings are required to be made with EMMA. Not later than fifteen (15) business days prior to such Filing Date, the District shall provide the Annual Report to the Dissemination Agent (if other than the District).

(b) If the District is unable or for any reason fails to provide electronically to EMMA an Annual Report or any part thereof by the Filing Date required in subsection (a) above, the District shall, in a timely matter, send a notice to EMMA in substantially the form attached as *Exhibit A* not later than the Filing Date.

(c) If the District’s audited financial statements are not submitted with the Annual Report and the District fails to provide to EMMA a copy of its audited financial statements within 30 days of receipt thereof by the District, then the District shall, in a timely manner, send a notice to EMMA in substantially the form attached as *Exhibit B*.

(d) The Dissemination Agent shall:

(i) Determine each year prior to the date(s) for providing the Annual Report and audited financial statements the proper electronic filing address of EMMA, and

(ii) If the Dissemination Agent is other than the District, file a report or reports with the District certifying that the Annual Report and audited financial statements, if applicable, have been provided pursuant to this Disclosure Certificate, stating the date such information was provided and listing where it was provided.

### **Section 4. Content of Annual Reports.**

(a) The Annual Report may be submitted as a single document or as separate documents comprising an electronic package, and may incorporate by reference other information as provided in this Section, including the audited financial statements of the District; provided, however, that if the audited financial statements of the District are not available at the time of the filing of the Annual Report, the District shall file unaudited financial statements of the District

with the Annual Report and, when the audited financial statements of the District are available, the same shall be submitted to EMMA within thirty (30) days of receipt thereof by the District.

(b) The District's Annual Report shall contain or incorporate by reference the following:

(i) Type of Financial and Operating Data to be Provided:

(A) Subject to the provisions of Sections 3 and 4(a) hereof, annual audited financial statements for the District.

(B) Annually updated financial information and operating data of the type contained in the following tables of the Official Statement:

Table 1 - Schedule of Actual Gross Revenues;

Table 4 - Total Enrollment; and

Table 5 - Full Time Student Equivalents Enrollment.

(C) In the event of an amendment pursuant to Section 8 hereof not previously described in an Annual Report, an explanation, in narrative form, of the reasons for the amendment and the impact of the change in the type of operating data or financial information being provided and, if the amendment is made to the accounting principles to be followed, a comparison between the financial statements or information prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles, including a qualitative discussion of the differences, and the impact on the presentation and, to the extent feasible, a quantitative comparison.

(ii) Accounting Principles Pursuant to Which Audited Financial Statements Shall Be Prepared: The audited annual financial statements shall be prepared in accordance with generally accepted accounting principles and state law requirements as are in effect from time to time. A more complete description of the accounting principles currently followed in the preparation of the District's audited annual financial statements is contained in Note 1 of the audited financial statements included within the Official Statement.

Notice of amendment to the accounting principles shall be sent within 30 days to EMMA.

(c) Any or all of the items listed above may be incorporated by reference from other documents, including official statements of debt issues of the District or related public entities, which have been submitted to EMMA or the U.S. Securities and Exchange Commission. If the document incorporated by reference is a final official statement, it must be available from EMMA. The District shall clearly identify each such other document so incorporated by reference.

**Section 5. Reporting of Listed Events.**

(a) This Section shall govern the giving of notices by the District, either directly or by directing the Dissemination Agent to do so, of the occurrence of any of the following events with respect to the Bonds. The District shall, in a timely manner, not in excess of ten business days after the occurrence of the event, provide notice of the following events with EMMA:

- (i) Principal and interest payment delinquencies;
- (ii) Non-payment related defaults, if material;
- (iii) Unscheduled draws on debt service reserves reflecting financial difficulties;
- (iv) Unscheduled draws on credit enhancements reflecting financial difficulties;
- (v) Substitution of credit or liquidity providers, or their failure to perform;
- (vi) Adverse tax opinions, the issuance by the Internal Revenue Service (the “IRS”) of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds;
- (vii) Modifications to rights of Bondholders, if material;
- (viii) Bond calls, if material, and tender offers;
- (ix) Defeasances;
- (x) Release, substitution, or sale of property securing repayment of the Bonds, if material;
- (xi) Rating changes;
- (xii) Bankruptcy, insolvency, receivership or similar event of the District;
- (xiii) The consummation of a merger, consolidation, or acquisition involving the District or the sale of all or substantially all of the assets of the District, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;
- (xiv) Appointment of a successor or additional trustee or the change of name of a trustee, if material;
- (xv) Incurrence of a Financial Obligation of the obligated person, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the obligated person, any of which affect security holders, if material; and
- (xvi) Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the obligated person, any of which reflect financial difficulties.

(b) “Materiality” will be determined in accordance with the applicable federal securities laws.



Note to Section 5(12): For the purposes of the event identified in Section 5(a)(xii), the event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for the District in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the District, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the District.

**Section 6. Termination of Reporting Obligation.** The District's obligations under this Disclosure Certificate shall terminate upon the legal defeasance, prior redemption or payment in full of all of the Bonds. Such termination shall not terminate the obligation of the District to give notice of such defeasance or prior redemption.

**Section 7. Dissemination Agent.** The District may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Disclosure Certificate, and may discharge any such Dissemination Agent, with or without appointing a successor Dissemination Agent.

**Section 8. Amendment.** Notwithstanding any other provision of this Disclosure Certificate, the District may amend this Disclosure Certificate if:

(a) The amendment is made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in identity, nature or status of the District, or the type of business conducted;

(b) This Disclosure Certificate, as amended, would, in the opinion of Bond Counsel, have complied with the requirements of the Rule at the time of the primary offering of the Bonds, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and

(c) The amendment does not materially impair the interests of Bondholders, as determined by Bond Counsel.

**Section 9. Filing with EMMA.** The District shall, or shall cause the Dissemination Agent to, electronically file all items required to be filed with EMMA.

**Section 10. Additional Information.** If the District chooses to include any information in any Annual Report or notice of occurrence of a Listed Event in addition to that which is specifically required by this Disclosure Certificate, the District shall have no obligation under this Disclosure Certificate to update such information or include it in any future Annual Report or notice of occurrence of a Listed Event.

**Section 11.** **Default.** In the event of a failure of the District to comply with any provision of this Disclosure Certificate, any Bondholder may seek specific performance by court order to cause the District to comply with its obligations under this Disclosure Certificate. The sole remedy under this Disclosure Certificate in the event of any failure of the District to comply with this Disclosure Certificate shall be an action to compel performance and such failure shall not constitute a default under the Bonds or the resolution authorizing the Bonds.

**Section 12.** **Compliance by District.** The District hereby covenants to comply with the terms of this Disclosure Certificate. The District expressly acknowledges and agrees that compliance with the undertaking contained in this Disclosure Certificate is its sole responsibility and the responsibility of the Dissemination Agent, if any, and that such compliance, or monitoring thereof, is not the responsibility of, and no duty is present with respect thereto for, the Participating Underwriter or Bond Counsel.

**Section 13.** **Subject to Appropriation.** Pursuant to Arizona law, the District's undertaking to provide information under this Disclosure Certificate is subject to appropriation to cover the costs of preparing and sending the Annual Report and notices of Listed Events to EMMA. Should funds that would enable the District to provide the information required to be disclosed hereunder not be appropriated, then notice of such fact will be made in a timely manner to EMMA in the form attached as *Exhibit C*.

**Section 14.** **Beneficiaries.** This Disclosure Certificate shall inure solely to the benefit of the District, the Dissemination Agent, the Participating Underwriter and the Bondholders, and shall create no rights in any other person or entity.

**Section 15.** **Governing Law and Interpretation of Terms.** This Disclosure Certificate shall be governed by the law of the State of Arizona and any action to enforce this Disclosure Certificate must be brought in an Arizona state court. The terms and provisions of this Disclosure Certificate shall be interpreted in a manner consistent with the interpretation of such terms and provisions under the Rule and the federal securities law.

[Signature on following page]

Dated: \_\_\_\_\_, 2024.

**YAVAPAI COUNTY COMMUNITY  
COLLEGE DISTRICT OF YAVAPAI  
COUNTY, ARIZONA**

By: \_\_\_\_\_  
Its: Director of Business Services

**EXHIBIT A**  
**NOTICE OF FAILURE TO FILE ANNUAL REPORT**

Name of Issuer: Yavapai County Community College District of Yavapai County, Arizona  
Name of Bond Issue: \$16,000,000 Revenue Bonds, Series 2024

Dated Date of Bonds: \_\_\_\_\_, 2024 Base CUSIP: 985205 \_\_\_\_

NOTICE IS HEREBY GIVEN that the District has not provided an Annual Report with respect to the above-named Bonds as required by Section 3(a) of the Disclosure Certificate dated \_\_\_\_\_, 2024. The District anticipates that the Annual Report for fiscal year ended June 30, \_\_\_\_ will be filed by \_\_\_\_\_.

Dated: \_\_\_\_\_, 20\_\_

Yavapai County Community College District of Yavapai  
County, Arizona  
By \_\_\_\_\_  
Its \_\_\_\_\_

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**EXHIBIT B**  
**NOTICE OF FAILURE TO FILE AUDITED FINANCIAL STATEMENTS**

Name of Issuer: Yavapai County Community College District of Yavapai County, Arizona  
Name of Bond Issue: \$16,000,000 Revenue Bonds, Series 2024

Dated Date of Bonds: \_\_\_\_\_, 2024 Base CUSIP: 985205 \_\_\_\_

NOTICE IS HEREBY GIVEN that the District failed to provide its audited financial statements with its Annual Report or, if not then available, within 30 days of receipt as required by Section 4(a) of the Disclosure Certificate dated \_\_\_\_\_, 2024, with respect to the above-named Bonds. The District anticipates that the audited financial statements for the fiscal year ended June 30, \_\_\_\_ will be filed by \_\_\_\_\_.

Dated: \_\_\_\_\_, 20\_\_

Yavapai County Community College District of Yavapai  
County, Arizona  
By \_\_\_\_\_  
Its \_\_\_\_\_

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**EXHIBIT C**  
**NOTICE OF FAILURE TO APPROPRIATE FUNDS**

Name of Issuer: Yavapai County Community College District of Yavapai County, Arizona  
Name of Bond Issue: \$16,000,000 Revenue Bonds, Series 2024

Dated Date of Bonds: \_\_\_\_\_, 2024 Base CUSIP: 985205 \_\_\_\_

NOTICE IS HEREBY GIVEN that the District failed to appropriate funds necessary to perform the undertaking required by the Disclosure Certificate dated \_\_\_\_\_, 2024.

Dated: \_\_\_\_\_, 20\_\_

Yavapai County Community College District of Yavapai  
County, Arizona  
By \_\_\_\_\_  
Its \_\_\_\_\_

**DISTRICT FEDERAL TAXPAYER I.D. NO. 86-0208371**

**BOND REGISTRAR, TRANSFER AGENT AND PAYING AGENT CONTRACT FOR BONDS OF YAVAPAI COUNTY COMMUNITY COLLEGE DISTRICT OF YAVAPAI COUNTY, ARIZONA**

This Bond Registrar, Transfer Agent and Paying Agent Contract dated as of July \_\_, 2024 (the “*Contract*”), made and entered into by and among the **YAVAPAI COUNTY COMMUNITY COLLEGE DISTRICT OF YAVAPAI COUNTY, ARIZONA** (hereinafter called the “*District*”); and **U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION** (hereinafter called the “*Bank*”) witnesseth as follows:

The District will issue its bonds which will be known as Yavapai County Community College District of Yavapai County, Arizona, Revenue Bonds, Series 2024 (the “*Bonds*”). The Bonds will be issued in the aggregate principal amount of \$16,000,000. The services of a registrar, transfer agent and paying agent are necessary and in the best interests of the District. Initially, the Bonds will be issued in book-entry-only form through The Depository Trust Company (“*DTC*”) and, so long as the book- entry-only system (the “*Book-Entry-Only System*”) is in effect, the Bonds will be registered in the name of Cede & Co., the nominee name of DTC.

The Bank desires to perform registrar, transfer agent and paying agent services during the life of the Bonds.

For and in consideration of the mutual promises, covenants, conditions and agreements hereinafter set forth, the parties do agree as follows:

1. **Services**. The Bank hereby agrees to provide the following services:

A. Registrar services which shall include, but not be limited to, (1) authenticating and verifying Bonds; (2) keeping registration books sufficient to comply with Section 149 of the Internal Revenue Code of 1986, as amended (the “*Code*”); (3) recording transfers of ownership of the Bonds promptly as such transfers occur; (4) protecting against double or overissuance; (5) authenticating new Bonds prepared for issuance to transferees of original and subsequent purchasers; and (6) informing the District of the need for additional printings of the Bonds should the forms printed prior to initial delivery prove inadequate.

B. Transfer agent services which shall include, but not be limited to, (1) receiving and verifying all Bonds tendered for transfer; (2) preparing new Bonds for delivery to transferees and delivering the same either by delivery or by mail, as the case may be; (3) destroying Bonds submitted for transfer; and (4) providing proper information for recordation in the registration books.

C. Paying agent services which shall include, but not be limited to, (1) providing a billing to the District at least thirty (30) days prior to a Bond interest payment date setting forth the amount of principal and interest due on such date; (2) preparing, executing, wiring or mailing all interest payments to each registered owner of the Bonds on or before the scheduled payment

date and in no event later than the time established by DTC, on the date such payments are due, unless sufficient funds to make such payments have not been received by the Bank; (3) verifying all matured Bonds upon their surrender; (4) paying, or causing to be paid, all principal and premium, if any, due upon Bonds as they are properly surrendered therefor to the Bank; (5) preparing a semiannual reconciliation showing all principal and interest paid during the period and providing copies thereof to the District; (6) inventorying all documentation of payments made, including the amount, payee and wire confirmation or imaged information for six (6) years after payment; and (7) making proof of such payments available to the District or any owner or former owner.

2. **Record Date.** The Record Date for the payment of interest will be the fifteenth day of the month preceding an interest payment date, or if such date is a Saturday, Sunday or legal holiday or equivalent (other than a moratorium) of the Registrar, the previous business day. Normal transfer activities will continue after the Record Date but the interest payment on a particular certificate will be mailed to the registered owners of Bonds as shown on the books of the Bank on the close of business on the Record Date. Principal (and premium, if any) shall be paid only on surrender of the particular Bond at or after its maturity or prior redemption date, if applicable.

3. **Redemption; Redemption Notices.** The Bank agrees to provide certain notices to the Bond owners as required to be provided by the Bank in, and upon being provided with a copy of, the resolution of the District approving the issuance, sale and delivery of the Bonds. So long as the Book-Entry-Only System is in effect, the Bank shall send notices of redemption to DTC in the manner required by DTC. If the Book-Entry-Only System is discontinued, the Bank shall mail notice of redemption of any Bond to the registered owner of the Bond or Bonds being redeemed at the address shown on the bond register maintained by the registrar not more than sixty (60) nor less than thirty (30) days prior to the date set for redemption. Notice of redemption may be sent to any securities depository by mail, facsimile transmission, wire transmission or any other means of transmission of the notice generally accepted by the respective securities depository. Neither the failure of any registered owner of Bonds to receive a notice of redemption nor any defect therein will affect the validity of the proceedings for redemption of Bonds as to which proper notice of redemption was given.

The Bank also agrees to send notice of any redemption to the Municipal Securities Rulemaking Board (the “MSRB”), currently through the MSRB’s Electronic Municipal Market Access system, in the manner required by the MSRB, but no defect in said further notice or record nor any failure to give all or a portion of such further notice shall in any manner defeat the effectiveness of a call for redemption if notice thereof is given as prescribed above.

If moneys for the payment of the redemption price and accrued interest are not held in separate accounts by the District or the Bank prior to sending the notice of redemption, such redemption shall be conditional on such moneys being so held on the date set for redemption and if not so held by such date, the redemption shall be cancelled and be of no force and effect.

Each redemption notice must contain, at a minimum, the complete official name of the issue with series designation, CUSIP number, certificate numbers, amount of each Bond called

(for partial calls), date of issue, interest rate, maturity date, publication date (date of release to the general public or the date of general mailing of notices to Bond owners and information services), redemption date, redemption price, redemption agent and the name and address of the place where Bonds are to be tendered, including the name and phone number of the contact person. Such redemption notices may contain a statement that no representation is made as to the accuracy of the CUSIP numbers printed therein or on the Bonds.

If less than all of the Bonds within a maturity are being redeemed, the amount of the interest of each participant or owner of such issue to be redeemed shall be determined by lot.

4. **Issuance and Transfer of Bonds.** The Bank will issue Bonds to registered owners, require Bonds to be surrendered and cancelled and new Bonds issued upon transfer, and maintain a set of registration books showing the names and addresses of the owners from time to time of the Bonds. The Bank shall promptly record in the registration books all changes in ownership of Bonds.

5. **Payment Deposit.** The District will transfer immediately available funds to the Bank no later than one (1) business day prior to or, if agreed to by the parties hereto, on the date on which the interest, principal and premium payments (if any) are due on the Bonds but in no event later than the time established by DTC, on the date such payments are due. The Bank shall not be responsible for payments to Bond owners from any source other than moneys transferred, or caused to be transferred, to it by the District.

6. **Collateral.** The Bank shall collateralize the funds on deposit at the Bank in accordance with Arizona Revised Statutes (“A.R.S.”) §§ 35-323 and 35-491.

7. **Turnaround Time.** The Bank will comply with the three (3) business day turnaround time required by Securities and Exchange Commission Rule 17Ad-2 on routine transfer items.

8. **Fee Schedule; Initial Fee.** For its services under this Contract, the District shall pay the Bank in accordance with the fee schedule set forth in the attached *Exhibit A*, which is incorporated herein by reference. The fee for the Bank’s initial services hereunder and services to be rendered until the end of the District’s current fiscal year (fiscal year \_\_\_\_\_) is \$ \_\_\_\_\_ and shall be billed by the Bank to the District after closing and paid by the District in advance after initial delivery of the Bonds solely from proceeds of the Bonds. Subsequent payments shall be made by the District in accordance herewith.

9. **Fees for Services in Subsequent Fiscal Years.** The Bank will bill the District in advance prior to June 1, 2024 and prior to each June 1 thereafter with such payments to be made by the District upon collection by the District on behalf of the District of sufficient and available ad valorem property taxes. The Bank may send a copy of such invoice to the District, so long as the invoice clearly indicates that it is for informational purposes only and not to be paid by the District.

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10. **Costs and Expenses.** The District hereby agrees to pay all costs and expenses of the Bank pursuant hereto. If, for any reason, the amounts the District agrees to pay herein may not be paid from the annual tax levy for debt service on the Bonds, such costs shall be paid by the District from any funds lawfully available therefor and the District agrees to take all actions necessary to budget for and authorize expenditure of such amounts.

11. **Hold Harmless.** The Bank shall indemnify and hold harmless the District, the District and all boards, commissions, officials, officers and employees of the District and the District, individually and collectively, from the Bank's failure to perform to its standard of care as herein stated.

12. **Standard of Care Required.** In the absence of bad faith on its part in the performance of its services under this Contract, the Bank shall not be liable for any action taken or omitted to be taken by it in good faith and believed by it to be authorized hereby or within the rights and powers conferred upon it hereunder, nor for action taken or omitted to be taken by it in good faith and in accordance with advice of counsel, and shall not be liable for any mistakes of fact or errors of judgment or for any actions or omissions of any kind unless caused by its own willful misconduct or negligence.

13. **Entire Contract.** This Contract and *Exhibit A* attached hereto contain the entire understanding of the parties with respect to the subject matter hereof, and no waiver, alteration or modification of any of the provisions hereof shall be binding unless in writing and signed by a duly authorized representative of all parties hereto.

14. **Amendment.** The District, the District and the Bank reserve the right to amend any individual service set forth herein or all of the services upon providing a sixty (60) day prior written notice. Any corporation, association or agency into which the Bank may be converted or merged, or with which it may be consolidated, or to which it may sell or transfer its corporate trust business and assets as a whole or substantially as a whole, or any corporation or association resulting from such conversion, sale, merger, consolidation or transfer to which it is a party, *ipso facto*, shall be and become successor registrar, transfer agent and paying agent under this Contract and vested with all of the same rights, powers, discretions, immunities, privileges and all other matters as was its predecessor, without the execution or filing of any instrument or any further act, deed or conveyance on the part of any of the parties hereto, anything herein to the contrary notwithstanding.

15. **Resignation or Replacement.** The Bank may resign or the District or the District may replace the Bank as registrar, transfer agent and paying agent at any time by giving thirty (30) days' written notice of resignation or replacement to the District and the District or to the Bank, as applicable. The resignation shall take effect upon the appointment of a successor registrar, transfer agent and paying agent. A successor registrar, transfer agent and paying agent will be appointed by the District; provided, that if a successor registrar, transfer agent and paying agent is not so appointed within ten (10) days after a notice of resignation is received by the District, the Bank may apply to any court of competent jurisdiction to appoint a successor registrar, transfer agent and paying agent.



In the event the Bank resigns or is replaced, the District and the District reserve the right to appoint a successor registrar, transfer agent and paying agent who may qualify pursuant to A.R.S. Title 35, Chapter 3, Article 5, or any subsequent statute pertaining to the registration, transfer and payment of bonds. In such event the provisions hereof with respect to payment by the District shall remain in full force and effect, but the District shall then be authorized to use the funds collected for payment of the costs and expenses of the Bank hereunder to pay the successor registrar, transfer agent and paying agent or as reimbursement if the District acts as registrar, transfer agent and paying agent. Any resignation or replacement of the Bank pursuant to this Section shall be without cost to the District.

16. **Reports to Arizona Department of Administration.** The Bank shall make such reports to the Arizona Department of Administration (or any other party designated to receive such reports pursuant to the applicable laws of the State (as defined herein)) pertaining to the retirement of any Bonds and of all payments of interest thereon within thirty (30) days of a request therefor, from the District or its agents to comply with the requirements of the Arizona Department of Administration (or any other party designated in applicable State law) pursuant to A.R.S. § 35-502.

17. **Form of Records.** The Bank's records shall be kept in compliance with standards as have been or may be issued from time to time by the Securities and Exchange Commission, the MSRB, the requirements of the Code and any other securities industry standard. The Bank shall retain such records in accordance with the applicable record keeping standard of the Internal Revenue Service.

18. **Advice of Counsel and Special Consultants.** When the Bank deems it necessary or reasonable, it may apply to The Stratton Law Firm, PLLC or such other law firm or attorney for instructions or advice. Any fees and costs incurred shall be added to the next fiscal year's fees, costs and expenses to be paid to the Bank.

19. **Examination of Records.** The District or its duly authorized agents may examine the records relating to the Bonds at the office of the Bank where such records are kept at reasonable times as agreed upon with the Bank and such records shall be subject to audit from time to time at the request of the District, the District, the Bank or the Auditor General of the State of Arizona (the "State").

20. **Payment of Unclaimed Amounts.** In the event any check for payment of interest on a Bond is returned to the Bank unendorsed or is not presented for payment within two (2) years from its payment date or any Bond is not presented for payment of principal at the maturity or redemption date, if applicable, if funds sufficient to pay such interest or principal due upon such Bond shall have been made available to the Bank for the benefit of the owner thereof, it shall be the duty of the Bank to hold such funds, without liability for interest thereon, for the benefit of the owner of such Bond who shall thereafter be restricted exclusively to such funds for any claim of whatever nature relating to such Bond or amounts due thereunder. The Bank's obligation to hold such funds shall continue for two years and six months (subject to applicable escheat or unclaimed property law) following the date on which such interest or principal payment became due, whether at maturity, or at the date fixed for redemption, or otherwise, at which time the Bank shall surrender

such unclaimed funds so held to the District, whereupon any claim of whatever nature by the owner of such Bond arising under such Bond shall be made upon the District and shall be subject to the provisions of applicable law.

21. **Invalid Provisions.** If any provision hereof is held to be illegal, invalid or unenforceable under present or future laws, this Contract shall be construed and enforced as if such illegal, invalid or unenforceable provision had never comprised a part of this Contract, and the remaining provisions hereof shall remain in full force and effect and shall not be affected by the illegal, invalid or unenforceable provision.

22. **Mutilated, Lost or Destroyed Bonds.** With respect to Bonds which are mutilated, lost or destroyed, the Bank shall cause to be executed and delivered a new Bond of like date and tenor in exchange and substitution for and upon the cancellation of such mutilated Bond or in lieu of and in substitution for such Bond lost or destroyed, upon the registered owner's paying the reasonable expenses and charges in connection therewith and, in the case of any Bond destroyed or lost, filing by the registered owner with the Bank and the District of evidence satisfactory to the Bank and the District that such Bond was destroyed or lost, and furnishing the Bank and the District with a sufficient indemnity bond pursuant to A.R.S. § 47-8405.

23. **Conflict of Interest.** Each party gives notice to the other parties that A.R.S. § 38-511 provides that the State, its political subdivisions or any department or agency of either, may within three (3) years after its execution cancel any contract without penalty or further obligation made by the State, its political subdivisions or any of the departments or agencies of either if any person significantly involved in initiating, negotiating, securing, drafting or creating the contract on behalf of the State, its political subdivisions or any of the departments or agencies of either is at any time, while the contract or any extension of the contract is in effect, an employee or agent of any other party to the contract in any capacity or a consultant to any other party to the contract with respect to the subject matter of the contract.

24. **Covenants.** The District has agreed in its authorizing resolution to take all necessary actions required to preserve the tax-exempt status of the Bonds. Such actions may require the calculation of amounts of arbitrage rebate which may be due and owing to the United States of America. The calculation of such rebate amount may be performed by an individual or firm qualified to perform such calculations and who or which may be selected and paid by the District. If the District does not retain a consultant to do the required calculations concerning arbitrage rebate and if, in the sole discretion of the District, a rebate calculation is required to permit interest on the Bonds to be and remain exempt from gross income for federal income tax purposes, the District may include, in addition to all other bills payable under this Contract, the costs and expenses and fees of an arbitrage consultant. The District may contract with a consultant to perform such arbitrage calculations as are necessary to meet the requirements of the Code. All fees, costs and expenses so paid may be deducted from moneys of the District or from tax levies made to pay the interest on the Bonds. Such costs, fees and expenses shall be considered as interest payable on the Bonds. This Contract shall be full authority to the District to cause to be levied and collected such amounts as may be necessary to make all rebates to the United States of America.

25. **Levy for Expenses.** Except for the initial fiscal year's costs and expenses, all costs and expenses incurred with respect to services for registration, transfer and payment of the Bonds

and, if applicable, for costs and expenses in connection with the calculation of arbitrage rebate shall be treated as interest on the Bonds and the District agrees to include the same in the taxes levied for interest debt service during each of the ensuing fiscal years.

26. **Waiver of Trial by Jury.** Each party hereto hereby agrees not to elect a trial by jury of any issue triable of right by jury, and waives any right to trial by jury fully to the extent that any such right shall now or hereafter exist with regard to this Contract, or any claim, counterclaim or other action arising in connection herewith. This waiver of right to trial by jury is given knowingly and voluntarily by each party, and is intended to encompass individually each instance and each issue as to which the right to a trial by jury would otherwise accrue.

27. **Governing Law.** This Contract is governed by the laws of the State.

28. **Transfer Expenses.** The transferor of any Bond will be responsible for all fees and costs relating to such transfer of ownership.

29. **E-verify Requirements.** To the extent applicable under A.R.S. § 41-4401, the Bank and its subcontractors warrant compliance with all federal immigration laws and regulations that relate to their employees and compliance with the E-verify requirements under A.R.S. § 23-214(A). The Bank's, or its subcontractors', breach of the above-mentioned warranty shall be deemed a material breach of this Contract and may result in the termination of the Contract by the District. The District retains the legal right to randomly inspect the papers and records of the Bank and its subcontractors who work on the Contract to ensure that the Bank and its subcontractors are complying with the above-mentioned warranty.

The Bank and its subcontractors warrant to keep the papers and records open for random inspection by the District during normal business hours. The Bank and its subcontractors shall cooperate with the District's random inspections including granting the District entry rights onto their property to perform the random inspections and waiving their respective rights to keep such papers and records confidential.

30. **No Boycott of Israel.** Pursuant to A.R.S. Title 35, Chapter 2, Article 9, the Bank hereby certifies it is not currently engaged in, and for the duration of this Contract will not engage in, a boycott of Israel. The term "boycott" has the meaning set forth in A.R.S. § 35-393.

31. **Electronic Storage.** The parties hereto agree that the transactions described herein may be conducted and related documents may be stored by electronic means. Copies, telecopies, facsimiles, electronic files and other reproduction of original executed documents shall be deemed to be authentic and valid counterparts of such original documents for all purposes, including the filing of any claim, action or suit in the appropriate court of law.

32. **Counterparts.** This Contract may be executed in several counterparts, each of which shall be an original, but all of which together shall constitute but one instrument.

This Contract is dated and effective as of \_\_\_\_\_, 2024.

**YAVAPAI COUNTY COMMUNITY COLLEGE  
DISTRICT OF YAVAPAI COUNTY, ARIZONA**

By: \_\_\_\_\_  
Its: \_\_\_\_\_

**U.S. BANK TRUST COMPANY, NATIONAL  
ASSOCIATION**

By: \_\_\_\_\_  
Its: \_\_\_\_\_

Attach as EXHIBIT A the fee schedule of the Bank.

**Yavapai College**  
District Governing Board  
Regular Meeting

Tuesday, April 23, 2024  
1:00 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 Rock House**  
**1100 E. Sheldon Street**  
**Prescott, Arizona 86301**

**Members Present:**

Ms. Deb McCasland, Board Chair  
Mr. Chris Kuknyo, Secretary  
Mr. Ray Sigafoos, Board Member  
Mr. Steve Bracety, Board Member – via Zoom  
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=961afe8d-a0f0-4f7e-90ab-b15c00078891>

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

Chair McCasland called the Yavapai College District Governing Board Regular Meeting to order at 1:00 p.m.

- b. Pledge of Allegiance {Time: 1}

The Pledge of Allegiance was led by Secretary Kuknyo.

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

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

- d. Open Call – **INFORMATION** {Time: 10}

**The following members of the public requested to speak:**

- 1. Laura Polk (Recording at 1:24)**
- 2. William Kiel (Recording at 4:52)**
- 3. Lindsay Hudak (Recording at 5:53)**

2. Study Session

- a. Arizona Auditor General's Office Annual Audit Update - **INFORMATION** – Mr. Frank D'Angelo, Director of Business Services & Controller; Taryn Stangle, Financial Audit Manager; and Ashley Dunn, Deputy Audit Manager {Time: 10} *(Attached)*

***Recorded discussion and comments are available and begin at 9:28.***

Mr. Frank D'Angelo introduced Ms. Stangle from the Arizona Auditor General's office, who presented the results of the annual financial audits, highlighting no material misstatements, noncompliance, or internal control issues in fiscal year 2023. The audit report included a financial overview, which discussed changes in revenue sources, expenses, and net position over the years. Ms. Stangle also noted changes in the College's revenues and expenses over the last five years, including an increase in scholarship expenses that contributed to an overall net position increase of \$4.8 million in fiscal year 2023. The presentation also noted a decrease in federal expenditures due largely to reduced emergency COVID-19 funding. A decrease in state funding was also noted over the years.

Member Sigafoos congratulated Mr. D'Angelo and his team for achieving a clean financial audit after many years and expressed gratitude for their work.

Chair McCasland expressed gratitude to Mr. D'Angelo and staff for keeping the College financially sound. Member Bracety agreed they deserved a round of applause.

- b. President's Reports - Dr. Lisa Rhine - **INFORMATION** {Time: 60}
  - i. President's Report on Board Policy 101 College Priorities – Dr. Doug Berry, Provost; Dr. Marylou Mercado, Vice President of Workforce Development and Health Sciences; and Mr. Rodney Jenkins, Vice President of Student Development and Community Affairs. {Time: 30} *(Attached)*

***Recorded discussion and comments are available and begin at 20:54.***

The College Priorities Report illuminated various key areas of focus and achievements at Yavapai College. Mr. Jenkins underscored the College's pivotal role in education, economic development, and community engagement. Dr. Mercado emphasized student success as a primary concern, citing accomplishments in career and technical education with impressive NCLEX pass rates for nursing students and radiology program outcomes. Dr. Berry provided a comprehensive review of the College's progress, including the graduation rates, the introduction of new degree

programs, and the adjustments made in response to the pandemic. Furthermore, the College celebrated the launch of its second baccalaureate degree and a resurgence in adult basic education enrollments post-pandemic. Dr. Berry also touched upon the Osher Lifelong Learning Institute's success and the growth in community education, while Mr. Jenkins boasted of financial aid milestones, with significant reductions in loan default rates and a substantial amount in scholarships awarded by the Yavapai College Foundation.

On the economic front, Dr. Mercado outlined the College's initiatives, including job fairs, expos, the YC Pipeline platform for job seekers, and the Small Business Development Center's support for local businesses. The College has also been proactive in securing grants to enhance workforce training and support new academic programs and small businesses. Mr. Jenkins announced an exciting lineup at the Performing Arts Center, library innovations, and sports expansions to comply with Title IX. The board, including Chair McCasland and Secretary Kuknyo, commended the faculty, staff, and Dr. Rhine for their excellence in service and handling of resources, with special note of the effective distribution of library materials. Dr. Rhine acknowledged the collective efforts and the board's backing as integral to the College's success.

- ii. College Council – Dr. Douglas Berry, Dr. Janet Nix and Mr. Rodney Jenkins
  - 1. Faculty Senate – Dr. Andrew Winters (*Attached*)

***Recorded discussion and comments are available and begin at 34:30.***

Dr. Berry introduced Professor Dr. Andrew Winters, Philosophy Instructor and Faculty Senate Co-President, to speak on behalf of the faculty. Dr. Winters indicated faculty success went hand in hand with student success and would therefore present some of their recent success stories. Dr. Winters highlighted Denise Woolsey's participation in PTK and the honors program, as well as the accolades garnered by YC Beta Gamma Pi students at the National Convention. He shared insights on the Arizona Regional Conference, detailing the awards received by both the chapter and individual students. Dr. Winters extended invitations to the Evening of Recognition, revealing the renaming of the award to the STARS award and elaborating on the faculty members' contributions to organizing the event and the benefits for nominated students. Additionally, he mentioned the consideration for Provost and President's Awards, and the gifts and scholarships bestowed upon the winners. Chair McCasland expressed gratitude to Dr. Winters for the faculty's dedicated service throughout the year.

- 2. Staff Association – Ms. Deanna Mooney (*Attached*)

***Recorded discussion and comments are available and begin at 38:38.***

Dr. Janet Nix introduced Ms. Deanna Mooney to present the Staff Association update. Ms. Mooney expressed her gratitude to Chairman McCasland, the board, and Dr. Ryan for allowing her to present the report. She offered a comprehensive overview of the allocation and utilization of staff professional development funds during the fiscal year 2023-24. Ms. Mooney highlighted that the funds were utilized for various purposes, such as tuition, conferences, certificates, online training, and other professional development activities. Additionally, she delved into the impact of the professional growth awards on staff members and provided insights by sharing feedback from the recipients, indicating the positive influence of these initiatives on the professional growth and development of the staff.

3. Student Government Association – Ms. Shanna Collier, Treasurer of Yavapai College Student Government Association (*Attached*)

***Recorded discussion and comments are available and begin at 43:04.***

Mr. Rodney Jenkins acknowledged the significant contributions of the outgoing members of the Yavapai College Student Government Association (YCSGA), whose terms are nearing completion. He particularly expressed gratitude for their efforts in fostering communication with the student body and representing the College at various levels. He also congratulated current President of YCSGA, Susanna Marcinek, on her reelection to the executive board as Vice President; recognized the Treasurer, Ms. Collier, for her lobbying work in Washington; and recognized the YCSGA faculty supervisor, Janice Souttee, for organizing the successful Yavapalooza event. Ms. Collier joined in expressing thanks to Mr. Jenkins, Chair McCasland, President Rhine, and the District Government Board for their support of the YCSGA. She reflected on the YCSGA's achievements in improving student involvement, fostering diversity and inclusion, and addressing student issues, and announced the new executive board. She also detailed the YCSGA's recent activities, such as their legislative trip to D.C., the establishment of Ruff's Closet, and collaborations for Earth Day and the Unheard 22 initiative. Looking forward, Ms. Collier invited the community to a fundraising event at Culver's and expressed her optimism about the new executive board leadership prospects. Chair McCasland and Dr. Rhine also offered their gratitude and admiration for the student leaders' diverse contributions to enhancing the collegiate experience.

- iii. Legislative Update – Mr. Rodney Jenkins, Vice President of Community Relations (*Attached*)



***Recorded discussion and comments are available and begin at 50:19.***

Mr. Jenkins briefed the board on the latest developments in both federal and state legislative matters, emphasizing the education sector's funding and policy goals. He spotlighted the federal ambition to double Pell Grant funds by the 2029 fiscal year and the current U.S. President's aspiration to offer free community college to all citizens. Mr. Jenkins also addressed funding strategies for the Department of Corrections, Yavapai Community College, and Career and Technical Education (CTE). He provided insights into the progress of various legislative proposals, including those that aim to establish short-term Pell grants and free community college programs. On the state level, he discussed ongoing budget negotiations.

Secretary Kuknyo sought clarification on the status of the short-term Pell initiative and the current landscape of state funding for community colleges, particularly in the context of the Arizona Promise Scholarship. Mr. Jenkins conveyed optimism about the advancement of the short-term Pell initiative through the legislative branches. He also clarified that the Arizona Promise Scholarship is independent of the state's financial support for community colleges and pointed out that there has been a significant reduction in state funds allocated to community college institutions.

- iv. Budget to Actual Monthly Reports and Cash Reserves Monthly Reports (*Attached*)

There were no comments or questions about the report.

- c. 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 Steve Bracety

***Recorded discussion and comments are available and begin at 59:14.***

Chair McCasland provided an update, highlighting her attendance at the STAR student leadership and recognition event, where she promoted Yavapai College through presentations and community engagement efforts. Secretary Kuknyo and Chair McCasland emphasized the significance of showcasing the College's campuses and programs via video presentations. They addressed the need to dispel inaccurate assumptions about the College, particularly in response to social media misinformation. Chair McCasland shared positive experiences from College events like Yavapalooza and expressed her enthusiasm for serving on the board.

Chair McCasland discussed the upcoming Arizona Association of Community College Trustee retreat, stressing the importance of future planning for college trustees.

Chair McCasland concluded by updating the board on the Yavapai College Foundation's activities, commending their support for student scholarships and other College projects funded through private donations.

- d. 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 Events *(Attached)*

***Recorded discussion and comments are available and begin at 1:03:32.***

Executive Assistant, Ms. Yvonne Sandoval, reviewed the future meetings, College events, and conference dates. She also reviewed the commencement events and indicated that DGB Coordinator, Deanne Petty, will provide the details via email.

3. Board Business

- a. 2024-2025 Dates, Times, and Places of Future Board Meetings, Workshops, and Retreats – Ms. Yvonne Sandoval – **INFORMATION, DISCUSSION, AND DECISION** {Time: 10} *(Attached)*

***Recorded discussion and comments are available and begin at 1:06:37.***

Executive Assistant, Ms. Yvonne Sandoval, provided and reviewed the proposed 2024-2025 future board meeting dates. These dates will allow the board to have the most up-to-date financial information.

Secretary Kuknyo wanted to point out that the board meetings are not all in the Rock House and are split between the Verde and Prescott campuses.

**Member Sigafos moved, seconded by Member Bracety, to adopt the proposed 2024-2025 Board Meeting Calendar. Motion carried unanimously (Ayes: McCasland, Kuknyo, Sigafos, Bracety and Payne).**

**SHORT BREAK**

- b. 2024-2025 Yavapai College Preliminary Budget – Dr. Clint Ewell, Vice President of Finance - **INFORMATION, DISCUSSION, AND DECISION** {Time: 60} *(Attached)*

***Recorded discussion and comments are available and begin at 1:10:39.***

Dr. Ewell outlined the timeline of the budget process beginning in October, culminating in the draft budget presentation in April. He touched upon the demographic shifts in Yavapai County, notably the increase in retirees, and the corresponding need to expand healthcare programming. The social concerns of housing affordability and academic programs leading to living wage jobs were also discussed, in light of the workforce gap created by retiring baby boomers. Dr. Ewell highlighted the challenges posed by the competitive higher education market and technological advancements, quoting Justin Trudeau to emphasize the rapid pace of change. Dr. Rhine spoke on strategic initiatives, lauding the faculty and staff for their accomplishments and the creation of strategic enrollment management, workforce development divisions, and the use of open educational resources, as well as successful accreditation efforts. She detailed the implementation of programs aimed at providing education and workforce training, such as the YC Promise Program and the prison education program, and underscored the integration of AI and VR into curricula. Dr. Rhine's vision for the College is to become a premier institution focusing on outcomes, with ongoing plans, including an ERP upgrade to enhance the student experience.

Dr. Ewell reviewed the alignment of the budget with strategic plans, prioritizing student success and maintaining accessible tuition rates. He also provided an overview of the College's finances, with approved tuition increases, new program additions, and a proposal for the upcoming year's budget. There was a discussion on in-sourced food services, expanded housing, and the potential for a property tax levy increase to support the operational and capital budgets. Dr. Ewell elaborated on the allocation of property taxes, the proposed revenue bond to complete the facility master plan, and major fund increases. The budget was broken down by program, with attention paid to natural expenses such as salary and benefits.

Member Sigafos addressed a 31% budget increase for travel due to workload, while Dr. Ewell explained cost drivers, including raises and new positions, proposing a salary increase for employees.

There were discussions including the upgrade to the ERP system and the financial implications of new staffing and system maintenance. Dr. Ewell also covered the auxiliary and restricted budgets, noting changes in grants and the significant increase in the capital budget due to the ERP system and capital contingency.

Finally, Dr. Ewell underscored the improvement in asset stewardship and the recommendations for facility management. The presentation reviewed several financial details, which are available in the agenda packet for further review.

- c. Revision to Yavapai College District Governing Board Policy 204 – Financial Conditions - **INFORMATION, DISCUSSION, AND DECISION** – Dr. Clint Ewell, Vice President of Finance {Time: 15} (*Attached*)

***Recorded discussion and comments are available and begin at 2:34:08.***

Dr. Ewell requested an alteration to Policy 204, concerning financial conditions, and provided a historical context of changes to the fund reserve policy. In 2017, the board had increased the fund reserve from 10% plus \$1 million to 17% of the

general and auxiliary fund, including the same \$1 million. The policy was again modified at the beginning of the 2023 to 17% plus an additional 8%, however, Dr. Ewell now requests for reverting to the original 17% plus \$1 million to allow the use of more funds for capital projects, specifically mentioning the need for the Center for Learning and Innovation and the Health Science Center. A red-lined version of the policy was presented, highlighting the necessary amendments.

Member Payne supported the change, while Member Sigafos sought clarification on scenarios where the fund could dip below 17% and noted the lack of a graph for the reserves in question to be viewed. Dr. Ewell reassured that reserves were above the minimum, with Member Sigafos being comfortable with reducing the reserve based on past financial stability, especially during 2020-2021. Secretary Kuknyo inquired about the possibility of lowering the reserve below 17%, but Dr. Ewell recommended maintaining it as it accounts for two months of operational cash flow.

During the discussion on reserve fund levels, Dr. Ewell described how fund balances sometimes exceed 17% due to the timing of revenue receipts and compared the College's reserve levels with those required at four-year public post-secondary schools in Arizona. Emphasizing the relationship between reserve levels and cash flow risk, he argued that 17% was appropriate. Secretary Kuknyo inquired about other fund reserves, leading Dr. Ewell to detail the management of different reserve categories. Chair McCasland discussed the limitations of high fund reserves in compensating for significant financial deficits, prompting Dr. Ewell to stress the need for financial foresight and the importance of strategic fund allocation for approved projects.

**Member Payne moved, seconded by Member Bracety, to adopt the proposed revision to Policy 204. Motion carried unanimously (Ayes: McCasland, Kuknyo, Sigafos, Bracety and Payne).**

- d. Yavapai College Housing Update – Dr. Clint Ewell, Vice President of Finance - **INFORMATION, DISCUSSION, AND DECISION** {Time: 30} (*Attached*)

***Recorded discussion and comments are available and begin at 2:43:49.***

Dr. Ewell provided a comprehensive update on the housing issues in Yavapai County, detailing the various challenges and initiatives being undertaken to address the student, faculty, and staff housing shortage and affordability crisis. He highlighted the distinction between affordable and attainable housing, noting the impact on students and employees, many of whom come from low-income backgrounds or fall within specific salary ranges. Dr. Ewell expressed the need for flexibility in the master plan to adapt to changing circumstances and reported on the progress of 11 projects, including pilot projects for student housing and research into different housing constructions, such as traditionally built, modular, manufactured, and 3D concrete constructed homes.

Additionally, Dr. Ewell discussed the challenges and successes of renting apartments and establishing an RV park, as well as the development of tiny homes and transitional apartments for new employees. Infrastructure development at the Chino

Center is ongoing, and plans for a 12-bedroom apartment building at the Verde Valley campus were proposed, with Member Payne inquiring about budget allocations, which were confirmed to be within the approved budget. The potential acquisition of the Prescott Pines Christian Camp was also discussed, with plans for its use as student and employee housing, as well as academic enrichment. Member Payne had concerns about the property being landlocked and environmental issues, and Dr. Ewell clarified that the drafted agreements for easements and water sharing would cover these concerns. The revenue-neutral plan for the property's use was emphasized, with the potential for renting out space and partnering with camp operators. Secretary Kuknyo clarified misinformation regarding low-income housing and expressed satisfaction with the project's direction. Dr. Ewell concluded by thanking the college team for their efforts in advancing the housing project.

Dr. Ewell asked to reallocate a portion of prior approved housing pilots to be used toward the purchase a manufactured apartment shown during the earlier segment of the presentation to assist with the east county housing shortage.

**Member Bracety moved, seconded by Member Sigafos, to approve purchase of the Verde Valley Campus manufactured apartment using previously approved CIP Budget. Motion carried unanimously (Ayes: McCasland, Kuknyo, Sigafos, Bracety and Payne).**

Dr. Ewell sought formal public approval for the purchase of the Prescott Pines Camp property. Member Payne raised concerns about not being able to review the amended purchase agreement, but expressed support for the purchase, requesting to see the amended purchase agreement first. In response, Dr. Ewell proposed approving the purchase with the condition of presenting the amended purchase agreement to the board. Member Payne agreed to this condition. Additionally, Attorney Adams suggested consolidating item e.vi, the board resolution, with the purchase approval process using fund reserves. She recommended removing the consent agenda (e.vi) item from the consent agenda to prevent any procedural conflicts.

**Member Payne moved, seconded by Member Sigafos, to approve purchase of the Prescott Pines Camp and Board Resolution 2024-15, provided the board is allowed review of the final purchase agreement. Item e.vi is combined in this motion and removed from the consent agenda. Motion carried unanimously (Ayes: McCasland, Kuknyo, Sigafos, Bracety and Payne).**

- e. Consent Agenda – **DECISION** {Time: 5}
  - i. Board Regular Meeting Minutes – Tuesday, March 19, 2024 (*Attached*)
  - ii. Board Executive Session Confidential Minutes – Tuesday, March 19, 2024
  - iii. Acceptance of President’s Report on Board Policy 101 College Priorities
  - iv. Receipt of Report on Revenues and Expenditures for March 2024 (*Attached*)
  - v. Revision to Yavapai College District Governing Board Policy 101 - College Priorities (*Attached*)
  - vi. 2024-15 Yavapai College District Governing Board Resolution (*Attached*)
  - vii. Intergovernmental Agreement Dual Enrollment Template – in County (*Attached*)

- viii. Intergovernmental Agreement Dual Enrollment Template – Out of County (*Attached*)
- ix. Intergovernmental Agreement Dual Enrollment Template – Schools with Both Dual and Concurrent Enrollment (*Attached*)
- x. 2024-2025 Independent Contractor Agreement – Association of Community College Trustees (*Attached*)

***Recorded discussion and comments are available and begin at 3:32:28.***

**Member Sigafos moved, seconded by Member Bracety, to approve the Consent Agenda, excluding item vi – 2024-15 Yavapai College District Board Resolution, as it was previously approved. Motion carried unanimously (Ayes: McCasland, Kuknyo, Sigafos, Bracety and Payne).**

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

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

Regular Meeting adjourned at 4:48 p.m.

Respectfully submitted:

\_\_\_\_\_  
Deanne K. Petty, Recording Secretary

\_\_\_\_\_  
Date

\_\_\_\_\_  
Ms. Deb McCasland, Board Chair

\_\_\_\_\_  
Mr. Chris Kuknyo, Secretary

**YAVAPAI COUNTY COMMUNITY COLLEGE DISTRICT  
REPORT OF EXPENDITURES**

**For the Ten Months Ended April 30, 2024**

**District Governing Board**

**Fiscal Year 2023-24 Budget:**

**\$ 261,680**

<u><b>EXPENDITURES (note 1):</b></u>	<u><b>Purpose</b></u>	<u><b>Year-to-Date Expenditures</b></u>	<u><b>Encumbered Obligations</b></u>	<u><b>Total Expenditures/ Encumbrances</b></u>
Salary Expenses	Staff Support	\$ 89,571	\$ 17,153	\$ 106,724
AACCT Mini-conference/meeting (Yuma)	Registration/travel	1,310	-	1,310
ACCT Leadership Congress (Las Vegas)	Registration/travel	21,704	-	21,704
ACCT National Legislative Summit (DC)	Registration/travel	17,251	-	17,251
AGB National Conference on Trusteeship (Boston)	Registration/travel	795	-	795
Osborn Maledon, PA	Legal Services	37,297	7,703	45,000
Other - Various	Catering/supplies/other	5,501	-	5,501
YC Printing Services	Printing	948	-	948
				<u>199,233</u>
<b>Remaining Budget - April 30, 2024</b>				<u><b>\$ 62,447</b></u>

**Note 1:** Expenditures reported on the modified accrual basis of accounting.

**YAVAPAI COUNTY COMMUNITY COLLEGE DISTRICT**

**REPORT OF REVENUES AND EXPENDITURES**

For the Ten Months Ended April 30, 2024 - 83.3% of the Fiscal Year Complete

Fiscal Year 2023-2024

**SUMMARY - ALL FUNDS**

	<u>Year-to-Date Revenues</u>		<u>Year-to-Date Revenues</u>	<u>Budget</u>	<u>Percent of Budget</u>		
<b>REVENUES:</b>							
General Fund	\$ 51,459,039		\$ 51,459,039	\$ 58,380,200	88.1%		
Restricted Fund	15,858,842		15,858,842	19,242,800	82.4%		
Auxiliary Fund	6,664,038		6,664,038	6,560,200	101.6%		
Unexpended Plant Fund	15,483,690		15,483,690	18,028,600	85.9%		
Debt Service Fund	1,049,503		1,049,503	1,258,600	83.4%		
<b>TOTALS</b>	<u><b>90,515,112</b></u>		<u><b>90,515,112</b></u>	<u><b>103,470,400</b></u>	<u><b>87.5%</b></u>		
		<u>Year-to-Date Expenditures</u>	<u>Encumbered Obligations</u>	<u>Labor Encumbrances</u>	<u>Total Expenditures and Non-Labor Encumbrances</u>	<u>Budget</u>	<u>Percent of Actual and Non- Labor Encumbrances to Budget</u>
<b>EXPENDITURES (note 1):</b>							
General Fund		\$ 48,614,944	\$ 6,981,209	\$ 5,629,209	\$ 49,966,944	\$ 58,380,200	85.6%
Restricted Fund		13,531,255	2,193,334	496,317	15,228,272	19,242,800	79.1%
Auxiliary Fund		6,166,258	568,790	445,408	6,289,640	6,560,200	95.9%
Unexpended Plant Fund		8,474,538	6,033,634	-	14,508,172	18,028,600	80.5%
Debt Service Fund		34,332	1,013,767	-	1,048,099	1,258,600	83.3%
<b>TOTALS</b>		<u><b>76,821,327</b></u>	<u><b>16,790,734</b></u>	<u><b>6,570,934</b></u>	<u><b>87,041,127</b></u>	<u><b>103,470,400</b></u>	<u><b>84.1%</b></u>
<b>SURPLUS/(DEFICIT)</b>					<u><b>\$ 3,473,985</b></u>	<u><b>-</b></u>	

**COMMENTS:**

Through the tenth month, 84.1% of budget has been committed (excluding labor encumbrances) compared to 87.5% of revenues received.

The budget currently has a surplus of \$3,473,985.

**Note 1:** Expenditures reported on the modified accrual basis of accounting.



**YAVAPAI COUNTY COMMUNITY COLLEGE DISTRICT**

**REPORT OF REVENUES AND EXPENDITURES**

**For the Ten Months Ended April 30, 2024 - 83.3% of the Fiscal Year Complete**

**Fiscal Year 2023-2024**

**GENERAL FUND**

	<u>Year-to-Date Revenues</u>		<u>Total Revenues</u>	<u>FY 23/24 Budget</u>	<u>Percent of Budget</u>	<u>FY 23/24 Estimate</u>	<u>Budget to Estimate Variance</u>	<u>FY 22/23 Actuals</u>	<u>Percent Change (Current Versus Prior Year)</u>	
<b>REVENUES:</b>										
Primary Property Taxes	\$ 37,694,580		\$ 37,694,580	\$ 45,369,600	83.1%	\$ 45,369,600	\$ -	\$ 35,031,760	7.6%	
Primary Property Taxes - Contingency	-		-	(150,000)	0.0%	(150,000)	-	-	0.0%	
Tuition and Fees	11,969,894		11,969,894	12,896,000	92.8%	12,166,000	(730,000)	13,039,465	-8.2%	
Tuition and Fees - Contingency	-		-	(630,000)	0.0%	-	630,000	-	0.0%	
State Appropriation - Maintenance	373,000		373,000	373,000	100.0%	373,000	-	300,400	24.2%	
State Appropriation - Rural Aid	3,084,400		3,084,400	3,654,000	84.4%	3,084,400	(569,600)	2,782,200	10.9%	
YCF Contribution - Basketball Program	400,367		400,367	406,000	98.6%	406,000	-	446,000	-10.2%	
Other Revenues	605,299		605,299	512,000	118.2%	512,000	-	460,278	31.5%	
Interest Income	956,833		956,833	300,000	318.9%	1,150,000	850,000	450,342	112.5%	
Fund Balance Applied to Budget	2,353,833		2,353,833	2,824,600	83.3%	2,824,600	-	1,439,167	63.6%	
General Fund Transfer In/(Out)	(5,979,167)		(5,979,167)	(7,175,000)	83.3%	(7,175,000)	-	(3,169,750)	88.6%	
<b>TOTAL REVENUES</b>	<b>51,459,039</b>		<b>51,459,039</b>	<b>58,380,200</b>	<b>88.1%</b>	<b>58,560,600</b>	<b>180,400</b>	<b>50,779,862</b>	<b>1.3%</b>	
	<u>Year-to-Date Expenditures</u>	<u>Total Encumbered Obligations</u>	<u>Labor Encumbrances</u>	<u>Total Expenditures and Non-Labor Encumbrances</u>	<u>FY 23/24 Budget</u>	<u>Percent of Actual and Non-Labor Encumbrances to Budget</u>	<u>FY 23/24 Estimate</u>	<u>Budget to Estimate Variance</u>	<u>FY 22/23 Actuals</u>	<u>Percent Change (Current Versus Prior Year)</u>
<b>EXPENDITURES (Note 1):</b>										
Instruction	\$ 18,719,685	\$ 1,479,613	\$ 1,394,362	\$ 18,804,936	\$ 21,652,400	86.8%	\$ 21,479,200	\$ (173,200)	\$ 16,654,265	12.4%
Academic Support	4,517,164	927,039	683,069	4,761,134	5,663,900	84.1%	5,550,600	(113,300)	4,165,186	8.5%
Institutional Support	10,696,720	2,250,783	1,540,371	11,407,132	12,403,400	92.0%	12,403,400	-	9,675,216	10.6%
Student Services	8,151,362	1,421,383	1,344,560	8,228,185	10,015,100	82.2%	9,945,000	(70,100)	7,131,939	14.3%
Operation/Maintenance of Plant	5,510,349	902,391	666,847	5,745,893	7,192,400	79.9%	7,156,428	(36,000)	5,816,530	-5.3%
Scholarships	999,466	-	-	999,466	1,440,600	69.4%	1,440,600	-	1,247,403	-19.9%
Public Service	20,198	-	-	20,198	12,400	162.9%	12,400	-	10,167	98.7%
<b>TOTAL EXPENDITURES</b>	<b>48,614,944</b>	<b>6,981,209</b>	<b>5,629,209</b>	<b>49,966,944</b>	<b>58,380,200</b>	<b>85.6%</b>	<b>57,987,628</b>	<b>(392,600)</b>	<b>44,700,706</b>	<b>8.8%</b>
<b>SURPLUS/(DEFICIT)</b>				<b>\$ 1,492,095</b>	<b>\$ -</b>					

**COMMENTS:**

The fourth quarter State appropriations were received in April 2024.

The State Appropriation - Rural Aid budget was based upon the Governor's proposed budget, however, it was decreased by \$569,600 during budget negotiations. This occurred after the District's budget was passed.

Interest income is exceeding budget by a large amount due to short-term interest rates being at a fifteen year high (Fed tightening).

The Budget currently has a surplus of \$1,492,095

**Note 1:** Expenditures reported on the modified accrual basis of accounting.

**YAVAPAI COUNTY COMMUNITY COLLEGE DISTRICT**

**GENERAL FUND EXPENDITURES BY NACUBO NATURAL EXPENSE CATEGORIES**

**For the Ten Months Ended April 30, 2024 - 83.3% of the Fiscal Year Complete**

**Fiscal Year 2023-2024**

	<u>Year to Date</u>	<u>Prior Year</u>	<u>Percent Change</u>	
Salaries	\$ 30,056,225	\$ 26,899,154	11.7%	<b>1</b>
Benefits	9,262,096	8,248,340	12.3%	<b>2</b>
Supplies	2,364,329	2,236,613	5.7%	
Contractual Services and Other	3,490,281	3,754,378	-7.0%	
Utilities & Communications	1,482,453	1,461,246	1.5%	
Travel, Conferences & Memberships	960,094	853,572	12.5%	<b>3</b>
Scholarships	999,466	1,247,403	-19.9%	<b>4</b>
	<u>\$ 48,614,944</u>	<u>\$ 44,700,706</u>	8.8%	

- 1 - Salaries increased due to annual compensation increases, market compensation increases, and the addition of several new positions.
- 2 - Benefits increased primarily due to compensation increases, new positions and higher tuition/fee waiver benefits due to the new bachelor's program. When new positions are added YC pays more in medical premiums, FICA (7.65%) and retirement (12.29%). In regards to existing position market adjustments and compensation increases, YC is required to pay FICA (7.65%) and retirement (12.29%) on those amounts.
- 3 - Travel expenditures are greater than the prior year due to vendor price increases and more employees attending out-of-state conferences.
- 4 - Scholarships are expected to be closer to budget once the spring semester Promise Scholarships are processed.

**Note:** Expenditures reported on the modified accrual basis of accounting.

**YAVAPAI COUNTY COMMUNITY COLLEGE DISTRICT**

**REPORT OF REVENUES AND EXPENDITURES**

**For the Ten Months Ended April 30, 2024 - 83.3% of the Fiscal Year Complete**

**Fiscal Year 2023-2024**

**RESTRICTED FUND**

	<u>Year-to-Date Revenues</u>		<u>Total Revenues</u>	<u>Budget</u>	<u>Percent of Budget</u>
<b>REVENUES:</b>					
Federal Grants and Contracts	\$ 8,754,062		\$ 8,754,062	\$ 10,616,800	82.5%
State Grants and Contracts	1,112,064		1,112,064	1,532,800	72.6%
Private Gifts, Grants and Contracts	917,134		917,134	956,000	95.9%
Proposition 301 Workforce Development	1,146,715		1,146,715	1,300,000	88.2%
Proposition 207 Workforce Development	1,875,000		1,875,000	2,500,000	75.0%
State Appropriation - STEM Workforce	637,200		637,200	637,200	100.0%
Fund Balance Applied to Budget	1,416,667		1,416,667	1,700,000	83.3%
<b>TOTAL REVENUES</b>	<b>15,858,842</b>		<b>15,858,842</b>	<b>19,242,800</b>	<b>82.4%</b>

	<u>Year-to-Date Expenditures</u>	<u>Total Encumbered Obligations</u>	<u>Labor Encumbrances</u>	<u>Total Expenditures and Non-Labor Encumbrances</u>	<u>Budget</u>	<u>Percent of Actual and Non-Labor Encumbrances to Budget</u>
<b>EXPENDITURES (Note 1):</b>						
Instruction	\$ 3,757,458	\$ 1,880,261	\$ 222,744	\$ 5,414,975	\$ 7,949,400	68.1%
Student Services	1,008,814	74,724	74,724	1,008,814	1,422,000	70.9%
Operation/Maintenance of Plant	2,126	-	-	2,126	18,400	11.6%
Scholarships	7,244,108	-	-	7,244,108	7,260,200	99.8%
Public Service	1,518,749	238,349	198,849	1,558,249	2,592,800	60.1%
<b>TOTAL EXPENDITURES</b>	<b>13,531,255</b>	<b>2,193,334</b>	<b>496,317</b>	<b>15,228,272</b>	<b>19,242,800</b>	<b>79.1%</b>
<b>SURPLUS/(DEFICIT)</b>				<b>\$ 630,570</b>		

**COMMENTS:**

Restricted Funds expended only to the extent that Grants and Gifts are received.

The fourth quarter STEM Workforce appropriation was received in April 2024.

**Note 1:** Expenditures reported on the modified accrual basis of accounting.

**YAVAPAI COUNTY COMMUNITY COLLEGE DISTRICT**

**REPORT OF REVENUES AND EXPENDITURES**

**For the Ten Months Ended April 30, 2024 - 83.3% of the Fiscal Year Complete**

**Fiscal Year 2023-2024**

**UNEXPENDED PLANT FUND**

	Year-to-Date Revenues				Total Revenues	Budget	Percent of Budget
<b>REVENUES:</b>							
Primary Property Taxes	\$ 6,879,720				\$ 6,879,720	\$ 8,280,500	83.1%
Primary Property Taxes - Contingency	-				-	(45,000)	0.0%
Investment Income	517,076				517,076	80,000	646.3%
Other	25,977				25,977	40,000	64.9%
Fund Balance Applied to Budget	4,468,750				4,468,750	5,362,500	83.3%
General Fund Transfer In	3,592,167				3,592,167	4,310,600	83.3%
<b>TOTAL REVENUES</b>	<b>15,483,690</b>				<b>15,483,690</b>	<b>18,028,600</b>	<b>85.9%</b>
		Year-to-Date Expenditures	Encumbered Obligations	Labor Encumbrances	Total Expenditures and Non-Labor Encumbrances	Budget	Percent of Actual and Non- Labor Encumbrances to Budget
<b>EXPENDITURES (Note 1):</b>							
Planned Maintenance		\$ 1,915,868	\$ 2,073,310	\$ -	\$ 3,989,178	\$ 3,974,000	100.4%
Unplanned Maintenance		127,757	25,620	-	153,377	275,600	55.7%
Capital Improvement Projects		4,765,736	3,549,880	-	8,315,616	10,446,300	79.6%
Equipment		1,441,006	384,824	-	1,825,830	2,221,800	82.2%
Furniture and Fixtures		219,605	-	-	219,605	257,500	85.3%
Library Books		4,566	-	-	4,566	90,900	5.0%
Capital Contingency		-	-	-	-	762,500	0.0%
<b>TOTAL EXPENDITURES</b>		<b>8,474,538</b>	<b>6,033,634</b>	<b>-</b>	<b>14,508,172</b>	<b>18,028,600</b>	<b>80.5%</b>
<b>SURPLUS/(DEFICIT)</b>					<b>\$ 975,518</b>	<b>-</b>	

**COMMENTS:**

Interest income is exceeding budget by a large amount due to short-term interest rates being at a fifteen year high (Fed tightening).

The Budget currently has a surplus of \$975,518 .

**Note 1:** Expenditures reported on the modified accrual basis of accounting.

**YAVAPAI COUNTY COMMUNITY COLLEGE DISTRICT**

**REPORT OF REVENUES AND EXPENDITURES**

**For the Ten Months Ended April 30, 2024 - 83.3% of the Fiscal Year Complete**

**Fiscal Year 2023-2024**

**AUXILIARY FUND**

	<b>Budgeted Revenues</b>	<b>Budgeted Expenses</b>	<b>Budgeted Surplus/ (Deficit)</b>	<b>Actual Revenues</b>	<b>Actual Expenditures and Non-Labor Encumbrances</b>	<b>Year-to-date Surplus/ (Deficit)</b>
<b>AUXILIARY ENTERPRISES</b>						
Residence Halls and Summer Conferences	\$ 1,307,000	\$ 516,200	\$ 790,800	\$ 1,563,009	\$ 365,500	1,197,509
Transfer To Debt Fund to Pay Revenue Bonds	(400,900)	-	(400,900)	(334,083)	-	(334,083)
Subtotal - Residence Halls and Summer Conferences	906,100	516,200	389,900	1,228,926	365,500	863,426
Bookstore Rental and Commissions	60,000	-	60,000	33,895	666	33,229
Food Service & Vending	95,000	403,700	(308,700)	664,009	968,578	(304,569)
Employee/Student Housing Rental	214,200	272,800	(58,600)	38,622	14,456	24,166
Edventures	342,000	352,300	(10,300)	133,670	154,996	(21,326)
Winery - Tasting Room	300,000	345,000	(45,000)	234,175	294,162	(59,987)
Family Enrichment Center	757,300	1,021,400	(264,100)	640,048	970,163	(330,115)
Community Events	812,300	1,154,400	(342,100)	962,771	1,297,185	(334,414)
Performing Arts Productions	340,000	345,900	(5,900)	200,314	297,003	(96,689)
SBDC (Federal Grant Match Requirement)	-	186,600	(186,600)	5,770	121,632	(115,862)
Yavapai College Foundation	543,800	543,800	-	442,814	442,814	-
Other Auxiliary Enterprises	180,600	149,100	31,500	404,941	388,318	16,623
General Fund Transfer In	2,008,900	-	2,008,900	1,674,083	-	1,674,083
Contingency	-	100,000	(100,000)	-	-	-
Facilities & Administrative Allocation	-	1,169,000	(1,169,000)	-	974,167	(974,167)
	<b>\$ 6,560,200</b>	<b>\$ 6,560,200</b>	<b>\$ -</b>	<b>\$ 6,664,038</b>	<b>\$ 6,289,640</b>	<b>\$ 374,398</b>

**Comments:**

The Budget currently has a surplus of \$374,398.

**Note 1:** Expenditures reported on the modified accrual basis of accounting.

**YAVAPAI COUNTY COMMUNITY COLLEGE DISTRICT**

**REPORT OF REVENUES AND EXPENDITURES**

**For the Ten Months Ended April 30, 2024 - 83.3% of the Fiscal Year Complete**

**Fiscal Year 2023-2024**

**DEBT SERVICE FUND**

	<b>Year-to-Date Revenues</b>		<b>Total Revenues</b>	<b>Budget</b>	<b>Percent of Budget</b>
<b>REVENUES:</b>					
Investment Income	\$ 670		\$ 670	\$ -	100.0%
General Fund Transfer In	712,917		712,917	855,500	83.3%
Auxiliary Fund Transfer In	334,083		334,083	400,900	83.3%
Fund Balance Applied to Budget	1,833		1,833	2,200	83.3%
<b>TOTAL REVENUES</b>	<b>1,049,503</b>		<b>1,049,503</b>	<b>1,258,600</b>	<b>83.4%</b>

	<b>Year-to-Date Expenditures</b>	<b>Encumbered Obligations</b>	<b>Labor Encumbrances</b>	<b>Total Expenditures and Non-Labor Encumbrances</b>	<b>Budget</b>	<b>Percent of Actual and Non- Labor Encumbrances to Budget</b>
<b>DEBT SERVICE FUND</b>						
<b>EXPENDITURES (Note 1):</b>						
Revenue Refunding Bonds - 2021						
Principal Payments	\$ -	\$ 695,833	\$ -	\$ 695,833	\$ 835,000	83.3%
Interest Payments	10,263	6,820	-	17,083	20,500	83.3%
Revenue Bonds - 2013						
Principal Payments	-	295,833	-	295,833	355,000	83.3%
Interest Payments	22,969	15,281	-	38,250	45,900	83.3%
Bank Fees	1,100	-	-	1,100	2,200	50.0%
<b>TOTAL EXPENDITURES</b>	<b>34,332</b>	<b>1,013,767</b>	<b>-</b>	<b>1,048,099</b>	<b>1,258,600</b>	<b>83.3%</b>
<b>SURPLUS/(DEFICIT)</b>				<b>\$ 1,404</b>	<b>\$ -</b>	

**COMMENTS:**

Through the tenth month, 83.3% of budget has been committed compared to 83.4% of revenues received.

**Note 1:** Expenditures reported on the modified accrual basis of accounting.



**INTERGOVERNMENTAL GRANT AGREEMENT  
NO. IGA-EANS-YAVAPAI-010124-01**

**Between the**

**STATE OF ARIZONA,  
THE OFFICE OF THE GOVERNOR**

**And the**

**YAVAPAI COLLEGE**

**I. RECITALS**

WHEREAS, A.R.S. § 41-101.01 authorizes the Office of the Governor of the State of Arizona (“GVA”) to execute and administer contracts. GVA is charged with the responsibility of administering the American Rescue Plan Emergency Assistance for Non-Public Schools (“ARPA EANS”) Fund. The Catalog of Federal Domestic Assistance (“CFDA”)/Assistance Listing for all ARPA EANS activity pursuant to this Agreement is 84.425V.

WHEREAS, A.R.S. §11-952 authorizes public agencies to enter into agreements to contract for services, to jointly exercise any powers common to the public agencies, and for joint or cooperative action.

THEREFORE, it is agreed that GVA and Yavapai College (“Grantee”), hereafter collectively referred to as the “Parties,” enter into the terms of this intergovernmental grant agreement (“Agreement”).

**II. PURPOSE OF AGREEMENT**

The purpose of this Agreement is to authorize use and provide funds from the ARPA EANS Fund to Grantee for COVID-19 pandemic-related emergency support and educational services and activities, in accordance with the implementing regulations of the U.S. Department of Education (“DOE”). Funds distributed pursuant to this Agreement must also comply with all federal rules and requirements including, without limitation, DOE’s implementing regulations, for the Governor’s Emergency Education Relief (“GEER”) Fund.

Information about the ARPA GEER and EANS programs is available at the following links:

<https://oese.ed.gov/offices/education-stabilization-fund/emergency-assistance-non-public-schools/>

<https://oese.ed.gov/offices/education-stabilization-fund/governors-emergency-education-relief-fund/>

**III. TERM OF AGREEMENT, TERMINATION AND AMENDMENTS**

This Agreement shall be effective January 1, 2024 and shall terminate on September 30, 2024, contingent upon funding.

Either party may terminate this Agreement at any earlier time by providing written notice to the other party at least thirty (30) days prior to the termination date. The Arizona Office of the Governor agrees that regardless of its termination date with Grantee, Grantee may use the funds distributed under this Agreement to pay for any unpaid services pursuant to this Agreement obligated prior to the date of termination. This Agreement is subject to cancellation pursuant to A.R.S. § 38-511, the provisions of which are incorporated herein.

Amendments to this Agreement shall be made in writing and signed by both parties.

#### **IV. DESCRIPTION OF SERVICES**

Grantee shall:

- A. Use funding provided for COVID-19 pandemic-related emergency support expenses and educational services and activities, in accordance with the DOE's implementing regulations and as outlined in Section V of this Agreement.
- B. Hereby agree that use of funds shall be in alignment with GVA and based on consultation with GVA.
- C. Maintain a tracking of total expenditures and report to GVA, as outlined in Section VI of this Agreement.

#### **V. MANNER OF FINANCING**

GVA shall:

- A. Provide to Grantee a total award amount of up to \$300,000.00 for activities outlined in Section IV.
- B. Transfer funding to Grantee upon receipt of valid request(s) for reimbursement as the project is executed, which include detailed supporting documentation of actual costs incurred. Any unused funding pursuant to this Agreement at the termination date shall be transferred back to GVA and the remaining balance of the award de-obligated.

Grantee shall:

- A. Submit requests for reimbursement for actual expenses incurred by the Workforce Scholarship Program using eCivis. Grantee shall submit these requests for reimbursement at a minimum of quarterly but not more frequently than once per month.
- B. Agree that the deadline to submit all final reimbursement requests for the Workforce Scholarship Program is September 30, 2024. Requests for reimbursement submitted later than September 30, 2024 will not be paid by GVA.
- C. Assure that all expenses, including any Travel-related costs, are in line with the State of Arizona Accounting Manual <https://gao.az.gov/state-arizona-accounting-manual-saam>, including any updates.
- D. Assure that any expenses reimbursed under this Agreement have not been or will not be reimbursed under any other federal program.
- E. As part of receiving these funds, all revenue received must remain in a singular dedicated fund and all expenditures must be made directly from the same.

#### **VI. REPORTING REQUIREMENTS**

Grantee shall submit quarterly programmatic reports to the Office of the Governor through eCivis for all activities performed and expenditures incurred under this Agreement as approved according to Section III above. The report deadlines are the 15th of the month following each Fiscal Quarter, e.g. April - June activities are due July 15th.

Grantee shall report the following metrics in a format instructed by GVA:

- A. Number of students who are enrolled in a credential, degree, or advanced skills program in a high wage/high growth job opportunity.
- B. Number of students who meet 2.0 GPA.
- C. Please document steps taken to seek to continue (codify in legislation) this program for the future.

#### **VII. APPLICABILITY OF PART 200 UNIFORM REQUIREMENTS**

Grantee agrees to comply with the Uniform Administrative Requirements, Cost Principles, and Audit Requirements in 2 C.F. R. Part 200.

#### **VIII. INSURANCE AND INDEMNIFICATION**

To the fullest extent permitted by law, Grantee shall defend, indemnify and hold harmless the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees (hereinafter referred to as "Indemnitee") from and against any and all claims, actions, liabilities, damages, losses, or



expenses (including court costs, attorney's fees, and cost of claim processing, investigation and litigation) (hereinafter referred to as "Claims") for bodily injury or personal injury (including death), or loss or damage to tangible or intangible property caused, or alleged to be caused, in whole or in part, by the negligent or willful acts or omissions of Grantee or any of its owners, officers, directors, agents, employees or subgrantees. This indemnity includes any claim or amount arising out of, or recovered under, the Workers' Compensation Law or arising out of the failure of such Grantee to conform to any federal, state, or local law, statute, ordinance, rule, regulation, or court decree. It is the specific intention of the parties that the Indemnatee shall, in all instances, except for Claims arising solely from the negligent or willful acts or omissions of the Indemnatee, be indemnified by Grantee from and against any and all claims. It is agreed that Grantee will be responsible for primary loss investigation, defense, and judgment costs where this indemnification is applicable. In consideration of the execution of this contract, the Grantee agrees to waive all rights of subrogation against the State of Arizona, its officers, officials, agents, and employees for losses arising from the work performed by the Grantee for the State of Arizona. This indemnity shall not apply if the grantee or sub-grantee(s) is/are an agency, board, commission or university of the State of Arizona.

As the Grantee is a public entity, it shall provide a certificate of self-insurance delivered by mail, email or hand delivery to:

Governor's Accounting Office  
1700 W. Washington St.  
Suite 500  
Phoenix, AZ 85007  
[procurement@az.gov](mailto:procurement@az.gov)

**IX. NON-AVAILABILITY OF FUNDS**

In accordance with A.R.S. § 35-154, every payment obligation of GVA under the Agreement is conditioned upon the availability of funds appropriated or allocated for payment of such obligation. If funds are not allocated and available for the continuance of this Agreement, this Agreement may be terminated by GVA at the end of the period for which funds are available. No liability shall accrue to GVA in the event this provision is exercised, and GVA shall not be obligated or liable for any future payments or for any damages as a result of termination under this paragraph.

**X. AUDIT**

In accordance with A.R.S. § 35-214, Grantee shall retain and shall contractually require each Grantee and subgrantee to retain all data, books and other records ("records") relating to this Agreement for a period of five years after completion of the Agreement. All records shall be subject to inspection and audit by GVA at reasonable times. Upon request, Grantee shall produce the original of any or all such records.

**XI. CONFLICT OF INTEREST**

In accordance with A.R.S. § 38-511, GVA may within three years after execution cancel the Agreement, without penalty or further obligation, if any person significantly involved in initiating, negotiating, securing, drafting or creating the Agreement on behalf of GVA, at any time while the Agreement is in effect, becomes an employee or agent or any other party to the Agreement in any capacity or a consultant to any other party of the Agreement with respect to the matter of the Agreement.

**XII. FUND MANAGEMENT**

The Grantee must maintain funds received under this Agreement in separate ledger accounts and cannot mix these funds with other sources. The Grantee must manage funds according to applicable federal regulations for administrative requirements, cost principles and audits. The Grantee may use up to the percentage of funds allowed by ARPA for administrative costs to offset costs associated with management of these funds and the reporting and audit requirements set-forth in this document.

The Grantee must maintain adequate business systems to comply with Federal requirements. The business systems that must be maintained are:

- A. Financial Management
- B. Procurement
- C. Personnel
- D. Property
- E. Travel

A system is adequate if it is: 1) written; 2) consistently followed - it applies in all similar circumstances; and 3) consistently applied – it applies to all sources of funds. The Grantor reserves the right to review all business systems policies.

**XIII. UEI**

Each successful recipient who is awarded \$25,000 or more must provide the following prior to an Agreement being executed: (a) Unique Entity Identifier (UEI) number for the fiscal agent; and (b) proof of current registration in the SAM.gov (SAM) website. SAM registration must be maintained for the term of the Agreement. SAM registration information may be found at <https://sam.gov/content/home>.

**XIV. FFATA REPORTING REQUIREMENTS**

In compliance with the Federal Funding Accountability and Transparency Act of 2006 Reporting Requirements, Pub. L. No. 109-282, 120 Stat. 1186, as amended by Section 6202 (a) of Pub. L. No. 110-252, the Grantee is required to provide information. The FFATA legislation requires information on federal awards (federal financial assistance and expenditures) to be made available to the public via a single, searchable website, which is [www.USASpending.gov](http://www.USASpending.gov).

**XV. OTHER**

It is agreed that the Parties to this Agreement have participated fully in the negotiation and preparation of the Agreement. Any rule of construction to the effect that ambiguities are to be resolved against the drafting Party shall not apply in interpreting this Agreement. The Parties acknowledge they have been advised by counsel, or have had the opportunity to be advised by counsel, in the negotiation and execution of the Agreement.

**XVI. NOTICES**

Grantee shall address all notices relative to this Agreement to GVA to:

Mildred Manuel  
Senior Grants Manager  
Governor's Office of Strategic Planning and Budgeting  
1700 West Washington Street, Suite 600  
Phoenix, Arizona 85007  
[mmanuel@az.gov](mailto:mmanuel@az.gov)

GVA shall address all notices relative to this Agreement to Grantee:

Dr. Lisa Rhine  
President  
Yavapai College  
[lisa.rhine@yc.edu](mailto:lisa.rhine@yc.edu)

**IN WITNESS WHEREOF**, the Parties hereto agree to execute this Agreement.

**YAVAPAI COLLEGE**

Lisa B. Rhine  
Lisa B. Rhine (May 1, 2024 16:36 PDT)

Dr. Lisa Rhine  
President

05/01/2024

Date

**THE OFFICE OF THE GOVERNOR**

Sarah Brown  
Director  
Governor's Office of Strategic Planning & Budgeting

Date

John McCleve  
Comptroller and CFO  
Governor's Accounting Office

Date

**INTERGOVERNMENTAL AGREEMENT  
NORTHERN ARIZONA REGIONAL TRAINING ACADEMY (NARTA)  
ACADEMY SERGEANT**

**Yavapai County Community College District  
and  
Yavapai County**

THIS INTERGOVERNMENTAL AGREEMENT - NORTHERN ARIZONA REGIONAL TRAINING ACADEMY (NARTA) - ACADEMY SERGEANT (the "Agreement"), is entered into the date of final signature by and between the Board of Supervisors of YAVAPAI COUNTY, (hereinafter the "County"), for and on behalf of the Yavapai County Sheriff's Office, and the Governing Board of YAVAPAI COUNTY COMMUNITY COLLEGE DISTRICT, doing business as YAVAPAI COLLEGE, a community college district of the State of Arizona (hereinafter the "College").

WITNESSETH:

WHEREAS, the Arizona Peace Officer Standards and Training Board ("AZ POST") prescribes minimum courses of training and minimum standards for training facilities of law enforcement officers in the state [ARS §41-1822 (A) (4)]; and,

WHEREAS, in accordance with said standards, the County, the City of Prescott, the Town of Chino Valley, the College, and other jurisdictions authorized to employ peace officers, have established the Northern Arizona Regional Training Academy (NARTA), a peace officer training academy approved by the AZ. POST, at the College; and,

WHEREAS, the Sheriff of the County has assigned a Sergeant in the Sheriff's Office to spend a significant amount of the Sergeant's time serving as supervisor of NARTA; and,

WHEREAS, the College and County desire to formalize that assignment by assigning the Sergeant as full-time supervisor of NARTA, in return for the College's payment of the salary and benefits of said Sergeant; and,

WHEREAS, ARS §11-952 authorizes two or more public agencies (including the County and the College) to contract for services or jointly exercise any powers common to the contracting parties, if the agreement meets certain requirements set forth in §11- 952;

NOW, THEREFORE, for and in consideration of the mutual covenants and promises herein, the parties hereto agree as follows:

**SECTION 1.** TERM. The term of this Agreement shall be from July 1, 2024, through June 30, 2025, unless sooner terminated as set forth in Section 5 herein. This agreement may renew for up to two (2) additional one-year periods upon written amendment signed and agreed upon by both parties.

**SECTION 2.** PURPOSE. The purpose of this Agreement is to set forth the duties and responsibilities of the parties and to formalize the routine appointment by the County of a Sergeant to supervise NARTA at the College, in return for the College paying the cost of the salary and benefits of said officer.

**SECTION 3.** PERFORMANCE. The performance commitments of the respective parties are as follows:

The County shall:

- (a) ensure through the Sheriff's Office that a qualified Sergeant is appointed at all times to supervise NARTA at the College. In so doing, the Sheriff's Office shall make every effort to find a qualified substitute or make arrangements to reschedule classes if the designated Sergeant is unavailable for any reason;
- (b) ensure that the designated Sergeant is properly trained and oriented to fulfill the requirements of the position;
- (c) allow the designated Sergeant the time to:
  - (1) properly prepare for each NARTA class;
  - (2) interact with students of NARTA; and,
  - (3) participate in any College staff orientation, faculty meetings, and in- service activities;
- (d) provide necessary supervision and evaluation of the designated Sergeant's performance so as to ensure an adequate level of performance; and,
- (e) use funds provided by the College to defray the costs of providing this Sergeant to the College.

The College shall:

- (a) provide office space for the designated Sergeant to carry out necessary supervisory responsibilities; and,
- (b) provide regular evaluations of the effectiveness and ongoing needs of the officers.
- (c) provide travel funds to the Sergeant to assist the Sergeant in attending AZ POST meetings or any law enforcement training approved by the College, including but not limited to reimbursement for use of the Sergeant's private vehicle, auto rental, gas card, lodging, and meals as provided under College policies for adjunct faculty.
- (d) provide a Program Coordinator to liaise with the Sergeant to ensure that the NARTA program is carried out effectively and efficiently.

**SECTION 4.** BUDGETING AND FINANCING. The County estimates that the full cost of the salary and benefits for the assigned Sergeant will be \$163,437.37. The breakdown of these estimated costs are as follows:

NARTA Sergeant Cost Effective 07/01/2024 - 10/26/2024								
July 1, 2024 COLA 3.24% and anticipated ERE adjustments								
ANNUAL PERSONNEL COSTS - DOES NOT INCLUDE OVERTIME								
EMPLOYEE	POSITION	ANNUAL SALARY	FICA / MEDICARE	RETIREMENT	WORKERS COMP	HEALTH INSURANCE	CELL STIPEND	ANNUAL COST
			7.65%	42.84%	5.15%			
Lewis, Michael	Sergeant	\$95,623.50	\$ 7,315.20	\$ 40,965.11	\$ 4,924.61	\$ 11,000.00	\$ 432.00	\$ 160,260.42
						Cost per Pay Period		\$ 6,163.86
						Effective Pay Periods		7.5
						Sub-Total Cost		\$ 46,228.95
NARTA Sergeant Cost Effective 10/27/2024 - 06/30/2025								
October 2024 Merit Raise 3%								
ANNUAL PERSONNEL COSTS - DOES NOT INCLUDE OVERTIME								
EMPLOYEE	POSITION	ANNUAL SALARY	FICA / MEDICARE	RETIREMENT	WORKERS COMP	HEALTH INSURANCE	CELL STIPEND	ANNUAL COST
			7.65%	42.84%	5.15%			
Lewis, Michael	Sergeant	\$98,492.21	\$ 7,534.65	\$ 42,194.06	\$ 5,072.35	\$ 11,000.00	\$ 432.00	\$ 164,725.28
						Cost per Pay Period		\$ 6,335.59
						Effective Pay Periods		18.5
						Sub-Total Cost		\$ 117,208.42
						FY 24/25 Cost		\$ 163,437.37

The college shall pay to the County during fiscal year 2024-2025 the full cost of salary and benefits for the assigned sergeant up to a maximum of \$163,437.37. The payments shall be divided into twelve (12) monthly installments made by the College to the County on or before the 15th day of each month. The College shall make its best efforts to include in its annual budgets the necessary appropriations to meet the cost of its performance hereunder.

**SECTION 5. TERMINATION.** This Agreement may be terminated by either party for any reason whatever, effective sixty (60) days after receipt of written notice by the other party. In the event of termination prior to the full term of this Agreement, if the College has paid to the County the salary amount set forth in Section 4 above, the County shall prorate said amount based on the remaining term of this Agreement and shall return the unearned portion to the College within sixty (60) calendar days. In the event of termination prior to the full term of this Agreement, if the College has not yet paid the salary amount set forth in Section 4 above, the College shall prorate said amount based on the remaining term of this Agreement and shall pay the earned portion to the County within sixty (60) calendar days.

This Agreement is contingent upon the College appropriating funds to finance the College's responsibilities under this Agreement. If College fails to appropriate sufficient funds, College shall immediately notify County, and this Agreement shall terminate at the end of the period for which sufficient funds were appropriated and available.

**SECTION 6. INDEMNIFICATION.** Each party (as "indemnitor") agrees to indemnify, defend, and hold harmless the other party (as "indemnitee"), its officials, officers, agents, and employees, for, from, and against any and all claims, losses, liability. costs, or expenses (including reasonable attorneys' fees) (hereinafter collectively referred to as "claims") arising out of bodily injury of any person (including death) or property damage to the extent that such claims are caused by the act, omission, negligence, misconduct, or other faults of the indemnitor, its officials, officers, agents, employees, or volunteers. The agreement to indemnify, defend, and hold harmless shall survive the termination of this agreement. Notwithstanding the foregoing or any other provision of this Agreement to the contrary, any agreement by College to indemnify, defend, and hold harmless the County shall be limited to, and payable only from, the College's available insurance or self-insurance coverage for liability assumed by contract, if

any.

**SECTION 7.** NO PARTNERSHIP; NOT EMPLOYEES. Nothing herein is intended to create a partnership or joint venture between the parties, nor does it create an employment relationship between the personnel of the County and the College. Rather, the Sergeant and other assigned personnel of the County are independent contractors of the College for purposes of Article 2, Chapter 7, Title 12, Arizona Revised Statutes. Nothing in this Agreement affects any employment relationships between the Sergeant and other assigned personnel and the County.

For purposes of workers' compensation, an employee of a party to this Agreement, who works under the jurisdiction or control of, or who works within the jurisdictional boundaries of another party pursuant to this specific IGA, is deemed to be an employee of both the party who is his primary employer and the party under whose jurisdiction or control or within whose jurisdictional he is then working, as provided by A.R.S. § 23- 1022(0). The primary employer party of such employee shall be solely liable for payment of workers' compensation benefits for the purposes of this section. Each party herein shall comply with the provisions of A.R.S. § 23-1022(E) by posting the public notice required.

**SECTION 8.** NOTICES. All notices provided in connection with this Agreement shall be in writing and shall be deemed to have been sufficiently delivered or served when presented personally or upon the third day after being deposited in the United States mail, postage prepaid, by registered or certified mail, or via email, addressed as follows:

College:  
Procurement & Contract Services Yavapai College  
1100 E. Sheldon Street Prescott, Arizona 86301  
Email: [Procurement@yc.edu](mailto:Procurement@yc.edu)

County:  
Yavapai County Sheriff's Office  
255 East Gurley Street Prescott, AZ 86301  
Email: [sheriff.budgetoffice@yavapaiaz.gov](mailto:sheriff.budgetoffice@yavapaiaz.gov)

**SECTION 9.** FURTHER INSTRUMENTS. Each party hereto shall, promptly upon the request of the other, acknowledge and deliver to the other any and all further instruments and assurances reasonably requested or appropriate to evidence or give effect to the provisions of this Agreement.

**SECTION 10.** AMENDMENT AND CONSTRUCTION. This Agreement sets forth the entire understanding of the parties as to the matters set forth herein as of the date of this Agreement and cannot be altered or otherwise amended except pursuant to an instrument in writing signed by each of the parties hereto. This Agreement is intended to reflect the mutual intent of the parties with respect to the subject matter hereof, and no rule of strict construction shall be applied against any party.

**SECTION 11.** CONFLICT OF INTEREST. This Agreement may be canceled pursuant to ARS §38-511 in the event of a conflict of interest as described therein.

**SECTION 12.** DISPOSITION OF PROPERTY. The parties do not contemplate the joint purchase of any property under this Agreement. Upon termination of this Agreement for any reason, any property purchased by a party shall remain the property of that party, and any party having possession or use of the other party's property shall return such property to the owning party.

**SECTION 13.** NONDISCRIMINATION. The parties agree to comply with the nondiscrimination in government contract provisions of Executive Order No. 2009-09, and hereby incorporated by reference its terms into this Agreement as if fully set forth herein.

**SECTION 14.** RESOLUTIONS. Attached hereto are the authentic copies of each appropriate action by ordinance, resolution or otherwise of the governing body of each party

authorizing the execution of this Agreement.

**SECTION 15.** IMMIGRATION LAW COMPLIANCE. Both parties hereby warrant that they will at all times during the term of this Agreement comply with all federal immigration laws applicable to their employment of their employees, and with the requirements of A.R.S. §§ 23-214 and 41-4401 (together the "State and Federal Immigration Laws"). A breach of the foregoing warranty shall be deemed a material breach of the Agreement, and the parties shall have the right to terminate this Agreement for such a breach, in addition to any other applicable remedies. The parties retain the legal right to inspect the papers of each contractor, subcontractor, or employee of either who performs work pursuant to this Agreement to verify performance of the foregoing warranty of compliance with the State and Federal Immigration Laws.

**SECTION 16.** WRITTEN CERTIFICATION PURSUANT TO A.R.S. §35-394. Both parties certify they do not currently, and agree for the duration of the contract that they will not, use: 1) the forced labor of ethnic Uyghurs in the People's Republic of China; 2) any goods or services produced by the forced labor of ethnic Uyghurs in the People's Republic of China; and 3) any contractors, subcontractors or suppliers that use the forced labor or any goods or services produced by the forced labor of ethnic Uyghurs in the People's Republic of China. If either party becomes aware during the term of the contract that they are not in compliance with the written certification, the non-complying party shall notify the other party within five (5) business days after becoming aware of the noncompliance. If the non-complying party does not provide the other party with a written certification that they have remedied the noncompliance within 180 days after notifying the other party of the noncompliance, this Contract terminates, except that if the contract termination date occurs before the end of the remedy period the Contract terminations on the Contract termination date.

**SECTION 17.** ALTERNATIVE DISPUTE RESOLUTION. Pursuant to A.R.S. § 12-1518, disputes under this Agreement shall be resolved through the use of arbitration when the case or lawsuit is subject to mandatory arbitration pursuant to rules adopted under A.R.S. § 12-133.



IN WITNESS WHEREOF, the parties hereto have executed this Agreement by and through their authorized representatives the day and year first above written.

**YAVAPAI COUNTY**  
Board of Supervisors

ATTEST:

\_\_\_\_\_  
Craig L. Brown, Chairman

\_\_\_\_\_  
Jayme Rush, Clerk of the Board

The foregoing Intergovernmental Agreement has been submitted to me as Attorney for the Sheriff's Office. to review prior to its execution, pursuant to ARS §11-952(D), and I have determined that it is in proper form and is within the powers and authority granted to the County under the laws of Arizona.

\_\_\_\_\_  
Steven Clark, Attorney for Yavapai County

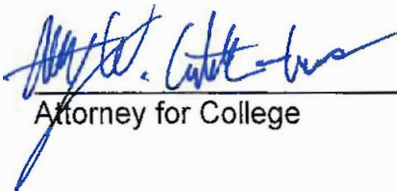
YAVAPAI COLLEGE, a community college  
District of the State of Arizona, (College)

ATTEST:

\_\_\_\_\_  
Deb McCasland, Board Chair  
Yavapai College; Yavapai County

\_\_\_\_\_  
Yvonne Sandoval  
Secretary

The foregoing Intergovernmental Agreement has been submitted to me as Attorney for Yavapai College for review prior to its execution, pursuant to ARS §11-952(0), and I have determined that it is in proper form and is within the powers and authority granted to the College under the laws of the State of Arizona.

 4-25-2024  
\_\_\_\_\_  
Attorney for College

**INTERGOVERNMENTAL AGREEMENT BETWEEN  
MOUNTAIN INSTITUTE CAREER TECHNICAL EDUCATION DISTRICT NO. 2  
AND YAVAPAI COMMUNITY COLLEGE DISTRICT  
FOR CULINARY BUILDING CONSTRUCTION/RENOVATION**

**THIS AGREEMENT** is made by and between Mountain Institute Career Technical Education District No. 2 (“MICTED”) and Yavapai County Community College District (“COLLEGE”) for Culinary building construction.

**WHEREAS**, the COLLEGE, through its Governing Board, is empowered and authorized to contract with MICTED for the joint exercise of powers to construct/renovate and fund the construction/renovation and furnishing of existing space within Building 4 on the College’s Prescott Campus into a culinary teaching kitchen pursuant to A.R.S. §§ 11-952 and 15-1444,

**NOW, THEREFORE**, in consideration of the mutual covenants contained herein, MICTED and the COLLEGE agree as follows:

**ARTICLE I. PURPOSE**

The purpose of this Agreement is to identify and define the parties’ obligations in the construction/renovation of a building to be used for culinary classes.

**ARTICLE II. OBLIGATIONS OF THE COLLEGE**

- A. COLLEGE shall procure and contract a contractor or construction manager at risk to construct/renovate a portion of Building 4 on the College’s Prescott campus into a culinary teaching kitchen and shall ensure that pursuant to the contract, any budget savings against the construction costs shall be credited to and benefit MICTED.
- B. COLLEGE shall work with MICTED on approval of final construction/renovation plans that satisfy the needs of COLLEGE and MICTED. College shall provide a copy of the Construction Documents to MICTED, which includes a copy of contract for construction services or CMAR.
- C. COLLEGE shall provide MICTED with a specific construction schedule and ensure MICTED is reasonably informed of construction status, including inspections and walk throughs. COLLEGE agrees to include MICTED in communications with its contractor regarding construction progress, schedule updates, changes orders, etc.
- D. COLLEGE shall consult with MICTED prior to the purchase any equipment and fixtures for the culinary space, providing MICTED with the opportunity to separate procure the required equipment and fixtures to ensure that it meets the needs of MICTED’s culinary program.
- E. In exchange for MICTED funding construction costs under this Agreement, COLLEGE shall allow MICTED exclusive use of the culinary space without charge in accordance with MICTED’s schedule. As of the date of this Agreement, the culinary class meets Monday through Thursday, 1:15 pm through 3:45 pm and Friday, from 8 am to 1 pm. If a need for any change to MICTED schedule arises, the parties agree to cooperatively

discuss any changes to the schedule and building access as may be necessary for MICTED's program needs.

- F. College shall be responsible for all costs associated with the maintenance and operation of the building, including the renovated culinary space, which shall include utilities, janitorial, maintenance, and insurance.
- G. The College and MICTED will develop a viable plan for transportation between the College CTEC campus and the College Prescott campus prior to the start of the 24/25 School Year.

### **ARTICLE III. OBLIGATIONS OF MICTED**

- A. MICTED agrees to pay COLLEGE an amount not to exceed four hundred and twenty thousand dollars (\$420,000.00) for the construction/renovation and furnishing of the new culinary teaching kitchen, which shall include all amounts paid or owed by MICTED to COLLEGE for the architectural services procured by COLLEGE, and provided that any budget savings attributable to construction costs shall be credited to MICTED and reduce MICTED's construction funding obligations under this Agreement.
- B. MICTED shall make payments to COLLEGE in accordance with a standard construction schedule, a copy of which COLLEGE shall provide to MICTED as it is available or updated.
- C. MICTED shall not make any final payment for construction services unless and until Final Completion is achieved. MICTED's payment obligation is an amount not to exceed four hundred and twenty thousand dollars (\$420,000.00)
- D. If construction/renovation costs exceed the amount MICTED has agreed to pay under this agreement, including any architectural services, COLLEGE shall be responsible for such payment.
- E. The obligation of MICTED to fund construction/renovation costs under this Agreement shall not include any site work, infrastructure, or other work or costs related to the real property on which the building will be located, or installation of any utilities.
- F. MICTED shall work with COLLEGE on approval of final construction/renovation plans and documents that satisfy the needs of COLLEGE and MICTED.
- G. The College and MICTED will develop a viable plan for transportation between the College CTEC campus and the College Prescott campus prior to the start of the 24/25 School Year.

### **ARTICLE IV. DISPOSITION OF PROPERTY**

Upon conclusion of the Agreement, COLLEGE shall retain ownership of the building constructed under this Agreement. MICTED will maintain ownership of any and all equipment, furnishing, or property MICTED purchases, brings to or leaves in the culinary building.

## ARTICLE V. STANDARD PROVISIONS

1. The Parties to this Agreement agree that they will not discriminate against any employee or applicant due to race, color, religion, sex, or national origin, and in this regard the Parties will comply with all applicable federal and state employment laws, rules and regulations, including the Americans with Disabilities Act

2. The term of this Agreement shall be 5 years commencing April 27, 2024. Thereafter, the Agreement may be extended for additional periods by written approval of both Parties.

3. The continuation and renewal of this Agreement shall be subject to approval by the COLLEGE and MICTED Governing Boards and subject to the appropriation of sufficient funds to administer and support the program. In the event that sufficient funds are not available or not appropriated, the COLLEGE or MICTED may cancel the Agreement by delivering written notice to the other Party hereto according to the termination provisions above.

4. The Parties are self-insured through the Arizona School Retention Trust and agree to maintain standard Trust limits for the duration of the Agreement. The Parties further agree that in the event of a claim, each Party's respective coverage would apply to its own Covered Parties.

5. To the extent permitted by law, each Party to this Agreement shall indemnify the other, its officers, directors, employees and representatives, against any and all liability, costs, damages, claims or demands including reasonable legal fees and expenses whatsoever which one party may suffer arising out of or relating to this agreement or the services provided under this Agreement if the claim against the party arises out of negligent or intentional acts or omissions of the other party. Indemnification shall include all employees, agents, officers, directors, shareholders and contractors of the party. This indemnification provision shall survive termination of this Agreement.

6. In the event of a dispute between the parties arising under this Agreement, the Parties agree to negotiate a resolution in good faith. If the dispute cannot be resolved through negotiation, the parties shall participate in good faith in mediation with a trained and impartial mediator prior to filing a claim or pursuing any required arbitration process. The Parties shall share the expenses of mediation, except that shared expenses shall not include the cost incurred by a Party for representation by an attorney at the mediations, if such representation is desired.

7. This Agreement may be terminated in accordance with the provisions of A.R.S. § 38-511, which are fully incorporated herein.

8. This document contains the entire Agreement between the Parties and may not be modified, amended, altered or extended except through a written amendment by the Parties.

9. The Parties hereby warrant, and represent to each other, that they comply with A.R.S. §§ 41-4401 and 23-214, the Federal Immigration and Nationality Act (FINA), and all other federal immigration laws and regulations.

10. Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same instrument.

11. Informed consent. The Parties acknowledge that Sims Mackin, Ltd. represents both Parties in various matters. The Parties agree this Agreement does not involve a concurrent conflict of interest although they have been advised of a potential conflict of interest. Nevertheless, the Parties acknowledge that undersigned counsel, by this paragraph, has informed each party that counsel will be able to provide competent and diligent representation to each Party, that the representation of each Party is not prohibited by law, and that the representation of the Parties in this matter does not involve the assertion of a claim by one Party against the other Party in the same litigation or other proceeding before a tribunal. The Parties further acknowledge that in the event a conflict of interest arises that cannot be waived, or which is not waived, they have been advised that Sims Mackin will withdraw from the representation of both parties with regard to the issue giving rise to the conflict. By signing below, each Party consents to the representation of Sims Mackin, Ltd. on behalf of both parties in the drafting, review, and/or approval of this Agreement in accordance with A.R.S. § 11-952(D).

[SIGNATURES ON NEXT PAGE]

IN WITNESS WHEREOF, the Parties executed this Agreement on the 9<sup>th</sup> day of April 2024.

**YAVAPAI COUNTY COMMUNITY  
COLLEGE DISTRICT**

**MOUNTAIN INSTITUTE CTED NO. 2**

\_\_\_\_\_  
Signature                                  Date

\_\_\_\_\_  
Signature                                  Date

\_\_\_\_\_  
Printed or Typed Name of Signatory

William Stiteler  
\_\_\_\_\_  
Printed or Typed Name of Signatory

\_\_\_\_\_  
Title

Superintendent  
\_\_\_\_\_  
Title

COLLEGE MAILING ADDRESS:  
1100 East Sheldon  
Prescott, AZ 86301

MICTED Mailing Address:  
220 Ruger Road Suite 2  
Prescott, AZ 86301

Contact: \_\_\_\_\_

Contact: William Stiteler

Phone # \_\_\_\_\_

Phone # (928) 771-0791

Pursuant to A.R.S. § 11-952, the attorney for each of the Parties has determined that the foregoing Agreement is in proper form and is within the powers and authority granted under the laws of the State of Arizona to the Party which such attorney represents.

[Signature] 5-7-2024  
COLLEGE Legal Counsel          Date

Kristin Mackin 4/8/2024  
MICTED Legal Counsel          Date

May 21, 2024

Association of Community College Trustees (ACCT)  
Attn: Leadership Congress  
1101 17<sup>th</sup> Street NW #300  
Washington, DC 20036

Dear ACCT Leadership Congress,

The District Governing Board of Yavapai College is in full support of Dr. Lisa Rhine's proposal(s) to present with YC District Governing Board members and YC staff at the 2024 ACCT Leadership Congress. The 2024 Congress, entitled *Community Colleges as Catalysts: Cultivating Skills for the Future*, will be held on October 23-26 in Seattle, Washington.

President Rhine will co-present with District Governing Board members and College administration on a proposal entitled **Crisis to Career: Yavapai's Innovative Approach to Housing Stability for Student & Workforce Success**.

Sincerely,

\_\_\_\_\_  
Deb McCasland, Board Chair  
District 2

\_\_\_\_\_  
Chris Kuknyo, Board Secretary  
District 4

\_\_\_\_\_  
Toby Payne, Board Member  
District 3

\_\_\_\_\_  
Ray Sigafos, Board Member  
District 1

\_\_\_\_\_  
Steve Bracety, Board Member  
District 5

May 21, 2024

Association of Community College Trustees (ACCT)  
Attn: Leadership Congress  
1101 17<sup>th</sup> Street NW #300  
Washington, DC 20036

Dear ACCT Leadership Congress,

The District Governing Board of Yavapai College is in full support of nominations from Yavapai College for the following awards:

- Faculty Member Award: Alex Barber, Ph.D., Commercial Driver Training Faculty in the Workforce and Health Science Division

The 2024 Congress, entitled *Community Colleges as Catalysts: Cultivating Skills for the Future*, will be held on October 23-26 in Seattle, Washington.

Sincerely,

\_\_\_\_\_  
Deb McCasland, Board Chair  
District 2

\_\_\_\_\_  
Chris Kuknyo, Board Secretary  
District 4

\_\_\_\_\_  
Ray Sigafos, Board Member  
District 1

\_\_\_\_\_  
Toby Payne, Board Member  
District 3

\_\_\_\_\_  
Steve Bracety, Board Member  
District 5