



Highlander Ranch

McLennan
Community
College

Review
4/25/2023

Financial Aspects – History

April 12, 2002 – Purchased 147.77 Acres for \$750,000 (lower section)

July 30, 2003 – Purchased 49.39 Acres for \$1,250,000 (upper section)



Strengths

- Serves as a unique educational crossroad between local rural and urban communities
 - Offers training opportunities for Vet Tech, Science, and Agriculture
 - Vet Tech 1 of 15 fully AVMA-CVTEA accredited programs in Texas
 - Vet Tech Lab 1 of 2 American Animal Hospital Association Accredited (AHAA) rated facilities in Central Texas
 - Supports rural and urban community partnerships
 - Located near Waco and MCC campus
- Provides a forum for continuing education & community programs
 - Horseback riding clinics and lesson (CHA)
 - Horse shows and events
 - Agricultural training
 - K-9 courses, Kids College, Saddle Club, Equestrian Camp, Gardening, Hunter Safety, Agriculture (provides opportunities for inner-city youth)



Strengths

- Hosts community special events:
 - Joint Use: Indoor lab facilities for Ag and Vet Tech
 - McLennan County 4-H Equine Program
 - Co-Hosting Extraco/MCC Agriculture Invitational
- Generates revenue through:
 - Horse Boarding (44 horses currently) (EFM Certified)
 - CE Programming, Horse Shows and Events
 - Apartment and house rentals
- Serves as evacuation site for area horses and livestock in case of emergency





TEXAS A&M
AGRI LIFE
EXTENSION

Our partnership with MCC allows the McLennan County Extension Office to offer high quality, relevant information to various populations across our region.

We have a unique partnership with MCC that allows us to have an enormous educational impact on youth, agriculture and health/nutrition education programs.



**Dr. Shane McLellan
County Extension Agent - Ag, McLennan County**

Ongoing Initiatives

- Execute 5-year strategic plan:
 - Expanding opportunities for community veterinarians and vet techs through use of our wet labs
 - Offering hands-on experience for sciences classes
 - Expanding community partnerships
 - Waco mounted law enforcement officer training
 - Master Gardeners and Master Composters
 - County Extension Office
 - University Center Partner Ag research programs
 - Expanding CE course/program offerings
 - Agricultural skill training center
 - Equine Management Certification
 - Community gardening
 - Ecological testing ground (vertical Farming)
 - Working with Central Texas dressage “L” programs
 - Expanding the Equestrian Team
- Continuing to grow Kids College offerings



Challenges

- Lack of visibility in the community
- Ongoing facility maintenance costs
- Long-term facility maintenance
- Vet Tech program costs
- Cost of upgrades
- Cost of expansion to add facilities



Financial Review – Vet Tech

	2022	2021	2020	2019	2018	2017	2016	2015	2014
Revenue									
Vet Tech State Funding	\$75,344	\$55,133	\$59,202	\$83,400	\$99,037	\$88,428	\$68,619	\$87,212	\$97,377
Vet Tech Tuititon & Fees	\$110,797	\$99,848	\$119,896	\$134,312	\$114,995	\$90,643	\$85,131	\$129,227	\$140,279
Non-Department Courses (estimate)	\$47,236	\$47,236	\$47,236	\$47,236	\$47,236	\$47,236	\$47,236	\$47,236	\$47,236
SUBTOTAL	\$233,377	\$202,217	\$226,334	\$264,948	\$261,268	\$226,307	\$200,986	\$263,675	\$284,892
Expenses									
Vet Tech Program : Full Time	\$191,140	\$182,572	\$178,997	\$167,802	\$177,787	\$171,543	\$164,798	\$166,975	\$168,621
Vet Tech Program : Substitute Pay	\$0	\$0	\$28	\$126	\$0	\$0	\$0	\$0	\$0
Vet Tech Program : Part Time	\$7,588	\$6,927	\$7,438	\$7,289	\$7,132	\$6,926	\$8,704	\$6,720	\$5,268
Vet Tech Program : Overload	\$24,859	\$17,850	\$30,290	\$33,950	\$32,488	\$40,117	\$27,142	\$15,909	\$12,337
Vet Tech Program : Summer	\$0	\$0	\$0	\$0	\$0	\$0	\$1,199	\$14,026	\$4,146
Non-Department Courses (estimate)	\$60,720	\$60,720	\$60,720	\$60,720	\$60,720	\$60,720	\$60,720	\$60,720	\$60,720
Estimated Benefits	\$38,228	\$36,514	\$35,799	\$33,560	\$35,557	\$34,309	\$32,960	\$33,395	\$33,724
SUBTOTAL	\$322,535	\$304,584	\$313,272	\$303,448	\$313,685	\$313,615	\$295,523	\$297,745	\$284,816
Vet Tech Program : Central Duplicating	\$1,194	\$840	\$830	\$1,267	\$1,612	\$1,205	\$1,538	\$3,029	\$3,398
Vet Tech Program : Other - Supplies	\$378	\$2,172	\$21,281	\$23,425	\$26,739	\$27,113	\$23,917	\$28,802	\$29,125
Vet Tech Program : Postage	\$74	\$136	\$154	\$59	\$109	\$70	\$103	\$339	\$137
Vet Tech Program : Film Badges	\$745	\$1,483	\$402	\$348	\$572	\$286	\$0	\$0	\$0
Vet Tech Program : Accreditation	\$3,155	\$2,945	\$3,035	\$4,745	\$2,500	\$4,245	\$2,577	\$0	\$0
Vet Tech Program : Travel	\$430	\$0	\$58	\$1,649	\$1,499	\$2,252	\$688	\$4,998	\$3,456
Vet Tech Program : Travel-Instruction	\$134	\$0	\$0	\$104	\$74	\$164	\$238	\$0	\$0
Vet Tech Program : Insurance-HC	\$400	\$276	\$260	\$170	\$511	\$501	\$450	\$620	\$759
Vet Tech Program : Instructional	\$0	\$334	\$0	\$0	\$0	\$0	\$0	\$40	\$0
Vet Tech Program : Student Tracki	\$0	\$2,000	\$0	\$0	\$2,000	\$0	\$0	\$0	\$0
Vet Tech Program : Required Tech	\$11,065	\$6,067	\$4,843	\$9,367	\$10,341	\$9,543	\$5,583	\$7,709	\$4,632
Vet Tech Program : Other Expenses #1	\$10,960	\$9,352	\$0	\$3,503	\$0	\$0	\$0	\$0	\$0
SUBTOTAL	\$28,535	\$25,604	\$30,863	\$44,637	\$45,957	\$45,380	\$35,094	\$45,537	\$41,507
TOTAL EXPENSES	\$351,070	\$330,188	\$344,135	\$348,085	\$359,641	\$358,994	\$330,616	\$343,282	\$326,323
NET	(\$117,693)	(\$127,971)	(\$117,801)	(\$83,137)	(\$98,373)	(\$132,688)	(\$129,630)	(\$79,607)	(\$41,431)

Financial Review – Continuing Education

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Revenue									
Tuition CE Reg Bill : Ranch Progr	\$7,001	\$6,561	\$3,963	\$5,842	\$6,576	\$4,753	\$6,730	\$4,258	\$3,242
Oth fees CE Reg bill : Ranch Prog	\$9,768	\$161,433	\$112,617	\$154,036	\$172,637	\$154,936	\$136,995	\$110,061	\$85,339
Other Income : Special Events	\$34,705	\$29,005	\$24,115	\$79,943	\$0	\$2,350	\$1,650	\$0	\$2,100
Misc Fees CE Reg Bill; Ranch Progr	\$170,053	\$1,675	\$0	\$0	\$0	\$0	\$0	\$0	\$0
SUBTOTAL	\$221,527	\$198,674	\$140,695	\$239,821	\$179,213	\$162,039	\$145,375	\$114,319	\$90,681
Expenses									
Ranch Programs : CE: Part-time	\$93,218	\$84,366	\$63,255	\$79,949	\$60,735	\$59,638	\$69,723	\$50,421	\$70,505
Ranch Programs : Professional Salaries	\$52,560	\$49,777	\$48,952	\$45,862	\$40,069	\$0	\$0	\$0	\$0
Ranch Programs : Miscellaneous Salaries	\$10,319	\$9,640	\$9,251	\$9,978	\$11,923	\$7,657	\$0	\$0	\$0
Ranch Programs : Non-Work Study	\$0	\$0	\$0	\$0	\$435	\$0	\$0	\$0	\$0
Estimated Benefits	\$29,156	\$26,828	\$22,441	\$25,162	\$20,161	\$11,928	\$13,945	\$10,084	\$14,101
SUBTOTAL	\$185,253	\$170,611	\$143,900	\$160,952	\$133,323	\$79,223	\$83,667	\$60,506	\$84,606
Ranch Programs : Central Duplicating	\$0	\$0	\$82	\$86	\$234	\$75	\$0	\$21	\$17
Ranch Programs : Other - Supplies	\$58,482	\$52,071	\$35,163	\$33,740	\$40,732	\$28,550	\$23,832	\$20,688	\$16,754
Ranch Programs : Postage	\$275	\$158	\$180	\$163	\$165	\$233	\$27	\$122	\$13
Ranch Programs : Travel	\$968	\$162	\$2,118	\$1,172	\$982	\$175	\$362	\$0	\$0
Ranch Programs : Advertising	\$1,500	\$1,000	\$1,500	\$10,651	\$180	\$0	\$0	\$0	\$0
SUBTOTAL	\$61,225	\$53,392	\$39,042	\$45,812	\$42,294	\$29,033	\$24,222	\$20,831	\$16,784
TOTAL EXPENSES	\$246,478	\$224,003	\$182,942	\$206,764	\$175,617	\$108,255	\$107,889	\$81,337	\$101,390
NET	(\$24,951)	(\$25,328)	(\$42,247)	\$33,057	\$3,596	\$53,783	\$37,486	\$32,982	(\$10,709)

Financial Review – Agriculture

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Revenue									
Agriculture State Funding	\$8,835	\$11,031	\$10,436	\$10,404	\$15,483	\$16,428	\$10,683	\$16,015	\$21,673
Agriculture Tuition	\$23,027	\$29,466	\$26,877	\$24,215	\$35,775	\$38,275	\$23,223	\$32,050	\$43,024
Non-Department Courses (estimate)	\$7,849	\$7,849	\$7,849	\$7,849	\$7,849	\$7,849	\$7,849	\$7,849	\$7,849
SUBTOTAL	\$39,711	\$48,346	\$45,162	\$42,468	\$59,107	\$62,552	\$41,755	\$55,914	\$72,546
Expenses									
Agriculture Sciences : Full Time	\$0	\$16,135	\$39,507	\$45,397	\$51,766	\$59,532	\$24,917	\$63,746	\$53,237
Agriculture Sciences : Faculty Stipends	\$0	\$0	\$1,790	\$500	\$500	\$600	\$0	\$0	\$0
Agriculture Sciences : Part Time	\$13,211	\$12,826	\$7,531	\$3,332	\$3,266	\$3,171	\$0	\$0	\$0
Agriculture Sciences : Overload	\$0	\$0	\$0	\$1,035	\$860	\$4,175	\$9,002	\$5,543	\$7,567
Non-Department Courses (estimate)	\$7,559	\$7,559	\$7,559	\$7,559	\$7,559	\$7,559	\$7,559	\$7,559	\$7,559
Estimated Benefits	\$0	\$3,227	\$7,901	\$9,079	\$10,353	\$11,906	\$4,983	\$12,749	\$10,647
SUBTOTAL	\$20,770	\$39,746	\$64,289	\$66,902	\$74,304	\$86,943	\$46,462	\$89,597	\$79,010
Agriculture Sciences : Central Duplicating	\$75	\$16	\$42	\$90	\$31	\$53	\$612	\$12	\$237
Agriculture Sciences : Other - Supplies	\$214	\$1,334	\$1,253	\$12,425	\$7,773	\$9,818	\$7,100	\$6,567	\$16,755
Agriculture Sciences : Postage	\$0	\$0	\$0	\$0	\$61	\$2	\$6	\$23	\$4
Agriculture Sciences : Travel	\$0	\$0	\$0	\$85	\$1,739	\$0	\$1,200	\$3,822	\$5,799
Agriculture Sciences : Eq.>5000	\$0	\$0	\$0	\$0	\$0	\$0	\$9,550	\$0	\$0
SUBTOTAL	\$289	\$1,350	\$1,295	\$12,600	\$9,603	\$9,873	\$18,468	\$10,424	\$22,795
TOTAL EXPENSES	\$21,059	\$41,096	\$65,584	\$79,502	\$83,908	\$96,816	\$64,930	\$100,021	\$101,805
NET	\$18,652	\$7,250	(\$20,422)	(\$37,034)	(\$24,801)	(\$34,264)	(\$23,175)	(\$44,107)	(\$29,259)

Financial Review – Operations

	2022	2021	2020	2019	2018	2017	2016	2015	2014
Revenue									
Other Income : Horse Boarding	\$138,337	\$141,298	\$143,503	\$135,630	\$126,906	\$130,425	\$114,158	\$83,425	\$77,511
Other Income : Ranch Facility Ren	\$0	\$0	\$0	\$0	\$0	\$0	\$1,400	\$875	\$1,025
Other Income : Ranch Residence re	\$21,050	\$16,500	\$19,430	\$11,600	\$19,600	\$21,150	\$19,100	\$17,450	\$19,800
Other Income : Ranch: Sale of Liv	\$0	\$0	\$0	\$0	\$0	\$0	\$25	\$0	\$500
SUBTOTAL	\$159,387	\$157,798	\$162,933	\$147,230	\$146,506	\$151,575	\$134,683	\$101,750	\$98,836
Expenses									
Horse Boarding : Professional Salaries	\$42,152	\$40,061	\$39,371	\$37,247	\$34,488	\$48,485	\$34,334	\$37,316	\$23,596
Horse Boarding : Support Staff Salaries	\$4,599	\$7,081	\$14,436	\$11,092	\$10,307	\$14,502	\$13,804	\$13,844	\$13,117
Horse Boarding : Miscellaneous Salaries	\$24,163	\$17,271	\$9,397	\$11,140	\$12,630	\$4,287	\$0	\$3,006	\$780
Highlander Ranch : Support Staff	\$63,441	\$61,348	\$82,915	\$71,192	\$59,680	\$64,689	\$53,089	\$42,255	\$48,464
Ranch Administration : Professional	\$0	\$0	\$0	\$0	\$0	\$0	\$84,529	\$83,492	\$81,855
Ranch Administration : Support Staff	\$0	\$0	\$0	\$0	\$15,892	\$14,437	\$0	\$25,210	\$24,731
Estimated Benefits	\$22,039	\$21,698	\$27,345	\$23,906	\$24,073	\$28,422	\$37,151	\$40,423	\$38,353
SUBTOTAL	\$156,395	\$147,459	\$173,464	\$154,577	\$157,070	\$174,821	\$222,907	\$245,546	\$230,897
Horse Boarding : Other - Supplies	\$43,098	\$51,924	\$38,806	\$45,883	\$54,667	\$46,797	\$56,111	\$49,243	\$31,925
Horse Boarding : Postage	\$0	\$0	\$0	\$0	\$0	\$0	\$146	\$139	\$99
Horse Boarding : Telephone Cell	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$198	\$470
Horse Boarding : Travel	\$176	\$37	\$0	\$0	\$0	\$0	\$181	\$0	\$0
Highlander Ranch : Miscellaneous	\$0	\$0	\$0	\$2,342	\$4,273	\$0	\$5,276	\$0	\$0
Highlander Ranch : Other - Supplies	\$1,957	\$4,574	\$7,306	\$12,885	\$9,619	\$9,882	\$11,047	\$13,025	\$5,437
Highlander Ranch : Utilities	\$33,301	\$38,950	\$38,447	\$46,614	\$41,308	\$39,057	\$43,085	\$44,425	\$50,704
Highlander Ranch : Other Expenses	\$47,274	\$84,458	\$72,079	\$79,519	\$64,506	\$74,575	\$61,614	\$59,096	\$56,820
Highlander Ranch : Eq.>5000	\$0	\$0	\$0	\$0	\$0	\$0	\$9,500	\$0	\$0
Ranch Administration : Central Duplicating	\$0	\$0	\$0	\$0	\$0	\$0	\$24	\$0	\$0
Ranch Administration : Other - Supplies	\$0	\$0	\$0	\$25	\$1,541	\$0	\$733	\$1,058	\$2,109
Ranch Administration : Telephone	\$0	\$0	\$0	\$0	\$704	\$650	\$600	\$600	\$55
Ranch Administration : Travel	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$816	\$583
Ranch Administration : Required T	\$0	\$0	\$0	\$0	\$0	\$0	\$120	\$120	\$120
SUBTOTAL	\$125,805	\$179,943	\$156,637	\$187,269	\$176,618	\$170,961	\$188,435	\$168,720	\$148,322
TOTAL EXPENSES	\$282,199	\$327,401	\$330,101	\$341,845	\$333,688	\$345,782	\$411,342	\$414,266	\$379,219
NET	(\$122,812)	(\$169,603)	(\$167,167)	(\$194,615)	(\$187,181)	(\$194,208)	(\$276,659)	(\$312,515)	(\$280,383)

Complete Ranch - Financial Review

SUMMARY									
Revenue	2022	2021	2020	2019	2018	2017	2016	2015	2014
Continuing Education	\$221,527	\$198,674	\$140,695	\$239,821	\$179,213	\$162,039	\$145,375	\$114,319	\$90,681
Operational	\$159,387	\$157,798	\$162,933	\$147,230	\$146,506	\$151,575	\$134,683	\$101,750	\$98,836
Veterinary Technology	\$233,377	\$202,217	\$226,334	\$264,948	\$261,268	\$226,307	\$200,986	\$263,675	\$284,892
Agriculture	\$39,711	\$48,346	\$45,162	\$42,468	\$59,107	\$62,552	\$41,755	\$55,914	\$72,546
TOTAL	\$654,003	\$607,036	\$575,124	\$694,467	\$646,094	\$602,472	\$522,799	\$535,658	\$546,955
Expenses									
Expenses	2022	2021	2020	2019	2018	2017	2016	2015	2014
Continuing Education	\$246,478	\$224,003	\$182,942	\$206,764	\$175,617	\$108,255	\$107,889	\$81,337	\$101,390
Operational	\$282,199	\$327,401	\$330,101	\$341,845	\$333,688	\$345,782	\$411,342	\$414,266	\$379,219
Vet Tech	\$351,070	\$330,188	\$344,135	\$348,085	\$359,641	\$358,994	\$330,616	\$343,282	\$326,323
Agriculture	\$21,059	\$41,096	\$65,584	\$79,502	\$83,908	\$96,816	\$64,930	\$100,021	\$101,805
Insurance Costs (Estimated)	\$11,667	\$11,667	\$11,317	\$10,752	\$10,215	\$9,705	\$9,220	\$8,759	\$8,322
TOTAL	\$912,474	\$934,355	\$922,762	\$976,196	\$952,853	\$909,848	\$914,777	\$938,906	\$908,737
Net	(\$258,471)	(\$327,320)	(\$347,637)	(\$281,729)	(\$306,759)	(\$307,376)	(\$391,978)	(\$403,247)	(\$361,782)
Additional Expenses									
Additional Expenses	2022	2021	2020	2019	2018	2017	2016	2015	2014
Capital Improvement Fund	\$30,028	\$19,290	\$35,010	\$45,737	\$191,814	\$70,165			
Net (with Capital Improvement Fund)	(\$288,499)	(\$346,610)	(\$382,647)	(\$327,465)	(\$498,573)	(\$377,541)	(\$391,978)	(\$403,247)	(\$361,782)

*Total Capital Improvements since 2002 - \$682,714

Facilities Challenges

Deferred Maintenance:

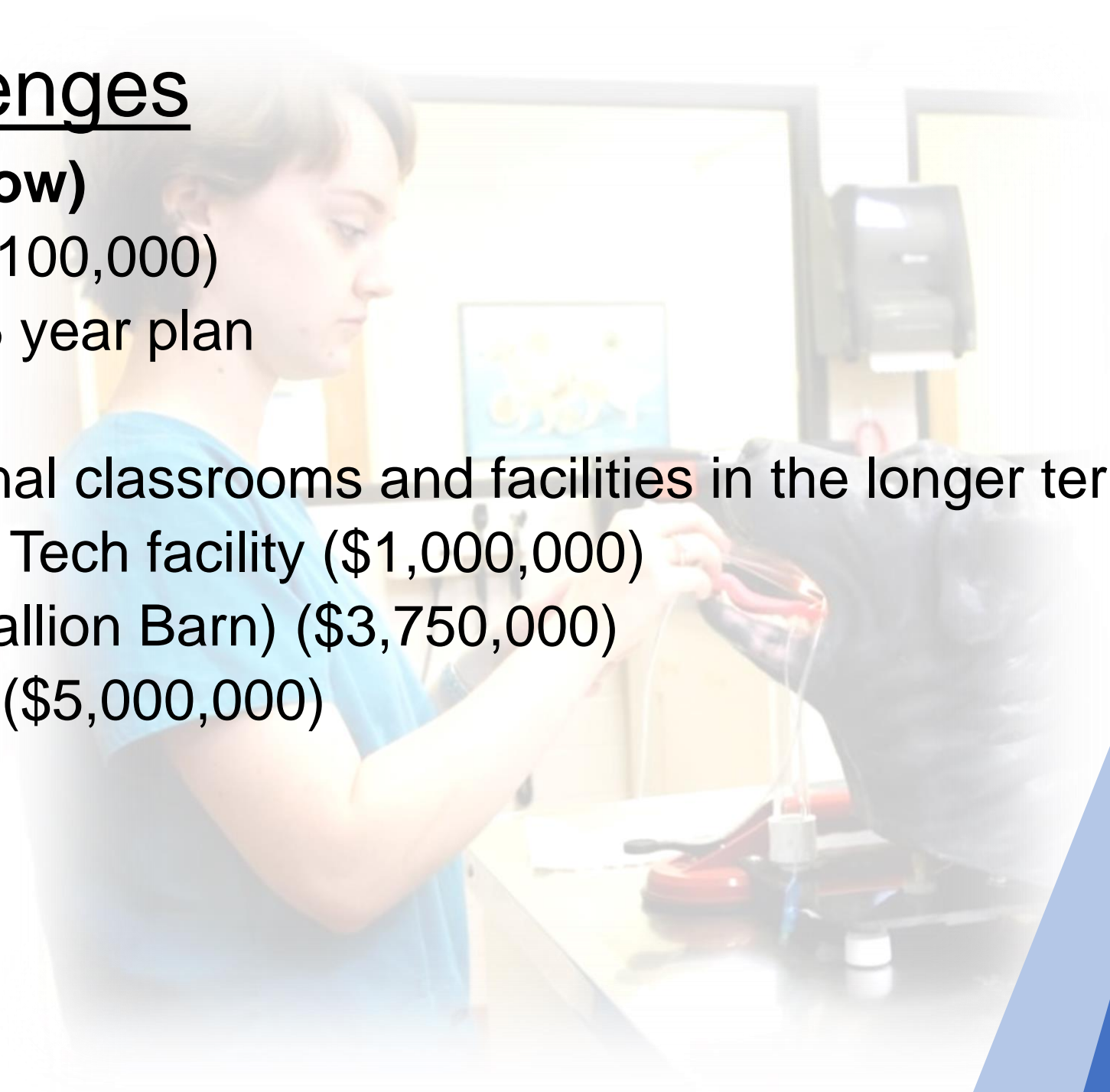
- ✓ Tractor replacement (\$41,000)
- ✓ Fence replacement and maintenance (\$20,000)
- ✓ Stallion Barn roof replacement (\$150,000)
- ✓ Ranch house repairs – plumbing & water drainage issues around the house (\$20,000)
- ✓ Road repairs (\$95,000)
- Front gate and controls – update (\$75,000)
- Stallion Barn - upstairs renovation (\$250,000)
- Stallion Barn - ADA compliance (\$100,000)
- Arena office - ADA compliant (\$150,000)

*Items marked with “✓” are the most critical.

Facilities Challenges

Other Needs: (To grow)

- Extend the arena (\$100,000)
- Additional items in 5 year plan
- Potential for additional classrooms and facilities in the longer term
 - Expansion of Vet Tech facility (\$1,000,000)
 - New Building (Stallion Barn) (\$3,750,000)
 - Sewer lift station (\$5,000,000)



Potential Actions Moving Forward

1. Retain the Ranch

- Act on the opportunities to expand the Ranch's value
- Actions Steps:
 - Expand awareness in the community of the Ranch's benefits
 - Expand classroom experience (Science and Ag)
 - Build on and expand on our community partnerships at the Ranch to include University Center partners
 - Increase the number of horse boarding and the associated fees
 - Expand the Show Arena to meet Dressage Standards
 - Add staff to support an increase in existing and new programs
 - Refurbish and expand the Vet Tech and/or Stallion Barn facilities to accommodate additional classrooms, conferences, and boarding as needed
 - Explore optional uses for the land – example: solar farm



Potential Actions Moving Forward

2. Sell and Vacate the Ranch

(Estimated market price = \$4-5 million)

- Action Steps:

- Create communication plan to engage community partners on the changes
- Relocate or teach out Vet Tech program (at least 18 months for teach out and advise SACSCOC of closing facility)
- Work to relocate horse boarders
- Transition College animals
- Cancel planned horse riding and arena events
- Relocate/cancel Kids College Ranch options
- Develop plan to meet community partners ongoing needs where feasible (facility use on other parts of campus)



Option to Relocate Vet Tech to Campus

- Current Vet Tech Building (15,320 sq/ft)
- Move to the main campus
 - Building using some shared spaces (13,610 sq/ft)
 - Steel frame with brick (\$6.6 million)
 - Metal frame with brick (\$6.3 million)
 - Building using some shared spaces (13,610 sq/ft)
 - Steel frame with stucco (\$5.4 million)
 - Metal frame with stucco (\$4.7 million)



Potential Actions Moving Forward

3. Sell the Ranch and Partner with a Buyer

- Action Steps:
 - Develop a partnership with a 3rd Party
 - Retain and operate some aspects of the current ranch programs and lease from a buyer (e.g., Vet Tech)
 - Relocate or eliminate some aspects of the current ranch programs





Questions & Discussion