



Yavapai College

FY 2017-18 Preliminary Budget Overview

Presented to
the Yavapai College District Governing Board

April 2017

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 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 social and cultural opportunities

Budget Timeline

Board

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

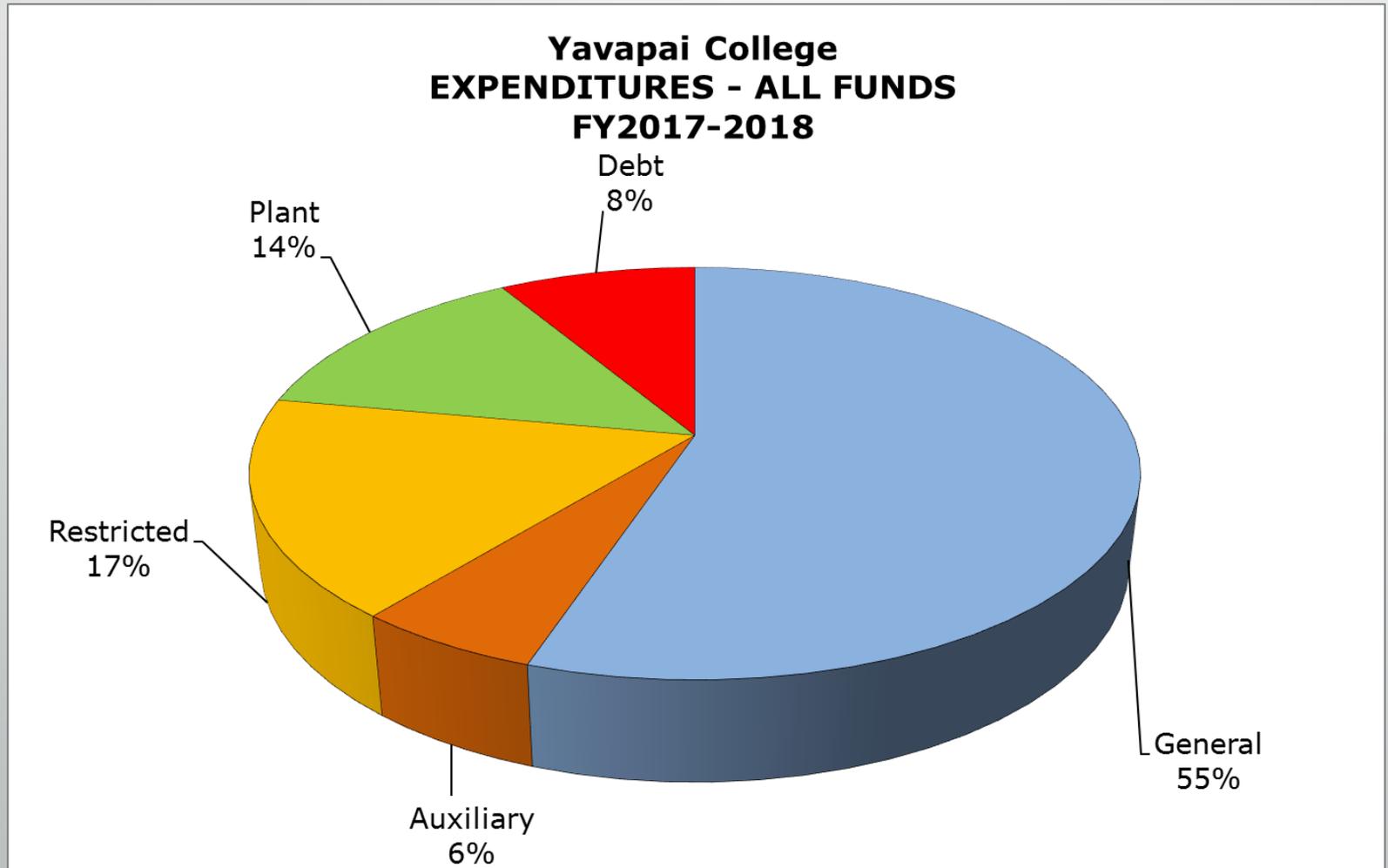
College

- Sep: Environmental Scan
Strategic Plan Update
- Oct: **Dept Kick-off Meetings**
Cost reduction survey
Analyze Operating Results
- Nov: **Dept Budget Requests**
Analyze Capital Results
- Dec: **Prioritize Dept. Requests**
- Jan: Prioritize Division Requests
Capital Survey
- Feb: Prioritize College Initiatives
- Mar: Share Preliminary Budget at
College Forums

Updated FY18 Key Assumptions

- Revenues
 - Property Tax:
 - New Construction \$680k
 - 0% Levy Increase
 - T&F:
 - Price increase \$490k
 - Enrollment shrink -\$330k
 - Aviation -\$160k
 - State: -\$160k
 - Auxiliaries -\$25k
 - Misc. -\$36k
- Expenses
 - Fixed Expenses: **\$1.15M**
 - HW/SW Maintenance
 - Merit Scholarships
 - Benefits
 - Market compensation adjustment
 - 3% Raises
 - DOL Benefits
 - AZ Minimum Wage
 - New Expenses: **\$350k**
 - Cyber Security
 - Culinary
 - Allied Health
 - Increase Marketing
 - Savings
 - Prop Tax from Capital to Ops -\$400k
 - Reallocations -\$650k

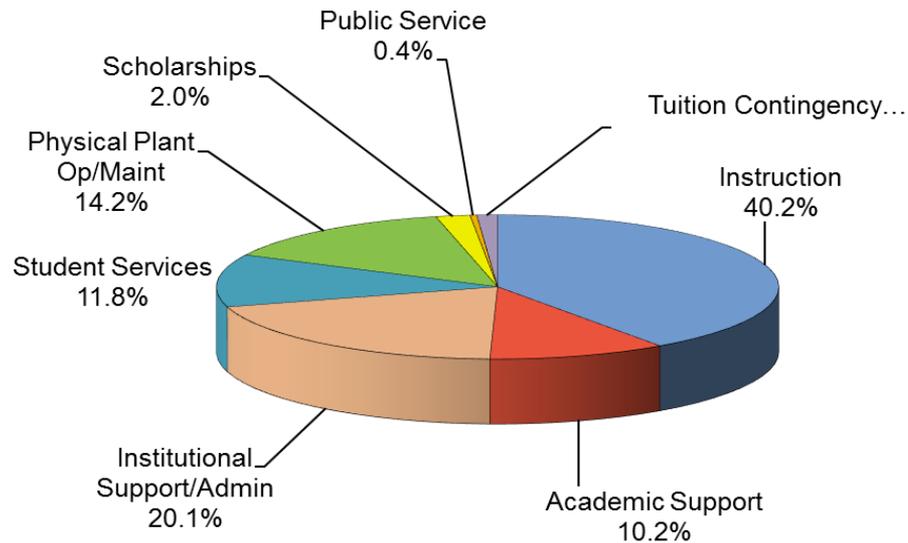
Yavapai College Budget by Fund



\$81M total

General Fund by NACUBO Function

Yavapai College GENERAL FUND EXPENDITURES FY2017-2018



1. Changes in General Fund

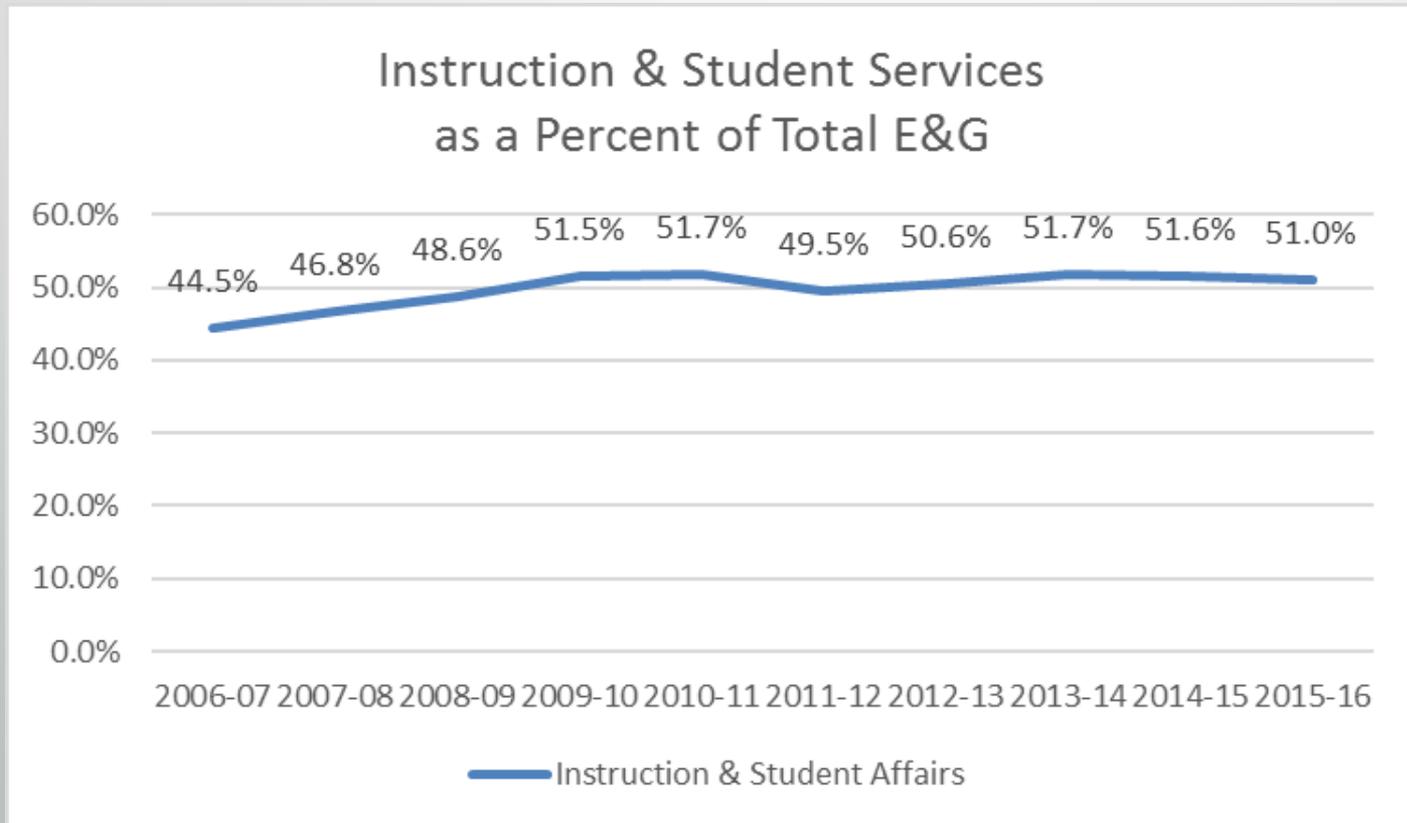
EXPENDITURES	2016-2017 BUDGET	2017-2018 BUDGET	DOLLAR (\$) DIFFERENCE	PERCENTAGE (%) DIFFERENCE
Current General Fund				
Instruction	\$ 17,516,000	\$ 17,947,000	\$ 431,000	2.5%
Academic Support	4,745,000	4,552,000	(193,000)	-4.1%
Institutional Support/Administration	8,775,000	8,945,000	170,000	1.9%
Student Services	5,021,000	5,260,000	239,000	4.8%
Physical Plant Operations/Maintenance	6,270,000	6,328,000	58,000	0.9%
Scholarships	878,000	877,000	(1,000)	-0.1%
Public Service	156,000	169,000	13,000	8.3%
Tuition Contingency	550,000	530,000	(20,000)	0.0%
Prop 301 Labor Contingency	250,000	-	(250,000)	-100.0%
TOTAL CURRENT GENERAL FUND BUDGET	\$ 44,161,000	\$ 44,608,000	\$ 447,000	1.0%

1. Education:
 Job Seekers
 Transfer
 ABE
 Developmental
 Dual
 Lifelong Learning
 OLLI

2. Economic Development
 Career Technical Education
 REDC

3. Cultural
 Athletics
 Classes
 Galleries
 Libraries

Increasing Impact on Students



2. Changes in Auxiliary Fund

	Budget 2016-2017	Budget 2017-2018	DOLLAR (\$) DIFFERENCE	PERCENTAGE (%) DIFFERENCE
Instruction	\$ 171,900	\$ 99,600	\$ (72,300)	-42.1%
Student Services	616,000	689,200	73,200	11.9%
Auxiliary Enterprises	1,528,700	1,541,200	12,500	0.8%
Public Service	819,000	974,500	155,500	19.0%
Contingency	100,000	100,000	-	0.0%
Facilities & Administrative Allocation Expense	1,065,300	1,230,300	165,000	15.5%
TOTAL CURRENT AUXILIARY FUNDS BUDGET	\$ 4,300,900	\$4,634,800	\$ 333,900	7.8%

Instruction

Music

Student Services

FEC

Aux

Bookstore

Food

Res Hall

YCF

Tasting Room

Public Service

Community Events

REDC

SBDC

3. Changes in Restricted Fund

	Budget 2016-2017	Budget 2017-2018	DOLLAR (\$) DIFFERENCE	(%) DIFFERENCE
CURRENT RESTRICTED FUND (Note 1)				
Instruction	\$ 2,814,600	\$ 2,791,500	\$ (23,100)	-0.8%
Academic Support	2,000	-	(2,000)	-100.0%
Student Services	1,144,200	1,372,500	228,300	20.0%
Scholarships	10,202,600	9,510,500	(692,100)	-6.8%
Public Service	112,000	166,000	54,000	48.2%
TOTAL EXPENDITURES AND OTHER DEDUCTIONS OF CURRENT RESTRICTED FUNDS	\$ 14,275,400	\$ 13,840,500	\$ (434,900)	-3.0%

4. Changes in Capital Fund

	<u>Budget</u> <u>2016-2017</u>	<u>Budget</u> <u>2017-2018</u>	<u>DOLLAR (\$)</u> <u>DIFFERENCE</u>	<u>(%)</u> <u>DIFFERENCE</u>
UNEXPENDED PLANT FUND				
Buildings/Infrastructure				
→ Preventative Maintenance	\$ 3,028,000	\$ 3,674,000	\$ 646,000	21.3%
→ Unplanned Maintenance	400,000	250,000	(150,000)	-37.5%
→ Capital Improvement Projects (CIP)	5,549,300	4,208,800	(1,340,500)	-24.2%
Equipment				
→ Equipment	2,072,400	2,240,000	167,600	8.1%
Furniture and Fixtures	250,000	250,000	-	0.0%
Library Books	98,700	98,700	-	0.0%
Contingency				
Capital Contingency	250,000	250,000	-	0.0%
TOTAL EXPENDITURES - UNEXPENDED PLANT FUNDS	<u>\$ 11,648,400</u>	<u>\$ 10,971,500</u>	<u>\$ (676,900)</u>	<u>-5.8%</u>

5. Changes in Debt Fund

	Final Maturity	Budget 2016-2017	Budget 2017-2018	DOLLAR (\$) DIFFERENCE	(%) DIFFERENCE
RETIREMENT OF INDEBTEDNESS					
Retirement of Indebtedness (Principal)					
General Obligation Bonds - 2012 Refunding	7/1/2024	\$ 3,290,000	\$ 3,510,000	\$ 220,000	6.7%
General Obligation Bonds - 2011 Refunding	7/1/2021	1,005,000	885,000	(120,000)	-11.9%
Total General Obligation Bonds		4,295,000	4,395,000	100,000	2.3%
Pledged Revenue Obligations	7/1/2025	1,025,000	1,070,000	45,000	4.4%
Revenue Bonds	7/1/2028	300,000	310,000	10,000	3.3%
Sub-total Retirement of Indebtedness		\$ 5,620,000	\$ 5,775,000	\$ 155,000	2.8%
Interest on Indebtedness					
General Obligation Bonds - 2012 Refunding		\$ 617,600	\$ 551,800	\$ (65,800)	-10.7%
General Obligation Bonds - 2011 Refunding		139,200	109,000	(30,200)	-21.7%
Total General Obligation Bonds		756,800	660,800	(96,000)	-12.7%
Pledged Revenue Obligations		414,600	370,300	(44,300)	-10.7%
Revenue Bonds		101,600	94,200	(7,400)	-7.3%
Sub-total Interest on Indebtedness		\$ 1,273,000	\$ 1,125,300	\$ (147,700)	-11.6%
Bank Fees		3,000	3,000	-	0.0%
TOTAL EXPENDITURES AND OTHER DEDUCTIONS - RETIREMENT OF INDEBTEDNESS					
		\$ 6,896,000	\$ 6,903,300	\$ 7,300	0.1%

Summary of Change in Revenues

	Current Year <u>2016-2017</u>	Proposed Budget <u>2017-2018</u>	Dollar (\$) <u>Difference</u>	Percentage (%) <u>Difference</u>
REVENUES				
Current Funds				
Current General Fund - Unrestricted				
Property Taxes - Primary, Net Contingency	\$ 34,388,200	\$ 35,470,000	\$ 1,081,800	3.1%
Tuition & Fees	10,751,000	10,746,500	(4,500)	0.0%
State Appropriations	800,000	640,000	(160,000)	-20.0%
Other Sources	497,900	461,500	(36,400)	-7.3%
Auxiliary Enterprises Fund				
Sales and Services	2,961,700	2,986,700	25,000	0.8%
Other Sources	734,300	682,600	(51,700)	-7.0%
Sub-Total Current Funds - Unrestricted	\$ 50,133,100	\$ 50,987,300	\$ 854,200	1.7%
Current Funds - Restricted				
Federal Grants and Contracts	\$ 11,805,000	\$ 11,255,400	\$ (549,600)	-4.7%
State Grants and Contracts	211,000	365,000	154,000	73.0%
State Appropriations/Prop 301	1,449,400	1,339,100	(110,300)	-7.6%
Private Gifts, Grants and Contracts	783,000	856,000	73,000	9.3%
Sub-Total Current Funds - Restricted	\$ 14,248,400	\$ 13,815,500	\$ (432,900)	-3.0%
TOTAL CURRENT FUNDS	\$ 64,381,500	\$ 64,802,800	\$ 421,300	0.7%
Plant Funds				
Unexpended Plant Fund				
Property Taxes - Primary, Net Contingency	\$ 8,645,300	\$ 8,245,500	\$ (399,800)	-4.6%
Other Sources	35,000	45,000	10,000	28.6%
Non-recurring	50,000	-	(50,000)	-100.0%
Retirement of Indebtedness				
Property Taxes - Secondary, Net Contingency	4,944,800	4,898,800	(46,000)	-0.9%
Other Sources	10,000	10,000	-	0.0%
TOTAL PLANT FUNDS	\$ 13,685,100	\$ 13,199,300	\$ (485,800)	-3.5%
GRAND TOTAL - CURRENT & PLANT FUNDS	\$ 78,066,600	\$ 78,002,100	\$ (64,500)	0.0%
Fund Balance Applied to Budget	3,215,100	2,956,000	(259,100)	-8.1%
TOTAL REVENUES AVAILABLE FOR EXPENDITURES	\$ 81,281,700	\$ 80,958,100	\$ (323,600)	-0.4%

Summary of Change in Expenses

	Current Year <u>2016-2017</u>	Proposed Budget <u>2017-2018</u>	Dollar (\$) <u>Difference</u>	Percentage (%) <u>Difference</u>
I. CURRENT GENERAL AND PLANT FUNDS				
A. EXPENDITURES				
Current Funds				
Current General Fund - Unrestricted	\$ 44,161,000	\$ 44,608,000	\$ 447,000	1.0%
Auxiliary Enterprises	4,300,900	4,634,800	333,900	7.8%
Sub-Total Current Funds - Unrestricted	\$ 48,461,900	\$ 49,242,800	\$ 780,900	1.6%
Current Funds - Restricted	14,275,400	13,840,500	(434,900)	-3.0%
TOTAL CURRENT FUNDS	\$ 62,737,300	\$ 63,083,300	\$ 346,000	0.6%
Plant Funds				
Unexpended Plant Fund	\$ 11,648,400	\$ 10,971,500	\$ (676,900)	-5.8%
Retirement of Indebtedness	6,896,000	6,903,300	7,300	0.1%
TOTAL PLANT FUNDS	\$ 18,544,400	\$ 17,874,800	\$ (669,600)	-3.6%
GRAND TOTAL - CURRENT & PLANT FUNDS	\$ 81,281,700	\$ 80,958,100	\$ (323,600)	-0.4%

FY18 Budget Summary

- Operating Budget +1.0%
- Auxiliary Budget +7.8%
- Restricted Budget -3.0%
- Capital Budget -5.8%
- Debt Budget +.1%

- Overall Budget -.4%



Questions, Discussion & Feedback