



**ADOPTED BUDGET 2020 FISCAL YEAR**  
July 1st, 2019 through June 30th, 2020

Coconino County, Arizona | [www.coconino.edu](http://www.coconino.edu)





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The seal of Coconino Community College is a circular emblem. It features a central sunburst design with rays emanating from a central point. Below the sunburst is an open book. The words "COCONINO COMMUNITY COLLEGE" are written in a circular path around the central elements. At the bottom of the seal, it says "EST. 1991".

# COCONINO COMMUNITY COLLEGE PROFILE

**July 1, 2019 - June 30, 2020**







# Coconino Community College Profile

## Background information

The College has served residents across 18,000 square miles of Coconino County since 1991 and has helped create the region's skilled workforce, which is improving overall health, safety and the economy in the region.

## 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 boundaries are coterminous to the boundaries of Coconino County.

When the District began in 1991, it initially expected to serve 600 students per year. Nearly 1,000 students registered the first semester. Since then, enrollment has increased dramatically. Today the College enrolls 5,797 annually (unduplicated headcount).

## Geography and Population

Coconino County is located in the northern portion of the state and encompasses an area of approximately twelve million acres. Its boundaries include the cities of Page, Fredonia, Grand Canyon, Williams, Sedona, and Flagstaff, as well as other smaller cities and towns and all the unincorporated areas of the County. The County's 2010 population was 134,421 as reported by the U.S. Census Bureau.

With 18,661 square miles, Coconino County 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, 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.

Tribal Lands comprise 39.1 percent of the County and are home to the Navajo, Hopi, Paiute, Havasupai, and Hualapai tribes. The U.S. Forest Service and Bureau of Land Management control 32.3 percent of the land, the state of Arizona owns 9.4 percent, the National Park Service controls 6.9 percent, and the remaining 12.3 percent is owned by individuals or corporations.

## Local Economy

A large share of the County's labor force is weighted towards government, trade, and service employment. Relative to the rest of the state, the workforce employed by government is high at nearly 30%. The reason for the large number of government workers in Coconino County includes the presence of several major national parks, tribal lands and the high percentage of the total area in County public lands. The County unemployment rate as of June 2019 (6.0%) is above both the state unemployment (4.9%) and above national levels (3.7%).

## Educational Programs

The College provides affordable tuition 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, and business. Additionally, CCC has programs that ease student transition to any of the three state universities. CCC offers dual enrollment and concurrent enrollment programs to jump-start high schools students' higher education goals.

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. Instructional sites offer classes through online, in-person and distance learning classes to meet the needs of students in these rural and remote areas.



# Coconino Community College Profile

## Student Population

The College serves a diverse population of students each year. Most are Coconino County residents: 19 percent are Native American, 20 percent are Hispanic, 53 percent are female, 67 percent are seeking a degree or certificate, 22 percent are high school students earning college credit through dual enrollment high school programs, and 2 percent are people who already have bachelors or advanced academic degrees.

## Community Engagement

CCC is committed to offering additional services to meet the County residents' needs. These efforts are achieved through careful monitoring of costs, innovative partnerships, cost-saving opportunities, and seeking new revenue sources.

## Facilities

The College serves the educational needs of Coconino County through three facilities: the Flagstaff Lone Tree Campus and District Offices, the Flagstaff Fourth Street Innovation Campus and Technology Center/FMC Institute for Nursing Education, and the Page Center. In addition, the College partners with others to provide services in Tuba City and Fredonia. District-wide administrative and support services are centralized and administered by the President and the respective Vice Presidents and Deans.

## 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, Member, District 1

Ms. Patricia A. Garcia, Chair, District 2

Dr. Marie Peoples, Vice Chair/Secretary, District 3

Mr. Patrick Hurley, Member, District 4

Mr. Joseph R. Smith, Member, District 5

### Senior Administration

Dr. Colleen A. Smith, President

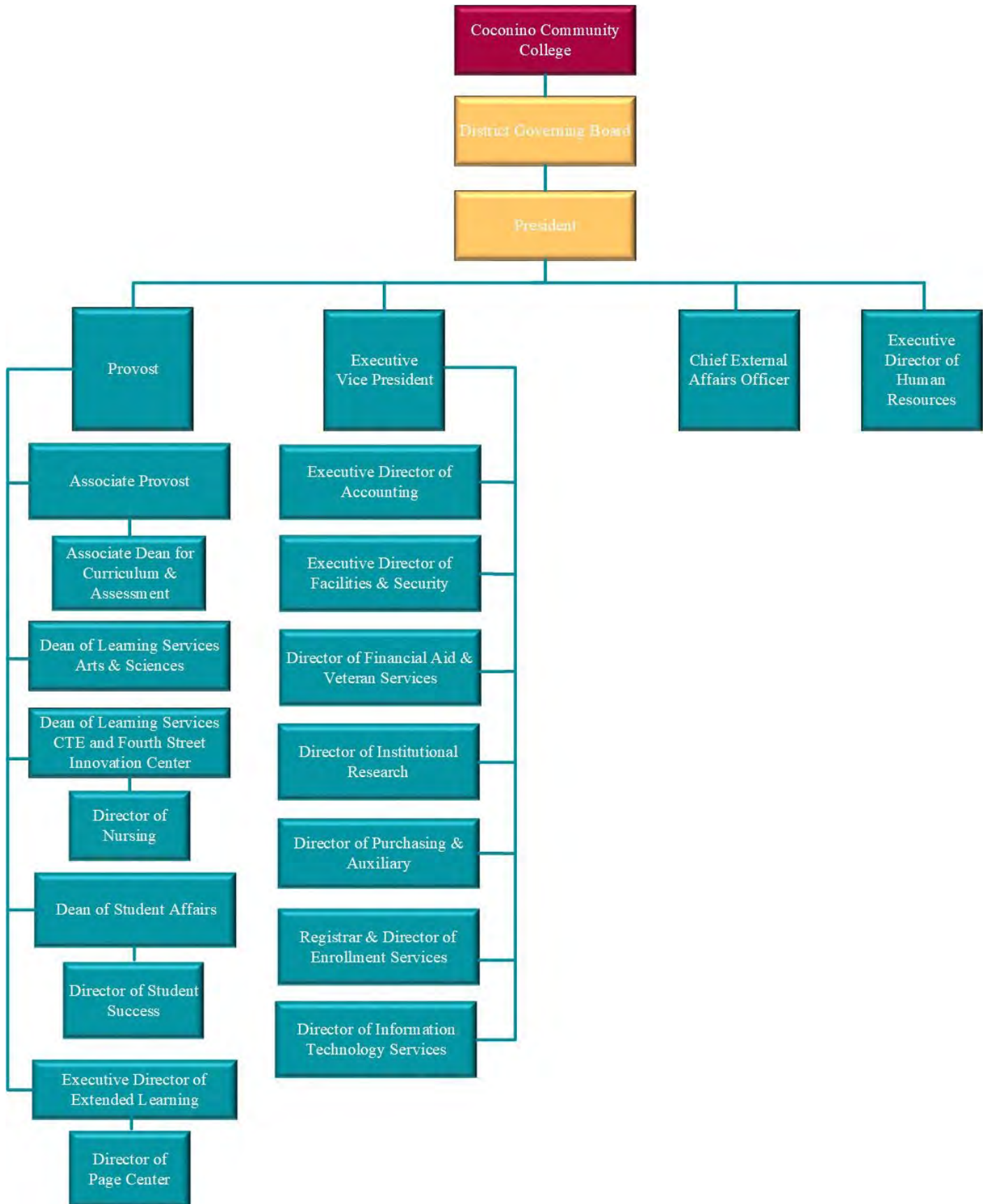
Ms. Jami Van Ess, Executive Vice President

Dr. J. Nathaniel Southerland, Provost

# Coconino Community College Profile



## Administrative Organizational Chart







# Coconino Community College Profile

## Vision

Leading our communities in lifelong learning.

## Mission

As a learning-centered college, we enrich lives by embracing diversity and transforming the future through quality education.

## Core Values

We – the District Governing Board and employees of Coconino Community College – are dedicated to providing quality educational opportunities to our community. In doing so, we commit to the following core values to guide our decisions and behaviors as we seek to meet the changing needs, aspirations, and goals of our community:

- **People** – We strive to accept the uniqueness of each individual and the contribution each person makes. We strive to create a caring, accepting, and productive environment for our students, employees, and community.
- **Learning and Growth** – We are dedicated to providing lifelong learning opportunities for our students, employees, and community to empower them to achieve their dreams. In this endeavor, we create learning opportunities that are accessible and relevant to our students and place the learner first.
- **Quality** – We recognize the importance of continually improving our educational offerings and services and the need to hold our students and ourselves to high expectations and standards. We employ a dynamic, strategic planning process and constantly assess our activities to be responsive and accountable to our students, employees, and community.
- **Ethics** – We believe that to be effective we must demonstrate integrity. Therefore, we uphold the highest ethical standards in all of our activities resulting in a responsible and fair environment for our students, employees, and community, and a responsive and open decision-making process.
- **Community** – We exist for our community; therefore, we must be responsive to its changing needs and its diversity. To do so, we strive to provide services that are timely, accessible, and affordable. We also pursue partnerships and collaborations throughout our community to be responsive to the needs of our diverse populations.
- **Respect** – We recognize that learning cannot occur without respect. We are committed to the acceptance of diverse cultures, differing ideas and beliefs, and the uniqueness of each individual since these are the foundations of respect.
- **Sustainability** – We commit to innovative thinking to guide our decisions toward sustainable practices in our living and working environments. In this earnest endeavor, we strive to demonstrate adaptive leadership, eco-friendly stewardship and quality education in a mindful and economically-feasible manner.

# Coconino Community College Profile



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The seal of Coconino County Community College is a circular emblem. It features a central mountain range with a sunburst rising behind it. The words "COCONINO COUNTY COMMUNITY COLLEGE" are written around the perimeter, and "EST. 1991" is at the bottom.

# Challenges and Solutions

**July 1, 2019 - June 30, 2020**

## **MISSION**

As a learning-centered college, we enrich lives by embracing diversity and transforming the future through quality education.





# Challenges and Solutions

## Introduction to Challenges and Solutions

As CCC Administration began planning the FY20 budget, a number of challenges, opportunities, and solutions were identified that were factored into the budget planning cycle. Some of the challenges the College has faced and will continue to face are addressed throughout this section in more detail, along with the solutions that are being implemented to address those challenges. The sections below will give a high-level overview of some of the challenges that were considered in the budget development process, some important initiatives that helped guide budget allocations for FY20, and other solutions that were important to resource allocation decisions.

### **Cost of Attendance**

Although CCC tuition rates are lower than national averages for community colleges, CCC has the highest baseline tuition rate of all Arizona community colleges. CCC also has the lowest primary tax rate of any county in the state. This continues to be an ongoing challenge.

### **Student Experience**

The College was awarded a Foundation for Student Success grant to improve the organizational culture, leading to improved student outcomes. CCC is excited to continue improving the student experience by implementing positive changes and learning how other schools encourage student success through a “students first” culture. CCC has begun implementation of a customized plan aimed at providing a “Stellar Student Experience.”

### **Diversity**

Diversity in hiring, student recruitment, and student retention is a College priority. CCC’s recently formed diversity committee is bringing a renewed focus to diversity efforts across the College, helping to broaden our student diversity education efforts, and providing critical thinking opportunities for students to contemplate diversity issues in the college environment. In addition, CCC received a Southern Nevada Northern Arizona Louis Stokes Alliances for Minority Participation (SNNA-LSAMP) grant. The SNNA-LSAMP grant is a collaboration between the University of Las Vegas and Northern Arizona University (NAU) that will strengthen science, technology, engineering, and math (STEM) enrollment for underrepresented minority student cohorts.

### **High School Transitions**

Creating a strong pipeline for students transitioning from high school to CCC is a College priority. Major changes have been implemented in how CCC works with school districts on Dual Enrollment programs, including changes to instructor payments and reduced cost of enrollment for most students. FY20 dual enrollment programs are expected to expand as a result.

### **Strategic Enrollment Management**

As the College plans for the future and meeting long-term community needs, an important part of the conversation is College enrollment. CCC has formed a Strategic Enrollment Management (SEM) committee that focuses on targeted recruitment and smart investment of recruitment funds, retention initiatives, and completion efforts. The SEM group closely monitors and reports on enrollment trends and uses data for more informed decision making.

### **Minimum Wage**

Arizona voters approved an increased state-wide minimum wage and at the same time the City of Flagstaff voters approved a higher City minimum wage. The result of these actions is an increase of almost \$8 per hour to the minimum wage to \$15.50 per hour by January 2022.

### **Compensation and Cost of Living**

The College is located in Coconino County, where the cost of living is 23.6% higher than the state average. Conversely, the median wage is 7% below the Arizona median, which leads to one of the highest wage/cost of

# Challenges and Solutions

## Introduction to Challenges and Solutions (continued)

living gaps in the state. This poses challenges for attracting and retaining qualified staff, and makes benchmark salary data less comparable to the rest of the state for similar positions. CCC continues to work on providing competitive compensation and benefits packages for employees. One way the College addresses this challenge is through biennial market studies and resulting adjustments.

### **Benefit Costs**

CCC participates in the Northern Arizona Public Employer Benefits Trust. This collaboration between the City of Flagstaff, Coconino County, Flagstaff Unified School District, Coconino County Regional Accommodation School, and the Northern Arizona Intergovernmental Transit Authority has led to cost containment in health insurance rate increases. The result was several years of rate freezes or lower than the national average premium increases. The FY20 premium increase is expected to be 2% for employer costs. In addition to premium increases, the College has taken on additional expenses by expanding its benefit offerings to staff with employee plus one and employee plus family plans.

### **Budget Transparency**

The FY20 budget development process continues to incorporate measures to increase budget transparency. The budget development process seeks to gain input from stakeholders across the College, and provides mechanisms under which faculty and staff can bring their ideas forward for discussion and consideration. Open budget hearings allow any interested party to listen to new requests, ask questions on new budget requests and continuing resource allocation, and broaden their knowledge of College operations. The result has been positive, and as additional suggestions on improvement are developed the process will be modified for continuous improvement.

### **Significant Challenges**

The initiatives discussed above were part of the context in which the FY20 budget was developed. Larger, and more systematic challenges will be presented throughout this section. Included in those challenges are:

- Long-term financial stability
- Meeting community educational needs
- Key performance indicators

The solutions CCC is implementing to address those challenges will also be discussed, including:

- Financial planning
- Out of County Tuition Rates
- Strategic Resource Allocation



# Challenges and Solutions



## 2016-2020 Strategic Plan

### Strategic Plan

Another important piece to resource allocation are the goals and objectives from the College strategic plan. The development and completion of strategic plans has been important to CCC's development. More specific information on the current strategic plan, how it was developed, and the framework for improvement it has created will be presented in the next section. The strategic plan is one of the guiding documents for developing the FY20 budget.

The College began an eighteen month planning process for the 2016-2020 strategic plan in June 2014. The process was an exceptional example of CCC's shared governance philosophy as all areas of the College were involved in developing and vetting the plan. Community members and other stakeholders reviewed the plan in the Fall 2015 semester, prior to approval by the Board at the November 16, 2015 District Governing Board meeting.

A total of four goals were developed for the plan, based on input received from all areas of the College in the planning process. The plan also includes a total of 21 objectives and 113 tactics. The goals and objectives are presented below.

**Goal 1: CCC will provide learners educational opportunities that are accessible and affordable, while also being economically feasible for the College.**

#### Objectives:

1. Increase enrollment numbers including targeted underrepresented groups
2. Expand and enhance scholarship and financial aid opportunities to increase access for students

**Goal 2: CCC will promote a learner-centered environment that incorporates innovative strategies and support structures intended to reduce student attrition and increase retention.**

#### Objectives:

1. Align strategic enrollment management initiatives with clear objectives defined by strategic key performance indicators
2. Increase learning and social support and build academic success skills
3. Implement "Intrusive Academic Advising Practices" and continued implementation of new Advising Model/Strategies
4. Evaluate and enhance distance learning modalities to increase student success
5. Evaluate and enhance student technology support and services to maximize student success
6. Investigate and develop clear pathways for developmental education (English, Reading and Math), certificates, and programs

**Goal 3: CCC will empower students to achieve their individual learning goals and implement strategies to increase certificate and degree completion rates.**

#### Objectives:

1. Streamline and automate operations for degree completion
2. Increase student completion rates using targeted institutional scholarships
3. Investigate initial strategies of student completion and transfer rates and realign with strategic enrollment management initiatives
4. Strengthen partnerships with NAU/ASU/U of A and other 4-year accredited institutions aligned with the purpose and goals of CCC
5. Increase number of students completing educational goals

# Challenges and Solutions



## 2016-2020 Strategic Plan (continued)

**Goal 4: CCC will strengthen the College's working environment by maximizing college resources, expanding community outreach, and implementing effective personnel management and employee development strategies.**

### **Objectives:**

1. Evaluate professional development, retention, and internal communication to enhance a positive campus climate
2. Evaluate strategies to promote a more safe and an environmentally friendly learning and working environment
3. Create a diverse, inclusive and supportive climate for students and employees
4. Explore options for alternative revenue sources
5. Evaluate and enhance administrative efficiency and effectiveness
6. Optimize allocation of resources for student success
7. Enhance and broaden the image of the college with internal and external stakeholders
8. Improve student experience with enrollment, registration, and payment processes

# Challenges and Solutions



## Best Practices (Guiding Practices)

In preparing the strategic plan, the College conducted a literature review of several recent reports and initiatives targeting student success and the national completion agenda. The resources reviewed included the following:

- *Achieving the Dream*, a Lumina Foundation initiative
- *Complete College America*, a Lumina Foundation report
- *Completion by Design*, The Gates Foundation initiative
- *A Matter of Degrees*, The Center for Community College Student Engagement (CCCSE)
- *21st Century Report Reclaiming the American Dream*, American Association of Community Colleges (AACC)
- *Empowering Community Colleges to Build the Nation's Future*, AACC

The College adopted the best practices included in the *Empowering Community Colleges to Build the Nation's Future* by AACC. Their resources and report are the most comprehensive. The AACC organized the report based on nine areas as follows:

- Community College Completion Commitment
- Re-Imagining Pathways for Students
- Community College/K-12 Collaboration for College Readiness
- Developmental Education Redesign—Resources for Community Colleges
- Closing the Skills Gap
- Policy and Advocacy Agenda for Reclaiming the American Dream
- Redefining Institutional Roles and Functions
- Accountability
- Faculty Engagement and Leadership Development

Each section of the report includes many helpful examples of successful initiatives from colleges across the United States. It was encouraging to see that Coconino Community College was already implementing many of the best practices identified in the report.

# Challenges and Solutions

## FY19 Strategic Planning Priorities and Accomplishments

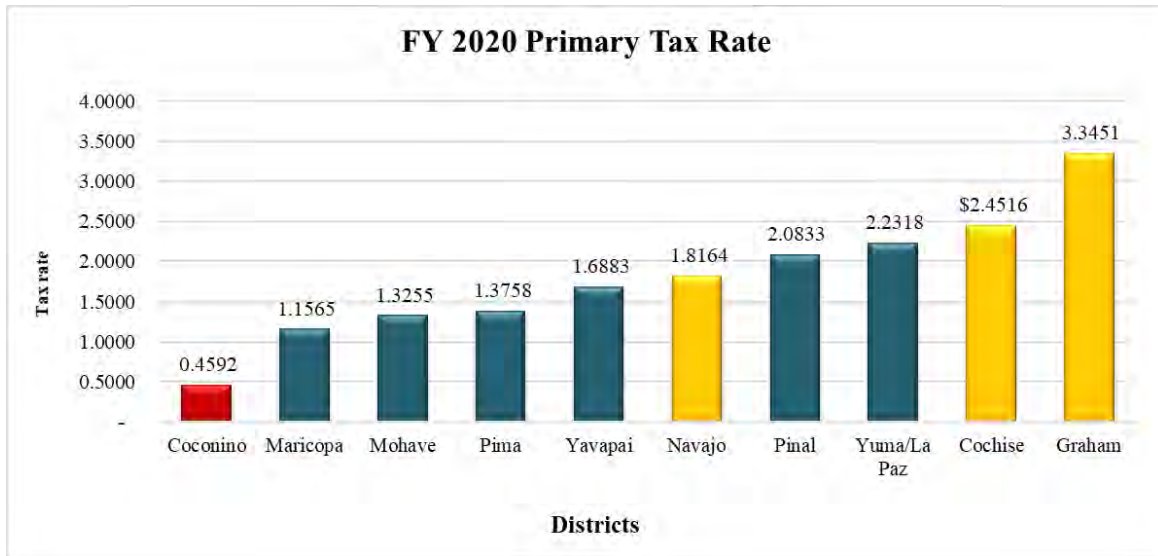
The chart below provides an update on progress towards the selected goals and objectives identified in the plan that took place during calendar year 2018. In addition, the column on the right entitled “Going Forward” explains the outcomes for calendar year 2019 objectives.

Goal 1: CCC will provide learners educational opportunities that are accessible and affordable, while also being economically feasible for the College.			
Objective	Tactic*	Evidence	Going Forward
(1) Increase enrollment numbers including targeted underrepresented groups	(9) Increase contact with students in grades K-12	Increase number of relationships and programs; prospect data	Support from the SNNA-LSAMP grant to strengthen the high school transitions program operations and sustain increased dual enrollment that is targeted towards minority student STEM program Additional investments in Page staffing and programs will continue to support the Page region.
Goal 2: CCC will promote a learner-centered environment that incorporates innovative strategies and support structures intended to reduce student attrition and increase retention.			
Objective	Tactic*	Evidence	Going Forward
(1) Investigate initial strategies to align strategic enrollment management initiatives with clear objectives defined by strategic performance key performance	(24) Increase cultural competence and social justice awareness in students through workshops and student events	Assessment and evaluation of programs	Continue to offer workshops and lectures
(4) Evaluate and enhance distance learning modalities to increase student success	(42) Evaluate online programs, compare to best practices and make recommendations for improvement (44) Provide training for faculty regarding course design and pedagogy for online course materials	Complete recommendations  Complete process and implement recommendations	CCC has joined the State Authorization Reciprocity Agreement, ensuring high quality standards in online learning will be upheld.
Goal 3: CCC will empower students to achieve their individual learning goals and implement strategies to increase certificate and degree completion rates.			
Objective	Tactic*	Evidence	Going Forward
(5) Increase number of students completing educational goals	(65) Review and consider the need for more full-time faculty as research and best practice link higher student success with greater full-time to part-time faculty ratios	Identify orphaned programs and areas with highest need, Hire one additional FT faculty per year (2017, 2018, 2019)	Full-time faculty continue to be added as CCC continues to improve full-time faculty ratios.
Goal 4: CCC will strengthen the College's working environment by maximizing college resources, expanding community outreach, and implementing effective personnel management and employee development strategies.			
Objective	Tactic*	Evidence	Going Forward
(9) Create and implement a cyber security plan	(115) Create and implement a cyber security plan	Plan developed and implemented	Software being implemented to assist with threat monitoring
(10) Increase promotion of the Fourth Street Innovation Center and Page Instructional Center	(116) Develop and implement a branding and promotion plan for the Fourth Street Innovation Center	Creation and implementation of plan	Continue to sponsor events at each location, such as food truck and summer camps
(10) Increase promotion of the Fourth Street Innovation Center and Page Center	(117) Develop and implement a branding and promotion plan for the Page Instructional Site	Plan developed and implemented	Continue to draw awareness to Fourth Street Innovation Center by opening campus five days a week, and continuing events for Page Center and Fourth Street Campus

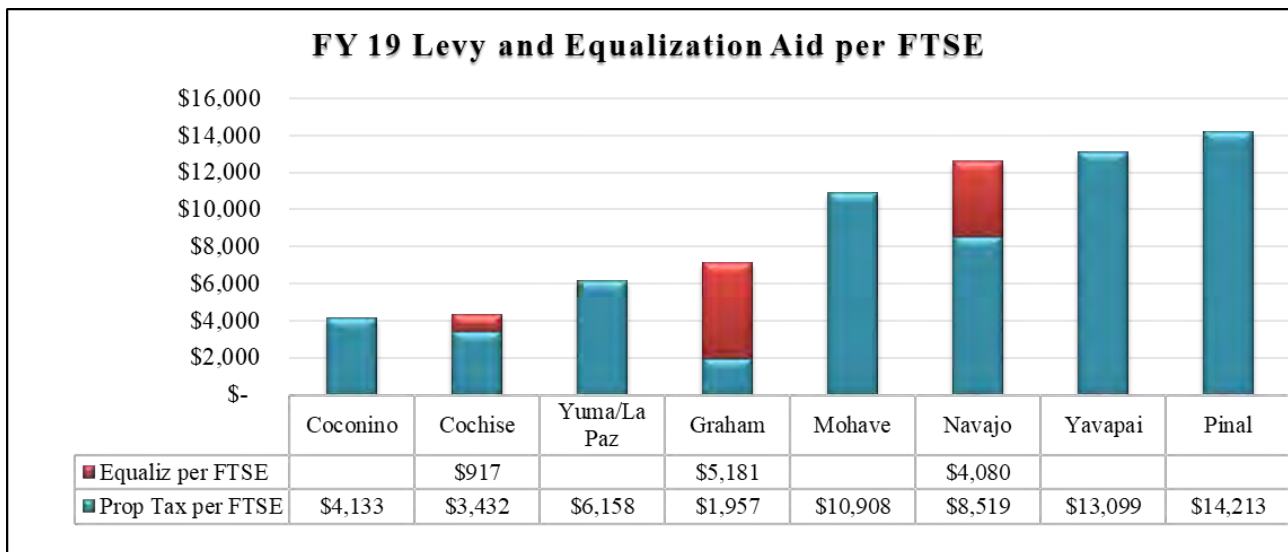
# Challenges and Solutions

## Challenge - Long-Term Financial Stability

The College's main on-going challenge is financial. In 1991, the College was established with very low primary property tax rate used for general operational and maintenance expenses. Of the ten community college districts in the state, CCC's property tax rate is substantially lower than any other district. The table below shows **FY 2020 Primary Tax Rate** for all rural Arizona Districts.



The state has an equalization formula that was established in the 1970s to help rural districts from smaller geographic areas. The equalization formula is based on a minimum assessed value determined by statute and is indexed annually by the growth in the assessed values of all the rural districts. Districts with levies below the minimum assessed value level receive equalization funding for the difference at the assigned tax rate of \$1.37. The formula does not take into consideration that the growing districts will have more students to serve. In other words, the formula does not look at levy per Full-Time Student Enrollment (FTSE). Thus the equalization formula provides funding to small districts based on the growth in other districts, even though the small districts do not have additional students to serve. The **FY19 Levy and Equalization Aid per FTSE** chart shows the levy per FTSE and equalization aid per FTSE. Navajo County qualifies for substantial State Equalization Aid even though they receive a much higher levy per student than Coconino. Coconino has a low levy per FTSE and does not qualify for State Equalization Aid because of its large geographic area.

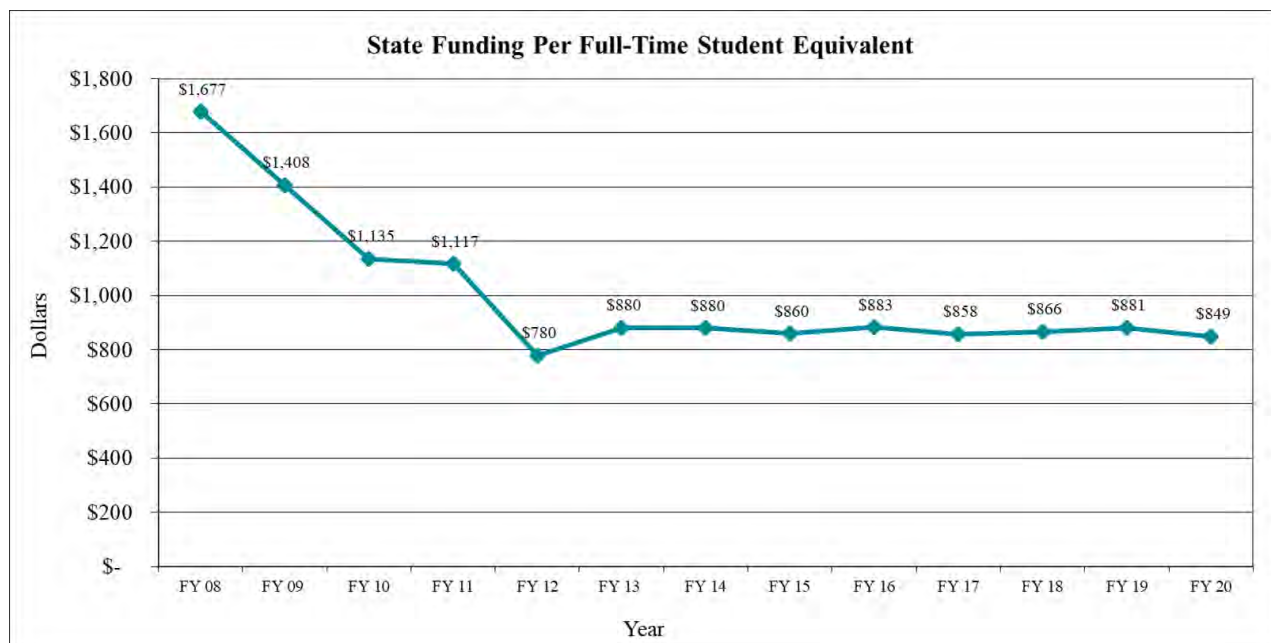
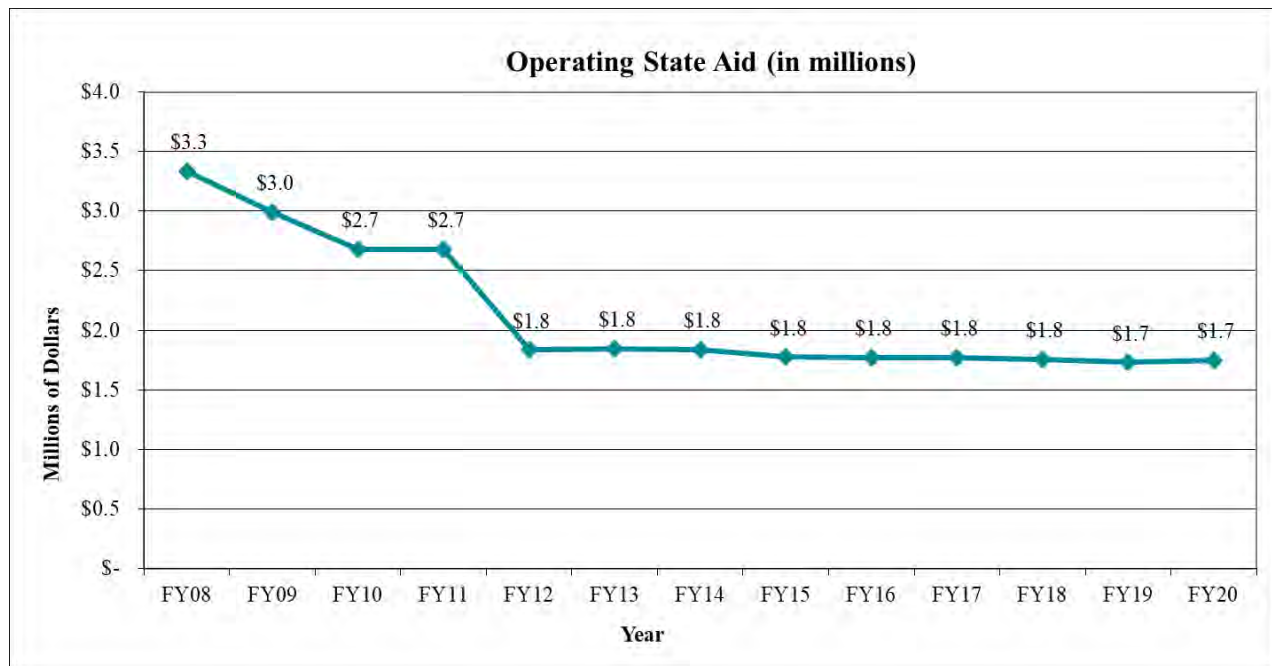




# Challenges and Solutions

## Challenge - Long-Term Financial Stability (continued)

The state of Arizona has compounded this financial challenge by reducing state appropriations to community colleges steadily since 1998 when it provided nearly 45% of the College's budget. The state has made significant cuts since FY08 because of the "great recession" and now only provides 9% of the College's General Fund budget. Today, the College receives approximately the same funding per student as it did in 1993 (in real dollars) and is serving almost 1,000 more full-time students than in 1993. The *Operating State Aid* chart shows the decline in state aid in dollars since FY08. In the long-term, continued appropriations of state aid is uncertain as the state completely defunded Maricopa and Pima Community Colleges, the two largest community colleges in the state.



# Challenges and Solutions

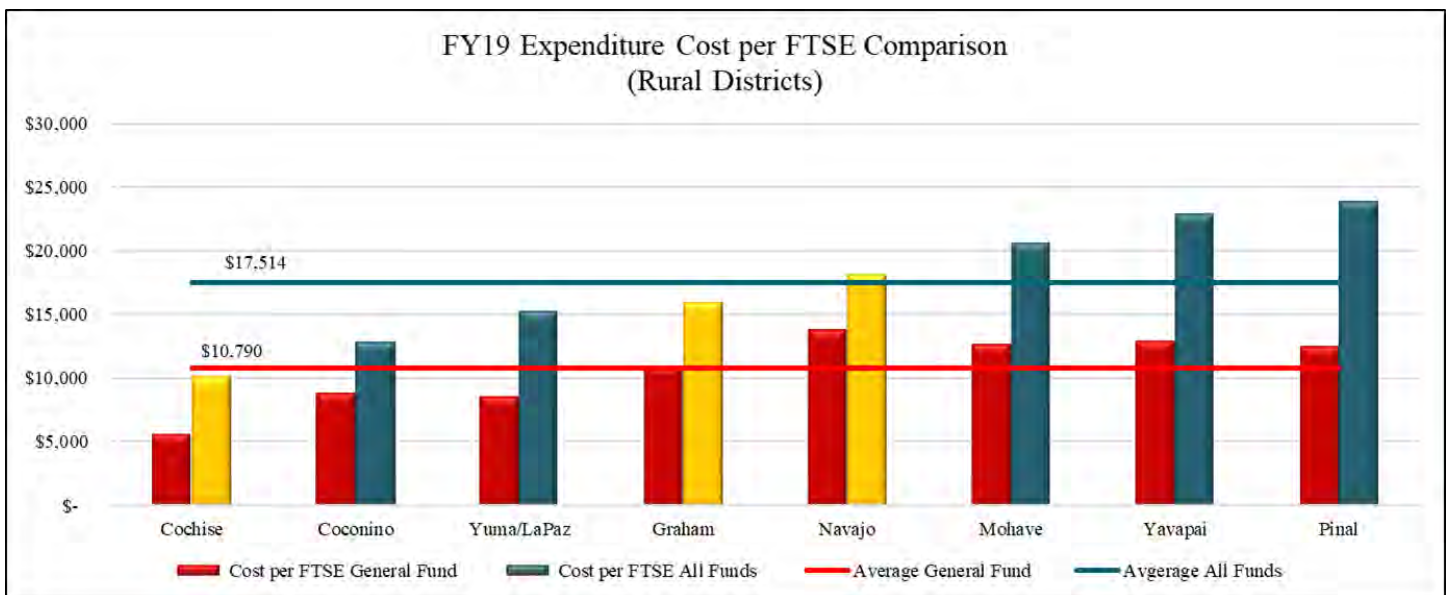
## Solution - Financial Planning

As discussed on the previous page, state aid cuts started in FY08 because of the “great recession.” CCC has been able to adapt and maintain financial strength through long-term financial planning. Financial planning for the College has led to the development and implementation of a Sustainable Financial Plan (SFP) in 2008. The goal of this plan was to ensure long-term financial sustainability while trying to minimize the impact to students. The SFP included hundreds of initiatives organized by account type and divided by three levels of severity: Efficiency Measures, Critical, and Crisis. By implementing the SFP, the College improved its financial position through new revenue generation, expense reductions, and cost avoidance measures. These initiatives resulted in savings of \$3 million over three years, including the reduction of 25 full-time equivalent (FTE) positions.

In 2013, the College evaluated the budget forecast and determined it needed to implement more cuts to be financially sustainable in the long-term. These additional cuts came from reductions in programs and services, because numerous efficiency initiatives had already been implemented. Administration called this phase of cuts the Financial Austerity Plan (FAP) and invited input from the employees to review the Sustainable Financial Plan with fresh eyes. The employees submitted new recommendations for long-term financial solutions.

The majority of FAP solutions were implemented in the FY15 and FY16 budgets, with the final phase in FY17. In FY15 there were \$430,858 of revenue items implemented that became part of the FY16 baseline budget. In FY15, savings totaled \$696,517 and FY16, savings total \$135,041. The FY17 budget saw an additional savings of \$23,898.

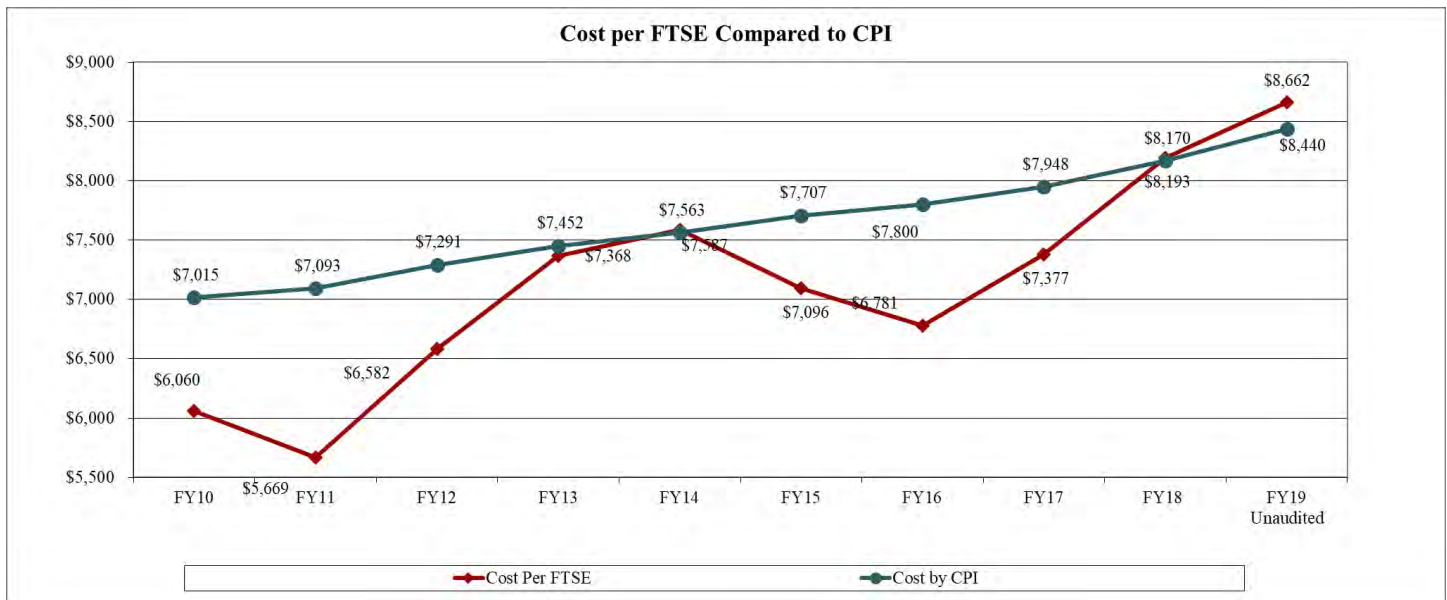
The result of the Sustainable Financial Plan and the Financial Austerity Plan is that the College is very efficient. This is demonstrated in the ***FY19 Cost per FTSE Comparison (Rural Districts)*** chart, that shows CCC’s cost per FTSE is very low for both the general fund and all funds compared to some of the other districts in the state.



# Challenges and Solutions

## Solution - Financial Planning (continued)

Until more recently, the College has kept the cost per FTSE in line with the rate of Consumer Price Index (CPI) growth for the past ten years, as shown in the chart below. In FY10, FY11, and FY12, the sharp decline per FTSE cost was due to the large influx of students during the recession. Since FY13, FTSE has returned to normal levels. During FY16 and FY17, the College experienced turnover in many key leadership positions which led to higher than typical vacancy savings and other budget line items coming in under budget. The FY19 figure shows the unaudited cost per FTSE, as final expense figures are not yet available.

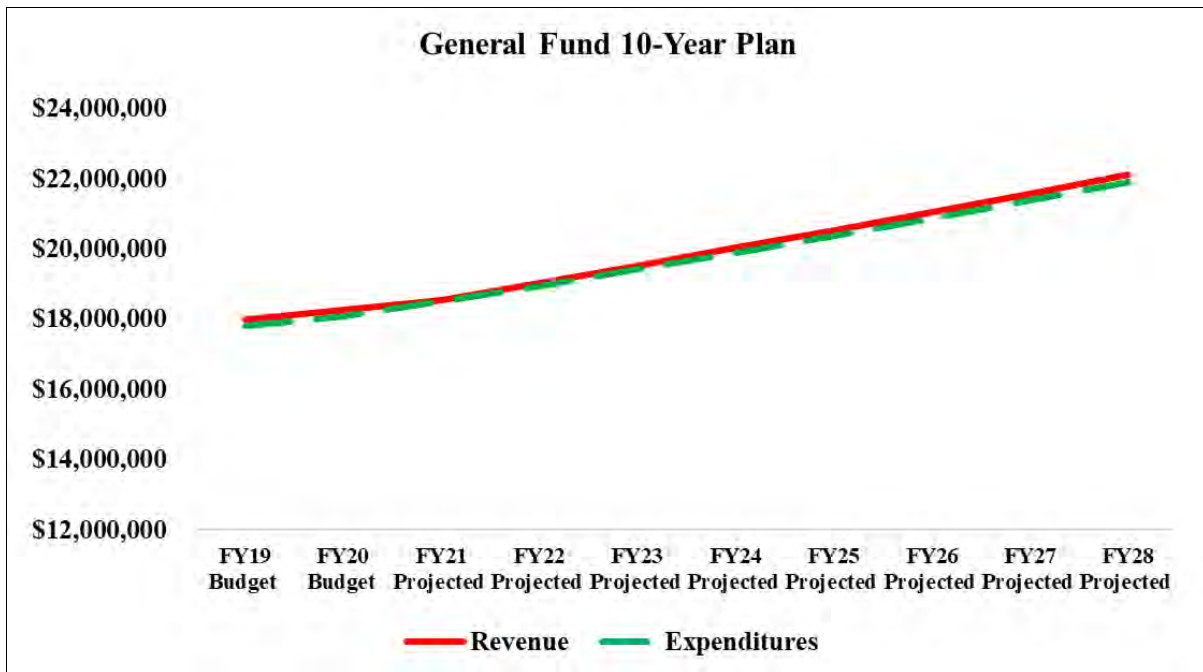


Even though the College has implemented many financial sustainability measures and is extremely cost efficient, CCC still has a long-term financial stability concern due to the very low property tax rate and low state aid.

# Challenges and Solutions

## Solution - Financial Planning (continued)

Although long-term financial stability is an issue for the College, the initiatives that have been adopted have helped align revenues and expenses for a longer time period and pushed back the projected structural deficit CCC was facing prior to the implementation of the Financial Austerity Plan (FAP). Before the adjustments, expenses would have exceeded revenues within five years. As you can see from the chart below, expenses are slightly below revenues. It is important to note that FAP reductions were made not only to address the structural deficit, but also in anticipation of losing future state funding.



Note: Long-term financial assumptions based on continued state aid funding. Please see the Long-Term Financial Sustainability Section of the document for more information.

# Challenges and Solutions



## Challenge - Meeting Community Educational Needs

In the Fall of 2017, Coconino Community College President Dr. Colleen Smith met with over 350 people during 14 listening sessions. The purpose of these sessions was to better understand the community and determine the most important educational needs of residents. Feedback was solicited on community members vision of the role of CCC, the most important educational needs for residents of the County, and what the current experience of community members is regarding services and classes currently offered by CCC.

This was done through sessions facilitated by Kerry Blume, who designed and facilitated the engagement process using the principles below:

- Establish an environment for meaningful conversation
- Reach constituents with diverse geographic, ethnic, socio-economic, age and educational characteristics
- Leverage trusted community leaders and access points to meet residents “where they are.”

There were some key themes that were documented in Kerry Blume’s report, which had emerged from these sessions. One theme was the value CCC provides to the community by providing a quality educational experience. Another theme was the diversity and challenges within the student population, including diversity of life experiences, the complicated lives many students lead, and overall cost of attendance including both CCC tuition and the cost of housing and transportation. One final theme was the different needs students have in education delivery - online classes may not be the ideal solution for all learners.

Additionally, these community discussions highlighted unmet educational needs in the Coconino County community. Technical skill development, health care profession training, early education curriculum, support for the hospitality industry, life-long learning, and employment skill development were the top community needs discussed. Coconino County residents would like to see CCC focus on the opportunities for strengthening the K-12/community college connection and expanding dual enrollment, assisting with English as a second language programs, increased tutoring, leadership development, and enhanced services for deferred action for childhood arrival (DACA) students. The focus on reviving life-long learning offerings was also a key opportunity identified.

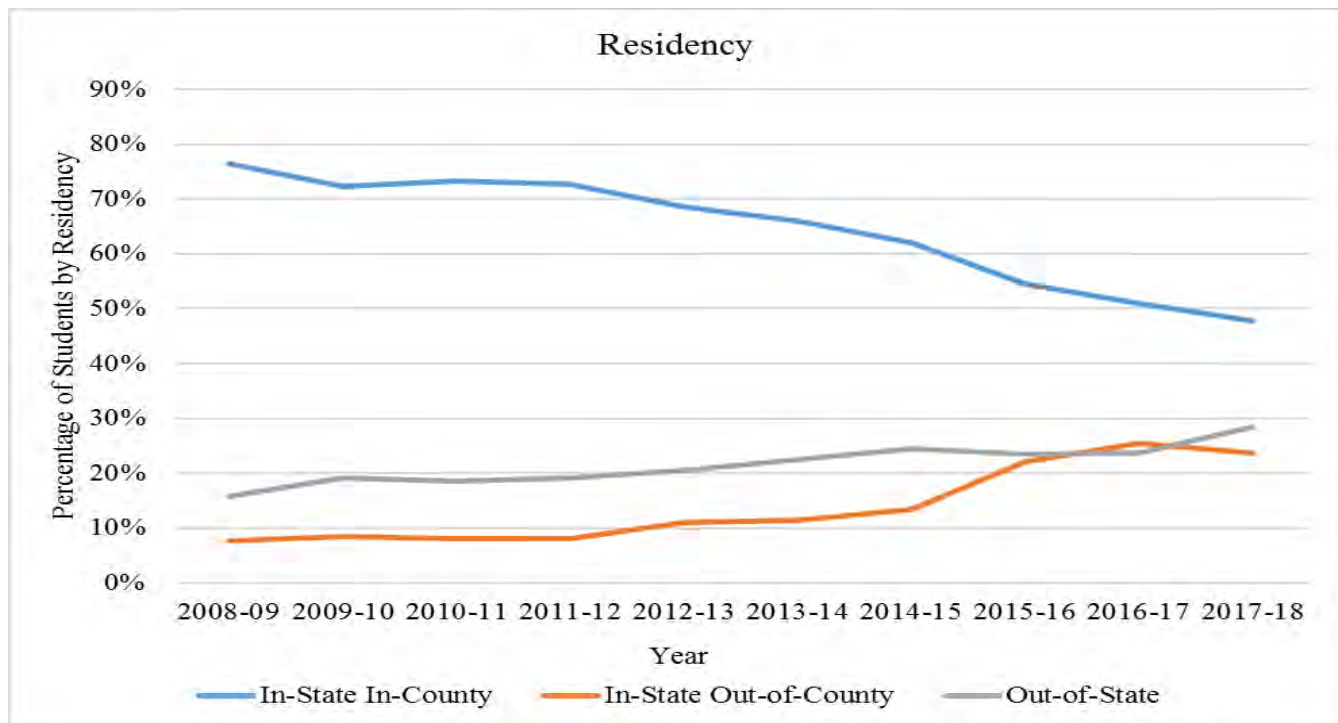
Many of the community priorities identified as needs were items that had been reduced or eliminated as a result of implementing the necessary financial sustainability and financial austerity plans. For example, life-long learning, nursing program reductions, and the discontinuation of the early childhood education program were all recent service reductions. Meeting the educational needs of the community, with the current funding reality of limitations in revenue and the highest tuition rate in the state, is a significant challenge the College faces into the future.



# Challenges and Solutions

## Solution - Out-of-County Tuition Rates

In order to try to address the ongoing challenge of meeting the needs of the community with insufficient and limited revenues, the College looked into adding an out-of-county tuition rate as an additional revenue source for FY20. Unlike many of the other community colleges in the state, out-of-county attendance at the College is a significantly higher percentage of the student body, with many of those residing in southern parts of the state. There are many possible reasons for this including the desirability of attending school in a high-desert climate and the proximity to NAU being first among them. Additionally, statistics indicate that out-of-county residency has increased while in-county has decreased.



The challenge in adding an additional tuition rate was pricing. The tuition rate for out-of-county residents needed to not be so high as to discourage students from deciding to attend at all. Our research, however, indicated that out-of-county students also had a higher income base than those in-county. This indicated that there was some elasticity of pricing that would allow an out-of-county rate with limited impact on enrollment. Thus an out-of-county tuition rate of an additional \$11.20 per credit hour was added to the FY20 budget.

# Challenges and Solutions

## Challenge - Key Performance Indicators

### State Performance Measures - Vision 2020

In 2010, the presidents of all ten of the Arizona community college districts worked together to develop long-term performance measures called Vision 2020. The document identified 30 metrics to measure progress toward three critical goals of access, retention, and completion. Many of the performance indicators within each goal area are based on the American Association of Community Colleges Voluntary Framework of Accountability (VFA). The VFA created common measures by which community colleges can be held accountable including student progress, outcomes, workforce, economic, and community development metrics.

The performance measures and baseline data were published in February 2011. The Arizona colleges have since reported on the metrics for 2012 through 2017 and now have six years of trend data. Coconino Community College uses performance measures to drive the development of the strategic plan and budget development process. CCC has selected various measures, referred to as Key Performance Indicators (KPI) to focus on for improvement, and has set target goals for annual improvement. The most recent comparison on 2017 state and CCC information is presented and coded using indicator colors:

	variance of -2% or better
	variance between -3% to -10%
	variance of larger than -10%

In developing the 2016-2020 Strategic Plan, an analysis of the KPI was performed by members of a cross-functional team. The team members discussed the KPI targeted for improvement in order to develop strategic plan objectives that will help meet established targets.

### Access Measures

Measure	Description	CCC FY17	State Average
1	Full-time Student Enrollment (FTSE)	2,048	
5a	Minority	42%	43%
5b	Age 25+	26%	35%
5c	Pell Grant	23%	29%
6	Alternative Delivery	49%	64%
7	College-going	19%	32%
8	Cost	20%	14%
9	Developmental Course Success - Reading	96%	78%
10	Developmental Course Success - Math	89%	64%

The causes identified for lagging access measures include the College's financial challenges, inadequate technology, and the young age of the institution. Financial challenges have led to the highest tuition rate in the state of Arizona and has limited our ability to design on-line courses for increased alternative delivery. Inadequate technology hinders the College's ability to serve distant and remote areas of the county and limits alternative delivery options. Having a large county that is sparsely populated is one of the unique challenges CCC faces, and solving alternative delivery to extend services is costly given these circumstances. While the statewide trend has been a decrease in the local college-going rates, CCC has seen increases as more of the population is served.

# Challenges and Solutions

## Challenge - Key Performance Indicators (continued)

The District Governing Board has set a goal of a 1% increase in annual FTSE. Alternative delivery has hovered in the 49% - 51% range and CCC is working to strengthen and expand online offerings to address this measure. The college-going rate of high school students in Coconino County at 19% is nearly half the state rate, but has been improving since 2011. Both of these areas are more than 10% below the state-wide average and in need of attention. Enrollment of underserved populations as a percentage of enrollment is under the state average, and the gap has grown since the last report. Although the tuition rate has increased in response to state funding reductions, the cost of attendance as a percentage of household income has remained somewhat flat. These areas also show room for improvement when compared to the other Arizona community college rates.

### Retention Measures

Measure	Description	CCC FY17	State Average
11	College Level Course Success - Math	38%	33%
12	College Level Course Success - English/Reading	66%	48%
13	College Level Course Success	94%	79%
15	Full Time	43%	47%
16	Part Time	49%	53%
17	FA-SP Retention	88%	90%
18	FA-FA Retention	65%	77%

The cause identified for the lagging retention measure of fall-to-fall retention involves the close proximity to NAU. Many students transfer before completing a degree, or are taking CCC courses as needed to fill their schedule. Fall-to-fall retention is an area of concern for CCC when looking at the statewide average, but compared to the individual results, CCC is in line with median Arizona fall-to-fall retention rates. Fall-to-spring retention is high both statewide, and specifically at CCC. Other retention measures are very strong for CCC in comparison to the rest of the State.

### Completion Measures

Measure	Description	CCC FY17	State Average
19	Annual Degree/Certificate Completion	95%	44%
23	Transfer Rate	283	
24	Transfer Rate after CCC Completion	57%	60%

The transfer rate variance is slightly below the state average. The challenge CCC faces is primarily due to the close proximity to NAU. Some students transfer before completing a degree with CCC. As a commuter-campus, completion will tend to be more of a challenge for the students. Annual degree/certificate completion percentage and transfer rate after completion are targets for improvement.

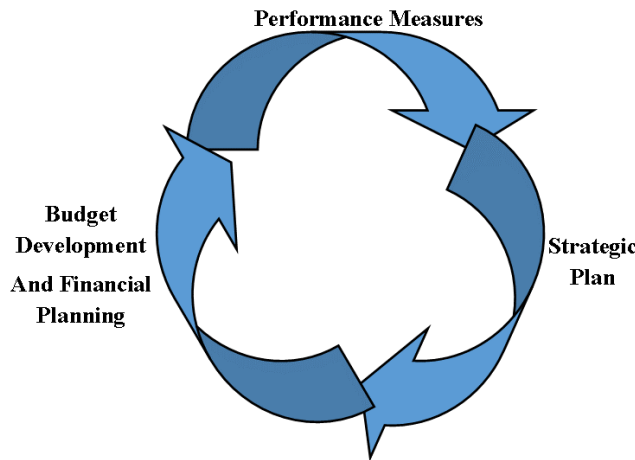
### Summary

A review of the performance measure data shows that CCC faces some unique challenges due to the nature of the College, but also has opportunities for improvement. The largest challenge when looking at performance measures is the timeliness of comparable information. Some measures cover a six-year period, and the report is issued annually based on data that is at least 18 months old at the time of release. Tracking trends and evaluating the success of initiatives aimed at improving these measures will continue to be a challenge for all institutions.

# Challenges and Solutions

## Solution - Strategic Resource Allocation

CCC has implemented a planning cycle for continuous improvement. Targeted performance measures help influence the development of the strategic plan. The measures and strategic plan together are a large consideration when allocating resources during budget development and when looking at long-term financial planning. This cycle is depicted in the graph below.



Resource allocation for the FY20 budget was tied to the KPI according to the chart below. This will be discussed further in the Strategic Plan and Priorities section of the document.

	Access							Retention					Completion			
	1	5	6	7	8	9	10	11	12	13	17	18	19	23	24	
<b>Strategic Plan Goal #1: Access</b>																
ADA Compliance Software for Website	X	X		X		X	X									
Enrollment RX/Salesforce CRM System	X	X		X		X	X									
Opening 4th Street Campus on Fridays	X	X	X	X		X	X									
Zoom Licenses	X	X	X	X		X	X									
<b>Strategic Plan Goal #2: Retention</b>																
Canvas Tier 1 Support									X	X	X	X	X			
CIDI Labs - Instructional Design for Canvas									X	X	X	X	X			
<b>Strategic Plan Goal #3: Completion</b>																
College Source Transfer Evaluation System														X	X	X
<b>Strategic Plan Goal #4</b>																
ASCAP Copyright Music Licenses			X		X							X	X	X		
Facility Scheduling System			X		X											
ITS Threat Detection and Management System	X															

# Challenges and Solutions



## Solution - FY20 Strategic Planning Prioritization

The strategic plan is created by identifying objectives to support the main goals and then identifying specific tactics to achieve the objectives. In order to identify the highest priorities for FY20, the Executive Council reviewed all requests and evaluated them on how they impact the KPI and the strategic plan.

Goal 1: CCC will provide learners educational opportunities that are accessible and affordable, while also being economically feasible for the College.				
Objective	Tactic*	Evidence	Responsible	KPI*
(1) Increase enrollment numbers including targeted underrepresented groups	(1) Research, test and leverage technology to increase communications/outreach to current and prospective students	Increase number of enrollment for various locations in targeted underrepresented groups	Dean of Learning Services Dean of Student Affairs Director of IT	1,5,6,7,9,10
Goal 2: CCC will promote a learner-centered environment that incorporates innovative strategies and support structures intended to reduce student attrition and increase retention.				
Objective	Tactic*	Evidence	Responsible	KPI*
(4) Evaluate and enhance distance learning modalities to increase student success	(44) Provide training for faculty regarding course design and pedagogy for online course materials	Increase in alternative delivery	Associate Provost	11,12,13,17,18
Goal 3: CCC will empower students to achieve their individual learning goals and implement strategies to increase certificate and degree completion rates.				
Objective	Tactic*	Evidence	Responsible	KPI*
(4) Strengthen partnerships 4 year accredited institutions aligned with the purpose and goals of CCC	(63) Expand and enhance transfer programs	Increase in transfer rate	Director of Registrar	19,23,24
Goal 4: CCC will strengthen the College's working environment by maximizing college resources, expanding community outreach, and implementing effective personnel management and employee development strategies.				
Objective	Tactic*	Evidence	Responsible	KPI*
(2) Evaluate strategies to promote a more safe and an environmentally friendly learning and working environment	(75) Research and evaluate college safety and security needs at all locations to and make recommendations for safety of students, faculty, staff, and visitors	Creating a cyber security plan and implementing	Director of IT	Varies
(5) Evaluate and enhance administrative efficiency and effectiveness	(85) Evaluate and implement resource scheduling software	Implementation of new software with added facility usage	Director of Facilities	Varies

\* Objective numbers above are from the larger strategic plan document and help to associate prioritized spending for each objective. Key Performance Indicators (KPI) are explained on Page 22 of this document.



# Challenges and Solutions



## **Solution - Prioritized Spending to Enact Strategic Planning Tactics**

**Strategic Plan, Goal 1: CCC will provide learners educational opportunities that are accessible and affordable, while also being economically feasible for the College.**

### **Objective 1 Increase enrollment numbers including targeted underrepresented groups**

**Responsible - Dean of Learning Services**

#### **Opening 4th Street Campus on Fridays - \$14,500**

Opening the 4th street Campus on Fridays will allow more opportunities for students to practice with their specialized equipment. This is particularly helpful for those students in the nursing program. The computer lab will also be open, allowing more access to resources and opportunities for uninterrupted study time. Likewise, additional heating will create a safer environment for students, allowing them to work in construction and trades areas without clothing that can catch on mechanisms or otherwise impede progress.

**Responsible - Provost**

#### **Reorganization with Academics to focus on admissions, advising, & student success**

Reorganized departments with funding within the college, such as reallocated Starfish, Dual Enrollment, and recruitment funds for new admission advisors and to create a new Admissions & High School programs department.

### **Objective 1, Tactic 1 – Research, test and leverage technology to increase communications/outreach to current and prospective students**

**Responsible - Dean of Student Affairs, Director of IT,  
Enrollment RX/Salesforce CRM System—\$64,000**

Enrollment RX in combination with Salesforce will offer a CRM system to allow the College to increase its online presence and enhance the application process. The system will allow a prospective student to transition easily from inquiry to admission. Accessibility is greatly improved, in a much more user-friendly environment.

#### **Ongoing license fees for ZOOM rooms and services—\$12,000**

ZOOM supports the College's online delivery system allowing access for many students who could not otherwise come to a campus.

**Strategic Plan, Goal 2: CCC will promote a learner-centered environment that incorporates innovative strategies and support structures intended to reduce student attrition and increase retention.**

### **Objective 2, Increase learning and social support and build academic success skills**

**Responsible - Provost**

#### **Consolidation of Testing & Tutoring departments**

Reorganized departments with current funding by consolidating the testing and tutoring department to focus on the retention of students by offering assistance.

### **Objective 4, Tactic 44 – Provide training for faculty regarding course design and pedagogy for online course materials**

**Responsible - Associate Provost**

#### **Canvas Tier 1 Support— \$7,100**

Canvas is the primary software used by students to access their individual portals. Through Canvas they have access to their schedules, their homework, and many other academic links. The support package will allow students and faculty to reach out and receive IT support as needed.

# Challenges and Solutions



## **Solution - Prioritized Spending to Enact Strategic Planning Tactics (continued)**

### **CIDI Labs—Instructional Designs for Canvas- \$7,000**

The CIDI Labs tool will work hand in hand with Canvas to allow greater instructional capabilities.

**Strategic Plan, Goal 3: CCC will empower students to achieve their individual learning goals and implement strategies to increase certificate and degree completion rates.**

**Objective 1, Tactic 53 - Perform Business Process Review of degree application pathway to limit barriers and automate process**

**Responsible – Provost**

**Added Lead Faculty**

Reorganized departments with funding within the college, such as reallocated an Academic Operations position, Part-time Faculty Evaluator positions, and Part-time Faculty committee funds to create Lead Faculty positions to assist with pathways and completion initiatives.

**Objective 4, Tactic 63 - Expand and enhance transfer programs**

**Responsible – Registrar & Director of Enrollment Service**

**College Source Transfer Evaluation System - \$3,000**

This system will facilitate transferring.

**Strategic Plan, Goal 4: CCC will strengthen the College’s working environment by maximizing college resources, expanding community outreach, and implementing effective personnel management and employee development strategies.**

**Objective 2, Tactic 75 – Research and evaluate college safety and security needs at all locations to and make recommendations for safety of students, faculty, staff, and visitors**

**Responsible - Director of IT**

**Implement an ITS Threat Detection and Management System—\$20,000**

Cyber security and protecting student information is vitally important to maintaining college operations. The implementation of this system will help protect the College’s existent systems and data. It will also serve to protect sensitive student information.

**Objective 5, Tactic 85— Evaluate and implement resource scheduling software**

**Responsible—Executive Director of Facilities & Security**

**School Dude Event Scheduling Software—\$8,000**

Software will allow the College to manage its facilities and custodial resources for event scheduling.



# Challenges and Solutions

## Additional Opportunities: Accreditation Standards

### Higher Learning Commission

The Higher Learning Commission (HLC) is the accrediting Agency that evaluates CCC, makes recommendations for improvement, and sets standards for best practices and regulations that Higher Education Agencies must follow. HLC has helped the College identify areas where we can better meet the standards of excellence established by the HLC. These areas include the establishment of an assessment program at the College that will be sustainable over time, enhanced online course delivery, increased full-time faculty teaching courses, new faculty credentialing standards, and continuous improvement on completion rates.

### Assessment of Student Learning

To meet the goal of improved assessment of student learning, CCC has participated in the HLC Quality Initiative program. CCC staff have completed the HLC Assessment Academy, and through these efforts have developed a plan to make learning outcomes assessment meaningful at the program level in order to improve academic quality at the College. The College is creating an assessment culture, and incorporating assessment into the Program Review process.

### Online Course Delivery

The Teaching and Learning Center (TLC) at CCC took on the critical task of formalizing our modality for online course delivery. They worked closely with faculty to develop a common course template which helped to standardize the online experience for our students. Faculty scheduled face to face meetings with TLC members mostly throughout the Fall 2017 semester. By the Spring of 2018, 95% of CCC faculty had converted to the new standardized online experience. This project has helped increase student online enrollment, and the College plans to improve the experience with regular faculty follow-up meetings.

### Full-Time Faculty

The ratio of credits taught by full-time faculty compared to part-time faculty at CCC is lower than best practices would recommend. Additionally, the College currently offers some subjects in areas where there are no full-time faculty. CCC has been addressing this by adding full-time faculty over the past three years, for a total of nine new full-time faculty in the budget between Fiscal Year 2017 through Fiscal Year 2019.

### Faculty Credentials

The HLC has created mandatory credentialing requirements for faculty. In order to meet this requirement, CCC created a credentialing committee, evaluated the credentials of all full-time and part-time faculty, and created an individual action plan for each faculty member that did not meet standards. Some faculty chose to enhance their education in order to meet the requirements to continue teaching their current courses, other chose to teach in only the subjects where they were credentialed, and a few decided not to continue their status as a CCC faculty member. The College chose to help support faculty credentials for some faculty that needed additional credits by offering targeted tuition reimbursements outside of what is normally offered in the employee benefits package. Moving forward, a procedure has been implemented that requires all newly hired instructors to meet minimum credential standards before being considered for hire.

### Completion

There are many factors that result in community colleges nation wide reporting lower completion rates than four-year institutions. CCC has a lower than average completion rate, but the rate has been consistently improving over the past several years due to College retention and completion initiatives.

# Challenges and Solutions



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## MISSION

As a learning-centered college, we enrich lives by embracing diversity and transforming the future through quality education.



The seal of Cocconino County Community College is a circular emblem. It features a sunburst at the top, a stack of books in the center, and a torch. The words "COCCONINO COUNTY COMMUNITY COLLEGE" are written around the perimeter, and "EST. 1991" is at the bottom.

# **Annual Financial Plan**

**July 1, 2019 - June 30, 2020**

## **CORE VALUES**

People • Learning & Growth • Quality • Ethics  
Community • Respect • Sustainability





# Annual Financial Plan

## Budget Development Process

### Budget Organization

An explanation of funds and programs codes is described below.

### Funds

There are five funds that make up the College's all Funds budget.

- **General Fund** - Used to account for all general operations of the College and is the largest fund.
- **Auxiliary Fund** - Used to account for self-supporting activities that perform a service to students.
- **Restricted Fund** - Used to account for resources that are restricted by outside donors or agencies such as grants, contracts, and financial aid.
- **Unexpended Plant Fund** - Used to account for equipment, or the construction or improvement of buildings.
- **Retirement of Indebtedness** - Used to account 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 primarily uses an incremental budget process. An incremental budget means that the prior year base budgets are the starting point, and incremental changes are made to the base budget when not covered by reallocations of funds. Budget requests are prioritized based on strategic planning initiatives and key performance indicators, then reviewed and recommended to the District Governing Board for adoption by the Executive Council. The College also uses a zero-base budget process for travel and other account categories on a rotational basis. Zero-base means that the budget begins with "zero" and all expenditures must be justified.

### Controls

The College maintains budgetary controls by line item of the approved budget. An encumbrance accounting system is maintained by the College to accomplish budgetary control. 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.





# Annual Financial Plan

## Budget Development Process (continued)

### Budget Process

In previous years, the Budget Planning Committee guided the budget process. Beginning with the FY18 budget process, budget hearings were introduced to help develop transparency throughout the College. Each year, feedback is solicited and is incorporated into the budget development process to further participation and transparency. In addition, the District Governing Board (DGB) requested that all budget information be presented in one comprehensive retreat, rather than through a series of work sessions. This was successfully implemented in FY19 with positive DGB feedback. The new budget process continues to ensure that the goals and objectives from the strategic plan and key performance indicators are prioritized when creating the budgets for the year. The Executive Council reviews budget requests and recommends increments included in the preliminary budget presented to the DGB.

A summary of the new budget development process is listed below and is explained in more detail on following pages:

- October - Develop budget assumptions and present to all budget managers
- October - Distribute tuition and fee schedules, base budgets, travel justification forms, and budget increment request forms to budget managers
- December - Facilitated meetings with Council areas to discuss and prioritize budget increment requests
- December - Tuition and fee recommendations, base budget reallocations, travel justification forms, and budget increment request forms due to Business Office
- January - DGB budget retreat
- February - Present tuition recommendation to student forum
- February - Budget hearings to aid Executive Council with prioritizing requests
- February - DGB adopts tuition and fees and provides direction on salary and benefits
- April - DGB reviews preliminary budget
- May - DGB final budget adoption
- May - College-wide budget presentation

### Assumptions

Beginning assumptions are established as a starting point for developing the budget and are developed in October of each year. For FY20, the beginning assumptions were as follows:

#### Revenues

- Enrollment - Projection of meeting the District Governing Board target of 1% enrollment increase per year, with an adjustment to reflect FY19 enrollment trends
- Tuition - CPI increase of standard tuition rate as directed by the Board, other rates are a multiplier of the standard rate
- State Aid - Per state formula depends on a decrease or increase of enrollment in prior years
- Property taxes - 2% maximum allowed increase in levy plus 1% new construction added to the tax rolls based on trend
- Overall Revenue - CPI and/or enrollment-based increases to most line items

#### Expenses

- Salary and benefits were assumed to increase by 2.5%, minimum wage increases, reduction to part-time faculty reflecting current enrollment decline
- All expense categories excluding salaries and benefits were assumed to increase by 2.5%



# Annual Financial Plan

## Budget Development Process (continued)

### **Budget Retreat**

As previously noted, in FY20 a DGB budget retreat was held in February to review budget trends, tuition and fees, salary and benefit recommendations, and preliminary budget increment priorities. This new process was successful because it gave the DGB a comprehensive budget picture, and allowed them to consider multiple related budget factors when adopting tuition and fee recommendations and providing compensation guidance.

### **REVENUES**

#### **Enrollment**

Enrollment projections are based on trend analysis and County projections for population growth, as well as the DGB enrollment goals and program changes.

#### **Tuition and Fees**

Tuition and fees, including differential tuition rates and non-class fees, are reviewed in November and December. Academic Deans review differential tuition rates for higher-cost programs, market data and instructional expenses to determine if increases to differential tuition rates will be recommended. Other fees, such as parking fees, are also reviewed by respective areas and compared to market to determine if changes will be recommended. Trend analysis of enrollment within the different rates of tuition are used to project tuition revenue.

Tuition and fee recommendations are taken to the DGB budget retreat to review recommendations and receive direction. The Board approves tuition and fees rates in February for the next academic year. For FY20, the Board approved a \$2 increase in tuition and added an Out-of-County tuition rate, which is ten percent of In-State tuition.

#### **State Appropriation Aid**

State aid is calculated per formula which is “base plus growth.” The base is the prior year’s state aid. The growth or loss is calculated by the increase or decrease in full-time student equivalent (FTSE) between the two most recent fiscal years in each category of non-dual enrollment and dual enrollment. The growth or loss in FTSE is multiplied by the given rate per category. One FTSE equals an average of 15 credit hours in each of the fall and spring semesters, for a total of 30 credits hours for one year. Dual enrollment FTSE is funded at half the rate of non-dual enrollment FTSE. State appropriations are not guaranteed and the State has discontinued funding for the two largest community college districts, increasing the uncertainty of this funding source.

#### **State STEM Appropriation**

Beginning in FY14, the state began providing STEM appropriations to some Arizona community colleges. This STEM aid is restricted for science, technology, engineering, mathematics, and workforce programs.

#### **Property Taxes**

By February 10<sup>th</sup> of each year, the County Assessor’s Office provides assessed valuations needed to calculate the primary and secondary property tax levies. The primary levy cannot exceed the prior year levy by more than two percent plus new construction added to the tax rolls. Due to CCC’s low tax rate, the Board typically adopts the maximum allowed tax levy.

# Annual Financial Plan



## Budget Development Process (continued)

### Grants and Contracts

Grants and contracts mostly include revenue from federal and state grants that have been awarded to the College. Special meetings are held with individual grant program managers and the Grants Accountant to develop the upcoming budgets based on the anticipated funding level for the grant or program.

### Sales and Services

Sales and services revenue is budgeted in the Auxiliary Services Fund and is projected using minimum guarantees and estimates based on trend information. For example, funding from vending machines is used to support student activities and employee functions.

### Investment Income

Investment income is earned on balances invested with the County Treasurer and State Local Government Investment Pool. This revenue is budgeted using projected fund balance and estimated rate of return.

## EXPENSES

### Salary and Benefits

Salary and benefits are the largest expenditure of the College and account for approximately 69% of the General Fund budget. The Board has directed staff to conduct a salary survey every other year. In alternate years, employees and supervisors can request position reviews or reclassifications. The Board reviews salary and benefit information at the budget retreat, and provides direction at the March meeting. Board direction includes changes for CPI, degree attainment, market, minimum wage increases, and reclassifications for all faculty and staff.

The Arizona State Retirement System (ASRS) posts the required employee and employer contribution rates each year.

Health benefits are determined through the Northern Arizona Public Employees Benefit Trust (NAPEBT) which is a trust formed by local public employers to provide cost-effective benefits packages to their employees. The benefits covered include self-funded health, vision, pharmacy, and traditional life and dental insurance. For FY20, the Board focused on reducing the cost of health benefits to dependent coverage. The College absorbed the 2% of the health insurance benefit increase. The College also absorbed additional premium for employee plus 1 and premium for employee plus family, in order to, reduce the cost to employees.

### Travel

All travel expenses are zero-based annually. All travel must be requested and justified each year. Travel expenses includes in-district, in-state, and professional development. Professional development travel is allocated on a FTE basis to benefit eligible positions.

Travel Funds	
Administrator	\$ 1,300
Technical	1,100
Professional	700
Faculty	600
Classified Staff	400

Since Professional Development fund allocations do not cover all the costs of attending conferences, supervisors and budget managers typically pool the funds and alternate which employees are able to receive funds from year to year.



# Annual Financial Plan

## Budget Development Process (continued)

### **Preventative Maintenance (Life Cycle Replacement)**

The College allocates funds for preventative maintenance projects annually, based on a cost per square foot indexed by the CPI. Allocated funds not used in any one year are rolled over and reserved for future preventative maintenance projects. This process allows the College to set funds aside annually for larger projects.

The College has preventative maintenance schedules for 20 years that include major maintenance and replacement of items such as HVAC units, roofs, parking lots, and carpeting. The Executive Director of Facilities and Security assesses the condition of the facilities and adjusts the schedules annually, or as needed, to ensure the facilities are maintained and the life and safety of the students and staff are protected. Any capital items that improve or extend the life of the facilities and are over \$5,000 are capitalized and budgeted in the plant fund.

### **Academic Support Technology**

In FY17, a \$7 per credit hour technology fee was combined into the base tuition rate. Requests for technology purchases are reviewed during budget hearings. The Information Technology Services department uses the funds to pay for equipment, software and maintenance agreements for the instructional, academic support, and student services program codes.

### **Institutional Technology and Other Equipment**

For FY20, the College budgeted \$53,400 for institutional technology and other equipment. Starting in FY18, an IT life cycle replacement budget of \$140,000 was added to the budget to assist with yearly non-capital and capital equipment cost.

### **STEM Fund**

In addition to equipment funds, the College has STEM appropriation of \$287,400. To receive funds, a request is submitted and all equipment and STEM requests are prioritized by Executive Council based on strategic planning initiatives and performance measures.

### **Presidents Discretionary Fund**

An allowance of \$100,000 is budgeted for unforeseen expenditures and is expended at the President's discretion. Some of the funds can be used to provide a funding mechanism for faculty, staff, and students in developing and implementing innovative projects that will generate revenue, create savings or technological solutions, improve services to students, and/or advance strategic planning initiatives of access, retention, and completion.

### **Contingency Fund**

Since FY18, the College increased the contingency budget to \$2 million for emergencies.

# Annual Financial Plan

## All Funds

### Three-Year Comparative Analysis - For Years Ended June 30th

Revenues	FY18 Actual	FY19 Budget	FY20 Budget	FY20 % Change
Tuition and Fees	\$ 7,582,895	\$ 7,851,140	\$ 7,894,031	0.5%
State Appropriations	2,140,100	2,165,122	2,102,600	-2.9%
Property Taxes	10,159,636	10,288,010	8,383,362	-18.5%
Grants and Contracts	5,143,980	5,565,091	5,593,814	0.5%
Sales and Services	21,092	20,100	17,750	-11.7%
Investment Income	304,273	250,000	315,000	26.0%
Other Income	586,754	571,200	516,517	-9.6%
<b>Total Revenues</b>	<b>\$25,938,730</b>	<b>\$26,710,663</b>	<b>\$24,823,074</b>	<b>-7.1%</b>
<b>Other Financing Sources (Uses)</b>				
Transfer In	\$ 811,342	\$ 827,825	\$ 836,021	1.0%
Transfer Out	(811,342)	(827,825)	(836,021)	1.0%
<b>Total Other Financing Sources (Uses)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>0.0%</b>
<b>Total Revenues and Transfers</b>	<b>\$25,938,730</b>	<b>\$26,710,663</b>	<b>\$24,823,074</b>	<b>-7.1%</b>
<b>Expenditures by Program</b>				
Instruction	\$ 6,017,811	\$ 6,649,786	\$ 6,601,134	-0.7%
Public Service	73,408	160,226	161,700	0.9%
Academic Support	3,588,990	3,498,752	3,717,793	6.3%
Student Services	2,832,684	3,179,863	3,540,741	11.3%
Institutional Support	4,137,320	4,806,912	4,465,977	-7.1%
Facilities Operation & Maintenance	1,632,402	2,067,064	2,134,379	3.3%
Scholarships & Grants	3,609,398	3,896,093	3,900,093	0.1%
Auxiliary Enterprises	21,070	46,100	37,400	-18.9%
Retirement of Indebtedness	2,153,579	2,209,236	-	-100.0%
Contingency	-	2,185,911	2,175,465	-0.5%
<b>Total Expenditures</b>	<b>\$24,066,662</b>	<b>\$28,699,943</b>	<b>\$26,734,682</b>	<b>-6.8%</b>
<b>Expenditures by Object</b>				
Personnel Services	\$ 14,441,923	\$ 15,516,826	\$ 15,830,935	2.0%
Contractual Services	917,605	884,872	927,084	4.8%
Supplies	1,009,843	1,334,595	1,119,814	-16.1%
Fixed Charges	937,012	955,808	1,063,110	11.2%
Utilities	526,390	589,267	600,433	1.9%
Travel	232,280	298,740	278,882	-6.6%
Scholarships	3,608,896	3,908,289	3,892,289	-0.4%
Capital Equipment	208,465	573,645	632,224	10.2%
Retirement of Indebtedness	2,153,579	2,120,000	-	-100.0%
Miscellaneous/Other	30,671	331,990	214,446	-35.4%
Contingency	-	2,185,911	2,175,465	-0.5%
<b>Total Expenditures</b>	<b>\$24,066,662</b>	<b>\$28,699,943</b>	<b>\$26,734,682</b>	<b>-6.8%</b>
<b>Excess of revenues and other sources over/(under) expenditures</b>	<b>\$ 1,872,068</b>	<b>\$ (1,989,280)</b>	<b>\$ (1,911,608)</b>	<b>-3.9%</b>

\*Excludes net investment in Plant Fund



# Annual Financial Plan

## All Funds

### FY20 Budget Summary - For Year Ended June 30th

Revenues	General Fund	Restricted Fund	Auxiliary Fund	Unexpended Plant Fund	Retirement of Indebtedness	Total All Funds
Tuition and Fees	\$ 7,894,031	\$ -	\$ -	\$ -	\$ -	\$ 7,894,031
State Appropriations	1,703,400	399,200	-	-	-	2,102,600
Property Taxes	8,383,362	-	-	-	-	8,383,362
Grants & Contracts	182,000	5,411,814	-	-	-	5,593,814
Sales & Services	-	-	17,750	-	-	17,750
Investment Income	315,000	-	-	-	-	315,000
Other Income	516,517	-	-	-	-	516,517
<b>Total Revenues</b>	<b>\$ 18,994,310</b>	<b>\$ 5,811,014</b>	<b>\$ 17,750</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 24,823,074</b>
<b>Other financing sources (uses)</b>						
Transfer In	\$ 52,768	\$ 57,253	\$ 12,000	\$ 714,000	\$ -	\$ 836,021
Transfer Out	(783,253)	-	-	(52,768)	-	(836,021)
<b>Total other financing sources (uses)</b>	<b>\$ (730,485)</b>	<b>\$ 57,253</b>	<b>\$ 12,000</b>	<b>\$ 661,232</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Total Revenues and Transfers</b>	<b>\$ 18,263,825</b>	<b>\$ 5,868,267</b>	<b>\$ 29,750</b>	<b>\$ 661,232</b>	<b>\$ -</b>	<b>\$ 24,823,074</b>
<b>Expenditures by Program</b>						
Instruction	\$ 5,246,722	\$ 1,354,412	\$ -	\$ -	\$ -	\$ 6,601,134
Public Service	-	161,700	-	-	-	161,700
Academic Support	3,457,111	260,682	-	-	-	3,717,793
Student Services	3,127,361	413,380	-	-	-	3,540,741
Institutional Support	4,225,977	-	-	240,000	-	4,465,977
Facilities Operation & Maintenance	1,809,189	-	-	325,190	-	2,134,379
Scholarships & Grants	222,000	3,678,093	-	-	-	3,900,093
Auxiliary Enterprises	-	-	37,400	-	-	37,400
Contingency	2,175,465	-	-	-	-	2,175,465
<b>Total Expenditures</b>	<b>\$ 20,263,825</b>	<b>\$ 5,868,267</b>	<b>\$ 37,400</b>	<b>\$ 565,190</b>	<b>\$ -</b>	<b>\$ 26,734,682</b>
<b>Expenditures by Object</b>						
Personnel Services	13,923,509	\$ 1,907,426	\$ -	\$ -	\$ -	\$ 15,830,935
Contractual Services	922,224	4,560	300	-	-	927,084
Supplies	981,658	103,256	34,900	-	-	1,119,814
Fixed Charges	1,059,761	3,349	-	-	-	1,063,110
Utilities	600,053	380	-	-	-	600,433
Travel	214,680	62,002	2,200	-	-	278,882
Scholarships	222,000	3,670,289	-	-	-	3,892,289
Capital Equipment	-	67,034	-	565,190	-	632,224
Miscellaneous/Other	164,475	49,971	-	-	-	214,446
Contingency	2,175,465	-	-	-	-	2,175,465
<b>Total Expenditures</b>	<b>\$ 20,263,825</b>	<b>\$ 5,868,267</b>	<b>\$ 37,400</b>	<b>\$ 565,190</b>	<b>\$ -</b>	<b>\$ 26,734,682</b>
<b>Excess of Revenues and Other Sources Over/(Under) Expenditures</b>	<b>\$ (2,000,000)</b>	<b>\$ -</b>	<b>\$ (7,650)</b>	<b>\$ 96,042</b>	<b>\$ -</b>	<b>\$ (1,911,608)</b>



# Annual Financial Plan



## All Funds - Faculty and Staff Statistics

Salaries and benefits represent the largest expense for the College. The schedule below provides an all funds three-year comparison of salaries and benefits by program and employee classification type. In addition, the number of full-time equivalent positions for both restricted and unrestricted funds are provided. For FY20, total compensation has decreased primarily due to decrease in PT faculty. Total benefits increased by Arizona State Retirement contribution rate and due to the College absorbing a larger portion of health benefits for dependent coverage.

### Three-Year Comparative Analysis Faculty and Staff Statistics

Fiscal Year 2019/2020 (Budget)								
Program	Faculty	Part Time Faculty	Admin	Support Staff	Part Time Staff	Total Salary Per Program	Total Benefits	Total Compensation
Instruction	\$ 2,792,494	\$ 1,455,125	\$ -	\$ -	\$ 402,778	\$ 4,650,397	\$ 1,273,962	\$ 5,924,359
Public Service	-	-	68,076	33,606	-	101,682	28,645	130,327
Academic Support	-	-	765,547	1,217,724	151,668	2,134,939	804,267	2,939,206
Student Services	-	-	514,224	1,518,334	267,111	2,299,669	866,448	3,166,117
Institutional Support	-	-	776,140	1,205,525	14,220	1,995,885	840,693	2,836,578
Facilities	-	-	105,872	444,468	35,880	586,220	248,128	834,348
<b>Total Salary</b>	<b>\$ 2,792,494</b>	<b>\$ 1,455,125</b>	<b>\$ 2,229,859</b>	<b>\$ 4,419,657</b>	<b>\$ 871,657</b>	<b>\$ 11,768,792</b>	<b>\$ 4,062,143</b>	<b>\$ 15,830,935</b>
Unrestricted Funds	33.0	55.9	21.0	81.0	16.0	206.9		
Restricted Funds	9.0	-	-	7.0	13.1	29.1		
<b>Total FTE</b>	<b>42.0</b>	<b>55.9</b>	<b>21.0</b>	<b>88.0</b>	<b>29.1</b>	<b>236.0</b>		
Fiscal Year 2018/2019 (Budget)								
Program	Faculty	Part Time Faculty	Admin	Support Staff	Part Time Staff	Total Salary Per Program	Total Benefits	Total Compensation
Instruction	\$ 2,779,318	\$ 1,630,130	\$ 42,038	\$ -	\$ 238,196	\$ 4,689,682	\$ 1,150,769	\$ 5,840,451
Public Service	-	-	66,869	38,910	-	105,779	40,355	146,134
Academic Support	-	-	679,526	1,163,650	178,165	2,021,341	669,365	2,690,706
Student Services	-	-	426,361	1,384,816	197,171	2,008,348	717,345	2,725,693
Institutional Support	-	-	1,172,125	1,323,579	7,200	2,502,904	831,270	3,334,174
Facilities	-	-	104,571	410,211	60,216	574,998	204,670	779,668
<b>Total Salary</b>	<b>\$ 2,779,318</b>	<b>\$ 1,630,130</b>	<b>\$ 2,491,490</b>	<b>\$ 4,321,166</b>	<b>\$ 680,948</b>	<b>\$ 11,903,052</b>	<b>\$ 3,613,774</b>	<b>\$ 15,516,826</b>
Unrestricted Funds	32.7	62.6	23.0	81.0	17.4	216.6		
Restricted Funds	9.4	-	-	9.1	6.2	24.6		
<b>Total FTE</b>	<b>42.0</b>	<b>62.6</b>	<b>23.0</b>	<b>90.1</b>	<b>23.6</b>	<b>241.3</b>		
Fiscal Year 2017/2018 (Actual)								
Program	Faculty	Part Time Faculty	Admin	Support Staff	Part Time Staff	Total Salary Per Program	Total Benefits	Total Compensation
Instruction	\$ 2,313,119	\$ 1,541,561	\$ -	\$ 43,038	\$ 303,863	\$ 4,201,580	\$ 910,664	\$ 5,112,245
Public Service	-	-	32,779	19,066	-	51,844	16,292	68,137
Academic Support	-	-	867,275	1,028,812	185,639	2,081,727	570,100	2,651,827
Student Services	-	-	390,281	1,302,846	182,131	1,875,258	579,934	2,455,191
Institutional Support	-	-	1,195,873	1,221,158	6,694	2,423,725	682,984	3,106,709
Facilities	-	-	102,521	373,208	34,319	510,048	166,725	676,773
<b>Total Salary</b>	<b>\$ 2,313,119</b>	<b>\$ 1,541,561</b>	<b>\$ 2,588,729</b>	<b>\$ 3,988,128</b>	<b>\$ 712,646</b>	<b>\$ 11,144,182</b>	<b>\$ 2,926,699</b>	<b>\$ 14,070,881</b>
Unrestricted Funds	31.0	61.6	21.0	80.7	14.6	208.9		
Restricted Funds	9.0	-	-	7.8	9.3	26.1		
<b>Total FTE</b>	<b>40.0</b>	<b>61.6</b>	<b>21.0</b>	<b>88.5</b>	<b>23.9</b>	<b>235.0</b>		



# Annual Financial Plan

## All Funds - Fund Balance Reserves

The purpose of the College's fund balance procedure is to establish a targeted amount for General Fund and fund balance reserves. It is important to maintain adequate levels of unreserved fund balance to mitigate financial risk that can occur from unforeseen revenue fluctuations, unanticipated expenditures, cash flow management, emergency contingency, and Plant Fund designations. The fund balance also provides cash flow liquidity for general operations.

At the close of each fiscal year, a transfer of funds shall be made to maintain a General Fund ending balance equal to four (4) months of revenues (estimated at 33% of annual revenues). Any excess revenues over expenditures in the General Fund for a fiscal year will be transferred to the Plant Fund for future capital expenditures.

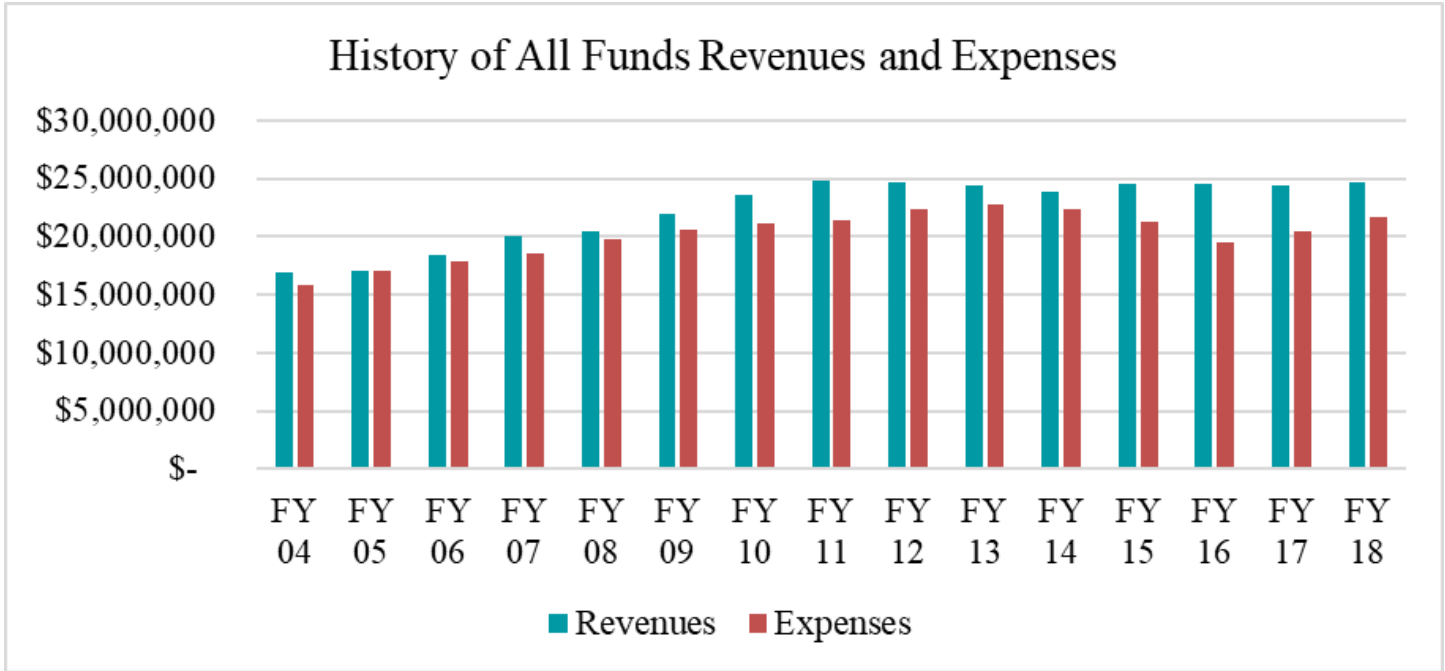
### Three-Year Comparative Analysis

	<b>FY 18 Audit</b>	<b>FY 19 Budget</b>	<b>FY 20 Budget</b>
All Funds Revenues - Based on Budget	\$27,968,268	\$26,710,663	\$24,823,074
All Funds Sustainability Reserves (33%) - Based on Budget	\$ 9,229,528	\$ 8,814,519	\$ 8,191,614
General Fund Contingency - Based on Budget	2,000,000	2,000,000	2,000,000
Auxiliary Fund Reserve	47,243	33,243	25,593
Plant Fund - Preventative Maintenance Reserves	4,535,178	4,602,839	4,681,881
Plant Fund - Copier Replacement Reserve	43,738	60,738	77,738
Total Target Fund Balance/Reserves	\$15,855,687	\$15,511,338	\$14,976,826
Restricted and Unrestricted Net Position (Fund Balance/Reserves)	\$14,271,133	\$14,467,764	\$14,731,621
% of Fund Balance/Reserves compared to Target	90%	93%	98%

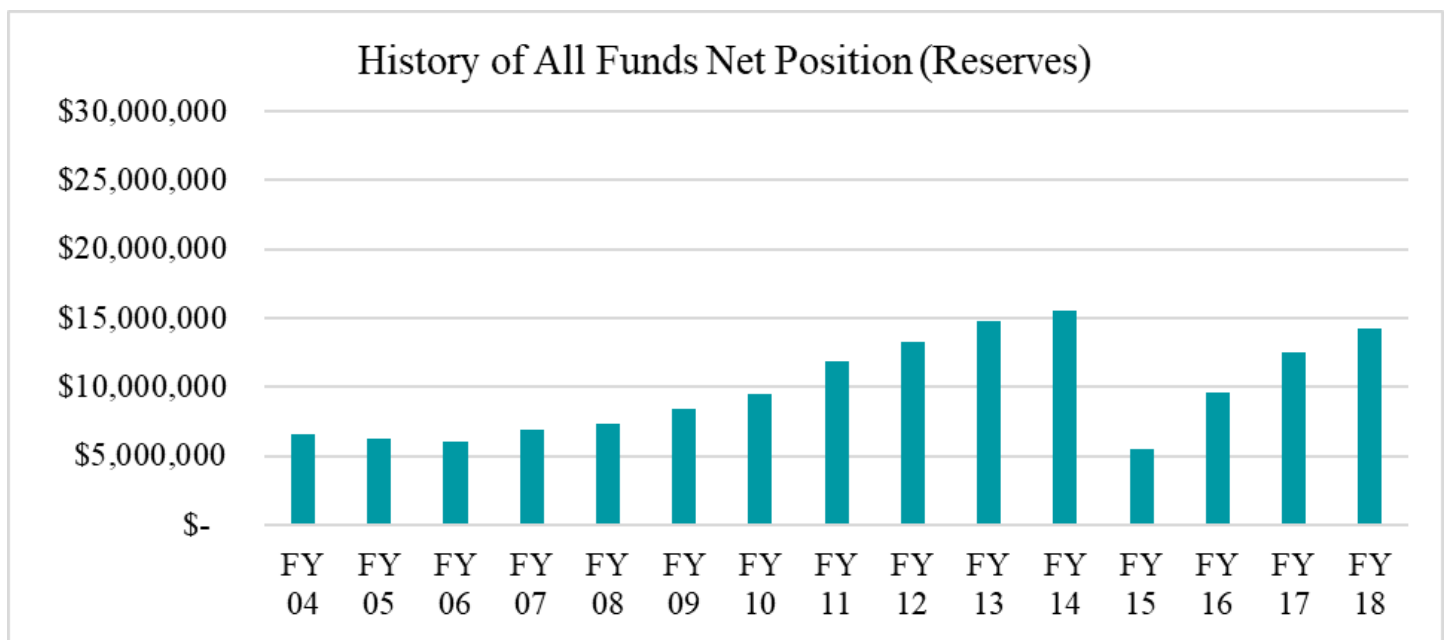
# Annual Financial Plan

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

The charts below show a 15 year history of revenues and expenses.



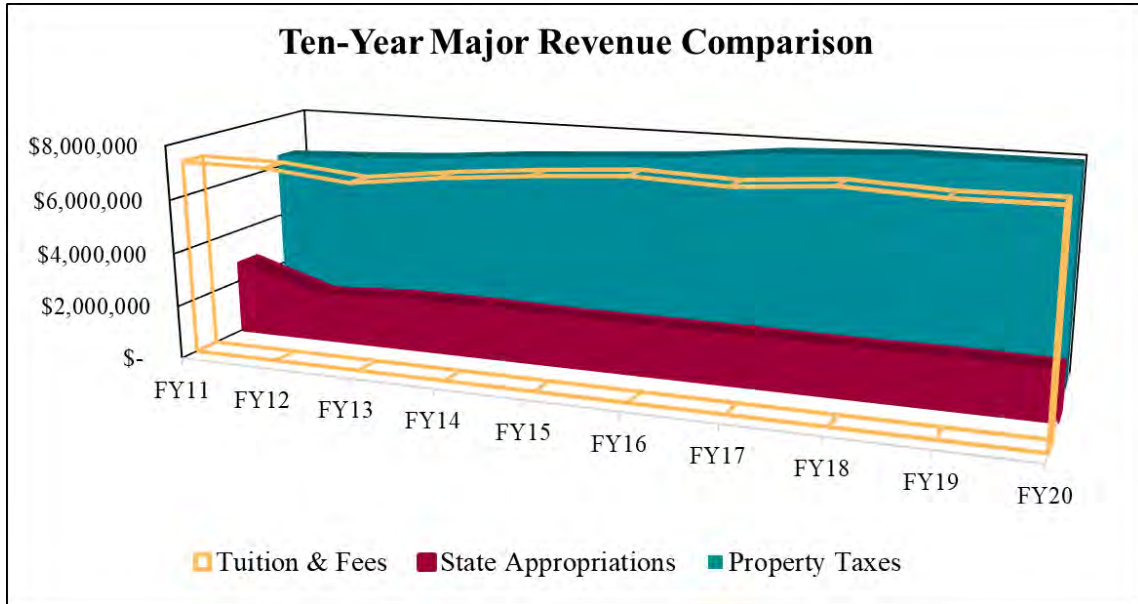
The charts below show a 15 year history of the difference that was added to net position (reserves) for the College. The significant decrease in net position (reserves) funds in FY15 was due to GASB 68 pension adjustment.



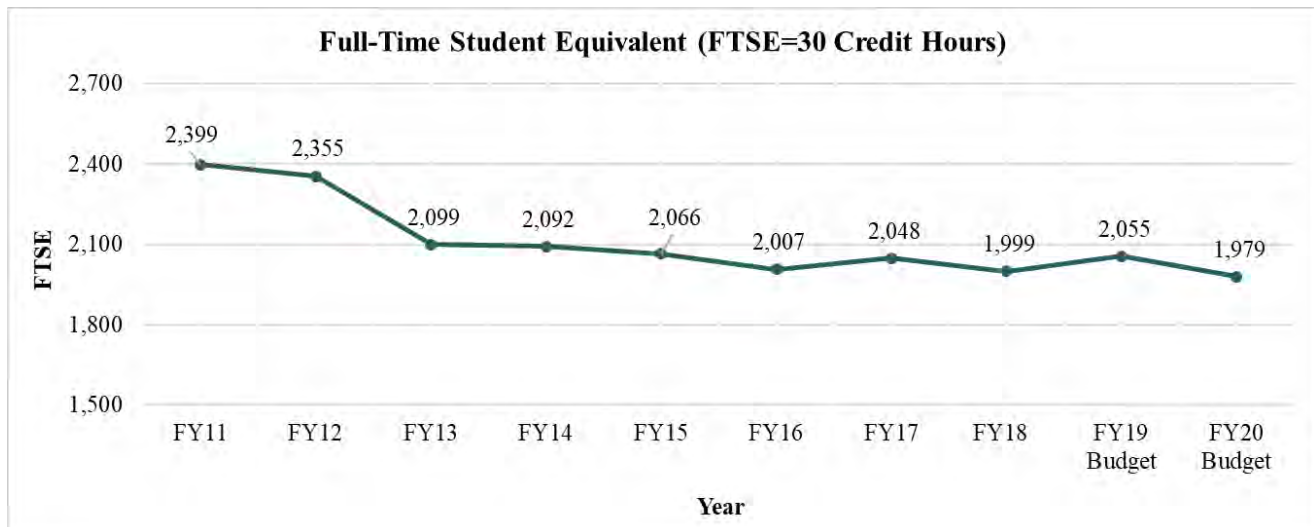
# Annual Financial Plan

## General Fund - Revenues

The General Fund has three major revenue sources: student tuition and fees, state appropriations, and property taxes. The chart below depicts the changes in these revenue sources over a ten-year period showing the state appropriations declining, while tuition and fees has increased.



Tuition and Fee revenue for FY20 is based on enrollments of 1,979 FTSE. Enrollment tends to be counter-cyclical in comparison to the unemployment rate. The projected FY20 decline reflects the current low national and regional unemployment rate.



# Annual Financial Plan

## General Fund - Tuition and Fee Revenue

The chart below shows how CCC was forced to implement large tuition increases due to the decline in state appropriations from FY09 through FY11. CCC now has the highest tuition rate in the state. Since FY12, the College has been able to maintain lower tuition increases. The FY20 was a \$2 increase approved by the Board.

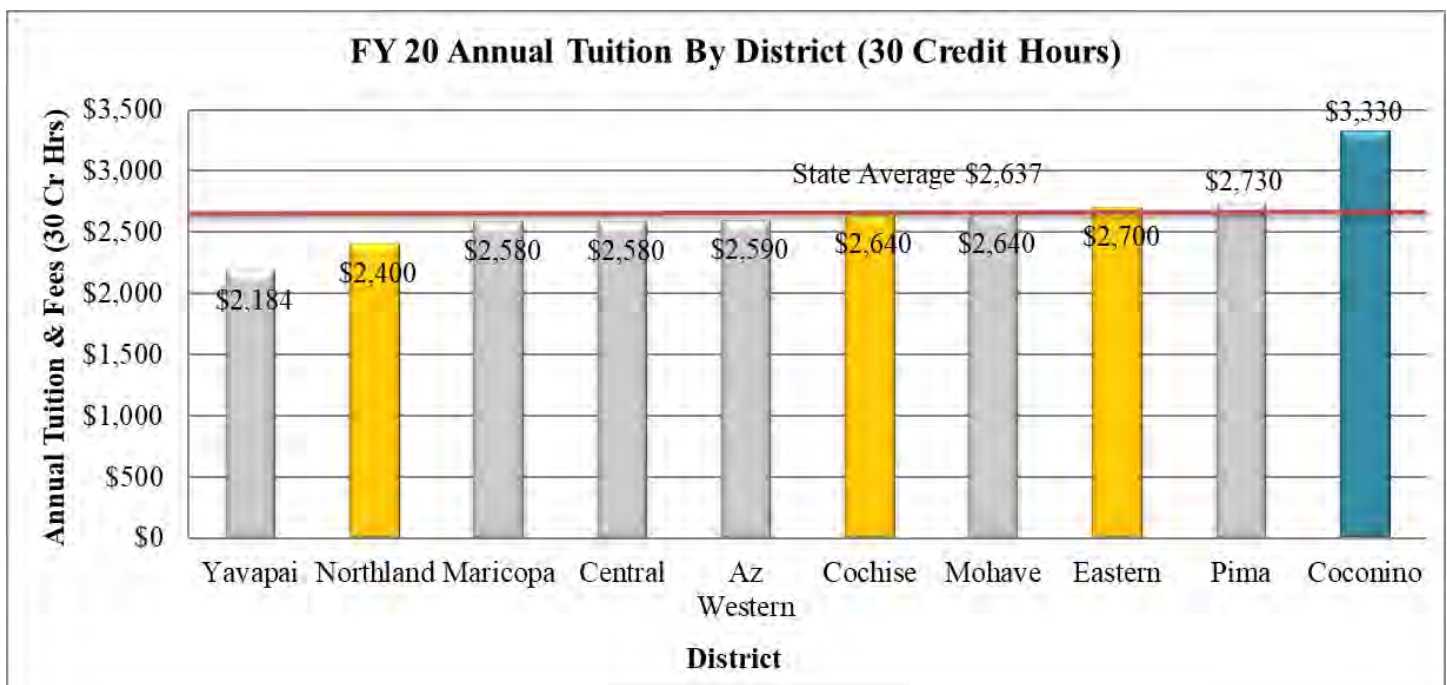
### Historic Tuition Rates - Resident - Last 10 Fiscal Years

Fiscal Year	<sup>A</sup> Tuition per Credit Hour	<sup>B</sup> Technology Fee per Credit Hour	Tuition and Fee (per cr hr)	Annual Student Tuition	Change in \$	% increase
FY 11	\$ 80	\$ 5	\$ 85	\$ 2,550	\$ 300	13.3%
FY 12	83	5	88	2,640	90	3.5%
FY 13	85	5	90	2,700	60	2.3%
FY 14	87	5	92	2,760	60	2.2%
FY 15	89	5	94	2,820	60	2.2%
FY 16	92	7	99	2,970	150	5.3%
FY 17	102	-	102	3,060	90	3.0%
FY 18	105	-	105	3,150	90	2.9%
FY 19	109	-	109	3,270	120	3.8%
FY 20	111	-	111	3,330	60	1.8%

<sup>A</sup> Per Credit hour includes student ID, transcripts, student activities, and technology

<sup>B</sup> Tech Fee included in per credit hour tuition rate beginning in FY17

Coconino Community College has the highest tuition rates in the state, and as previously discussed this is primarily due to having the lowest property tax levy in the state.





# Annual Financial Plan

## General Fund - Tuition and Fee Revenue

Tuition and fees are projected based on trend analysis for the different types of tuition (Out-of-State, Out-of-County, WUE, Dual Enrollment, and CAVIAT).

### Tuition and Fee Revenue Projections Three-Year Comparative Analysis

General Fund Tuition and Fees Detail	FY18 Actual	FY19 Budget	FY20 Budget	FY20 FTSE
General Tuition (Resident Tuition)	\$ 4,677,408	\$ 5,037,000	\$ 4,835,000	1,487
Differential Tuition Rates	345,665	322,000	367,630	
Out-of-State Tuition	357,972	349,000	390,000	37
Out-of-County Reimbursement	196,800	200,000	373,000	50
Out-of-State Tuition (WUE)	888,271	833,000	918,000	203
Out-of-State Tuition (WUE2)	-	41,000	42,000	7
Dual Enrollment Fee (Arts & Sciences)	32,830	30,300	50,490	187
Coconino Association for Vocations, Industry and Technology (CAVIAT)	70,072	70,800	35,600	8
Technology Fee (allocated from General Tuition)	529,245	451,000	428,000	
Scholarship tuition (allocated from General Tuition)	219,761	222,000	222,000	
Prior Learning Assessment (PLA)	-	3,270	3,270	
Non-credit classes (CPR, EMT, FSC)	34,460	32,000	32,000	
Fees (Parking, Transcripts, Graduation, ID, Testing, Etc.)	221,689	253,770	197,041	
<b>Total Tuition and Fees</b>	<b>\$ 7,574,173</b>	<b>\$ 7,845,140</b>	<b>\$ 7,894,031</b>	<b>1,979</b>

In FY20, the District Governing Board approved a tuition increase of \$2.00 and a new Out-of-County rate at a 10% increase of In-State. The standard tuition for each of the residency types are: Residents - \$111, Western Undergraduate Exchange (WUE) Program - \$166.50, and Out-of-State - \$388.50. The WUE program and Out-of-State tuition rates are based on a multiplier of 1.5 and 3.5 of the standard rate, respectively. The differential tuition rate charges higher tuition rates to higher-cost programs. The **2019-2020 Tuition Schedule** below shows the level for each differential tuition rate.

2019-2020 Tuition Schedule				
Differential Tuition Schedule	In State Per Credit Hour	Out-of-County Per Credit Hour	*WUE Per Credit Hour	Out-of-State Per Credit Hour
Standard	\$111.00	\$122.10	\$166.50	\$388.50
Specialty Higher Rates				
Differential Tuition Level 1 (+\$5)	\$116.00	\$127.10	\$171.50	\$393.50
Differential Tuition Level 2 (+\$10)	\$121.00	\$132.10	\$176.50	\$398.50
Differential Tuition Level 3 (+\$15)	\$126.00	\$137.10	\$181.50	\$403.50
Differential Tuition Level 4 (+\$20)	\$131.00	\$142.10	\$186.50	\$408.50
Differential Tuition Level 5* (+\$25)	\$136.00	\$147.10	\$413.50	\$413.50
Differential Tuition Level 6* (+\$30)	\$141.00	\$152.10	\$418.50	\$418.50
Differential Tuition Level 7* (+\$50)	\$161.00	\$172.10	\$438.50	\$438.50
Differential Tuition Level 8* (+\$80)	\$191.00	\$202.10	\$468.50	\$468.50
Differential Tuition Level 9* (+100)	\$211.00	\$222.10	\$488.50	\$488.50

\*Levels 5-9: Students in the WUE program are charged non-resident tuition for any course specified in levels 5 through 9, plus applicable special course tuition rates and fees.



# Annual Financial Plan

## General Fund - State Appropriations

Declines in state aid began in 1998 due to the struggling economy and decreased tourist activity. State funding for FY20 has decreased from last year based on the statutory formula. State appropriations are received based on Full-Time Student Equivalent (FTSE) enrollment and formula funding. This formula funding provides \$588 per FTSE (30 credit hours per year) while dual enrollment is only calculated at fifty percent or \$294 per FTSE. State appropriations are received on a two-year lag based on enrollment growth or decline. The state appropriations funding formula has not been adjusted to keep pace with inflation.

### State Appropriations Revenue Projections Three-Year Comparative Analysis

STATUTORY CALCULATION A.R.S. §15-1466 Subject to legislative appropriation	FY 18 Actual	FY 19 Budget	FY 20 Budget
FTSE Change:			
Total Audited FTSE third most recent fiscal year	2,066	2,007	2,048
Total Audited FTSE second most recent fiscal year	2,009	2,048	1,999
Increase/(decrease)	(57)	41	(49)
Non Dual Enrollment Audited FTSE third most recent fiscal year	1,915	1,888	1,910
Non Dual Enrollment Audited FTSE second most recent fiscal year	1,890	1,910	1,803
Increase/(decrease)	(25)	22	(107)
Average Appropriation Per FTSE (Non Dual Enrollment)	588	575	588
Non Dual Enrollment Growth	\$ (14,800)	\$ 12,700	\$ (62,900)
Dual Enrollment Audited FTSE third most recent fiscal year	150	119	138
Dual Enrollment Audited FTSE second most recent fiscal year	119	138	196
Increase/(decrease)	(31)	19	58
Average Appropriation Per FTSE (Dual Enrollment @ 50%)	337	288	294
Dual Enrollment Growth	\$ (10,500)	\$ 5,500	\$ 17,100
State Appropriation	\$ 1,731,100	\$ 1,749,300	\$ 1,703,400
State Aid Cuts	-	(100)	-
<b>Total M &amp; O State Appropriations</b>	<b>\$ 1,731,100</b>	<b>\$ 1,749,200</b>	<b>\$ 1,703,400</b>

# Annual Financial Plan

## General Fund - Property Taxes

The tax levy is calculated in accordance with Arizona Revised Statutes (A.R.S.) §42-17051. Assessed property values fall into two tax levy categories, property on the tax rolls in the current year and newly completed construction being added to the rolls.

The Arizona Constitution limits the increase in the District's tax levy on current assessed property to 2% per year. Because of the low property tax rate, CCC Board has approved the maximum levy each year. New construction growth rate averages approximately 1% per year.

The assessed value of all property for the current tax year tends to reflect values of properties 18 months prior to when taxes are levied. Property assessments begin in February, and a notice of value is provided to each property owner the following January for the value that will be taxed in the upcoming year, based on assessments started in the prior year.

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

STATUTORY CALCULATION	FY18 (Tax Year 2017) ADOPTED LEVY	FY19 (Tax Year 2018) ADOPTED LEVY	FY20 (Tax Year 2019) ADOPTED LEVY
1) Maximum levy - prior tax year	\$ 7,706,211	\$ 7,939,326	\$ 8,185,715
2) Maximum levy prior tax year multiplied by 102%	7,860,335	8,098,113	8,349,429
3) Assessed value for current tax year of all property subject to tax in the preceding year	1,632,140,819	1,708,276,591	1,818,274,043
4) Paragraph 3 divided by 100, then divide paragraph 2 by the resulting quotient; round to four decimal places	0.4816	0.4741	0.4592
5) Assessed value of all property for current year	1,648,531,053	1,726,579,756	1,831,089,260
6) Paragraph 5 divided by 100 and multiplied by rate in paragraph 4 equals maximum allowable primary property tax levy	7,939,326	8,185,715	8,408,362
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	7,939,326	8,185,715	8,408,362
Adjustment for Transwestern Pipeline			(25,000)
Total primary property tax revenue	\$ 7,939,326	\$ 8,185,715	\$ 8,383,362



# Annual Financial Plan

## General Fund - Other Revenue and Transfers

Grants, contracts, and administrative cost recovered is 1% of the general fund budget. Investment income is 2%, and other income consists of 3% percent of total revenue. Other income includes funds, such as, bookstore income, in-lieu of tax, leases, etc. are listed below.

### Three-Year Comparative Analysis

Grants & Contracts	FY18 ACTUAL	FY19 BUDGET	FY20 BUDGET
PELL ACA Revenue	\$ 4,880	\$ 5,000	\$ 5,000
Administrative Cost Recovered	57,990	58,000	58,000
Veterans Admins Cost Recovered	1,015	1,000	1,000
Foundation FMC Contribution	-	95,000	95,000
Non-credit contract training	34,280	18,000	23,000
Other Private Grants	159,600	-	-
<b>Total Grants &amp; Contracts</b>	<b>\$ 257,765</b>	<b>\$ 177,000</b>	<b>\$ 182,000</b>

Investment Income	FY18 ACTUAL	FY19 BUDGET	FY20 BUDGET
Investment Income	\$ 304,273	\$ 250,000	\$ 315,000
<b>Total Investment Income</b>	<b>\$ 304,273</b>	<b>\$ 250,000</b>	<b>\$ 315,000</b>

Other Income	FY18 ACTUAL	FY19 BUDGET	FY20 BUDGET
Bookstore (Commissions)	\$ 75,804	\$ 75,000	\$ 68,000
Salt River Project/Other In-Lieu of Tax	167,453	172,000	185,000
Government Property Lease Excise Tax	73,255	74,000	66,400
Surplus Property	1,652	500	500
Parking Tickets	12,220	8,000	13,000
Temporary Facility Rental	7,513	2,500	6,000
Flagstaff Library (Lease)	94,322	97,000	100,201
CAVIAT (Lease)	49,500	50,900	33,216
Cell Phone Tower (Lease)	33,064	33,100	33,100
Deli (Lease)	4,757	5,000	5,100
Omni Net	900	1,200	1,000
Other	20,208	5,000	5,000
<b>Total Other Income</b>	<b>\$ 540,648</b>	<b>\$ 524,200</b>	<b>\$ 516,517</b>

Transfers	FY18 ACTUAL	FY19 BUDGET	FY20 BUDGET
Transfers In	\$ 9,070	\$ 48,894	\$ 52,768
Transfers Out	(802,273)	(778,931)	(783,253)
<b>Net Transfers</b>	<b>\$ (793,203)</b>	<b>\$ (730,037)</b>	<b>\$ (730,485)</b>



# Annual Financial Plan

## General Fund - Cost per FTSE by Program

The chart below depicts the cost per full-time student equivalent in the General Fund based on programs codes. The full budgeted cost to educate one full-time student per year is \$9,140 as shown in the chart below. The current annual tuition cost for a resident to attend full-time college is \$3,330. As an open access public institution, CCC provides lower-cost educational opportunities for students who might not otherwise be able afford higher education.

FTSE	1,999	1,986	1,979
	FY18	FY19	FY20
Expenditure by Program	Actual	Unaudited	Budget
Instruction	\$2,305	\$ 2,531	\$ 2,651
Academic Support	1,677	1,755	1,747
Student Services	1,240	1,356	1,580
Institutional Support	2,046	2,217	2,135
Facilities Operation & Maintenance	805	854	914
Scholarships & Grants	119	112	112
<b>Total General Fund Cost Per FTSE</b>	<b>\$8,193</b>	<b>\$ 8,826</b>	<b>\$ 9,140</b>

Program descriptions can be found on page 30.

# Annual Financial Plan

## General Fund - Non-Capital Equipment

### FY20 Preventative Maintenance (Life Cycle Replacement)

The College has preventative maintenance schedules for 20 years that include major maintenance and replacement of items which normally impacts the Plant Fund. The chart below shows the items that impact the General Fund for a total of \$52,768. This covers repairs and replacements such as, furniture, lighting, painting, etc. Purchases under \$5,000 are not capitalized and budgeted to supplies and materials in the General Fund.

Planned Maintenance	Fourth St	Lone Tree	Page	Total
Exterior Lighting LED lights	\$ 5,000	\$ -	\$ -	\$ 5,000
Interior Painting	3,500	4,000	4,000	11,500
Exterior Window	12,360	-	-	12,360
Deli Equipment	-	4,120	-	4,120
Furniture Replacement	7,000	7,638	5,150	19,788
<b>Total</b>	<b>\$ 27,860</b>	<b>\$ 15,758</b>	<b>\$ 9,150</b>	<b>\$ 52,768</b>

### Institutional Technology and Other Equipment

The College budgeted \$53,400 for institutional equipment replacement. To receive funds, a request must be submitted and all equipment requests are prioritized with final approval by Executive Council.

### STEM

The College budgeted \$287,400 for STEM equipment in FY20. STEM requests are prioritized based on strategic planning initiatives and performance measures, with final approval by Executive Council.

# Annual Financial Plan



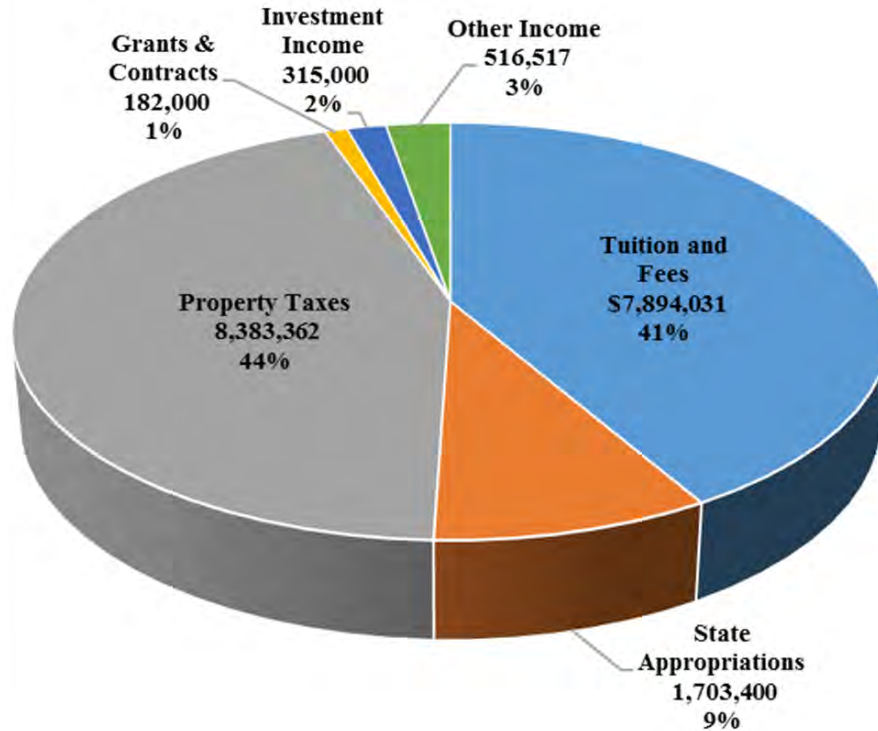
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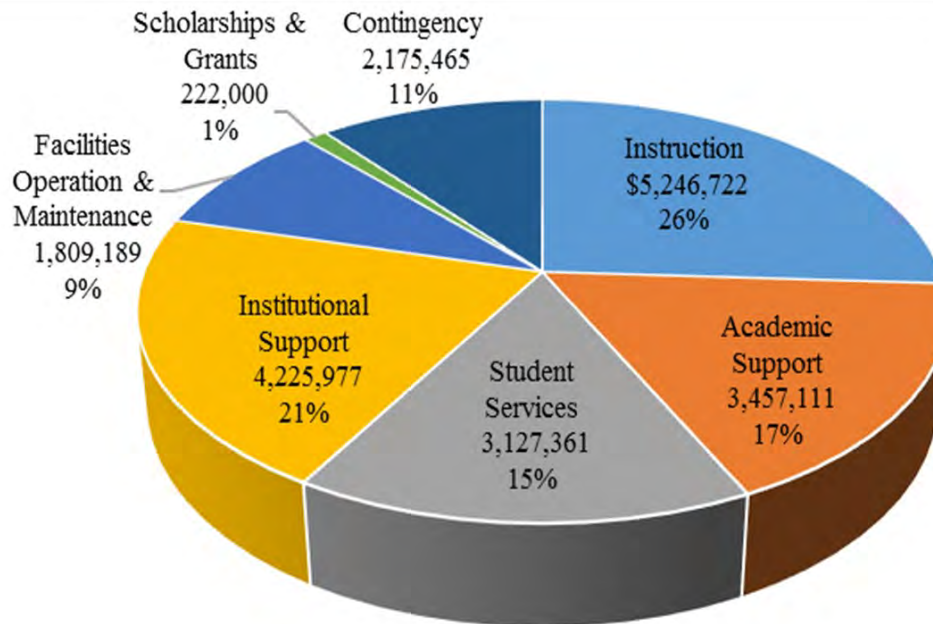
# Annual Financial Plan



## General Fund - FY20 Revenues (\$18,994,310)



## General Fund - FY20 Expenditures by Program (\$20,263,825)





# Annual Financial Plan

## General Fund

### Three-Year Comparative Analysis - For Years Ended June 30th

Revenues	FY18 ACTUAL	FY19 BUDGET	FY20 BUDGET
Tuition and Fees	\$ 7,574,173	\$ 7,845,140	\$ 7,894,031
State Appropriations	1,731,100	1,749,200	1,703,400
Property Taxes	7,966,273	8,185,715	8,383,362
Grants & Contracts	199,775	177,000	182,000
Investment Income	304,273	250,000	315,000
Other Income	540,649	524,200	516,517
<b>Total Revenues</b>	<b>\$ 18,316,243</b>	<b>\$ 18,731,255</b>	<b>\$ 18,994,310</b>
<b>Other financing sources (uses)</b>			
Transfer In	\$ 9,070	\$ 48,894	\$ 52,768
Transfer Out	(802,272)	(778,931)	(783,253)
<b>Total other financing sources (uses)</b>	<b>\$ (793,203)</b>	<b>\$ (730,037)</b>	<b>\$ (730,485)</b>
<b>Total Revenues and Transfers</b>	<b>\$ 17,523,040</b>	<b>\$ 18,001,218</b>	<b>\$ 18,263,825</b>
<b>Expenditures by Program</b>			
Instruction	\$ 4,607,901	\$ 5,308,747	\$ 5,246,722
Academic Support	3,352,102	3,213,949	3,457,111
Student Services	2,478,872	2,770,280	3,127,361
Institutional Support	4,089,463	4,566,912	4,225,977
Facilities Operation & Maintenance	1,609,979	1,733,419	1,809,189
Scholarships & Grants	238,833	222,000	222,000
Contingency		2,185,911	2,175,465
<b>Total Expenditures</b>	<b>\$ 16,377,150</b>	<b>\$ 20,001,218</b>	<b>\$ 20,263,825</b>
<b>Expenditures by Object</b>			
Personnel Services	\$ 12,712,620	\$ 13,650,248	\$ 13,923,509
Contractual Services	906,215	881,472	922,224
Supplies	848,842	1,141,754	981,658
Fixed Charges	929,993	952,216	1,059,761
Utilities	526,318	587,887	600,053
Travel	184,161	219,255	214,680
Scholarships	238,833	222,000	222,000
Miscellaneous/Other	30,168	160,475	164,475
Contingency	-	2,185,911	2,175,465
<b>Total Expenditures</b>	<b>\$ 16,377,150</b>	<b>\$ 20,001,218</b>	<b>\$ 20,263,825</b>
<b>Excess of Revenues and Other Sources Over/(Under) Expenditures</b>	<b>\$ 1,145,890</b>	<b>\$ (2,000,000)</b>	<b>\$ (2,000,000)</b>

# Annual Financial Plan

## General Fund

### Three-Year Comparative Analysis - For Years Ended June 30th

FY19 to FY20 CHANGE		FY19 to FY20 CHANGE DETAIL
\$ 48,891	0.6%	\$2 increase, Out-of-County, enrollment decline
(45,800)	-2.6%	Per state formula
197,647	2.4%	2% plus new construction
5,000	2.8%	Non-credit increase
65,000	26.0%	Based on prior actuals
(7,683)	-1.5%	Bookstore decrease, CAVIAT reduction in sq ft
<b>\$ 263,055</b>	<b>1.4%</b>	
\$ 3,874	7.9%	Planned maintenance
(4,322)	0.6%	LSAMP, ADE
<b>\$ (448)</b>	<b>0.1%</b>	
<b>\$ 262,607</b>	<b>1.5%</b>	
\$ (62,025)	-1.2%	Comp adj, PT faculty decline, faculty lead reorg
243,162	7.6%	Comp adj, EnrollmentRX, faculty lead reorg
357,081	12.9%	Comp adj, Student Accts move
(340,935)	-7.5%	Comp adj, Student Accts move, STEM realloc, reorg
75,770	4.4%	Comp adj, Fourth St. Fri. hours, custodial increase
-	0.0%	Change in enrollment mix
(10,446)	-0.5%	Decrease in contingency
<b>\$ 262,607</b>	<b>1.3%</b>	
\$ 273,261	2.0%	Compensation adjustments
40,752	4.6%	Custodial incr, transcript sftwre, planned maintenance
(160,096)	-14.0%	Reallocation of STEM funds
107,545	11.3%	Strategic-EnrollmentRX, Zoom, CIDI, Facility software
12,166	2.1%	Fourth St. increase Fri. hours
(4,575)	-2.1%	Reorganization
-	0.0%	Change in enrollment mix
4,000	2.5%	Increase collection fees
(10,446)	-0.5%	Decrease contingency
<b>\$ 262,607</b>	<b>1.3%</b>	
<b>\$ -</b>	<b>0.0%</b>	

# Annual Financial Plan



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# Annual Financial Plan

## Restricted Funds

Restricted Funds are funds regulated by the sponsoring agency. Some of the programs are listed below.

### **STEM Appropriation - State (\$399,200)**

STEM appropriations provide the College with funds for partnerships, faculty, technology equipment, student services, facilities, and property. In FY16 statutory language classified STEM funding as restricted funds.

### **Workforce Development (Prop 301) - State (\$506,806)**

Workforce Development Proposition 301 is a voter-approved initiative that was passed in 2000. The state of Arizona imposes a 0.6% sales tax for a 20-year period. The use of these funds is restricted to workforce development programs.

### **Adult Education (ADE) - Federal (\$331,152) and State (\$111,894)**

The state of Arizona provides Adult Education funding to CCC to serve County residents 16 years and older or who are not legally required to be in school and who do not have a high school diploma. The purpose of the services are to assist in job readiness by offering instruction in basic workplace development skills, provide general education development (GED) preparation classes, English language instruction, and citizenship preparation classes.

### **Financial Aid - Federal (\$3,500,000) and State (\$9,403)**

Student financial aid consists of student grants (SEOG, LEAP, PELL), Federal Work Study (FWS), administrative overhead, scholarships funded by federal, state, and local governments, as well as other public and private sources.

### **Carl Perkins Grant - Federal (\$256,400)**

The Carl Perkins Grant provides funding to improve vocational educational programs and the assessment, retention, and completion of special population students in these programs. The grant provides assistance with purchases of capital equipment within the CTE programs.

### **TRiO - Federal (\$237,176)**

The TRiO program serves approximately 140 students who are low-income, first-generation college students and/or students with documented disabilities. Services that are provided include tutoring and counseling for academic issues, career planning, financial aid, and personal issues.

### **Small Business Development Center (SBDC) - Federal (\$101,700) and Local (\$25,000)**

The Small Business Development Center provides confidential one-on-one counseling, targeted training, and innovative information resources to the Coconino County business community. The program helps clients start, operate, and expand businesses more effectively with measurable economic impact on the communities of Coconino County.

### **Southern Nevada Northern Arizona Louis Stokes Alliance for Minority Participation (SNAA-LSAMP) - Federal (\$50,000)**

The SNAA-LSAMP is an alliance of colleges which focuses on Science, Technology, Engineering and Mathematics (STEM). The Program is a federally funded research and training program that is sponsored by a grant from the National Science Foundation. The overall goal of the LSAMP Program is to ensure that a greater number of minority students graduate and pursue careers in STEM fields.

### **Noyce Scholarship Program - Federal (\$6,370)**

The Robert Noyce Teacher Scholarship Program is a National Science Foundation grant that provides scholarships to recruit and prepare STEM majors and professionals to become K-12 teachers.

# Annual Financial Plan

## Restricted Funds

### Three-Year Comparative Analysis - For Years Ended June 30th

	FY18 ACTUAL	FY19 BUDGET	FY20 BUDGET
<b>Revenues</b>			
Tuition and Fees	\$ 8,722	\$ 6,000	\$ -
State Appropriations	409,000	415,922	399,200
Federal Grants and Contracts	4,273,942	4,734,674	4,748,711
State Grants and Contracts	633,462	629,679	628,103
Private Grants and Contracts	36,801	23,738	35,000
<b>Total Revenues</b>	<b>\$ 5,361,927</b>	<b>\$ 5,810,013</b>	<b>\$ 5,811,014</b>
<b>Other financing sources (uses)</b>			
Transfer In	\$ 66,092	\$ 59,731	\$ 57,253
Transfer Out	(3,670)	-	-
<b>Total other financing sources (uses)</b>	<b>\$ 62,422</b>	<b>\$ 59,731</b>	<b>\$ 57,253</b>
<b>Total Revenues and Transfers</b>	<b>\$ 5,424,349</b>	<b>\$ 5,869,744</b>	<b>\$ 5,868,267</b>
<b>Expenditures by Program</b>			
Instruction	\$ 1,344,022	\$ 1,341,039	\$ 1,354,412
Public Service	73,408	160,226	161,700
Academic Support	222,458	284,803	260,682
Student Services	353,812	409,583	413,380
Institutional Support	2,095	-	-
Scholarships & Grants	3,370,565	3,674,093	3,678,093
<b>Total Expenditures</b>	<b>\$ 5,366,360</b>	<b>\$ 5,869,744</b>	<b>\$ 5,868,267</b>
<b>Expenditures by Object</b>			
Personnel Services	\$ 1,729,302	\$ 1,866,578	\$ 1,907,426
Contractual Services	11,290	3,100	4,560
Supplies	140,159	149,241	103,256
Fixed Charges	7,019	3,592	3,349
Utilities	73	1,380	380
Travel	47,990	77,285	62,002
Capital Equipment	59,962	-	67,034
Scholarships	3,370,062	3,686,289	3,670,289
Miscellaneous/Other	503	82,279	49,971
<b>Total Expenditures</b>	<b>\$ 5,366,360</b>	<b>\$ 5,869,744</b>	<b>\$ 5,868,267</b>
<b>Sources Over/(Under) Expenditures</b>	<b>\$ 57,989.29</b>	<b>\$ -</b>	<b>\$ -</b>



# Annual Financial Plan



## Restricted Funds

### Three-Year Comparative Analysis - For Years Ended June 30th

FY19 to FY20 CHANGE			FY19 to FY20 CHANGES DETAIL
\$	(6,000)	-100.0%	Adult Ed fee removal
	(16,722)	-4.0%	Formula allocation
	14,037	0.3%	
	(1,576)	-0.3%	Reallocation of Perkins & Adult Ed
	11,262	47.4%	SBDC & Veteran's funds
<b>\$</b>	<b>1,001</b>	<b>0.02%</b>	
\$	(2,478)	-4.1%	LSAMP & Adult Education support
	-	0.0%	LSAMP & Adult Education support
\$	(2,478)	0.0%	
<b>\$</b>	<b>(1,477)</b>	<b>-0.03%</b>	
\$	13,373	1.0%	Reallocation of Perkins & Adult Ed
	1,474	0.9%	SBDC
	(24,121)	-8.5%	Reallocation of Perkins & Adult Ed
	3,797	0.9%	Increase in Perkins part-time staffing
	-	0.0%	
	4,000	0.1%	Veteran's funds
<b>\$</b>	<b>(1,477)</b>	<b>-0.03%</b>	
\$	40,848	2.2%	Compensation adjustments
	1,460	47.1%	Reallocation of Adult Ed
	(45,985)	-30.8%	Reallocation
	(243)	-6.8%	Reallocation
	(1,000)	-72.5%	Reallocation
	(15,283)	-19.8%	Reallocation
	67,034	100.0%	Reallocation of Perkins
	(16,000)	-0.4%	Reallocation of Perkins
	(32,308)	-39.3%	Reallocation
<b>\$</b>	<b>(1,477)</b>	<b>-0.03%</b>	
<b>\$</b>	<b>-</b>	<b>\$</b>	<b>-</b>



# Annual Financial Plan

## Auxiliary Funds

The Auxiliary Enterprises Fund accounts for transactions of substantially self-supporting activities that provide services for the community, students, faculty, and staff. Auxiliary fund revenues and expenditures are adjusted each year to ensure that expenditures equal revenues and the fund balance available.

### Vending Services

Vending Services provide revenue sources at all campuses. The student vending account expenditures relate to student programs and clubs. Below is a list of clubs that are funded through Auxiliary funds:

- Anime Club
- Associated Student Body
- Chess Club
- Clay Club
- Games Club
- Kaleidoscope Alliance
- Native American Student Association
- Phi Theta Kappa
- Science Club
- Student Veterans of America
- Vintage Christian Fellowship

The employee vending account is used to promote the values of the College, including employee recognition activities, employee events, and promoting professional development and community. At the end of the year, any balance remaining is carried forward into subsequent fiscal years.

### Equipment Rental

In FY20, the math department decreased the cost of calculators rentals to students by \$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.

# Annual Financial Plan

## Auxiliary Funds

### Three-Year Comparative Analysis - For Years Ended June 30th

Revenues	FY18 ACTUAL	FY19 BUDGET	FY20 BUDGET	FY19 to FY20 CHANGE	
Sales & Services	\$ 21,092	\$ 20,100	\$ 17,750	\$ (2,350)	-11.7%
<b>Total Revenues</b>	<b>\$ 21,092</b>	<b>\$ 20,100</b>	<b>\$ 17,750</b>	<b>\$ (2,350)</b>	<b>-11.7%</b>
<b>Other financing sources (uses)</b>					
Transfer In	\$ 12,000	\$ 12,000	\$ 12,000	\$ -	0.0%
Transfer Out	(5,400)	-	-	-	0.0%
<b>Total other financing sources (uses)</b>	<b>\$ 6,600</b>	<b>\$ 12,000</b>	<b>\$ 12,000</b>	<b>\$ -</b>	<b>0.0%</b>
<b>Total Revenues and Transfers</b>	<b>\$ 27,692</b>	<b>\$ 32,100</b>	<b>\$ 29,750</b>	<b>\$ (2,350)</b>	<b>-7.3%</b>
<b>Expenditures by Program</b>					
Auxiliary Enterprises	\$ 21,070	\$ 46,100	\$ 37,400	\$ (8,700)	-18.9%
<b>Total Expenditures</b>	<b>\$ 21,070</b>	<b>\$ 46,100</b>	<b>\$ 37,400</b>	<b>\$ (8,700)</b>	<b>-18.9%</b>
<b>Expenditures by Object</b>					
Personnel Services	\$ -	\$ -	\$ -	\$ -	0.0%
Contractual Services	100	300	300	-	0.0%
Supplies	20,842	43,600	34,900	(8,700)	-20.0%
Fixed Charges	-	-	-	-	0.0%
Utilities	-	-	-	-	0.0%
Travel	128	2,200	2,200	-	0.0%
Scholarships	-	-	-	-	0.0%
<b>Total Expenditures</b>	<b>\$ 21,070</b>	<b>\$ 46,100</b>	<b>\$ 37,400</b>	<b>\$ (8,700)</b>	<b>-18.9%</b>
<b>Sources Over/(Under) Expenditures</b>	<b>\$ 6,622</b>	<b>\$ (14,000)</b>	<b>\$ (7,650)</b>	<b>\$ 6,350</b>	<b>-45.4%</b>

Activity	Budgeted Revenue
Math Calculators	\$ 2,350
Vending	15,400

# Annual Financial Plan

## Unexpended Plant Fund

The Unexpended Plant Fund consists of expenditures during the current year for capital assets. The budgeted expenses include facility improvements, improvements other than buildings, and equipment necessary for ongoing operations. Any capital items that improve or extend the life of the facilities and are over \$5,000 are capitalized and budgeted in the Plant Fund.

### FY20 IT Lifecycle Replacement

Beginning in FY18, an IT life cycle replacement budget for technology of \$140,000 was established to assist with technology costs and create funding for long-term IT equipment replacement plans.

### FY20 Preventative Maintenance (Life Cycle Replacement)

The College has preventative maintenance schedules for 20 years that include major maintenance and replacement of items such as security system, dump truck, and remodels. The table below shows the FY20 capital plan items. Other non-capital planned maintenance cost of \$52,768 was budgeted in the General Fund.

### FY20 Planned Maintenance Budget

Plant Fund - IT Equipment	Total
Phone System Replacement	\$ 100,000
IT Equipment Lifecycle Replacement Plan	140,000
<b>Total FY20 IT Equipment</b>	<b>\$ 240,000</b>

Planned Maintenance	Fourth St	Lone Tree	Page	Total
HVAC Units	\$ 25,000	\$ -	\$ -	\$ 25,000
Entry Doors - 2 sets Ceramics	-	25,750	-	25,750
Security Door Access System	-	55,000	-	55,000
Security Intruder System	12,000	50,000	12,000	74,000
Security Cameras Replacement	5,000	5,150	5,150	15,300
2002 Chevy Truck 3/4 ton 4WD	-	39,140	-	39,140
Dump Truck - Replace with 3/4 ton Truck and plow	-	44,000	-	44,000
Bathroom Remodels	-	12,000	-	12,000
Misc./Contingency	7,500	25,000	2,500	35,000
<b>Total FY20 Planned Maintenance</b>	<b>\$ 49,500</b>	<b>\$ 256,040</b>	<b>\$ 19,650</b>	<b>\$ 325,190</b>

# Annual Financial Plan



## Unexpended Plant Fund (continued)

### Three-Year Comparative Analysis - For Years Ended June 30th

Revenues	FY18 ACTUAL	FY19 BUDGET	FY20 BUDGET	FY19 to FY20 CHANGE	
<b>Other financing sources (uses)</b>					
Transfer In	\$ 724,180	\$ 707,200	\$ 714,000	\$ 6,800	1.0%
Transfer Out	-	(48,894)	(52,768)	(3,874)	7.9%
<b>Total other financing sources (uses)</b>	<b>\$ 724,180</b>	<b>\$ 658,306</b>	<b>\$ 661,232</b>	<b>\$ 2,926</b>	<b>0.4%</b>
<b>Total Revenues and Transfers</b>	<b>\$ 724,180</b>	<b>\$ 658,306</b>	<b>\$ 661,232</b>	<b>\$ 2,926</b>	<b>0.4%</b>
<b>Expenditures by Program</b>					
Instruction	\$ 65,888	\$ -	\$ -	\$ -	0.0%
Academic Support	14,430	-	-	-	0.0%
Institutional Support	45,762	240,000	240,000	-	0.0%
Facilities Operation & Maintenance	22,422	333,645	325,190	(8,455)	-2.5%
<b>Total Expenditures</b>	<b>\$ 148,503</b>	<b>\$ 573,645</b>	<b>\$ 565,190</b>	<b>\$ (8,455)</b>	<b>-1.5%</b>
<b>Expenditures by Object</b>					
Capital Equipment	148,503	\$ 573,645	\$ 565,190	\$ (8,455)	-1.5%
<b>Total Expenditures</b>	<b>\$ 148,503</b>	<b>\$ 573,645</b>	<b>\$ 565,190</b>	<b>\$ (8,455)</b>	<b>-1.5%</b>
<b>Sources Over/(Under) Expenditures</b>	<b>\$ 575,677</b>	<b>\$ 84,661</b>	<b>\$ 96,042</b>	<b>\$ 11,381</b>	<b>13.4%</b>

# Annual Financial Plan

## Retirement of Indebtedness Fund

Currently, the College has no long-term debt agreement in the form of General Obligation Refunding Bonds, Series 2009, that is accounted for in the Retirement of Indebtedness Fund.

### General Obligation Bonds (GOBs)

The GOBs were issued in January 1999 and are secured by the full faith and credit of the District through its power to tax. In order for bonds to be issued, voter authorization must be obtained. Debt service (payment of principal and interest) is to be paid from the proceeds of ad valorem taxes (i.e. secondary property taxes based on the value of the property). Voters of Coconino County approved \$25 million in general obligation bond authority on November 4, 1997, to support the District's capital initiatives. The College issued General Obligation Refunding Bonds, Series 2009, at an estimated tax savings to taxpayers of nearly \$100,000 per year for 10 years (expiring in 2019).

### Three-Year Comparative Analysis - For Years Ended June 30th

Revenues	FY18 ACTUAL	FY19 BUDGET	FY20 BUDGET	FY19 to FY20 CHANGE	
Property Taxes	\$ 2,193,362	\$ 2,102,295	\$ -	\$ (2,102,295)	-100.0%
Other Income	46,105	47,000	-	(47,000)	-100.0%
<b>Total Revenues</b>	<b>\$ 2,239,467</b>	<b>\$ 2,149,295</b>	<b>\$ -</b>	<b>\$ (2,149,295)</b>	<b>-100.0%</b>
<b>Expenditures by Program</b>					
Retirement of Indebtedness	\$ 2,153,579	\$ 2,209,236	\$ -	\$ (2,209,236)	-100.0%
<b>Total Expenditures</b>	<b>\$ 2,153,579</b>	<b>\$ 2,209,236</b>	<b>\$ -</b>	<b>\$ (2,209,236)</b>	<b>-100.0%</b>
<b>Expenditures by Object</b>					
Retirement of Indebtedness	\$ 1,985,000	\$ 2,120,000	\$ -	\$ (2,120,000)	-100.0%
Miscellaneous	168,579	89,236	-	(89,236)	-100.0%
<b>Total Expenditures</b>	<b>\$ 2,153,579</b>	<b>\$ 2,209,236</b>	<b>\$ -</b>	<b>\$ (2,209,236)</b>	<b>-100.0%</b>
<b>Sources Over/(Under) Expenditures</b>	<b>\$ 85,888</b>	<b>\$ (59,941)</b>	<b>\$ -</b>		



# Long-term Financial Sustainability

**July 1, 2019 - June 30, 2020**



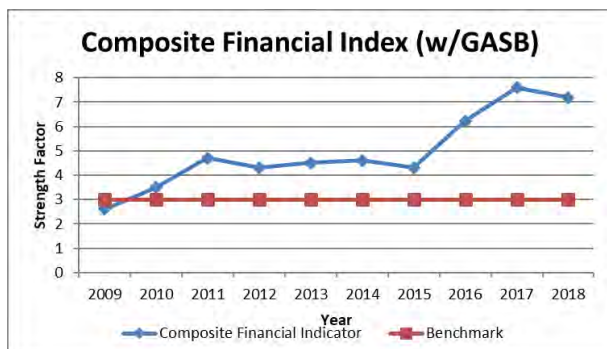
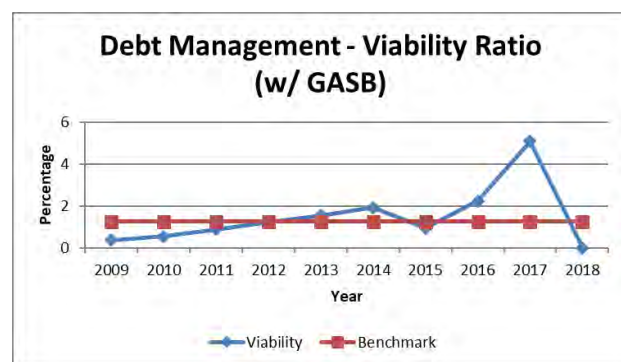
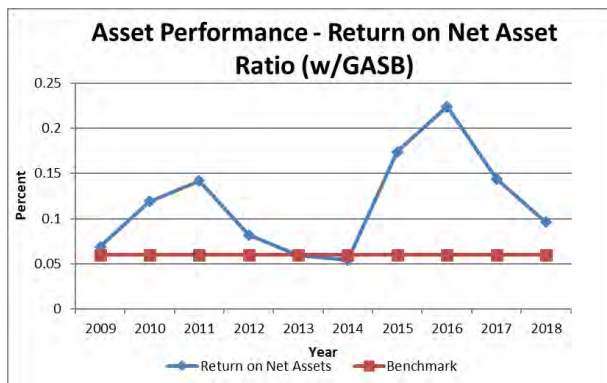
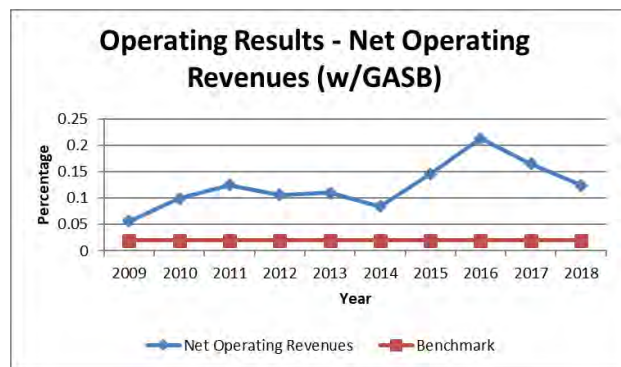
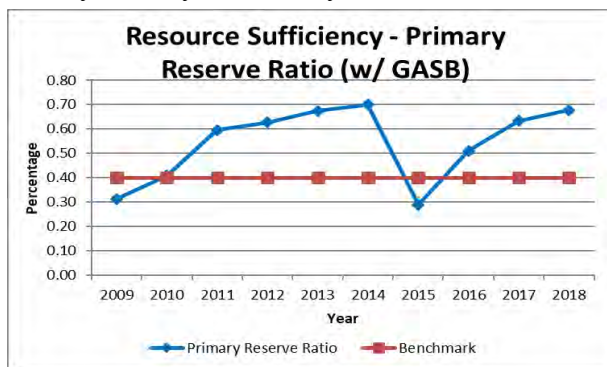
# Long-term Financial Sustainability

## Financial Ratios

The College is required to submit financial ratios annually to the Higher Learning Commission (HLC), the College's accrediting body, to measure the College's financial health. The ratios are with the impact of GASB 68 pension disclosure. The financial ratios are defined below and the charts are inclusive of GASB 68 adjustments:

- **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

The College's financial ratios have been improving through strong financial management, including proactively implementing the financial sustainability plan during the recession. The viability ratio has decreased to zero due to the debt was paid off in FY19. The composite score, which must be above 1.1 to avoid a potential HLC review, decreased slightly from last year to 7.2, which means that the College is still relatively healthy financially based on current business model.



Composite Strength Factors:

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

# Long-term Financial Sustainability

## Long-Term Financial Sustainability

The College has developed long-term, high-level assumptions through FY28 as follows:

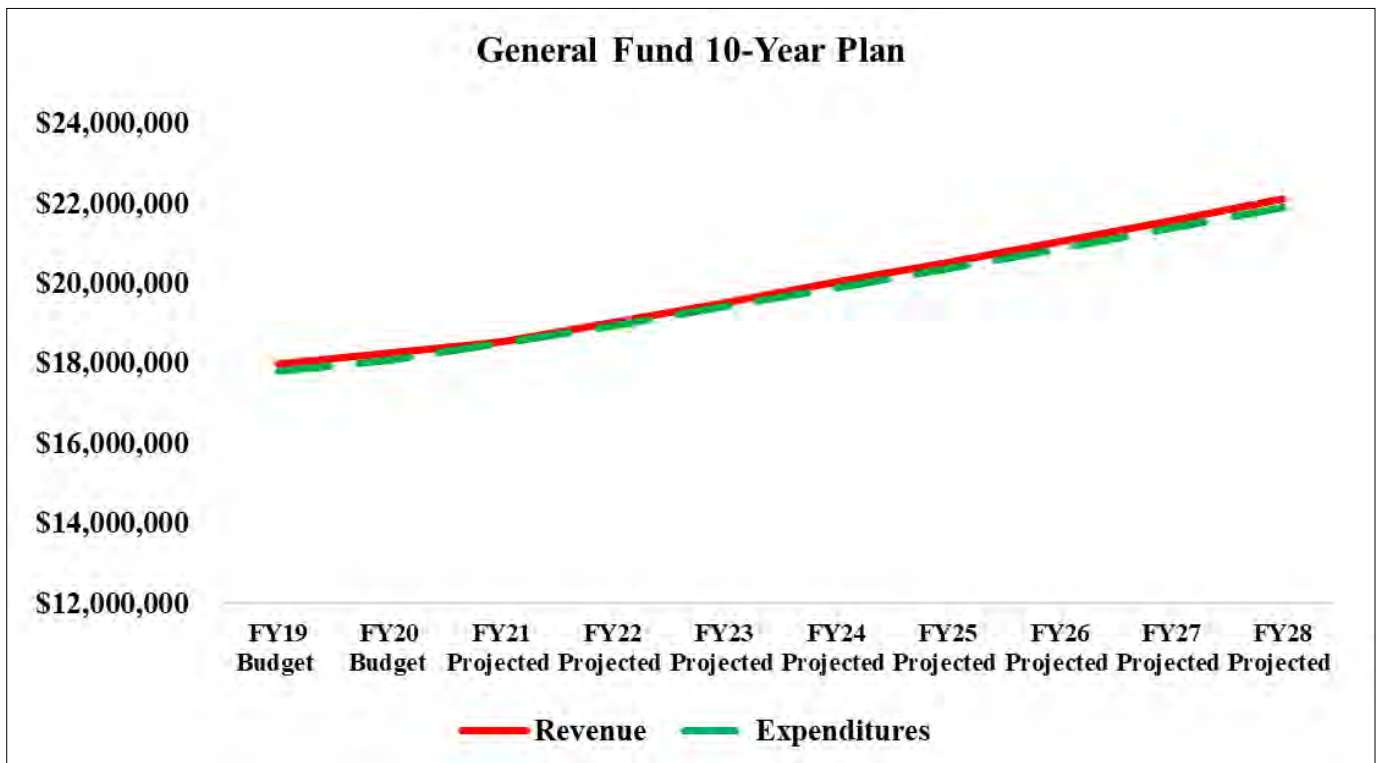
### Revenues - Average growth of 2.5%:

- **Enrollment** - growth of 1% per year based on long-term county population growth trend, reduced in the FY20 budget for FY19 projected enrollment decline with future recovery to trend levels
- **Tuition rates** - Increases per year based on CPI and Board direction
- **State aid** - flat funding, no growth and no further additional cuts
- **Property tax** - 2% levy increase plus 1% new construction growth based on trend analysis

### Expenditures - Average growth of 2.5%:

- **Personnel cost** - average increases of 2.5% per year including increased part-time faculty associated with 1% enrollment growth
- **All other expense categories** - average increases of 2.5% per year including increased supplies associated with 1% enrollment growth per year

The chart below shows the General Fund revenues and expenses for the next ten years. The strategic plan will continue to address the long-term financial sustainability of the College.



# Long-term Financial Sustainability



## General Fund

### Multi-Year Forecast

Revenue Source	FY18 Actual	FY19 Budget	FY20 Budget	FY20 Change	FY19-20 % Chg	FY21 Projected	FY22 Projected
Tuition & Fees	\$ 7,574,173	\$ 7,845,140	\$ 7,894,031	\$ 48,891	0.6%	\$ 8,123,600	\$ 8,335,800
State Appropriations	1,731,100	1,749,200	1,703,400	(45,800)	-2.6%	1,682,600	1,694,100
Property Taxes	7,966,273	8,185,715	8,383,362	197,647	2.4%	8,654,200	8,906,800
Gifts/Grants/Contracts	199,775	177,000	182,000	5,000	2.8%	182,000	182,000
Investment Income	304,273	250,000	315,000	65,000	26.0%	319,400	324,200
Other Income	540,648	524,200	516,517	(7,683)	-1.5%	340,400	345,600
<b>Sub-Total Revenues Gen'l Fund:</b>	<b>\$ 18,316,243</b>	<b>\$ 18,731,255</b>	<b>\$ 18,994,310</b>	<b>\$ 263,055</b>	<b>1.4%</b>	<b>\$ 19,302,200</b>	<b>\$ 19,788,500</b>
Net Transfers Out to Other Funds	(793,203)	(730,037)	(730,485)	(448)	0.1%	(740,100)	(753,700)
<b>Total Revenues Gen'l Fund:</b>	<b>\$ 17,523,040</b>	<b>\$ 18,001,218</b>	<b>\$ 18,263,825</b>	<b>\$ 262,607</b>	<b>1.5%</b>	<b>\$ 18,562,100</b>	<b>\$ 19,034,800</b>

### Revenue Assumptions

FTSE	1,978	1,998	2,018
<b>Tuition and Fees</b>	\$2 tuition increase, based on CPI and Board direction	\$2 tuition increase, based on CPI and Board direction	\$2 tuition increase, based on CPI and Board direction
<b>Enrollment</b>	2.5% decrease in enrollment; Added a new Out-of-County tuition rate	1% increase in enrollment	1% increase in enrollment
<b>State Appropriations</b>	Decrease \$45,800 due to formula	Decrease \$20,800 due to formula	Increase \$11,500 due to formula
<b>Property Taxes</b>	2% allowed levy increase, 0.5% growth, \$25,000 adjustment for Transwestern Pipeline	2% allowed levy increase, 1.0% growth	2% allowed levy increase, 1.0% growth
<b>Grants and Contracts</b>	Indirect cost recovery from grants	Indirect cost recovery from grants	Indirect cost recovery from grants
<b>Investment Income</b>	Increase based on current earnings	Increase based on current earnings	Increase based on current earnings
<b>Rental and Other Income</b>	1.5% decrease due to CAVIAT agreement	2.0 % inflation increase on rentals	2.0 % inflation increase on rentals
<b>Net Transfers to Other Funds</b>	Increase based on planned maintenance funding schedule	Increase based on planned maintenance funding schedule	Increase based on planned maintenance funding schedule

# Long-term Financial Sustainability



## General Fund

### Multi-Year Forecast

Expenditures by Object	FY18 Actual	FY19 Budget	FY20 Budget	FY19-20 % Chg	FY21 Projected	FY22 Projected
Salaries	\$ 10,212,748	\$ 10,218,568	\$ 10,329,133	1.1%	\$ 10,627,600	\$ 10,907,700
Benefits	2,499,872	3,431,680	3,594,376	4.7%	3,617,700	3,687,400
<b>Operations:</b>						
Contracted Services	906,215	881,472	922,224	4.6%	945,300	968,900
Supplies	848,842	1,141,754	981,658	-14.0%	1,005,300	1,030,400
Fixed Charges	929,993	952,216	1,059,761	11.3%	1,086,300	1,113,400
Utilities and Communications	526,318	587,887	600,053	2.1%	615,100	630,400
Travel	184,161	219,255	214,680	-2.1%	220,000	225,500
Misc./Scholarships/Other	269,002	382,475	386,475	1.0%	389,100	393,700
<b>Sub-Total Expenditures Gen'l Fund:</b>	<b>\$ 16,377,150</b>	<b>\$ 17,815,307</b>	<b>\$ 18,088,360</b>	<b>1.5%</b>	<b>\$ 18,506,400</b>	<b>\$ 18,957,400</b>
<b>Contingency</b>	<b>-</b>	<b>2,185,911</b>	<b>2,175,465</b>	<b>-0.5%</b>	<b>2,055,700</b>	<b>2,077,400</b>
<b>Total Gen'l Fund Expenditures:</b>	<b>\$ 16,377,150</b>	<b>\$ 20,001,218</b>	<b>\$ 20,263,825</b>	<b>1.3%</b>	<b>\$ 20,562,100</b>	<b>\$ 21,034,800</b>
Transferred (from)/to Fund Balance	\$ 1,145,890	\$ (2,000,000)	\$ (2,000,000)	0.0%	\$ (2,000,000)	\$ (2,000,000)

### Expense Assumptions

Expenditures by Object FTSE	FY20 1,978	FY21 1,998	FY22 2,018
<b>Staff Compensation</b>	2% CPI	2% CPI	2% CPI
<b>FT Faculty Compensation</b>	FT Faculty 2% step	FT Faculty 2% step	FT Faculty 2% step
<b>PT Faculty Compensation</b>	PT Faculty 2%	PT Faculty 2%	PT Faculty 2%
<b>FT Faculty/Staff Market</b>	1% market (biannually)	No change	1% market (biannually)
<b>PT Faculty FTE Change</b>	Reduction to PT faculty based on enrollment	0.5% adjustment to PT faculty based on enrollment	0.5% adjustment to PT faculty based on enrollment
<b>FT Faculty FTE Change</b>	No change	No change	No change
<b>Staffing FTE Change</b>	No change	No change	No change
<b>Benefits</b>	Absorbed cost for health benefits for dependent coverage	2.0% increase	2% increase
<b>Contracted Services</b>	4.6% CPI increase of custodial and planned expenses	2.5% inflation increase, 0.5% adjustment for enrollment increase	2.5% inflation increase, 0.5% adjustment for enrollment increase
<b>Supplies</b>	14% decrease from reallocation of funds	2.5% inflation increase, 0.5% adjustment for enrollment increase	2.5% inflation increase, 0.5% adjustment for enrollment increase
<b>Fixed Charges</b>	11.3% increase from reallocation of funds	2.5% inflation increase	2.5% inflation increase
<b>Utilities</b>	2.5% inflation increase	2.5% inflation increase	2.5% inflation increase
<b>Travel</b>	2.1% decrease for reduction of Administrative Staff	2.5% inflation increase	2.5% inflation increase
<b>Scholarships</b>	Adjustments based on enrollments and tuition rate	Adjustments based on enrollments and tuition rate	Adjustments based on enrollments and tuition rate
<b>Contingency</b>	\$2 m for emergencies only	\$2 m for emergencies only	\$2 m for emergencies only



# Long-term Financial Sustainability



## Long-Term Capital Outlook

### Facilities Preventative Maintenance/Life Cycle Replacement

The College allocates funds for preventative maintenance projects and life cycle replacement annually, based on a cost per square foot indexed by the CPI. The College has preventative maintenance schedules for twenty years that include major maintenance and replacement of items such as HVAC units, roofs, parking lots, and carpeting. The Executive Director of Facilities & Security assesses the condition of the facilities and adjusts the schedules as needed to ensure the facilities are maintained and the life and safety of the students and staff are protected. Allocated funds not used in any one year are rolled over and reserved for future planned maintenance projects. This process allows the College to set funds aside annually for larger projects.

The College has been able to maintain this system of setting aside funds annually for preventative maintenance projects even during the state budget cuts and plans to continue to use this method in the future. The chart below depicts the upcoming five year project schedule from the twenty-year maintenance schedule:

Resources	FY20	FY21	FY22	FY23	FY24
Fourth Street Allocation	\$ 131,200	\$ 134,500	\$ 137,800	\$ 141,300	\$ 144,800
Page Allocation	53,500	54,900	56,300	57,700	59,100
Lone Tree Allocation	338,300	346,700	355,400	364,300	373,400
<b>Total Allocation</b>	<b>\$ 523,000</b>	<b>\$ 536,100</b>	<b>\$ 549,500</b>	<b>\$ 563,300</b>	<b>\$ 577,300</b>
<b>Fourth Street</b>					
Roofing	-	-	86,572	-	-
HVAC	25,000	-	12,500	-	-
Parking lot maintenance	-	76,659	-	-	-
Interior Lighting up grades	-	-	-	-	9,435
Interior Painting	-	3,500	3,500	3,500	3,500
Exterior Painting	-	-	25,000	-	-
Entry Doors - 14 sets of 2 doors	-	51,250	52,531	53,845	-
Fire Panel	-	-	21,013	-	-
Security Intruder System	12,000	-	-	-	-
Security Camera Replacement	5,000	5,125	5,253	5,384	5,519
Johnson Control Panel & Controllers	-	-	35,000	-	-
Bathroom Remodel - 8 Total	-	-	25,000	25,625	26,266
Furniture Replacement	-	7,175	7,354	7,538	7,727
Misc./ Contingency	7,500	7,500	7,500	7,500	7,500
<b>Page</b>					
Parking lot maintenance	-	-	-	51,776	-
Interior Lighting up grades	-	-	-	5,897	-
Exterior Lighting up grades	-	-	13,470	-	-
Exterior Painting	-	-	-	-	36,359
Interior Painting	-	4,000	4,000	4,000	4,000
Entry Doors - 14 entry's total	-	75,750	-	-	-
Security Intruder System	12,000	-	-	-	-
Security cameras	5,150	-	-	-	-
Furniture Replacement	-	5,253	5,384	5,519	5,657
Johnson Control Panel & Controllers	-	25,000	-	-	-
Misc./ Contingency	2,500	2,500	2,500	2,500	2,500
<b>Lone Tree</b>					
Roofing	-	-	750,000	-	-
Liebert Unit IT RM 135	-	-	21,013	-	-
Parking lot maintenance	-	-	-	-	139,014
Landscaping	-	-	9,373	-	-
Tile Floor	-	-	20,173	-	-
Interior Painting	-	4,000	4,000	4,000	4,000
Entry Doors - 2 Sets Ceramic	25,750	26,266	26,922	27,595	28,285
Security Door Access System	55,000	-	-	-	-
Security Intruder Systems	50,000	-	-	-	-
Security Camera Replacement	5,150	5,253	5,384	5,519	5,657
Furniture Replacement	-	1,505	1,543	1,581	1,621
Deli Equipment 2 -Ref. 1 -freezer	-	4,203	-	-	4,415
Chevy Equinox - 2010	-	-	31,430	-	-
Chevy Truck 3/4 ton 4 WD - 2002	39,140	-	-	-	-
Chevy Truck 3/4 ton 4 WD - 2011	-	42,560	-	-	-
Dump Truck	44,000	-	-	-	-
Bobcat with attachments	-	33,600	-	-	-
Dakota tractor	-	33,518	-	-	-
Salt Spreader & Two Blades	-	-	-	5,000	-
Chiller Replacement - 2 total	-	-	200,000	-	200,000
Boiler Replacement - 3 total	-	-	-	115,000	-
Johnson Control Panel Replacement	-	-	-	300,000	-
Bathroom Remodels - 10 Total	12,000	50,000	51,250	52,531	53,845
Misc./ Contingency	25,000	25,000	25,000	30,000	30,000
<b>Total Capital Replacement</b>	<b>\$ 325,190</b>	<b>\$ 489,616</b>	<b>\$ 1,452,666</b>	<b>\$ 714,311</b>	<b>\$ 575,299</b>





# Long-term Financial Sustainability

## Risk Analysis

### High Cost of Technology

Students expect a high level of technology in classrooms and labs as well as easy to use applications for navigating college processes. The cost of hardware and software is expensive, as is the annual maintenance costs for the technology. In addition, expensive specialized consultants are needed, to keep current with changes and to implement new technology and to maintain low cyber risks. Finally, there is a high cost associated with keeping technical staff constantly trained and current with new technologies.

To mitigate the risk of high cost technology, the College has prioritized funding to maintain current technology and fund the long-term technology plan.

### Meeting Community Needs

The College has served many community needs, historically. As a vital community partner, there are community needs that CCC has been unable to respond to due to the limited revenue sources available. The College will continue to work with the Coconino County community to prioritize needs and maximize innovative partnerships to provide a comprehensive response.

### Benefit Risks

The Affordable Care Act (ACA), postemployment health care benefits, Arizona State Retirement System, and GASB 68 pension liability reporting are additional risks to the College and other employers. The ACA mandates that all part-time employees are offered medical insurance benefits when they become eligible. If the College fails to offer benefits, significant penalties could be imposed. The postemployment healthcare benefits reporting regulations require the liability of benefits to be amortized over 30 years. As of July 1, 2016, there is an unfunded liability of \$608,813. Due to rising health care costs and overall utilization, the liability may continue to increase as more retirees stay in the insurance pool. The Arizona State Retirement System is an uncontrollable risk the College faces because it is administered by the ASRS Board. The College has no control over the yearly expenditures. As a result of Governmental Accounting Standards Board Statement No. 68, the College had to restate unrestricted net position as of 7/1/14 in order to recognize pension liability. In the future this could possibly have an impact on accreditation ratios, bond rating, contribution rates, and future capital raising potential.

The College provides life, accidental death and dismemberment, disability, medical, and dental insurance benefits to its employees and their dependents through a pooled trust, the Northern Arizona Public Employees Benefit Trust (NAPEBT), currently composed of the City of Flagstaff, Coconino County, Coconino County Accommodation School District, Flagstaff Housing Authority, Flagstaff Unified School District, Northern Arizona Intergovernmental Public Transportation Authority (NAIPTA), and the College. NAPEBT is self-funded through an agreement with the participating members and NAPEBT administers the plan. The members' employee and employer contributions are paid to fund benefits and administrative expenses. If the College withdraws from NAPEBT, it is responsible for its proportionate share of any claims run-out costs, including claims reported but not settled, claims incurred but not reported, and administrative costs. If NAPEBT were to terminate, the College would be responsible for its proportional share of any trust deficit.

### Security and Insurance Risks

The College is required to collect and store student data as part of maintaining compliance with various regulatory requirements. Some of this information is considered Personally Identifiable Information (PII) and is subject to more stringent privacy regulations. Recent cyber events in Arizona have cost educational institutions millions of dollars to correct. This risk area will require a continuous proactive approach by the College to protect the data of our students, faculty, and staff.

# Long-term Financial Sustainability

## Risk Analysis (continued)

Due to the possibility of exposure to various risks of loss related to torts, theft of, damage to, and destruction of assets, errors and omissions, injuries to employees, cybersecurity risks, and natural disasters, the College carries commercial insurance for all such risks of loss, including workers' compensation, employee health, and accident insurance. Most recently, the College has included insurance on cybersecurity risks. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

### Minimum Wage Risk

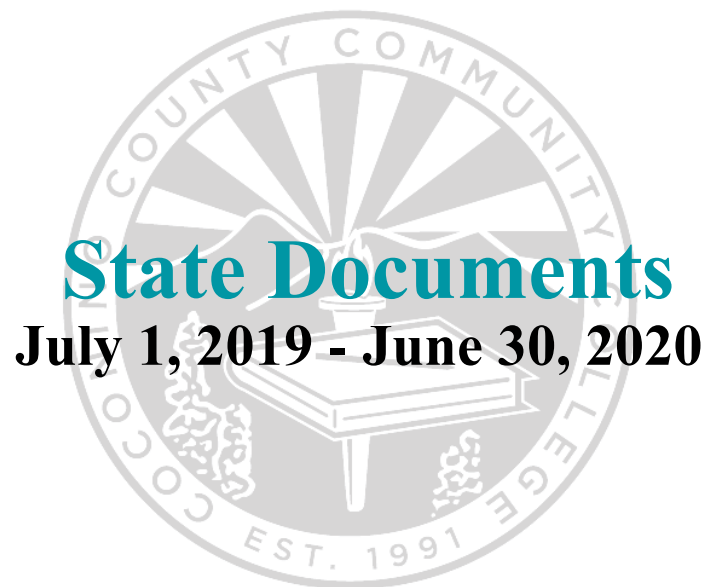
External legislative changes can also impact the College. On November 8th, 2016, Arizona voters approved Proposition 206, which increased the state minimum wage as of January 1st, 2017 from \$8.05 to \$10.00 per hour, as well as providing earned sick time for every 30 hours of work time to all employees starting July 1<sup>st</sup>, 2017. Also on November 8th, the City of Flagstaff voters approved Proposition 414 (later amended by City Council), to increase minimum wage to \$2 per hour above the state rate, to eventually a \$15.50 per hour minimum wage by January 2022. There is an implementation plan that phases in these changes. This did not come with increases funding for Federal Work Study students, so those hours have been, and will continue to be, significantly impacted by the increase in minimum wage. Part-time staff hours have been reduced, and will require prioritizing those costs against other needs in the future.

### Political Risks

As a political subdivision of the state of Arizona, the College is subject to statutes and regulatory requirements prescribed by the state. As a higher education institution that awards Federal Title IV financial aid funds, Federal regulatory changes for disbursing funds and reporting on students can have significant impacts on the College. Other federal grants also come with reporting and outcome requirements. As regulations change, the College must remain flexible in how business operations are modified to maintain compliance.

### Economy

Currently, the community of Page is facing the closure of the Navajo Generating Station. The closure, that is expected to occur December 2019, will effect over 900 employees. The College has started working with the Salt River Project in order to offer educational opportunities for employees. The current unemployment rate for Page is already significantly high. The Page Center is currently not fully staffed and, with limited funding, the College may face a struggle to offer the appropriate courses needed to assist unemployed workers.



# State Documents

**July 1, 2019 - June 30, 2020**

## MISSION

As a learning-centered college, we enrich lives by embracing diversity and transforming the future through quality education.





# State Documents

## State Requirements

The College must follow a number of 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 20<sup>th</sup>. [ARS § 15-1461]

### **Expenditure Limitations**

Each year, an expenditure limitation is set for political subdivisions of the State of Arizona in accordance with ARS § 41-563. The expenditure limitation is based on FY 1979/80 and adjusted for changes in the population and cost of living between 1978 and 2012. 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 local government that is paid exclusively through the secondary property tax must be approved by voters.

# State Documents



## COCONINO COUNTY COMMUNITY COLLEGE DISTRICT COCONINO COMMUNITY COLLEGE BUDGET FOR FISCAL YEAR 2020 SUMMARY OF BUDGET DATA

			Increase/Decrease From Budget 2019 To Budget 2020	
			Amount	%
I.	CURRENT GENERAL AND PLANT FUNDS			
A.	Expenditures:			
	Current General Fund	\$ 20,263,825	\$ 20,001,218	\$ 262,607 1.3%
	Unexpended Plant Fund	565,190	573,645	(8,455) -1.5%
	Retirement of Indebtedness Plant Fund		2,209,236	(2,209,236) -100.0%
	TOTAL	\$ 20,829,015	\$ 22,784,099	\$ (1,955,084) -8.6%
B.	Expenditures Per Full-Time Student Equivalent (FTSE):			
	Current General Fund	\$ 10,239 /FTSE	\$ 9,733 /FTSE	\$ 506 /FTSE 5.2%
	Unexpended Plant Fund	\$ 286 /FTSE	\$ 279 /FTSE	\$ 6 /FTSE 2.3%
	Projected FTSE Count	1,979	2,055	
II.	TOTAL ALL FUNDS ESTIMATED PERSONNEL COMPENSATION			
	Employee Salaries and Hourly Costs	\$ 11,768,792	\$ 11,583,792	\$ 185,000 1.6%
	Retirement Costs	1,211,621	1,158,782	52,839 4.6%
	Healthcare Costs	1,127,940	1,067,922	60,018 5.6%
	Other Benefit Costs	1,722,582	1,702,730	19,852 1.2%
	TOTAL	\$ 15,830,935	\$ 15,513,226	\$ 317,709 2.0%
III.	SUMMARY OF PRIMARY AND SECONDARY PROPERTY TAX LEVIES AND RATES			
A.	Amount Levied:			
	Primary Tax Levy	\$ 8,408,362	\$ 8,185,715	\$ 222,647 2.7%
	Secondary Tax Levy		2,102,295	(2,102,295) -100.0%
	TOTAL LEVY	\$ 8,408,362	\$ 10,288,010	\$ (1,879,648) -18.3%
B.	Rates Per \$100 Net Assessed Valuation:			
	Primary Tax Rate	0.4592	0.4741	(0.0149) -3.1%
	Secondary Tax Rate		0.1218	(0.1218) -100.0%
	TOTAL RATE	0.4592	0.5959	(0.1367) -22.9%
IV.	MAXIMUM ALLOWABLE PRIMARY PROPERTY TAX LEVY FOR FISCAL YEAR 2020 PURSUANT TO A.R.S. §42-17051			\$ 8,408,362
V.	AMOUNT RECEIVED FROM PRIMARY PROPERTY TAXES IN FISCAL YEAR 2019 IN EXCESS OF THE MAXIMUM ALLOWABLE AMOUNT AS CALCULATED PURSUANT TO A.R.S. §42-17051			\$

# State Documents

## COCONINO COUNTY COMMUNITY COLLEGE DISTRICT COCONINO COMMUNITY COLLEGE BUDGET FOR FISCAL YEAR 2020 RESOURCES

	CURRENT FUNDS			PLANT FUNDS		Other Funds	Total All Funds	Total All Funds	% Increase/Decrease
	General Fund 2020	Restricted Fund 2020	Auxiliary Fund 2020	Unexpended Plant Fund 2020	Retirement of Indebtedness 2020	2020	2020	2019	
<b>BEGINNING BALANCES-July 1*</b>									
Restricted	\$	\$	\$	\$	\$	\$	\$	\$ 59,941	-100.0%
Unrestricted	9,761,159		33,243	4,733,303			14,527,705	13,603,608	6.8%
Total Beginning Balances	\$ 9,761,159	\$	\$ 33,243	\$ 4,733,303	\$	\$	\$ 14,527,705	\$ 13,663,549	6.3%
<b>REVENUES AND OTHER INFLOWS</b>									
Student Tuition and Fees									
General Tuition	\$ 5,902,670	\$	\$	\$	\$	\$	\$ 5,902,670	\$ 6,104,100	-3.3%
Out-of-District Tuition	373,000						373,000	200,000	86.5%
Out-of-State Tuition	1,350,000						1,350,000	1,223,000	10.4%
Student Fees	232,311						232,311	289,040	-19.6%
Tuition and Fee Remissions or Waivers	36,050						36,050	35,000	3.0%
State Appropriations									
Maintenance Support	1,703,400						1,703,400	1,749,200	-2.6%
Equalization Aid									
STEM & Workforce Development		399,200					399,200	415,922	-4.0%
Property Taxes									
Primary Tax Levy	8,383,362						8,383,362	8,185,715	2.4%
Secondary Tax Levy								2,102,295	-100.0%
Gifts, Grants, and Contracts	182,000	4,905,008					5,087,008	5,057,214	0.6%
Sales and Services			17,750				17,750	20,100	-11.7%
Investment Income	315,000						315,000	250,000	26.0%
State Shared Sales Tax		506,806					506,806	507,877	-0.2%
Other Revenues	516,517						516,517	571,200	-9.6%
Proceeds from Sale of Bonds									
Total Revenues and Other Inflows	\$ 18,994,310	\$ 5,811,014	\$ 17,750	\$	\$	\$	\$ 24,823,074	\$ 26,710,663	-7.1%
<b>TRANSFERS</b>									
Transfers In	52,768	57,253	12,000	714,000			836,021	827,825	1.0%
(Transfers Out)	(783,253)			(52,768)			(836,021)	(827,825)	1.0%
Total Transfers	(730,485)	57,253	12,000	661,232					
Less:									
Stabilization	(7,761,159)						(7,761,159)	(6,542,973)	18.6%
Future Expenditures			(25,593)	(4,829,345)			(4,854,938)	(5,131,296)	-5.4%
Total Resources Available for the Budget Year	\$ 20,263,825	\$ 5,868,267	\$ 37,400	\$ 565,190	\$	\$	\$ 26,734,682	\$ 28,699,943	-6.8%

\*These amounts exclude amounts not in spendable form (i.e., prepaids, inventories, and capital assets) or amounts legally or contractually required to be maintained intact.



# State Documents

## COCONINO COUNTY COMMUNITY COLLEGE DISTRICT COCONINO COMMUNITY COLLEGE BUDGET FOR FISCAL YEAR 2020 EXPENDITURES AND OTHER OUTFLOWS

### TOTAL RESOURCES AVAILABLE FOR THE BUDGET YEAR (from Schedule B)

### EXPENDITURES AND OTHER OUTFLOWS

Instruction  
Public Service  
Academic Support  
Student Services  
Institutional Support (Administration)  
Operation and Maintenance of Plant  
Scholarships  
Auxiliary Enterprises  
Capital Assets  
Debt Service-General Obligation Bonds  
Debt Service-Other Long Term Debt  
Other Expenditures  
Contingency

Total Expenditures and Other Outflows

CURRENT FUNDS			PLANT FUNDS		Other Funds 2020	Total All Funds 2020	Total All Funds 2019	% Increase/ Decrease
General Fund 2020	Restricted Fund 2020	Auxiliary Fund 2020	Unexpended Plant Fund 2020	Retirement of Indebtedness 2020				
\$ 20,263,825	\$ 5,868,267	\$ 37,400	\$ 565,190		\$	\$ 26,734,682	\$ 28,699,943	-6.8%
\$ 5,246,722	\$ 1,354,412				\$	\$ 6,601,134	\$ 6,649,786	-0.7%
	161,700					161,700	160,226	0.9%
3,457,111	260,682					3,717,793	3,498,752	6.3%
3,127,361	413,380					3,540,741	3,179,863	11.3%
4,225,977			240,000			4,465,977	4,806,912	-7.1%
1,809,189			325,190			2,134,379	2,067,064	3.3%
222,000	3,678,093					3,900,093	3,896,093	0.1%
		37,400				37,400	46,100	-18.9%
							2,209,236	-100.0%
2,175,465						2,175,465	2,185,911	-0.5%
\$ 20,263,825	\$ 5,868,267	\$ 37,400	\$ 565,190	\$	\$	\$ 26,734,682	\$ 28,699,943	-6.8%

# State Documents

## 2019 LEVY LIMIT WORKSHEET

### COCONINO COUNTY - COCONINO COMMUNITY COLLEGE

	APPROVED 3/15/2019
MAXIMUM LEVY	2018

A.1. Maximum Allowable Primary Tax Levy	\$8,185,715
A.2. A.1 multiplied by 1.02	\$8,349,429

CURRENT YEAR NET ASSESSED VALUE SUBJECT TO TAXATION IN PRIOR YEAR	2019
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B.1. Centrally Assessed	\$208,087,942
B.2. Locally Assessed Real Property	\$1,545,725,178
B.3. Locally Assessed Personal Property	\$64,460,923
B.4. Total Assessed Value (B.1 through B.3)	\$1,818,274,043
B.5. B.4. divided by 100	\$18,182,740

CURRENT YEAR NET ASSESSED VALUES	2019
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C.1. Centrally Assessed	\$209,534,057
C.2. Locally Assessed Real Property	\$1,559,606,519
C.3. Locally Assessed Personal Property	\$61,948,684
C.4. Total Assessed Value (C.1 through C.3)	\$1,831,089,260
C.5. C.4. divided by 100	\$18,310,893

LEVY LIMIT CALCULATION	2019
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D.1. LINE A.2	\$8,349,429
D.2. LINE B.5	\$18,182,740
D.3. D.1/D.2 (MAXIMUM ALLOWABLE TAX RATE)	0.4592
D.4. LINE C.5	\$18,310,893
D.5. D.3 multiplied by D.4 = MAXIMUM ALLOWABLE LEVY LIMIT	\$8,408,362
D.6. Excess Collections/Excess Levy	
D.7. Amount in Excess of Expenditure Limit	
D.8. ALLOWABLE LEVY LIMIT (D.5 - D.6 - D.7)	\$8,408,362

<i>2019 New Construction</i>	\$12,815,217
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<i>Prior year actual levy (from line F.1 of the 2018 worksheet)</i>	\$8,185,715
<i>Divided by current values excluding new construction per line B.5</i>	\$18,182,740
<i>Truth in Taxation Rate</i>	0.4502

If the proposed tax rate is greater than the Truth in Taxation Rate noted above, a truth in taxation hearing must be held. If the proposed levy, excluding new construction, is equal to 15% or more, the motion to levy the increase must be approved by a unanimous roll call vote. (see A.R.S. § 15-1461.01)

Note: 2018 Levy Limit worksheet for Fiscal Year 2019