

## Request to Approve 2022-23 Preliminary Budget

**Recommendation:**

Staff recommends approval of the 2022-2023 Preliminary Budget as presented.

**Summary:**

The preliminary budget can be reduced, but cannot be increased at the Special Meeting on May 17, 2022. The preliminary budget as approved by the District Governing Board will be published prior to the budget hearing in accordance with statutory requirements. Notices about the budget hearing will be published on the NPC website, in the Holbrook Tribune and in the Show Low White Mountain Independent. A notice of the hearing scheduled will also be published and sent as a news release to all area media outlets.



**Navajo County Community College District  
Northland Pioneer College  
Budget for fiscal year 2023  
Summary of Budget Data**

				Increase/Decrease From budget 2022 To budget 2023	
		Budget 2023	Budget 2022	Amount	%
<b>I. Current General and Plant Funds</b>					
<b>A. Expenditures:</b>					
Current General Fund	\$	35,265,978	\$ 33,417,324	\$ 1,848,654	5.5%
Unexpended Plant Fund		11,719,900	17,154,100	(5,434,200)	-31.7%
Retirement of indebtedness Plant Fund		0		0	
Total	\$	46,985,878	\$ 50,571,424	\$ (3,585,546)	-7.1%
<b>B. Expenditures Per Full-Time Student Equivalent (FTSE):</b>					
Current General Fund	\$	18,160 /FTSE	\$ 16,238 /FTSE	\$ 1,922 /FTSE	11.8%
Unexpended Plant Fund	\$	6,035 /FTSE	\$ 8,335 /FTSE	\$ (2,300) /FTSE	-27.6%
Projected FTSE count		1,942	2,058		
<b>II. Total all funds estimated personnel compensation</b>					
Employee salaries and hourly costs	\$	18,905,406	\$ 17,095,294	\$ 1,810,112	10.6%
Retirement costs		2,200,000	1,860,234	339,766	18.3%
Healthcare costs		2,336,504	2,023,272	313,232	15.5%
Other benefit costs		1,677,620	1,552,652	124,968	8.0%
Total	\$	25,119,530	\$ 22,531,452	\$ 2,588,078	11.5%
<b>III. Summary of primary and secondary property tax levies and rates</b>					
<b>A. Amount levied:</b>					
Primary tax levy	\$	16,084,078	\$ 15,955,424	\$ 128,654	0.8%
Property tax judgment		0	0	0	
Secondary tax levy		0	0	0	
Total levy	\$	16,084,078	\$ 15,955,424	\$ 128,654	0.8%
<b>B. Rates per \$100 net assessed valuation:</b>					
Primary tax rate		1.7505	1.7505	0.0000	0.0%
Property tax judgment				0.0000	
Secondary tax rate				0.0000	
Total rate		1.7505	1.7505	0.0000	0.0%
<b>IV. Maximum allowable primary property tax levy for fiscal year 2023 pursuant to A.R.S. §42-17051</b>				\$ 16,702,781	
<b>V. Amount received from primary property taxes in fiscal year 2022 in excess of the maximum allowable amount</b>				\$ _____	

**Navajo County Community College District**  
**Northland Pioneer College**  
**Budget for fiscal year 2023**  
**Resources**

	Current funds			Plant Fund					
	General Fund 2023	Restricted Fund 2023	Auxiliary Fund 2023	Unexpended Plant Fund 2023	Retirement of indebtedness 2023	Other funds 2023	Total all funds 2023	Total all funds 2022	% Increase/ Decrease
<b>Beginning balances—July 1*</b>									
Restricted	\$	\$	\$	\$	\$	\$	\$ 0	\$	0.0%
Unrestricted	70,300,000			23,100,000			93,400,000	82,500,000	13.2%
Total beginning balances	\$ 70,300,000	\$ 0	\$ 0	\$ 23,100,000	\$ 0	\$ 0	\$ 93,400,000	\$ 82,500,000	13.2%
<b>Revenues and other inflows</b>									
Student tuition and fees									
General tuition	\$ 3,600,000	\$	\$	\$	\$	\$	\$ 3,600,000	\$ 3,850,000	-6.5%
Out-of-district tuition							0		0.0%
Out-of-State tuition	100,000						100,000	50,000	100.0%
Student fees	600,000						600,000	500,000	20.0%
Tuition and fee remissions or waivers							0		0.0%
State appropriations									
Maintenance support	1,397,200						1,397,200	1,512,300	-7.6%
Equalization aid	9,912,900						9,912,900	9,171,000	8.1%
STEM Workforce				309,900			309,900	319,700	-3.1%
Rural Community College Aid	1,271,800						1,271,800	1,640,200	-22.5%
Property taxes									
Primary tax levy	16,084,078						16,084,078	15,955,424	0.8%
Secondary tax levy							0		0.0%
Gifts, grants, and contracts	3,000,000	9,800,000					12,800,000	8,762,200	46.1%
Sales and services							0		0.0%
Investment income	300,000						300,000	500,000	-40.0%
State shared sales tax (Prop 301)		400,000	150,000				550,000	650,000	-15.4%
Smart and Safe Act (Prop 207)		500,000					500,000	500,000	0.0%
Other revenues	200,000						200,000	200,000	0.0%
Proceeds from sale of bonds							0		0.0%
Total Revenues and Other Inflows	\$ 36,465,978	\$ 10,700,000	\$ 150,000	\$ 309,900	\$ 0	\$ 0	\$ 47,625,878	\$ 43,610,824	9.2%
<b>Transfers</b>									
Transfers in		500,000	200,000	2,000,000			2,700,000	4,994,400	-45.9%
(Transfers out)	(2,700,000)						(2,700,000)	(4,994,400)	-45.9%
Total transfers	(2,700,000)	500,000	200,000	2,000,000	0	0	0	0	0.0%
<b>Reduction for amounts reserved for future budget year expenditures:</b>									
Maintained for future financial stability	(33,417,324)						(33,417,324)	(29,525,333)	13.2%
Maintained for future capital acquisitions/projects				(13,920,000)			(13,920,000)	(10,000,000)	39.2%
Maintained for future debt retirement							0	0	0.0%
Maintained for grants or scholarships							0	0	0.0%
Fund Balance - Unrestricted	(36,882,676)			(9,180,000)			(46,062,676)	(42,974,667)	7.2%
Fund Balance	1,500,000			9,210,000			10,710,000	14,740,000	-27.3%
Total resources available for the budget year	\$ 35,265,978	\$ 11,200,000	\$ 350,000	\$ 11,519,900	\$ 0	\$ 0	\$ 58,335,878	\$ 58,350,824	0.0%

\*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.

**Navajo County Community College District  
Northland Pioneer College  
Budget for fiscal year 2023**

**Expenditures and other outflows**

	Current funds			Plant Fund		Other funds 2023	Total all funds 2023	Total all funds 2022	% Increase/ Decrease
	General Fund 2023	Restricted Fund 2023	Auxiliary Fund 2023	Unexpended Plant Fund 2023	Retirement of indebtedness 2023				
<b>Total resources available for the budget year (from Schedule B)</b>	\$ 35,265,978	\$ 11,200,000	\$ 350,000	\$ 11,519,900	\$ 0	\$ 0	\$ 58,335,878	\$ 58,350,824	0.0%
<b>Expenditures and other outflows</b>									
Instruction	\$ 12,828,077	\$ 5,970,000					\$ 18,798,077	\$ 13,984,885	34.4%
Public service							0	0	0.0%
Academic support	1,550,967	500,000					2,050,967	1,998,497	2.6%
Student services	2,592,088	500,000					3,092,088	2,798,021	10.5%
Institutional support (Administration)	12,486,956						12,486,956	10,878,708	14.8%
Operation and maintenance of plant	2,082,032						2,082,032	2,010,336	3.6%
Scholarships	1,985,275	4,230,000					6,215,275	6,120,275	1.6%
Auxiliary enterprises			350,000				350,000	350,000	0.0%
Capital assets				11,719,900			11,719,900	17,154,100	-31.7%
Debt service—general obligation bonds							0		0.0%
Debt service—other long term debt							0		0.0%
Other expenditures							0		0.0%
Property tax judgments							0	402,204	-100.0%
Contingency	1,740,583						1,740,583	2,654,398	-34.4%
Total expenditures and other outflows	\$ 35,265,978	\$ 11,200,000	\$ 350,000	\$ 11,719,900	\$ 0	\$ 0	\$ 58,535,878	\$ 58,351,424	0.3%

## FINAL FY2022 /23 EXPENDITURE LIMITS: COMMUNITY COLLEGES

Community College District	Population** 2022/23	Population** 1979/80	Population Factor	Inflation Factor*	FY 1979/80 Base limit	FINAL FY2022/23 EXPENDITURE LIMITATION
COCHISE	7,467	2,156	3.4634	3.3100	\$6,038,815	<b>\$69,226,449</b>
COCONINO	2,056	1,000	2.0560	3.3100	\$2,459,758	<b>\$16,739,344</b>
GILA	725	905	0.8011	3.3100	\$1,948,412	<b>\$5,166,461</b>
GRAHAM	3,072	1,329	2.3115	3.3100	\$4,508,230	<b>\$34,492,544</b>
MARICOPA	73,463	27,299	2.6911	3.3100	\$52,841,755	<b>\$470,676,039</b>
MOHAVE	2,466	1,033	2.3872	3.3100	\$3,163,993	<b>\$25,000,644</b>
NAVAJO	1,942	1,566	1.2401	3.3100	\$3,716,543	<b>\$15,255,258</b>
PIMA	14,969	11,038	1.3561	3.3100	\$30,555,962	<b>\$137,158,048</b>
PINAL	3,612	2,452	1.4731	3.3100	\$7,534,121	<b>\$36,735,233</b>
SANTA CRUZ	165	700	0.2357	3.3100	\$1,507,059	<b>\$1,175,815</b>
YAVAPAI	3,981	1,568	2.5389	3.3100	\$5,759,613	<b>\$48,401,894</b>
YUMA/LA PAZ	5,286	1,952	2.7080	3.3100	\$6,215,322	<b>\$55,710,097</b>
<b>TOTAL</b>	<b>119,204</b>	<b>52,998</b>	<b>2.2492</b>		<b>\$126,249,583</b>	<b>\$915,737,828</b>

\* SOURCE: Bureau of Economic Analysis March 2022 - (2021 GDP Implicit Price Deflator/1978 GDP Implicit Price Deflator) = 118.49/35.798

1 no respons from college calculated using total FTSE

\*\* FTSE counts are calculated pursuant to A.R.S. §15-1466.01