

SUBJECT

Acceptance of Report of Revenues and Expenditures

REASON FOR CONSIDERATION BY THE BOARD

The District Governing Board reviews the College financial report.

BACKGROUND INFORMATION

Included is the Financial Update Report, highlighting the status of several key financial priorities.

The report of Revenues and Expenditures for the seven months of FY2004-05 ending February 28, 2005 is attached. General Fund gross revenues are meeting expectations at 68% of budget. Tuition and Fees revenues are 80% of budget, below projections by approximately 7% for the Fall and Spring semesters due to flat FTSE for the current fiscal year. General Fund expenditures represent 56% of budget through eight months. Currently, General Fund revenues exceed expenditures by \$1,818,827. The annual transfer to the Auxiliary and Plant Funds, in the total amount of \$4,360,978, was completed in February, 2005.

Unexpended Plant Fund revenues are also on track, with 100% of State Appropriations received. The total funds available from the 2001 Series A General Obligation Bonds have been spent. January 2004, began the spending on the second \$25 Million, 2003 Series B General Obligation Bonds. Unexpended Plant Fund expenditures represent 49% of budget through eight months, reflecting the Master Plan spending on both the Prescott and Verde campuses. Unexpended Plant Fund revenues currently exceed expenditures by \$740,425.

STAFF RECOMMENDATIONS

Bob Lynch, Controller/Interim Vice President of Finance
Executive Leadership Team

POSSIBLE RECOMMENDATION

That the District Governing Board accept the Report of Revenues and Expenditures as presented.

YAVAPAI COLLEGE

FINANCIAL UPDATE

March 1, 2005

FY2003-04 Close and Audit

- The year-end close for FY2003-04 is complete and the unaudited financial statements, in the monthly “Budget” format, were available for the November Board meeting.
- The auditors completed their field work on October 27, 2004. The CAFR will be issued in mid-January in time to qualify for the Certificate of Achievement for Excellence in Financial Reporting award from the GFOA. I believe that our current CAFR continues to meet the program requirements. The actual distribution of the CAFR will be in early-February, 2005.

FY 2005-06 Budget

- Preliminary Budget Assumptions were presented at the November Board meeting.
- First discussion of Tuition & Fees for FY2005-06 was held at the January Board meeting. Final Tuition & Fees adoption scheduled for the April 12, 2005 Board meeting.
- First Iteration of FY 2005-06 Budget was distributed to Budget Managers in early-January, 2005, due to Business Office by February 11, 2005.
- Second Iteration of the FY 2005-06 Budget was distributed to Budget Managers on February 28, 2005, due to the Business Office by March 24, 2005.
- Request for new initiatives distributed to Budget Mangers mid-January, due to Business Office February 18, 2005.
- The first Preliminary Budget overview will be presented at the April Board meeting.

Issuance of General Obligation Bonds

- Current Master Plan spending projections indicate that the final debt issuance under the November, 2000 authorization, for \$19,500,000, is planned for May 1, 2005.

Financial Organization

- Vice President for Finance & Facilities Terry Bowmaster submitted his resignation effective October 4, 2004. Bob Lynch is serving as the Interim Vice President of Finance, until further notice.

YAVAPAI COUNTY COMMUNITY COLLEGE DISTRICT

REPORT OF REVENUES AND EXPENDITURES

For the Eight Month Ended February 28, 2005

REVENUE SOURCES	BUDGETED 2004-05	REVENUE YEAR-TO DATE	PERCENT OF BUDGETED AMOUNT	BALANCE TO RECEIVE	PERCENT OF BUDGETED AMOUNT
Plant Funds (equipment)					
Property Taxes - Primary	\$ 1,384,421	922,947	67%	\$ 461,474	33%
State	683,800	683,800	100%	-	0%
Investment Income	15,000	5,657	38%	9,343	62%
General Obligation Bonds - 2003	18,120,000	10,444,111	58%	7,675,889	42%
General Obligation Bonds - 2005	1,640,000	-	0%	1,640,000	100%
Investment Income G O Bonds	215,000	98,953	46%	116,047	54%
Other Sources	-	9,046		(9,046)	
TOTAL REVENUES	22,058,221	12,164,514	55%	9,893,707	45%
Transfers In/Out	500,000	500,000	100%	-	0%
TOTAL REVENUES AND ADDITIONS OF FUNDS	\$ 22,558,221	\$ 12,664,514	56%	\$ 9,893,707	44%
Restricted Fund Balance Budgeted to Expend	1,675,864	-	0%	1,675,864	100%
TOTAL BUDGET - PLANT FUND	\$ 24,234,085	\$ 12,664,514	52%	\$ 11,569,571	48%

COMMENTS:

Full State appropriation for fiscal year 2004-05 was received in July, 2004.

The full amount of the General Obligations Bonds, 2001 Series A proceeds has been completely expended.

The second issue of General Obligation Bonds, Series B proceeds, \$25,000,000, was received in July 2003. The District began spending the proceeds in January 2004. Of this amount, \$12,940,690 was carryforward into the current year including \$862,529 of cumulative unexpended interest income.

YAVAPAI COUNTY COMMUNITY COLLEGE DISTRICT
REPORT OF REVENUES AND EXPENDITURES
For the Eight Month Ended February 28, 2005

EXPENDITURE FUNCTION	BUDGETED 2004-05	EXPENDITURES YEAR-TO DATE	PERCENT OF BUDGETED AMOUNT	BALANCE TO EXPEND	PERCENT OF BUDGETED AMOUNT
Plant Funds					
Buildings	\$ 308,385	\$ 169,827	55%	\$ 138,558	45%
Master Plan Projects	19,720,000	9,650,798	49%	10,069,202	51%
Equipment	1,913,040	1,800,140	94%	112,900	6%
Non-Capitalized	70,000	98,330	140%	(28,330)	-40%
Library Books	152,018	68,648	45%	83,370	55%
Contingency	1,898,864	-	0%	1,898,864	100%
G O Bond Issuance Costs	40,000	-	0%	40,000	100%
Principal Payments on Capital Leases	125,314	124,612	99%	702	1%
Interest on Capital Leases	6,464	11,734	182%	(5,270)	-82%
TOTAL EXPENDITURES - PLANT FUNDS	<u>\$ 24,234,085</u>	<u>\$ 11,924,089</u>	49%	<u>\$ 12,309,996</u>	51%

**SUMMARY -
REVENUES/EXPENDITURES**

Plant Funds					
Revenues	\$ 24,234,085	\$ 12,664,514	52%	\$ 11,569,571	48%
Expenditures	<u>(24,234,085)</u>	<u>(11,924,089)</u>	49%	<u>(12,309,996)</u>	51%
Revenues over Expenditures	<u>\$ -</u>	<u>\$ 740,425</u>		<u>\$ (740,425)</u>	

COMMENTS:

49% of the Plant Fund Budget has been expended through the eight month.

Plant Fund Revenues exceed Expenditures by \$740,425 through the eight month.

YAVAPAI COUNTY COMMUNITY COLLEGE DISTRICT

REPORT OF REVENUES AND EXPENDITURES

For the Eight Month Ended February 28, 2005

EXPENDITURE FUNCTION	BUDGETED 2004-05	EXPENDITURES YEAR-TO DATE	PERCENT OF BUDGETED AMOUNT	BALANCE TO EXPEND	PERCENT OF BUDGETED AMOUNT
Current Funds - Unrestricted					
Instruction	\$ 13,760,912	\$ 6,898,021	50%	\$ 6,862,891	50%
Public Service	117,194	74,913	64%	42,281	36%
Academic Support	3,868,869	2,353,136	61%	1,515,733	39%
Student Services	2,559,382	1,544,242	60%	1,015,140	40%
Institutional Support (Admin.)	7,782,821	5,309,726	68%	2,473,095	32%
Operation & Maintenance of Plant	3,214,024	1,759,492	55%	1,454,532	45%
Contingency	1,000,000	-	0%	1,000,000	100%
TOTAL EXPENDITURES - CURRENT FUNDS - UNRESTRICTED	\$ 32,303,202	\$ 17,939,530	56%	\$ 14,363,672	44%

**SUMMARY -
REVENUES/EXPENDITURES**

Current Funds - Unrestricted					
Revenues	\$ 32,303,202	\$ 19,758,357	61%	\$ 12,544,845	39%
Expenditures	(32,303,202)	(17,939,530)	56%	(14,363,672)	44%
Revenues over Expenditures	\$ -	\$ 1,818,827		\$ (1,818,827)	

COMMENTS:

Through the eight month, 56% of budget has been expended compared to 61% of total revenues received.

The Budget currently has a surplus of \$1,818,827.

YAVAPAI COUNTY COMMUNITY COLLEGE DISTRICT
REPORT OF REVENUES AND EXPENDITURES
For the Eight Month Ended February 28, 2005

REVENUE SOURCES	BUDGETED 2004-05	REVENUE YEAR-TO DATE	PERCENT OF BUDGETED AMOUNT	BALANCE TO RECEIVE	PERCENT OF BUDGETED AMOUNT
Current Funds - Unrestricted					
Property Taxes - Primary	\$ 24,805,216	16,536,811	67%	\$ 8,268,405	33%
State Appropriations	4,724,500	3,149,667	67%	1,574,833	33%
Tuition, Registration & Student Fees	5,457,564	4,350,779	80%	1,106,785	20%
Other Sources	<u>276,900</u>	<u>82,079</u>	30%	<u>194,821</u>	70%
Sub-Total Gross Revenues	35,264,180	24,119,335	68%	11,144,845	32%
Transfers In/Out	<u>(4,340,978)</u>	<u>(4,360,978)</u>	100%	<u>20,000</u>	0%
TOTAL NET REVENUES					
CURRENT FUNDS - UNRESTRICTED	<u>\$ 30,923,202</u>	<u>\$ 19,758,357</u>	64%	<u>\$ 11,164,845</u>	36%
Unrestricted Fund Balance					
Budgeted to Expend	<u>1,380,000</u>	<u>-</u>	0%	<u>1,380,000</u>	100%
TOTAL BUDGET	<u>\$ 32,303,202</u>	<u>\$ 19,758,357</u>	61%	<u>\$ 12,544,845</u>	39%

COMMENTS:

Gross Revenues on projections at 68% through the eight month.

Tuition and Fees are below projections at 80% of budget for Fall and Spring semesters - should be closer to 87% of budget to fulfill projections.

Annual transfer to Auxiliary Fund and Plant Fund recorded in February, 2005.