

# Yavapai College

## FY2018-19 Preliminary Budget Overview



Presented to the Yavapai College District Governing Board

April 2018

# Budget

A budget is a list of all planned revenues and expenses.

*Yavapai College's budget is the Mission, Vision and Governing Board Ends stated in monetary terms.*

# 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

- Job Seekers, Transfer, Lifelong Learners

### 2. Economic Ends

- Help communities generate/ sustain jobs

### 3. Community Ends

- Provide access to vibrant social and cultural life

# Budget Timeline

## Board

- Sep: Environmental Scan  
Ends Update
- Jan: Budget Work Study  
Preliminary Assumptions
- Feb: Tuition Approval
- Mar: Capital Budget Draft
- Apr: **Draft Budget Review & Feedback**
- May: Final Budget Approval  
Truth in Taxation Hearing

## College

- Sep: Environmental Scan  
Strategic Plan Update
- Oct: Dept Kick-off Meetings
- Nov: Dept Budget Requests
- Dec: Prioritize Dept. Requests
- Jan: Prioritize Division Requests
- Feb: Prioritize College Initiatives
- Mar: Share Budget Priorities at College Forums

# Updated FY19 Key Assumptions

- Revenues

- Property Tax:
  - New Construction \$900k
  - 2% Levy Increase \$900k
    - Last increase FY16

- T&F:

- Price increase \$500k
- Enrollment Change \$100k

- State -\$50k

- Auxiliaries \$60k

- Misc. \$150k

- Expenses

- Fixed Expenses: **\$1.8M**

- 3% Raises
- Market compensation adjustment
- HW/SW Maintenance
- Merit Scholarships
- Benefits
- Planned Maintenance

- New Expenses: **\$725k**

- Instructional Quality
- Student Success
- Asset Protection

# Priorities for New Funding

- **Instructional Quality**
  - SCBA Repair
  - EMS Manager
  - Allied Health Instructional Specialist
  - AG, FEC, RAD Adjunct



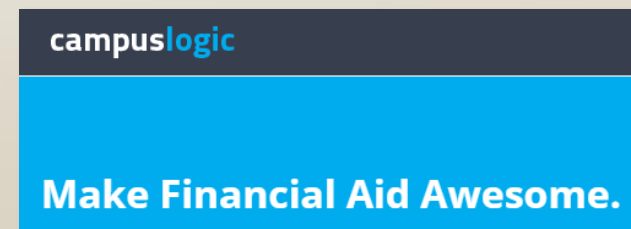
# Priorities for New Funding

- **Student Success: Pathways**

- FT Success Coach
- FT Recruiter
  - Recruitment 7000B
- Course Selection Software
- Financial Aid Software

- **With 3% PT increase**

- 2 additional Success Coaches
- Licensed counselor
- New Student Orientation Coordinator
- First Year Academy Coordinator
- Debt specialist



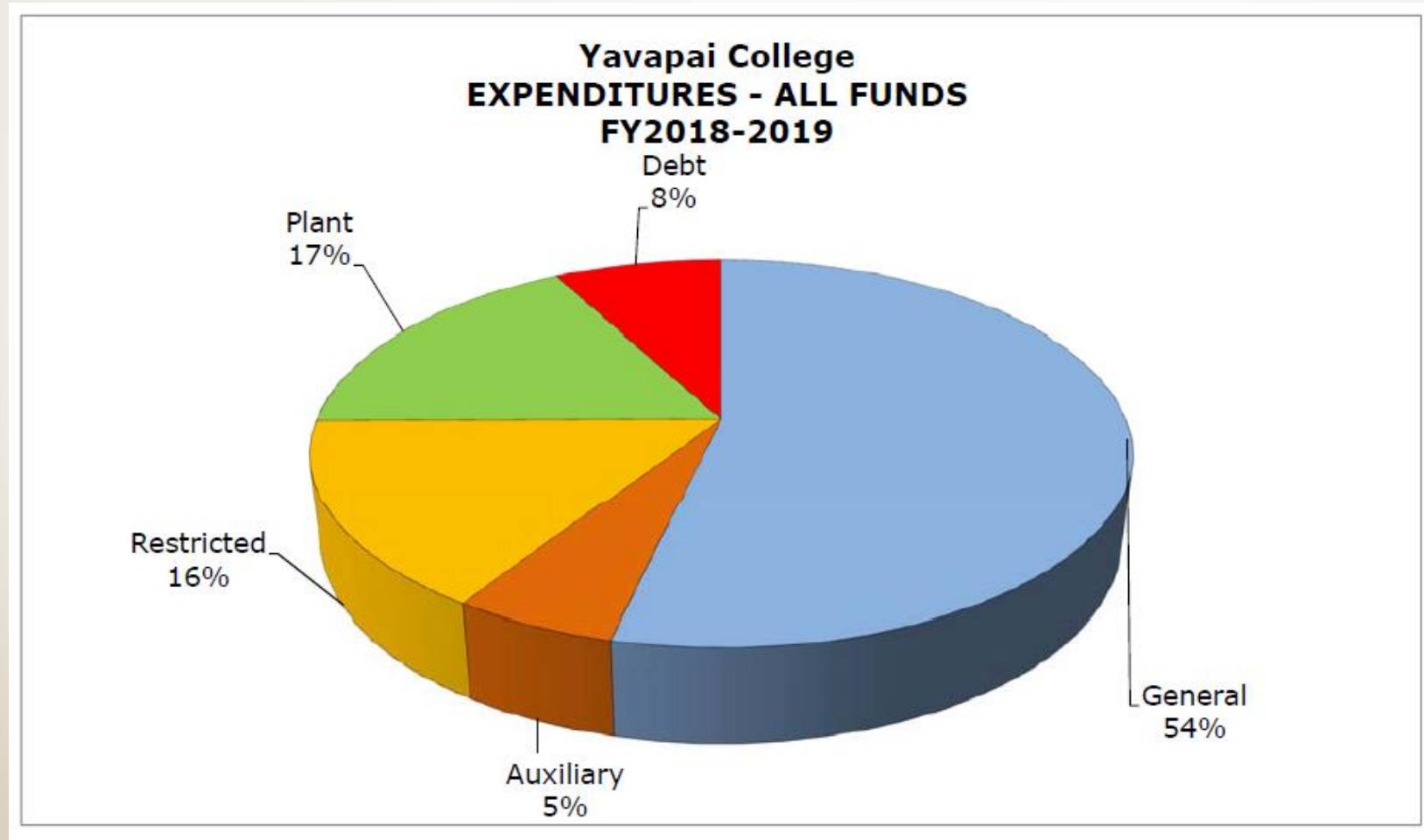
# Priorities for New Funding

- **Engaged Community**
  - Alumni Office
  
- **Fiscal Stewardship**
  - Asset Protection
    - Planned
    - Preventative



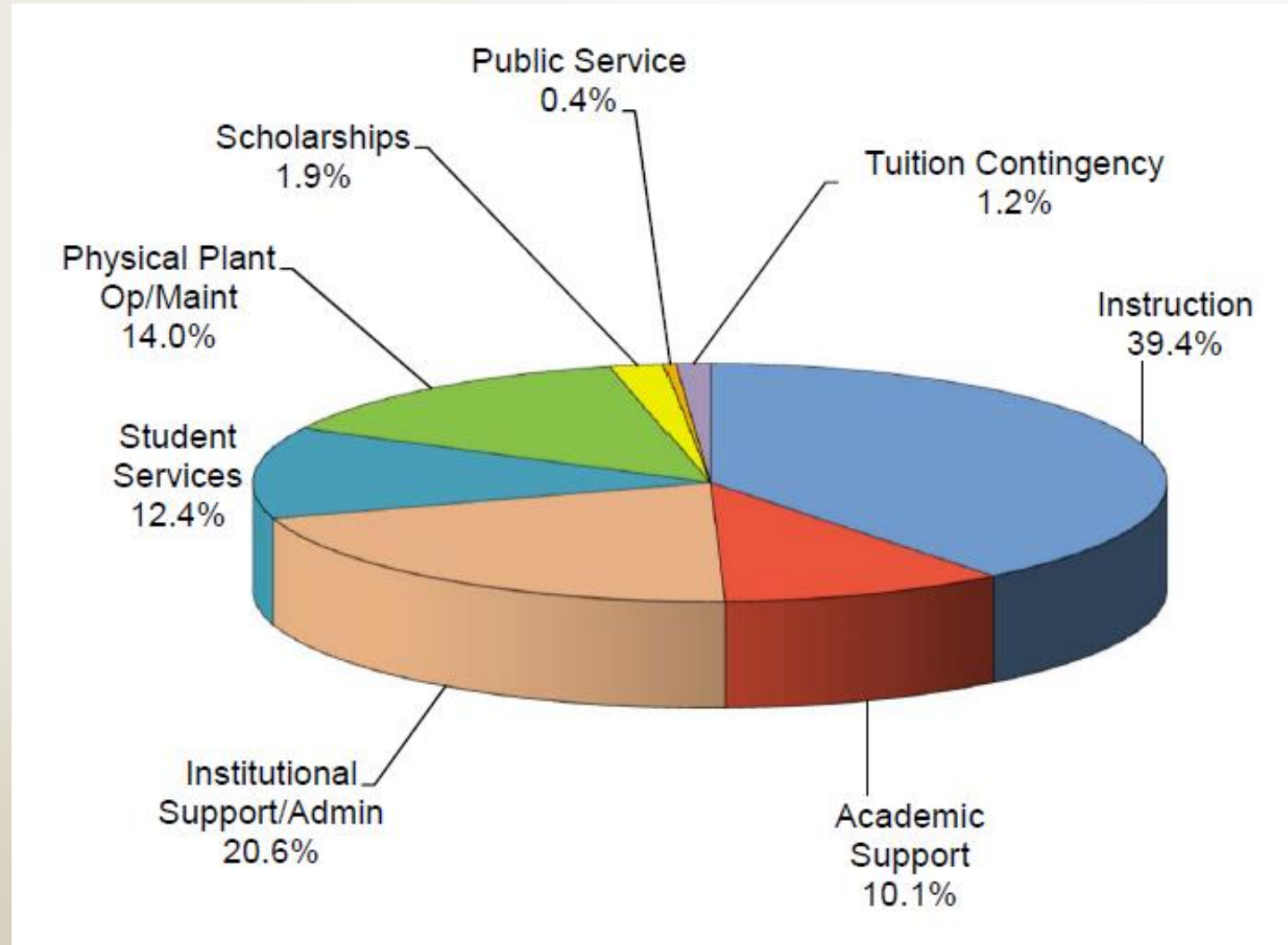


# Yavapai College Budget by Fund



\$87.4M total

# General Fund by NACUBO Function



# 1. Changes in General Fund Expenses

(p.12)

<b>EXPENDITURES</b>	<b>2017-2018 BUDGET</b>	<b>2018-2019 BUDGET</b>	<b>DOLLAR (\$) DIFFERENCE</b>	<b>PERCENTAGE (%) DIFFERENCE</b>
<b><u>Current General Fund</u></b>				
Instruction	\$ 17,947,000	\$ 18,476,900	\$ 529,900	3.0%
Academic Support	4,552,000	4,743,000	191,000	4.2%
Institutional Support/Administration	8,945,000	9,683,000	738,000	8.3%
Student Services	5,260,000	5,828,000	568,000	10.8%
Physical Plant Operations/Maintenance	6,328,000	6,552,000	224,000	3.5%
Scholarships	877,000	880,000	3,000	0.3%
Public Service	169,000	186,000	17,000	10.1%
Tuition Contingency	530,000	570,000	40,000	7.5%
<b>TOTAL CURRENT GENERAL FUND BUDGET</b>	<b><u>\$ 44,608,000</u></b>	<b><u>\$ 46,918,900</u></b>	<b><u>\$ 2,310,900</u></b>	<b>5.2%</b>

## Major Moves and Changes:

All: 3% Raise, Benefits

I: EMS Mgr, AH Coord., Adjunct, RESA

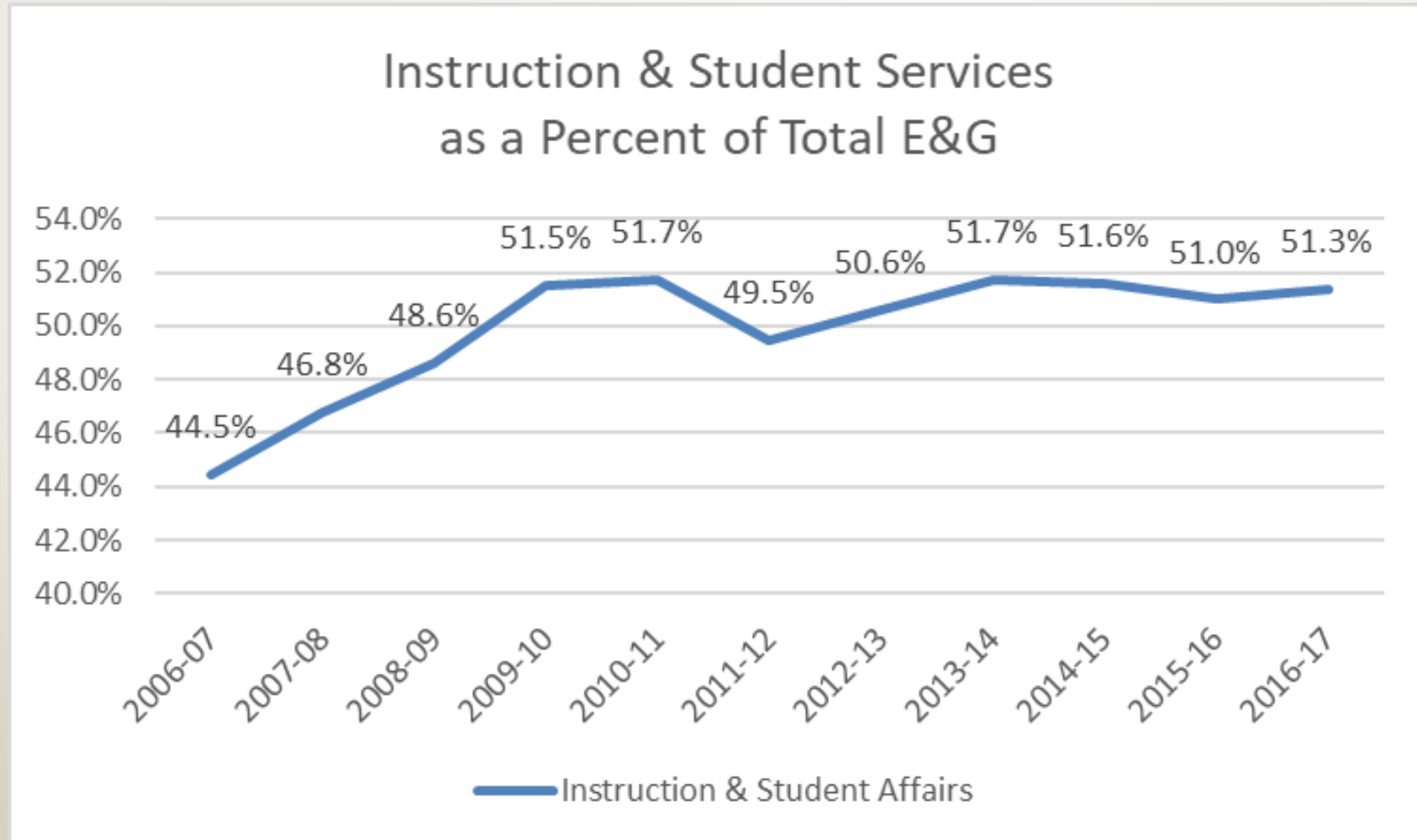
AS: Scheduling Asst.

IS: DGB Elections, SW Maintenance, Alumni, Move Community Relations, Move YCF

SS: Recruiter, Success Coach, Move Title IX, Move Career Coach, SW Fin. Aid & Scheduling

PP: Preventative Maintenance

# Increasing Impact on Students



## 2. Changes in Auxiliary Fund Expenses

(p.14)

	<u>Budget</u> <u>2017-2018</u>	<u>Budget</u> <u>2018-2019</u>	<u>DOLLAR (\$)</u> <u>DIFFERENCE</u>	<u>PERCENTAGE</u> <u>(%)</u> <u>DIFFERENCE</u>
Instruction	\$ 99,600	\$ 235,200	\$ 135,600	136.1%
Student Services	689,200	713,900	24,700	3.6%
Auxiliary Enterprises	1,541,200	1,644,200	103,000	6.7%
Public Service	974,500	849,700	(124,800)	-12.8%
Contingency	100,000	100,000	-	0.0%
Facilities & Administrative Allocation Expense	<u>1,230,300</u>	<u>1,209,000</u>	<u>(21,300)</u>	-1.7%
<b>TOTAL CURRENT AUXILIARY FUNDS BUDGET</b>	<u><b>\$ 4,634,800</b></u>	<u><b>\$ 4,752,000</b></u>	<u><b>\$ 117,200</b></u>	<b>2.5%</b>

### Instruction

Performing Arts

### Student Services

FEC  
Food  
Residence Halls

### Auxiliary

Bookstore  
Edventures  
SBDC  
Tasting Room  
YCF

### Public Service

Community Events

# 3. Changes in Restricted Fund Expenses

(p. 16)

	<u>Budget 2017-2018</u>	<u>Budget 2018-2019</u>	<u>DOLLAR (\$) DIFFERENCE</u>	<u>PERCENTAGE (%) DIFFERENCE</u>
<b>CURRENT RESTRICTED FUND (Note 1)</b>				
Instruction	\$ 2,791,500	\$ 3,104,500	\$ 313,000	11.2%
Student Services	1,372,500	1,304,600	(67,900)	-4.9%
Scholarships	9,510,500	9,293,300	(217,200)	-2.3%
Public Service	166,000	141,800	(24,200)	-14.6%
<b>TOTAL EXPENDITURES AND OTHER DEDUCTIONS OF CURRENT RESTRICTED FUNDS</b>				
	<u>\$ 13,840,500</u>	<u>\$ 13,844,200</u>	<u>\$ 3,700</u>	<u>0.0%</u>

# 4. Changes in Capital Fund Expenses

(p. 19)

	<u>Budget 2017-2018</u>	<u>Budget 2018-2019</u>	<u>DOLLAR (\$) DIFFERENCE</u>	<u>PERCENTAGE (%) DIFFERENCE</u>
<b>UNEXPENDED PLANT FUND</b>				
<b>Buildings/Infrastructure</b>				
→ Deferred Maintenance	\$ 3,674,000	\$ 3,974,000	\$ 300,000	8.2%
→ Unplanned Maintenance	250,000	250,000	-	0.0%
→ Capital Improvement Projects (CIP)	4,208,800	3,623,000	(585,800)	-13.9%
<b>Equipment</b>				
→ Equipment	2,240,000	2,242,500	2,500	0.1%
Furniture and Fixtures	250,000	250,000	-	0.0%
<b>Library Books</b>				
Library Books	98,700	98,700	-	0.0%
<b>Contributions to Capital Projects</b>				
→ Accumulation Account - Future Projects	-	4,400,000	4,400,000	100.0%
Capital Contingency	250,000	250,000	-	0.0%
<b>TOTAL EXPENDITURES - UNEXPENDED PLANT FUNDS</b>	<b>\$ 10,971,500</b>	<b>\$ 15,088,200</b>	<b>\$ 4,116,700</b>	<b>37.5%</b>

-2.5%

# Capital Improvement Plan

(p. 25-26)

- Capital Improvement Plan
  - Renovations for evolving program needs
  - New Construction for new Community needs
- Providing Access to CTE in Verde Valley

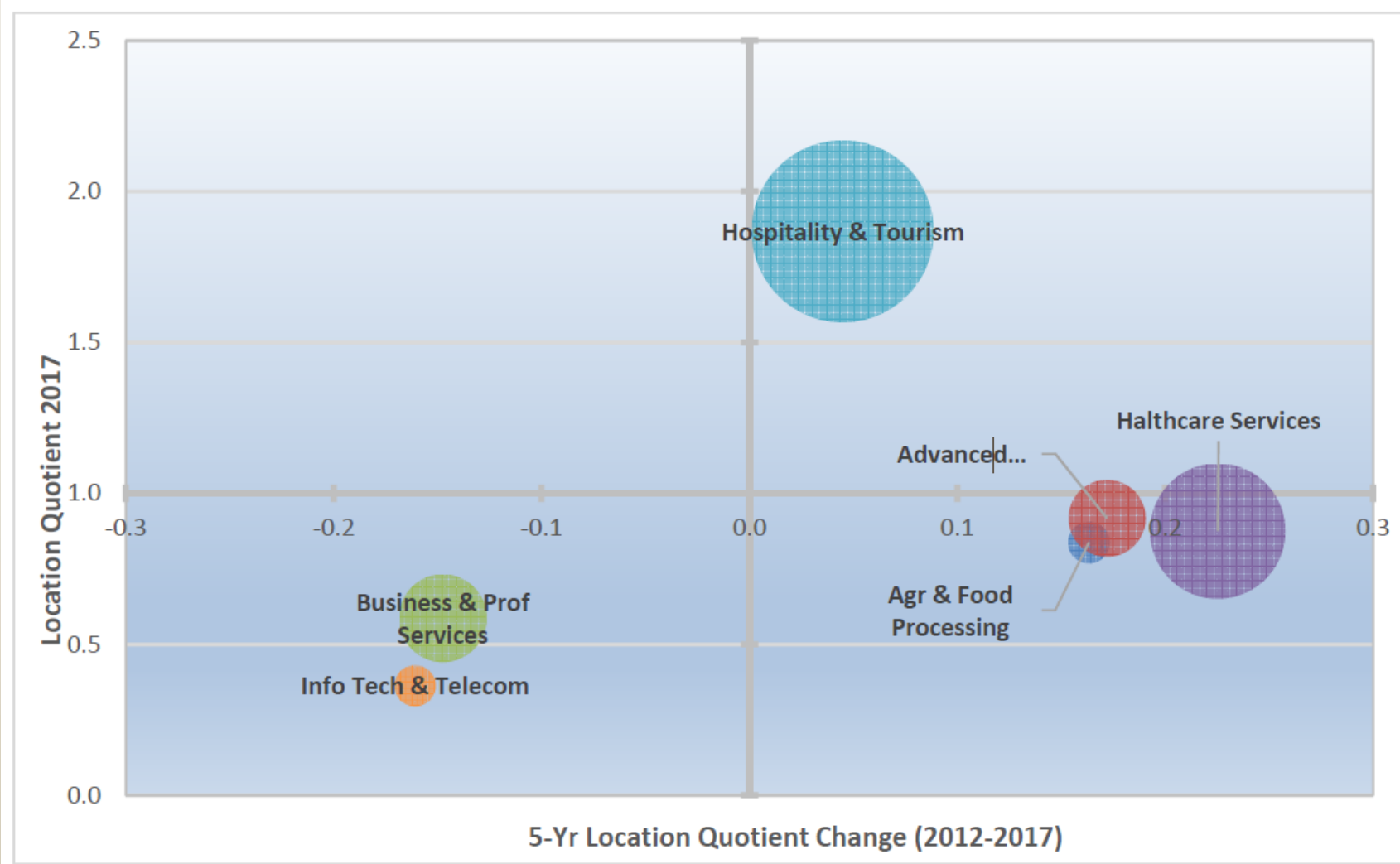


# What is CTE?

- Not only
  - Journeyman School
    - Electrician
    - Mechanic
    - Pipefitter
  - Trade School
    - Auto
    - Construction
    - HVAC
    - Welding
- JTEDs authorized to offer 71
  - Advanced Manufacturing
  - Allied Health
  - Business
  - Public Service
  - STEM



# Top Industry Sectors in Verde Valley



# CTE in East County High Schools: VACTE

- **Centralized (.75ADM)**

- CNA
- Construction
- Culinary
- Fire Service
- Hotel & Restaurant Mgmt
- Medical Assistant
- Phlebotomy
- Teacher Training
- Welding

- **Decentralized (.25ADM)**

- Ag (CV, Mingus)
- Animal Science (CV, Mingus)
- Auto (CV, Mingus)
- Business Ops (Mingus)
- Digital Film (Mingus, Sedona)
- Digital Photography (Sedona)
- Drafting (Mingus)
- Engineering (Mingus)
- Graphic Design (CV)
- Sports Medicine (CV, Sedona)

- **Programs that don't articulate to YC**

- Cabinetmaking (CV)
- Music Production (CV)
- Journalism (Sedona)
- Tech Theater (Sedona, Mingus)

# CTE Programs at Yavapai College in East County

- Verde Valley Campus

- Ag
- Animation
- CNT
- Education
- Film & Media
- Fire Science
- Medical Assistant
- Nursing
- Sciences
- Vit & Enology

- Sedona

- Culinary
- Hospitality

- Online

- Business (Accounting, Entrepreneur, Marketing)
- Criminal Justice

- Offsite

- Allied Health (VACTE/ YC)
- Welding (Mingus)

Red = AZ Commerce Authority Top 70

# High Schools' Accessibility to YC

## High School Distance to CTEC

High School	Distance to CTEC
Ash Fork HS	44 miles
Bradshaw Mountain HS	9 miles
Chino Valley HS	7 miles
Mayer HS	34 miles
Prescott HS	9 miles

Average = 20 miles

## High School Distance to Verde Campus

High School	Distance to Verde Campus
Camp Verde HS	20 miles
Mingus Union HS	4 miles
Sedona Red Rock HS	18 miles

Average = 14 miles

## High School Distance to Sedona Center

High School	Distance to Sedona Center
Camp Verde HS	27 miles
Mingus Union HS	15 miles
Sedona Red Rock HS	0.4 miles

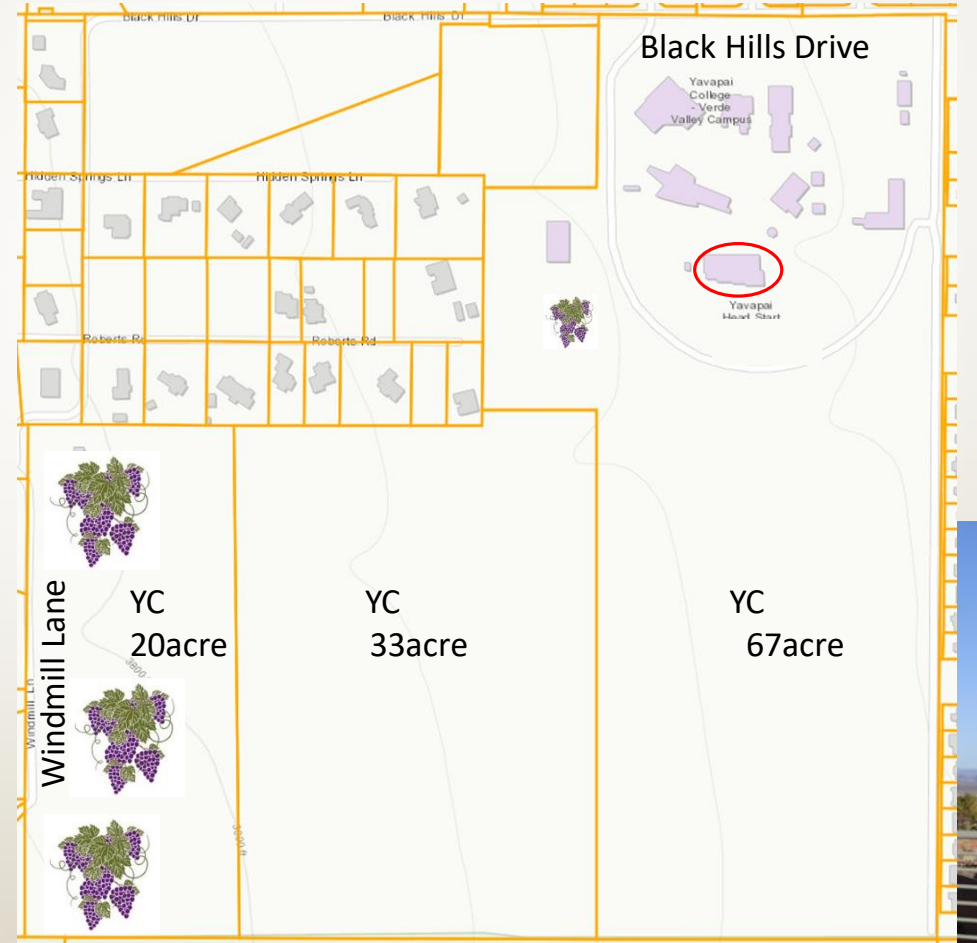


**Legend**

- YC Location
- ★ High School

# Verde Valley Campus

- Campus
  - Accessible
  - ~75 undeveloped acres
  - Central Plant can support another 120,000 sq ft
- Building L
  - Northern AZ Regional Skills Center (2004)
  - 18,000 ft
  - Renovating to connect central plant



# 5. Changes in Debt Fund

(p. 21)

	<u>Final Maturity</u>	<u>Budget 2017-2018</u>	<u>Budget 2018-2019</u>	<u>DOLLAR (\$) DIFFERENCE</u>	<u>PERCENTAGE (%) DIFFERENCE</u>
<b>RETIREMENT OF INDEBTEDNESS</b>					
Retirement of Indebtedness (Principal)					
General Obligation Bonds - 2012 Refunding	7/1/2024	\$ 3,510,000	\$ 3,675,000	\$ 165,000	4.7%
General Obligation Bonds - 2011 Refunding	7/1/2021	885,000	870,000	(15,000)	-1.7%
Total General Obligation Bonds		4,395,000	4,545,000	150,000	3.4%
Pledged Revenue Obligations	7/1/2025	1,070,000	1,110,000	40,000	3.7%
Revenue Bonds	7/1/2028	310,000	315,000	5,000	1.6%
Sub-total Retirement of Indebtedness		\$ 5,775,000	\$ 5,970,000	\$ 195,000	3.4%
Interest on Indebtedness					
General Obligation Bonds - 2012 Refunding		\$ 551,800	\$ 418,100	\$ (133,700)	-24.2%
General Obligation Bonds - 2011 Refunding		109,000	82,500	(26,500)	-24.3%
Total General Obligation Bonds		660,800	500,600	(160,200)	-24.2%
Pledged Revenue Obligations		370,300	327,500	(42,800)	-11.6%
Revenue Bonds		94,200	86,600	(7,600)	-8.1%
Sub-total Interest on Indebtedness		\$ 1,125,300	\$ 914,700	\$ (210,600)	-18.7%
Bank Fees		3,000	3,000	-	0.0%
<b>TOTAL EXPENDITURES AND OTHER DEDUCTIONS - RETIREMENT OF INDEBTEDNESS</b>		<b>\$ 6,903,300</b>	<b>\$ 6,887,700</b>	<b>\$ (15,600)</b>	<b>-0.2%</b>

# Summary of Change in Revenues

( p.2)

	Current Year <u>2017-2018</u>	Proposed Budget <u>2018-2019</u>	Dollar (\$) <u>Difference</u>	Percentage (%) <u>Difference</u>
<b><u>REVENUES</u></b>				
<b>Current Funds</b>				
Current General Fund - Unrestricted				
Property Taxes - Primary, Net Contingency	\$ 35,470,000	\$ 36,969,200	\$ 1,499,200	4.2%
Tuition & Fees	10,746,500	11,355,000	608,500	5.7%
State Appropriations	640,000	589,900	(50,100)	-7.8%
Other Sources	461,500	543,000	81,500	17.7%
Auxiliary Enterprises Fund				
Sales and Services	2,986,700	3,248,000	261,300	8.7%
Other Sources	682,600	704,900	22,300	3.3%
<b>Sub-Total Current Funds - Unrestricted</b>	<b>\$ 50,987,300</b>	<b>\$ 53,410,000</b>	<b>\$ 2,422,700</b>	<b>4.8%</b>
Current Funds - Restricted				
Federal Grants and Contracts	\$ 11,255,400	\$ 11,122,000	\$ (133,400)	-1.2%
State Grants and Contracts	365,000	214,200	(150,800)	-41.3%
State Appropriations/Prop 301	1,339,100	1,414,000	74,900	5.6%
Private Gifts, Grants and Contracts	856,000	894,000	38,000	4.4%
<b>Sub-Total Current Funds - Restricted</b>	<b>\$ 13,815,500</b>	<b>\$ 13,644,200</b>	<b>\$ (171,300)</b>	<b>-1.2%</b>
<b>TOTAL CURRENT FUNDS</b>	<b>\$ 64,802,800</b>	<b>\$ 67,054,200</b>	<b>\$ 2,251,400</b>	<b>3.5%</b>
<b>Plant Funds</b>				
Unexpended Plant Fund				
Property Taxes - Primary, Net Contingency	\$ 8,245,500	\$ 8,545,500	\$ 300,000	3.6%
Other Sources	45,000	50,000	5,000	11.1%
Non-recurring	-	4,400,000	4,400,000	100.0%
Retirement of Indebtedness				
Property Taxes - Secondary, Net Contingency	4,898,800	4,888,600	(10,200)	-0.2%
Other Sources	10,000	10,000	-	0.0%
<b>TOTAL PLANT FUNDS</b>	<b>\$ 13,199,300</b>	<b>\$ 17,894,100</b>	<b>\$ 4,705,000</b>	<b>35.6%</b>
<b>GRAND TOTAL - CURRENT &amp; PLANT FUNDS</b>	<b>\$ 78,002,100</b>	<b>\$ 84,948,300</b>	<b>\$ 6,956,400</b>	<b>8.9%</b>
Fund Balance Applied to Budget	2,956,000	2,542,700	(413,300)	-14.0%
<b>TOTAL REVENUES AVAILABLE FOR EXPENDITURES</b>	<b>\$ 80,958,100</b>	<b>\$ 87,491,000</b>	<b>\$ 6,532,900</b>	<b>8.1%</b>

2.3%

2.6%



# Summary of Change in Expenses

(p.3)

	Current Year <u>2017-2018</u>	Proposed Budget <u>2018-2019</u>	Dollar (\$) <u>Difference</u>	Percentage (%) <u>Difference</u>
<b>I. CURRENT GENERAL AND PLANT FUNDS</b>				
<b>A. EXPENDITURES</b>				
<b>Current Funds</b>				
Current General Fund - Unrestricted	\$ 44,608,000	\$ 46,918,900	\$ 2,310,900	5.2%
Auxiliary Enterprises	4,634,800	4,752,000	117,200	2.5%
<b>Sub-Total Current Funds - Unrestricted</b>	<b>\$ 49,242,800</b>	<b>\$ 51,670,900</b>	<b>\$ 2,428,100</b>	<b>4.9%</b>
Current Funds - Restricted	13,840,500	13,844,200	3,700	0.0%
<b>TOTAL CURRENT FUNDS</b>	<b>\$ 63,083,300</b>	<b>\$ 65,515,100</b>	<b>\$ 2,431,800</b>	<b>3.9%</b>
<b>Plant Funds</b>				
Unexpended Plant Fund	\$ 10,971,500	\$ 15,088,200	\$ 4,116,700	37.5%
Retirement of Indebtedness	6,903,300	6,887,700	(15,600)	-0.2%
<b>TOTAL PLANT FUNDS</b>	<b>\$ 17,874,800</b>	<b>\$ 21,975,900</b>	<b>\$ 4,101,100</b>	<b>22.9%</b>
<b>GRAND TOTAL - CURRENT &amp; PLANT FUNDS</b>	<b>\$ 80,958,100</b>	<b>\$ 87,491,000</b>	<b>\$ 6,532,900</b>	<b>8.1%</b>

-2.5%

2.6%

# FY19 Budget Summary

- Operating Budget +5.2%
- Auxiliary Budget +2.5%
- Restricted Budget 0%
- Capital Budget 37.5% (-2.5%\*)
- Debt Budget -.2%
  
- Overall Budget 8.1% (2.6%\*)

\* Without PV land sale



# Questions, Discussion & Feedback