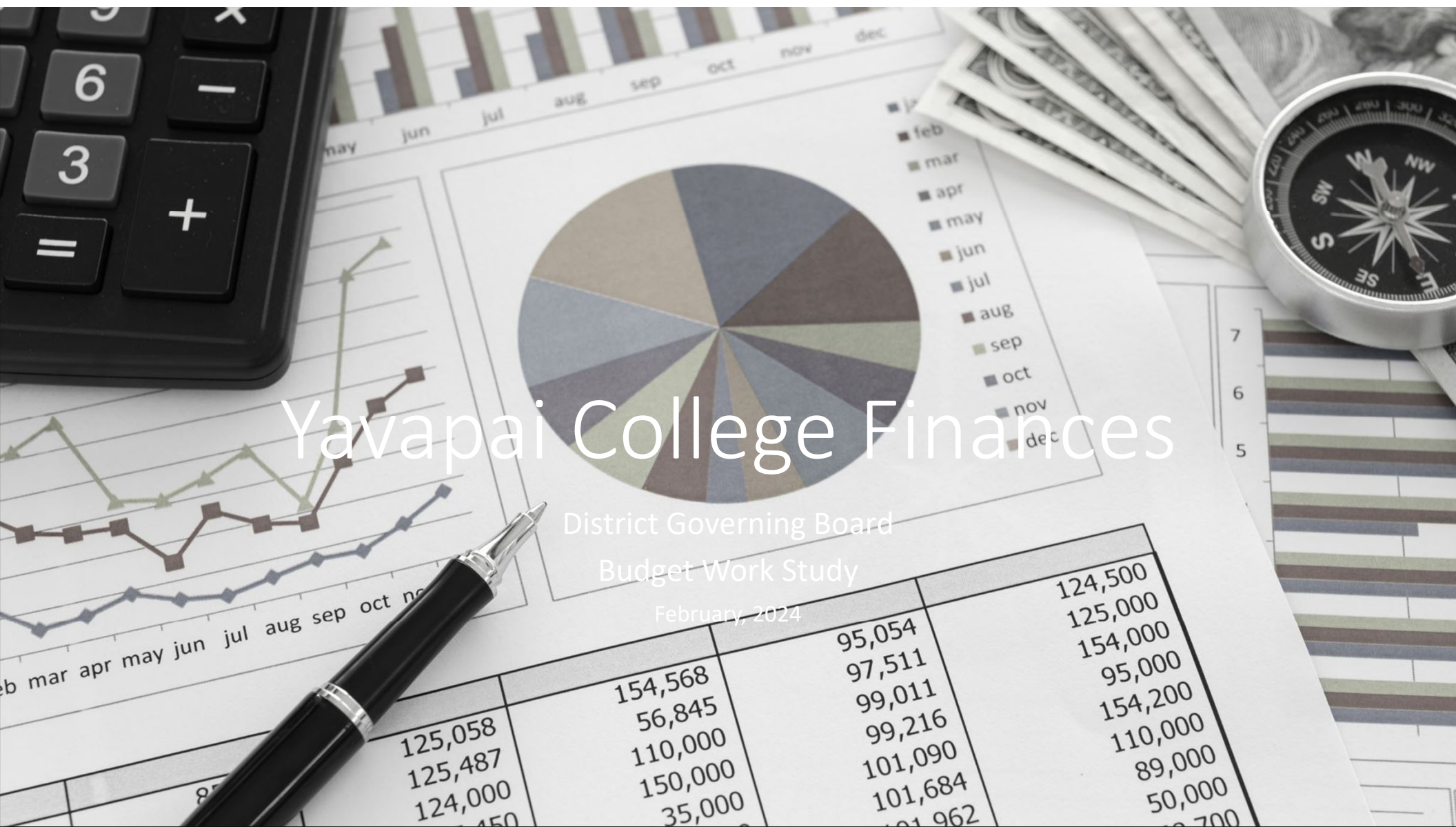


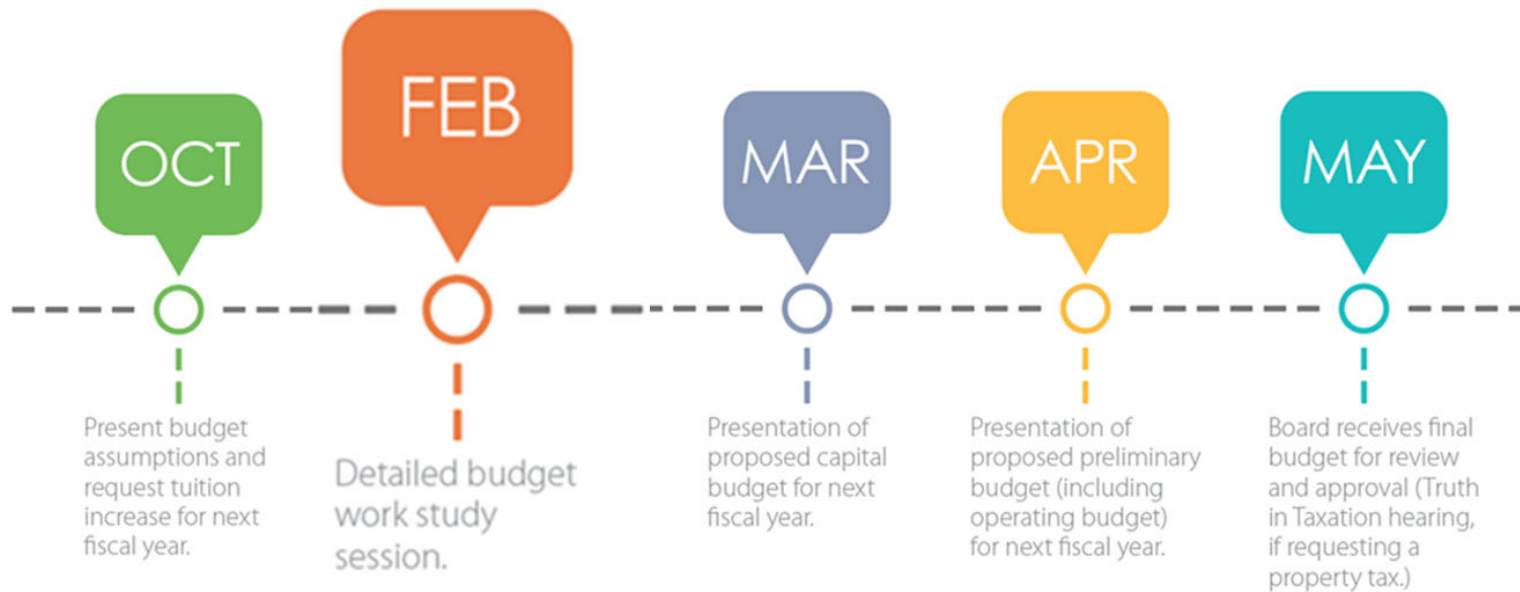
Yavapai College Finances

District Governing Board
Budget Work Study
February, 2024



125,058	154,568	95,054	124,500
125,487	56,845	97,511	125,000
124,000	110,000	99,011	154,000
450	150,000	99,216	95,000
	35,000	101,090	154,200
		101,684	110,000
		101,962	89,000
			50,000
			700

Timeline



Agenda

State Context

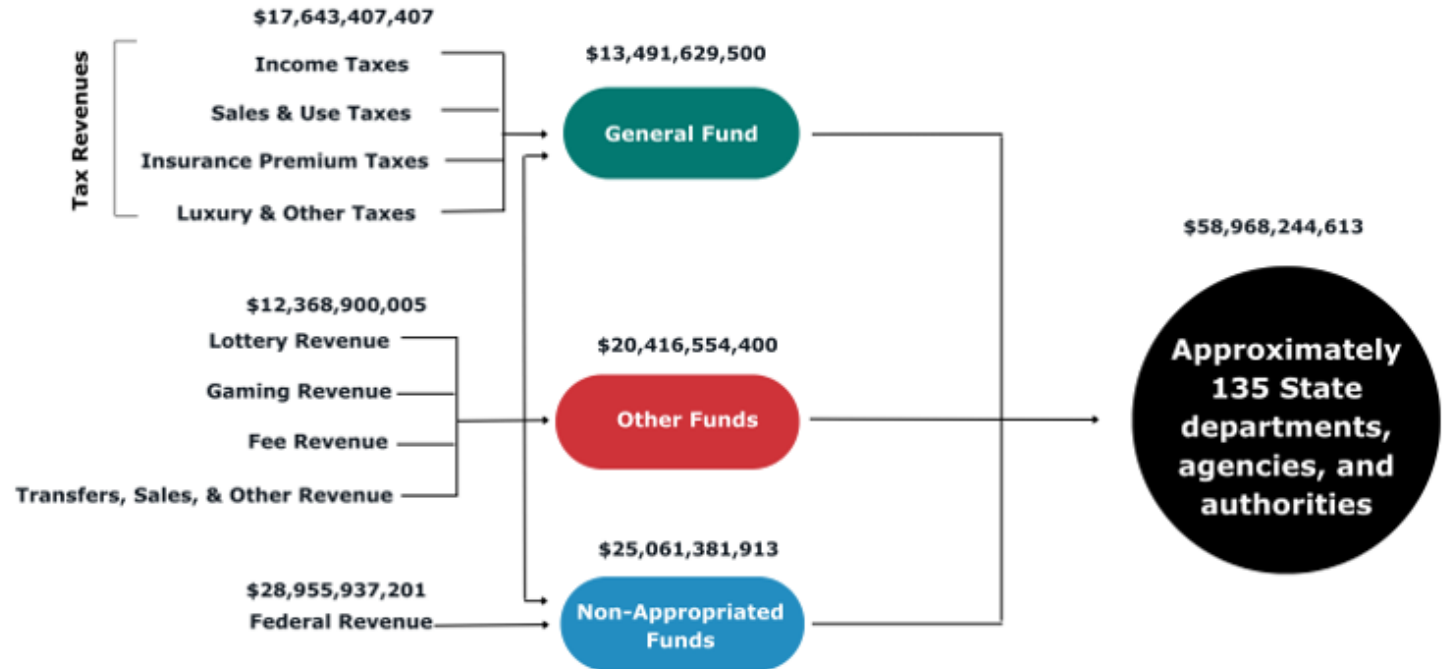
Revenues

Expenditures

Strengths and
Challenges

State Government Revenues – Where It Comes From

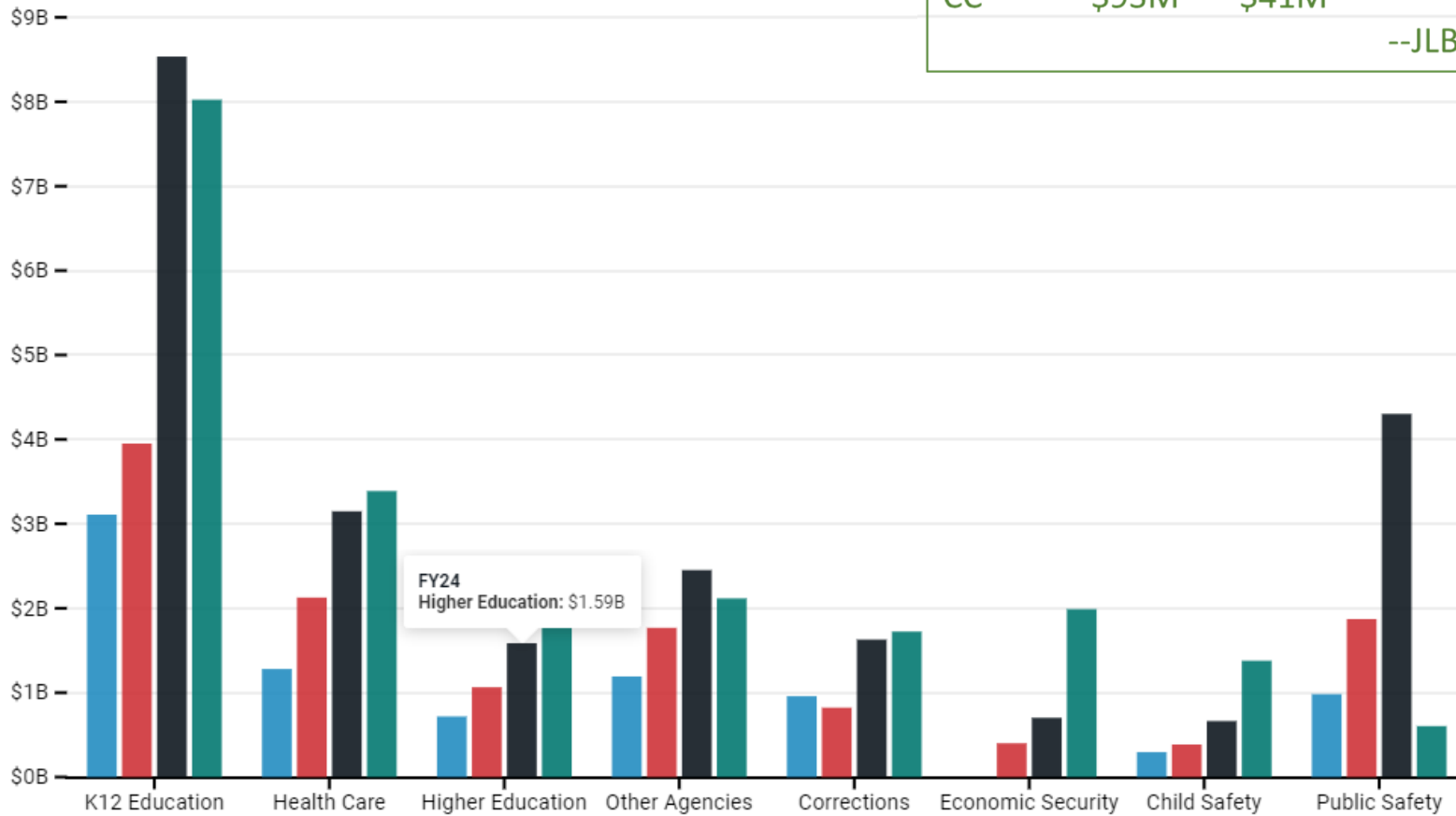
Flow of Tax & Non-Tax Revenue from the Source to State Agencies in FY23



Change in Total Appropriations By Spending Area From FY04 to the FY25 Governor's Budget Request

Nominal Total Spending (All Funds)

■ FY04 ■ FY14 ■ FY24 ■ FY25 Exec.

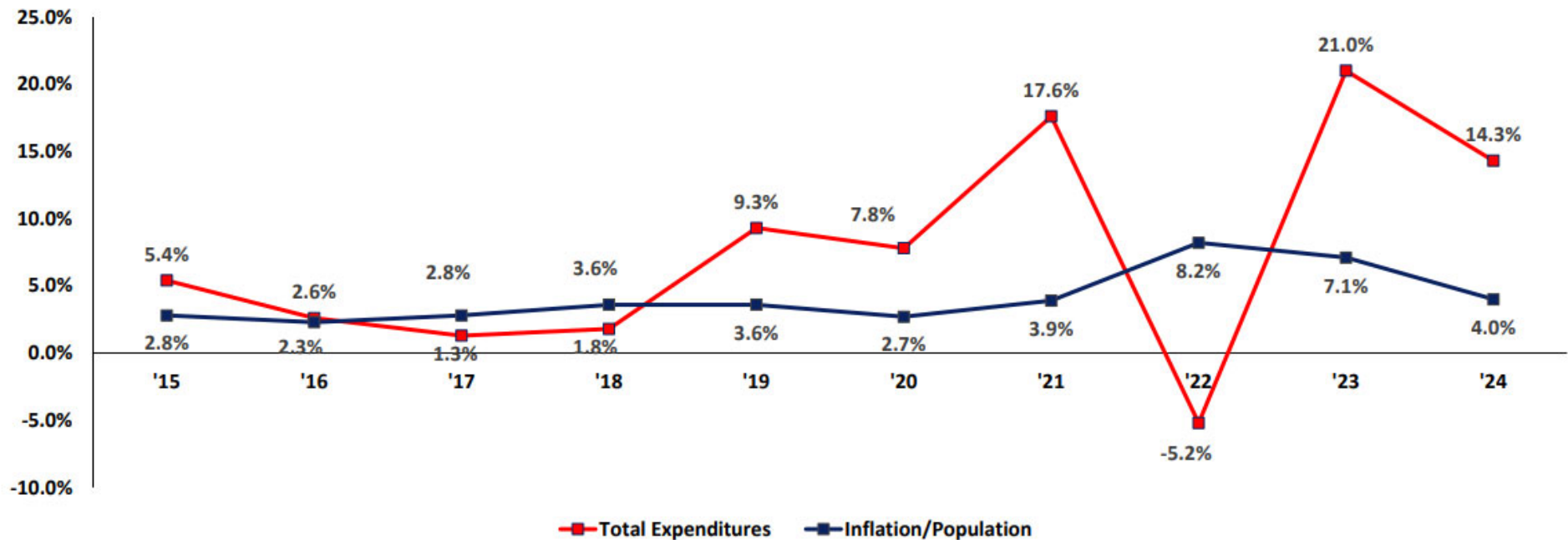


	<u>Recur</u>	<u>1-time</u>
U	\$874M	\$120M
CC	\$93M	\$41M

--JLBC

Total General Fund Spending vs. Inflation/Population Growth

General Fund Expenditures FY 15 - FY 24



10-Year Average: Expenditures = 6.8% Inflation/Population = 4.1%



State of Arizona Budget Crisis

From \$2.5B Surplus to \$2B deficit

- State tax cut to flat 2.5%
- K-12 Vouchers
 - Empowerment Scholarship Account
 - Was focused on disabled students, low-performing schools, students on reservations (12,000 students)
 - Now Universal
 - 73,000 students-- over 50,000 “new”
- One-time spending



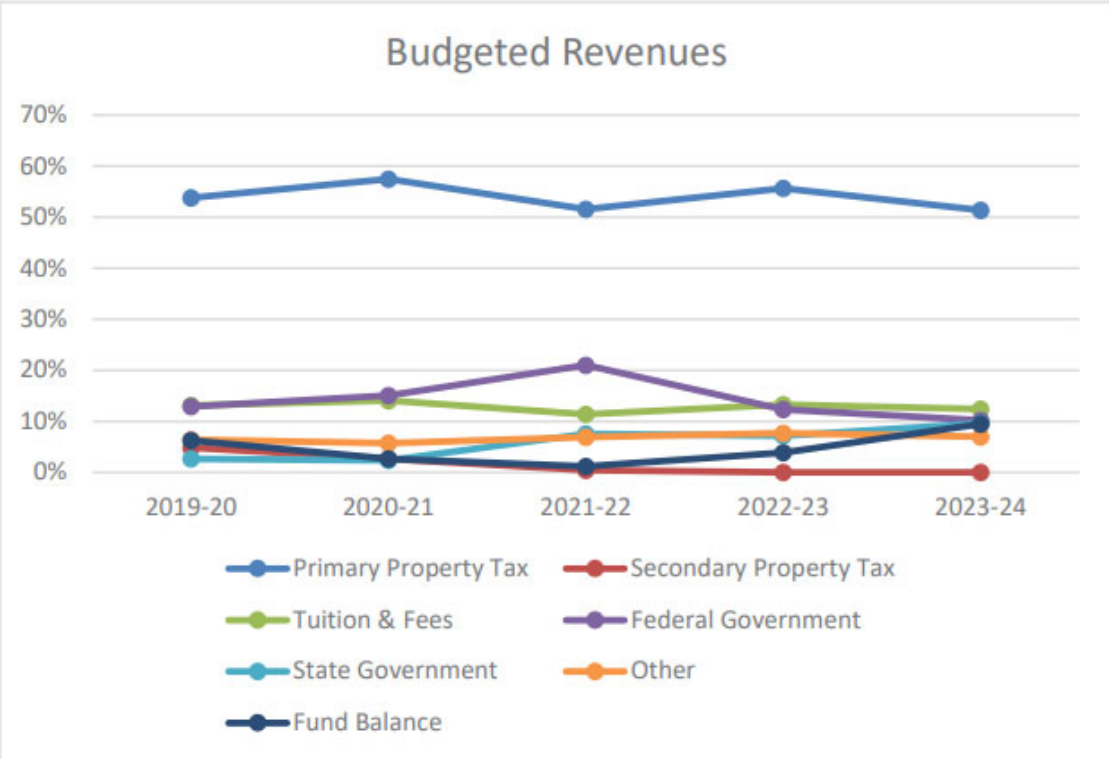
A budget is more than just revenues and expenses— it shows what we are passionate about.





Revenues

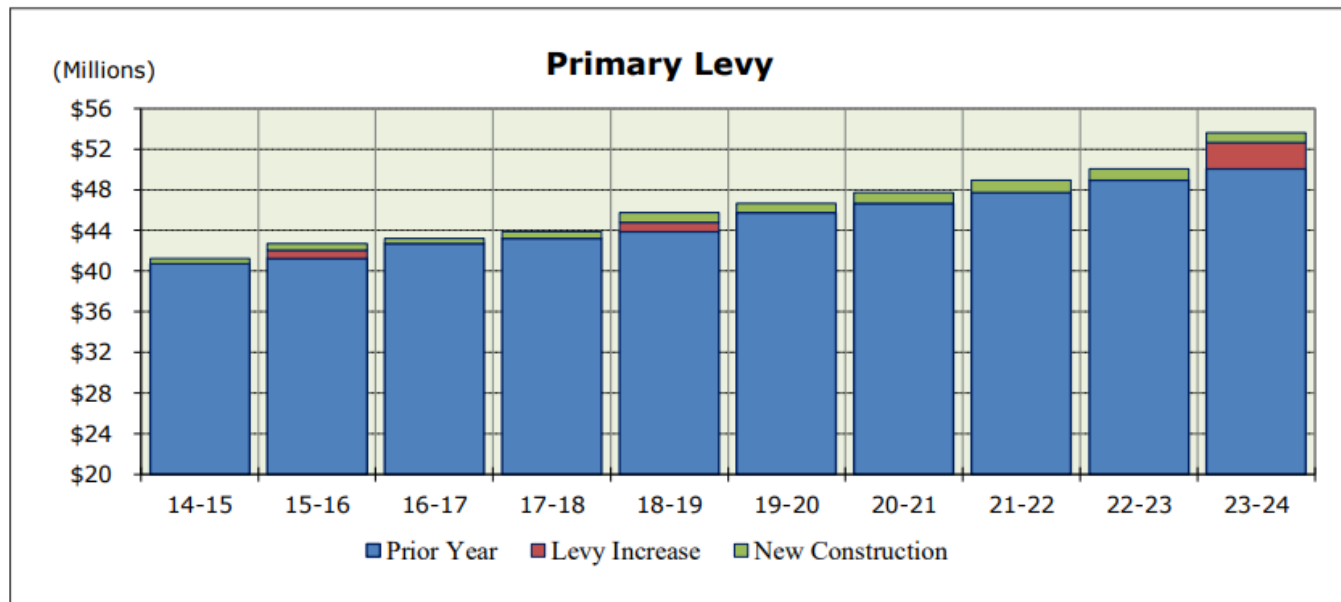
DISCUSSION OF BUDGETED REVENUES



Budgeted Revenues by Type

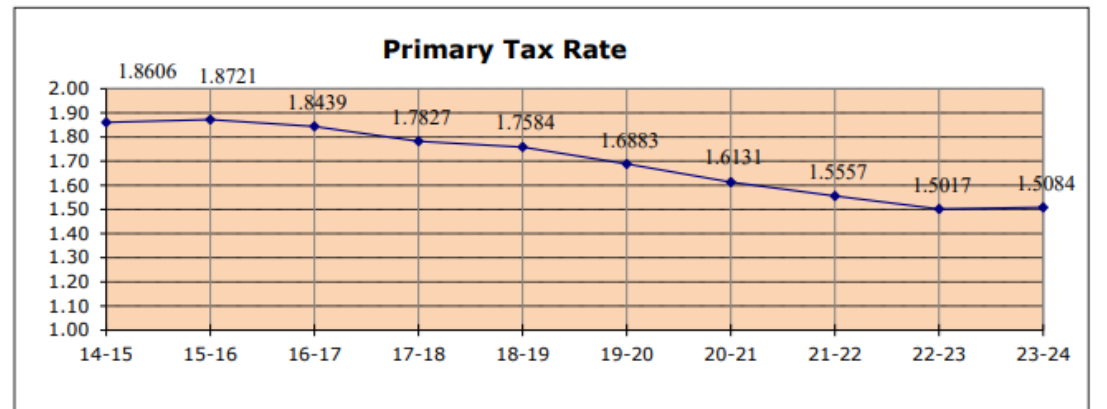
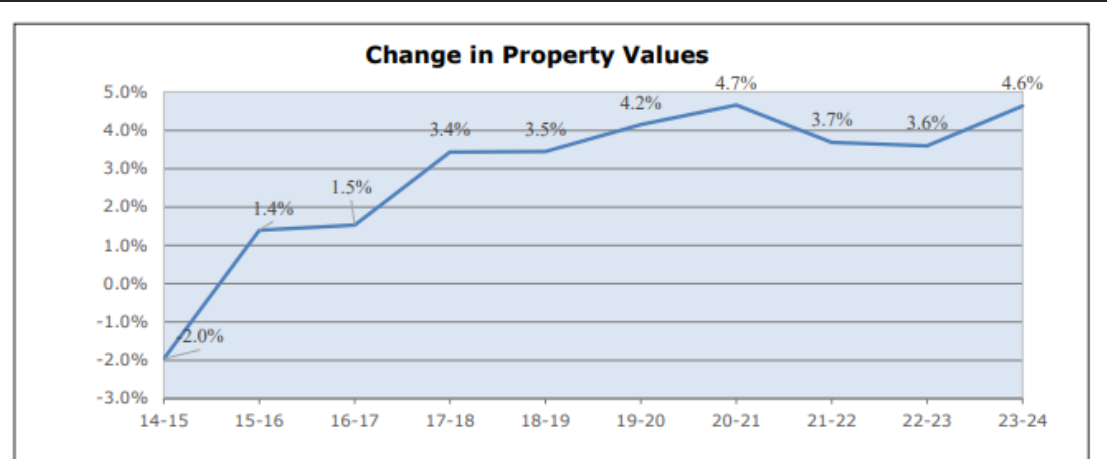
	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>5 Yr Change</u>
Primary Property Tax	\$ 46,497,900	\$ 47,516,000	\$ 47,924,100	\$ 49,860,100	\$ 53,455,100	15%
Secondary Property Tax	4,188,600	2,233,700	405,500	-	-	-100%
Tuition & Fees	11,341,000	11,647,000	10,574,000	11,860,000	12,896,000	14%
Federal Government	11,150,000	12,435,000	19,520,000	11,060,000	10,616,800	-5%
State Government	2,305,000	1,957,800	6,987,800	6,414,900	9,997,000	334%
Other	5,506,300	4,722,100	6,417,500	6,889,600	7,246,200	32%
Fund Balance	5,424,800	2,178,400	1,107,800	3,478,500	9,889,300	82%
	\$ 86,413,600	\$ 82,690,000	\$ 92,936,700	\$ 89,563,100	\$ 104,100,400	20%

Property Taxes

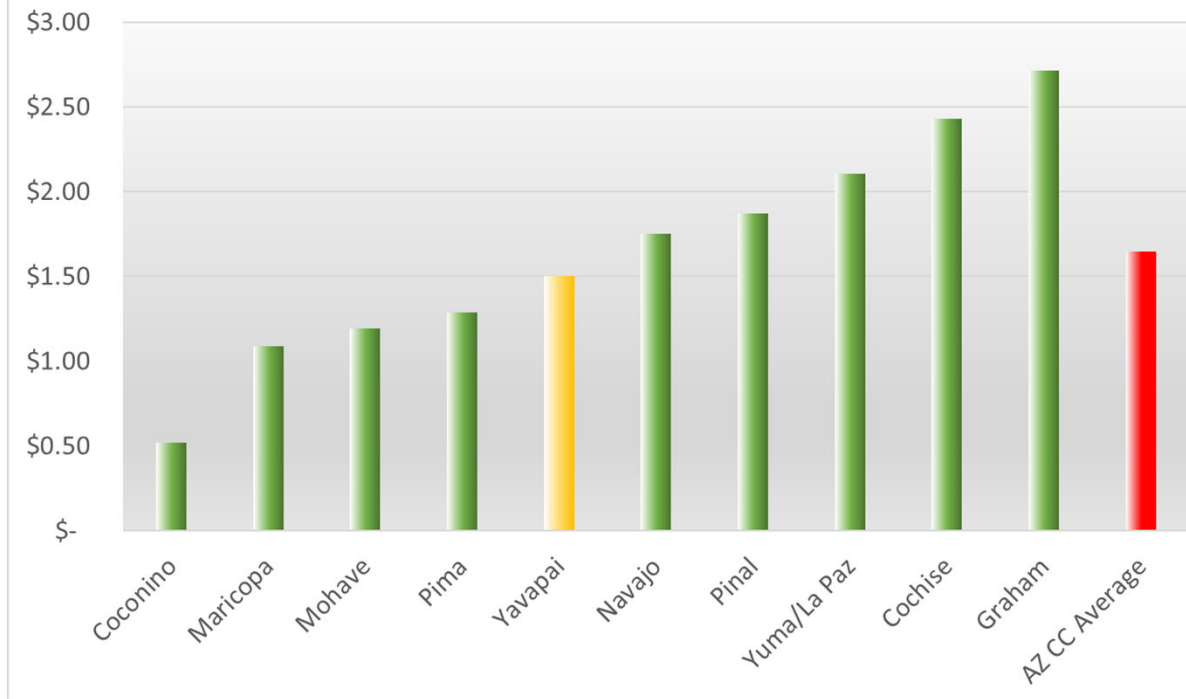


~\$18 annual
increase on the
median home

Changes in Property Value vs. Tax Rate



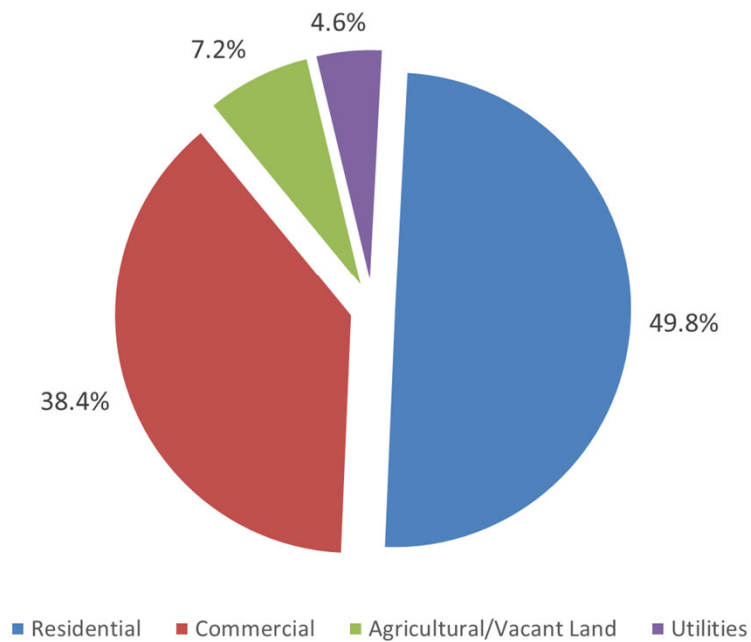
Arizona Community College 2022 Primary Property Tax Rate (in mils)



AZ has 11th lowest Property Tax in US – TaxFoundation.org

2023

Yavapai County Property Tax by Type



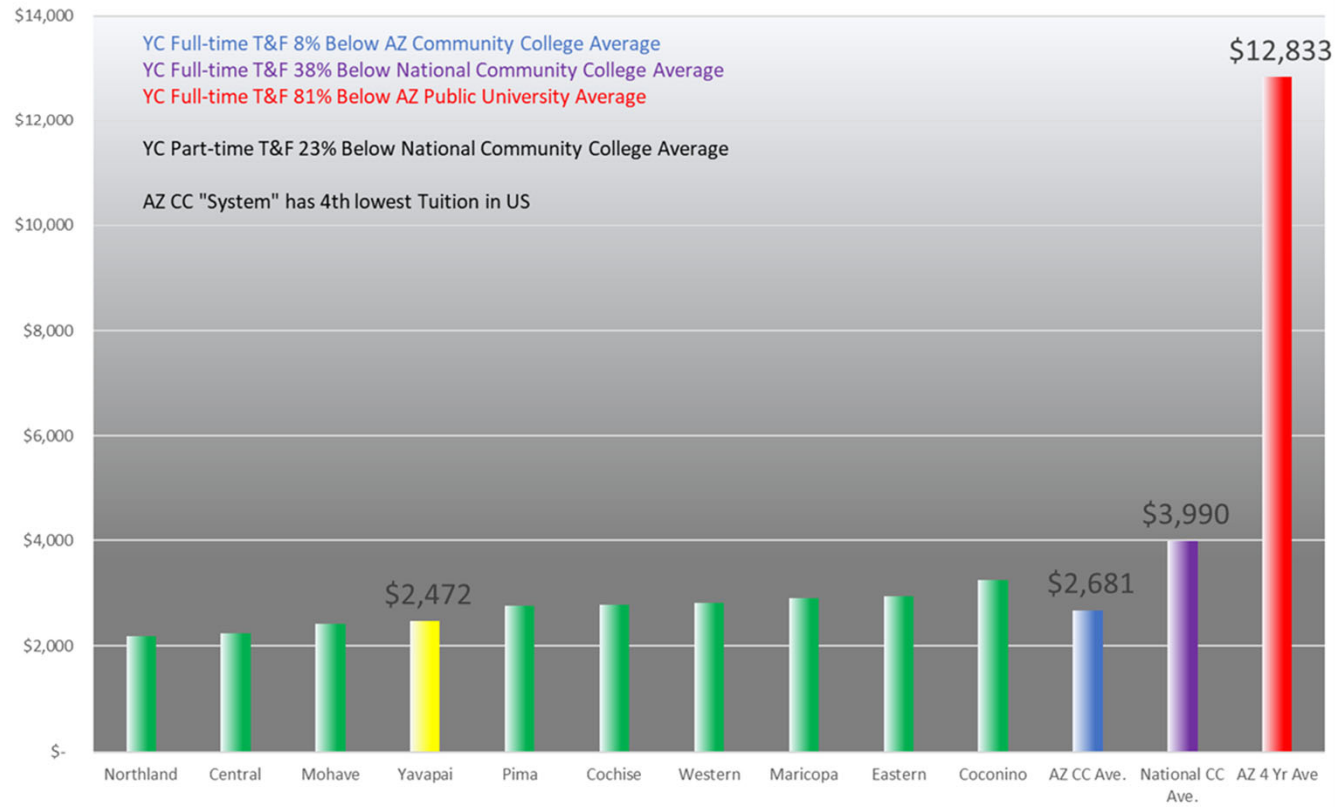
Top Taxpayers

Programs

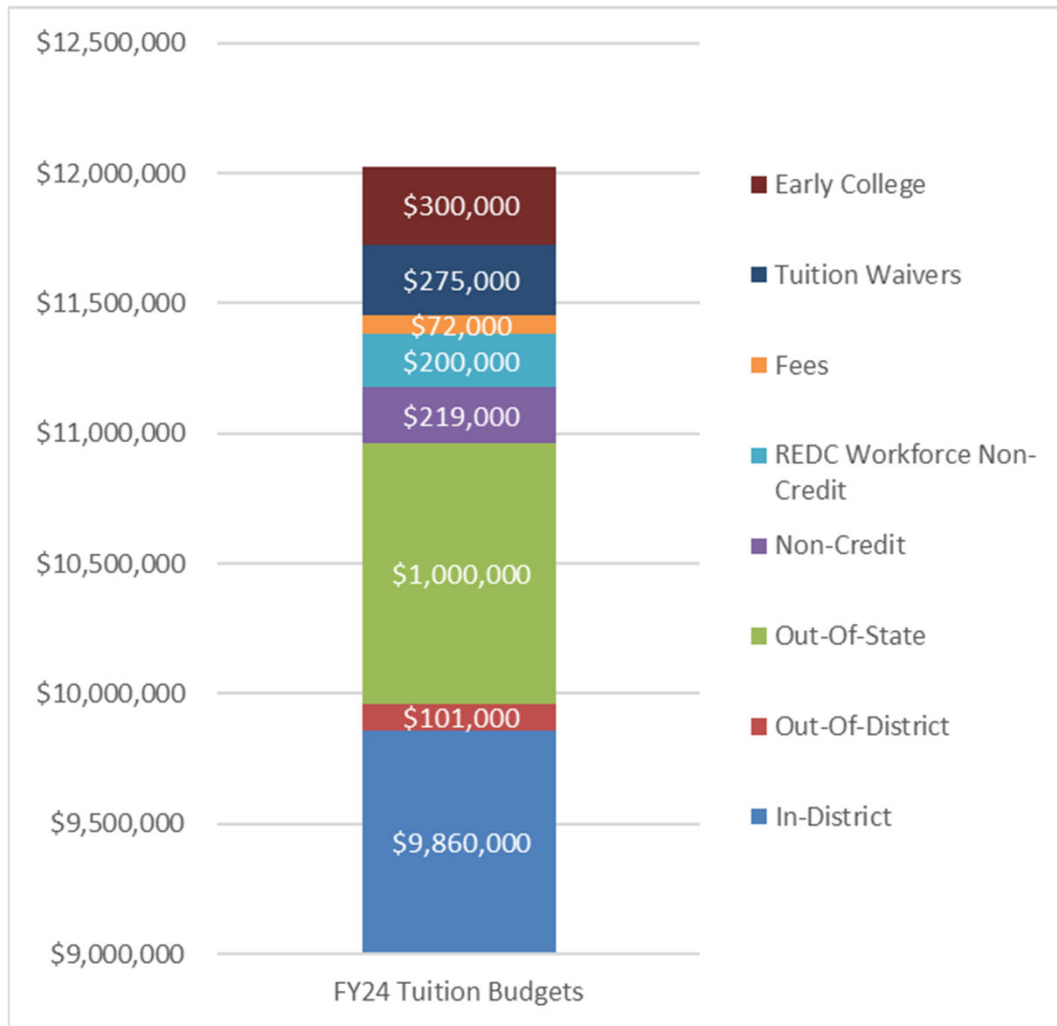
1	Freeport McMoran (previously Phelps Dodge)	Diesel, Electrical Instrumentation, Industrial Machine Maintenance, Welding
2	Arizona Public Service	Lineworker and Electrical Instrumentation Technology
3	Unisource Energy Corporation	Diesel, Industrial Machine Maintenance
4	Drake Cement	Diesel, Electrical Instrumentation, Industrial Machine Maintenance, Welding
5	Transwestern Pipeline Company LLC	Welding
6	Burlington Northern Santa Fe Railway Company	Diesel, Electrical Instrumentation, Industrial Machine Maintenance, Welding
7	Phoenix Cement Co	Diesel, Electrical Instrumentation, Industrial Machine Maintenance, Welding
8	EL Paso Natural Gas Company	Diesel, Industrial Machine Maintenance
9	Wal-Mart	Business, Gen Ed
10	New Enchantment LLC	Business, Gen Ed

Top 50 Taxpayers provide 13.4% of total Property Tax Revenue

FY23-24 Tuition & Fees (30 Credits)

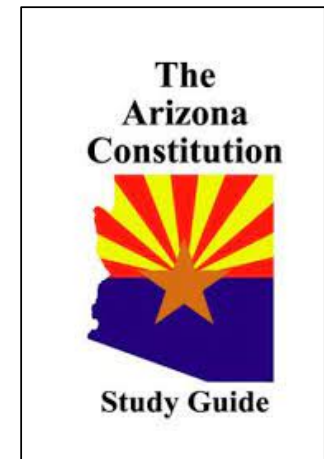


Tuition Details



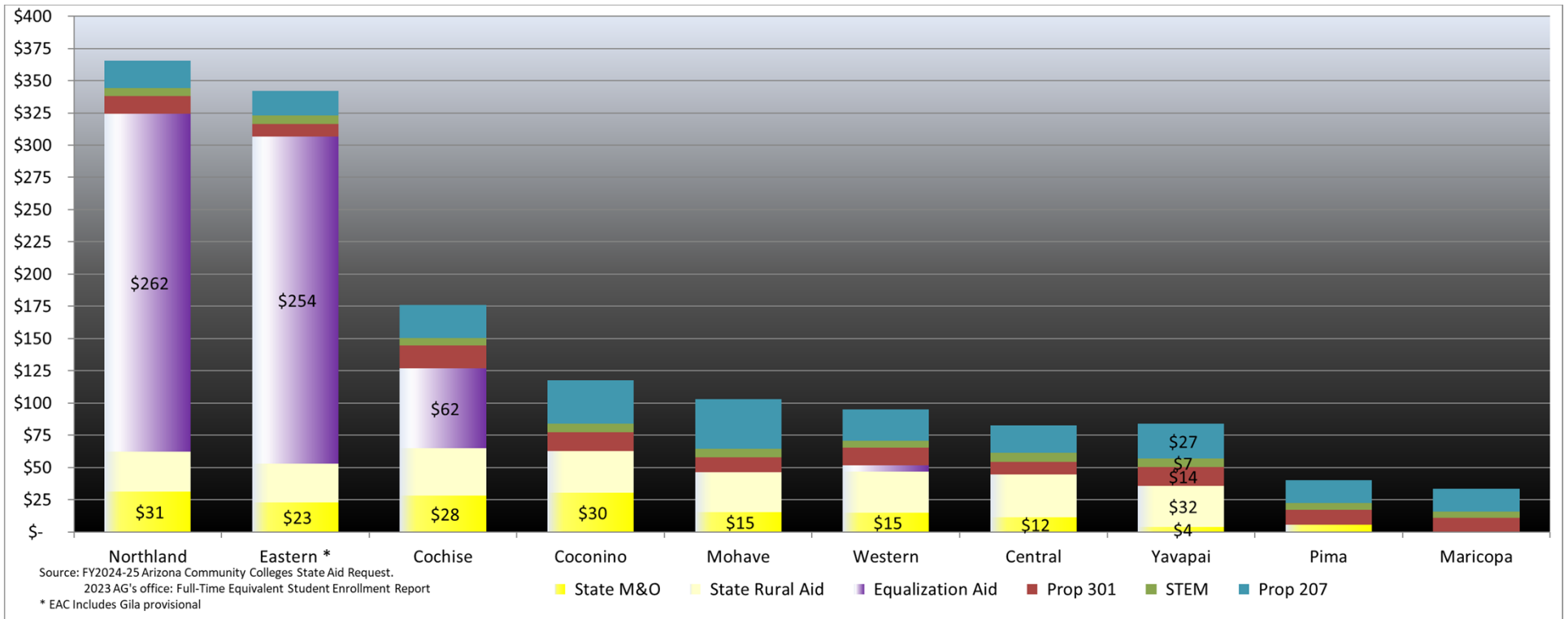
State

STATE APPROPRIATIONS	
Maintenance Support	\$ 373,000
Rural Community College Aid - One Time	1,810,600
Rural Community College Aid - Recurring	<u>1,843,400</u>
Sub-total State Appropriations	<u>\$ 4,027,000</u>



“The university and all other state educational institutions shall be...as nearly free as possible.”

-Article 11, Section 6



FY24 State Support for Community Colleges

Expenses



Exhibit 2

SUMMARY OF EXPENSE DATA

Expenditures by Fund	2021-2022 Actual	2022-2023 Budget	2023-2024 Proposed	Dollar (\$) Difference	Percentage (%) Difference
Current Funds					
Current General Fund - Unrestricted	\$ 48,131,000	\$ 54,908,300	\$ 59,010,200	\$ 4,101,900	7.5%
Auxiliary Enterprises	5,045,000	5,543,100	6,560,200	1,017,100	18.3%
Sub-Total Current Funds - Unrestricted	\$ 53,176,000	\$ 60,451,400	\$ 65,570,400	\$ 5,119,000	8.5%
Current Funds - Restricted	17,708,500	18,448,100	19,242,800	794,700	4.3%
TOTAL CURRENT FUNDS	\$ 70,884,500	\$ 78,899,500	\$ 84,813,200	\$ 5,913,700	7.5%
Plant Funds					
Unexpended Plant Fund	\$ 9,724,700	\$ 9,405,500	\$ 18,028,600	\$ 8,623,100	91.7%
Retirement of Indebtedness	2,258,500	1,258,100	1,258,600	500	0.04%
TOTAL PLANT FUNDS	\$ 11,983,200	\$ 10,663,600	\$ 19,287,200	\$ 8,623,600	80.9%
GRAND TOTAL - CURRENT & PLANT FUNDS	\$ 82,867,700	\$ 89,563,100	\$ 104,100,400	\$ 14,537,300	16.2%



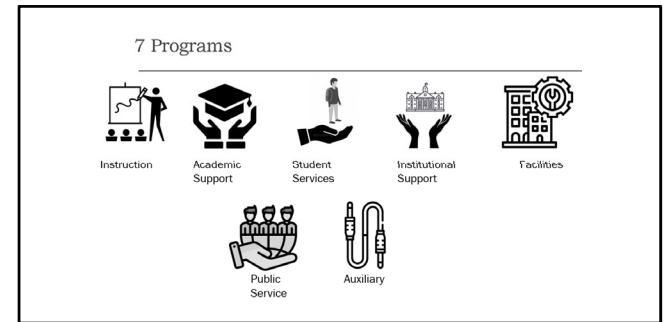
How We Keep Track of the Money

Exhibit 2

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TOTAL PLANT FUNDS	\$ 11,983,200	\$ 10,663,600	\$ 19,287,200	\$ 8,623,600	80.9%
GRAND TOTAL - CURRENT & PLANT FUNDS	\$ 82,867,700	\$ 89,563,100	\$ 104,100,400	\$ 14,537,300	16.2%

Expenditures by Program	2021-2022 Actual	2022-2023 Budget	2023-2024 Proposed	Dollar (\$) Difference	Percentage (%) Difference
Instruction	\$ 20,795,500	\$ 27,609,600	\$ 30,324,300	\$ 2,714,700	9.8%
Public Service	3,011,500	3,463,600	4,801,100	1,337,500	38.6%
Academic Support	5,299,600	5,903,900	6,167,900	264,000	4.5%
Student Services	9,334,800	11,993,400	12,598,600	605,200	5.0%
Institutional Support/Administration	10,749,300	12,225,600	13,186,600	961,000	7.9%
Physical Plant Operations/Maintenance	14,890,300	13,530,100	22,403,500	8,873,400	65.6%
Scholarships	14,504,500	9,625,400	8,700,800	(924,600)	-9.6%
Auxiliary	2,023,700	2,560,900	3,166,500	605,600	23.6%
Retirement of Indebtedness	2,258,500	1,258,100	1,258,600	500	0.0%
Contingency	-	1,392,500	1,492,500	100,000	7.2%
TOTAL BUDGET	\$ 82,867,700	\$ 89,563,100	\$ 104,100,400	\$ 14,537,300	16.2%



How We Keep Track of the Money

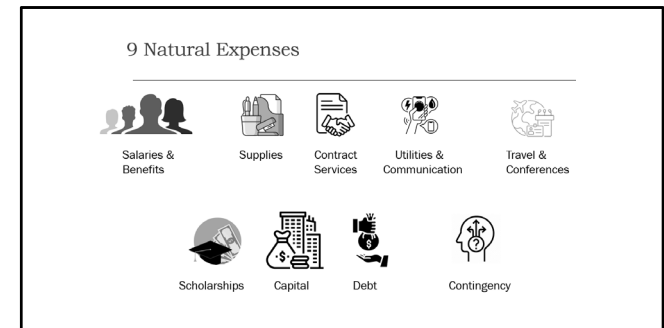
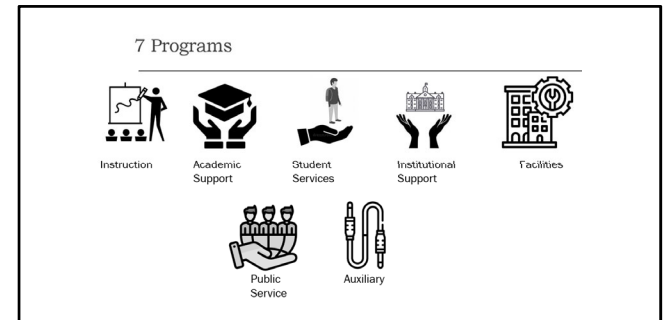
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TOTAL CURRENT FUNDS	\$ 70,884,500	\$ 78,899,500	\$ 84,813,200	\$ 5,913,700	7.5%
Plant Funds					
Unexpended Plant Fund	\$ 9,724,700	\$ 9,405,500	\$ 18,028,600	\$ 8,623,100	91.7%
Retirement of Indebtedness	2,258,500	1,258,100	1,258,600	500	0.04%
TOTAL PLANT FUNDS	\$ 11,983,200	\$ 10,663,600	\$ 19,287,200	\$ 8,623,600	80.9%
GRAND TOTAL - CURRENT & PLANT FUNDS	\$ 82,867,700	\$ 89,563,100	\$ 104,100,400	\$ 14,537,300	16.2%

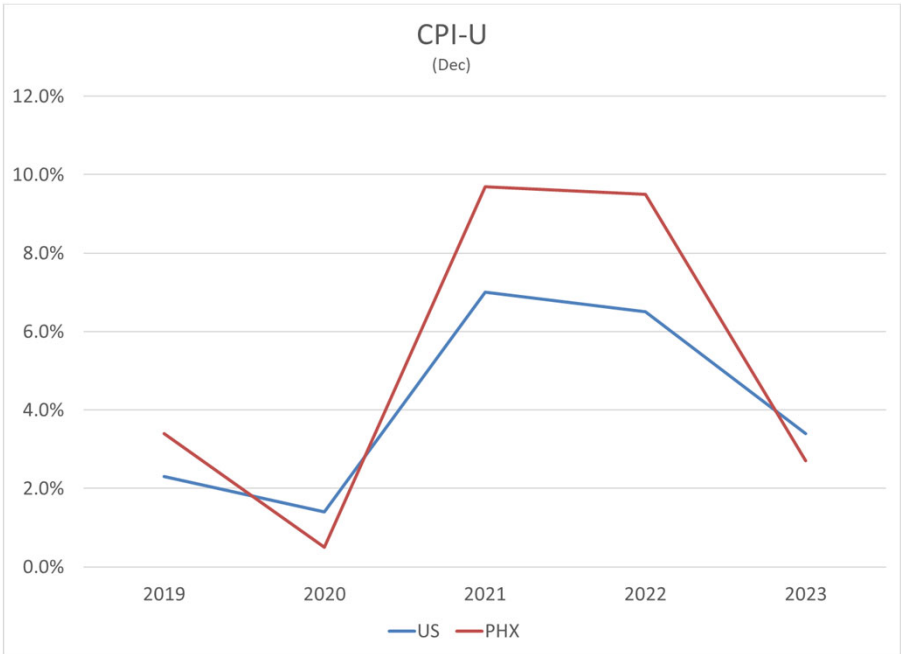
Expenditures by Program	2021-2022 Actual	2022-2023 Budget	2023-2024 Proposed	Dollar (\$) Difference	Percentage (%) Difference
Instruction	\$ 20,795,500	\$ 27,609,600	\$ 30,324,300	\$ 2,714,700	9.8%
Public Service	3,011,500	3,463,600	4,801,100	1,337,500	38.6%
Academic Support	5,299,600	5,903,900	6,167,900	264,000	4.5%
Student Services	9,334,800	11,993,400	12,598,600	605,200	5.0%
Institutional Support/Administration	10,749,300	12,225,600	13,186,600	961,000	7.9%
Physical Plant Operations/Maintenance	14,890,300	13,530,100	22,403,500	8,873,400	65.6%
Scholarships	14,504,500	9,625,400	8,700,800	(924,600)	-9.6%
Auxiliary	2,023,700	2,560,900	3,166,500	605,600	23.6%
Retirement of Indebtedness	2,258,500	1,258,100	1,258,600	500	0.0%
Contingency	-	1,392,500	1,492,500	100,000	7.2%
TOTAL BUDGET	\$ 82,867,700	\$ 89,563,100	\$ 104,100,400	\$ 14,537,300	16.2%

Expenditures by Natural Expense	2021-2022 Actual	2022-2023 Budget	2023-2024 Proposed	Dollar (\$) Difference	Percentage (%) Difference
Salaries and Benefits	\$ 43,842,300	\$ 50,099,700	\$ 55,394,300	\$ 5,294,600	10.6%
Supplies	3,939,700	5,952,500	5,771,000	(181,500)	-3.0%
Contractual Services and Other	4,978,400	8,287,500	8,190,400	(97,100)	-1.2%
Communications and Utilities	1,961,500	2,124,400	2,160,200	35,800	1.7%
Travel, Conferences & Memberships	1,013,330	1,521,600	1,206,800	(314,800)	-20.7%
Scholarships	14,504,500	9,625,400	8,700,800	(924,600)	-9.6%
Capital Projects and Equipment	10,369,470	9,301,400	19,925,800	10,624,400	114.2%
Debt payments	2,258,500	1,258,100	1,258,600	500	0.0%
Contingency	-	1,392,500	1,492,500	100,000	7.2%
Total	\$ 82,867,700	\$ 89,563,100	\$ 104,100,400	\$ 14,537,300	16.2%

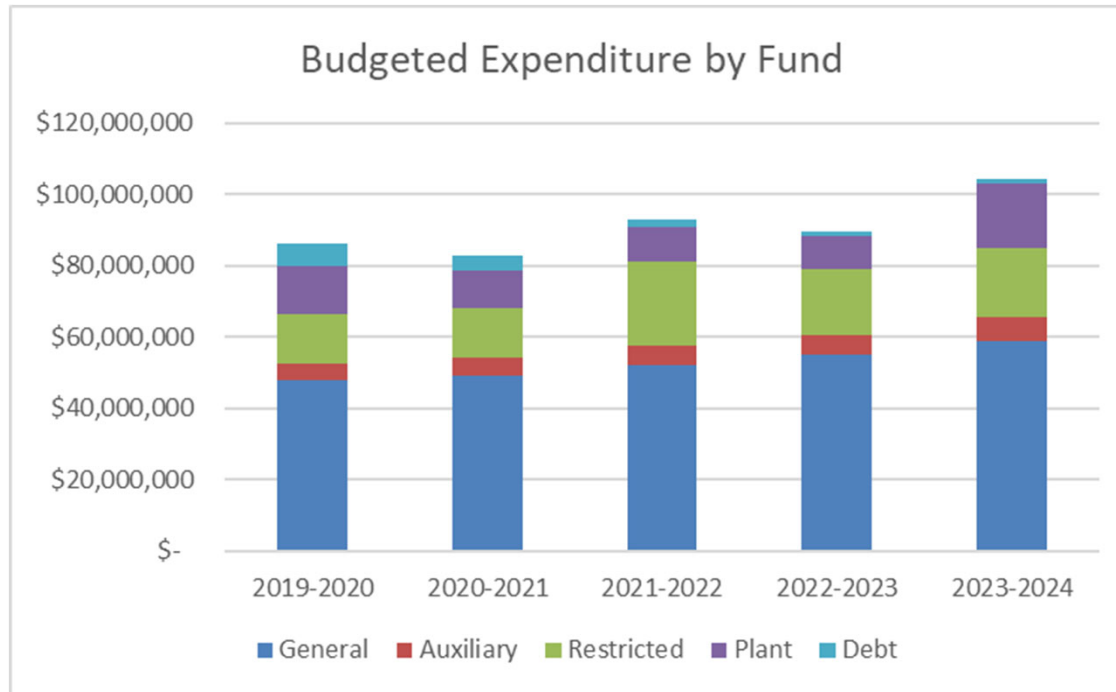


How We Keep Track of the Money

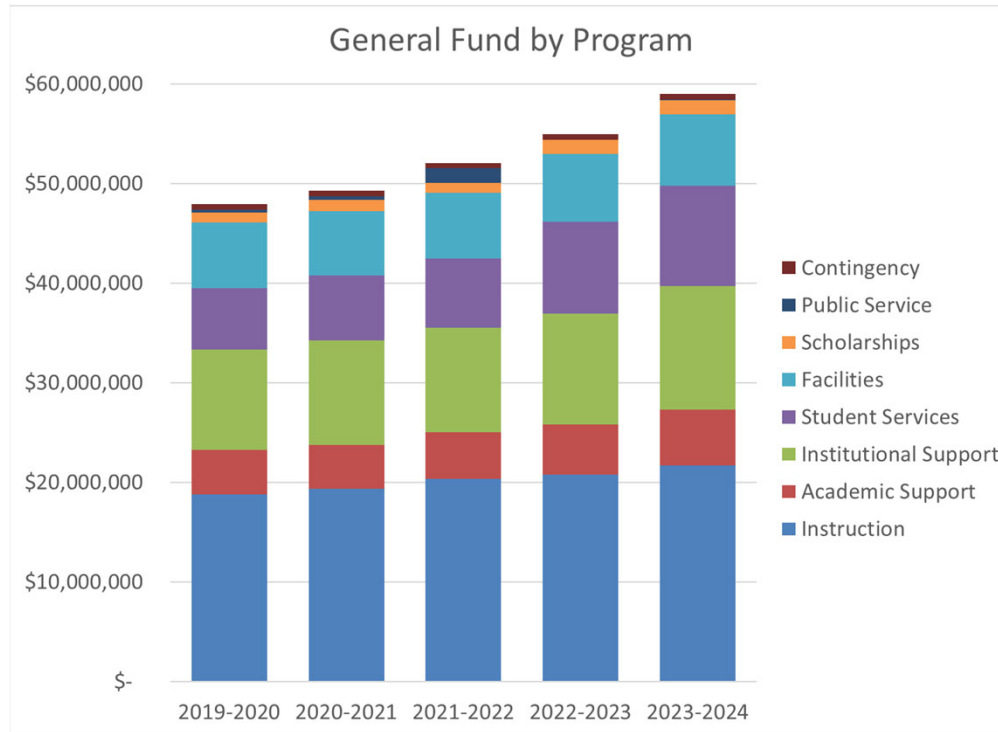
5 Year Inflation



20.6% US
25.8 PHX



Budgeted Expenditure by Fund	2019-2020	2020-2021	2021-2022	2022-2023	2023-2024	5 Yr %
General	\$ 47,927,700	\$ 49,234,600	\$ 52,034,800	\$ 54,908,300	\$ 59,010,200	23.1%
Auxiliary	\$ 4,636,000	\$ 5,089,000	\$ 5,368,200	\$ 5,543,100	\$ 6,560,200	41.5%
Restricted	\$ 13,889,000	\$ 13,831,000	\$ 23,618,500	\$ 18,448,100	\$ 19,242,800	38.5%
Plant	\$ 13,400,300	\$ 10,405,500	\$ 9,654,300	\$ 9,405,500	\$ 18,028,600	34.5%
Debt	\$ 6,560,600	\$ 4,129,900	\$ 2,260,900	\$ 1,258,100	\$ 1,258,600	-80.8%

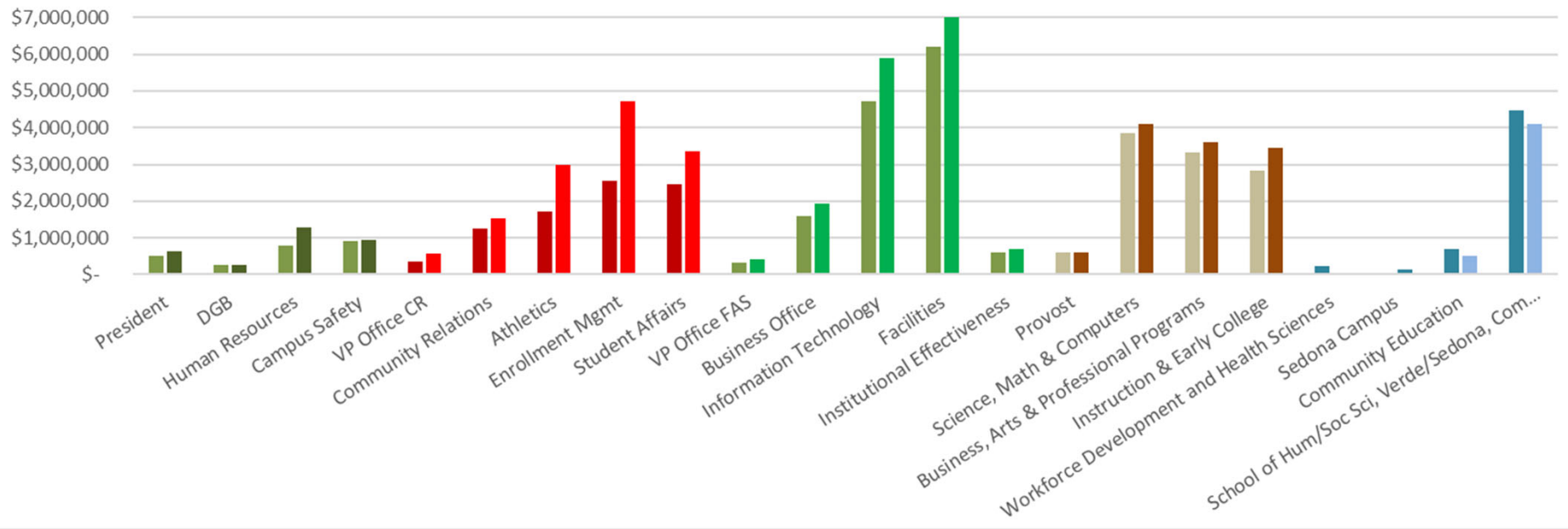


General Fund Budget by Program	2019-2020	2020-2021	2021-2022	2022-2023	2023-2024	5 Yr %
Instruction	\$ 18,749,600	\$ 19,327,900	\$ 20,306,400	\$ 20,751,600	\$ 21,652,400	15.5%
Academic Support	4,483,100	4,432,200	4,740,800	5,065,600	5,663,900	26.3%
Institutional Support	10,093,500	10,487,100	10,482,900	11,083,400	12,403,400	22.9%
Student Services	6,182,900	6,479,600	6,943,700	9,222,800	10,015,100	62.0%
Facilities	6,580,700	6,467,100	6,542,400	6,832,500	7,192,400	9.3%
Scholarships	940,500	1,121,900	1,013,200	1,409,900	1,440,600	53.2%
Public Service	327,400	348,800	1,475,400	12,500	12,400	-96.2%
Contingency	570,000	570,000	530,000	530,000	630,000	10.5%

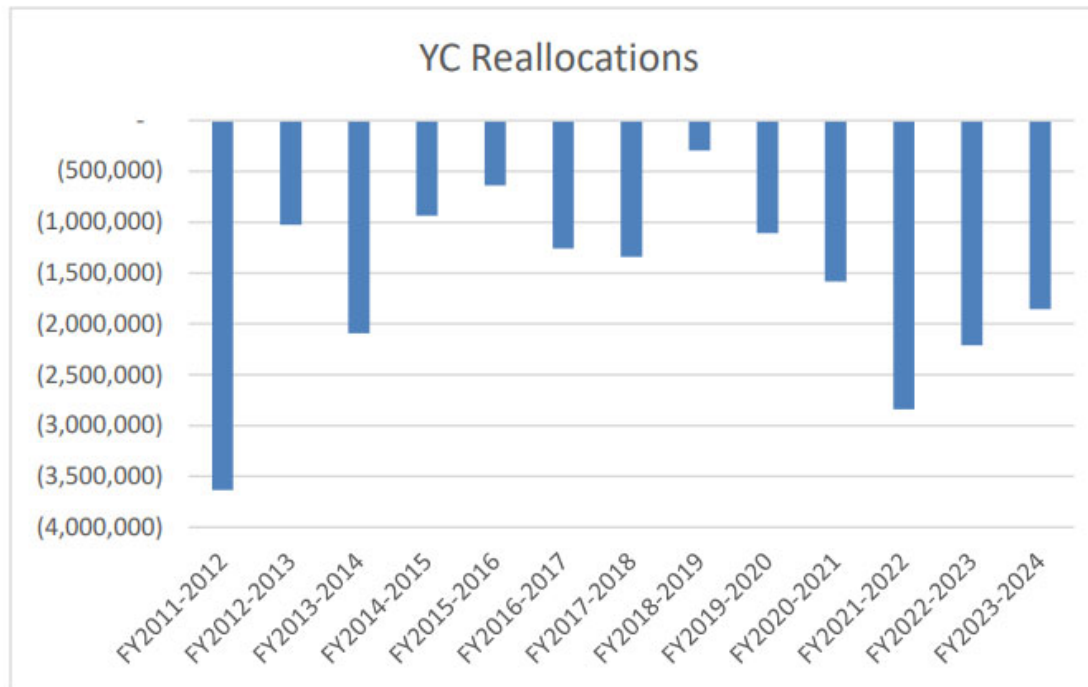
$$\frac{I + AS}{I + AS + IS + SS + F} > 50\%$$

General Fund Budget

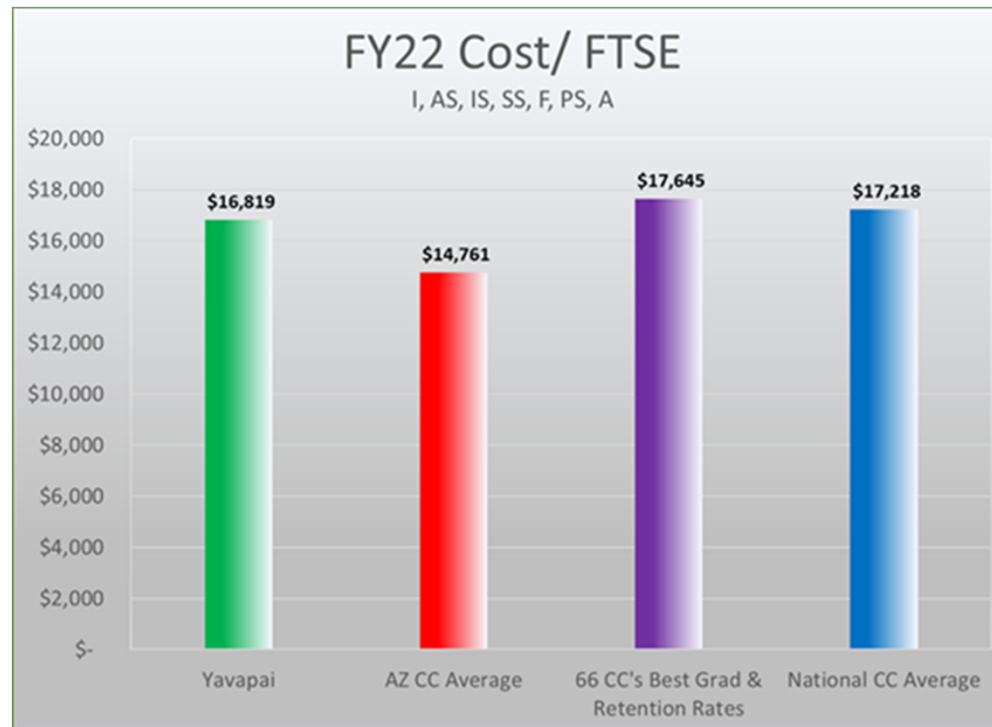
by Major Business Unit
FY2018-19 vs FY2023-24



Controlling Costs



Benchmark: Justifiable Cost



5 Year College-wide Operating Budget Analysis

Investments in SP, Ends, KPI's

- Strategic Plan

- Belonging: Gen1, SGA, SOL, market-based compensation, Prof. Dev.
- Living Wage: Law, VVSTC, Pipeline AZ, BSN, BS Bus, CDT, PPL, 3D Print
- Adult Learners: Hispanic Outreach, Single Stop
- Delivery: OER, Online Best-Practices, Early College Academy, VR/AR

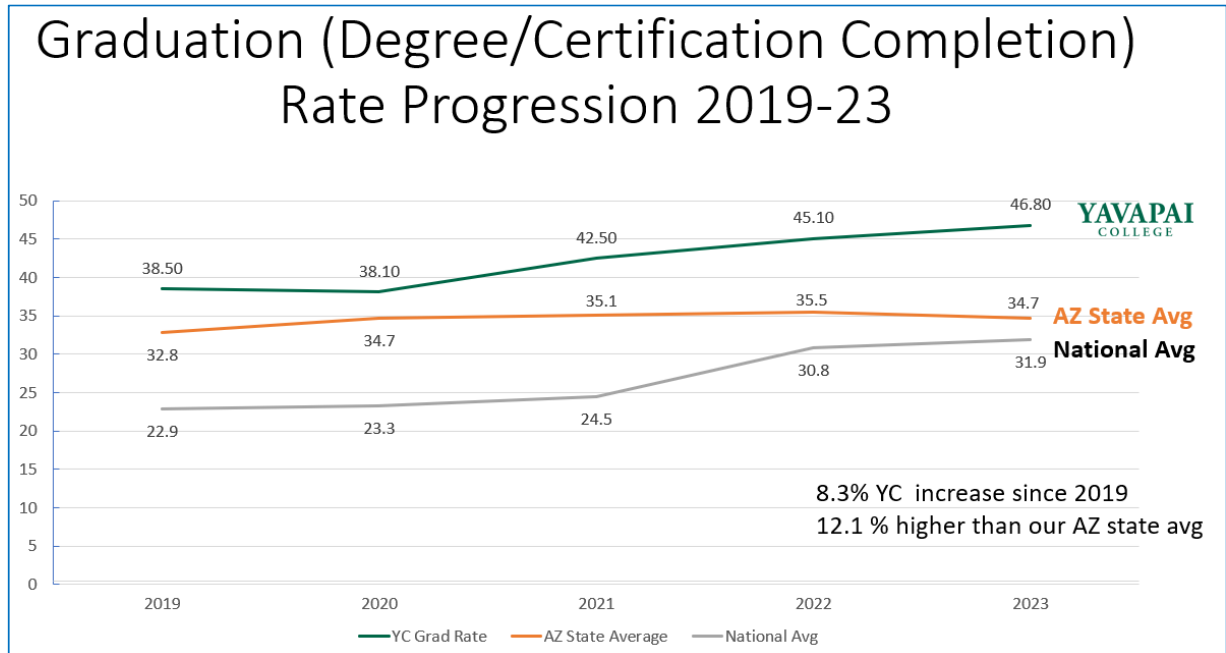
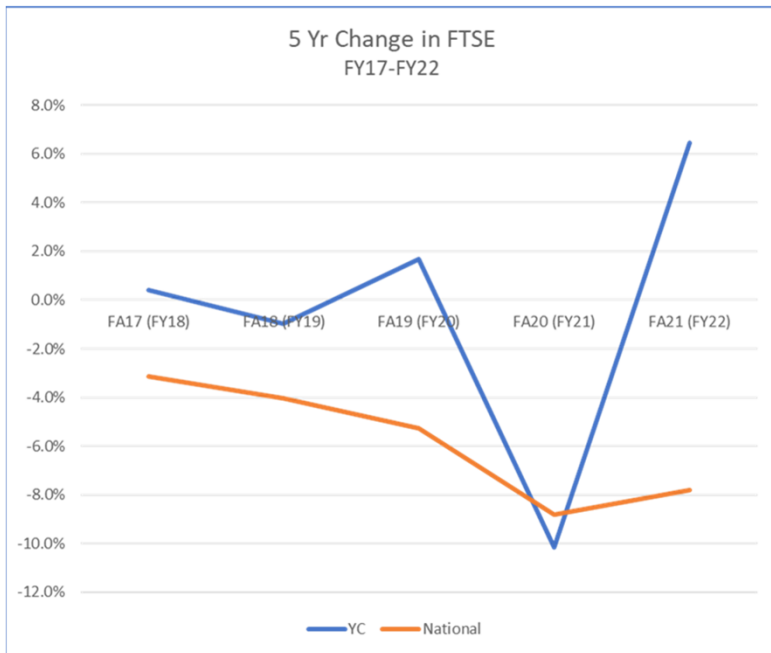
- DGB Ends

- Education: Supplemental Instruction
 - Net Price: FT & Sr Discounts, Promise
- Economic: REDC & WI expansion
- Community: Athletics expansion

- KPI

- Retention/ Grad & Transfer:
Reduce Advisor Load

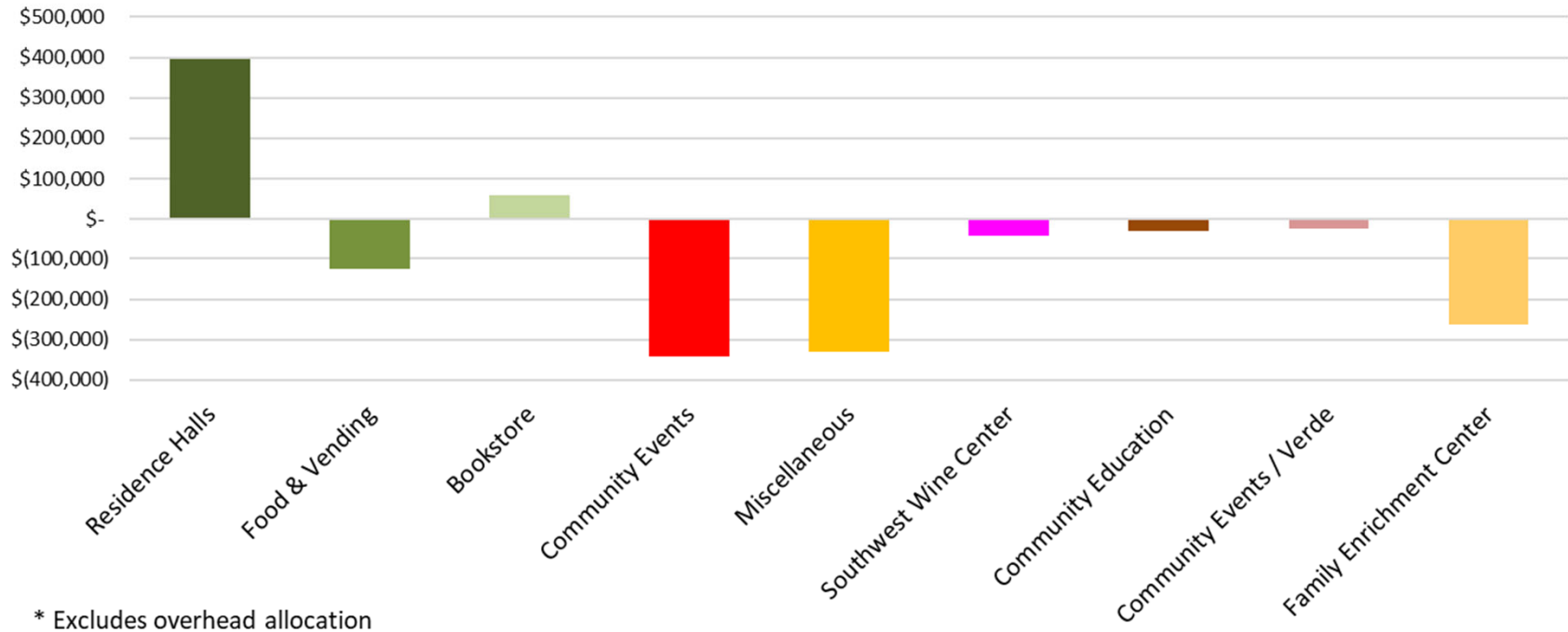
Investing in Improved Outcomes



Auxiliaries Budgeted Surplus/(Deficit)

Without Overhead Allocation

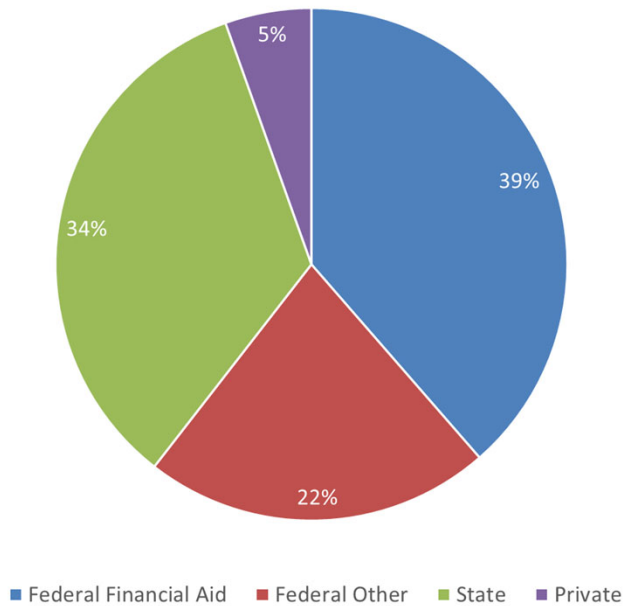
FY2023-24



* Excludes overhead allocation

Restricted Fund

Restricted Revenue by Source



**2023-2024
Proposed**

Federal Grants and Contracts	
U.S. DOE - TRIO Student Cluster	\$ 513,500
U.S. DOE - Adult Education	555,200
U.S. DOE - Financial Aid Cluster	6,770,600
U.S. DOE - Vocational Education	231,000
U.S. DOE - COVID-19 Aid	-
U.S. DOE - Open Text Rural AZ	935,000
U.S. DOL - QUEST Workforce & Jobs	738,800
U.S. DHHS - Substance Abuse Prevention	45,000
U.S. Small Business Administration	190,000
Other	637,700
Subtotal	\$ 10,616,800
State Grants and Contracts	
AZ DOE - Adult Education	\$ 305,000
AZ DHS - Health/Wellness Nursing Initiative	600,000
AZ DES - Childcare	468,800
Other	159,000
Subtotal	\$ 1,532,800
OTHER REVENUES AND ADDITIONS	
Prop. 301 Workforce Development	\$ 1,300,000
Prop. 207 Workforce Development/STEM	2,500,000
State Appropriation - STEM Workforce Programs	637,200
Subtotal	\$ 4,437,200

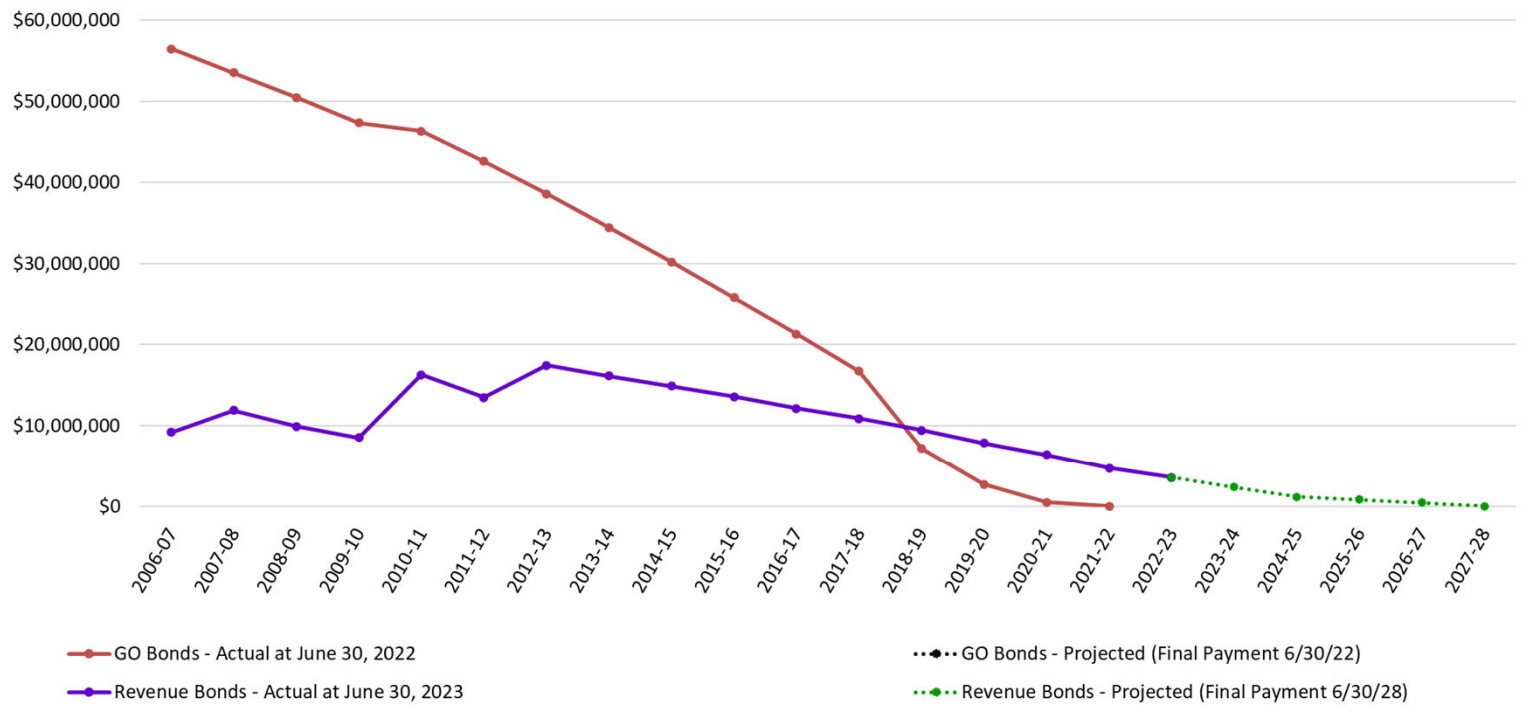
5 Year College-wide Capital Budget Analysis

Capital Improvement Plan Investments

- VVSTC \$6M
- Tech Theater \$500k
- Energize Rad Tech \$150k
- Multi-purpose Field \$200k
- Rider Diner \$285k
- CDT Track & Equip \$500k
- CLI-VV \$3.4M
- Plan Health Science Center \$3M
- Pilot Housing \$3.5M
- CLI-P \$15.4M



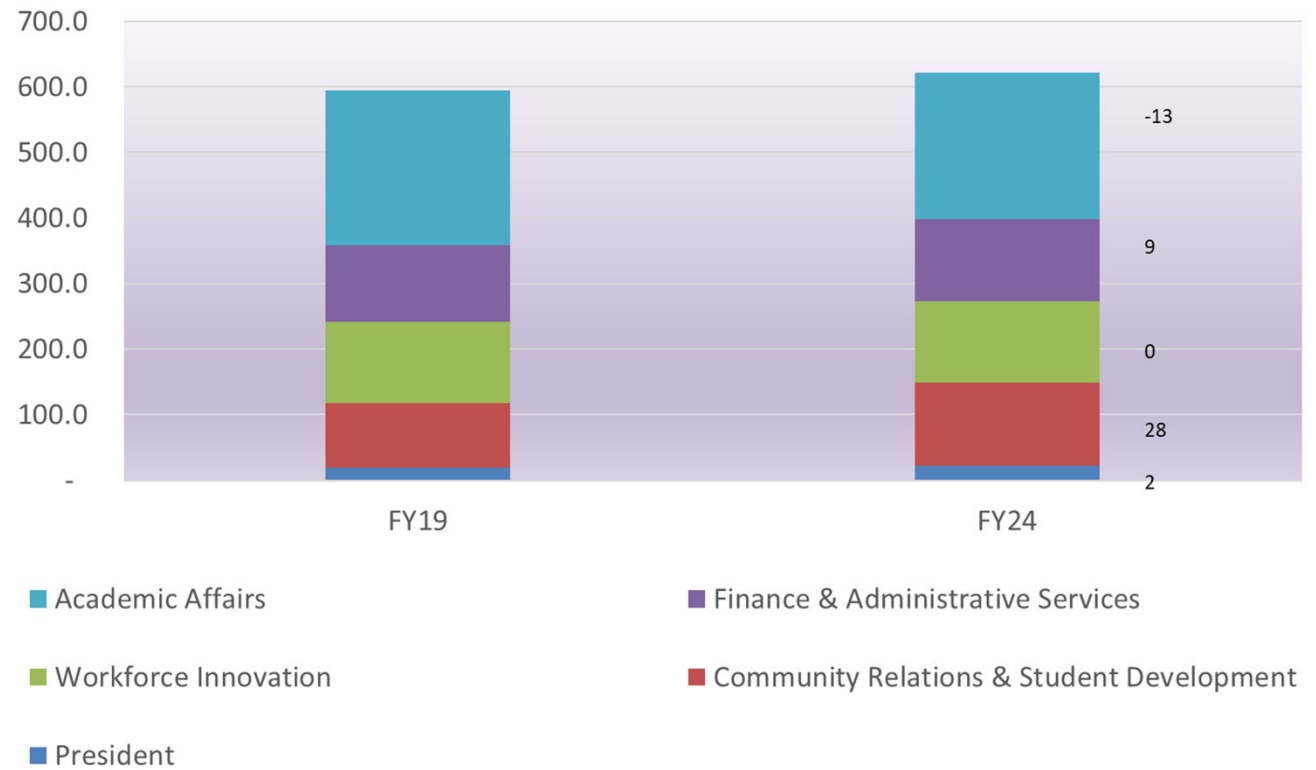
**Long Term Debt
Actual and Projected Principal Payments
June 30, 2023**



Labor

Cost Driver

5 Year Change in General Fund Positions

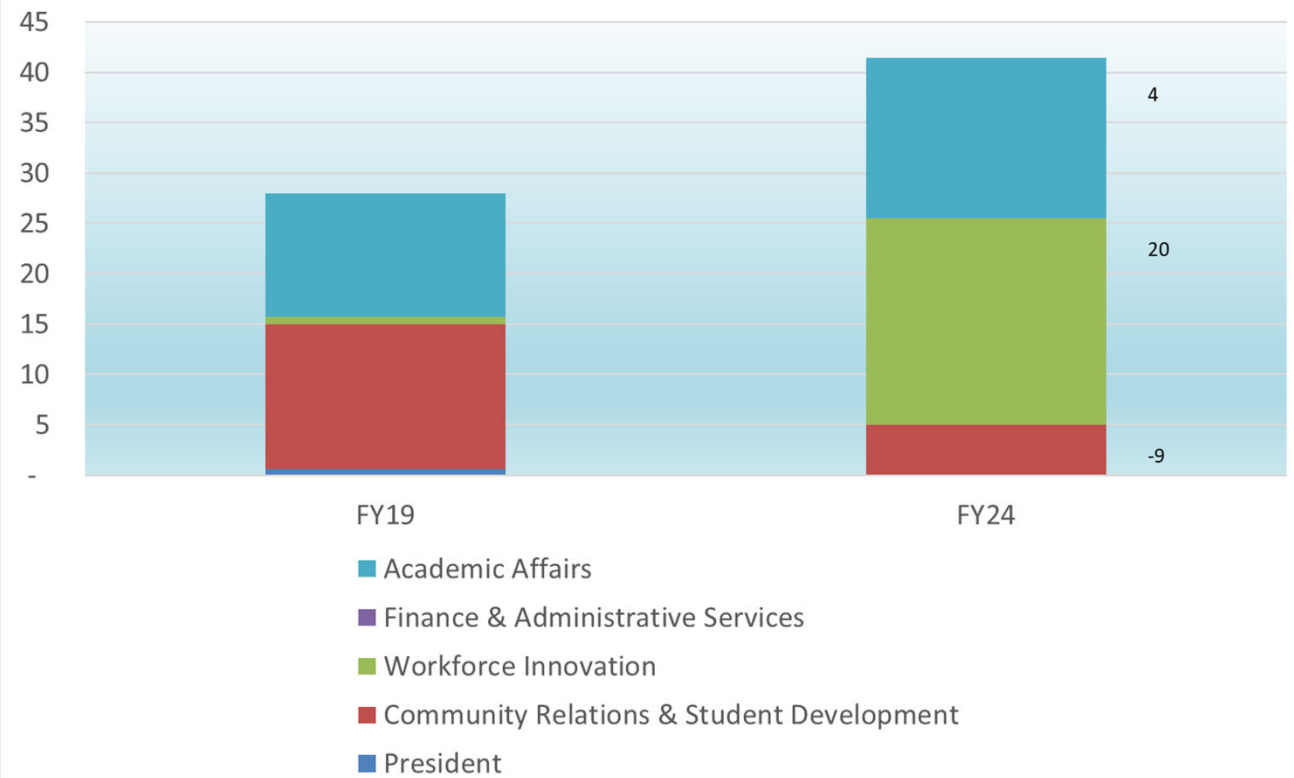


Restricted Labor

Advances Mission

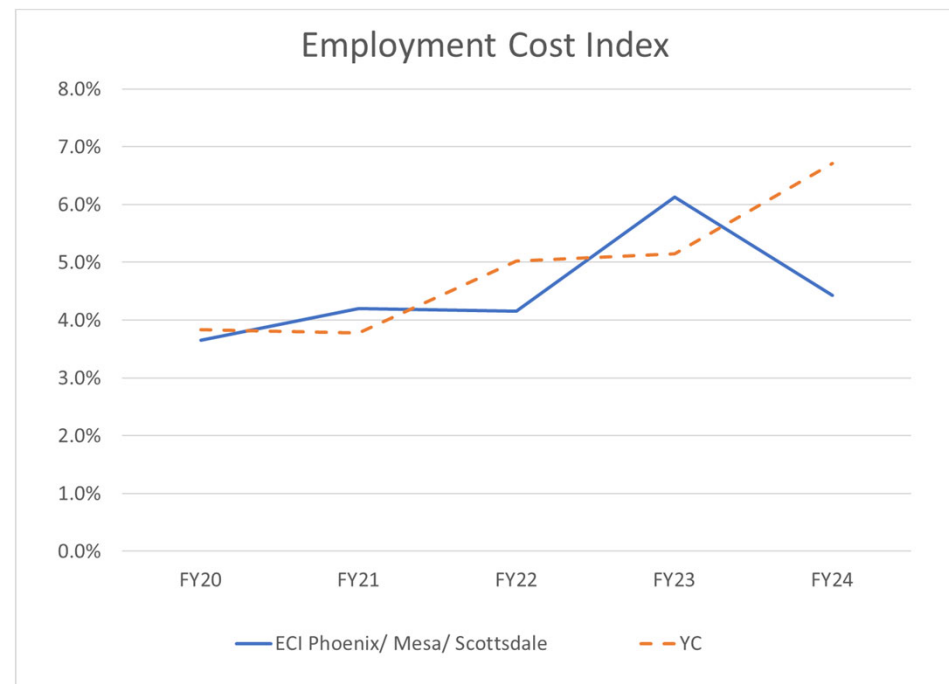
207 is Launchpad

5 Year Change in Restricted Positions



Labor

- ~75% YC Current Funds Budget
- Huron Compensation Study





Alignment with Ends & Strategic Plan



Cost Driver



Sports



Housing



REDC



Career Technical Education



Cost per Full Time Student Equivalent (FTSE)



Net Asset Value

Things you
should know
about YC
Expenses

Challenges

Prioritizing Needs

Mix of Products & Services

Competition

Demographics

Technology Investments

Questions and Discussion

