



Yavapai College Capital Budget

Prepared for DGB

March, 2023



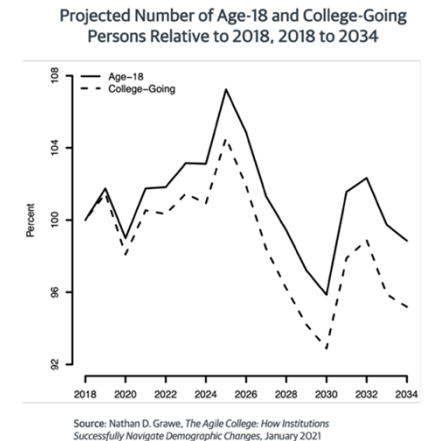
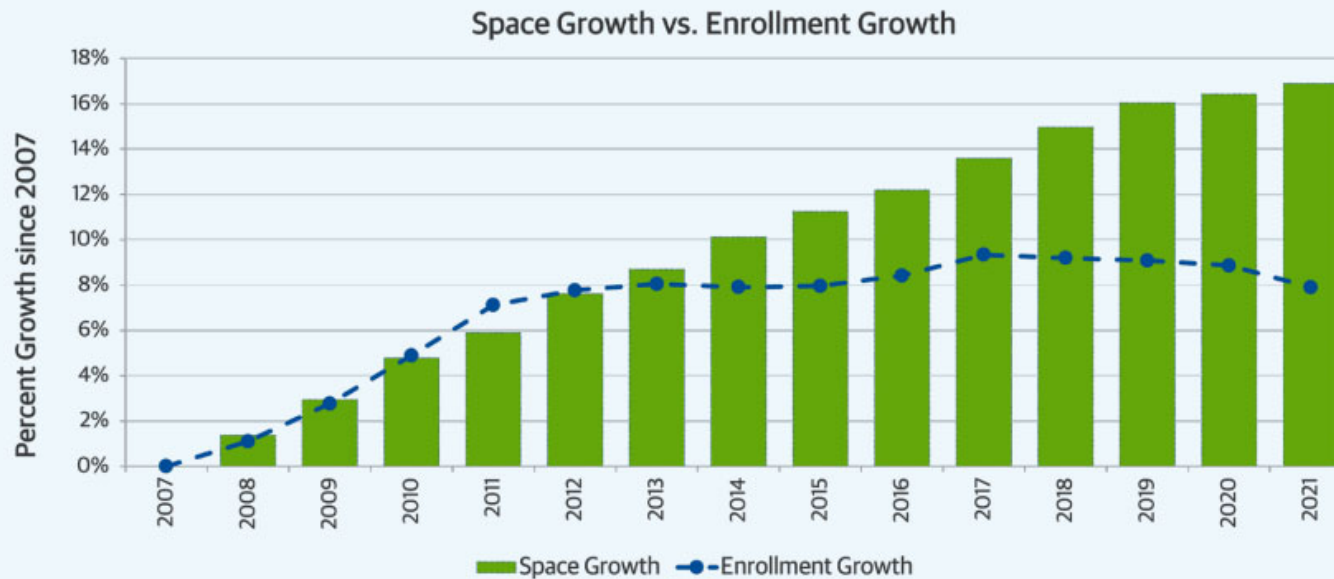
Benchmarking



GORDIAN[®]



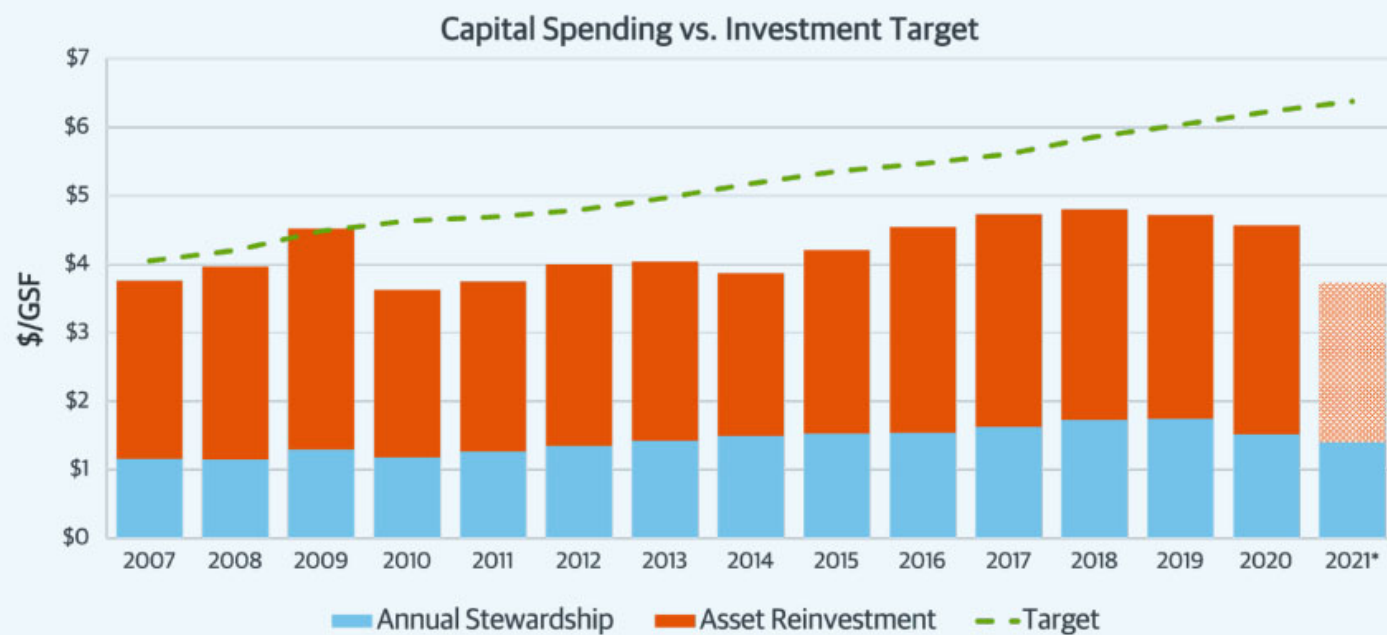
Facilities Growing Faster than Enrollment



Space: Growth continues to outpace enrollment, adding to operating and capital renewal burdens.



The campus of 2020 is 113% larger than the campus of 1970.
Yet from 1970 to 2018, the population of 18-21 year olds grew only 17%.



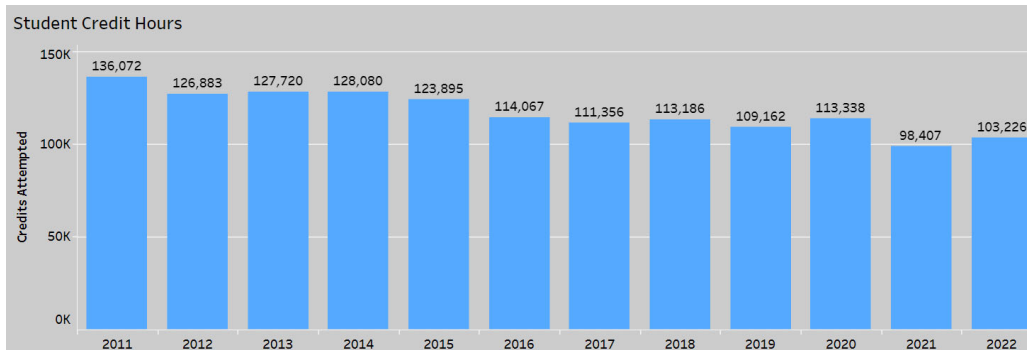
APPA estimates, with the help of Gordian's data, a facilities backlog of **\$112 billion**.



Inflation

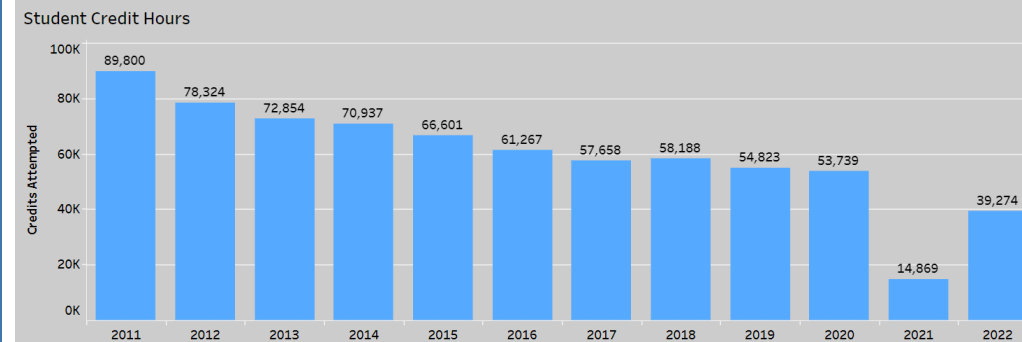


YC Building Utilization and Capacity



- 24% shrink in enrollments since peak
- Improving economy = less enrollments
- Campus 28% less utilized than national peers

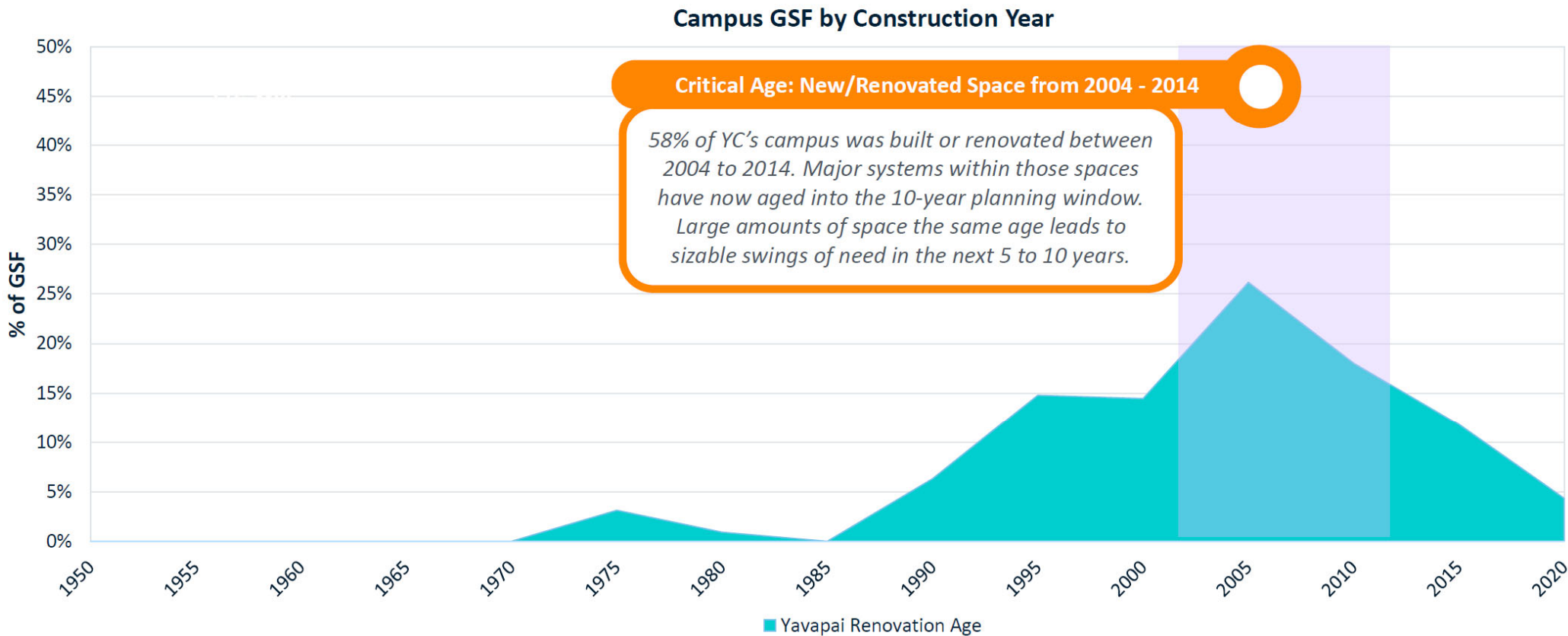
- 56% shrink in enrollments when looking at actual on-campus traffic
 - Low classroom & lab utilization
 - Low seat fill rate
- Change in how students access YC classes
 - Online
 - High Schools



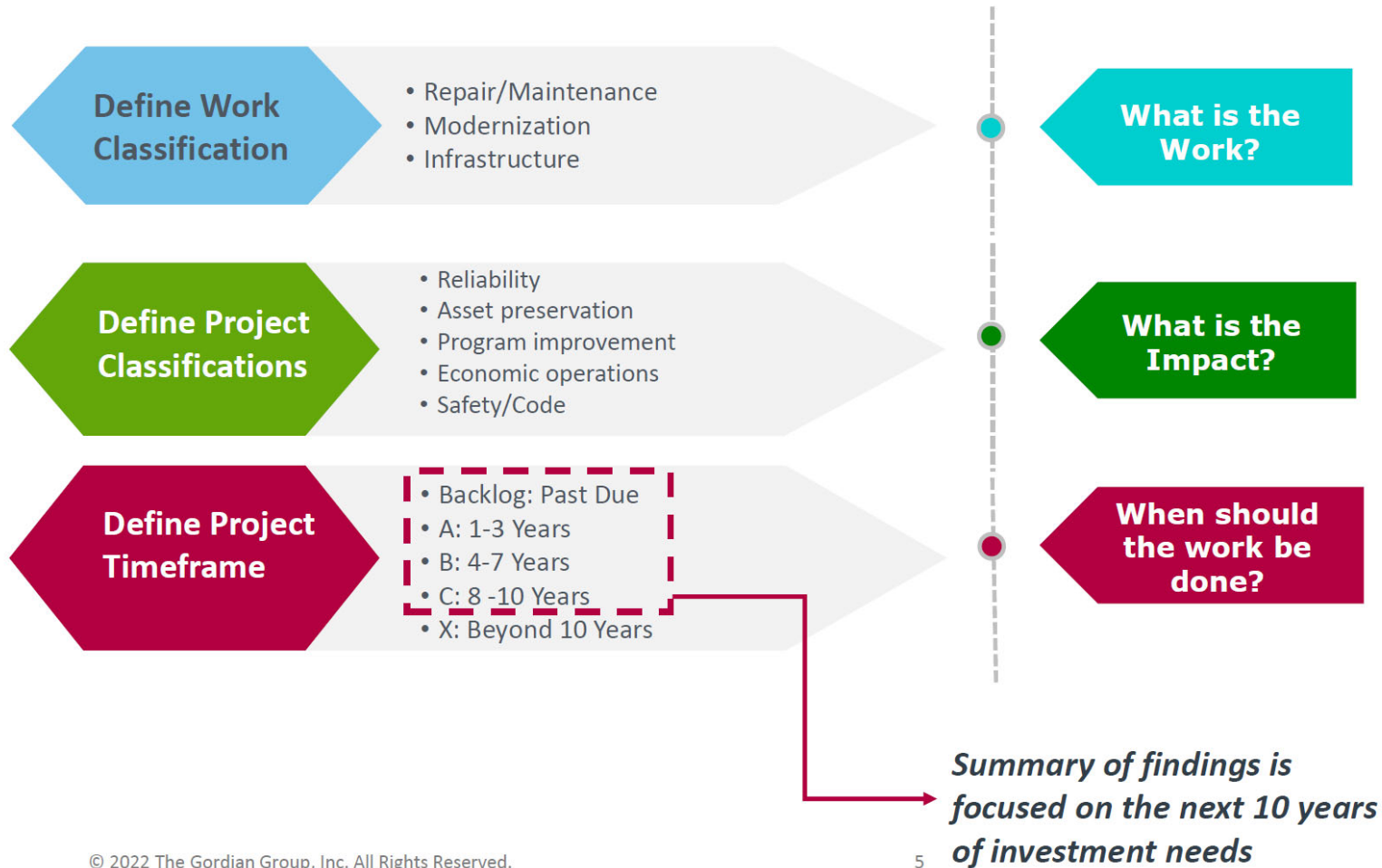
Nationally, colleges added 11% sq ft-- YC added 5%

Future Need Driven By Age Profile

Past renovations are now reaching their next life-cycles

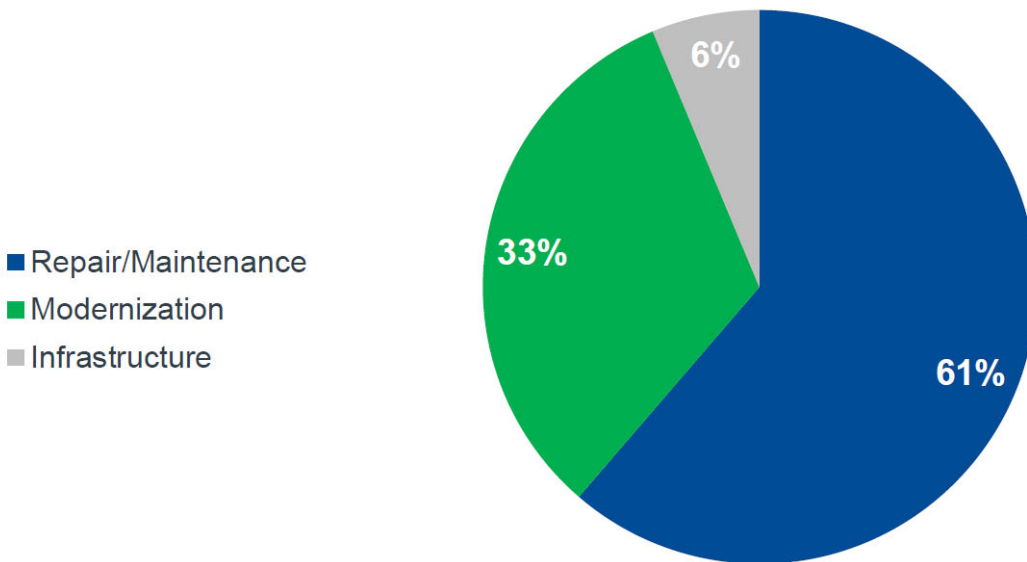


Categorize to Highlight the Value of Each Project



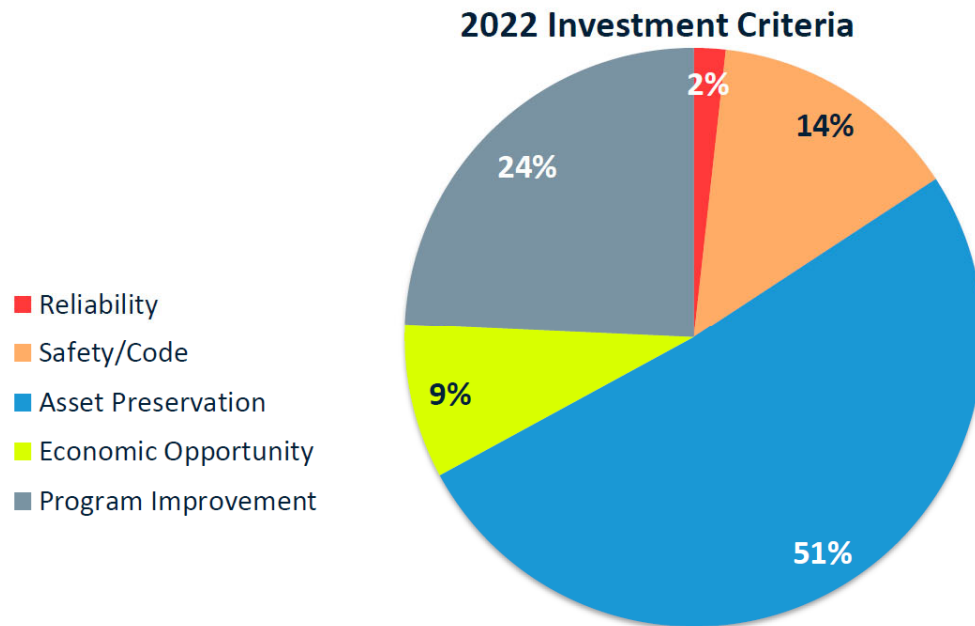
Need by Category

2022 Project Category



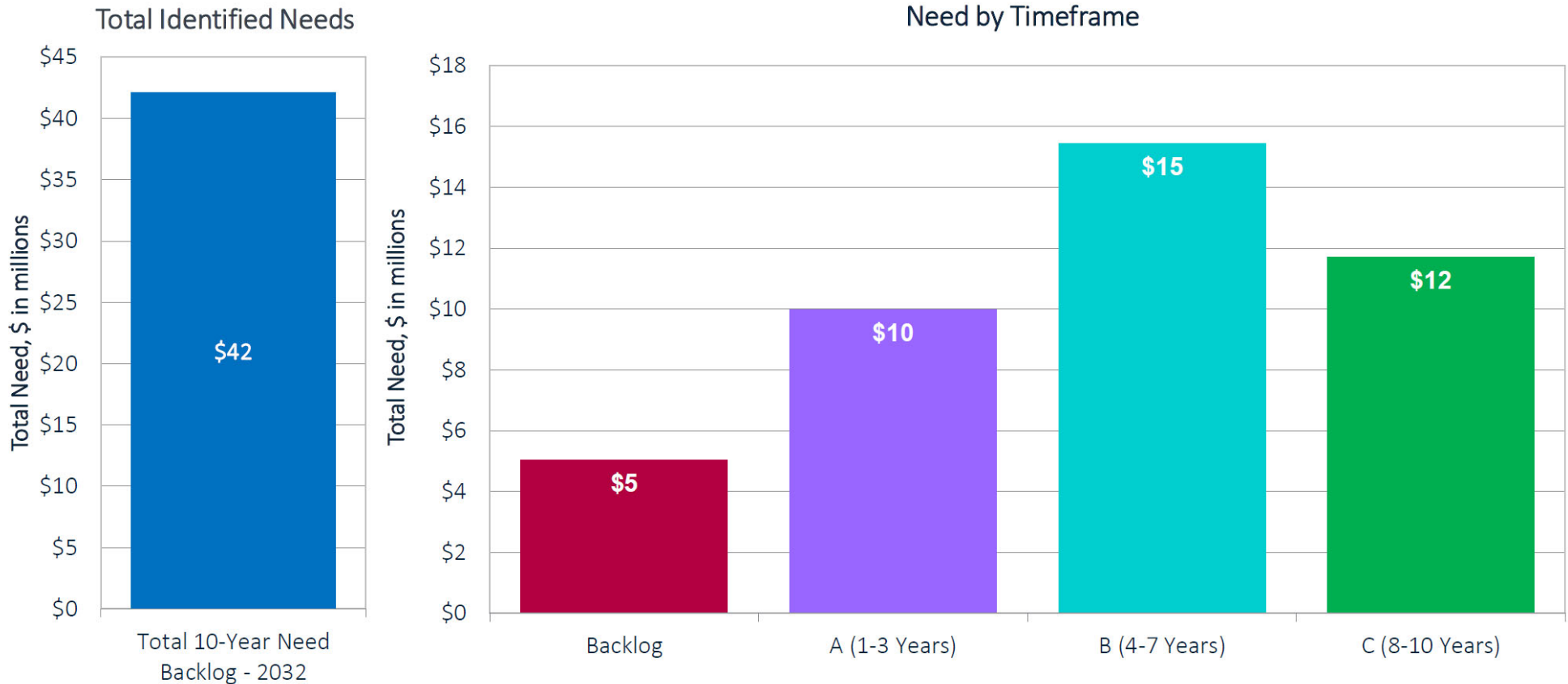
- **Repair/Maintenance:** In-kind replacement of components at the end of their useful life.
- **Modernization:** Upgrades, installations, or improvements to existing systems.
- **Infrastructure:** Replacement of components in central plants or outside of buildings, both below and above grade.

Identified Need by Classification



- **Reliability:** Issues of imminent failure or compromise to the system that may result in interruption to program or use of space
- **Safety/Code:** Fire and life safety priorities or items that are not in conformance with current codes, even though the system is “grandfathered” and exempt from current code.
- **Asset Preservation:** Projects that preserve or enhance the integrity of buildings systems, structure, or campus infrastructure.
- **Economic Opportunity:** Projects that result in a reduction of annual operating costs or capital savings.
- **Program Improvement:** Projects that improve the functionality of space, primarily driven by academic, student life, and athletic programs or departments. These projects are also issues of campus image and impact.

Total 10-Year Need by Timeframe



Calculating Building Values

Current Replacement Value: The dollars needed to replace the Building in kind, as it exists, today (no modernization, programming changes or inflation factor applied).

Gordian uses models developed by the RSMeans Higher-Ed costing database to define replacement values at a campus or individual building level.

The following criteria are factored into the building's replacement value:

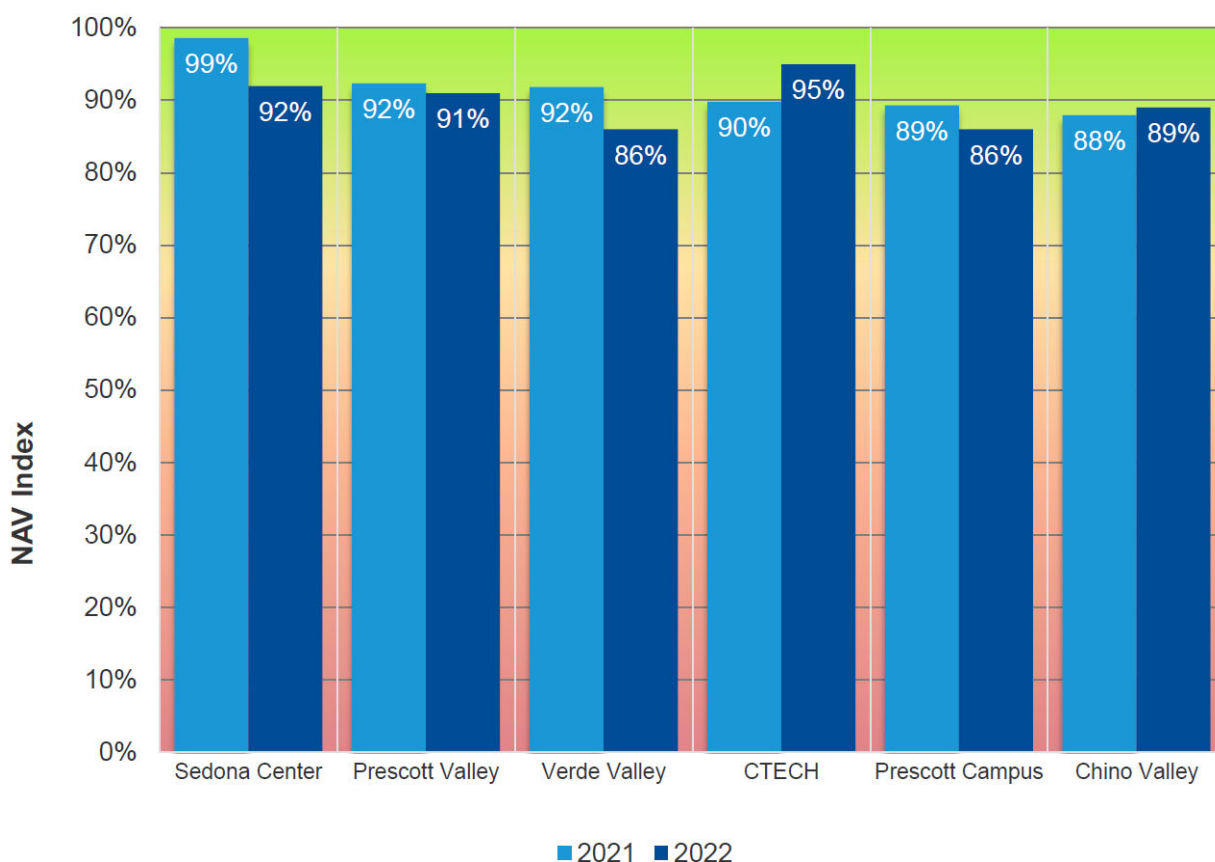
- Size
- Function
- Technical Complexity Score
- Region

Net Asset Value: Gordian term that defines the “% good on campus”. A formula that factors the replacement value of a building vs the identified capital investment needs.

$$\text{Net Asset Value} = \frac{\text{Replacement Value} - \text{Capital Needs}}{\text{Replacement Value}}$$

Investment Strategy	NAV Range
“Keep Up” Stage	85% - 100%
Balance Profile Stage	70% - 84%
“Catch Up” Stage	50% - 69%
Transitional Stage	Below 50%

Net Asset Value by Campus Area



Investment Strategy

“Keep Up” Stage: Primarily new or recently renovated buildings with sporadic building repair & life cycle needs

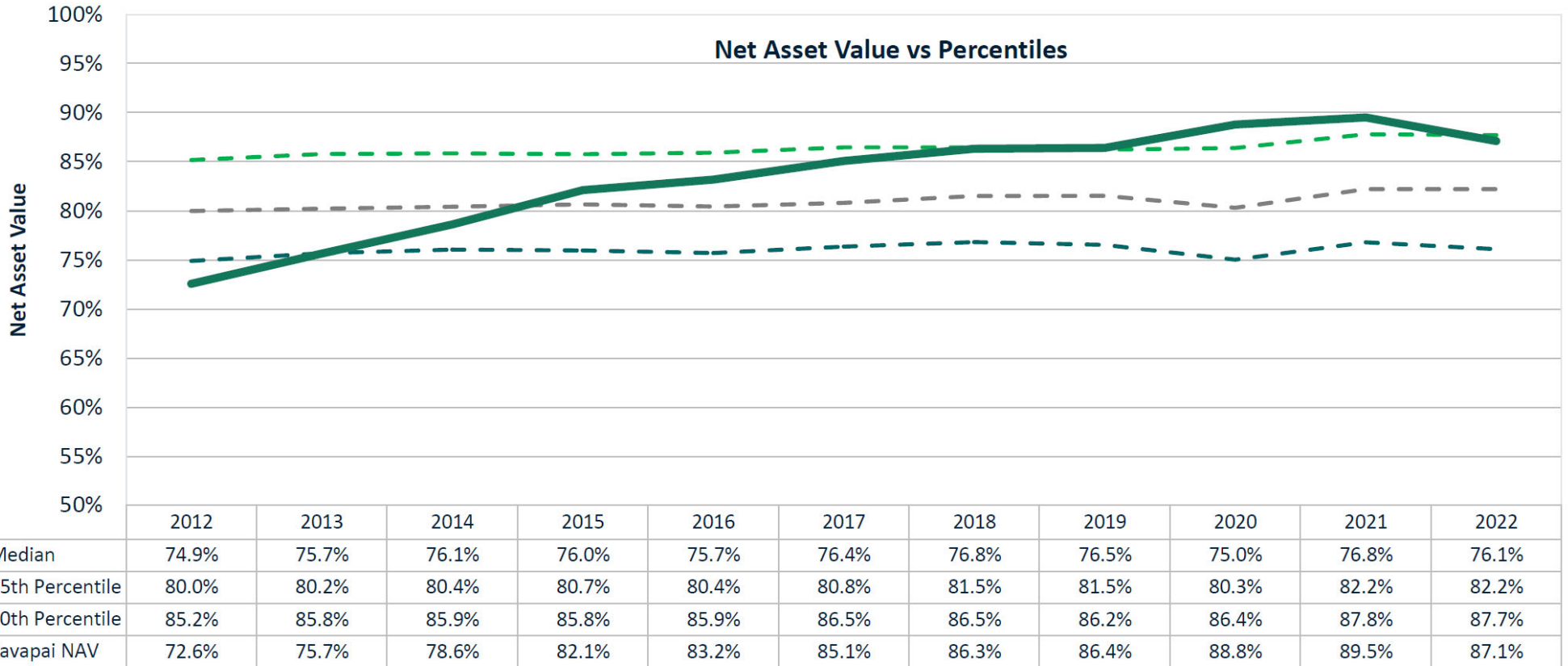
Balanced Profile Stage: Buildings are beginning to show their age and may require more significant investment and renovation on a case-by-case basis

“Catch Up” Stage: Buildings require more significant repairs; major building components are in jeopardy of complete failure; large-scale capital infusions or renovations are inevitable

Transitional/Gut Renovation/Demo Stage: Major buildings components are in jeopardy of failure. Reliability issues are widespread throughout the building.

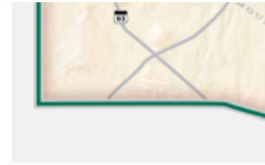
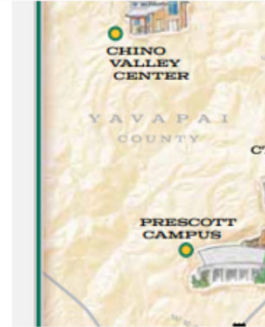
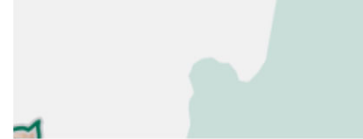
Yavapai NAV versus Database Percentiles

YC is in the 88th percentile in 2022





Capital



YAVAPAI
COUNTY

DRAFT Debt

	<u>Final</u> <u>Maturity</u>	<u>2021-2022</u> <u>Actual</u>	<u>2022-2023</u> <u>Budget</u>	<u>2023-2024</u> <u>Proposed</u>	<u>DOLLAR (\$)</u> <u>DIFFERENCE</u>	<u>(%)</u> <u>DIFFERENCE</u>
RETIREMENT OF INDEBTEDNESS						
Retirement of Indebtedness (Principal)						
General Obligation Bonds - 2012 Refunding	7/1/2022	\$ 470,000	\$ -	\$ -	\$ -	
General Obligation Bonds - 2011 Refunding	7/1/2021	-	-	-	-	0.0%
Total General Obligation Bonds		470,000	-	-	-	
Pledged Revenue Obligations	7/1/2021	-	-	-	-	0.0%
Revenue Refunding Bonds - 2021	7/1/2025	1,330,000	825,000	835,000	10,000	1.2%
Revenue Bonds - 2013	7/1/2028	340,000	350,000	355,000	5,000	1.4%
Sub-total Retirement of Indebtedness		\$ 2,140,000	\$ 1,175,000	\$ 1,190,000	\$ 15,000	1.3%
Interest on Indebtedness						
General Obligation Bonds - 2012 Refunding		\$ 18,800	\$ -	\$ -	\$ -	
General Obligation Bonds - 2011 Refunding		-	-	-	-	0.0%
Total General Obligation Bonds		18,800	-	-	-	
Pledged Revenue Obligations		-	-	-	-	0.0%
Revenue Refunding Bonds - 2021		35,800	27,100	20,500	(6,600)	-24.4%
Revenue Bonds - 2013		62,800	54,500	45,900	(8,600)	-15.8%
Sub-total Interest on Indebtedness		\$ 117,400	\$ 81,600	\$ 66,400	\$ (15,200)	-18.6%
Bank Fees		1,100	1,500	2,200	700	46.7%
TOTAL EXPENDITURES AND OTHER DEDUCTIONS - RETIREMENT OF INDEBTEDNESS		\$ 2,258,500	\$ 1,258,100	\$ 1,258,600	\$ 500	0.0%

Draft Plant

	<u>2021-2022</u> <u>Actual</u>	<u>2022-2023</u> <u>Budget</u>	<u>2023-2024</u> <u>Proposed</u>	<u>DOLLAR (\$)</u> <u>DIFFERENCE</u>	<u>PERCENTAGE</u> <u>(%)</u> <u>DIFFERENCE</u>
UNEXPENDED PLANT FUND					
Buildings/Infrastructure					
Planned Maintenance	\$ 3,835,300	\$ 3,974,000	\$ 3,974,000	\$ -	0.0%
Unplanned Maintenance	336,700	275,600	275,600	-	0.0%
Capital Improvement Projects (CIP)	3,835,310	1,757,300	9,762,500	8,005,200	455.5%
Equipment					
Equipment	1,859,300	2,153,700	2,616,600	462,900	21.5%
Furniture and Fixtures	188,800	257,500	257,500	-	0.0%
Library Books	84,200	90,900	90,900	-	0.0%
Contributions to Capital Projects					
Accumulation Account - Future Projects	-	134,000	-	(134,000)	100.0%
Capital Contingency	762,500	762,500	762,500	-	0.0%
TOTAL EXPENDITURES - UNEXPENDED PLANT FUNDS	\$ 10,902,109	\$ 9,405,500	\$ 17,739,600	\$ 8,334,100	88.6%

	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28
	Actual	Budget	Proposed				
Unplanned Maintenance	\$ 336,700	\$ 275,600	\$ 275,600	\$ 275,600	\$ 275,600	\$ 275,600	\$ 275,600
Planned Maintenance Total	3,835,300	3,974,000	3,974,000	3,974,000	3,974,000	3,974,000	3,974,000
TOTAL MAINTENANCE	\$ 4,172,000	\$ 4,249,600	\$ 4,249,600	\$ 4,249,600	\$ 4,249,600	\$ 4,249,600	\$ 4,249,600

Draft Planned Maintenance Details

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Planned Maintenance by Project

FY 2023-24 Proposed

Prescott Campus, Bldg 1			250,000	Replace Building Boilers (2 older atmospheric)
Prescott Campus, Bldg 4			274,000	Upgrade building controls; Replace 3 Split Systems (Sanyo, mitsubishi mr. slim); Create a Micro kitchen in the GLG lab prep area.
Prescott Campus, Bldg 8			100,000	Residence Halls Key Card Door Access
Prescott Campus, Bldg 10			100,000	Residence Halls Key Card Door Access
Prescott Campus, Bldg 12			74,000	Replace Concrete at Roll Up Doors; Replace windows
Prescott Campus, Bldg 13			60,000	Upgrade to LED add Acuity Controls; Deionizer
Prescott Campus, Bldg 14			900,000	Remove current heat pump, replace with a smaller chiller
Prescott Campus, Bldg 16			55,000	Replace Motor Control center - Remove
Prescott Campus, Bldg 20			48,000	Replace carpet (roll carpet, worn, stains), abatement needed
Prescott Campus, Bldg 28			205,000	Modernization; Replace ceiling grid and panels (2 by 4, old)
Prescott, Campus Grounds			479,000	Need controls update; Replace with polish concrete or LVT; Replace Electric Baseboard Radiation (Under windows); Replace Split System (York); Replace Drop Ceiling Panels, Repair Roof
Prescott, Campus Infrastructure			70,000	Repair retaining wall at building 3 - 100 ft by 16 ft; Add lighting to Sculpture Garden; Address leaking at building 2 tunnel; Repair retaining art ranch - rock basket wall - 10ft by 50 ft; Repair concrete sculpture garden - 200 sq ft; Repair concrete art's ranch - 100 sq ft; Repair Parking Lot L near Res
				Replace 100ft of waste piping outside of building 11 and repair parking lot

DRAFT Planned Maintenance Details (pt 2)

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Chino Valley Campus, Bldg 57			249,000	Replace MAU (Electric Heat); Other Side Of Roof; Upgrade to LED add Acuity Control
Verde Campus, Bldg F			18,000	Upgrade to LED
Verde Campus, Bldg G			23,000	Upgrade to LED
Verde Campus, Bldg H			24,000	Upgrade to LED
Verde Campus, Bldg I			46,000	Upgrade to LED
Verde Campus, Bldg K			4,000	Upgrade to LED
Verde Campus, Bldg M			965,000	ADA Parking; Replace Sprinklers; Replace carpet; Paint Interior Shell; Upgrade to LED; Replace Fire Alarm Panel; Replace Drop Ceiling Panels; Upgrade Elevator Cab; Replace fixtures only - flush valves and faucets (1 single use); Update building interior signage; Replace wood in lobby with LVT (in second floor lobby); Replace HWH (40g electric room 135; 1 insta hot in kitchen); Replace fan coil unit; Replace Unit Heaters (mech room); Replace Backflow prevention; Replace and install bottle filler; Replace Exterior Stairs (2 flights,1
Sedona Campus, Bldg SC			30,000	Refrigeration Unit - Replace with 3 condensers

Draft Equipment

	<u>FY 2021-22</u>	<u>FY 2022-23</u>	<u>FY 2023-24</u>	<u>FY 2024-25</u>	<u>FY 2025-26</u>	<u>FY 2026-27</u>	<u>FY 2027-28</u>
	<u>Actual</u>	<u>Budget</u>	<u>Proposed</u>				
Career & Technical Education	\$ 309,100	\$ 505,280	\$ 732,633	\$ 365,285	\$ 266,845	\$ 329,655	\$ 499,815
Arts & Humanities	20,500	80,850	91,978	76,000	71,700	70,700	43,500
Sciences, Nursing, Allied Health, HPER	229,200	312,664	426,524	431,386	377,698	218,765	287,986
Public Safety	28,800	92,500	108,225	177,556	182,813	182,304	313,680
Digital Media, Viticulture & Culinary	44,000	23,900	185,210	138,535	202,410	337,110	158,414
Instructional Support	4,200	19,717	28,935	13,000	18,900	16,025	18,767
CISCO	20,500	46,920	50,250	23,840	21,850	20,900	18,050
Student Activities	1,900	-	2,000	-	-	-	-
Information Technology Services	792,500	1,023,833	1,026,253	1,017,378	1,022,303	1,032,280	1,036,982
Business Services	27,000	46,021	107,357	69,360	50,396	113,351	69,396
Facilities - All	211,300	168,500	206,000	208,000	208,000	236,000	230,000
District Safety	17,700	15,000	15,000	15,000	15,000	15,000	15,000
Campus Safety	4,400	8,340	5,800	5,400	2,000	1,600	1,600
Marketing	-	-	8,160	5,160	5,160	5,160	5,160
Athletics	32,200	175,000	15,000	15,000	15,000	15,000	15,000
Auxiliary Enterprises	116,000	153,575	140,675	149,600	150,625	149,050	147,550
SPAC Equipment	-	140,000	-	-	-	-	-
Furniture Employee/Student Housing Rentals	-	-	125,000	-	-	-	-
Contingency	-	-	-	-	-	-	-
Sub-Total Equipment	\$ 1,859,300	\$ 2,812,100	\$ 3,275,000	\$ 2,710,500	\$ 2,630,900	\$ 2,742,900	\$ 2,860,900
Transfer Expenses to Restricted Fund - Prop. 301	-	(658,400)	(1,122,000)	(346,700)	(324,800)	-	-
Total Equipment	\$ 1,859,300	\$ 2,153,700	\$ 2,153,000	\$ 2,363,800	\$ 2,306,100	\$ 2,742,900	\$ 2,860,900

DRAFT Capital Improvement Plan

Capital Improvement Plan Projects - Description	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28
Digital Learning Commons (P)	\$ 3,089,000	\$ 10,296,600	\$ 2,059,300	-	\$ -
Digital Learning Commons (VV)	2,618,600	523,700	-	-	-
Health Science Center (PV)	-	-	-	3,691,500	16,413,100
Electric Vehicle Maintenance (CTEC)	-	-	128,900	429,700	283,200
Electric Vehicle Maintenance (East)	-	-	128,900	429,700	283,200
Workforce Housing	3,440,000	-	-	-	-
Brewing & Distilling	-	-	1,662,700	7,042,400	3,602,600
Acoustical/ Tech Upgrades (Sedona)	-	-	146,000	-	-
Campus Signage/Marquees	150,000	-	-	-	-
ITS Relocate to Building 1 (P)	-	-	109,300	364,400	187,800
Contingency	464,900	1,082,000	635,300	2,391,500	5,716,900
Transfer Expenses to Restricted Fund - STEM	-	-	(620,000)	(600,000)	(600,000)
Transfer Expenses to Restricted Fund - Prop. 207	-	-	(1,300,000)	(500,000)	-
Grants and Donations	-	-	-	-	(15,813,100)
Total Capital Projects	\$ 9,762,500	\$ 11,902,300	\$ 2,950,400	\$ 13,249,200	\$ 10,073,700
Revenue Sources					
Capital Project Accumulation Account	\$ 9,762,500	\$ 11,902,300	\$ 2,950,400	\$ 13,249,200	\$ 10,073,700
Total Revenues	9,762,500	11,902,300	2,950,400	13,249,200	10,073,700
Excess/(Needed Capital)	\$ -	\$ -	\$ -	\$ -	\$ -



Thanks

