

YAVAPAI COLLEGE DISTRICT GOVERNING BOARD

FY 2019-2020 BUDGET PUBLIC HEARING

AGENDA AND PACKET

TUESDAY, MAY 14, 2019
1:00 P.M.

Prescott Campus
Susan N. Webb Community Room
Room 19-147
1100 E. Sheldon Street
Prescott, AZ 86301

OurBoardroom™
your Policy Governance® Partner



**Budget - Public Hearing
Agenda Summary
Budget Public Hearing
Tuesday, May 14, 2019
1:00 PM**

Prescott - Susan N. Webb Community Room 19-147
1100 E. Sheldon Street
Prescott, Arizona

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 in 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 a reasonable accommodation, such as a sign language interpreter, 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 agenda item times are for planning purposes only and do 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. Members of the public wishing to attend those subsequent hearings or meetings are advised to arrive at the time that the first hearing or meeting is scheduled to begin.

| Item No. | Item | Time Req. | Start Time | Ref No. |
|----------|--|-----------|------------|---------|
| 1 | Call to Order - PROCEDURAL | 1 | 1:00 PM | 786209 |
| 2 | For Consideration for Approval of Proposed Aviation Fees for Fiscal Year 2019-2020 - INFORMATION, DISCUSSION AND/OR DECISION | 15 | 1:01 PM | 839421 |
| 3 | FY 2019 - 2020 Yavapai County Community College District Budget Overview - INFORMATION | 5 | 1:16 PM | 786210 |
| 4 | Public Comment - INFORMATION | 9 | 1:21 PM | 786211 |
| 5 | ADJOURNMENT - PROCEDURAL | 1 | 1:30 PM | 786212 |

| | | |
|-----------------------------------|-----------------------------------|--------------------|
| Presenter : Ray Sigafoos | Start Time : 1:00 PM | Item No : 1 |
| Proposed By : Ray Sigafoos | Time Req : 1 | |
| Proposed : 6/6/2018 | Item Type : Procedure Item | |

| Policy No. | Description | Ref No |
|------------|--|--------|
| 3.4 | To accomplish its job products with a governance style consistent with Board policies, the Board shall follow an annual agenda which (a) completes a re-exploration of Ends policies annually; and (b) continually improves Board performance through Board education and enriched input and deliberation. | 558881 |

Description : Call to Order - PROCEDURAL

Details :

Attachments :

No Attachments

| | | |
|-----------------------------------|----------------------------------|--------------------|
| Presenter : Ray Sigafoos | Start Time : 1:01 PM | Item No : 2 |
| Proposed By : Ray Sigafoos | Time Req : 15 | |
| Proposed : 5/9/2019 | Item Type : Decision Item | |

| Policy No. | Description | Ref No |
|------------|--|--------|
| 2.5 | With respect to the actual, ongoing financial conditions and activities, the President shall not cause or allow the development of fiscal jeopardy or a material deviation of actual expenditures from Board-stated Ends priorities. Further, without limiting the scope of the above statement by the following list, the President shall not: | 764182 |

Description : For Consideration for Approval of Proposed Aviation Fees for Fiscal Year 2019-2020 - INFORMATION, DISCUSSION AND/OR DECISION

Details : Dr. Ron Liss, Vice President for Instruction & Student Development will present the FY 2019-2020 Proposed Fees.

Attachments :

| Title | Created | Filename |
|-------------------|--------------|------------------------------|
| May 2019 Aviation | May 09, 2019 | May 2019 - RL - Aviation.pdf |

Course Fees - Aviation *Item #19*

Pass through fees:

| | Approved Feb 2019 | New Requirement |
|-------------|----------------------|--------------------|
| Helicopter: | 0% | +29% |
| Fixed Wing: | +2.5% | -17% |

Presenter : Ray Sigafoos

Start Time : 1:16 PM

Item No : 3

Proposed By : Ray Sigafoos

Time Req : 5

Proposed : 6/6/2018

Item Type : Information Item

| Policy No. | Description | Ref No |
|------------|--|--------|
| 2.5 | With respect to the actual, ongoing financial conditions and activities, the President shall not cause or allow the development of fiscal jeopardy or a material deviation of actual expenditures from Board-stated Ends priorities. Further, without limiting the scope of the above statement by the following list, the President shall not: | 764182 |

Description : FY 2019 - 2020 Yavapai County Community College District Budget Overview - INFORMATION

Details : The Budget Public Hearing is required by A.R.S 42-17104 to provide residents of Yavapai County the opportunity for input on the annual budget. Dr. Clint Ewell, Vice President for Finance and Administration, will present the 2019-2020 Budget.

Attachments :

| Title | Created | Filename |
|----------------------------|--------------|--|
| FY20 Final Budget Approval | May 08, 2019 | FY20 Final Budget approval- May 2019 (FINAL).pdf |



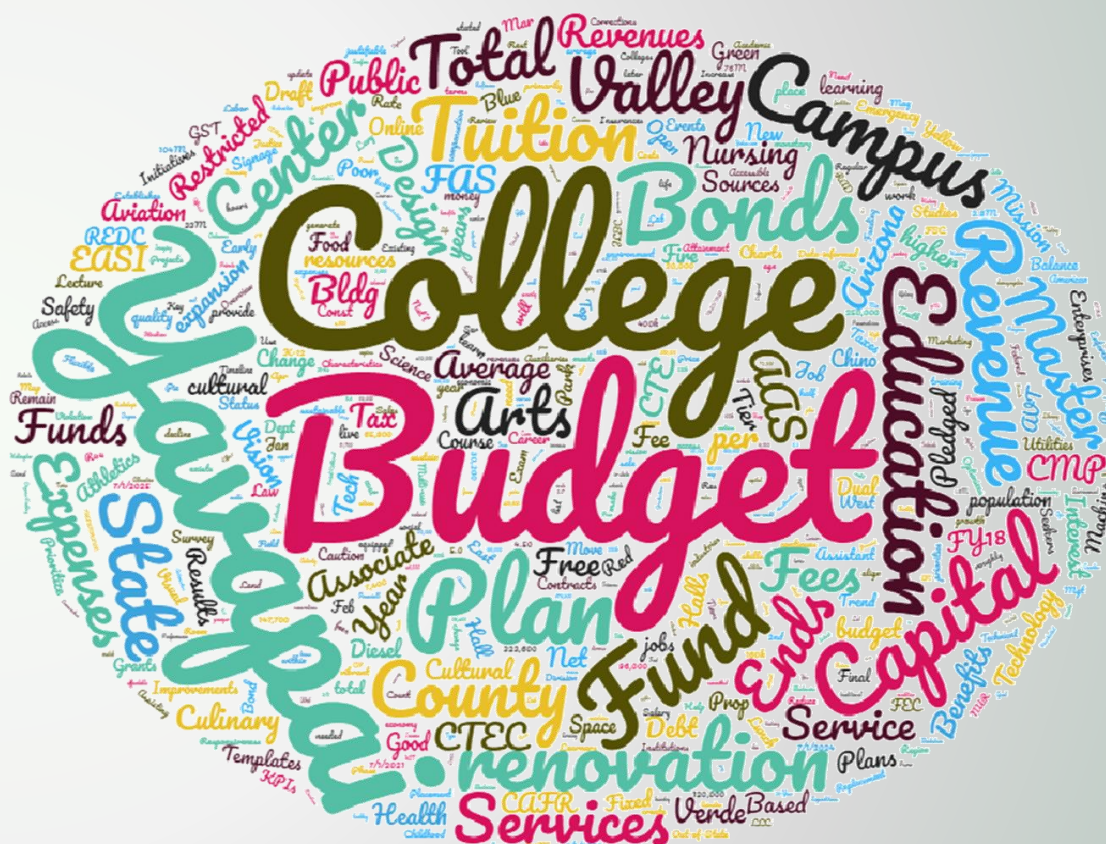
Yavapai College

FY19-20 Budget

May 2019

Budget Timeline

- Sep: Environment Overview
- Jan: Preliminary Assumptions
Budget Work Study
- Feb: Tuition Approval
- Mar: Capital Budget Draft
- Apr: Draft Budget Review & Feedback
- May: Final Budget Approval



Who is Yavapai College?

Mission

...to provide quality higher learning and cultural resources ...

Vision

We will make Yavapai County a premier place to learn, to work, and to live

Board Ends:

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

1. Education Ends

- Affordable price
- Job Seekers, Transfer, Lifelong Learners

2. Economic Ends

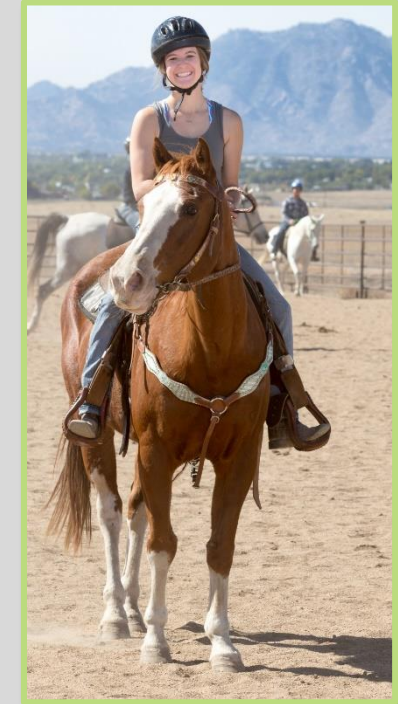
- Help communities generate/ sustain jobs

3. Community Ends

- Provide access to vibrant social and cultural life

End 1: EDUCATION

- Adult Basic Education
- Dual Credit
- Developmental Education
- Transfer
- Career Technical
- Continuing Education



End 2: ECONOMIC DEVELOPMENT

- Regional Economic Development Center
 - Economic Impact & Policy Analyses
 - Non-credit Custom Training
 - SBDC

- Credit Coursework
 - Allied Health
 - Business
 - Career Technical
 - Public Safety

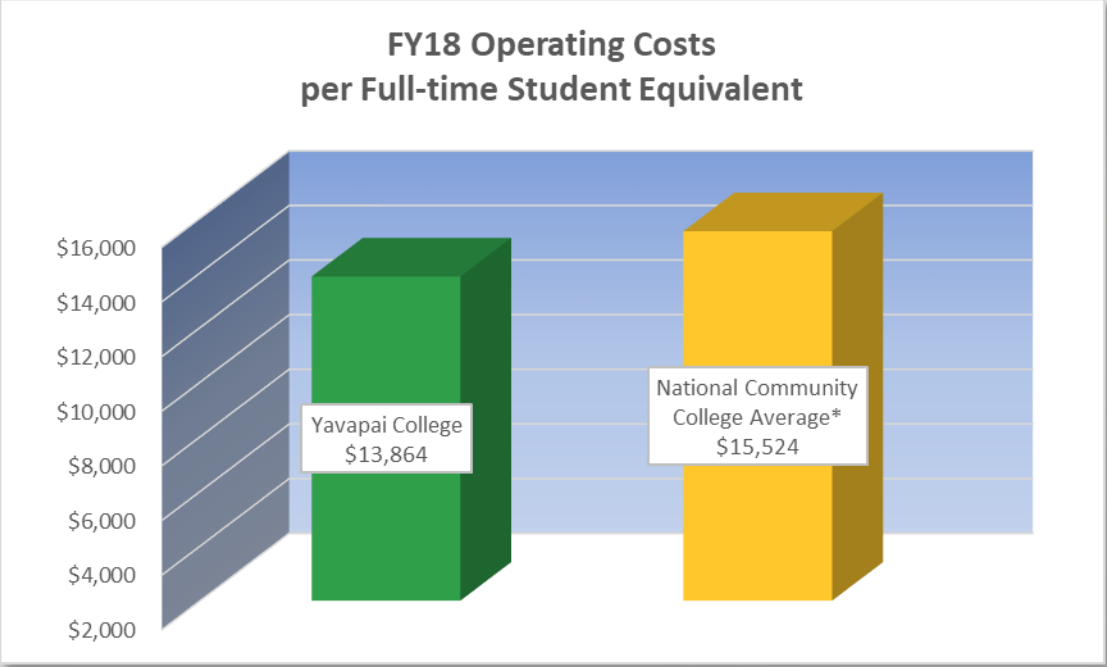


End 3: CULTURAL ENRICHMENT

- Classes
 - 2000+ face-to-face, 500+ online
 - OLLI & Edventures
 - College for Kids
- Art Galleries
- Libraries
 - 20% of County system
- Community Events
 - Live
 - Movies & Satellite



Justifiable Cost



* Inflation-adjusted to FY18

**Cost Comparison:
Annual Tuition & Fees**
30 Credits/FY2019

\$11,618
Arizona 4-Year University average

\$3,570
National Community College average

\$2,610
Yavapai College Tuition

Yavapai COLLEGE

Source: Institutions' websites June 2018 and collegedata.com

State Budget Forms

BUDGET FOR FISCAL YEAR 2020 SUMMARY OF BUDGET DATA

| | Budget 2020 | Budget 2019 | Increase/Decrease From Budget 2019 To Budget 2020 | |
|--|----------------------|----------------------|---|---------------|
| | | | Amount | % |
| I. CURRENT GENERAL AND PLANT FUNDS | | | | |
| A. Expenditures: | | | | |
| Current General Fund | \$ 47,927,700 | \$ 46,918,900 | \$ 1,008,800 | 2.2% |
| Unexpended Plant Fund | 13,400,300 | 15,088,200 | (1,687,900) | -11.2% |
| Retirement of Indebtedness Plant Fund | 6,560,600 | 6,887,700 | (327,100) | -4.7% |
| TOTAL | <u>\$ 67,888,600</u> | <u>\$ 68,894,800</u> | <u>\$ (1,006,200)</u> | <u>-1.5%</u> |
| B. Expenditures Per Full-Time Student Equivalent (FTSE): | | | | |
| Current General Fund | \$ 13,694 /FTSE | \$ 13,405 /FTSE | \$ 288 /FTSE | 2.2% |
| Unexpended Plant Fund | \$ 3,829 /FTSE | \$ 4,311 /FTSE | \$ (482) /FTSE | -11.2% |
| Projected FTSE Count | 3,500 | 3,500 | | |
| II. TOTAL ALL FUNDS ESTIMATED PERSONNEL COMPENSATION | | | | |
| Employee Salaries and Hourly Costs | \$ 31,907,800 | \$ 30,946,000 | \$ 961,800 | 3.1% |
| Retirement Costs | 3,407,500 | 3,226,000 | 181,500 | 5.6% |
| Healthcare Costs | 4,024,800 | 3,783,000 | 241,800 | 6.4% |
| Other Benefit Costs | 3,048,500 | 2,996,000 | 52,500 | 1.8% |
| TOTAL | <u>\$ 42,388,600</u> | <u>\$ 40,951,000</u> | <u>\$ 1,437,600</u> | <u>3.5%</u> |
| III. SUMMARY OF PRIMARY AND SECONDARY PROPERTY TAX LEVIES AND RATES | | | | |
| A. Amount Levied: | | | | |
| Primary Tax Levy | \$ 46,692,900 | \$ 45,709,700 | \$ 983,200 | 2.2% |
| Secondary Tax Levy | 4,218,600 | 4,918,600 | (700,000) | -14.2% |
| TOTAL LEVY | <u>\$ 50,911,500</u> | <u>\$ 50,628,300</u> | <u>\$ 283,200</u> | <u>0.6%</u> |
| B. Rates Per \$100 Net Assessed Valuation: | | | | |
| Primary Tax Rate | 1.6883 | 1.7584 | (0.0701) | -4.0% |
| Secondary Tax Rate | 0.1525 | 0.1892 | (0.0367) | -19.4% |
| TOTAL RATE | <u>1.8408</u> | <u>1.9476</u> | <u>(0.1068)</u> | <u>-5.5%</u> |
| IV. MAXIMUM ALLOWABLE PRIMARY PROPERTY TAX LEVY FOR FISCAL YEAR 2020 PURSUANT TO A.R.S. §42-17051 | | | | \$ 52,730,399 |
| V. AMOUNT RECEIVED FROM PRIMARY PROPERTY TAXES IN FISCAL YEAR 2019 IN EXCESS OF THE MAXIMUM ALLOWABLE AMOUNT AS CALCULATED PURSUANT TO A.R.S. §42-17051 | | | | \$ - |



| | CURRENT FUNDS | | | PLANT FUNDS | | Other Funds 2020 | Total All Funds 2020 | Total All Funds 2019 | % Increase/Decrease |
|--|----------------------|----------------------|---------------------|----------------------------|---------------------------------|------------------|----------------------|----------------------|---------------------|
| | General Fund 2020 | Restricted Fund 2020 | Auxiliary Fund 2020 | Unexpended Plant Fund 2020 | Retirement of Indebtedness 2020 | | | | |
| BEGINNING BALANCES-July 1+ | | | | | | | | | |
| Restricted | \$ | \$ 426,700 | \$ | \$ | \$ 679,300 | \$ | \$ 1,106,000 | \$ 1,076,960 | 2.7% |
| Unrestricted | 12,804,400 | | 467,600 | 5,050,000 | | | 18,322,000 | 16,840,000 | 8.8% |
| Total Beginning Balances | \$ 12,804,400 | \$ 426,700 | \$ 467,600 | \$ 5,050,000 | \$ 679,300 | \$ | \$ 19,428,000 | \$ 17,916,960 | 8.4% |
| REVENUES AND OTHER INFLOWS | | | | | | | | | |
| Student Tuition and Fees | | | | | | | | | |
| General Tuition | \$ 9,874,000 | \$ | \$ 667,200 | \$ | \$ | \$ | \$ 10,541,200 | \$ 10,909,300 | -3.4% |
| Out-of-District Tuition | 120,000 | | | | | | 120,000 | 100,000 | 20.0% |
| Out-of-State Tuition | 700,000 | | | | | | 700,000 | 650,000 | 7.7% |
| Student Fees | 377,000 | | | | | | 377,000 | 345,000 | 9.3% |
| Tuition and Fee Remissions or Waivers | 270,000 | | | | | | 270,000 | 270,000 | |
| State Appropriations | | | | | | | | | |
| Maintenance Support | 601,400 | | | | | | 601,400 | 589,900 | 1.9% |
| Maintenance Support - STEM | | 703,100 | | | | | 703,100 | 699,000 | 0.6% |
| Equalization Aid | | | | | | | | | |
| Capital Support | | | | | | | | | |
| Property Taxes | | | | | | | | | |
| Primary Tax Levy | 38,102,400 | | | 8,590,500 | | | 46,692,900 | 45,709,700 | 2.2% |
| Secondary Tax Levy | | | | | 4,218,600 | | 4,218,600 | 4,918,600 | -14.2% |
| Property Tax Contingency | (150,000) | | | (45,000) | (30,000) | | (225,000) | (225,000) | |
| Gifts, Grants, and Contracts | | 12,335,900 | | | | | 12,335,900 | 16,630,200 | -25.8% |
| Sales and Services | | | 2,399,900 | | | | 2,399,900 | 2,328,700 | 3.1% |
| Investment Income | 225,000 | | | 90,000 | 25,000 | | 340,000 | 100,000 | 240.0% |
| State Shared Sales Tax | | 760,000 | | | | | 760,000 | 715,000 | 6.3% |
| Other Revenues | 421,000 | | 702,800 | 30,000 | | | 1,153,800 | 1,207,900 | -4.5% |
| Proceeds from Sale of Bonds | | | | | | | | | |
| Total Revenues and Other Inflows | \$ 50,540,800 | \$ 13,799,000 | \$ 3,769,900 | \$ 8,665,500 | \$ 4,213,600 | \$ | \$ 80,988,800 | \$ 84,948,300 | -4.7% |
| TRANSFERS | | | | | | | | | |
| Transfers In | | | 1,170,000 | 3,800,000 | 1,847,000 | | 6,817,000 | 4,939,800 | 38.0% |
| (Transfers Out) | (6,413,100) | | (403,900) | | | | (6,817,000) | (4,939,800) | 38.0% |
| Total Transfers | (6,413,100) | | 766,100 | 3,800,000 | 1,847,000 | | - | - | |
| Less: | | | | | | | | | |
| District Governing Bd - Designated Amount | | | | | | | | | |
| Per Financial Stability Policy | (9,000,000) | | | (1,000,000) | | | (10,000,000) | (8,500,000) | 17.6% |
| District Governing Bd - Designated Into | | | | | | | | | |
| Capital Projects Accumulation Account | | | | (3,000,000) | | | (3,000,000) | (5,000,000) | 40.0% |
| Total Resources Available for the Budget Year | \$ 47,932,100 | \$ 14,225,700 | \$ 5,003,600 | \$ 13,515,500 | \$ 6,739,900 | \$ | \$ 87,416,800 | \$ 89,365,260 | -2.2% |

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

**BUDGET FOR FISCAL YEAR 2020
EXPENDITURES AND OTHER OUTFLOWS**

| | CURRENT FUNDS | | | PLANT FUNDS | | Other Funds 2020 | Total All Funds 2020 | Total All Funds 2019 | % Increase/ Decrease |
|--|-------------------------|----------------------------|---------------------------|----------------------------------|---------------------------------------|---------------------|----------------------------|----------------------------|----------------------------|
| | General Fund 2020 | Restricted Fund 2020 | Auxiliary Fund 2020 | Unexpended Plant Fund 2020 | Retirement of Indebtedness 2020 | | | | |
| TOTAL RESOURCES AVAILABLE FOR THE BUDGET YEAR (from Schedule B) | \$ 47,932,100 | \$ 14,225,700 | \$ 5,003,600 | \$ 13,515,500 | \$ 6,739,900 | \$ | \$ 87,416,800 | \$ 89,365,260 | -2.2% |
| EXPENDITURES AND OTHER OUTFLOWS | | | | | | | | | |
| Instruction | \$ 18,749,600 | \$ 2,842,100 | \$ 238,400 | \$ | \$ | \$ | \$ 21,830,100 | \$ 21,816,600 | 0.1% |
| Public Service | 327,400 | 158,700 | 1,068,700 | | | | 1,554,800 | 1,177,500 | 32.0% |
| Academic Support | 4,483,100 | - | | | | | 4,483,100 | 4,743,000 | -5.5% |
| Student Services | 6,182,900 | 1,505,100 | 722,700 | | | | 8,410,700 | 7,846,500 | 7.2% |
| Institutional Support (Administration) | 10,093,500 | | | | | | 10,093,500 | 9,683,000 | 4.2% |
| Operation and Maintenance of Plant | 6,580,700 | | | | | | 6,580,700 | 6,552,000 | 0.4% |
| Scholarships | 940,500 | 9,383,100 | | | | | 10,323,600 | 10,173,300 | 1.5% |
| Auxiliary Enterprises | | | 1,415,400 | | | | 1,415,400 | 1,644,200 | -13.9% |
| Capital Assets/Maintenance | | | | 13,137,800 | | | 13,137,800 | 10,438,200 | 25.9% |
| Debt Service-General Obligation Bonds | | | | | 4,710,600 | | 4,710,600 | 5,045,600 | -6.6% |
| Debt Service-Other Long Term Debt | | | | | 1,847,000 | | 1,847,000 | 6,239,100 | -70.4% |
| Other Expenditures | | | 1,090,800 | | 3,000 | | 1,093,800 | 1,212,000 | -9.8% |
| Contingency | 570,000 | | 100,000 | 262,500 | | | 932,500 | 920,000 | 1.4% |
| Total Expenditures and Other Outflows | \$ 47,927,700 | \$ 13,889,000 | \$ 4,636,000 | \$ 13,400,300 | \$ 6,560,600 | \$ | \$ 86,413,600 | \$ 87,491,000 | -1.2% |

Versus Last Year

2.2%

.3%

-2.4%

-11.2%

-4.7%

-1.2%

FY19 Budget Summary

- Revenues

- Secondary Property Tax Levy Decrease
- Tuition increase \$4

- Expenses

- Increase Completions
 - Full-time Discount
 - YC Promise Scholarship
- Increase Access & Enrollments
 - Senior Citizen Discount
 - Increased CTE in Verde Valley
- Inflationary



FY20 Budget

Questions, Discussion,
& Request for Adoption

| | | |
|-----------------------------------|-----------------------------------|--------------------|
| Presenter : Ray Sigafoos | Start Time : 1:21 PM | Item No : 4 |
| Proposed By : Ray Sigafoos | Time Req : 9 | |
| Proposed : 6/6/2018 | Item Type : Procedure Item | |

| Policy No. | Description | Ref No |
|------------|--|--------|
| 3.1.1 | Shall operate in all ways mindful of its civic trusteeship obligation to all the owners of its district (all residents of the county) and its lawful obligations in compliance with Title 15, Chapter 12 Community Colleges of the Arizona Revised Statutes and all other applicable federal and state statutes and regulations. | 768629 |
| 3.2.1 | And its Ownership Linkage shall be the link between the organization and its owners, who are residents of Yavapai County and those who are affected by Yavapai College. | 560671 |

Description : Public Comment - INFORMATION

Details : 42-17104. Public hearing on expenditures and tax levy

A. The governing body of each county, city or town shall hold a public hearing on or before the fourteenth day before the day on which it levies taxes as stated in the notice under section 42-17103. Any taxpayer may appear and be heard in favor of or against any proposed expenditure or tax levy.

This is an opportunity for residents of Yavapai County within the jurisdiction of the Yavapai College District Governing Board to provide their input on the FY 2019-2020 budget.

If you wish to address the Board, please complete a "Request to Speak" form, and give it to the recording Secretary and be prepared to limit your remarks to the allotted time.

Attachments :

No Attachments

| | | |
|-----------------------------------|-----------------------------------|--------------------|
| Presenter : Ray Sigafoos | Start Time : 1:30 PM | Item No : 5 |
| Proposed By : Ray Sigafoos | Time Req : 1 | |
| Proposed : 6/6/2018 | Item Type : Procedure Item | |

| Policy No. | Description | Ref No |
|------------|--|--------|
| 3.4 | To accomplish its job products with a governance style consistent with Board policies, the Board shall follow an annual agenda which (a) completes a re-exploration of Ends policies annually; and (b) continually improves Board performance through Board education and enriched input and deliberation. | 558881 |

Description : ADJOURNMENT - PROCEDURAL

Details :

Attachments :

No Attachments