

**Camden County College
Fiscal Year 2015
Final Operating Budget**

Fiscal Year 2015 Operating Budget

OVERVIEW

The FY2015 College budget proposal totals \$72,327,896. This is \$1,642,559 less than the FY2014 approved budget. This budget balances the College's priorities and will continue to meet the College mission of offering accessible and affordable education to the residents of Camden County.

The budget does not include additional increases in tuition or fees other than the increases approved during the summer 2014 semester. Budget revenues reflect a \$400,000 reduction in State funding due to enrollment declines and level support from the County. The current level of support from the County will not be sufficient to prevent future increases in tuition and fees that will detrimentally impact student access.

The College has experienced an enrollment decline over the past four years. We anticipate that during the FY2015 academic year enrollments will plateau and maintain their current levels and we expect that new students will enroll as they learn more about our partnerships with Rutgers and other four year universities. Additionally, as we continue to build our new facilities, we will reach new markets and student populations. Our science building, now in its second year of operation, continues to attract not only students in the allied health fields but students who are seriously pursuing careers in math and science. While these facilities are positive new assets, they bring anticipated yet significant ongoing utility, custodial and other operational costs.

Camden County College remains a strong, operational and fiscally sound institution. Expense reductions over the past years, as well as the severe cuts this year have spread resources thin and, in some cases, diminished services to students and the community as well as creating significant long-term challenges. If a number of factors turn negative, there will be additional pressure on the FY2015 budget and the future financial health of the College. Concerns include continuation in enrollment decline and substantial depletion of unrestricted reserves.

We believe that with our sound fiscal planning, improved environment and increased support from the County, the College can sustain and eventually increase its student population and services to the community.

Budget Summary

CCC - FY2015 Budgeted Expenditures Detail Table I attached	
Salaries & Wages	\$42,028,904
Fringe Benefits	\$15,449,700
Contractual Services	\$3,693,975
Materials & Supplies	\$2,393,113
Conferences & Meetings	\$647,726
Fixed Charges	\$3,449,076
Utilities	\$3,854,382
Student Aid	\$454,000
Capital	\$148,710
Miscellaneous	\$208,310
Total Expenditures	\$72,327,896

CCC - FY2015 Budgeted Revenues Detail Table II attached	
Credit Tuition	\$30,000,000
Credit Fees	\$14,500,000
Continuing Education	\$ 2,600,000
State Appropriation	\$ 9,800,000
County Appropriation	\$ 9,225,814
Miscellaneous	\$ 4,202,082
Current Unrestricted Reserves	\$ 2,000,000
Total Revenue	\$72,327,896

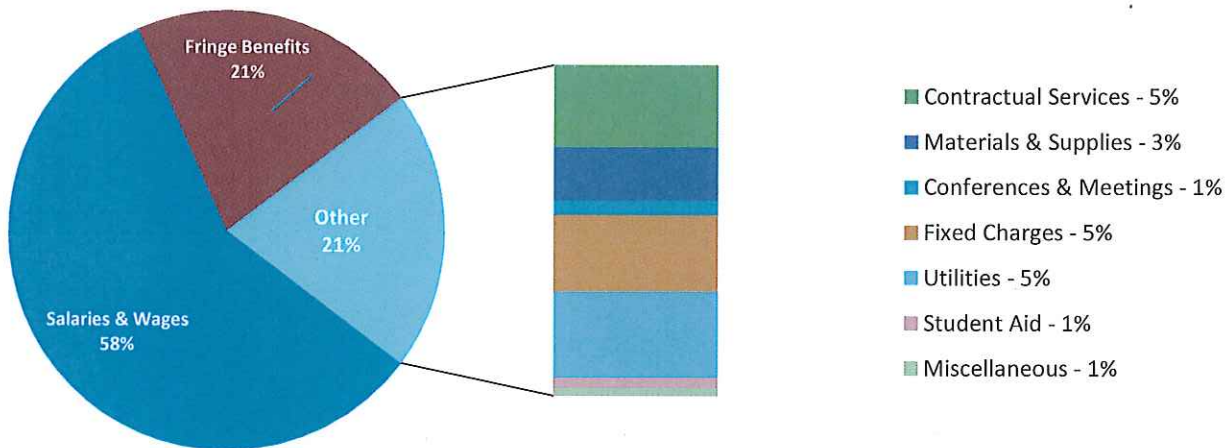
Fiscal Year 2015 Expenditures

The College's FY2015 Operating Budget is \$72,327,896. This represents a decrease of \$1,642,559 compared to the FY2014 approved budget.

The expenditures are displayed two ways: by object category and by functional category.

OBJECT CATEGORY

As noted in the following chart, salaries and fringe benefits encompass the majority of the expenditures. Approximately 79% of the Operating Budget is for employee compensation. The remaining 21% budgeted for operating is spent on contractual services (5%), materials and supplies (3%), conferences & meetings (1%), fixed charges (5%), utilities (5%), student aid (1%), and miscellaneous (1%).



Salaries and Wages

The salary budget of \$42,028,904 includes the contractual obligation of all collective bargaining units. It also includes an anticipated 2% increase for the faculty contract that is currently being negotiated. In order to reduce the budgeted cost for salaries and wages, 33.5 full-time and 2 part-time staff positions were cut. Overall, this represents a decrease of approximately \$1,375,605 over the FY2014 original budget.

Fringe Benefits

Recent notices from carriers indicate that premium costs for fringe benefits will continue to rise for FY2015. However, FICA costs are projected to decrease based on lower staffing and an additional savings of \$120,000 was realized by eliminating the sick time retirement payout for non-affiliated employees with less than 15 years of employment.

Utilities

Containing utility costs for all of our campus locations remains a major challenge, especially in light of recent severe weather conditions. While the FY2015 budget reflects a decrease of approximately 6% over the FY2014 budget, actual year-to-year costs have increased marginally. The College will continue its ongoing efforts to conserve energy usage, including active participation in shared service arrangements and construction of more energy efficient buildings.

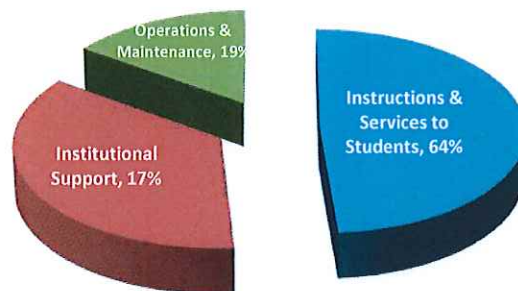
Other Operating Costs

We have worked hard to identify and to implement savings across numerous other operating lines. The majority of other expenditures were decreased for FY2015 as follows: contractual services (-7.5%), materials & supplies (-3.5%), conferences & meetings (-5.5%), student aid (-7.7%). As a result of these reductions, our other operating budget has become very lean and has more than offset an increase in debt service payments to Camden County for costs associated with the capital initiative to transform the Blackwood Campus.

FUNCTIONAL CATEGORY

Seen from a functional perspective, expenditures are budgeted in seven categories as noted in the chart below. As shown in the graph below approximately two-thirds of the College's base operating expenditures is spent supporting the instructional programs.

Function	%	FY2015
Instruction	30%	\$21,819,229
Public Service	1%	\$996,696
Academic Support	9%	\$6,668,346
Student Services	8%	\$5,416,567
Institutional Support	36%	\$25,994,646
Operations & Maintenance	15%	\$10,999,412
Scholarships & Fellowships	1%	\$433,000
Total		\$72,327,896



Fiscal Year 2015 Revenues

The College supports the budget from the revenue categories as summarized below:

Student Tuition, Fees	\$44,450,000
Continuing Education	\$ 2,600,000
State Appropriation	\$ 9,800,000
County Appropriation	\$ 9,225,814
Miscellaneous and Other Revenue Sources	\$ 4,252,082
Current Unrestricted Reserves	\$ 2,000,000
Total Revenue	\$72,327,896

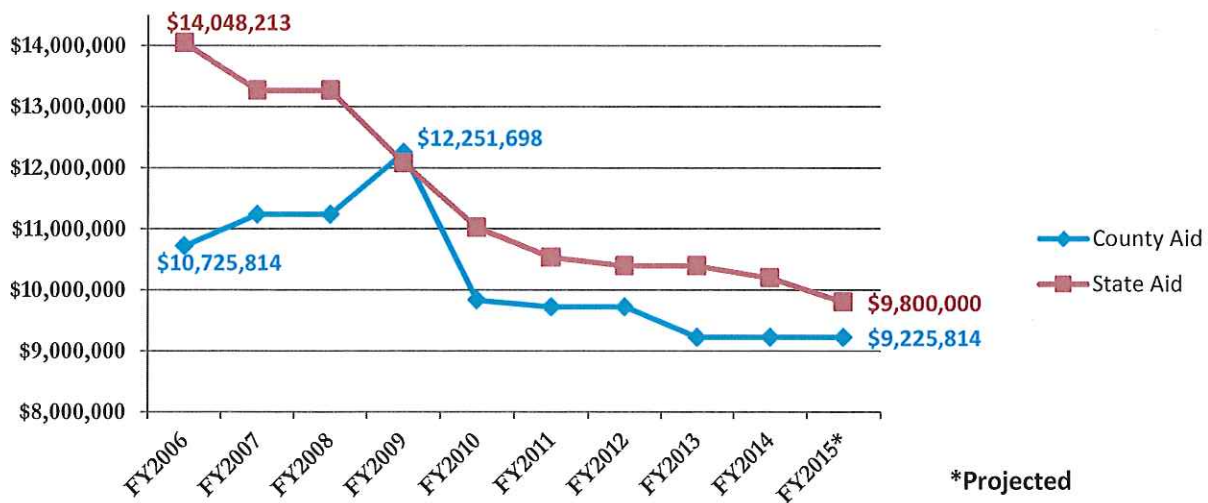
Student Tuition and Fees

As indicated below, over the past four years, student enrollment has dropped significantly to the FY2003 level. During the corresponding time period student revenue has increased from 49% to approximately 62% of total revenue due to tuition and fee increases. Since enrollments for FY2014 were lower than anticipated it was necessary, effective with the spring of 2014, to increase tuition by \$3 to \$107 per credit. International tuition as well as various fees and course fees, were also increased in the summer of 2014. The College is working on innovative ways to attract students and increase enrollments, including new high school outreach, improved registration access, and various marketing initiatives.

State and County Aid

As indicated in the chart below, both State and County aid has been steadily declining for at least five years. The College was notified of a \$271,486 decrease in State appropriation for FY2014. The College also estimated an additional reduction of \$130,000 in its State Aid allocation for FY2015 as a result of declining enrollments in FY2014.

The County appropriation for FY2015 is projected to remain at \$9,225,814, the same level as FY2014. At this level, the County's share of the College budget for FY2015 represents 12.8% of its operation.



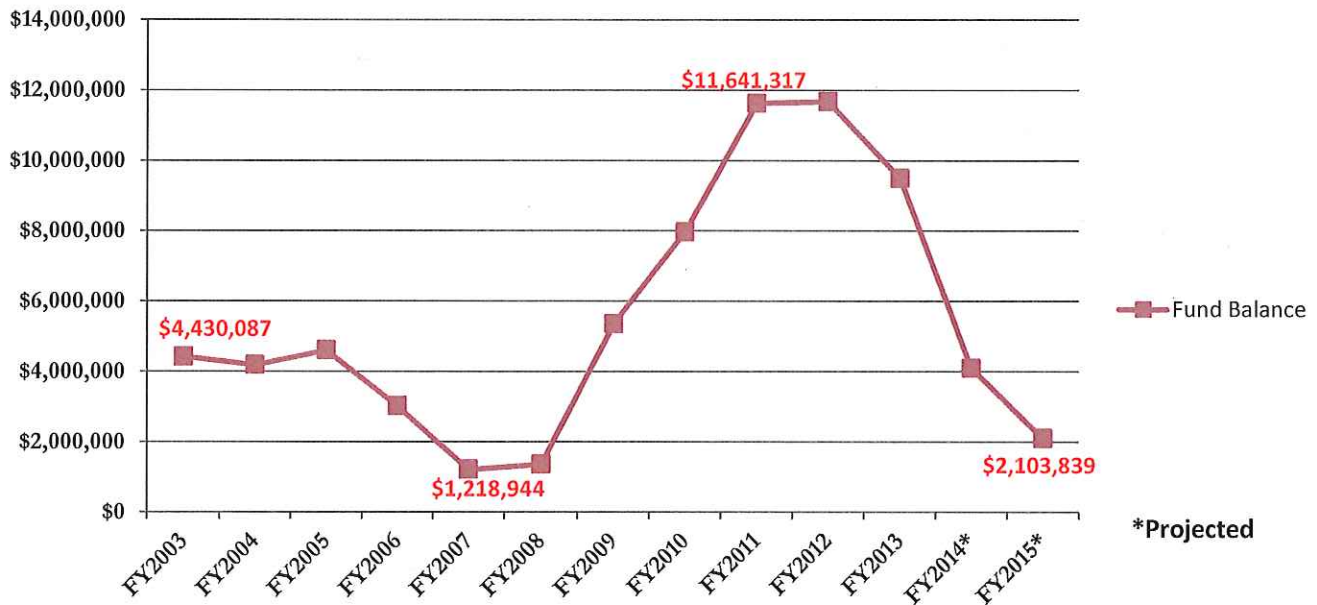
Miscellaneous Sources

Miscellaneous revenue is projected to increase by \$317,441. Included in this category are commissions from our bookstore, parking fee revenues, and net transfers between funds as well as revenue from the Gateway Program in Camden and the Transition to College Program, both of which are expected to increase in FY2015. Revenue from several agreements with outside agencies for the use of our facilities is also included.

This year a contract will be finalized to bring an Urgent Care facility to the Blackwood Campus. In addition to providing a source of revenue, it will bring access to medical care for the general public as well as students, faculty and staff and clinical opportunities for our allied health students.

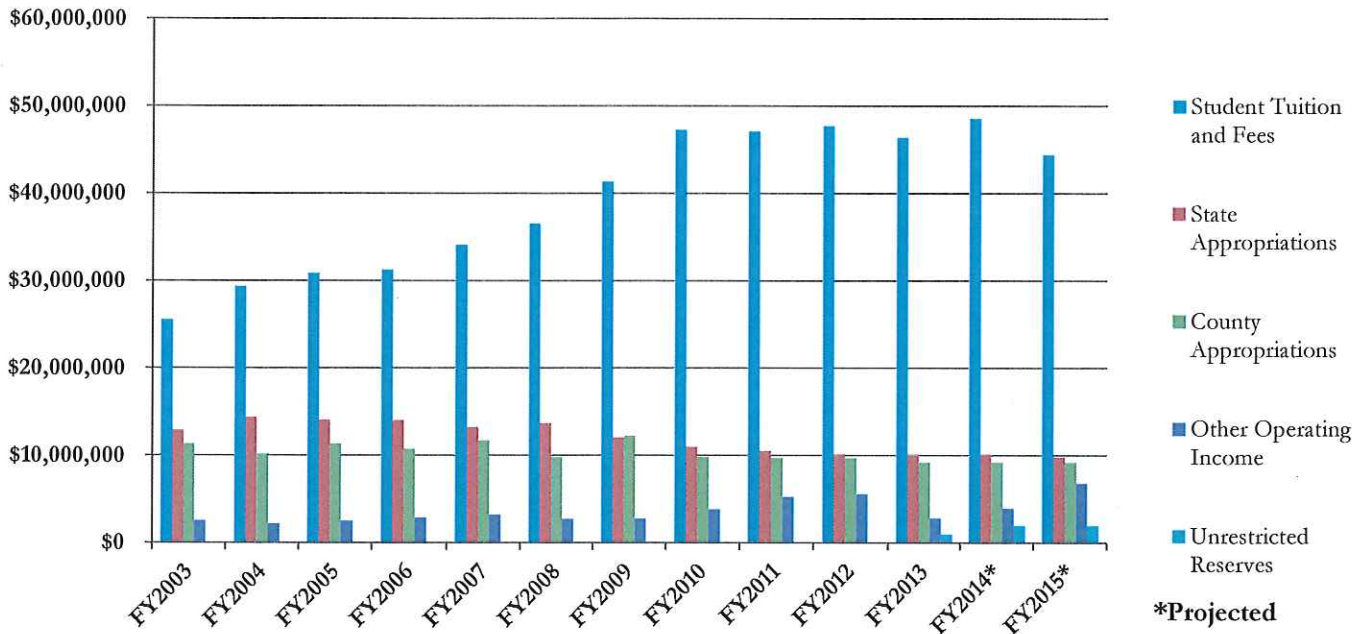
Current Unrestricted Funds

In order to balance the budget, \$2,000,000 will be transferred from the current unrestricted reserves. As a result of reserve transfers over the last two years, the additional \$1.5 million debt payment to the County and the \$1.7M reserve payment for the financial aid audit, the College only has \$2,103,839 in unrestricted funds to assist in any future budget shortfalls.



REVENUE COMPARISONS FY2003 TO FY2015

Revenue History and Projections:



In summary, over the past ten years the College has relied on increases in student tuition and fees to offset declines in State and County appropriations. Recently, the College has increased its use of unrestricted reserve funding.

Table 1

Camden County College
Expenditure Comparison

	General Operating			Continuing Education			Auxiliary Services				TOTAL Current Unrestricted					
			Year End FY2014 Projections	Budgeted FY2015	Actual FY2013	Budgeted FY2014	Year End FY2014 Projections	Budgeted FY2015	Actual FY2013	Budgeted FY2014	Year End FY2014 Projections	Budgeted FY2015	Actual FY2013	Budgeted FY2014	Year End FY2014 Projections	Difference Between FY2014 Projections & FY2015 Budgeted
Expenditures	Actual FY2013	Budgeted FY2014														
Salaries	\$32,280,757	\$32,260,990	32,497,491	\$31,186,196	\$1,946,922	\$1,965,742	##	\$1,701,094	\$590,709	\$654,001	\$649,825	485,414	\$34,818,388	\$34,880,733	\$34,880,733	\$33,372,704
Overloads	8,587,619	8,493,549	8,291,850	8,629,518	\$25,728	\$29,227	\$25,015	\$26,682	0	0	0	0	\$8,613,347	\$8,522,776	\$8,316,865	\$8,656,200
Fringe Benefits	13,691,724	15,149,916	14,045,506				\$307,539		151,739	5,000	137,280	5,000	\$14,210,892	\$15,154,916	\$14,490,325	\$15,449,700
Contractual Services	3,028,499	3,483,104	3,220,031		\$367,429	\$159,000	\$136,141	\$175,492	260,181	329,632	343,828	233,472	\$3,423,322	\$3,971,736	\$3,700,000	\$3,693,975
Materials & Supplies																
Conferences/ Meetings	1,532,702	1,906,354	1,700,128	1,849,265	\$406,260	\$532,792	\$288,798	\$491,200	19,390	37,148	11,074	52,648	\$1,958,352	\$2,476,294	\$2,000,000	\$2,393,113
Fixed Charges	471,614	649,243	381,359	612,126	\$15,860	\$32,875	\$7,712	\$33,800	1,538	1,200	944	1,800	\$489,012	\$683,318	\$390,015	\$647,726
Utilities	4,805,944	3,225,064	3,484,369	3,404,194	\$30,818	\$14,000	\$28,891	\$14,000	10,778	31,282	5,740	30,882	\$4,847,540	\$3,270,346	\$3,519,000	\$3,449,076
Student Aid	3,263,049	3,783,676	3,336,961	3,517,344	\$58,991	\$96,100	\$124,903	\$96,100	212,429	228,250	194,980	240,938	\$3,534,469	\$4,108,026	\$3,656,844	\$3,854,382
Capital	397,890	483,000	372,000	448,000	-\$56,799	\$6,000	\$1,155	\$6,000	0	0	0	0	\$341,091	\$489,000	\$373,155	\$454,000
Miscellaneous	28,580	89,500	15,354	148,710	\$0	\$0	\$0	\$0	0	0	0	0	\$28,580	\$89,500	\$15,354	\$148,710
Contingency Transfers	140,193	0		(120,000)	\$0	\$0		\$0	0	0			\$140,193	\$0	\$0	-\$120,000
Expenditures	1,801	318,810	1,500	315,310	\$0	\$3,500	340	\$3,500	0	1,500	340	9,500	\$1,801	\$323,810	\$1,840	\$328,310
													\$0	\$0	\$0	\$0
													\$0			\$0

Table II

Camden County College
Revenue Comparison

Revenue	General Operating				Continuing Education				Auxiliary Services				TOTAL Current Unrestricted				Difference Between FY2014 Projections & FY2015 Budgeted
	Actual FY2013	Budgeted FY2014	Year End FY2014 Projections	Budgeted FY2015	Actual FY2013	Budgeted FY2014	Year End FY2014 Projections	Budgeted FY2015	Actual FY2013	Budgeted FY2014	Year End FY2014 Projections	Budgeted FY2015	Actual FY2013	Budgeted FY2014	Year End FY2014 Projections	Budgeted FY2015	
Student Tuition	\$29,695,616	\$31,380,000	\$29,084,139	\$29,950,000	\$2,407,137	\$2,329,800	\$1,795,241	\$2,019,160					\$32,102,753	\$33,709,800	\$30,879,380	\$31,969,160	\$1,089,780
Student Enrollment Fees	12,882,500	13,140,000	13,004,254	13,948,840	855,839	510,000	371,843	442,000					13,738,339	13,650,000	13,376,097	14,390,840	1,014,743
Student Service Fees	266,222	198,800	156,198	301,160	12,572	101,200	7,916	8,840					278,794	300,000	164,114	310,000	145,886
Student Penalties	269,015	250,000	240,133	250,000									269,015	250,000	240,133	250,000	9,867
County Chargebacks	31,400	80,000	50,000	50,000									31,400	80,000	50,000	50,000	0
Federal Government	40,827	30,000	35,000	40,000									40,827	30,000	35,000	40,000	5,000
State Appropriation\	10,041,902	10,201,317	9,928,514	9,800,000									10,041,902	10,201,317	9,928,514	9,800,000	(128,514)
County Appropriations (Net of Sub. Fund)	9,225,814	9,225,814	9,225,814	9,225,814									9,225,814	9,225,814	9,225,814	9,225,814	0
Other Revenue	4,967,880	3,517,141	2,878,775	3,332,082	137,520	150,000	125,000	130,000	62,160	60,000	106,225	130,000	5,167,560	3,727,141	3,110,000	3,592,082	482,082
Parking Garage Fees									511,223	600,000	490,000	550,000	511,223	600,000	490,000	550,000	60,000
CCC Current Unrestricted Reserves	2,185,255	2,000,000	3,700,000	2,000,000									2,185,255	2,000,000	3,700,000	2,000,000	-1,700,000
Net Transfers/Auxiliary Expenses	39,637	350,000	145,079	150,000									39,637	350,000	145,079	150,000	4,921
Fed Stimulus																	
County Security Revenue													0	0	0	0	0
Total Revenue	\$69,646,068	\$70,373,072	\$68,447,906	\$69,047,896	\$3,413,068	\$3,091,000	\$2,300,000	\$2,600,000	\$573,383	\$660,000	\$596,225	\$680,000	\$73,632,519	\$74,124,072	\$71,344,131	\$72,327,896	\$983,765