Who is Yavapai College?

Mission:

to provide quality higher learning and cultural resources for the diverse populations of Yavapai County
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

1. Economic Ends
   – Help communities generate/ sustain jobs

2. Community Ends
   – Provide access to vibrant social and cultural life
Yavapai County
Top 10 Industry Sectors with Wages

Source: Alex Wright, REDC
## Job Growth Forecast
### Top 10 Sectors

### Yavapai County

<table>
<thead>
<tr>
<th>Description</th>
<th>5 Year Growth</th>
</tr>
</thead>
<tbody>
<tr>
<td>Health Care and Social Assistance</td>
<td>1,247</td>
</tr>
<tr>
<td>Retail Trade</td>
<td>893</td>
</tr>
<tr>
<td>Accommodation and Food Services</td>
<td>728</td>
</tr>
<tr>
<td>Finance and Insurance</td>
<td>610</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>536</td>
</tr>
<tr>
<td>Real Estate and Rental and Leasing</td>
<td>492</td>
</tr>
<tr>
<td>Other Services (except Public Administration)</td>
<td>412</td>
</tr>
<tr>
<td>Wholesale Trade</td>
<td>322</td>
</tr>
<tr>
<td>Educational Services</td>
<td>274</td>
</tr>
<tr>
<td>Government</td>
<td>224</td>
</tr>
</tbody>
</table>

### Arizona

<table>
<thead>
<tr>
<th>Description</th>
<th>5 Year Growth</th>
</tr>
</thead>
<tbody>
<tr>
<td>Health Care and Social Assistance</td>
<td>65,589</td>
</tr>
<tr>
<td>Finance and Insurance</td>
<td>34,830</td>
</tr>
<tr>
<td>Professional, Scientific, and Technical Services</td>
<td>29,912</td>
</tr>
<tr>
<td>Real Estate and Rental and Leasing</td>
<td>28,973</td>
</tr>
<tr>
<td>Accommodation and Food Services</td>
<td>28,285</td>
</tr>
<tr>
<td>Retail Trade</td>
<td>27,032</td>
</tr>
<tr>
<td>Educational Services</td>
<td>20,829</td>
</tr>
<tr>
<td>Government</td>
<td>19,418</td>
</tr>
<tr>
<td>Other Services (except Public Administration)</td>
<td>16,171</td>
</tr>
<tr>
<td>Administrative and Support and Waste Management</td>
<td>14,834</td>
</tr>
</tbody>
</table>

### YC Programs

- NUR, RAD, EMT, Human Services
- Business
- CNC, IPT, Electronics, Welding
- Education, ECE
- CS, Science, Pre-Eng.
- General Studies
- Hospitality/ Culinary in process
- Art
- AJS

Source: EMSI
Campuses:
Prescott
Verde Valley

Centers:
CTEC
Chino Valley
Mayer
Prescott Valley (2)
Sedona

Source: Yavapai County Comprehensive Plan
## Yavapai County Facts

<table>
<thead>
<tr>
<th></th>
<th>County</th>
<th>AZ</th>
<th>US</th>
</tr>
</thead>
<tbody>
<tr>
<td>Median $</td>
<td>$42,987</td>
<td>$49,771</td>
<td>$53,046</td>
</tr>
<tr>
<td>Poverty</td>
<td>15.8%</td>
<td>17.9%</td>
<td>15.4%</td>
</tr>
<tr>
<td>HS Grad</td>
<td>90.2%</td>
<td>85.7%</td>
<td>86%</td>
</tr>
<tr>
<td>BA</td>
<td>24.2%</td>
<td>26.9%</td>
<td>28.8%</td>
</tr>
</tbody>
</table>

Source: quickfacts.census.gov
YC Enrollments

- Decline since FY11
  - Cut scholarships (286)
  - Cut Basketball (24)
  - Cut Nursing (40)
  - Moved Wildfire and ABE to non-credit (98)
FTSE by Location

<table>
<thead>
<tr>
<th>Campus</th>
<th>5-Year CAGR</th>
</tr>
</thead>
<tbody>
<tr>
<td>Prescott</td>
<td>-5.5%</td>
</tr>
<tr>
<td>PV</td>
<td>-11.5%</td>
</tr>
<tr>
<td>VV</td>
<td>-10.4%</td>
</tr>
<tr>
<td>Chino</td>
<td>-8.1%</td>
</tr>
<tr>
<td>CTEC</td>
<td>17.5%</td>
</tr>
<tr>
<td>Sedona</td>
<td>-25.7%</td>
</tr>
<tr>
<td>Online</td>
<td>10.3%</td>
</tr>
<tr>
<td>Off-site</td>
<td>51.9%</td>
</tr>
<tr>
<td>District</td>
<td>0.4%</td>
</tr>
</tbody>
</table>
Existing Programs
Available in the Verde Valley

18 Degrees
33 Certs
43 Subjects
New Verde Valley Programming

• Hospitality/ Culinary
• Digital Media Film
  – Retooled in FY15
  – Considering degree in addition to certs
• Enology/ Viticulture
  – Enology Certificate
• Performing Arts

• Pilot Welding in High Schools
Verde Valley Enrollments

• Credit (SCH)  
  - Face to Face 2009: 5582  2014: 3533  
  - Dual 2009: 130   2014: 942  
  - JTED 2009: 8137  2014: 7657  -6%  

• Non-credit (duplicated headcount)  
  2011  2014  
  - Community Ed 2011: 113  2014: 113  
  - College for Kids 2011: 200   2014: 0*  
  2011: 1872   2014: 2134  +14%  

• Overall...
Budget
Revenues

Revenue Source as a % of Total Unrestricted Revenues

Source: YC CAFR
Unrestricted Revenues: Property Tax

Source: Consolidated Community College 2016 State Aid Request
Unrestricted Revenues: Property Tax

Property Tax Levy vs. Inflation

Inflation averaged 2%
YC Tax Levy increase averaged 1%
Unrestricted Revenues: Tuition & Fees

Source: Consolidated Community College 2016 State Aid Request
JLBC FY2015 Baseline Report
Unrestricted Revenues: State Support

Arizona Community Colleges
State Support by Student Credit Hour
FY 2014-15

Source: Consolidated Community College 2016 State Aid Request
Sources of Revenue Risks

• Revenue Risks
  – Prop 301
  – Aviation
  – State M&O
  – State STEM
  – Enrollments
  – Uncollectable Property Tax
  – SB1476
  – Expenditure Limits
  – High School Funding

> $4M

• Contingencies
  – Enrollment Shrink
  – Operating
  – Property Tax

$1.3M
Yavapai College Expense Budget by Fund

Yavapai College EXPENDITURES - ALL FUNDS FY2015-2016

- General: 53%
- Plant: 15%
- Restricted: 19%
- Auxiliary: 5%
- Debt: 8%

$83.7M total
General Fund Budget by Account

- Salary & Benefits: 77%
- Non-Labor: 23%

FY 14 General Fund Non-Labor Expense
General Fund Budget by Program

Yavapai College
GENERAL FUND EXPENDITURES
FY2015-2016

- Instruction: 40%
- Operating Contingency: 0.9%
- Tuition Contingency: 0.9%
- Scholarships: 1.9%
- Public Service: 0.2%
- Student Services: 11%
- Academic Support: 11%
- Institutional Support/Admin: 20%
- Physical Plant Op/Maint: 14%

$44.3M Total
Spending Efficiently

YC vs. Benchmarks

Why More $ than AZ Peers?

– AZ Very Efficient State
– Unique Services
  • Athletics
  • FEC
  • YCPAC
  • Res Halls
  • Scholarships
– Operations
  • Well maintained facilities
  • Product Mix (CT & AH; Community Ed)
  • Geography

YC reduced Premium vs. AZ Average from 42% to 27% over 6 years

YC is 5% below national average as of FY11
Spending Effectively

% Education & Related Spending per FTSE

- 2005-06: 58%
- 2013-14: 73%
Key Assumptions

- **Revenues**
  - Property Tax:
    - New Construction $589k
    - 2% Levy Increase $825k
  - T&F:
    - Price increase $590k (4%)
    - Enrollment shrink -$190k (-1.9%)
  - State:
    - No change

- **Expenses**
  - Fixed Expenses
    - Raise & Market Correction
    - Benefits
    - Utilities
    - HW/SW Maintenance
    - Merit Scholarships
    - Reallocation savings -$200k
  - New Initiatives $825k
# Critical New Initiatives

by End

<table>
<thead>
<tr>
<th>#</th>
<th>Initiative</th>
<th>Economic Education</th>
<th>Economic Development</th>
<th>Cultural</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Electrical Lineman</td>
<td>X</td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>2</td>
<td>Hospitality/ Culinary</td>
<td>X</td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>3</td>
<td>Digital Media Film</td>
<td>X</td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>4</td>
<td>Asst Vineyard Mgr/ Vineyard</td>
<td>X</td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>5</td>
<td>Enology Tasting Room</td>
<td>X</td>
<td></td>
<td></td>
</tr>
<tr>
<td>6</td>
<td>Performing Arts Program</td>
<td>X</td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>7</td>
<td>Community Ed PT to FT</td>
<td>X</td>
<td></td>
<td></td>
</tr>
<tr>
<td>8</td>
<td>Supplemental Instruction in Learning Center</td>
<td>X</td>
<td></td>
<td></td>
</tr>
<tr>
<td>9</td>
<td>Curriculog/ Acalog Software</td>
<td>X</td>
<td></td>
<td></td>
</tr>
<tr>
<td>10</td>
<td>Testing Center Staff</td>
<td>X</td>
<td></td>
<td></td>
</tr>
<tr>
<td>12</td>
<td>Service Learning</td>
<td>X</td>
<td></td>
<td></td>
</tr>
<tr>
<td>13</td>
<td>Dual Enrollment</td>
<td>X</td>
<td></td>
<td></td>
</tr>
<tr>
<td>14</td>
<td>Freshman Year Experience</td>
<td>X</td>
<td></td>
<td></td>
</tr>
<tr>
<td>15</td>
<td>Increase Contingencies</td>
<td>X</td>
<td>X</td>
<td>X</td>
</tr>
<tr>
<td>16</td>
<td>Facilities Maintenance Technician</td>
<td>X</td>
<td>X</td>
<td>X</td>
</tr>
<tr>
<td>17</td>
<td>Marketing</td>
<td>X</td>
<td>X</td>
<td>X</td>
</tr>
<tr>
<td>18</td>
<td>VVC Associate Dean</td>
<td>X</td>
<td></td>
<td></td>
</tr>
<tr>
<td>19</td>
<td>High School Liaison</td>
<td>X</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Types of Capital at YC

• Debt Fund
  – GO Bond
  – Revenue Bond
  – Pledged Revenue Obligation Bond

• Plant Fund
  – Preventative Maintenance
  – Unplanned Maintenance
  – Equipment
  – Capital Improvement Plan
  – Books
  – Furniture, Fixtures & Equipment (FFE)
Facility Condition Index

Source: YC Facilities, 1/15
Campus Master Plan Update

“The master plan report is designed to serve as a living document, allowing flexibility in its application as specific planning initiatives and goals evolve over time.”

- p.10 YC CMP
Timeline

• Public RFP  9/12
• Selected Smith Group  1/13
• Data Gathering 2013
  – Economic Forecasts, Demographics
  – Ends, Mission, Vision, Academic Plan, Strategic Plan, Classroom utilization, enrollments
  – Faculty & Staff Input
  – Community Forums
• DGB Presentation 11/13
• DGB Approval of Concepts & Direction
  – “Not approving budget monies”
  – “Plan will be flexible”

- p. 19 YC CMP
Campus Master Plan
Revised February, 2015

• Phase 1A: Finish in FY16
• Phase 1B: FY16, FY17
  – Arts (Bldg 15)
  – REDC
  – OLLI
  – Sedona

• Phase 2: FY18-FY21
  – Lecture Hall
  – Event Center
  – Multi-purpose Field
  – Bldg L (Verde)

• Phase 3: FY22-FY28
  – Sell CV/ PV
  – PV Center, NAU-Y, Library, Residence Hall, NARTA, Greenhouses
Changes as of April, 2015

• CTEC
  – Not expanding building or parking lot

• Chino Valley
  – Moved potential Chino Valley Center sale to Phase 3

• Overall
  – Slowed plan from 10 years to 14 years

• Prescott
  – Created 100 seat multi-purpose room
  – Added sprinklers to 1 & 3 to enhance safety
  – Expanded Learning Center
  – Moved Testing Center
  – Expedited REDC & OLLI
  – De-expedited 3rd Residence Hall

• Prescott Valley
  – Moved potential PV Sale/ Expansion and Allied Health Center to Phase 3

• Sedona
  – Purchased land surrounding building
  – Cancelled plans to sell Sedona Center
  – Invested in Road and Parking Lot
  – Budgeted Renovation in 2016-17

• VVC
  – Budgeted extensive renovation of Building L in 2017-18

http://masterplan.yc.edu/
2/15 DGB Minutes
Capital Investment Equity

Estimated Capital/ FTSE

<table>
<thead>
<tr>
<th></th>
<th>Current</th>
<th>Phase 1</th>
<th>Phase 2</th>
<th>Phase 3</th>
</tr>
</thead>
<tbody>
<tr>
<td>West County</td>
<td>$28,614</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>East County</td>
<td></td>
<td>$60,475</td>
<td></td>
<td></td>
</tr>
<tr>
<td>District</td>
<td></td>
<td></td>
<td>$33,559</td>
<td></td>
</tr>
</tbody>
</table>
Capital Investment Equity

Estimated Capital/ FTSE

West County: $32,548
East County: $64,564
District: $38,102

Legend:
- Current
- Phase 1
- Phase 2
- Phase 3
Capital Investment Equity

Estimated Capital/ FTSE

- West County: $31,509
- East County: $55,292
- District: $35,200

Legend: Purple = Current, Blue = Phase 1, Green = Phase 2, Yellow = Phase 3
Capital Investment Equity

Estimated Capital/ FTSE

- West County: $26,881
- East County: $35,760
- District: $28,259

Legend:
- Current
- Phase 1
- Phase 2
- Phase 3
Verde Valley
Revenues & Expenditures

• Spend tax revenues in district where they originate?
  – AZ Community Colleges
  – U of A/ School of Govt/ Public Policy Program
  – JLBC staff
  – National Association of State Budget Officers

• Conclude: Not a common practice

• Estimate of 2010-13 Average Revenue: $12.25M

• Estimate of 2010-13 Average Expense: $12.5M
Questions and Discussion
### MISSION

| MISSION | To provide advice to the Yavapai College District Governing Board based on objective analysis and feedback from Verde Valley communities |

We are an unbiased, community communications vehicle by which citizens in the Verde Valley may provide data-driven advice to the Yavapai College District Governing Board. Based on accurate and reliable data and input from citizens, we perform careful analysis as the basis for advice we present. We seek input from the array of communities in the Verde Valley: young and old; public and private; businesses and non-profits. **We are citizen leaders that speak with one voice to prioritize the educational needs of the Verde Valley.**