

Environmental Analysis
&
FY17 Budget Planning Assumptions

January, 2016

Budget Timeline

- Jan: Environment Overview
Preliminary Assumptions
- Feb: Budget Work Study
Capital Budget Draft
- Mar: Revenue Budget Approval
- Apr: Draft Budget Review & Feedback
- May: Final Budget Approval
and Truth in Taxation Hearing (if needed)

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

What are Yavapai College's Goals?

Board Ends:

YC exists so communities within Yavapai County are equipped with the vision and skills to create a sustainable economic environment at a justifiable cost

1. Education Ends

- Job Seekers, Transfer, Lifelong Learners

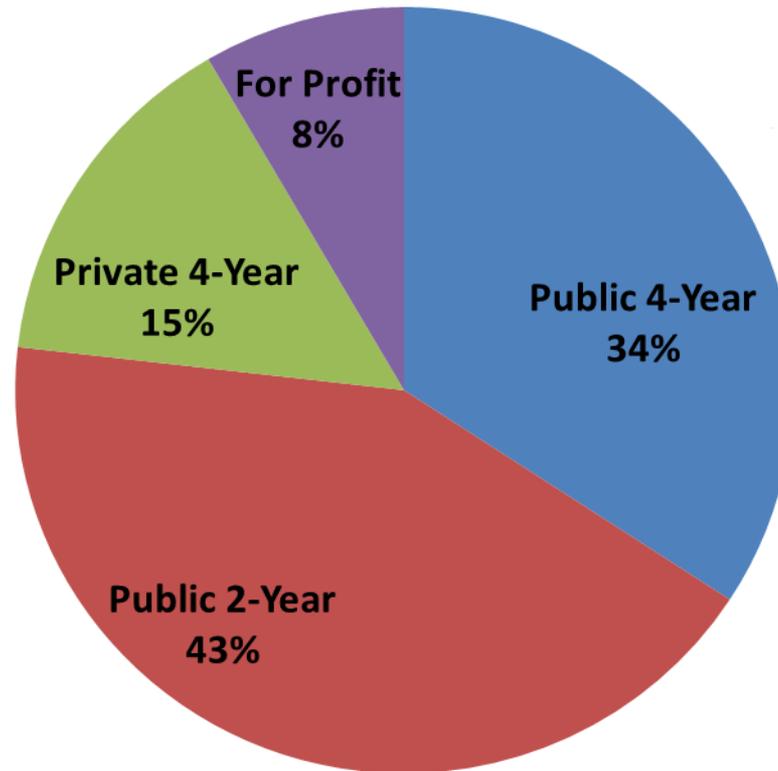
2. Economic Ends

- Help communities generate/ sustain jobs

3. Community Ends

- Provide access to vibrant social and cultural life

Environmental Analysis: Competition



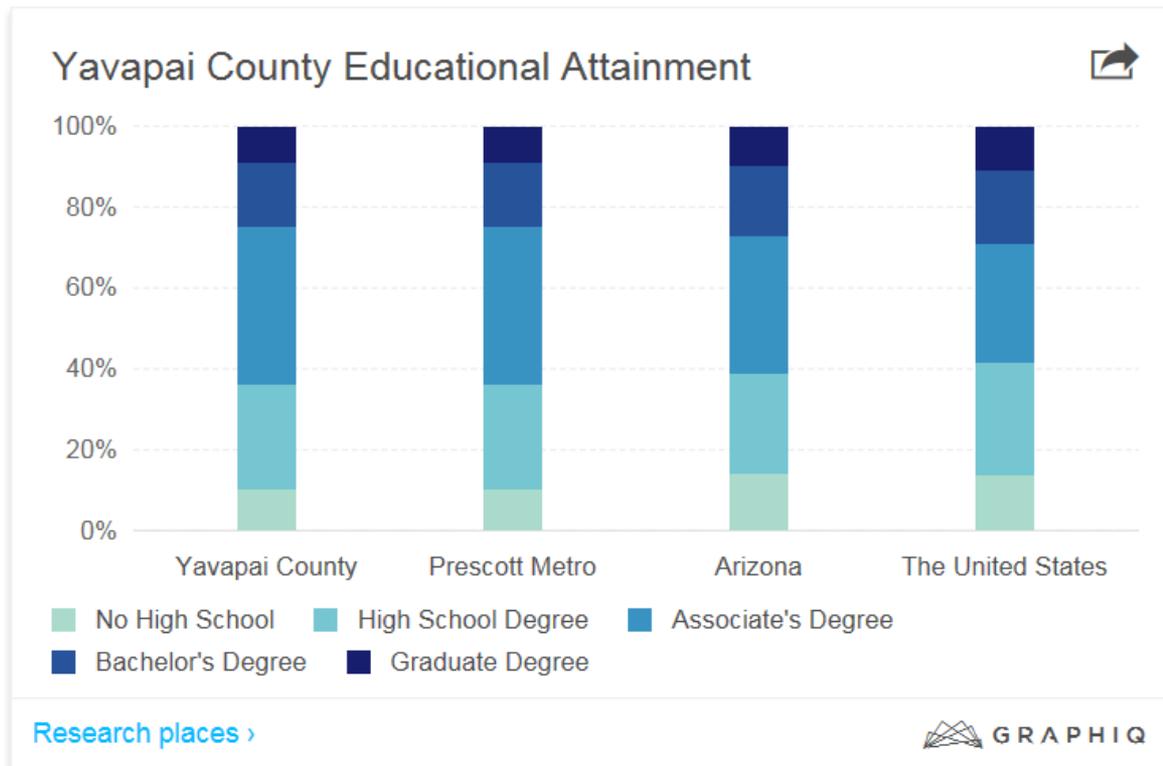
- Varying Missions
 - Education
 - Research
 - Public Service
- Online
- Facilities
- Marketing
- Scholarships

Environmental Analysis: Demographics

- County has twice the national average (30%) of 65+ people
- 5 year growth forecast is .34%
 - .92 correlation between College & County growth
- Colleges are counter-cyclical
 - .67 correlation between unemployment and enrollment

Environmental Analysis: Economic

- By 2018, 60% of jobs will require post-secondary degree



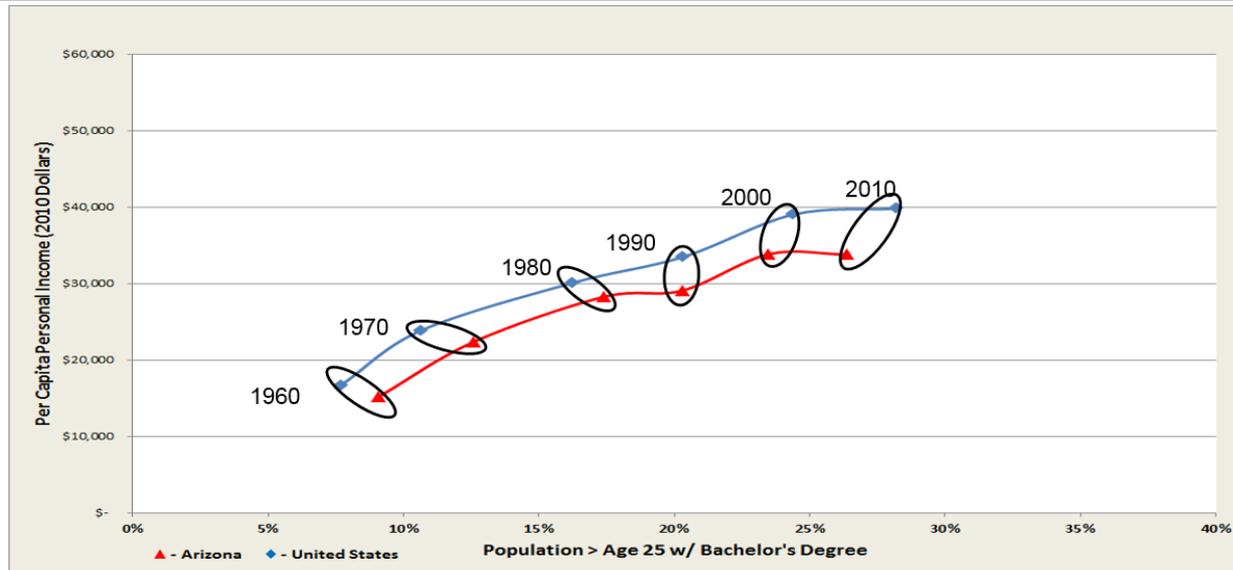
County* 64%
AZ* 61%
Nat'l* 58%

*includes all 25+

Environmental Analysis: Economic

- Education viewed as a private good
 - State disinvestment
 - Yet positive correlation

Arizona's Trajectory: 1960-2010



Source: U.S. Census and Bureau of Economic Analysis

Environmental Analysis: Economic

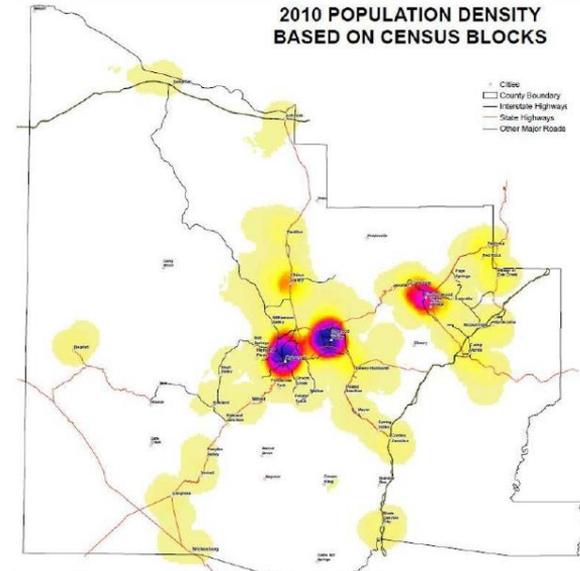
- Median County income 19% below national
 - census.gov
- Economy based on retail, health, and hospitality
 - EMSI
- Cost of living is 5% above national average
 - Sperling's

Environmental Analysis: Education

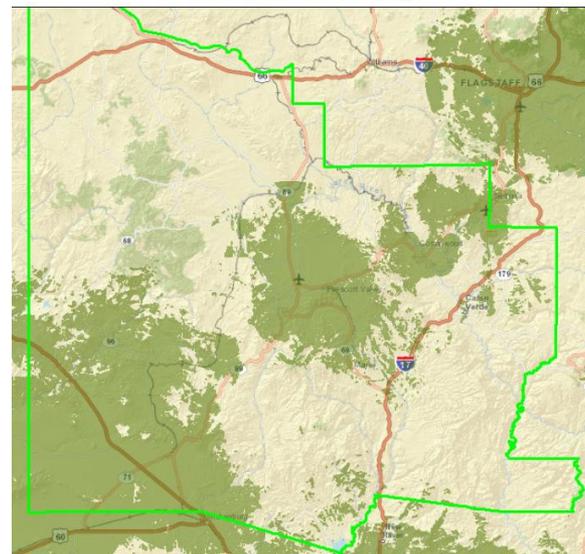
- AZ has lowest K-12 spending in the US
- 60% of HS grads come to YC with remedial coursework needs
- Tightening Federal Financial Aid guidelines

Environmental Analysis: Technology

- Increasing needs for training and equipment to meet workforce needs
- Infrastructure: 6-10Mbps Broadband speeds allow access to online YC classes in most-populated areas



AZ Broadband GIS Map



Budget

A budget is a list of all planned expenses and revenues

-- Yahoo.com

A budget is the Mission, Vision, Governing Board Ends, Strategic Plan, Educational & Campus Master Plans stated in monetary terms

-- Yavapai College

Projected Revenue Risks

- >\$4M Revenue Risks:
 - Prop 301
 - Aviation (\$1M)
 - State M&O (\$90k)
 - State STEM
 - Enrollments (\$600k)
 - Uncollectable Property Tax
 - SB1476
 - Expenditure Limit
 - K-12 Funding

Preliminary FY17 Budget Assumptions

Revenues

Property Tax	
New Construction	\$ 650,000
Additional Levy	\$ -
Tuition & Fees	
Rate	\$ 376,000
Enrollment	\$ (600,000)
Dual	\$ 130,000
Aviation	\$ (1,000,000)
Sales & Services	\$ 75,000
State Appropriation	\$ (90,600)
	\$ (459,600)

Expenses

3% Salary	\$ 750,000
Benefits	\$ 225,000
Market Comp Adjust	\$ 50,000
Utilities	\$ -
HW/SW Maintenance	\$ -
Scholarships	\$ 25,000
Cost Savings	\$ (250,000)
Reduce Capital	\$ (250,000)
Contingencies	\$ (1,010,000)
	\$ (460,000)

Questions and Discussion