

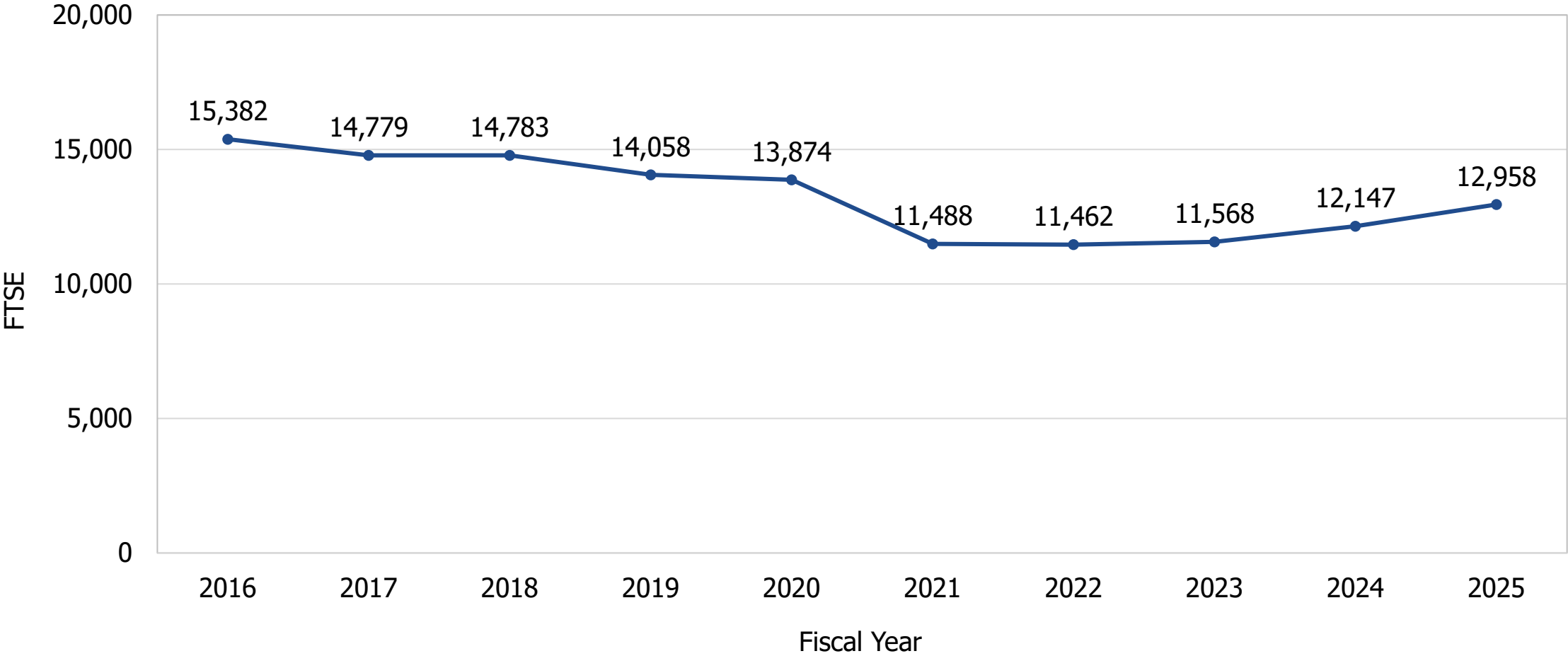
Fiscal Year 2027 Budget Discussion

Virtual Winter Budget Forum
December 9, 2025
Presented by: Dr. David Bea

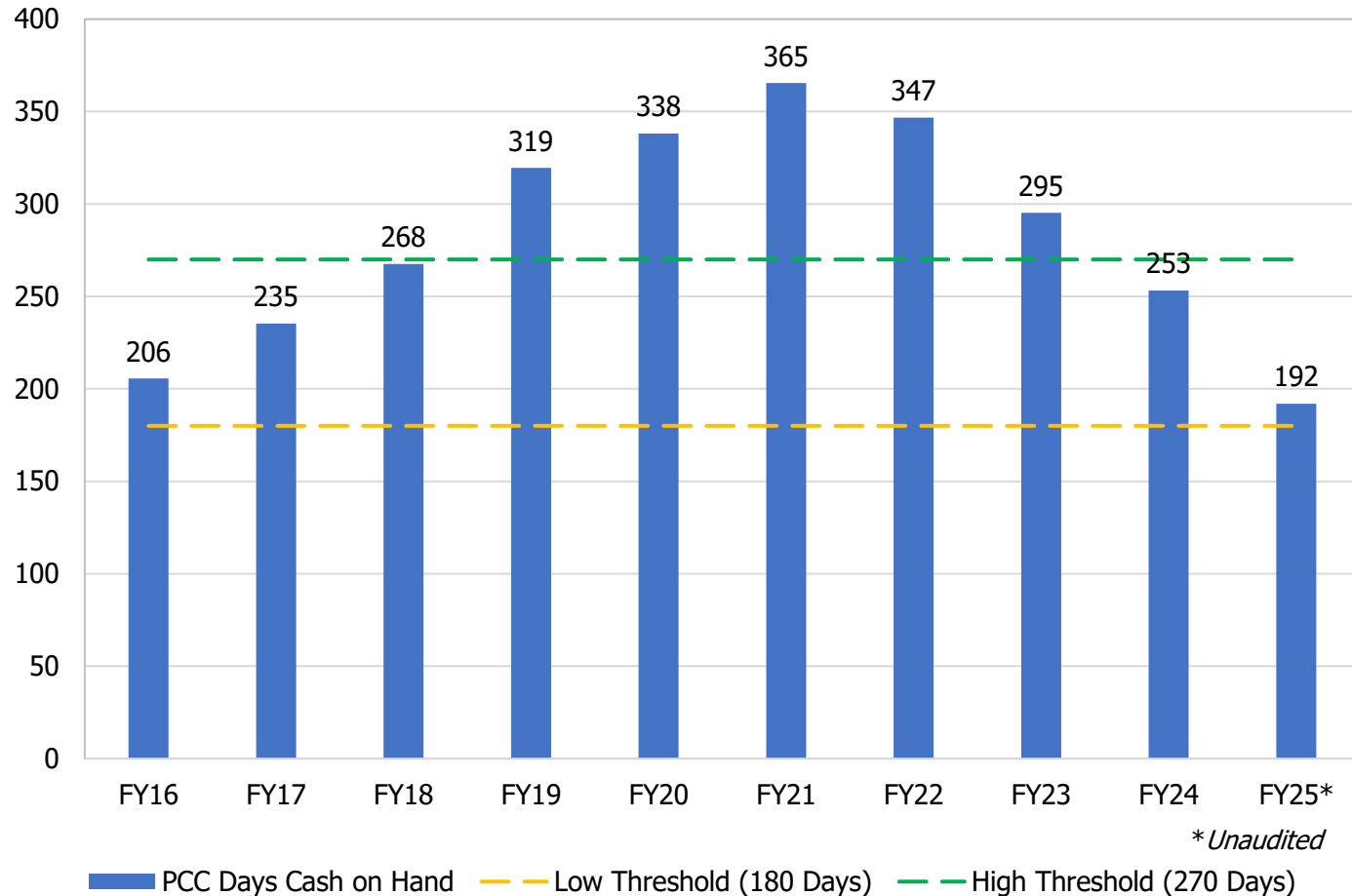
Budget Discussion

- Long-term Financial Health
- Revenue Projections
- Expenses
 - Chancellor's Goal 5 Update
 - Anticipated Expenditures
- Budget Development Calendar
- Feedback

Full Time Student Equivalents (FTSE), FY 2016-2025

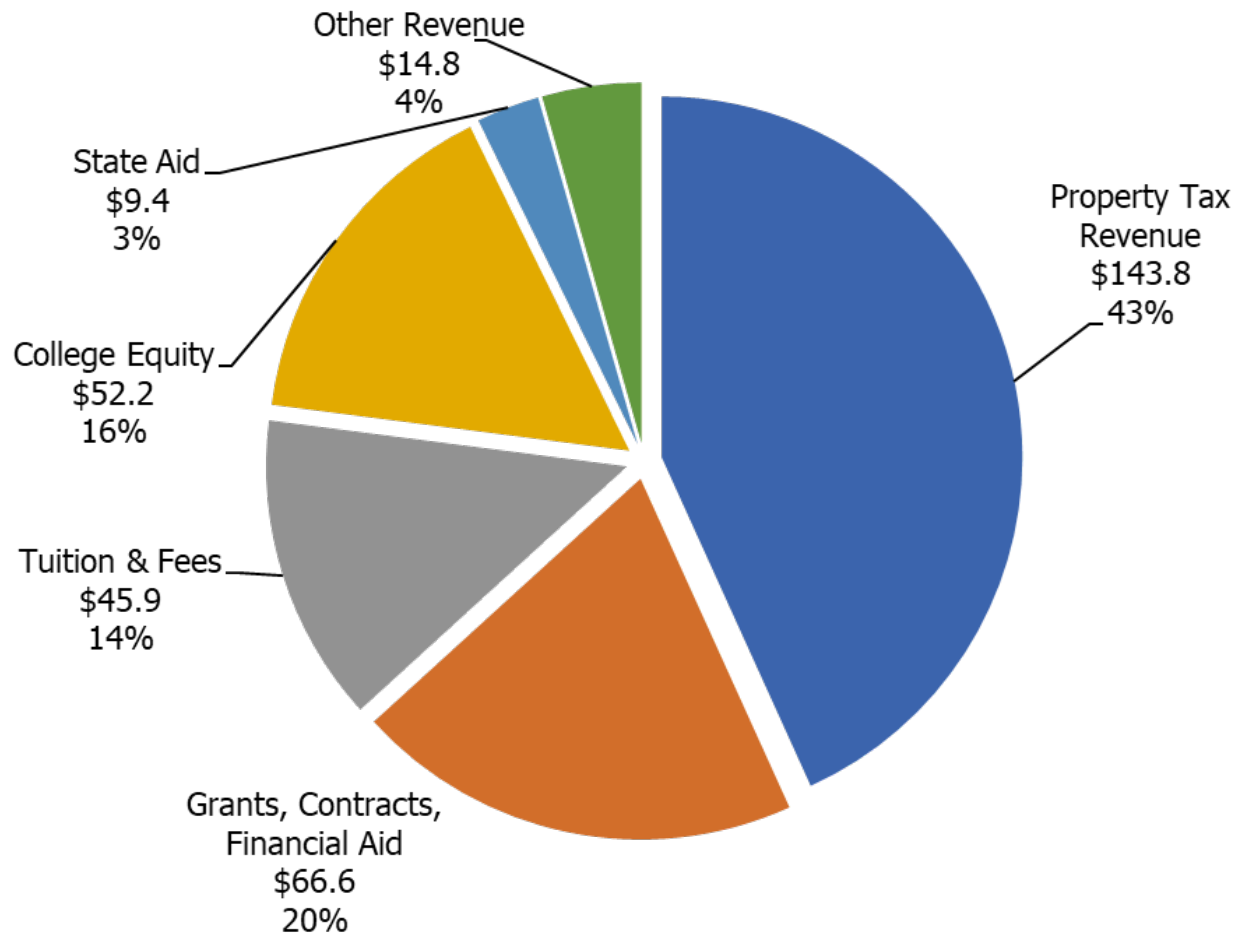


Days Cash on Hand



Shows available reserves compared to target levels defined in *Board Policy 4.07, Financial Stability*

- Chart shows steady growth from FY15 to FY22 and recent spending on Center of Excellence projects
- The dotted lines show low (180 days) and high (270 days) thresholds
- Operating budgets have grown in recent years, and reserve levels are close to falling within the threshold range
- Reserve levels below 180 days require a budget plan to restore to the low threshold



Fiscal Year 2026 Budgeted Revenues

(All Funds, in
millions)

Fiscal Year 2027 Revenue Projections

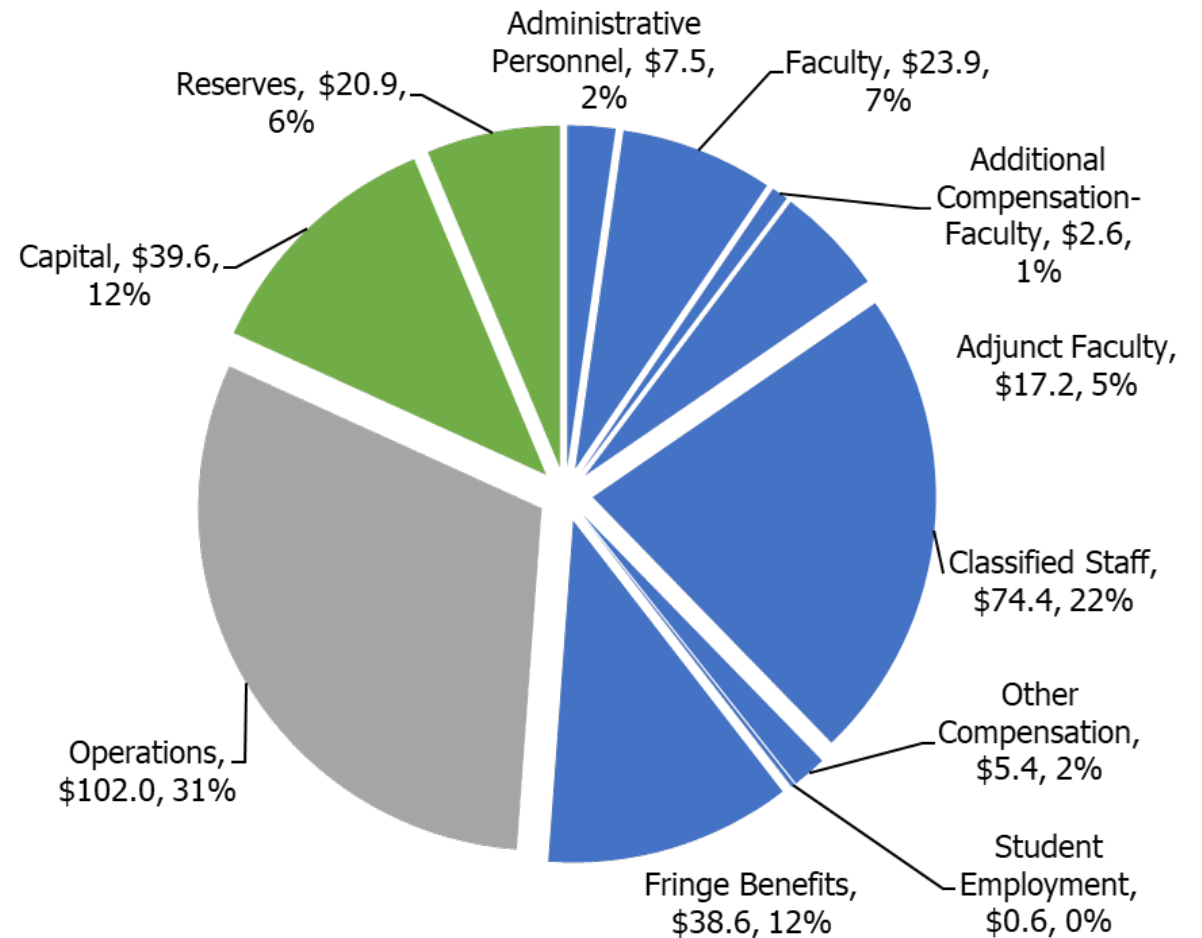
Revenue Source	Estimated Revenue
<u>Tuition</u>	
\$1.00 per credit of Tuition	\$400,000
<u>Property Taxes</u>	
Levy Neutral	+\$2.2M
1% increase	+\$1.4M
2% increase	+\$2.8M
<u>State Aid</u>	
STEM	No change
Operating	Unreliable
<u>Other Revenues</u>	
Prop 207 - Smart & Safe Arizona	+\$200,000
Prop 301 - State Sales Tax	+\$100,000

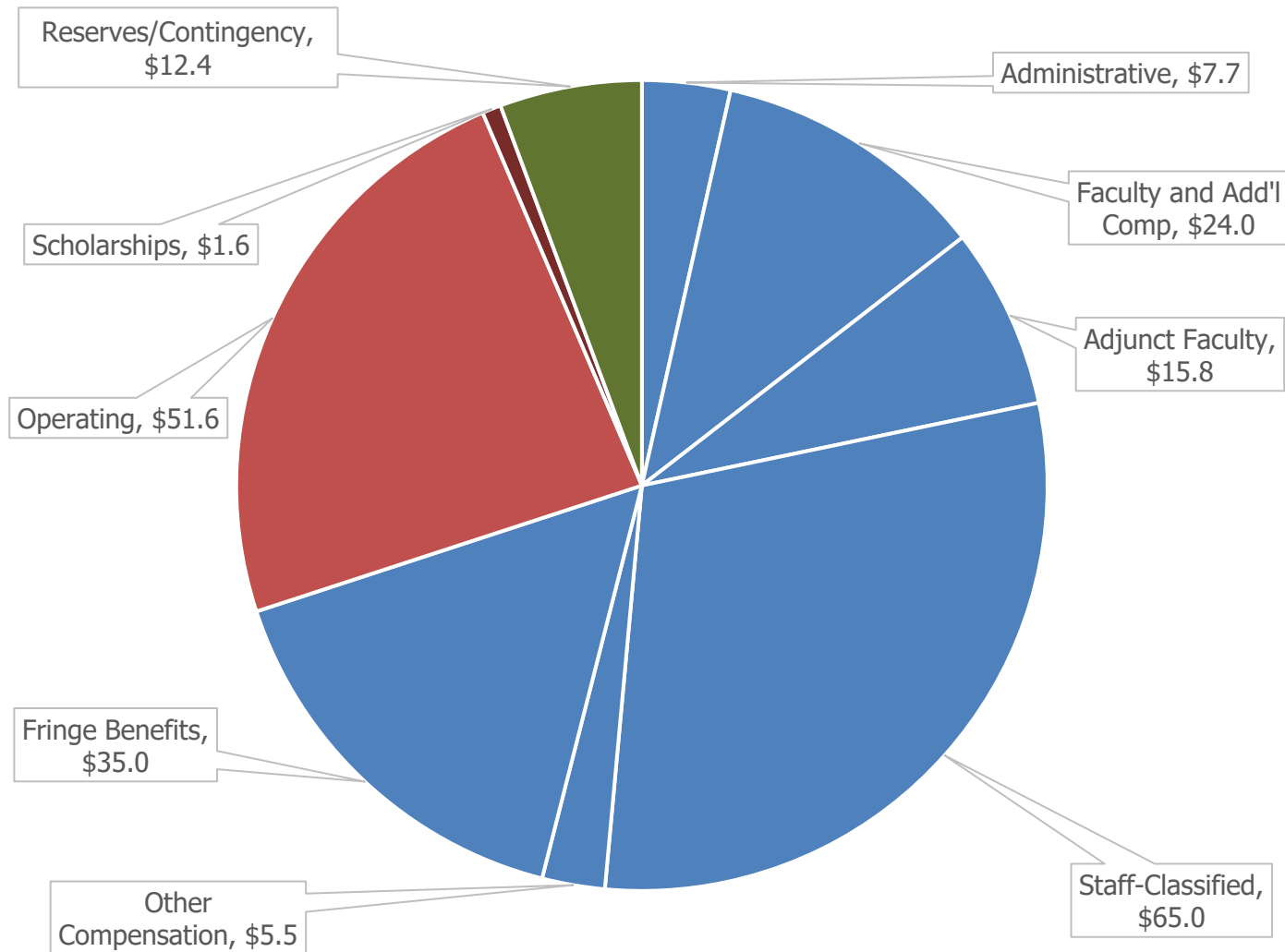
- Dual Enrollment Cost Recovery
- Differential Tuition for High-Cost Disciplines
- Bachelor's Degree

Other Tuition Models

Fiscal Year 2026 Budgeted Expenses

(All Funds, in
millions)





Fiscal Year 2026 Budgeted Expenses

(General Fund with
Personnel Detail, in
millions)

**Chancellor's Goal 5:
Progress on expense
reduction strategies,
other potential
efficiencies, next
steps moving
forward**

- Reduce operating expenses by \$4.0M in fiscal year 2026
- Make progress towards a 15 Full Time Student Equivalent (FTSE) to One Full Time Equivalent (FTE) staff ratio (15:1)

FY26 Staff Reductions to Date

Category	FTE	Base Salary	Benefits	Total
Instruction	-2.2	-128,787	-46,363	-175,150
Academic Support	-4.3	-424,641	-129,632	-554,273
Student Services	-6.0	-282,919	-101,852	-384,771
Institutional Support	-3.0	-263,072	-83,087	-346,159
Total	-15.5	-\$1,099,419	-\$360,934	-\$1,460,353

Personnel Cost Reductions

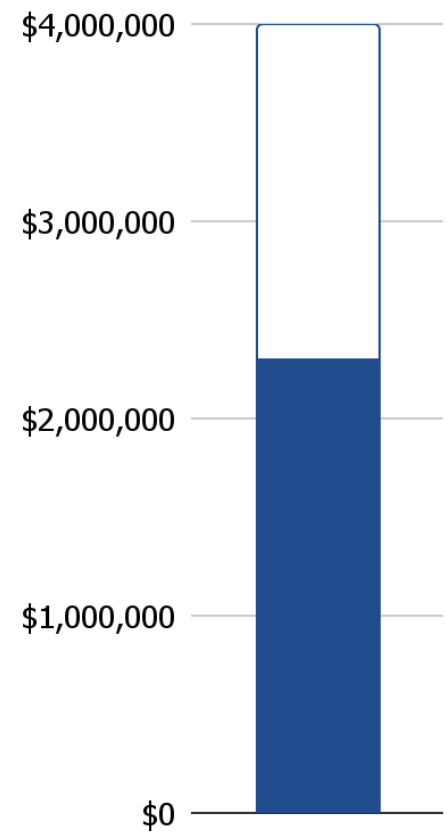
Operating Cost Reductions

FY27 Budget Reductions

Area	FY27 Reduction
Academic/Payroll	-54,737
Adult Education	-96,000
Finance	-385,000
Information Technology	-309,000
Grand Total	-\$844,737

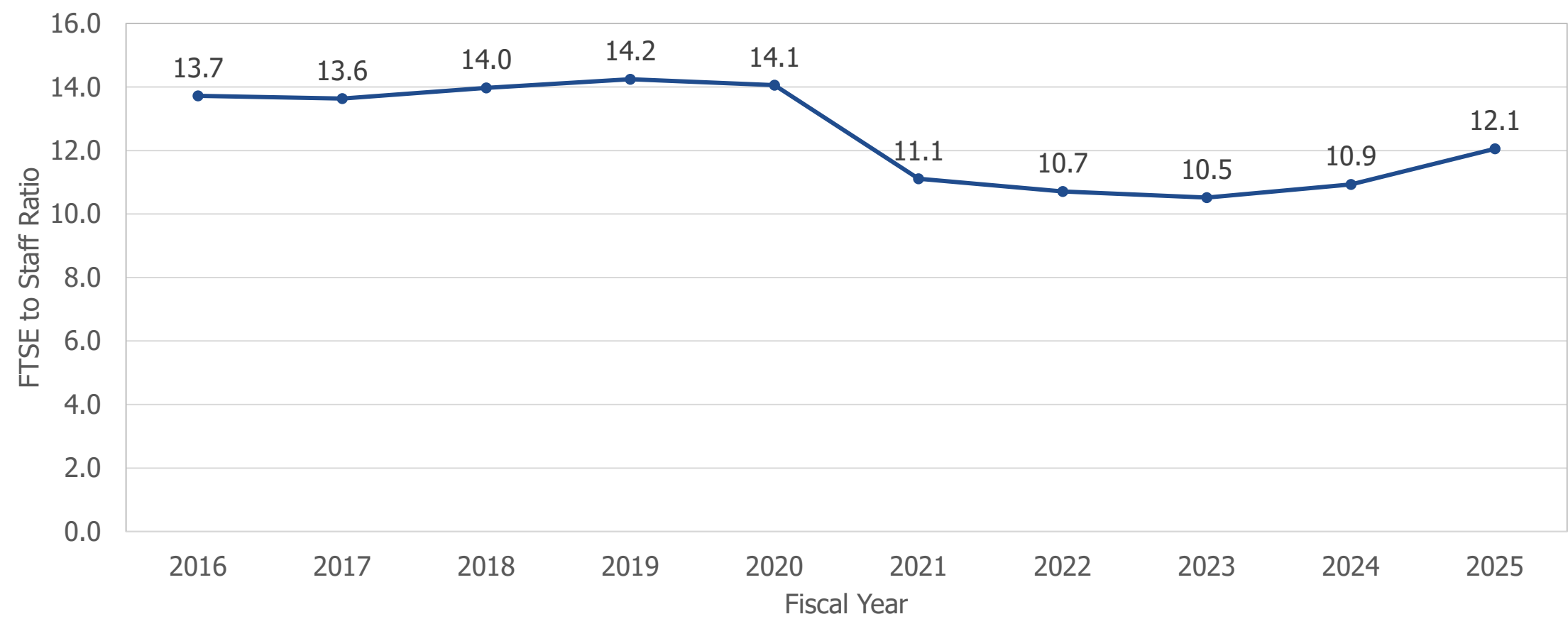
Reductions as of December 1, 2025

Category	Total
Personnel	-\$1,460,353
Operations	-\$844,737
Grand Total	-\$2,305,090



Progress
Towards Goal

Progress on 15:1



Anticipated Expenditure Increases

Personnel Costs

- Salaries and wages
- Benefits

General Obligation Bond

- Election costs
- Voter information pamphlet
- Polling

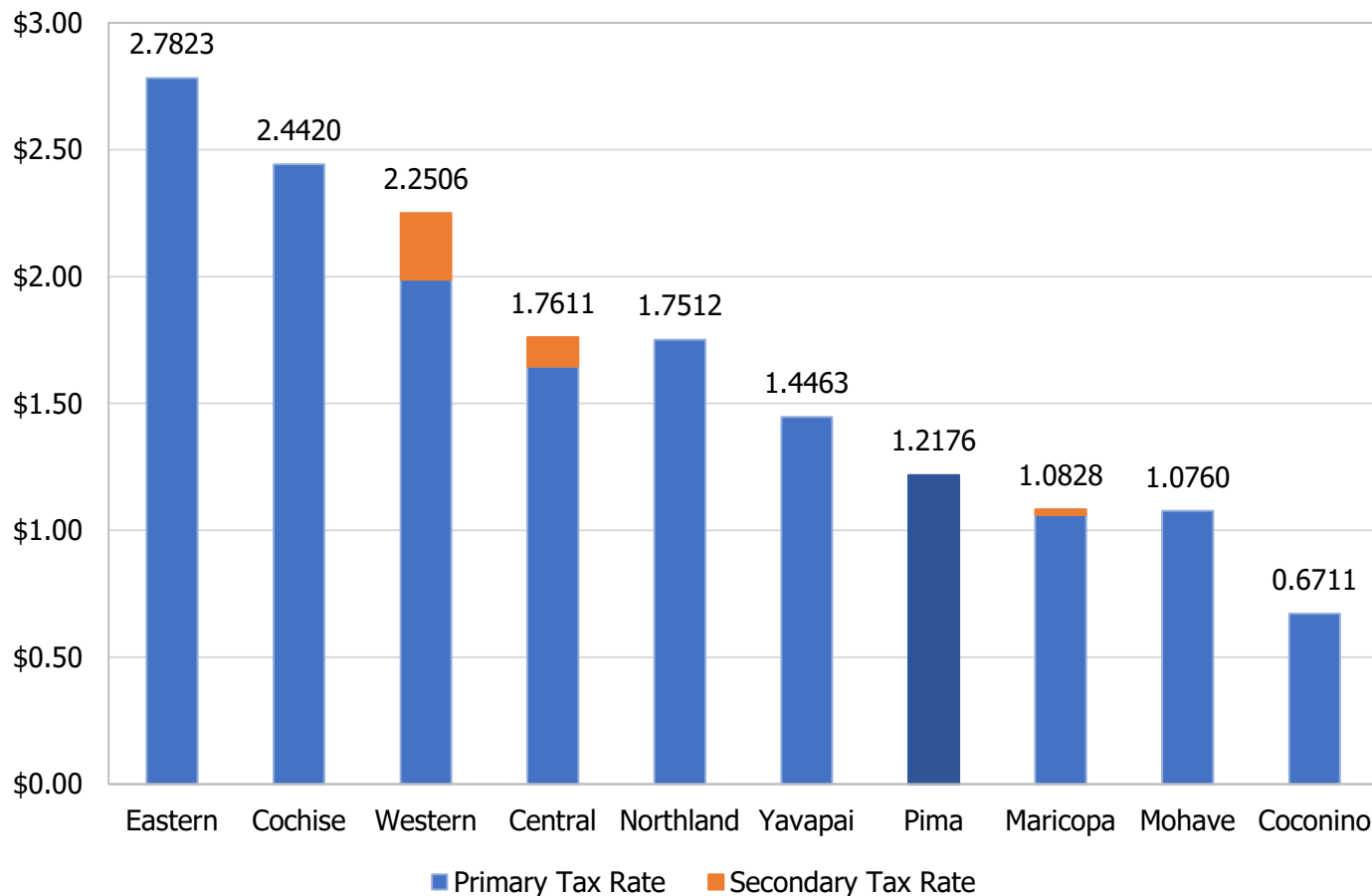
Budget Development Calendar

	College Process		Governing Board	
<u>Item</u>	<u>Month(s)</u>	<u>Lead/Participants</u>	<u>Month(s)</u>	<u>Item Type</u>
Budget Development Calendar	October	Finance	October	Information Item
Course Fee Review	September to December	Academic Units, Finance	February	Information Item
Budget Discussion	November to February	County	February	Study Session
Employee Benefits	December to February	ESC, External Actuarial	March	Action & Information Items
Tuition and Service Fees	December to February	Finance	March	Action Item
Capital Project Plan	January to March	College-wide	May	Action Item
Unit Allocations	February to March	College-wide		
Publication of Proposed Budget	December to April	Finance	May	Action Item
Employee Salaries & Wages	December to May	Finance, HR, AERC	June	Action Item
Property Taxes	December to February	Finance	June	Action Item
Budget Adoption			June	Action Item

Discussion

Additional Information

Arizona Community Colleges Property Tax Rates, Fiscal Year 2026 (Rates per \$100 net assessed valuation)



Compares property tax rates at the Arizona community colleges

- PCC has a relatively low primary property tax rate compared to peer institutions
- Since PCC does not currently have voter-approved general obligation debt service, there are no secondary property taxes

Arizona Community Colleges Tuition & Fees, Academic Year 2025-2026



Compares per credit in-state tuition charges for Arizona community colleges

- PCC is competitively priced versus peer community colleges in the state
- Average tuition increase across all colleges was 2.1% over the academic year 2024-2025

- [Integrated Planning Framework](#)
- [Finance Web Page](#)
- [PCC Dashboards](#)
 - [Audited FTSE for PCC and AZ Colleges](#)
 - [PCC Human Resources in IPEDS](#)
[Categories, Ratios](#)
 - [Finance](#)

Resources



PimaCommunityCollege