

2020 – 2021

Budget Request



June 3, 2020

To the County Legislature of the County of Orange,

On behalf of the Board of Trustees of Orange County Community College, I am pleased to submit our proposed operating budget request for the 2020-21 College fiscal year.

Based upon this proposed budget, it is requested that the County Legislature:

1. Approve the proposed expenditure of \$62,417,280
2. Appropriate \$19,433,940 County share of support

I hope that you will act favorably upon these requests.

Respectfully submitted,

Fred Watson
Chair, Board of Trustees

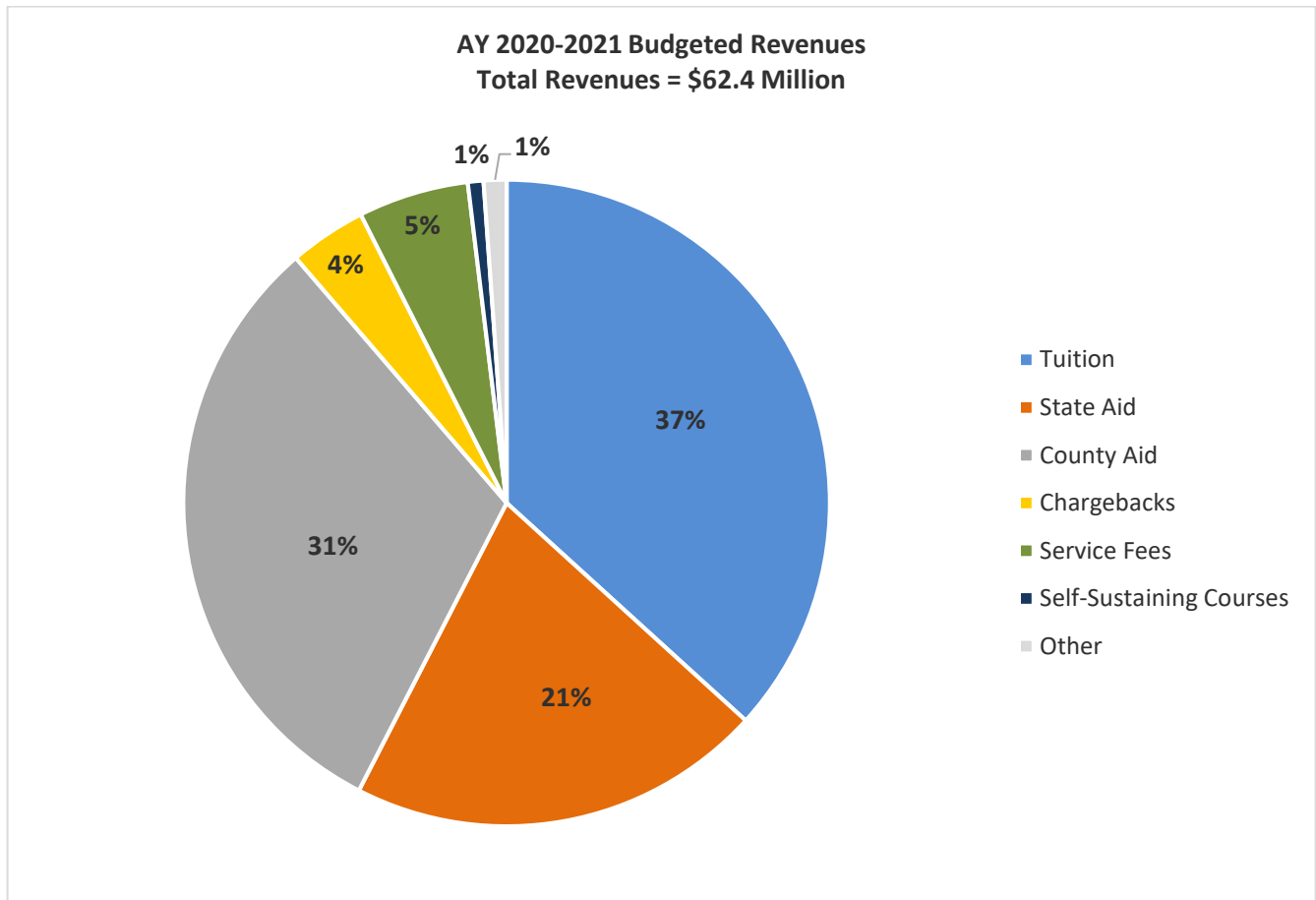
ORANGE COUNTY COMMUNITY COLLEGE

Budget Overview 2020-21

Orange County Community College proposes an operating budget for 2020-21 that totals \$62,417,280. This budget represents a \$102,022, or 0.2%, decrease over the current 2019-20 budget year. The budget request includes a 3.7% increase in the annual tuition rate from \$5,184 to \$5,376 and assumes enrollment will remain at the current *projected* level, which is 5.3% lower than the 2019-20 budget. In April 2020, the New York State Budget was passed, which allowed State Base Aid for the College to remain at \$2,947 per FTE, resulting in a decrease of \$405,647, or 3.0%. The request for County Aid at \$19,433,940 represents a \$381,058, or 2.0%, increase in sponsor support.

The following overview provides specific information pertaining to the changes from the current 2019-20 budget to the proposed 2020-21 budget in the following major categories:

The College's 2020-21 budget revenues are generated from the following sources:



Revenue

Tuition

A decrease in tuition revenue of \$681,636 is proposed for 2020-21. It represents an enrollment decrease of 5.3% or 237 fewer full-time equivalent (FTE) students, based on current year projected enrollment and forecasted number of graduating high school seniors in Orange County, and an annual tuition rate increase of \$192, or 3.7%.

The tuition revenues also include a budget for tuition waivers. Tuition waivers are generated largely through Senior over 60 Program, Refund Review Board decisions, Community College in the High School Program (CCHSP), and Hudson Valley Education Consortium.

Below is the College's breakdown of Tuition Revenue for the 2020-21 fiscal year:

	Budgeted 2020-21 Revenue	FTE	Credit Hours*
TUITION - CREDIT			
Full-time Fall & Spring Session	\$ 13,000,988	2398	57,547
Part-time Fall & Spring Session	7,947,164	1466	35,177
Winter & Summer Session	1,697,506	313	7,514
Tuition Waivers	(267,062)		
TUITION - NON-CREDIT			
Fall & Spring Session (State Aidable)	34,536		
Winter & Summer Session (State Aidable)	18,000		
Out-of-State Residents	505,673	93	2,238
Total Tuition Revenue	\$ 22,936,805	4270	102,476

* Credit hours are based on 24 credits.

County Aid

The proposed 2020-21 budget requests additional County support of \$381,058 compared to the prior year. County support of \$19,433,940 provides 31.1% of the total operating budget, not including chargeback revenue received from other NY Counties that equals 3.9% of the budget.

This request for additional County support comes after much deliberation, scenario building, and analysis. The College is currently in contract negotiations with its Faculty union and the Staff and Chair contract was recently settled in AY1920. These contract negotiations and the college's overall budget are directly impacted by the County-negotiated CSEA contract. Contract negotiations, the decline in demographics, particularly the forecasted

drop in the number of graduating high school seniors in Orange County, and increasing health insurance costs have made it challenging but the College is committed to achieving its mission of providing high-quality and accessible educational and enrichment opportunities that foster lifelong learning. The college has eliminated more positions, maintaining a larger gap in time in filling vacant positions, is being selective on what vacant positions to fill, aligned with a different banking institution to increase other revenue, increased tuition by 3.7%, increased mandatory student fees, and is requesting additional funds from the County in the College's proposed budget.

State Aid

For 2020-21 the total budget for State Aid decreased by \$405,647 or 3.0% over the prior year. The New York State Budget did not adjust the rate \$2,947 per FTE rate, and uses a 3-year weighted average FTE model in funding the FTE. This model includes projected 2019-20 FTE, and any adjustment to this projection can possibly result in a lower State Base Aid.

	<u>Budget 2019-20</u>	<u>Budget 2020-21</u>	<u>Increase (Decrease)</u>
Base Aid	\$ 13,358,751	\$ 12,981,240	\$ (377,511)
Rental Reimbursement	<u>36,136</u> **	<u>8,000</u> **	<u>(28,136)</u>
Total State Aid	<u>\$ 13,394,887</u>	<u>\$ 12,989,240</u>	<u>\$ (405,647)</u>

**Rental reimbursement determined by SUNY.

Base Aid is determined by computing a calculated FTE (Full-time equivalent, 30 credit hours per year) student based on the greater of the 3 year weighted average.

2017-2018 Actual	4530.8	FTE X	20%	906.2
2018-2019 Actual	4545.8	FTE X	30%	1,363.7
2019-2020 Projected	4270.0	FTE X	50%	2,135.0
				4,404.9
Therefore:				
Base Aid=	4404.9	FTE @ \$	2,947	\$ 12,981,240

Revenue - continued

Other Revenue

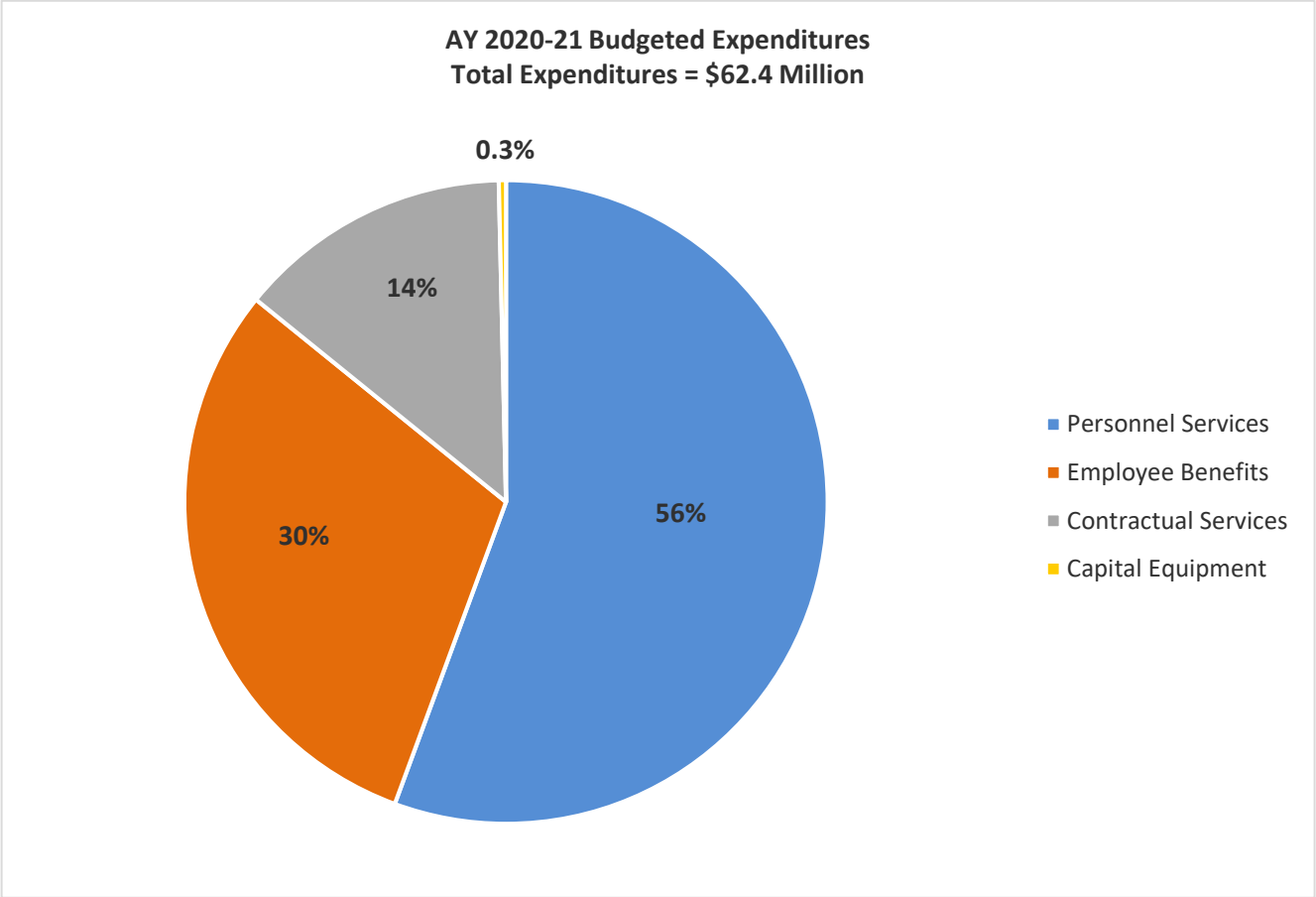
Other Revenue represents Chargebacks from Other Counties, Service Fees, Self-Sustaining Non-Credit Contract Courses, and Other Miscellaneous Revenue. Other Revenue is expected to increase \$604,203, which is predominantly due to increasing Service Fees by \$564,526, and Other Miscellaneous Revenue by \$109,058.

The Information provided below summarizes the College's Other Revenue request:

Chargebacks from Other Counties	\$ 2,405,358
Service Fees	3,451,278
Self-Sustaining, Contract Course Non-Credit	487,133
Other Revenue:	
Interest Income	111,543
Miscellaneous Income	63,000
Rental Income	94,336
Federal College Work Study	129,680
Grant Overhead Income	300,000
Administrative Cost Reimbursement	11,766
Other Miscellaneous	3,201
Other Revenue Total	<u>713,526</u>
Total	<u><u>\$ 7,057,295</u></u>

Expenditures

The College’s 2020-2021 budget expenses are generated from the following sources:



Expenditures

Personnel Services

For the 2020-21 budget year, the College is requesting no additional positions. The College has increased salary expense by \$233,372 for budget year 2020-21. This increase is predominately related to promotions, step increases, and stipends built into the faculty collective bargaining agreement and salary increases related to the CSEA and Staff & Chair contracts that exceeded the savings initiatives attained through retirements, not replacing full-time vacant positions, rehiring some positions at lower salaries, and assuming a vacancy factor. As retirements and resignations occur, the college will continue to use the opportunity to reorganize divisions and review staffing based on current needs.

Negotiations of the Faculty Union Contract which expired on August 31, 2017 is underway.

The information provided below summarizes the College's personnel services request:

Salary Comparison

Salary Category	Salary Expense	
	19-20	20-21
Full-time Faculty	\$ 9,964,565	\$ 10,048,861
Part-time Faculty	4,730,090	4,830,090
Full-time Staff	7,472,916	8,054,743
Part-time Staff	594,293	616,554
Full-time Civil Service	5,548,914	5,687,902
Part-time Civil Service	2,016,551	1,963,321
Management Confidential	1,967,694	2,017,314
Auxiliary Staff	186,900	186,900
Federal and Local Work Study	131,584	131,584
Vacancy Window	(545,749)	(459,594)
Reserve for Reallocation	807,418	-
Stipends Faculty/Interim Pay	459,329	490,202
Faculty Staff Development	347,000	347,000
Office Hour Day Adjunct	280,000	280,000
Over-time/CSEA Upgrades	109,100	109,100
Sick Coverage & Payout/Compensated Absence	150,000	150,000
Early Retirement Incentive	130,000	130,000
Summer Coverage	74,000	74,000
Total	\$ 34,424,605	\$ 34,657,977

Expenditures - continued

Benefits

For the 2020-21 budget year, the college projects a decrease in benefits of \$182,581. This decrease is predominantly the net result of decrease in health insurance rates, saving the college \$319,251.

The information provided below summarizes the College's benefits request:

Benefit Comparison

Benefit Category	Benefit Expense	
	19-20	20-21
NY State Employees Retirement	\$ 1,611,668	\$ 1,682,450
Teachers Retirement	586,396	639,348
TIAA CREF	1,239,679	1,256,758
FICA	2,604,412	2,673,950
Worker's Compensation	400,717	400,000
Disability	79,146	81,095
Health Insurance	11,798,894	11,343,615
Dental Insurance	224,757	360,787
Vacancy Window	(344,551)	(261,000)
Reserve for Reallocation	160,046	-
Health Plan Administration Fee	110,000	110,000
Unemployment Compensation	36,000	36,000
Staff Development	15,000	15,000
Collegiate Development	25,500	25,500
Educational Benefits	167,278	167,278
Medical Insurance Buyback	131,000	131,000
EAP Program	4,400	4,400
MTA Tax	113,659	115,239
Disability	18,000	18,000
Life Insurance	4,000	4,000
Total	\$ 18,986,001	\$ 18,803,420

Expenditures – continued

Contract Services

For the 2020-21 budget year, the college projects a decrease in contract services of \$152,813. This decrease is predominately attributable to reducing the college’s departmental office supply, travel, and routine mileage expenses.

The Information provided below summarizes the College Contract Services request:

Contract Service Comparison

Contract Services Category	Contract Service Expense	Contract Service Expense
	19-20	20-21
Publications	\$ 312,334	\$ 313,334
Materials & Supplies	1,117,320	1,057,344
Telephone & Postage	429,408	399,408
Utilities	1,833,265	1,783,265
Dues, Subscriptions, Tutors, Training, Conferences & Travel	1,407,962	1,251,722
Bad Debt Expense	450,000	450,000
Foundation Support	290,000	290,000
Physical Plant Maintenance	272,010	280,510
Consultants & Contracts	1,904,509	2,038,412
Insurance & Miscellaneous Expense	866,888	866,888
Total	\$ 8,883,696	\$ 8,730,883

Equipment

For the 2020-21 budget year, the college proposes equipment to be \$225,000, the same compared to the prior academic year. This is part of the college’s commitment to a five-year glide path for funding its long-range technology plan.

**Orange County Community College
2020-2021 Three Year Budget Comparison**

Schedule A

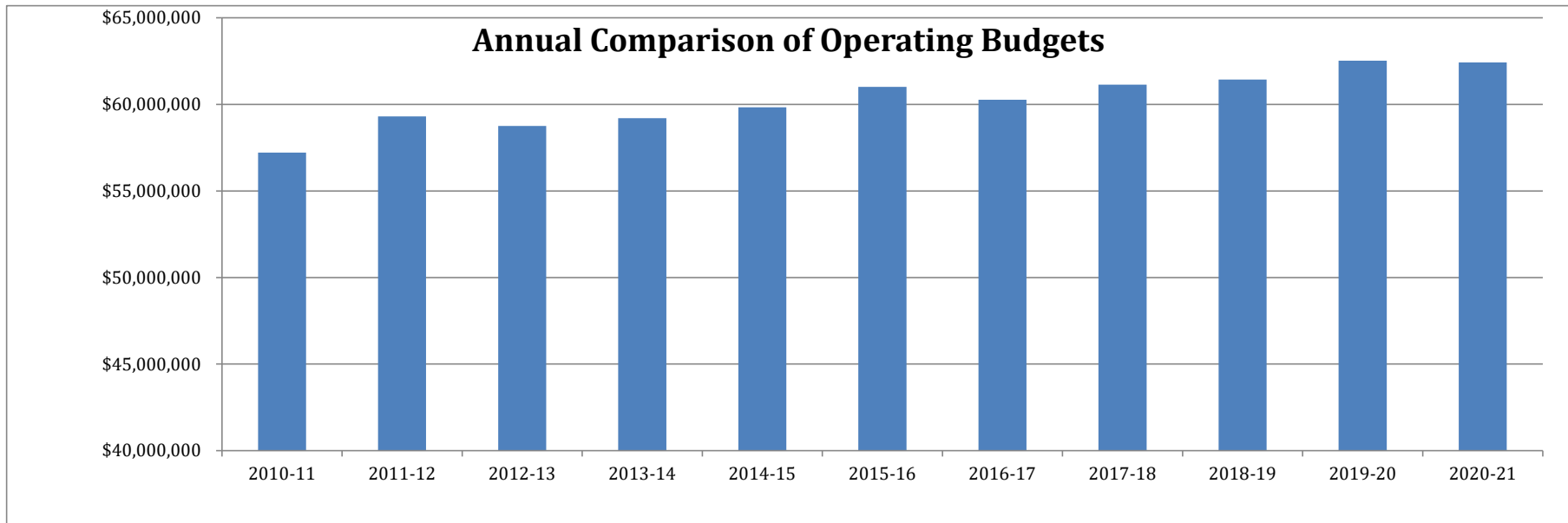
REVENUE	Approved 2018-2019	% of Budget	Approved 2019-2020	% of Budget	Budget % Increase (Decrease)	Budget \$ Increase (Decrease)	Request 2020-2021	% of Budget	Budget % Increase (Decrease)	Budget \$ Increase (Decrease)
Tuition	\$ 23,489,929	38.2%	\$ 23,618,441	37.8%	0.5%	\$ 128,512	\$ 22,936,805	36.7%	-2.9%	\$ (681,636)
State Aid	13,134,308	21.4%	13,394,887	21.4%	2.0%	260,579	12,989,240	20.8%	-3.0%	(405,647)
County Aid	18,497,944	30.1%	19,052,882	30.5%	3.0%	554,938	19,433,940	31.1%	2.0%	381,058
Chargebacks	2,124,417	3.5%	2,392,523	3.8%	12.6%	268,106	2,405,358	3.9%	0.5%	12,835
Service Fees	3,028,240	4.9%	2,886,752	4.6%	-4.7%	(141,488)	3,451,278	5.5%	19.6%	564,526
Self-Sustaining Courses	605,000	1.0%	569,349	0.9%	-5.9%	(35,651)	487,133	0.8%	-14.4%	(82,216)
Other	554,469	0.9%	604,468	1.0%	9.0%	49,999	713,526	1.1%	18.0%	109,058
TOTAL	\$ 61,434,307	100.0%	\$ 62,519,302	100.0%	1.8%	\$ 1,084,995	\$ 62,417,280	100.0%	-0.2%	\$ (102,022)
EXPENDITURES										
Personnel Services	\$ 33,497,448	56.9%	\$ 34,424,605	55.1%	2.8%	\$ 927,157	\$ 34,657,977	55.5%	0.7%	\$ 233,372
Employee Benefits	18,562,112	29.8%	18,986,001	30.37%	2.3%	423,889	18,803,420	30.1%	-1.0%	(182,581)
Contractual Services	9,199,747	13.2%	8,883,696	14.21%	-3.4%	(316,051)	8,730,883	14.0%	-1.7%	(152,813)
Capital Equipment	175,000	0.2%	225,000	0.36%	28.6%	50,000	225,000	0.4%	0.0%	-
TOTAL	\$ 61,434,307	100.0%	\$ 62,519,302	100.00%	1.8%	\$ 1,084,995	\$ 62,417,280	100.0%	-0.2%	\$ (102,022)

ORANGE COUNTY COMMUNITY COLLEGE
ANALYSIS OF ANNUAL OPERATING BUDGETS 2010-2011 through 2020-2021

Schedule B

	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	Budget 2020-21
Total Budget	\$ 57,215,420	\$ 59,308,136	\$ 58,750,892	\$ 59,200,000	\$ 59,827,043	\$ 61,009,752	\$ 60,270,000	\$ 61,134,138	\$ 61,434,307	\$ 62,519,302	\$ 62,417,280
Increase %	7.57%	3.66%	-0.94%	0.76%	1.06%	1.98%	-1.21%	1.43%	0.49%	1.77%	-0.16%
Increase \$	\$ 4,026,845	\$ 2,092,716	\$ (557,244)	\$ 449,108	\$ 627,043	\$ 1,182,709	\$ (739,752)	\$ 864,138	\$ 300,169	\$ 1,084,995	\$ (102,022)

Average Annual \$ Increase	\$ 838,973
Average Annual % Increase	1.49%
Average Annual % Increase - last 9 yrs	0.58%



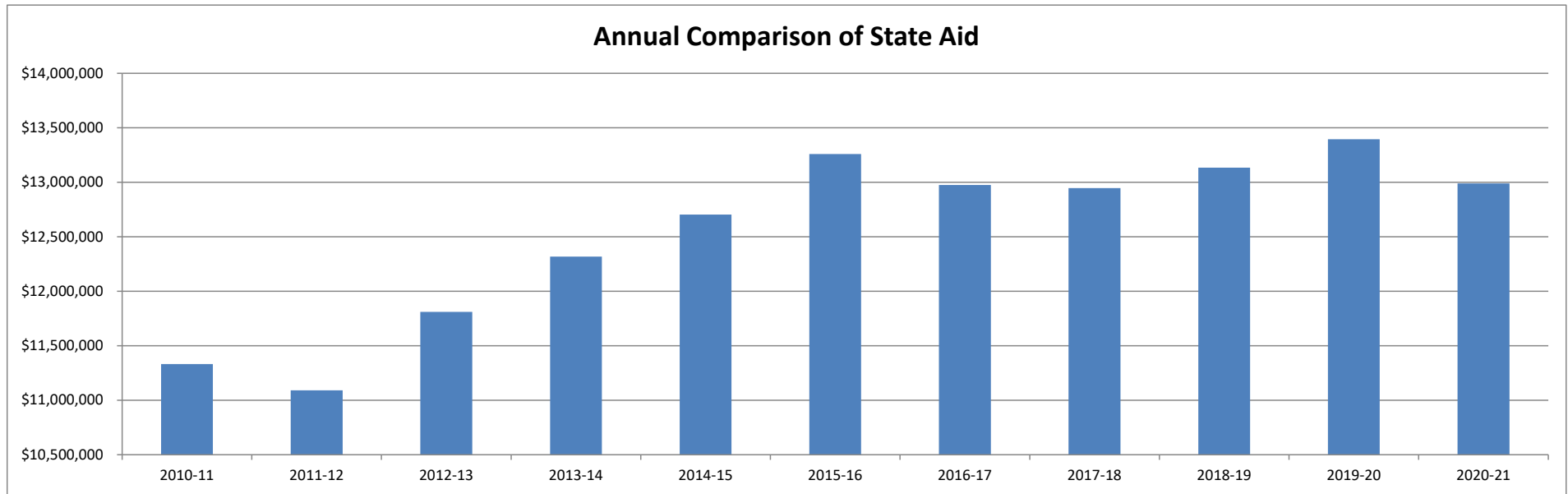
**ORANGE COUNTY COMMUNITY COLLEGE
ANALYSIS OF STATE AID 2010-2011 through 2020-2021**

Schedule C

	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	Budget 2020-21
State Aid	\$ 11,332,415	\$ 11,090,862	\$ 11,811,198	\$ 12,318,017	\$ 12,703,943	\$ 13,258,955	\$ 12,975,537	\$ 12,947,078	\$ 13,134,308	\$ 13,394,887	\$ 12,989,240
Increase (Decrease) %	-3.22%	-2.13%	6.49%	4.29%	3.13%	4.37%	-2.14%	-0.22%	1.45%	1.98%	-3.03%
Annual Increase (Decrease) \$ \$	(376,562)	(241,553)	720,336	506,819	385,926	555,012	(283,418)	(28,459)	187,230	260,579	(405,647)

Average Annual \$ Increase	\$ 116,388
Average Annual % Increase	1.00%
Average Annual % Increase - last 9 yrs	1.81%

Annual Comparison of State Aid

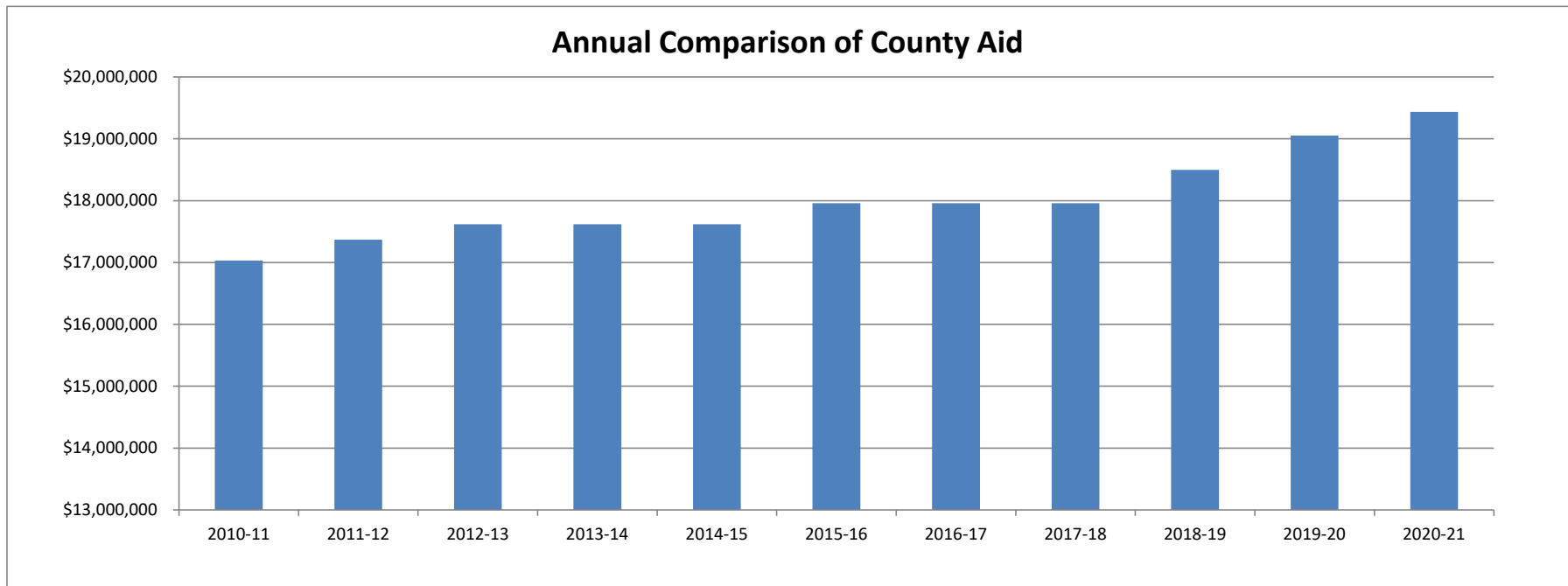


**ORANGE COUNTY COMMUNITY COLLEGE
ANALYSIS OF COUNTY AID 2010-2011 through 2020-2021**

Schedule D

	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21
County Aid	\$ 17,031,062	\$ 17,368,277	\$17,619,169	\$ 17,619,169	\$ 17,619,169	\$ 17,959,169	\$ 17,959,169	\$ 17,959,169	\$ 18,497,944	\$ 19,052,882	\$ 19,433,940
Increase %	2.50%	1.98%	1.44%	0.00%	0.00%	1.93%	0.00%	0.00%	3.00%	3.00%	2.00%
Increase \$	\$ 415,392	\$ 337,215	\$ 250,892	\$ -	\$ -	\$ 340,000	\$ -	\$ -	\$ 538,775	\$ 554,938	\$ 381,058

Average Annual \$ Increase	\$ 256,206
Average Annual % Increase	1.44%
Average Annual % Increase - last 9 yrs	1.26%



**ORANGE COUNTY COMMUNITY COLLEGE
ANALYSIS OF SALARIES & BENEFITS 2011-12 through 2020-21**

Schedule E

Salaries & Benefits

