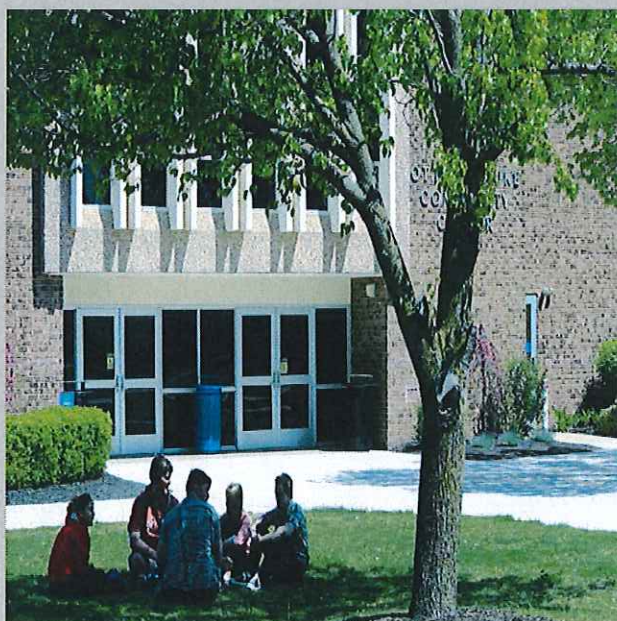


CAMDEN COUNTY COLLEGE FY2017 OPERATING BUDGET



Presented to the Camden County College Board of Trustees – May 3, 2016

Fiscal Year 2017 Operating Budget

OVERVIEW

The FY2017 College budget proposal totals \$64,391,371. This is \$2,205,090 less than the FY2016 original 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.

Development of this budget takes into consideration the long-term effects of current economic challenges and the financial health of the College. We have proactively managed our financial resources and adopted budgeting principles that address the College's priorities, revenue enhancement and the impact of our current actions on the College's future financial health, specifically, keeping revenue projections conservative with projected State funding of \$9,600,000, County funding at \$10,488,856 and the assumption of a 3% decline in enrollments while maintaining affordability for our students by keeping tuition and fees the same. With reserves almost depleted at \$2,591,839, the FY2017 Operating Budget was balanced without the use of reserves.

In addition, the County announced, for the third year, the elimination of \$1,950,000 of the College's portion of the debt service. With 78% of our operating budget in salaries and benefits, we are limited in reducing expenses without the reduction of full-time positions. The FY2017 budget includes fourteen positions (13 full-time and 1 permanent part-time) that have been reduced due to layoffs and retirements.

The College continues to face many challenges including the consistently declining enrollments; labor contract negotiations; deferred infrastructure maintenance and fund balance replenishment after the spend-down over the past years.

In addition to these challenges, we have identified significant growth and improvement opportunities such as: increased partnerships with K-12 schools, businesses and four-year institutions; improved student retention through the College's commitment to greater alignment of student support services; and developed strategies to increase enrollment through additional advertising and marketing efforts.

The College will continually seek opportunities for improvement throughout the year and adjust direction accordingly.

Budget Summary

CCC - FY2017 Budgeted Expenditures Detail Table I attached	
Salaries & Wages	\$36,768,822
Fringe Benefits	\$13,430,776
Contractual Services	\$5,785,656
Materials & Supplies	\$1,972,091
Conferences & Meetings	\$529,285
Fixed Charges	\$1,460,311
Utilities	\$3,861,783
Student Aid	\$325,500
Capital	\$124,563
Miscellaneous	\$132,584
Total Expenditures	\$64,391,371

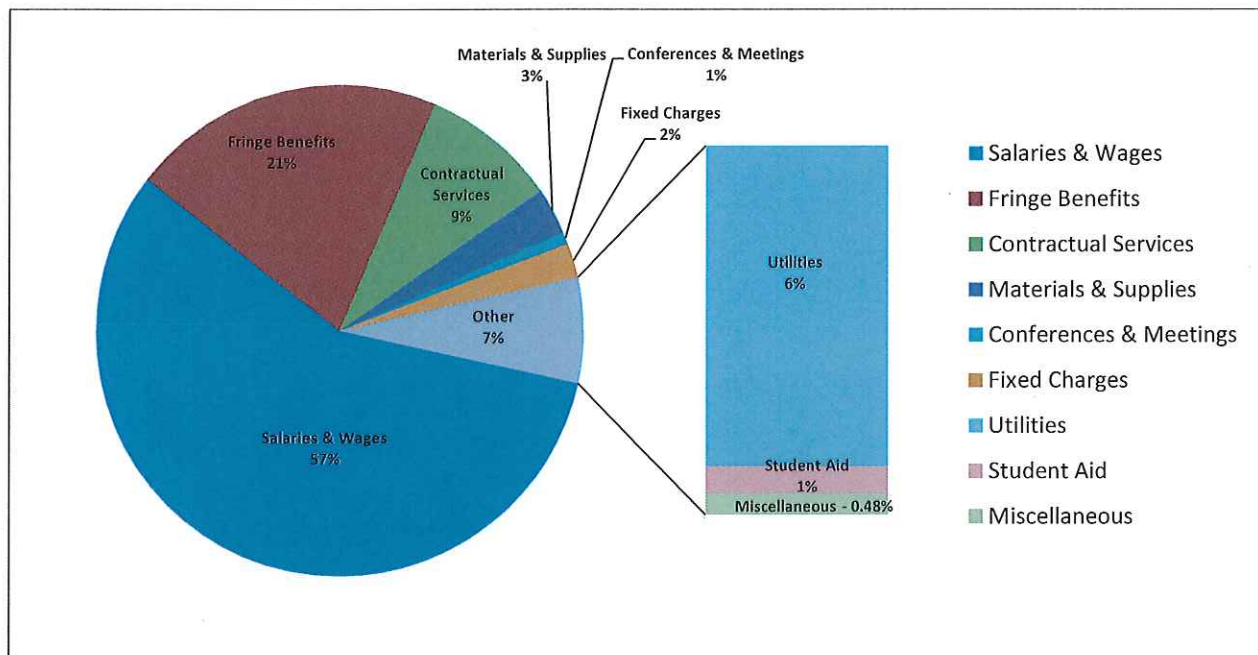
CCC - FY2017 Budgeted Revenues Detail Table II attached	
Credit Tuition	\$23,942,667
Credit Fees	\$12,367,704
Continuing Education	\$2,200,000
State Appropriation	\$9,600,000
County Appropriation	\$10,488,856
Miscellaneous	\$5,792,144
Total Revenue	\$64,391,371

Fiscal Year 2017 Expenditures

The College's FY2017 Operating Budget is \$64,391,371. This represents a decrease of \$2,205,090 compared to the FY2016 original budget.

OBJECT CATEGORY

As noted in the following chart, salaries and fringe benefits encompass the majority of the expenditures. Approximately 78% of the Operating Budget is for employee compensation. The remaining 22% budgeted for operating is spent on contractual services (9%), which includes projected increases for the contracts currently out for bid; materials and supplies (3%); conferences & meetings (1%); fixed charges (2%); utilities (6%); student aid (1%); and miscellaneous (<1%).



Salaries and Wages

The salary budget of \$36,768,822 includes the contractual increases of all collective bargaining units except the Association of Administrative Personnel and Non-Affiliated Personnel. In order to reduce the budgeted cost for salaries and wages, there were six layoffs (five administrative and 1 non-affiliated) and seven full-time positions and one permanent part-time position vacated due to retirement that will not be filled.

Fringe Benefits

Even though premium costs for fringe benefits will continue to rise for FY2017, due to the additional layoffs and vacancies not being filled, the FY2017 fringe benefits have decreased by \$161,700 over the FY2016 original budget.

Utilities

During the current climate of rising utility costs, the College is continuing to look for innovative ways to reduce energy use. We continue to explore all opportunities, including closely monitoring and adjusting heating and cooling temperatures for our buildings, replacing outdated HVAC systems, investing in more efficient LED lighting and shutting down buildings when not in use.

Other Operating Costs

Contractual services increased by 9% to cover a projected increase in the custodial and grounds outsourced contract.

Fixed charges decreased as a result of the forgiveness of the debt service payment to the County. The remainder of other expenditures also decreased for FY2017 in comparison to the FY2016 original budget.

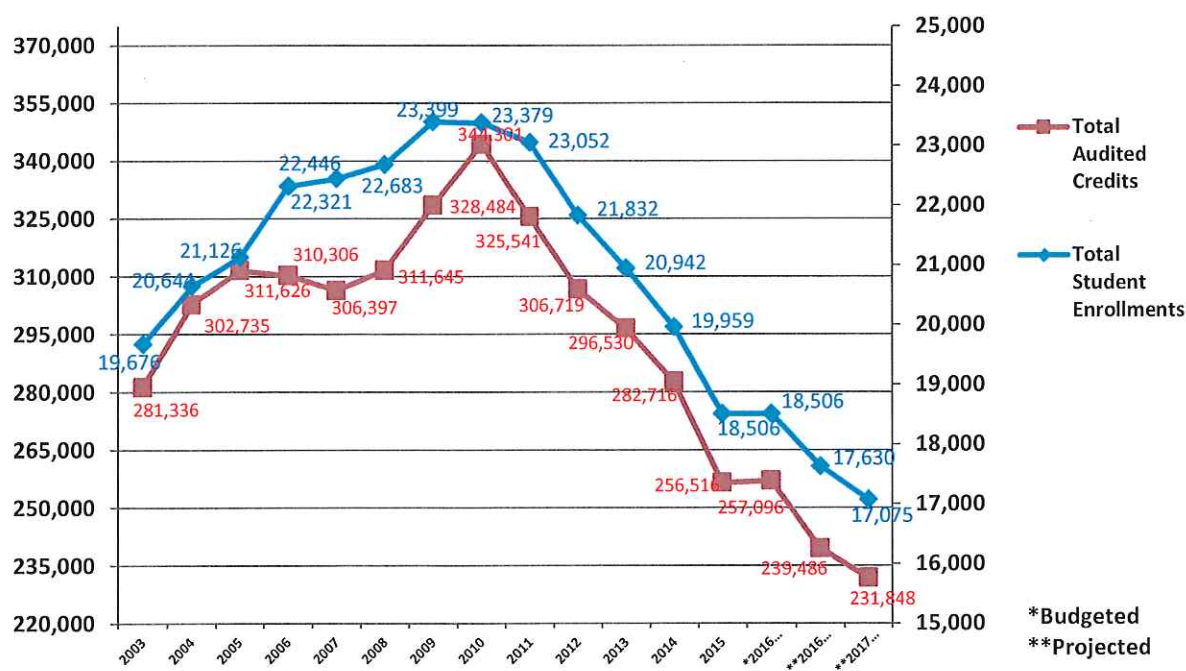
Fiscal Year 2017 Revenues

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

Student Tuition, Fees	\$36,310,371
Continuing Education	\$2,200,000
State Appropriation	\$9,600,000
County Appropriation	\$10,488,856
Miscellaneous and Other Revenue	
Sources	\$5,792,144
Total Revenue	\$64,391,371

Student Tuition and Fees

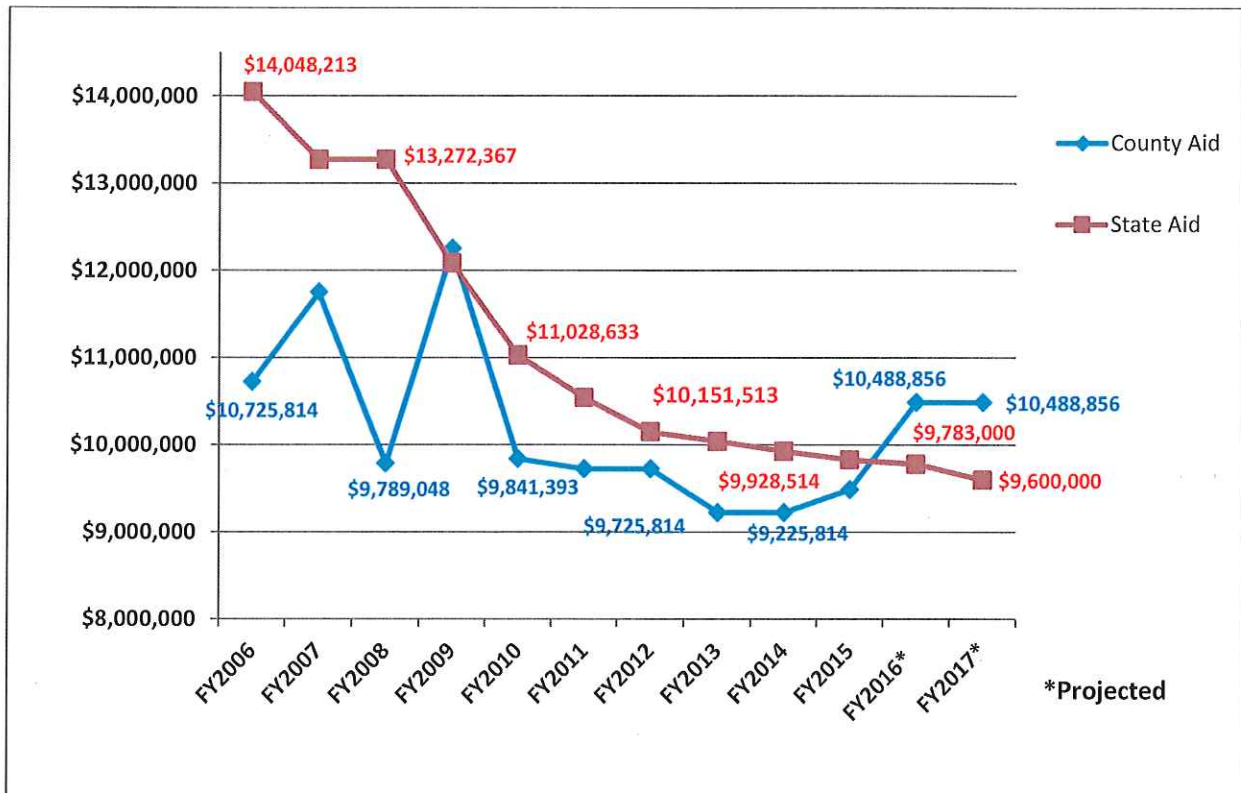
As indicated below, over the past four years, student enrollment declined significantly. Tuition and fee revenues represent 56% of total revenue. The College's projection for tuition and fee revenue is dependent upon both the tuition rate and level of enrollments. For the third year, there will be no increase in tuition or fees. The budget also includes a reduction of 7,600 credits of which approximately 2,000 credits is attributable to the loss of the Paramedics Program. The College continues to implement strategies which include advertising and marketing, new high school outreach programs, and improved registration access, to reverse the enrollment decline.



State and County Aid

As indicated in the chart below, State aid has been steadily declining since 2006

The County appropriation for FY2017 is projected to remain at \$10,488,856, the same as FY2016. At this level, the County's share of the College's operating budget for FY2017 represents 16%.



Miscellaneous Sources

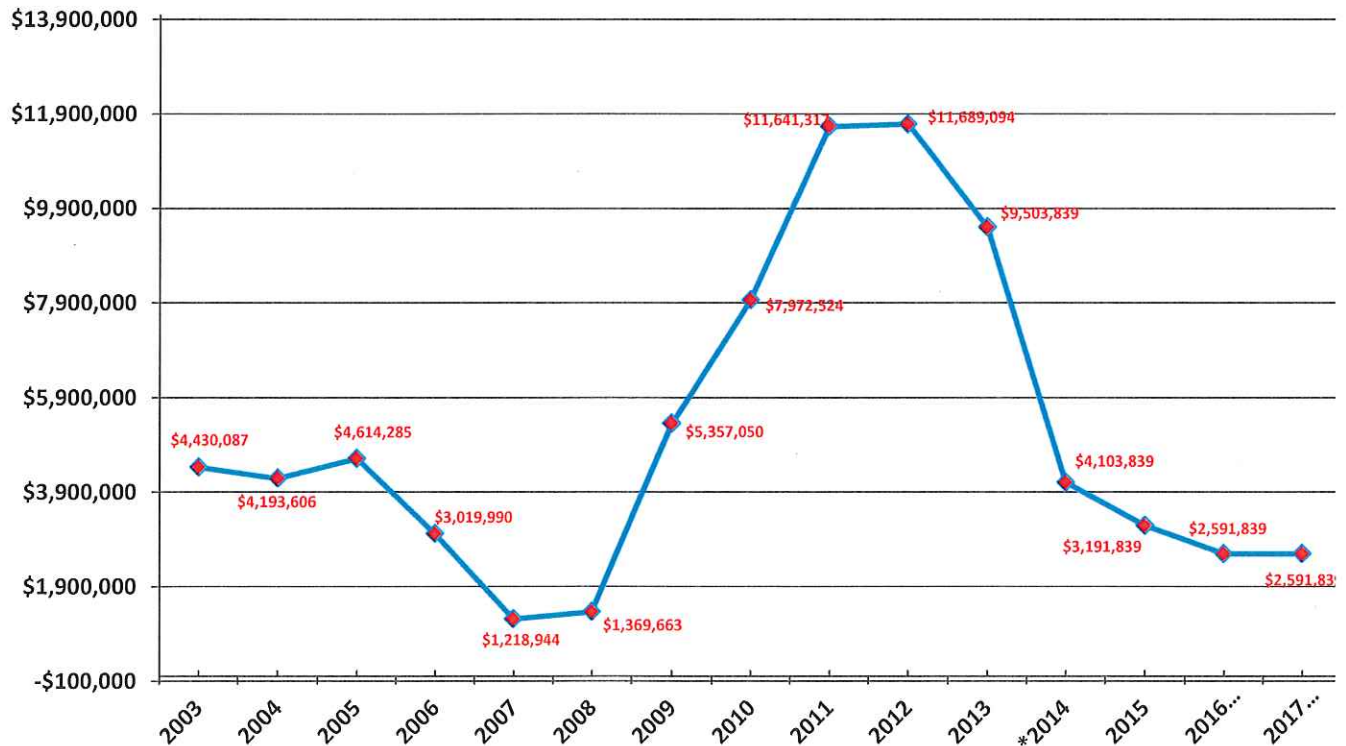
Miscellaneous revenue is projected to increase by \$1,113,000. Included in this category are commissions from our bookstore, parking fee revenues, and net transfers between funds as well as revenue from the Gateway Program in Camden and the Transition to College Program. Revenue continues to increase in this category as a result of the partnerships with outside agencies, including the EIRC, Rutgers University and Cooper Hospital for the use of our facilities.

Current Unrestricted Reserve Funds

The FY2017 Operating Budget is balanced without the use of unrestricted reserve funds.

Year	Fund Balance
2003	\$4,430,087
2004	\$4,193,606
2005	\$4,614,285
2006	\$3,019,990
2007	\$1,218,944
2008	\$1,369,663
2009	\$5,357,050
2010	\$7,972,524
2011	\$11,641,317
2012	\$11,689,094
2013	\$9,503,839
*2014	\$4,103,839
2015	\$3,191,839
2016 Projected	\$2,591,839
2017 Projected	\$2,591,839

***NOTE:** Fund Balance includes: \$1,700,000 for the financial Aid Audit and \$1,500,000 additional payment to the County



REVENUE COMPARISONS FY2004 TO FY2017

Revenue History and Projections: FY2004-2015 Actual
FY2016-FY2017 – Projected

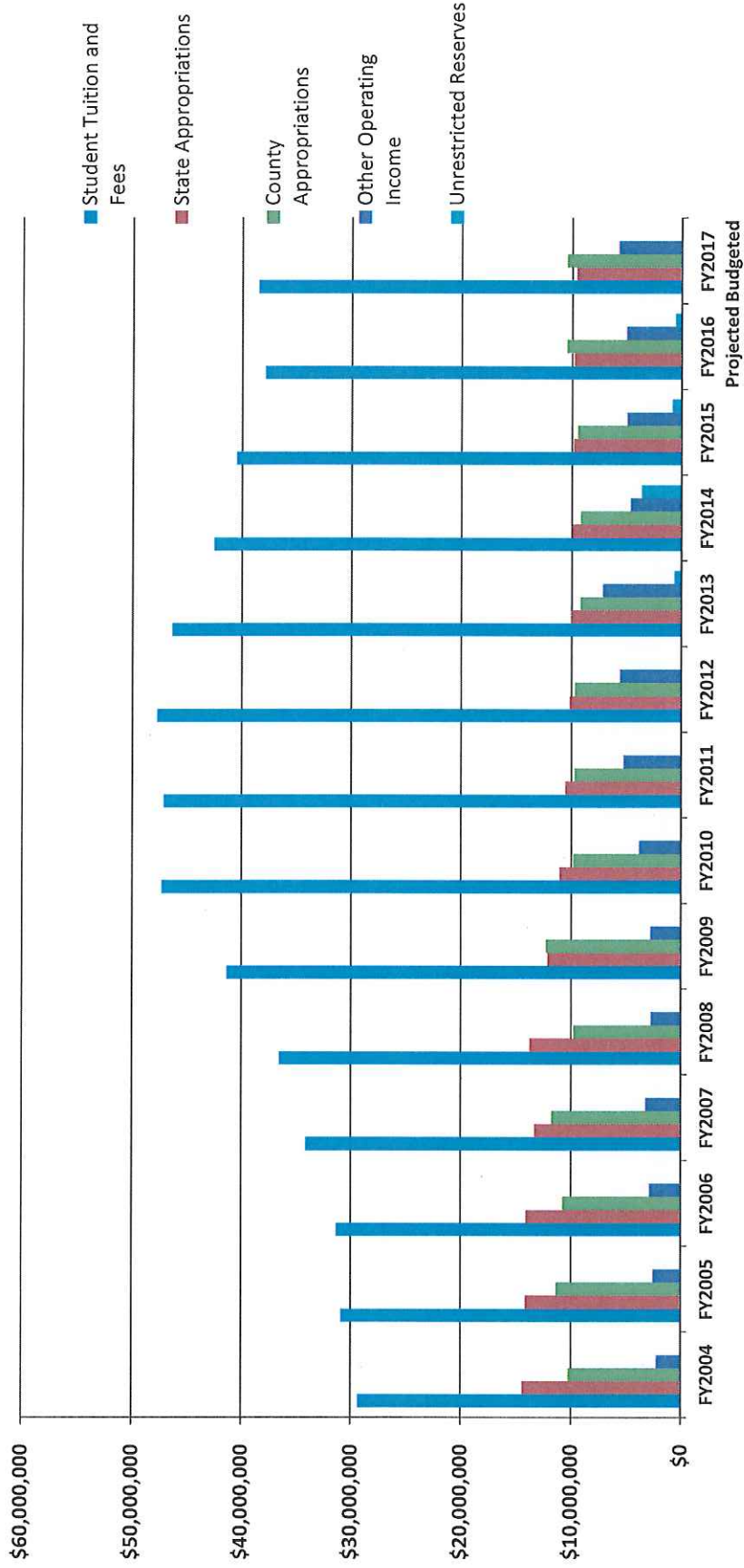


Table I
Camden County College
Expenditure Comparison

Table I Camden County College Expenditure Comparison																
Expenditures	General Operating				Continuing Education			Auxiliary Services			TOTAL Current Unrestricted			Difference Between FY2016 Projections & FY2017 Budgeted		
	Actual FY2015	Budgeted FY2016	Year End FY2016 Projections	Budgeted FY2017	Actual FY2015	Budgeted FY2016	Year End FY2016 Projections	Actual FY2015	Budgeted FY2016	Year End FY2016 Projections	Budgeted FY2017	Budgeted FY2016	Year End FY2016 Projections			
Salaries	\$29,638,913	27,716,992	\$27,629,044	\$27,685,716	\$1,173,282	1,097,201	1,093,720	1,093,963	\$570,633	533,631	531,937	\$31,382,838	\$29,347,824	\$29,254,701	\$29,314,707	\$60,006
Overloads	7,598,203	7,678,349	\$7,745,299	\$7,454,115	0	0	0	0	0	0	0	\$7,598,203	\$7,678,349	\$7,745,299	\$7,454,115	(\$291,184)
Fringe Benefits	13,504,267	13,282,330	\$13,192,163	\$13,124,517	183,089	180,083	178,858	177,940	132,031	129,863	128,980	\$13,819,387	\$13,592,476	\$13,500,000	\$13,430,776	(\$69,224)
Contractual Services	4,493,576	5,029,673	\$5,418,849	\$5,500,280	59,274	66,346	71,479	72,553	173,870	194,613	209,672	\$4,726,720	\$5,290,632	\$5,700,000	\$5,785,656	\$85,656
Materials & Supplies	1,284,282	1,657,487	\$1,287,347	\$1,586,729	297,625	384,113	298,335	367,715	14,283	18,434	14,317	\$1,596,190	\$2,060,034	\$1,600,000	\$1,972,091	\$372,091
Conferences/Meetings	397,305	409,864	\$226,803	\$500,181	23,037	28,984	13,151	29,002	81	102	46	\$420,423	\$528,950	\$240,000	\$529,285	\$289,285
Fixed Charges	1,484,021	3,254,174	\$1,450,364	\$1,431,069	23,704	51,978	23,166	22,858	6,020	14,516	6,470	\$1,514,345	\$3,320,669	\$1,480,000	\$1,460,311	(\$19,689)
Utilities	3,806,518	3,883,981	\$3,760,315	\$3,642,886	23,739	24,222	23,451	22,719	204,991	209,163	202,503	\$4,035,248	\$4,117,366	\$3,986,269	\$3,861,783	(\$124,486)
Student Aid	397,637	337,350	\$160,000	\$325,500	0	0	0	0	0	0	0	\$397,637	\$337,350	\$160,000	\$325,500	\$165,500
Capital	47,618	85,587	\$85,587	\$124,563	0	0	0	0	\$37,618	\$85,587	\$85,587	\$37,618	\$85,587	\$85,587	\$38,976	\$38,976
Miscellaneous												\$0	\$0	\$0	\$0	\$0
Contingency	30,307	225,000	112,800	132,584		2,950	2,400			9,275	4,800	\$30,307	\$237,225	\$120,000	\$132,584	\$12,584
on behalf payment	945,472											\$945,472			\$0	\$0
Transfers												\$0	\$0		\$0	\$0
Total Expenditures	\$63,628,139	\$63,650,989	\$61,068,572	\$61,508,140	\$1,783,750	\$1,835,877	\$1,704,560	\$1,788,751	\$1,102,569	\$1,109,596	\$1,098,725	\$66,514,398	\$66,596,462	\$63,871,856	\$64,391,371	\$519,515

Table II
Camden County College
Revenue Comparison

	General Operating			Continuing Education			Auxiliary Services			TOTAL Current Unrestricted			
	Actual FY2015	Budgeted FY2016	Year End FY2016 Projections	Budgeted FY2017	Actual FY2015	Budgeted FY2016	Year End FY2016 Projections	Budgeted FY2016	Actual FY2015	Budgeted FY2016	Year End FY2016 Projections	Budgeted FY2017	Difference Between FY2016 Projections & FY2017 Budgeted
Revenue													
Student Tuition	\$26,793,739	25,377,605	\$23,200,000	\$23,942,667	\$2,148,069	2,600,000	2,200,000	\$0	\$28,941,808	\$27,977,605	\$25,400,000	\$26,142,667	\$742,667
Student Enrollment Fees	12,856,112	12,716,233	\$12,024,520	\$11,505,018	0	0	0	0	\$12,856,112	\$12,716,233	\$12,024,520	\$12,123,454	\$98,934
Student Service Fees	245,855	252,967	\$245,782	\$244,250	0	0	0	0	\$245,855	\$252,967	\$245,782	\$244,250	(\$1,532)
Student Penalties	270,801	215,800	\$179,698	\$176,436	0	0	0	0	\$270,801	\$215,800	\$179,698	\$176,436	(\$3,262)
County Chargebacks	24,092	50,000	\$50,000	\$50,000	0	0	0	0	\$24,092	\$50,000	\$50,000	\$50,000	\$0
Federal Government	34,611	35,000	\$35,000	\$35,000	0	0	0	0	\$34,611	\$35,000	\$35,000	\$35,000	\$0
State Appropriations	9,831,160	9,600,000	\$9,783,000	\$9,600,000	0	0	0	0	\$9,831,160	\$9,600,000	\$9,783,000	\$9,600,000	(\$183,000)
County Appropriations	9,488,856	10,488,856	\$10,488,856	\$10,488,856	0	0	0	0	\$9,488,856	\$10,488,856	\$10,488,856	\$10,488,856	(\$856)
Other Revenue	4,874,489	4,256,980	\$4,663,972	\$5,174,564	0	0	0	455,225	\$4,874,489	\$4,256,980	\$4,663,972	\$5,174,564	\$510,592
Parking Garage fees	0	0	\$0	\$0	0	0	0	0	\$0	\$0	\$0	\$0	\$0
CCC current Unrestricted Reserves	0	600,000	600,000	0	0	0	0	401,027	455,225	\$400,000	\$401,027	\$357,000	(\$41,027)
Net Transfer/Auxiliary expenses	0	0	0	0	0	0	0	0	\$0	\$600,000	\$600,000	\$0	(\$600,000)
Interest	3,021	3,021	0	0	0	0	0	0	\$3,021	\$3,021	\$0	\$0	\$0
County Security Revenue									\$0	\$0	\$0	\$0	\$0
Total Revenue	\$64,422,736	\$63,596,462	\$61,270,828	\$61,215,935	\$2,148,069	\$2,600,000	\$2,200,000	\$455,225	\$67,026,030	\$66,596,462	\$63,871,855	\$64,391,371	\$519,516