

Adopted Budget for Fiscal Year 2024
July 1, 2023 through June 30, 2024

Coconino County, Arizona | www.coconino.edu

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COCONINO COMMUNITY COLLEGE PROFILE

July 1, 2023 - June 30, 2024

VISION

Shaping the future of Coconino County.
Empowering Individuals. Inspiring Communities.
Education with Purpose!

Coconino Community College

Coconino Community College Profile

Background Information

History

In November 1990, the citizens of Coconino County established the College under the provisions of legislation enacted by the Arizona State Legislature in 1971. In May 1991, the College's funding was approved through a special election and operations began on July 1, 1991. The College and Coconino County share the same boundaries.

When CCC classes were first offered in August 1991, it was initially expected to serve 600 students per year. Nearly 1,000 students registered the first semester and enrollment continued to increase dramatically. Today the College enrolls 4,803 annually (FY22 12-month unduplicated headcount). The College has helped to create the region's skilled workforce which has, in turn, improved the overall health, safety, and economy in the region.

Geography

With 18,661 square miles, Coconino is the second largest county in the United States and the largest in Arizona but is one of the most sparsely populated. It is characterized by rugged mountains, deep canyons, and thick forests of pine, spruce, piñon, aspen, and oak. Within its borders are many scenic sites – the most popular and impressive is Grand Canyon National Park. Other attractions are Oak Creek Canyon, Sunset Crater National Monument, prehistoric Indian ruins at Wupatki, Walnut Canyon, the Navajo National Monument, the San Francisco Peaks (Arizona's highest point at 12,633 feet), and Lake Powell; with 1,960 miles of shoreline.



Indian reservations comprise 38 percent of the land and are home to the Navajo, Hopi, Paiute, Havasupai, and Hualapai tribes. The U.S. Forest Service and Bureau of Land Management control 32 percent of the land; the state of Arizona owns 10 percent; other public lands comprise 7 percent; and the remaining 13 percent is owned by individuals or corporations.

Population and Local Economy

The estimated County population for 2022 was 149,647, an increase of 1.5% over the previous year. A large share of the County's labor force is weighted toward government, trade, and service employment. The percentage employed by the government is 30% which is relatively high compared to the rest of the state. The reason for the large number of government workers in Coconino County includes the presence of several major national parks and forests, tribal lands, and the high percentage of the total area in County public lands. The County unemployment rate as of May 2023 is 3.7% which is slightly higher than the state unemployment rate of 3.4% and the same as the national level of 3.7%.

Coconino Community College Profile

Educational Programs

CCC offers affordable tuition rates and a variety of certificates and degrees, including career/ technical programs, with nearly 50 certificate programs and two-year associate degrees in various fields. Those fields include nursing, fire science, law enforcement, construction, and business. CCC also offers dual enrollment and concurrent enrollment programs to jump-start high school students' higher education goals. Then to help students continue their education, CCC has programs that help bridge student transition to all three of Arizona's state universities.

Locations

The College serves the educational needs of Coconino County through three facilities:

Flagstaff Lone Tree Campus
2800 S. Lone Tree Road
Flagstaff, AZ 86005-2701



Flagstaff Fourth Street Career and Technology Campus
3000 N. Fourth St.
Flagstaff, AZ 86004-18925



Page Lake Powel Center
475 S. Lake Powell Blvd.
Page, AZ 86040-0728



Additionally, CCC reaches out to the more rural portions of the County including Williams, the Grand Canyon/Tusayan, Page/Lake Powell, Fredonia, Tuba City, and other remote areas on the Navajo, Hopi, and Supai Tribal Lands. The Instructional sites offer classes through in-person, asynchronous (web), and synchronous (video conference) classes to meet the needs of students in these rural and remote areas.

Coconino Community College Profile

College Leadership

District Governing Board

The College is a political subdivision of the State of Arizona and is subject to the oversight of the District's Governing Board (the Board), which is comprised of five elected members representing each of the five precincts of the County. These members are elected for six-year terms on a staggered basis. The Board is granted full authority from the Arizona Revised Statutes to manage the business and educational needs of the District. The administrative staff is responsible for the daily operation of the District.

District Governing Board

Dr. Nathaniel White, Chair, District 1

Ms. Patricia A. Garcia, Member, District 2

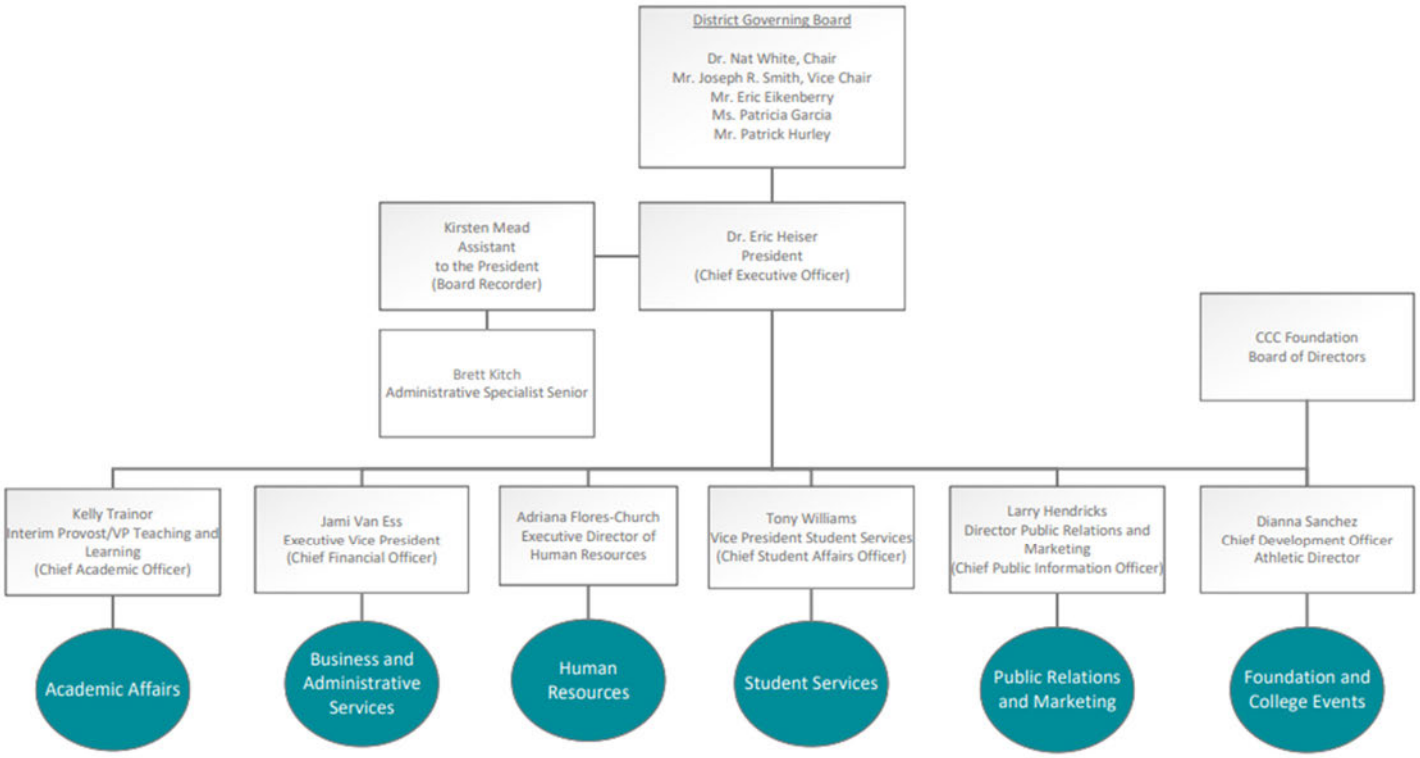
Mr. Eric Eikenberry, Member, District 3

Mr. Patrick Hurley, Member, District 4

Mr. Joseph R. Smith, Vice Chair/Secretary, District 5

Executive Leadership

Dr. Eric Heiser joined the College on January 1, 2023, as the sixth President. The Executive Leadership is shown in the organizational chart below.



Coconino Community College Profile

VISION

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MISSION

Coconino Community College is committed to providing accessible and affordable educational programs that prepare students for the future. Deeply engaged with the communities we serve, we promote student success through a welcoming and inclusive learning environment designed for innovative programming, career and workforce development, university transfer education, and continued life-long learning opportunities.

VALUING PEOPLE: DIVERSITY STATEMENT

Coconino Community College recognizes and respects diversity and the value it brings to our communities. We appreciate and welcome cultures, identities, beliefs, experiences and all that makes us unique. CCC champions and takes action to build an inclusive work and learning environment. We are allies and advocates, navigating a respectful dialogue about our shared humanity.

GUIDING PRINCIPLES

These principles guide the way we work and learn together at Coconino Community College through our commitment to:

- Put Students First
- Listen, Learn, and Collaborate
- Act and Respond with Integrity and Resilience
- Communicate with Honesty, Dignity, and Respect
- Demonstrate Exceptional Stewardship of Public Resources
- Continually Strive for Excellence as a Community of Learners
- Provide a Safe Environment that Reinforces Learning and Innovation

Coconino Community College Profile

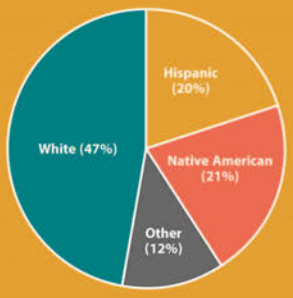
Coconino Community College

Quick Facts

2022-2023







+19%

2021 U.S. weekly earnings are approximately 19% greater for those with an associate degree than those with a high school diploma, and no college.

CCC first-year transfer students to an Arizona university had an average ***GPA of 2.92***.

Community colleges in AZ contribute **$14.1 billion** in added income.

55% of students who entered a university with in-state residency had credit from an Arizona community college.

CCC is designated a Native American Serving Non-Tribal Institution.

CCC has served 100,000 + graduates during its 30 years.

Student Enrollment

1/3 *FULL-TIME*

2/3 *PART-TIME*

CCC is a community college for everyone from age 13 in high school programs to age 80 in lifelong learning.

In response to community input, we've added...

- Police Academy
- Early Childhood Education
- Cybersecurity
- Heating, Ventilation, & Air Conditioning (HVAC)
- Welding
- Community Education & Life Long Learning
- Commercial Driver's License (CDL)
- Assisted Living Facility Caregiver
- Automotive Technician



88% Pass Rate

Career and Technical Education students who took a technical skill or end of program test (88%) passed and/or earned an industry-recognized credential. Examples of occupational programs leading to industry recognized credentials include nursing, EMT, construction, solar technologies, and fire science.

Providing Affordable Tuition

A Coconino County resident attending CCC for one year pays one quarter the cost compared to one year of tuition at a state university.



For more information, visit coconino.edu or call (928) 527-1222

Strategic Planning and Priorities

July 1, 2023 - June 30, 2024

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Strategic Planning and Priorities

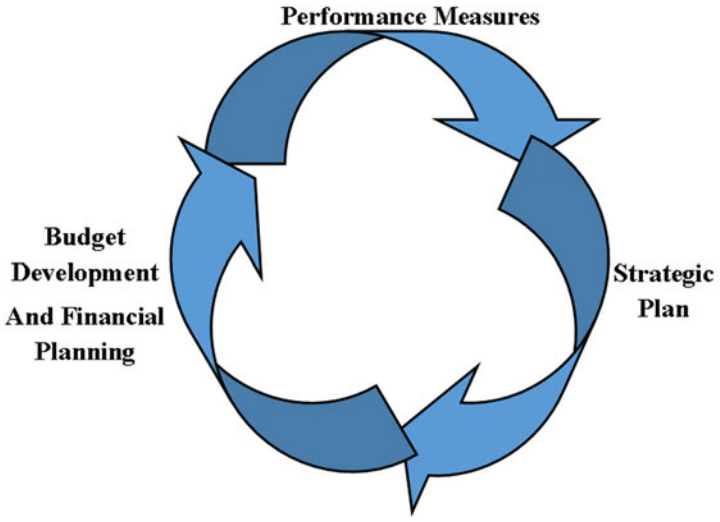
Introduction—Strategic Planning and Priorities

This section provides highlights of the performance measures, strategic goals, and board priorities, as well as the property tax reset and economic challenges impacting the budget development process.

Budget Guiding Principles

- The College's Vision and Mission and planning documents should drive budget decision making
- Use data to inform budget decision-making and the allocation of resources
- Ensure sound financial stewardship of public funds and long-term financial sustainability of the College
- Ensure transparency in the budget development process and communicate broadly to keep people informed
- Continuously evaluate the budget development process and implement improvements

Following the Budget Guiding Principles listed above, CCC uses a continuous improvement planning cycle. Performance measures inform the Strategic Plan and Board Priorities which drive resource allocation decisions during the budget development process. This cycle is depicted in the graph below.



Strategic Planning and Priorities

Performance Measures - Access, Retention, and Completion Measures

State Performance Measures - Strategic Vision 2030

The presidents of all ten of the Arizona community college districts worked together to develop long-term performance measures to target improvements for access, retention, and completion. The performance measures are based on the American Association of Community Colleges Voluntary Framework of Accountability (VFA). The VFA created common measures that are more reflective of community college students versus university students.

CCC uses the performance measures in the Strategic Enrollment Management (SEM) Committee which are reviewed annually as part of the budget development process. A subset of CCC's Strategic Vision Measures for FY21 compared to the State averages are presented below:

Access Measures	CCC FY21	State Average	dif
Full-time Student Enrollment (FTSE)	1,491		
Total Enrollment	4,948		
Minority	41.7%	48.2%	-6.5%
Age 25+	22.7%	32.8%	-10.1%
Pell Grant	17.1%	24.3%	-7.2%
Alternative Delivery	98.7%	94.9%	3.8%
College-going	14.3%	22.3%	-8.0%
Cost	21.8%	16.6%	5.2%
Retention and Completion Measures			
Developmental Course Success - Math	45.1%	53.3%	-8.2%
Developmental Course Success - Reading	62.6%	67.1%	-4.5%
College Level Course Success - Math	42.5%	39.3%	3.2%
College Level Course Success - English/Reading	54.9%	55.2%	-0.3%
College Level Course Success	89.5%	75.4%	14.1%
Percent Full-time Learners completing 42 credits	45.9%	43.4%	2.5%
Percent Part-time Learners completing 24 credits	57.5%	51.3%	6.2%
FA-SP Retention	94.0%	91.5%	2.5%
FA-FA Retention	71.4%	75.5%	-4.1%
Annual Degree/Certificate Completion	28.5%	35.8%	-7.3%
Transfer Rate after CCC Completion	76.6%	61.8%	14.8%
Six year overall transfer rate	43.6%	28.8%	14.8%

Above State Average
Below State Average
Notably below State Average

Strategic Planning and Priorities

2020-2025 Strategic Plan

Students First: Vision 2025

We will provide transformative experiences for every student, employee and community member we serve.

Team 1: Team Excellence

Strategic Goal #1: CCC will help each student achieve success through a supported and individualized educational experience.

Expected Results:

1.1 The College student body will reflect the diversity of Coconino County - *"I belong at CCC."*

1.2 The number of Coconino County residents attending the College will increase to improve the Community College-Going Rate – *"I want to go to college at CCC."*

1.3 Students will successfully navigate the College with minimal barriers - *"I know why I am here and how to accomplish it."*

1.4 Students will build goal commitment through holistic engagement in the College and high-quality learning - *"I know what I am trying to accomplish, it is important to me, and I will do it."*

Team 2: Team Sustainability

Strategic Goal #2: CCC will practice sustainability through responsible stewardship of economic, public, and environmental resources to accomplish its educational mission.

Expected Results:

2.1 College revenues will be increased through new revenue streams

2.2 College Priorities will be funded through strategic reallocation of resources

2.3 The College will demonstrate leadership for outstanding and effective sustainability practices

2.4 The College will limit barriers to students and college employees through automated business processes

2.5 The College will complete research for the consideration of a county-wide ballot initiative to obtain permanent funding increase from County property taxes

Team 3: Team Opportunity

Strategic Goal #3: *CCC will promote a learning culture that is innovative, flexible, entrepreneurial, and responsive to the needs of our students and the communities we serve*.

Expected Results:

3.1 The College will increase and improve community connections

3.2 The College will increase and improve opportunities for lifelong learning

3.3 The College will increase and improve opportunities for workforce training and economic development

3.4 The College will develop a P3 Partnership in Page to support the workforce and increase access to higher education.

Team 4: Team Community

Strategic Goal #4: CCC will strengthen Community Engagement in support of student success through advocacy, strategic partnerships, and new fundraising initiatives.

Expected Results:

4.1 The College will access funding to support student success through local, state, and federal advocacy

4.2 The College will develop strategic partnerships throughout Coconino County to support community engagement and workforce development in academic and non-credit continuing education programs

4.3 The College will increase the number of fundraising activities and the overall amount raised to support programs

4.4 The College will strengthen and expand community connections and engagement to champion the College as a community center

Strategic Planning and Priorities

2022-2023 Board Priorities

District Governing Board Priorities for CCC	Interim President and Administration Goals (Strategic Plan Targeted Action)
1. President and Interim President: Conduct effective and transparent search for President of CCC. Policy 22-00: The District Governing Board mission is to govern the College on behalf of Coconino County Citizens by Employing, evaluating, and supporting the College President.	Provide support and positive communication with the College Community as the District Governing Board conducts a national search for the next President of the College and appoints an Interim President.
2. Student Success and Completion: Be responsive to student and community needs. Increase Enrollment across the College through responsive action to the community.	a. Ensure planning for new programs moves forward and is appropriately marketed as promised in Prop 438 Ballot and within the incremental funding required by state statute. (2.2.3) b. Transparent administration of Prop 438 funds as promised in the ballot initiative. (2.2.3) c. Focus on Retention and Student Success Best Practices through the First Year Program. (1.3.1) d. Working closely with the community of Page and Genterra, ensure progress is made on the Public Private Partnership (P3). (3.4.1) e. Leverage strength with high schools and follow enrollment management plan. (1.1.1) f. Collaboration between NAU/CCC for incoming students. (1.1.1)
3. Advance the College's diversity, equity, inclusion, and accessibility initiatives in measurable ways. Have all employee groups actively participate in how they can support these initiatives.	a. Carefully review diversity data and ensure a high priority is placed on obtaining a diverse workforce to meet the Mission of the College. (1.4.4-d) b. Develop specific plans to increase enrollment of diverse populations. (1.1.1) c. HR will provide quarterly reports to the Board and ensure inclusive hiring practices are being used. (1.1.1) (1.1.4-d) d. Show measurable progress demonstrating our workforce is representative of the communities we serve. (1.1.1) (1.1.4-d) e. Focused recruitment of employees; dig deeper into potential employees (not just their resume). (1.1.1) (1.1.4-d) f. Develop commonality and shared language around diversity and inclusion. Enhance training for hiring committees. (1.1.1) (1.1.4-d) g. HR training that prepares employees and students to participate in transformative discussions to expand understanding of attitudes and practices in an effort to create a diverse community of belonging. Be brave, be resilient, be a stronger member of our community. (1.1.1) (1.1.4-d) h. Develop the activities calendar in the summer to include engagement in civil dialogue, important conversations, and different experiences in facilitated dialogue. The activities calendar will be posted at least one month prior to the start of any semester in order for faculty to incorporate the activities into their classes and syllabi, while allowing the activities to be advertised effectively. (1.4.2) (1.1.4-d)

Strategic Planning and Priorities

2022-2023 Board Priorities

4. Financial oversight: Provide guidance and support for effectively allocating new funding Assess possibilities for increased state funding	a. Through discussions between the DGB and College Leadership, ensure new funding is allocated wisely with due diligence. (2.2.2) b. Provide the Board with more options when presenting for their consideration (do not distill down and make the decision-- provide the information for the Board to make the decision). (2.2.3) c. Determine possibility of CCC applying for additional state funding. (2.2.2) • Governor's proposal to establish six advanced manufacturing training centers facilitated by Community Colleges • Funding for a Public Safety Training Facility • Direct Care Workers Program through ACCESS
5. Higher Learning Commission Accreditation- ensure HLC concerns are acted upon with timely and supportive actions.	Review HLC response from the Visiting Team and make noted improvements. (1.4.4) • Ensure the report on Faculty Credentials is appropriately prepared, completed on time, and submitted to HLC. • Ensure progress is being made on Assessment of Learning • Ensure that all requirements of accreditation are met and sustained

Strategic Planning and Priorities

Property Tax Reset

In May 2022, the voters of Coconino County approved a $6 million property tax reset to be phased in over three years. The following is an excerpt of the ballot language that will guide the College and administration in implementing new academic programs and services countywide. The updates added in red show progress made toward accomplishing the goals of the tax reset.

Proposition 438

The funding generated from a primary property tax reset is intended for the following programs, but is not limited to use relative to the following programs:

- Initiate new career, technical education, and training programs that prepare Coconino County residents for jobs in Coconino County.
- Develop new programs to support veterans' training for civilian jobs.
- Develop new programs to train and re-train Coconino County workers, in collaboration with Coconino County employers and expand current job training programs.
- Continue and expand career and technical education programs that were established with one-time funding:
    - Automotive Technology - complete
    - CDL (Truck Driving) - complete
    - Early Childhood Education Certificate (Preschool Teachers) - complete
    - Assisted Living Caregiver Certificate - complete
    - Google IT Support Professional Certificate - complete
    - Amazon Web Services Certificate - complete
    - Cyber Security Associate of Applied Science - in progress
    - Increased Number of Students in Nursing Program -complete
    - Marine Maintenance Technician -on hold
    - Welding Certification- in progress
    - Heating, Ventilation, and Air-Conditioning (HVAC) - complete
- Expand and offer new career and technical training degree and certificate programs:
    - Additional Healthcare Programs
        - Ultrasound/Sonography Technician
        - Surgical Technician
        - Respiratory Therapist
        - Anesthesia Technician
    - Electric Car and Charging Station Technician
    - Manufacturing Technology—included in the budget and in progress
    - Police Academy –complete
    - Paramedic - complete
- Expand the scholarship program—Free Summer, SISS, and Promise Program
- Enhance educational services throughout Coconino County, including communities such as Page, Tuba City, and Williams

The College may add additional programs requested by employers and communities as appropriate.

Strategic Planning and Priorities

Budget Challenges

Budget Development

In addition to the strategic plan and board priorities, several challenges were identified during budget development that were incorporated into the process. The most significant challenges were related to the lingering impacts of the pandemic including a strong job market, low enrollments, high inflation, and supply chain delays. Highlights of these challenges and initiatives are as follows:

Enrollment Decline and Tuition Freeze

Like many colleges, CCC experienced a 20% decline in enrollment during the pandemic. To encourage more enrollment, the Board decided against raising tuition for the third year in a row and requested more resources allocated to student scholarships.

High Employee Turnover and Cost of Living Rates

Similar to the rest of the nation, the College experienced very high turnover and vacancy rates as employees chose to leave the workforce or accepted other opportunities. Additionally, Coconino County has the highest cost of living in the state, specifically the City of Flagstaff's cost of living is 15% higher than the state average, driven primarily by housing costs. This makes attracting and retaining qualified staff especially difficult. CCC conducted a market study to guide competitive compensation and benefits adjustments for employees.

Minimum Wage Laws

In November 2016, Arizona voters approved Proposition 206, to increase the state minimum wage to $10.00 per hour by January 1, 2017, and adjusted annually to keep up with inflation. In the same election, the City of Flagstaff voters approved Proposition 414 (later amended by City Council), to increase the City minimum wage to $2 per hour above the state. These elections resulted in increasing the minimum wage to $16.80 per hour as of January 1, 2023. The minimum wage increases created increasing compression issues and were a contributing factor in the compensation adjustments for employees.

High Inflation

Supply chain shortages and a strong job market have pushed up inflation rates to record high levels of 8%. Departments across the College are experiencing increased costs for professional services, supplies, maintenance agreements, utilities, and travel. Funds needed to be allocated to cover these increased costs.

Annual Financial Plan

July 1, 2023 - June 30, 2024

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Annual Financial Plan

Budget Development Process

The budget development process is continually modified to improve participation, transparency, and effectiveness. A summary of the current budget process is highlighted below and on the following page:

Budget Development Timeline

- **October** - Kick-off presentation open to all employees to share priorities, preliminary assumptions, and calendar due dates
- **November** - Distribute tuition and fee schedules, base budgets, travel forms, and budget request forms to budget managers
- **December** - College areas discuss and prioritize budget requests with input from staff
- **December** - Tuition and fee recommendations, base budget, travel, and budget request forms are due to Business Office
- **January** - DGB budget retreat
- **February** - Survey students regarding tuition recommendations
- **February** - Budget hearings open to all employees to aid College Leadership with prioritizing requests
- **February** - DGB adopts tuition and fees and provides direction on salary and benefits
- **April** - DGB reviews preliminary budget
- **May** - DGB TNT hearing and final budget adoption
- **May** - College-wide budget presentation

Assumptions

Beginning assumptions are established in October as a starting point for developing the budget. The general guidelines for the beginning assumptions are as follows:

Revenues

- Enrollment - flat enrollment adjusted by current increases or decreases
- Tuition - increase tuition rates by the Consumer Price Index (CPI)
- State Aid - Per state formula, depends on a decrease or increase of enrollment in the prior year
- Property taxes - 2.0% maximum allowed increase in levy plus 1.0% new construction added to the tax rolls based on trend
- Other Revenue - CPI and/or enrollment-based

Expenses

- Salary and benefits represent the largest portion of the budget and are increased by CPI and market. Medical benefits increase per trend.
- All other expense categories are increased by CPI.

Budget Development Process (continued)

Budget Organization

Higher education uses standardized accounting funds and program codes as follows:

Funds—Five funds make up the College's all Funds budget.

- **General Fund -** Accounts for all general operations of the College and is the largest fund
- **Auxiliary Fund -** Accounts for self-supporting activities that perform a service to students
- **Restricted Fund -** Accounts for resources that are restricted by outside donors or agencies such as grants, contracts, and financial aid
- **Unexpended Plant Fund -** Accounts for equipment or construction or improvement of buildings
- **Retirement of Indebtedness -** Accounts for the resources for payment of principal and interest on debt

Program Codes

- **Instruction -** Activities directly related to instruction including faculty salaries, benefits, and supplies
- **Public Service** - Non-instructional services beneficial to individuals or groups external to the institution
- **Academic Support** - Activities that support instruction including libraries, academic computing, curriculum development, and deans' offices
- **Student Services -** Non-instructional, student-related activities such as recruitment, admissions, advising, career counseling, financial aid, and student clubs and organizations
- **Institutional Support** - General administrative services such as executive management, legal and fiscal operations, human resources, and public relations
- **Scholarships -** Institutional spending on scholarships, including federal financial aid from restricted funds
- **Plant Operations and Maintenance** - Service and maintenance of the physical plant, buildings and grounds, utilities, and property insurance

Basis of Budgeting

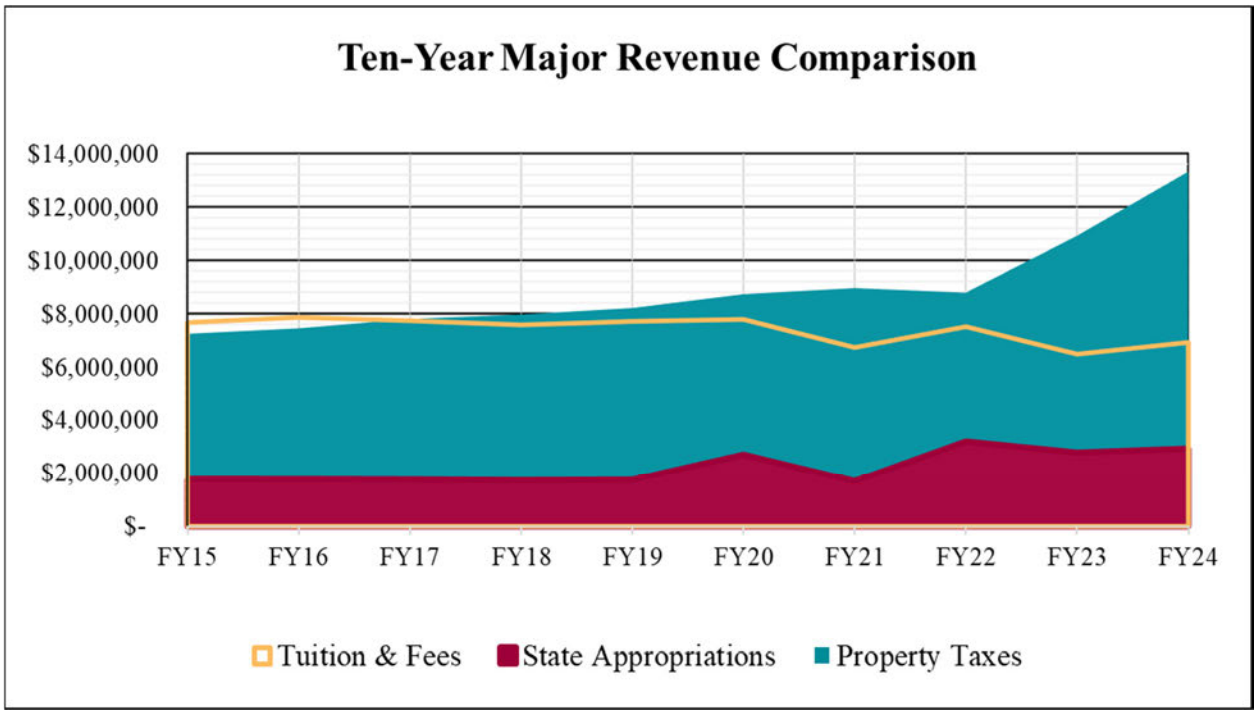
The College uses an incremental budget process meaning that the prior year is the starting point for any budget adjustments. College leadership prioritizes budget requests based on strategic initiatives. The College also uses a zero-base budget process for travel and other account categories on an as-needed basis. Zero-base means that the budget begins with "zero" and all expenditures are justified.

Controls

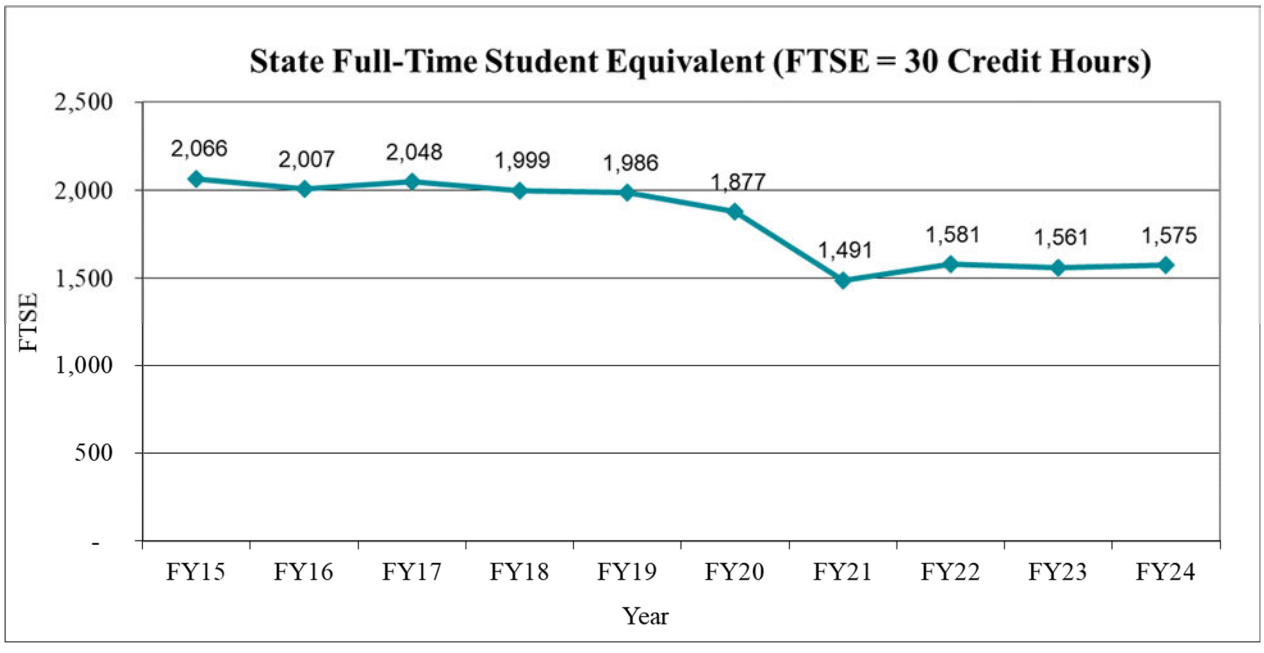
The College uses an encumbrance accounting system to control budgets by account code. Open encumbrances are not reported as reservations of fund balance at year-end but are liquidated (lapse at year-end). Encumbrances are re-established at the beginning of the next fiscal year as an obligation against the current year's adopted budget.

General Fund - Revenues

The General Fund has three major revenue sources: student tuition and fees, state appropriations, and property taxes. The chart below depicts changes in these revenue sources over ten years and will be discussed in the following pages.

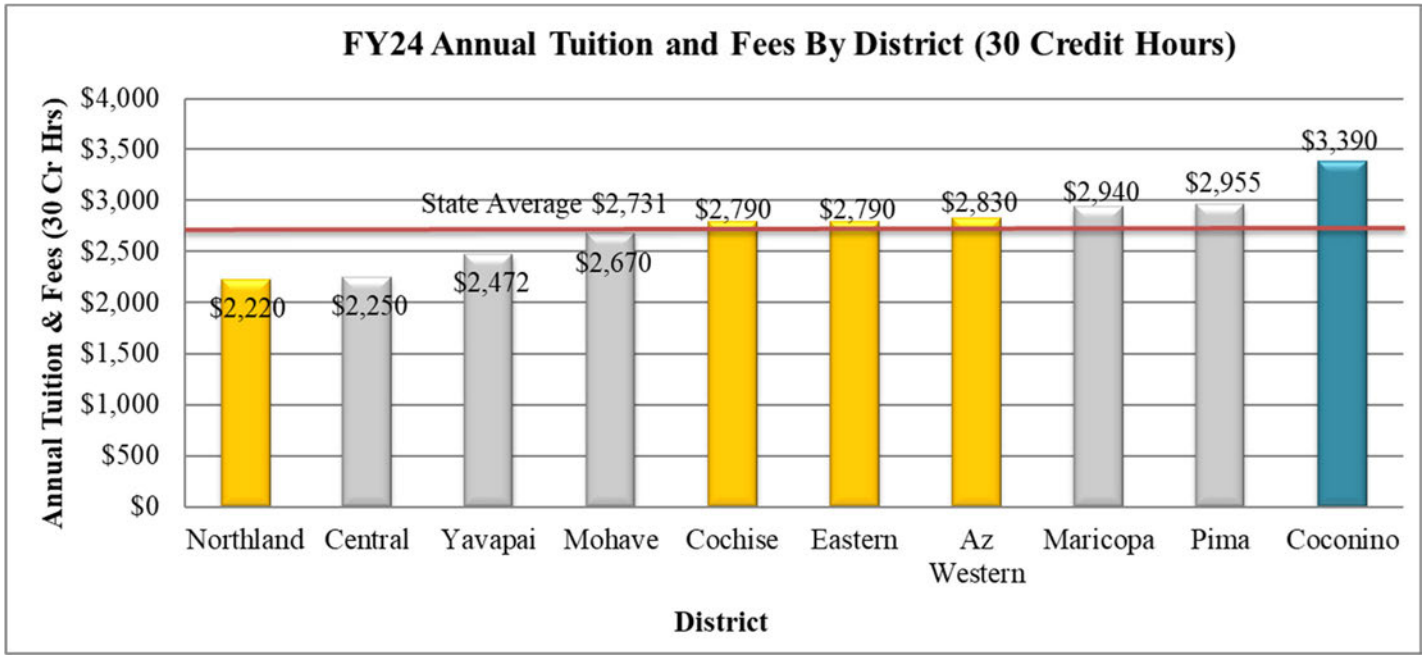


Tuition and Fee revenue for FY24 is based on a projected State FTSE of 1,575. Enrollment in Community Colleges is typically counter-cyclical to the economy. During economic downturns, underemployed workers go back to college to learn new skills and prepare to reenter the job market. However, that pattern did not hold during the pandemic as shown in the graph below when CCC experienced a 20% drop in FTSE in FY21.



General Fund - Tuition and Fees

At $3,390 per year, the College's annual tuition for 30 credit hours is the highest in the state because of the low property tax rate and low percentage of taxable property in the County.



Historic Tuition Rates - Standard Resident - Last 10 Fiscal Years

The Board has not increased tuition for the past 3 years because of the pandemic and property tax reset.

Fiscal Year	[A] Tuition per Credit Hour	[B] Tech Fee per Credit Hour	Tuition and Fee (per cr hr)	Annual Student Tuition	Change in $	% Increase
FY15	$ 89	$ 5.00	$ 94	$ 2,820	$ 60	2.2%
FY16	$ 92	$ 7.00	$ 99	$ 2,970	$ 150	5.3%
FY17	$ 102	$ -	$ 102	$ 3,060	$ 90	3.0%
FY18	$ 105	$ -	$ 105	$ 3,150	$ 90	2.9%
FY19	$ 109	$ -	$ 109	$ 3,270	$ 120	3.8%
FY20	$ 111	$ -	$ 111	$ 3,330	$ 60	1.8%
FY21	$ 113	$ -	$ 113	$ 3,390	$ 60	1.8%
FY22	$ 113	$ -	$ 113	$ 3,390	$ -	0.0%
FY23	$ 113	$ -	$ 113	$ 3,390	$ -	0.0%
FY24	$ 113	$ -	$ 113	$ 3,390	$ -	0.0%

[A] Per Credit hour includes student ID, transcripts, student activities, and technology
[B] Tech Fee included in per credit hour tuition rate beginning in FY17

General Fund - State Appropriations

For FY24, the total state aid and one-time rural appropriations were $2,936,500, an increase of $151,200 over the prior year.

State Aid

State aid is a base plus growth formula. The number of full-time student equivalent (FTSE) between the two most recent fiscal years is multiplied by the state average appropriation rate. For FY24 the average appropriation rate was $617 for non-dual enrollment and $309 for dual enrolment. The FTSE increased by 60 for non-dual enrollment and by 30 for dual enrollment, for an increase of $38,100. The state appropriations funding formula does not adjust for inflation or more expensive career and technical programs.

One-Time Rural Appropriation

Additional one-time aid to rural institutions began sporadically in 2020 as the State had additional money. The FY24 rural aid was $1,520,600, an increase of $113,100 over the prior year. These one-time funds are not expected to continue based on recent state projections.

State Appropriations Revenue Projections

STATUTORY CALCULATION A.R.S. §15-1466 Subject to legislative appropriation	FY 23 Budget	FY 24 Budget
FTSE Change:		
Total Audited FTSE third most recent fiscal year	1,877	1,491
Total Audited FTSE second most recent fiscal ear	1,491	1,581
Increase/(decrease)	(386)	90
Base		
Non Dual Enrollment Audited FTSE third most recent fiscal year	1,664	1,307
Non Dual Enrollment Audited FTSE second most recent fiscal year	1,307	1,367
Increase/(decrease)	(357)	60
Average Appropriation Per FTSE (Non Dual Enrollment)	669	617
Non Dual Enrollment Growth	**$ (238,800)**	**$ 37,000**
Dual Enrollment Audited FTSE third most recent fiscal year	213	184
Dual Enrollment Audited FTSE second most recent fiscal year	184	214
Increase/(decrease)	(29)	30
Average Appropriation Per FTSE (Dual Enrollment @ 50%)	335	309
Dual Enrollment Growth	**$ (9,700)**	**$ 9,300**
Base level (Prior year State Appropriation)	1,626,500	1,369,600
State Appropriation	1,377,800	1,415,900
State Aid Special One-time Rural Appropriation	1,407,500	1,520,600
Total Maintenance & Operations State Appropriations	**$ 2,785,300**	**$ 2,936,500**

General Fund - Property Taxes

The tax levy is calculated per Arizona Revised Statutes (A.R.S.) §42-17051. Assessed property values consist of two categories, property currently on the tax rolls and new construction being added to the rolls.

The Arizona Constitution limits the increase on current property to 2% per year shown on line 2. When the assessed values increase by more than 2%, the tax rate is forced down resulting in a declining tax rate. The derived tax rate is then applied to the new construction. New construction averages approximately 1% per year. Because of the low tax rate, the Board typically approves the maximum allowed tax levy.

In May 2022, the voters approved a ballot initiative to reset the primary levy by $6 million to be phased in over three years beginning in FY23. The FY24 levy was $9,226,363, plus the second year of phase in of $3,926,851. The adopted levy for FY24 was $13,153,214 at a tax rate of .6056.

The total property tax budget also includes in-lieu and excise taxes of $86,000.

Tax Levy Limit A.R.S. §42-17051
Two-Year Comparative Analysis

STATUTORY CALCULATION	FY22/23 (Tax Year 2022) Budget	FY23/24 (Tax Year 2023) Budget
1) Maximum levy - prior tax year	$ 8,715,587	$ 14,715,587
2) Maximum levy prior tax year multiplied by 102%	8,889,899	15,009,899
3) Assessed value for current tax year of all		
property subject to tax in the preceding year	2,057,341,416	2,156,685,297
4) Paragraph 3 divided by 100, then divide paragraph 2		
by the resulting quotient; round to four decimal places	0.4321	0.6960
5) Assessed value of all property for current year	2,078,911,570	2,171,931,018
6) Paragraph 5 divided by 100 and multiplied by rate in para 4		
equals maximum allowable primary property tax levy	8,982,977	15,116,640
7) Less any amounts pursuant to A.R.S. §42-17051 B. & C.		
8) Paragraph 6 minus paragraph 7 equals the allowable		
primary property tax levy	8,982,977	9,226,363
Voter Approved Three-Year Property Tax Phase-in	1,846,073	3,926,851
REVENUE PROJECTION ADJUSTMENT CALCULATION		
9) Judgement (A.R.S. § 42-16214)	-	-
10) Actual Property Tax (4006)	-	-
11) In-Lieu - (4004)	15,000	15,000
12) Excise -(4005)	71,000	71,000
Total Property Tax Revenue	**$ 10,915,050**	**$ 13,239,214**

All Funds - Faculty and Staff

Salaries and benefits represent the largest expense for the College. For FY24, the increase in wages of 14% includes 11 new positions and as well as compensation adjustments. The additional full-time positions were prioritized according to the strategic plan and goals outlined in the property tax reset initiative. The compensation adjustments were driven by market studies, increases in the CPI and minimum wages, and high employee turnover, and are listed on the next page. The schedule below provides a two-year comparison of salaries and benefits by employee type and full-time equivalent.

Two-Year Comparative Analysis
Faculty and Staff

	FY 2022/2023 Budget	FTE	FY 2023/2024 Budget	FTE	Change	Percent Change	FTE Change
Full-time Faculty	$ 3,448,049	48	$ 4,237,660	55	$ 789,611	23%	7
Part-time Faculty	1,144,082	41	1,017,267	38	(126,815)	-11%	-3
Full-time Administrative Staff	2,323,194	20	2,463,648	20	140,454	6%	0
Full-time Professional and Classified Staff	5,478,743	108	6,495,733	112	1,016,990	19%	4
Part-time Hourly Staff	911,799	20	923,241	20	11,442	1%	0
Subtotal Wages	$ 13,305,867	237	$ 15,137,549	245	$ 1,831,682	14%	8
Subtotal Benefits	4,961,197		5,569,170		607,973	12%	
Total Wages and Benefits	**$ 18,267,064**		**$ 20,706,719**		**$ 2,439,655**	**13%**	
Benefits as Percentage of Wages	37%		37%				

New Full-Time Faculty Positions:
FT Faculty Navajo
FT Faculty Nursing and Allied Health (Nursing Grant)
FT Faculty Clinical Coordinator (Nursing Grant)
FT Faculty Skills Lab Coordinator (Nursing Grant)
FT Faculty Skilled Trades (Prop 207 Restricted Funds)
FT Faculty CAMT (Prop 207 Restricted Funds)
FT Faculty Allied Health (301 Restricted Funds)

New Full-Time Staff Positions:
Assessment Coordinator - Support HLC Priority
IR Analyst - Support Achieving the Dream Goal
ITS Systems Analyst - Support Information Technology
Security Guard - Expanded Campus Hours Goal

All Funds - Faculty and Staff

Increases in wages were guided by market studies, high inflation rates, minimum wage increases, and high employee turnover.

Compensation Adjustments:

- **Full-time Faculty -** 2% step (includes a step at the top of the scale) plus 7% added to the faculty schedule for an average increase of 9% starting Fall Term 2023
- **Part-time Faculty -** 13% increase from $935 per credit hour to $1,056 per credit hour starting Fall Term 2023
- **Full-time Administrative, Professional/Technical, and Classified Staff -** A flat increase of $3.37 per hour or $7,010 per year for full-time employees starting July 1, 2023. The flat dollar amount increase created larger percent raises for lower-paid employees and smaller percent raises for higher-paid employees, the overall average increase was 11%
- **Part-time Staff -** adjustments for minimum wage increases to the schedule

Increases in benefits were for new positions as well as increased contribution rates for the health plan, the Arizona State Retirement System, Life Insurance, and Tuition Reimbursement

Benefits:

- **Health Plan Contributions -** the Northern Arizona Employee Benefit Trust (NAPEBT) increased contributions rates by 6.0% for the Buy-up plan, 5.5% for the Base plan, and 5% for the HDHP. The College's default plan is the HDHP and the College matched the amount of the 5% increase to the HDHP for all plans. Employees opting into one of the higher-cost plans will have larger increases.
- **Arizona State Retirement System (ASRS) -** the employee and employer contribution rates increased from 12.17% to 12.29%
- **Life Insurance -** two times the annual salary and the maximum benefit increased from a cap of $100,000 to $250,000
- **Tuition Reimbursement for Courses Outside of the College -** increased the reimbursement from $111 to $333 per credit hour, up to 9 hours per year, for a maximum annual benefit of $3,000 per year

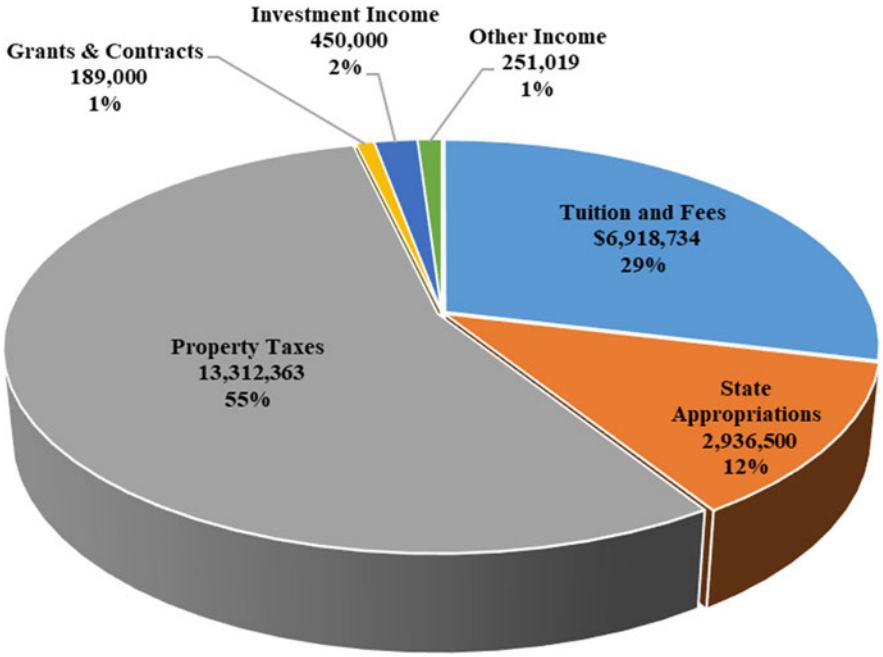
General Fund - Budget Request / Resource Allocation Summary

Resource Allocation

For FY24, a net increase of nearly $2.4 million in budget requests were added to the General Fund budget. A high level summary of the resource allocations by program code are listed in the table below.

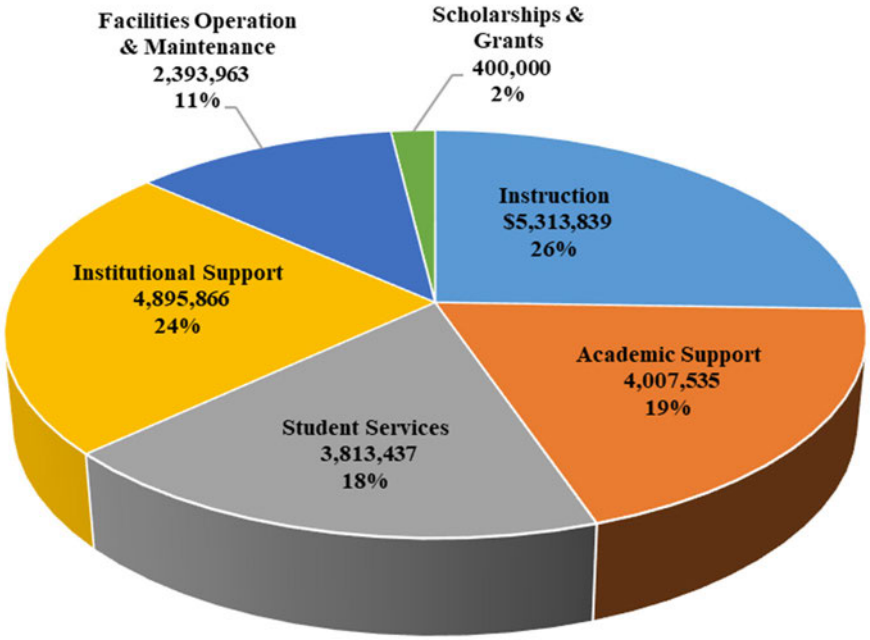
Resource Allocations:	Amount
Revenue - Law Enforcement Academy, Differential Tuition.	$ (406,502)
Transfer Out - For Capital Improvements/Equipment	540,000
Expenses:	
Salary - New faculty and staff position requests	703,456
Benefits - New faculty and staff position requests	303,994
Contract Services - New Law Enforcement Academy, CPI increases for HVAC and janitorial, and increased background checks and degree verifications	178,646
Supplies – Law Enforcement Academy, CPI increases, instructional supplies for additional sections, and marketing materials	521,778
Fixed Charges - Increased maintenance agreements and dues and subscriptions	167,867
Utilities - CPI increases	83,780
Travel - Additional requests, new positions, and state per diem allocation increases	143,521
Scholarship - Increase for Promise Program and SISS summer bridge scholarships	155,000
Subtotal Expenses	$ 2,798,042
Net Resource Allocations	$ 2,391,540
Note: $524,000 One-time	

General Fund - FY24 Revenues ($24,057,616)



Note: Excludes Carryforward and Transfers

General Fund - FY24 Expenditures by Program ($20,824,640)



Note: Excludes Contingency

Annual Financial Plan

General Fund

Two-Year Comparative Analysis - For Years Ended June 30th

Fiscal Years End June 30	FY23 BUDGET	FY24 BUDGET	FY24 CHANGES		FY24 Changes Description
Revenues					
Tuition and Fees	$ 6,478,687	$ 6,918,734	$ 440,047	6.8%	2% enrollment increase and High Country Training Academy
State Appropriations	2,785,300	2,936,500	151,200	5.4%	State formula and one-time rural aid
Property Taxes	10,915,050	13,312,363	2,397,313	22.0%	2% increase allowed, new construction, and 2/3 phase-in
Grants & Contracts	189,000	189,000	-	0.0%	
Investment Income	255,000	450,000	195,000	76.5%	Interest rate increase
Other Income	262,575	251,019	(11,556)	-4.4%	Reduction in parking ticket revenue and miscellaneous income
Total Revenues	**$ 20,885,612**	**$ 24,057,616**	**$ 3,172,004**	15.2%	
Other financing sources (uses)					
Carry forward	$ 3,196,270	$ 5,000,000	$ 1,803,730	56.4%	Increase for uncertainties
Transfer In	55,067	61,500	6,433	11.7%	Planned maintenance
Transfer Out	(692,607)	(1,238,742)	(546,135)	78.9%	Planned maintenance, remodeling projects, ITS equipment
Total other financing sources (uses)	**$ 2,558,730**	**$ 3,822,758**	**$ 1,264,028**	49.4%	
Total Revenues and Other Sources	**$ 23,444,342**	**$ 27,880,374**	**$ 4,436,032**	**18.9%**	

Fiscal Years End June 30	FY23 BUDGET	FY24 BUDGET	FY24 CHANGES		FY24 Changes Description
Expenditures by Program					
Instruction	$ 5,013,750	$ 5,313,839	$ 300,089	6.0%	Added Faculty, HCTA, and expanding instructional programs
Academic Support	3,730,904	4,007,535	276,631	7.4%	New Assessment Coord., inc. tutoring, and salary and benefit adj
Student Services	3,315,033	3,813,437	498,404	15.0%	Added Financial Aid position, BetterMynd, salary and benefit adj
Institutional Support	4,022,997	4,895,866	872,869	21.7%	New Outreach position, non-cap equip, ATD, travel, ITS
Facilities Operation & Maintenance	1,852,617	2,393,963	541,346	29.2%	New Security positions, increased facility contracts, and utility costs
Scholarships & Grants	245,000	400,000	155,000	63.3%	SISS Summer Bridge and first year of Promise Program
Contingency	5,264,041	7,055,734	1,791,693	34.0%	Increase for uncertainties
Total Expenditures	**$ 23,444,342**	**$ 27,880,374**	**$ 4,436,032**	**18.9%**	

Fiscal Years End June 30	FY23 BUDGET	FY24 BUDGET	FY24 CHANGES		FY24 Changes Description
Expenditures by Object					
Personnel Services	$ 14,237,395	$ 15,631,100	$ 1,393,705	9.8%	Added positions and salary & benefit adjustments
Contractual Services	792,319	984,665	192,346	24.3%	New High Country Training Academy and facilities contracts
Supplies	699,613	1,225,661	526,048	75.2%	Increase supplies for instructional programs and non-capital equip
Fixed Charges	1,216,297	1,390,782	174,485	14.3%	Achieving the Dream, BetterMynd, Facilities
Utilities	563,072	633,102	70,030	12.4%	Utilities increase
Travel	227,605	360,330	132,725	58.3%	High Country Training Academy, ITS, increased travel and inflation
Scholarships	245,000	400,000	155,000	63.3%	SISS Summer Bridge and first year Promise Program
Miscellaneous/Other	199,000	199,000	-	0.0%	
Contingency	5,264,041	7,055,734	1,791,693	34.0%	Increase for uncertainties
Total Expenditures	**$ 23,444,342**	**$ 27,880,374**	**$ 4,436,032**	**18.9%**	

Annual Financial Plan

Restricted Funds

Restricted Funds are funds restricted by outside donors or agencies such as grants, contracts, and financial aid. For FY24 the net increase to the Restricted Fund was $656,904. A summary of the significant changes are as follows:

- Decrease of HEERF Funds - $550,712
- New Coconino County: State and Local Fiscal Recovery Funds - SBDC - $240,7636
- New Coconino County: State and Local Fiscal Recovery Funds - Workforce - $100,000
- Increase AZ Workforce Development Prop 301 - Sales tax, estimated increase of $126,646
- New Nurse Education Program - AZ Department of Health Services - $507,751
- Increase Smart and Safe Arizona Prop 207 - estimated increase of $321,250

Restricted Grants/Contracts by Agency	Federal	State	Private/	Total
Department of Education				
Adult Education - Basic Grants to States	$ 606,829	$ -	$ -	$ 606,829
Federal Work Study Program - Student Aid	93,984			93,984
NASNTI - Strengthening Minority Serving Institutions	413,625			413,625
Open Textbook Pilot Program (OER)	33,243			33,243
Pell Grant Program - Student Aid	3,500,000			3,500,000
Perkins - Career and Technical Education Basic Grants to States	214,752			214,752
Supplemental Educational Opportunity Grants (SEOG) - Student Aid	153,487			153,487
TRiO - Student Support Services	261,888			261,888
Department of Health and Human Services				
Bridges to Baccalaureate - Biomedical Research Training	62,793			62,793
Department of the Treasury				
Coconino County: State and Local Fiscal Recovery Funds - SBDC	240,736			240,736
Coconino County: State and Local Fiscal Recovery Funds - Workforce	100,000			100,000
Women's Foundation: State and Local Fiscal Recovery Funds - Pathways for Single Moms	11,395			11,395
Department of Veterans Affairs				
Veterans' Center - Professional Development	2,140			2,140
National Science Foundation				
Noyce Scholars Program	9,050			9,050
Small Business Administration				
Small Business Development Center	150,804			150,804
State of Arizona				
AZ LEAP - Arizona Board of Regents, Student Aid		8,076		8,076
AZ Workforce Development - Prop 301		685,262		685,262
Nurse Education Program - AZ Department of Health Services		507,751		507,751
Smart and Safe Arizona - Prop 207		1,575,610		1,575,610
Private/Local				
Community Workforce Training Page - SRP			2,800	2,800
Coconino County -SBDC BBE Program			15,000	15,000
Foundation for Student Success			2,500	2,500
Veterans' Foundation - SEE4Vets			2,500	2,500
Totals	**$5,854,726**	**$2,776,698**	**$ 22,800**	**$8,654,225**

Annual Financial Plan

Restricted Funds (continued)

Two-Year Comparative Analysis - For Years Ended June 30th

Fiscal Years End June 30	FY23 BUDGET	FY24 BUDGET	FY24 CHANGES		FY24 Changes Description
Revenues					
State Appropriations	$ 316,200	$ 309,500	$ (6,700)	-2.1%	STEM per state formula
Federal Grants and Contracts	6,148,352	5,854,727	(293,625)	-4.8%	Reduction of HEERF offset by Recovery Funds
State Grants and Contracts	1,821,052	2,776,698	955,646	52.5%	ADHS Nursing, Prop 301, Prop 207
Private Grants and Contracts	21,217	22,800	1,583	7.5%	SBDC Program Income
Total Revenues	**$ 8,306,821**	**$ 8,963,725**	**$ 656,904**	**7.9%**	
Other financing sources (uses)					
Carryforward	$ -	$ 268,392	$ 268,392	100.0%	Prop 207
Transfer In	72,107	72,107	-	0.0%	
Total other financing sources (uses)	**$ 72,107**	**$ 340,499**	**$ 268,392**	**372.2%**	
Total Revenues and Transfers	**$ 8,378,928**	**$ 9,304,224**	**$ 925,296**	**11.0%**	
Fiscal Years End June 30	**FY23 BUDGET**	**FY24 BUDGET**	**FY24 CHANGES**		**FY24 Changes Description**
Expenditures by Program					
Instruction	$ 2,624,416	$ 3,905,844	$ 1,281,428	48.8%	ADHS Nursing, Props 301 & 207, Cnty ARPA
Public Service	246,122	441,540	195,418	79.4%	County ARPA SBDC increase
Academic Support	367,089	479,608	112,519	30.7%	Prop 301 increase and small decrease in Perkins
Student Services	1,012,400	790,736	(221,664)	-21.9%	Reduction in HEERF and reallocation to GF
Institutional Support	190,850	-	(190,850)	-100.0%	Reduction in HEERF and reallocation to GF
Facilities Operation & Maintenance	199,909	-	(199,909)	-100.0%	Reduction in HEERF and reallocation to GF
Scholarships & Grants	3,738,142	3,686,496	(51,646)	-1.4%	Decrease ARPA & CRRSAA HEERF Grant
Total Expenditures	**$ 8,378,928**	**$ 9,304,224**	**$ 925,296**	**11.0%**	
Fiscal Years End June 30	**FY23 BUDGET**	**FY24 BUDGET**	**FY24 CHANGES**		**FY24 Changes Description**
Expenditures by Object					
Personnel Services	$ 4,018,857	$ 5,059,400	$ 1,040,543	25.9%	ADHS Nursing, Props 301 & 207, Cnty ARPA
Contractual Services	49,423	46,846	(2,577)	-5.2%	
Supplies	278,337	127,415	(150,922)	-54.2%	Reduction in HEERF and small incr in new grnts
Fixed Charges	28,325	72,070	43,745	154.4%	Increase in Perkins and small incr in new grnts
Utilities	59,245	51,144	(8,101)	-13.7%	Reallocation in NASNTI
Travel	69,134	56,649	(12,485)	-18.1%	Reallocation in Perkins, incr/decr in other grnts
Scholarships	3,730,429	3,678,783	(51,646)	-1.4%	Reduction in ARPA HEERF Grant
Capital Equipment	59,764	71,280	11,516	19.3%	Reduction in HEERF new Cnty ARPA Wrkfrce
Miscellaneous/Other	85,414	140,637	55,223	64.7%	ICR from ADHS Nursing and Cnty ARPA grants
Total Expenditures	**$ 8,378,928**	**$ 9,304,224**	**$ 925,296**	**11.0%**	

Auxiliary Funds

The Auxiliary Fund accounts for self-supporting activities that provide services for the students, faculty, and staff. Any balance remaining balances at the end of the year are carried forward to subsequent fiscal years.

Vending Services—$15,400

Vending Services are outsourced at all campuses. The vending revenue is split to support both student and employee programs. The student portion supports student clubs and the employee portion supports employee recognition, special events, and professional development activities.

Equipment Rental—$2,400

Math calculators are rented to students for $10. This fee pays for the replacement of the calculators and batteries. This program promotes the use of technology in the classroom and provides an alternative for students who cannot afford to buy a scientific calculator.

Cross Country—$23,319

Cross country began in FY22. The team is supported through the fundraising efforts of the Foundation. Expenses for the team include the coach, association dues, and travel expenses.

Two-Year Comparative Analysis - For Years Ended June 30th

Fiscal Years End June 30	FY23 BUDGET	FY24 BUDGET	FY24 CHANGES	
Revenues				
Sales & Services	$ 41,712	$ 47,119	$ 5,407	13.0%
Total Revenues	**$ 41,712**	**$ 47,119**	**$ 5,407**	**13.0%**
Other financing sources (uses)				
Transfer In	$ 20,100	$ 20,135	$ 35	0.2%
Total other financing sources (uses)	**$ 20,100**	**$ 20,135**	**$ 35**	0.2%
Total Revenues and Transfers	**$ 61,812**	**$ 67,254**	**$ 5,442**	**8.8%**
Expenditures by Program				
Auxiliary Enterprises	$ 61,812	$ 67,254	$ 5,442	8.8%
Total Expenditures	**$ 61,812**	**$ 67,254**	**$ 5,442**	**8.8%**
Expenditures by Object				
Personnel Services	$ 10,812	$ 16,219	$ 5,407	50.0%
Contractual Services	300	300	-	0.0%
Supplies	30,800	30,800	-	0.0%
Fixed Charges	8,100	8,135	35	0.4%
Travel	11,800	11,800	-	0.0%
Total Expenditures	**$ 61,812**	**$ 67,254**	**$ 5,442**	**8.8%**

Unexpended Plant Fund

The Unexpended Plant Fund accounts for capital assets in the current year. Capital assets have a useful life of more than one year and cost over $5,000. The College allocates funding annually for the long-term planned maintenance and replacement program. Amounts not used are reserved for future equipment needs.

Copier Replacement

The College sets aside $17,000 per year for the copier replacement plan. Copiers are scheduled for replacement in FY24 using $128,000 in carryforward.

ITS Lifecycle Replacement

The College sets aside $120,000 annually to fund the ITS lifecycle replacement plan. For FY24 the funds are planned to replace servers.

Facilities Planned Maintenance

The College has 20-year planned maintenance schedules that include major maintenance and replacement of long-term facility needs such as roofing and HVAC units. For FY24, the College allocated $589,500. Replacement of the Lone Tree roof will be completed in phases beginning in FY24 using $1,220,500 in carryforward.

One-Time Requests

One-time capital requests were approved as follows:

- $ 20,000 Next Generation Firewall
- $100,000 Master planning services for the Fourth Street Campus
- $300,000 Remodeling 601 and 602 for the High Country Training Academy, 510 for Geology, and 512 for Physics at the Lone Tree Campus

Auxilary Services Planned Replacement	Fourth St	Lone Tree	Page	Total
Copiers	$ -	$ 145,000	$ -	$ 145,000
ITS Planned Maintenance				
Server Replacement	$ -	$ 120,000	$ -	$ 120,000
Facilities Planned Maintenance				
Entry Doors - 2 sets replacement	$ -	$ 28,000	$ -	$ 28,000
LT Bathroom Remodel		25,000		25,000
Roofing Replacement		1,650,000		1,650,000
Security Cameras			5,500	5,500
Misc./Contingency	7,500	30,000	2,500	40,000
One-Time Budget Request				
Next Generation Firewall	$ -	$ 20,000	$ -	$ 20,000
Master Planning and Architectural Services	100,000			100,000
Remodel 510, 512, 601, 602, and equipment requests		300,000		300,000
Total	$ 107,500	$ 2,318,000	$ 8,000	$ 2,433,500

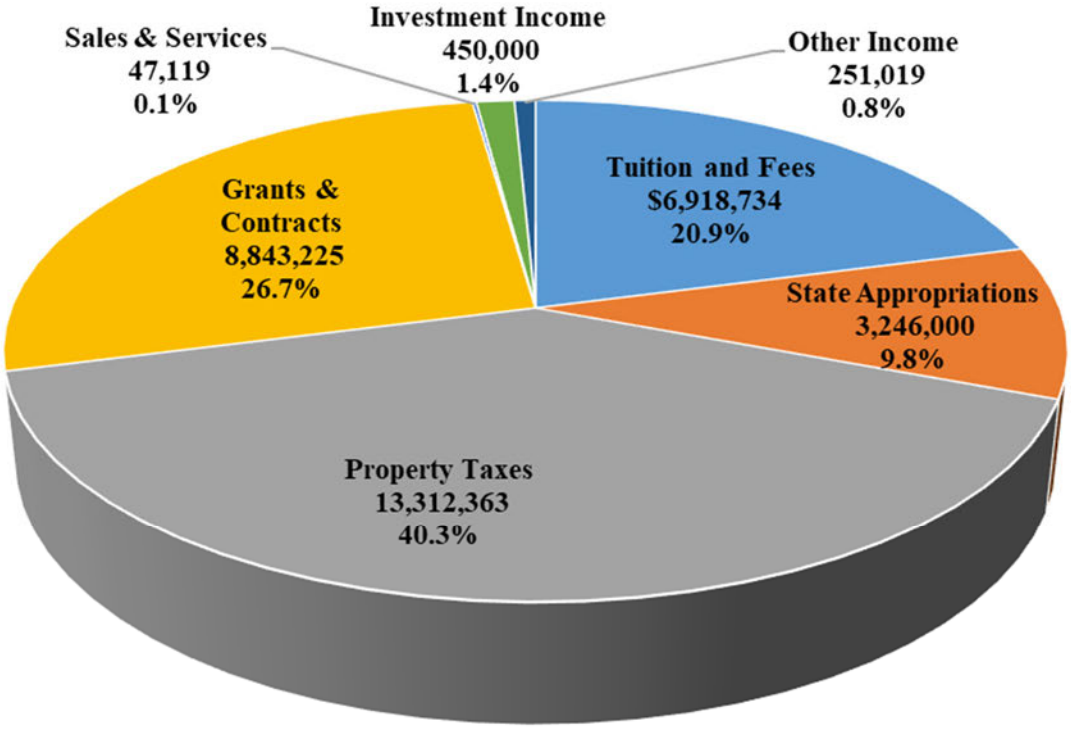
Annual Financial Plan

Unexpended Plant Fund

Two-Year Comparative Analysis - For Years Ended June 30th

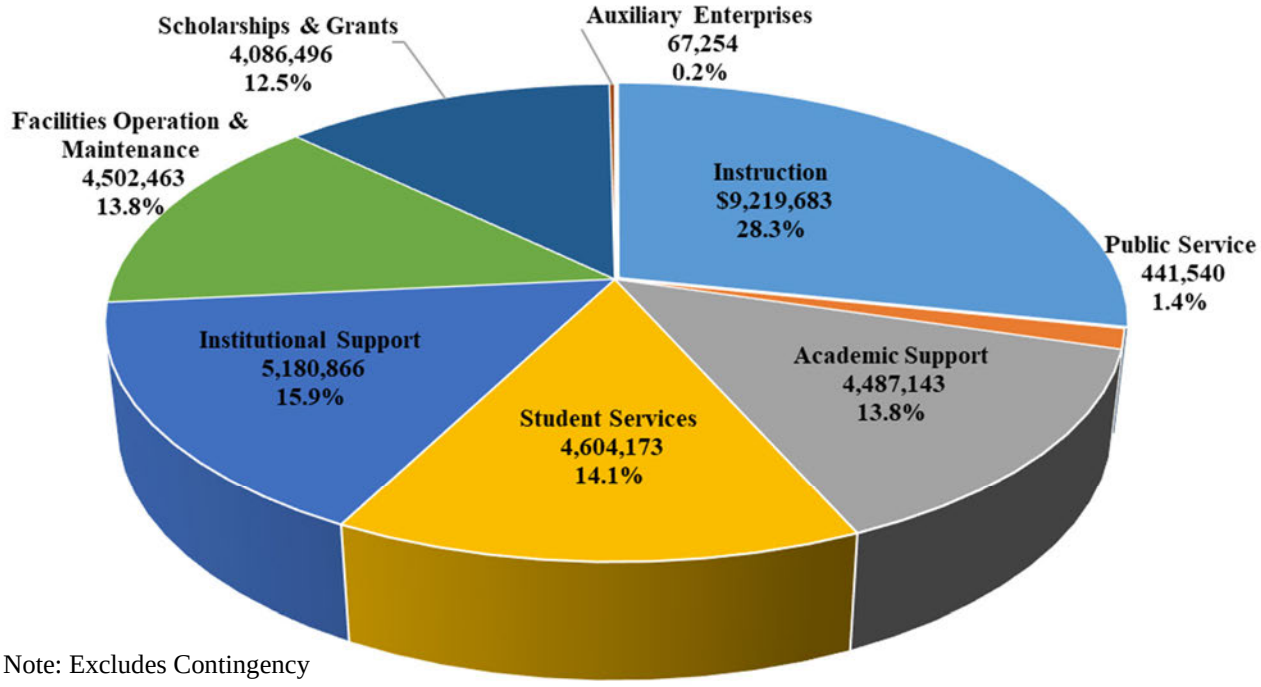
Fiscal Years End June 30	FY23 BUDGET	FY24 BUDGET	FY24 CHANGES		FY24 CHANGES DETAIL
Revenues					
Other financing sources (uses)					
Carryforward	$ 379,781	$ 1,348,500	$ 968,719	255.1%	Increase planned maintenance
Transfer In	600,400	1,146,500	546,100	91.0%	Increase for remodeling and ITS equipment
Transfer Out	(55,067)	(61,500)	(6,433)	11.7%	
Total other financing sources (uses)	**$ 925,114**	**$2,433,500**	**$ 1,508,386**	**163.0%**	
Total Revenues and Transfers	**$ 925,114**	**$2,433,500**	**$ 1,508,386**	**163.0%**	
Expenditures by Program					
Institutional Support	$ -	$ 285,000	$ 285,000	100.0%	ITS equipment replacement and copiers
Facilities Operation & Maintenance	884,614	2,108,500	1,223,886	138.4%	Facility planned maintenance and remodeling
Contingency	40,500	40,000	(500)	-1.2%	
Total Expenditures	**$ 925,114**	**$2,433,500**	**$ 1,508,386**	**194.5%**	
Expenditures by Object					
Capital Equipment	$ 884,614	$ 2,393,500	$ 1,508,886	556.2%	Facilities planned maint, remodeling, ITS, copiers
Contigency	40,500	40,000	(500)	-0.1%	
Total Expenditures	**$ 925,114**	**$2,433,500**	**$ 1,508,386**	**194.5%**	

All Funds - FY24 Revenue
$33,068,460



Note: Excludes Carryforward

All Funds - FY24 Expenditures by Program
$32,589,648



Note: Excludes Contingency

Annual Financial Plan

All Funds

FY24 Budget Summary - For Year Ended June 30th

	General Fund	Restricted Fund	Auxiliary Fund	Unexpended Plant Fund	Total All Funds
Revenues					
Tuition and Fees	$ 6,918,734	$ -	$ -	$ -	$ 6,918,734
State Appropriations	2,936,500	309,500	-	-	3,246,000
Property Taxes	13,312,363	-	-	-	13,312,363
Grants & Contracts	189,000	8,654,225	-	-	8,843,225
Sales & Services	-	-	47,119	-	47,119
Investment Income	450,000	-	-	-	450,000
Other Income	251,019	-	-	-	251,019
Total Revenues	**$ 24,057,616**	**$ 8,963,725**	**$ 47,119**	**$ -**	**$ 33,068,460**
Other financing sources (uses)					
Carryforward	$ 5,000,000	$ 268,392	$ -	$ 1,348,500	$ 6,616,892
Transfer In	61,500	72,107	20,135	1,146,500	1,300,242
Transfer Out	(1,238,742)	-	-	(61,500)	(1,300,242)
Total other financing sources (uses)	**$ 3,822,758**	**$ 340,499**	**$ 20,135**	**$ 2,433,500**	**$ 6,616,892**
Total Revenues and Transfers	**$ 27,880,374**	**$ 9,304,224**	**$ 67,254**	**$ 2,433,500**	**$ 39,685,352**

	General Fund	Restricted Fund	Auxiliary Fund	Unexpended Plant Fund	Total All Funds
Expenditures by Program					
Instruction	$ 5,313,839	$ 3,905,844	$ -	$ -	$ 9,219,683
Public Service	-	441,540	-	-	441,540
Academic Support	4,007,535	479,608	-	-	4,487,143
Student Services	3,813,437	790,736	-	-	4,604,173
Institutional Support	4,895,866	-	-	285,000	5,180,866
Facilities Operation & Maintenance	2,393,963	-	-	2,108,500	4,502,463
Scholarships & Grants	400,000	3,686,496	-	-	4,086,496
Auxiliary Enterprises	-	-	67,254	-	67,254
Contingency	7,055,734	-	-	40,000	7,095,734
Total Expenditures	**$ 27,880,374**	**$ 9,304,224**	**$ 67,254**	**$ 2,433,500**	**$ 39,685,352**

	General Fund	Restricted Fund	Auxiliary Fund	Unexpended Plant Fund	Total All Funds
Expenditures by Object					
Personnel Services	$ 15,631,100	$ 5,059,400	$ 16,219	$ -	$ 20,706,719
Contractual Services	984,665	46,846	300	-	1,031,811
Supplies	1,225,661	127,415	30,800	-	1,383,876
Fixed Charges	1,390,782	72,070	8,135	-	1,470,987
Utilities	633,102	51,144	-	-	684,246
Travel	360,330	56,649	11,800	-	428,779
Scholarships	400,000	3,678,783	-	-	4,078,783
Capital Equipment	-	71,280	-	2,393,500	2,464,780
Miscellaneous/Other	199,000	140,637	-	-	339,637
Contingency	7,055,734	-	-	40,000	7,095,734
Total Expenditures	**$ 27,880,374**	**$ 9,304,224**	**$ 67,254**	**$ 2,433,500**	**$ 39,685,352**
Excess of Revenues and Other Sources Over/(Under) Expenditures	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**

Annual Financial Plan

All Funds

Two-Year Comparative Analysis - For Years Ended June 30th

	FY23 Budget	FY24 Budget	FY24 Changes	FY24 % Change
Revenues				
Tuition and Fees	$ 6,478,687	$ 6,918,734	$ 440,047	6.8%
State Appropriations	3,101,500	3,246,000	144,500	4.7%
Property Taxes	10,915,050	13,312,363	2,397,313	22.0%
Grants and Contracts	8,179,621	8,843,225	663,604	8.1%
Sales and Services	41,712	47,119	5,407	13.0%
Investment Income	255,000	450,000	195,000	76.5%
Other Income	262,575	251,019	(11,556)	-4.4%
Total Revenues	**$ 29,234,145**	**$ 33,068,460**	**$ 3,834,315**	**13.1%**
Other Financing Sources (Uses)				
Carryforward	$ 3,576,051	$ 6,616,892	$ 3,040,841	85.0%
Transfer In	747,674	1,300,242	552,568	73.9%
Transfer Out	(747,674)	(1,300,242)	(552,568)	73.9%
Total Other Financing Sources (Uses)	**$ 3,576,051**	**$ 6,616,892**	**$ 3,040,841**	**85.0%**
Total Revenues and Transfers	**$ 32,810,196**	**$ 39,685,352**	**$ 6,875,156**	**21.0%**
Expenditures by Program				
Instruction	$ 7,638,166	$ 9,219,683	$ 1,581,517	20.7%
Public Service	246,122	441,540	195,418	79.4%
Academic Support	4,097,993	4,487,143	389,150	9.5%
Student Services	4,327,433	4,604,173	276,740	6.4%
Institutional Support	4,213,847	5,180,866	967,019	22.9%
Facilities Operation & Maintenance	2,937,140	4,502,463	1,565,323	53.3%
Scholarships & Grants	3,983,142	4,086,496	103,354	2.6%
Auxiliary Enterprises	61,812	67,254	5,442	8.8%
Contingency	5,304,541	7,095,734	1,791,193	33.8%
Total Expenditures	**$ 32,810,196**	**$ 39,685,352**	**$ 6,875,156**	**21.0%**
Expenditures by Object				
Personnel Services	$ 18,267,064	$ 20,706,719	$ 2,439,655	13.4%
Contractual Services	842,042	1,031,811	189,769	22.5%
Supplies	1,008,750	1,383,876	375,126	37.2%
Fixed Charges	1,252,722	1,470,987	218,265	17.4%
Utilities	622,317	684,246	61,929	10.0%
Travel	308,539	428,779	120,240	39.0%
Scholarships	3,975,429	4,078,783	103,354	2.6%
Capital Equipment	944,378	2,464,780	1,520,402	161.0%
Miscellaneous/Other	284,414	-	(284,414)	-100.0%
Contingency	5,304,541	7,095,734	1,791,193	33.8%
Total Expenditures	**$ 32,810,196**	**$ 39,685,352**	**$ 6,875,156**	**21.0%**
Excess of revenues and other sources over/(under) expenditures	**$ -**	**$ -**	**$ -**	**0.0%**

Annual Financial Plan

All Funds - Fund Balance Reserves

Fund Balance

The purpose of the College's fund balance procedure is to establish sustainability reserves equal to 33% of total budgeted revenues. It is important to maintain adequate levels of fund balance to mitigate the financial risk from unforeseen revenue fluctuations or unanticipated expenditures, as well as set aside funds for future equipment needs. The table below lists the reserves for each fund.

General Fund - The reserves include accumulated sustainability reserves and carryforward funds that allow a portion of the fund balance to be spent in the current year if needed.

Restricted - Reserves for received but unspent Prop 207 funds.

Auxiliary Fund - Reserves primarily for future replacement of student calculators.

Plant Fund - Reserves for equipment replacement and long-term planned maintenance.

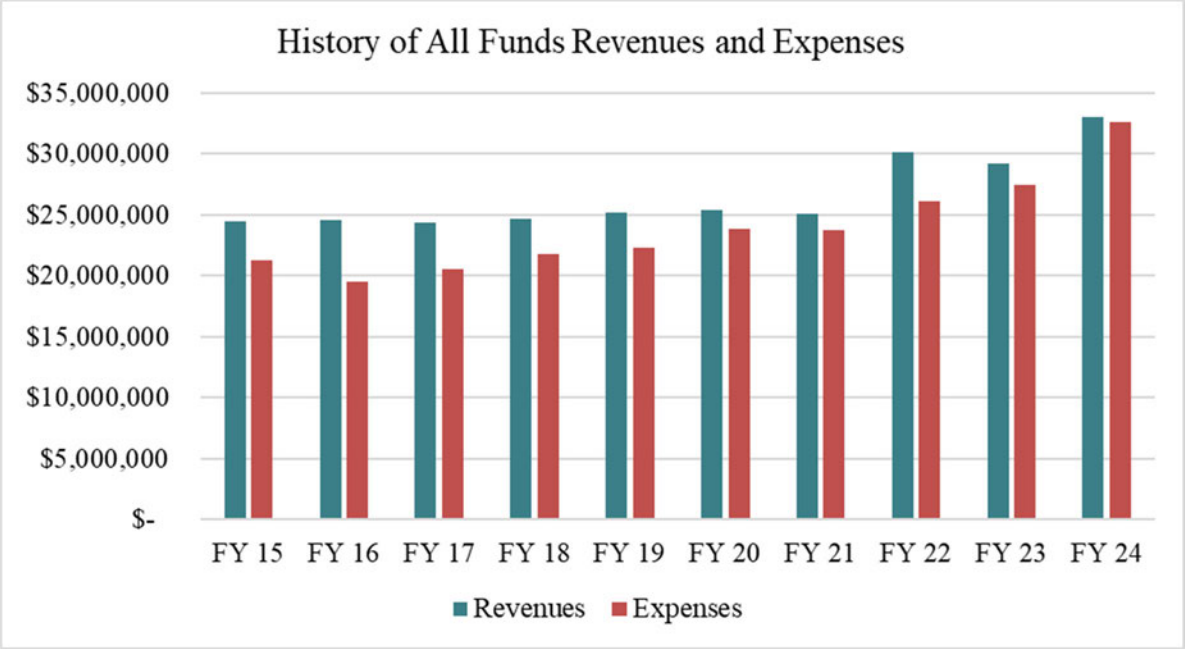
Debt Service - Restricted reserves resulting from delinquent property tax collections from the secondary levy.

All Funds sustainability reserves of $14,723,860 is above the targeted 33% reserves of $10,912,592 outlined in the table below. This means that current reserves are adequate to meet the operational and liquidity needs of the College.

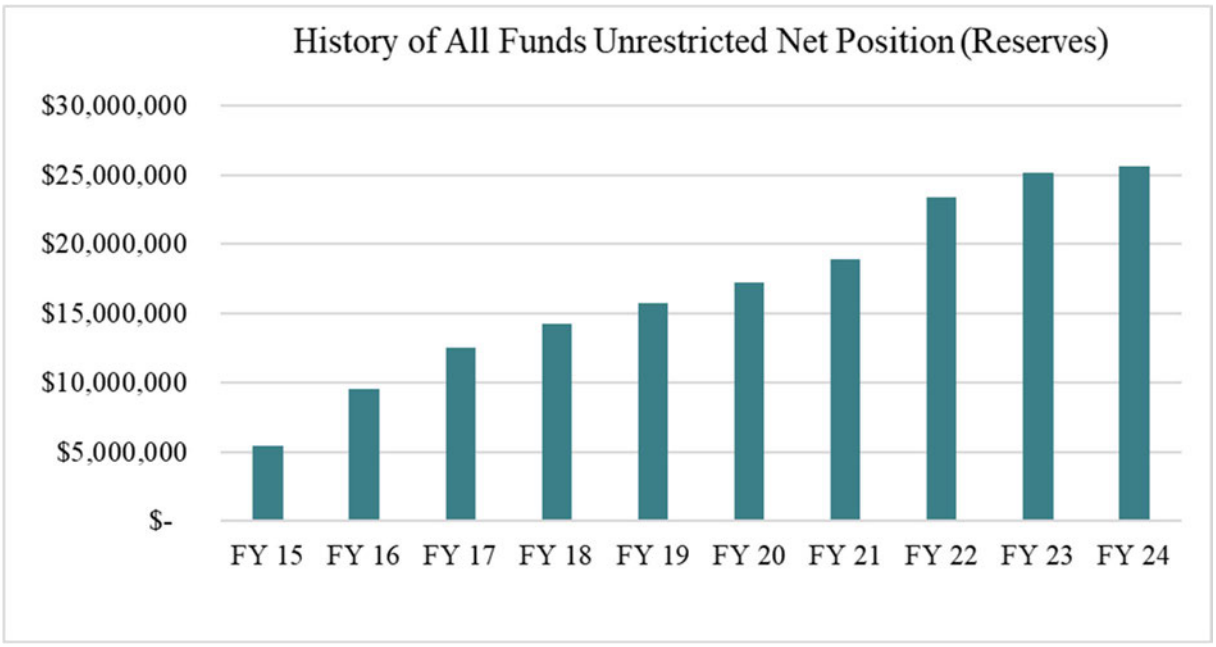
Proposed FY 24	Fund Balance General Fund	Restriced Fund	Auxiliary Fund	Plant Fund	Debt Service	All Fund Total
Debt Service - Reserves	$ -	$ -	$ -	$ -	$ 4,629	$ 4,629
Plant Fund - Preventative Maintenance Reserves				4,015,476		4,015,476
Plant Fund - ITS Planned Replacement Reserve				-		-
Plant Fund - Copier Replacement Reserve				-		-
Auxiliary Fund - Reserve			50,200			50,200
Balance Available for Sustainability Reserves	14,723,860	128,800				14,852,660
Amount for Carryforward	5,000,000					5,000,000
Ending Fund Balance	**$ 21,551,201**	**$ 128,800**	**$ 50,200**	**$ 4,015,476**	**$ 4,629**	**$ 25,750,306**
Target Sustainability Reserves						
All Funds Revenues - Based on Budget						$ 33,068,460
All Funds Sustainability Reserves (33%) - Based on Budget						$ 10,912,592

All Funds - History of Revenues, Expenses, and Net Position

The chart below shows a 10-year history of revenues and expenses. Fiscal Years 2023 and 2024 are budgeted amounts.



The chart below shows a 10-year history of rebuilding net position (reserves). The low amount of net position in FY15 was due to the Governmental Accounting Standards Board (GASB) Statement No. 68 *Accounting and Financial Reporting for Pensions*. Statement 68 required pension plans to recognize long-term pension obligations as a liability, resulting in a reduction in net position.



Long-Term Financial Sustainability

July 1, 2023 - June 30, 2024

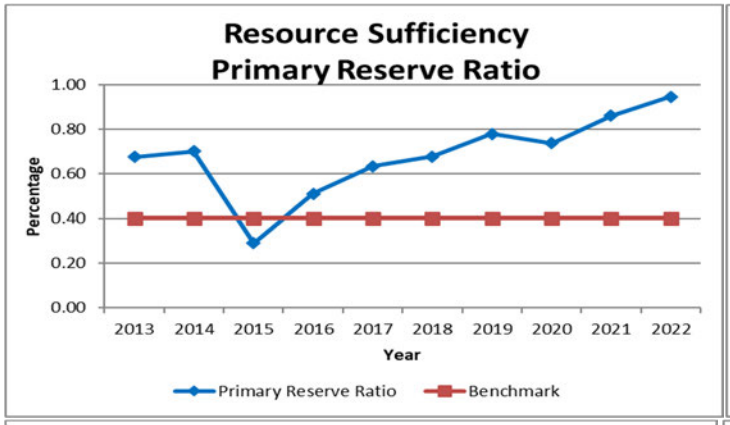
Long-Term Financial Sustainability

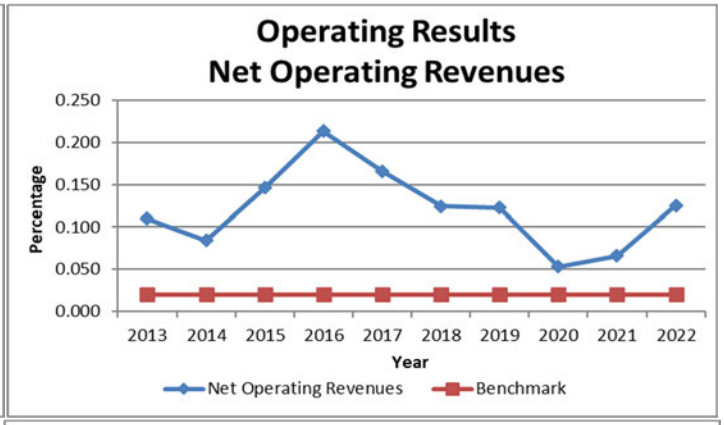
Financial Ratios

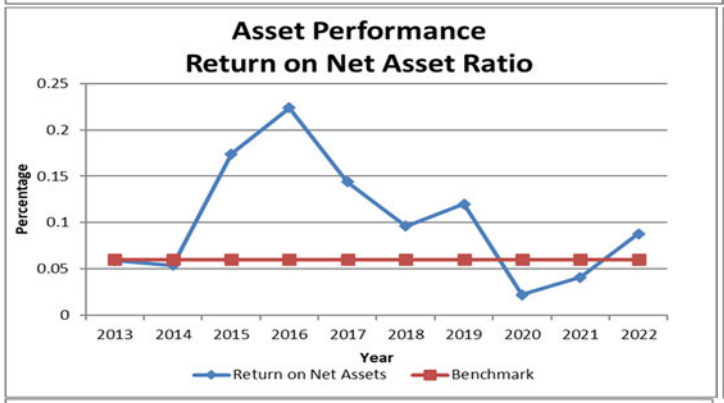
The College is required to submit financial ratios to the Higher Learning Commission (HLC) annually to measure the College's financial health. The financial ratios are defined as follows:

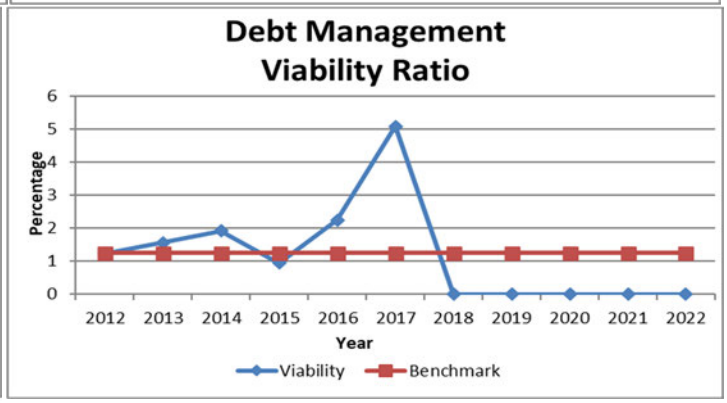
- **Primary Reserve Ratio**: A measure of how long the institution could operate using expendable reserves
- **Net Operating Revenue Ratio**: A measure if operating activities provide a surplus or deficit
- **Viability**: The availability of expendable net assets to pay off debt at any point in time
- **Return on Net Assets**: Determines the total return on investment of net assets for the year
- **Composite**: Weighted average score to determine overall financial health

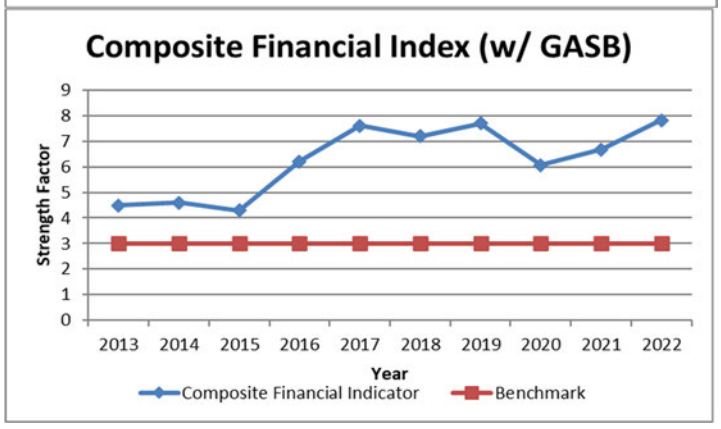
Although temporarily dampened by the pandemic, the College's financial ratios have been improving. The viability ratio is zero due to paying off the College's debt in FY19. The composite score, which must be above 1.1 to avoid a potential HLC review, increased last year to 7.8, meaning that the College is in a healthy financial position.











Composite Strength Factors:
1. Institution is under financial stress
3. Institution is relatively financially healthy
10. Institution is financially strong to support new initiatives

Note: Charts are inclusive of GASB 68 Pension and GASB 75 OPEB adjustments

Long-Term Financial Sustainability

Ten-Year Projections

The College recently celebrated its 30th Anniversary and the community voted on May 17, 2022, to reset the primary property tax rate providing much-needed additional funding. The property tax reset will phase in $6 million over three years. The funding will be targeted toward the development of new programs and services outlined in the ballot measure, for additional details please see page 13.

The College has developed long-term, high-level assumptions through FY32 as follows:

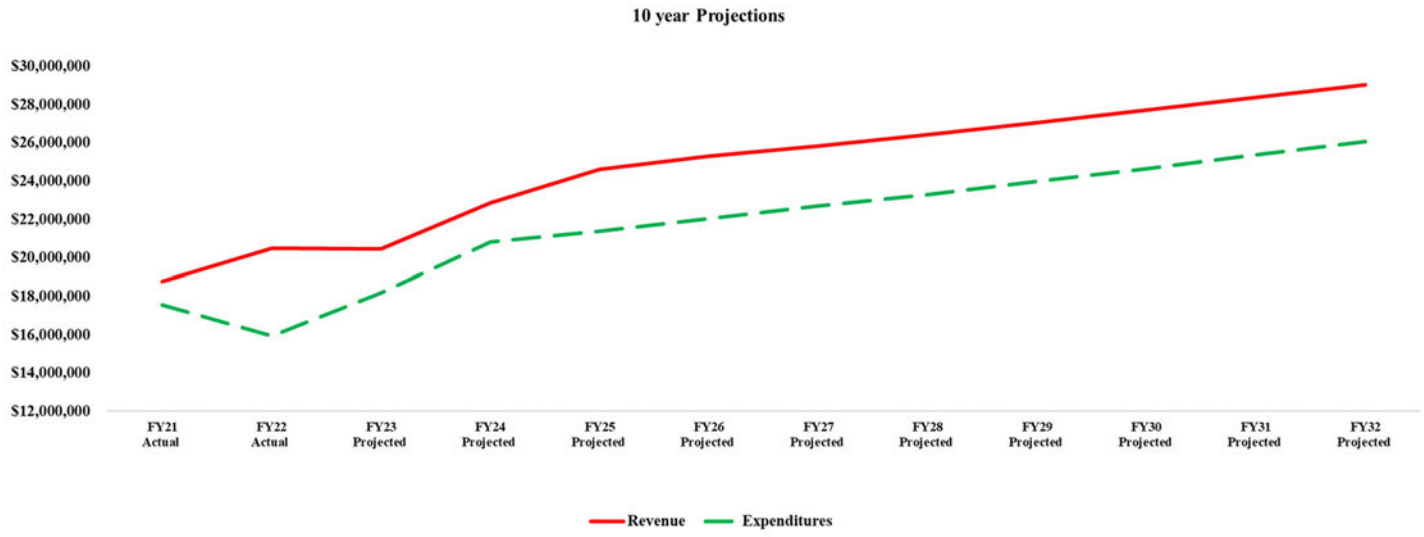
Revenues - Average growth of 3.0%:

- **Enrollment -** flat enrollment projections
- **Tuition rates -** annual tuition increases based on CPI
- **State aid -** flat projections based on the state funding formula
- **Property tax -** After the tax reset, a 2% annual max levy increase plus 1.0% new construction growth based on trend analysis

Expenditures - Average growth of 3.0%:

- **Personnel cost - add faculty and staff during phase-in of new programs and services and then** average increases of 3.0% per year
- **All other expense categories -** average increases of 2.8% per year

The chart below shows the General Fund revenues and expenses for ten years.



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State Documents

July 1, 2023 - June 30, 2024

State Documents

State Requirements

The College must follow several state laws in the development of the budget, as follows:

Budget

The College is required to prepare an annual budget on forms designated by the Auditor General's Office, hold a Special Budget Hearing, and adopt the budget by no later than June 20th. [ARS § 15-1461]

Expenditure Limitations

Each year, an expenditure limitation is set for political subdivisions of the State of Arizona per ARS § 41-563. The limitation is set by the Economic Estimates Commission by applying growth in enrollment and inflation over the base budget year. The purpose of the expenditure limitation is to limit budget growth that is supported by property taxes and/or state aid.

Property Tax Levy limitations

In 1980, the citizens amended the Arizona State Constitution and capped primary property tax increases from existing property to 2% per year. The purpose was to limit tax increases to small amounts.

Truth-in-Taxation

In a 1996 legislative session, a Truth-in-Taxation statute was passed requiring political subdivisions to publish notice of and to hold public hearings on proposed tax increases on existing property.

Debt

Any debt increase by a local government that is paid exclusively through the secondary property tax must be approved by voters.

Coconino County Community College District
Coconino Community College
Budget for fiscal year 2024

Summary of budget data

	Budget 2024	Budget 2023	Increase/Decrease From budget 2023 To budget 2024 Amount	%
I. Current General and Plant Funds				
A. Expenditures:				
Current General Fund	$ 27,880,374	$ 23,444,342	$ 4,436,032	18.9%
Unexpended Plant Fund	2,433,500	925,114	1,508,386	163.0%
Retirement of indebtedness Plant Fund	0	0	0	
Total	$ 30,313,874	$ 24,369,456	$ 5,944,418	24.4%
B. Expenditures per Full-time student equivalent (FTSE):				
Current General Fund	$ 16,816 /FTSE	$ 14,269 /FTSE	$ 2,546 /FTSE	17.8%
Unexpended Plant Fund	$ 1,468 /FTSE	$ 563 /FTSE	$ 905 /FTSE	160.7%
Projected FTSE count	1,658	1,643		
II. Total all funds estimated personnel compensation				
Employee salaries and hourly costs	$ 15,137,549	$ 13,305,867	$ 1,831,682	13.8%
Retirement costs	1,746,030	1,491,431	254,599	17.1%
Healthcare costs	1,496,404	1,366,304	130,100	9.5%
Other benefit costs	2,326,736	2,103,462	223,274	10.6%
Total	$ 20,706,719	$ 18,267,064	$ 2,439,655	13.4%
III. Summary of primary and secondary property tax levies and rates				
A. Amount levied:				
Primary tax levy	$ 13,226,363	$ 10,829,050	$ 2,397,313	22.1%
Property tax judgment	0		0	
Secondary tax levy	0		0	
Total levy	$ 13,226,363	$ 10,829,050	$ 2,397,313	22.1%
B. Rates per $100 net assessed valuation:				
Primary tax rate	0.6090	0.5209	0.0881	16.9%
Property tax judgment	0.0000		0.0000	
Secondary tax rate	0.0000		0.0000	
Total rate	0.6090	0.5209	0.0881	16.9%

IV. Maximum allowable primary property tax levy for fiscal year 2024 pursuant to A.R.S. §42-17051 $ 13,226,363

V. Amount received from primary property taxes in fiscal year 2023 in excess of the maximum allowable amount as calculated pursuant to A.R.S. §42-17051 $ 0

State Documents

Coconino County Community College District
Coconino Community College
Budget for fiscal year 2024
Resources

	Current funds			Plant Fund					
	General Fund 2024	Restricted Fund 2024	Auxiliary Fund 2024	Unexpended Plant Fund 2024	Retirement of indebtedness 2024	Other funds 2024	Total all funds 2024	Total all funds 2023	% Increase/ Decrease
Beginning balances/(deficits)—July 1*									
Restricted	$	397,192			4,629		401,821	$ 4,629	8580.5%
Unrestricted	19,723,860		50,200	5,363,976			25,138,036	30,210,509	-16.8%
Total beginning balances	$ 19,723,860	$ 397,192	$ 50,200	$ 5,363,976	$ 4,629	$ 0	$ 25,539,857	$ 30,215,138	-15.5%
Revenues and other inflows									
Student tuition and fees									
General tuition	$ 3,891,114	$	$	$	$	$	$ 3,891,114	$ 3,604,467	8.0%
Out-of-district tuition	1,503,210						1,503,210	1,548,616	-2.9%
Out-of-State tuition	959,910						959,910	1,081,104	-11.2%
Student fees	521,800						521,800	207,800	151.1%
Tuition and fee remissions or waivers	42,700						42,700	36,700	16.3%
State appropriations									
Maintenance support	1,415,900						1,415,900	1,377,800	2.8%
Equalization aid							0	0	0.0%
STEM Workforce		309,500					309,500	316,200	-2.1%
Rural Community College Aid	1,520,600						1,520,600	1,407,500	8.0%
							0	0	0.0%
							0	0	0.0%
Property taxes									
Primary tax levy	13,312,363						13,312,363	10,915,050	22.0%
Secondary tax levy							0	0	0.0%
Gifts, grants, and contracts	189,000	6,393,353					6,582,353	6,366,645	3.4%
Sales and services			47,119				47,119	41,712	13.0%
Investment income	450,000						450,000	255,000	76.5%
State shared sales tax (Prop 301)		685,262					685,262	682,779	0.4%
Smart and Safe Arizona Act (Prop 207)		1,575,610					1,575,610	1,130,197	39.4%
Other revenues	251,019						251,019	262,575	-4.4%
Proceeds from sale of bonds							0	0	0.0%
Total Revenues and Other Inflows	$ 24,057,616	$ 8,963,725	$ 47,119	$ 0	$ 0	$ 0	$ 33,068,460	$ 29,234,145	13.1%
Transfers									
Transfers in	61,500	72,107	20,135	1,146,500			1,300,242	747,674	73.9%
(Transfers out)	(1,238,742)			(61,500)			(1,300,242)	(747,674)	73.9%
Total transfers	$ (1,177,242)	$ 72,107	$ 20,135	$ 1,085,000	$ 0	$ 0	$ 0	$ 0	0.0%
Reduction for amounts reserved for future budget year expenses:									
Maintained for future financial stability	(14,723,860)	(128,800)					(14,852,660)	(20,613,009)	-27.9%
Maintained for future capital acquisitions/projects			(50,200)	(4,015,476)			(4,065,676)	(6,021,449)	-32.5%
Maintained for future debt retirement					(4,629)		(4,629)	(4,629)	0.0%
Maintained for grants or scholarships							0		0.0%
							0		0.0%
							0		0.0%
Total resources available for the budget year	$ 27,880,374	$ 9,304,224	$ 67,254	$ 2,433,500	$ 0	$ 0	$ 39,685,352	$ 32,810,196	21.0%

*These amounts exclude nonspendable amounts (e.g., prepaids, inventories, and capital assets) or amounts legally or contractually required to be maintained intact.

Revised 3/22-Arizona Auditor General

Schedule B

State Documents

Coconino County Community College District
Coconino Community College
Budget for fiscal year 2024
Expenditures and other outflows

	Current funds			Plant Fund					
	General Fund 2024	Restricted Fund 2024	Auxiliary Fund 2024	Unexpended Plant Fund 2024	Retirement of indebtedness 2024	Other funds 2024	Total all funds 2024	Total all funds 2023	% Increase/ Decrease
Total resources available for the budget year (from Schedule B)	$ 27,880,374	$ 9,304,224	$ 67,254	$ 2,433,500	$ -	$ -	$ 39,685,352	$ 32,810,196	21.0%
Expenditures and other outflows									
Instruction	$ 5,313,839	$ 3,905,844	$	$	$	$	$ 9,219,683	$ 7,638,166	20.7%
Public service		441,540					441,540	246,122	79.4%
Academic support	4,007,535	479,608					4,487,143	4,097,993	9.5%
Student services	3,813,437	790,736					4,604,173	4,327,433	6.4%
Institutional support (Administration)	4,895,866			285,000			5,180,866	4,213,847	22.9%
Operation and maintenance of plant	2,393,963			2,108,500			4,502,463	2,937,140	53.3%
Scholarships	400,000	3,686,496					4,086,496	3,983,142	2.6%
Auxiliary enterprises			67,254				67,254	61,812	8.8%
Capital assets							0	0	0.0%
Debt service—general obligation bonds							0	0	0.0%
Debt service—other long term debt							0	0	0.0%
Other expenditures							0	0	0.0%
Property tax judgments							0	0	0.0%
Contingency	7,055,734			40,000			7,095,734	5,304,541	33.8%
Total expenditures and other outflows	$ 27,880,374	$ 9,304,224	$ 67,254	$ 2,433,500	$ 0	$ 0	$ 39,685,352	$ 32,810,196	21.0%

State Documents

2023 LEVY LIMIT WORKSHEET	Levy Limit Caculation **WITH IMMEDIATE** Reset
	FY24
Date:	
COCONINO COUNTY - COCONINO COMMUNITY COLLEGE	
	TY 2023
MAXIMUM LEVY	**2022**
A.1. Maximum Allowable Primary Tax Levy	$14,715,587
A.2. A.1 multiplied by 1.02	$15,009,899
CURRENT YEAR NET ASSESSED VALUE SUBJECT TO TAXATION IN PRIOR YEAR	**2023**
B.1. Centrally Assessed	$159,597,056
B.2. Locally Assessed Real Property	$1,937,161,242
B.3. Locally Assessed Personal Property	$59,926,999
B.4. Total Assessed Value (B.1 through B.3)	$2,156,685,297
B.5. B.4. divided by 100	$21,566,853
CURRENT YEAR NET ASSESSED VALUES	**2023**
C.1. Centrally Assessed	$168,474,873
C.2. Locally Assessed Real Property	$1,945,167,184
C.3. Locally Assessed Personal Property	$58,288,961
C.4. Total Assessed Value (C.1 through C.3)	**$2,171,931,018**
C.5. C.4. divided by 100	$21,719,310
LEVY LIMIT CALCULATION	**2023**
D.1. LINE A.2	$15,009,899
D.2. LINE B.5	$21,566,853
D.3. D.1/D.2 (MAXIMUM ALLOWABLE TAX RATE)	**0.6960**
D.4. LINE C.5	$21,719,310
D.5. D.3 multiplied by D.4 = MAXIMUM ALLOWABLE LEVY LIMIT*	**$15,116,640**
D.6. Excess Collections/Excess Levy	$0
D.7. Amount in Excess of Expenditure Limit	$0
D.8. ALLOWABLE LEVY LIMIT (D.5 - D.6 - D.7)	**$15,116,640**
RESET LEVY AMOUNT (Ballot amount for 2022)	
Phase in of Voter Approved Reset Levy Limt	**2023**
Maximum Levy Limit **without** Reset	**$9,226,363**
Maximum Levy Limit **with IMMEDIATE** Reset	**$15,116,640**
Three Year Phase In or Voter Approved Adjustment	**0.6667**
MAXIMUM APPLICABLE LEVY LIMIT (E.1. + E.2.)	**$13,153,175**
MAXIMUM ALLOWABLE TAX RATE	**$0.6056**

Note: 2023 Levy Limit worksheet for Fiscal Year 2024