

ORANGE COUNTY COMMUNITY COLLEGE

Middletown, New York 10940

Office of the Vice President for Administration & Finance

April 13, 2022

To: Members of the Board of Trustees

From: Paul Martland, Vice President of Administration and Finance

FISCAL REPORT: September 1, 2021 – March 31, 2022

The report of revenue and expenditures for the period September 1, 2021 to March 31, 2022 is attached. This report compares the projected 2021-2022 fiscal year to the budget which reflects expected levels of State support and enrollment. The format of this report compares month activity to budget, current year to date activity to budget year to date, and projection to budget.

Year-to-Date Revenue Highlights

Total year-to-date revenues for the seven-month period ending March 31, 2022, are 3.7% or \$2.0 million lower than the budget expectations. Enrollment declines of 17% for Fall and Spring and 29% for Summer are the major contributing factors to the shortfall. As you recall the college budgeted for 10% reduction. These shortfalls impacts tuition, fees, and chargeback revenues. There was also a 58.5%, or \$231k decline in Non-Credit Courses which are offered by the college's Continuing and Professional Development Education department also known as CAPE.

Year-to-Date Expenditures Highlights

Total expenditures for the seven-month period ending March 31, 2022, are 8.8% or \$3.2 million below the budget. Each of the three major expense categories contributed to this positive variance. Personnel Services expenses are down \$2.2 million from the budget, largely due to savings from employee retirements, the timing of filling open positions, and reductions in Federal Work Study payments. Employee benefit expenses are \$659k lower than budget largely due to vacant positions not yet filled. Contract Services is less than budget by \$372k and Equipment is over budget by \$32k.

Full Year Projections

Full year projections are calculated using the actual results year-to-date, the monthly projections for the remainder of the year, and any new information that becomes known about particular line items. After seven month period of FY22, we now project a positive bottom line of \$1,059.

Revenue projections are 3.4%, or \$2.2 million less than the budget projections. Most of the variances are attributable to the following items:

1. Enrollment decline of 17% for the Fall and Spring and 29% for the Summer are larger than the college's budget decline of 10%.
2. Decrease in Federal and Local Work Study due to 50% of classes being offered remote.
3. Decrease in the expectation of rental income
4. Reduction in non-credit program revenues.

Expense projections are 3.4%, or \$2.2 million less than the budget projections. Most of the variances are attributable to the net reductions in personnel costs due to non-budgeted retirements, and savings due to the timing of filling open positions. A review was completed comparing budgeted positions with the most recent payroll and additional salary savings were identified due to vacant positions that occurred after the budget was created. This revised projection includes partial year funding for 3 non-budgeted positions totaling \$80k. A comprehensive 6-month analysis of personnel costs was completed and had minimal additions compared to the previous analysis done in January.

The revised projection also includes the actual 12% increase in health insurance costs effective January 1, 2022. This increase is 8% more than what the college budgeted, resulting in additional health care costs of \$436k. This projection also includes accruals for possible labor relations settlements. Contract Services projections include an additional \$330k in consulting costs who will be used to temporary fill some of the college vacancies and provide assistance to CAPE to bolster Self Sustaining revenues.

FUND BALANCE

SUNY's general guideline for each community college, regardless of size, is to "work to establish unrestricted net assets ranging from 5% to 15% of its operating expenses." The current projection indicates that the operating fund balance plus restricted fund balance will result in a level of 11% of operating expenses.

It should be noted that the College's estimated operating fund balance of \$6,688,079 is different from what our Sponsor Orange County report. The County fund balance calculation includes the college's restricted fund balance and adds back sick and vacation accruals that were recorded in the college's unrestricted fund. The County's methodology of adding back sick and vacation accruals produces a higher unrestricted fund balance than that reported by the College in our audited financial statements.

	AY2122 Projected as of March												
	AY2021 Final	2022	AY2223 Budget 1	AY2324 Budget 1	AY2223 Budget 2	AY2324 Budget 2	AY2223 Budget 3	AY2324 Budget 3	AY2223 Budget 4	AY2324 Budget 4	AY2223 Budget 5	AY2324 Budget 5	
Revenues													
1 Fall	10,621,234	9,162,092	8,595,951	9,240,188	8,904,375	9,228,060	8,970,367	9,161,397	9,062,409	9,354,163	8,904,375	9,228,060	
2 Winter	109,032	99,120	91,211	97,909	94,319	97,667	94,976	96,881	95,894	98,802	94,319	97,667	
3 Spring	8,855,425	7,506,819	7,033,152	7,556,499	7,282,715	7,545,248	7,335,551	7,488,498	7,409,244	7,642,835	7,282,715	7,545,248	
4 Summer	1,596,455	1,164,643	1,298,896	1,394,284	1,343,155	1,390,846	1,352,524	1,379,643	1,365,590	1,407,009	1,343,155	1,390,846	
5 Tuition-Credit	21,182,146	17,932,674	17,019,209	18,288,880	17,624,563	18,261,821	17,753,418	18,126,418	17,933,136	18,502,810	17,933,136	18,502,810	
6 Tuition-Non-Credit	25,162	17,605	25,162	25,162	25,162	25,162	25,162	25,162	25,162	25,162	25,162	25,162	
7 Total Tuition - net	21,207,308	17,950,279	17,044,371	18,314,042	17,649,725	18,286,983	17,778,580	18,151,580	17,958,298	18,527,972	17,958,298	18,527,972	
8 State Aid	11,344,058	11,809,672	11,811,075	11,811,075	11,811,075	11,811,075	11,811,075	11,811,075	11,811,075	11,811,075	11,811,075	11,811,075	
8a ESL & HSE State Aid	936,931	918,193	918,193	918,193	918,193	918,193	918,193	918,193	918,193	918,193	918,193	918,193	
9 County Aid	19,052,882	19,052,883	19,052,883	19,433,941	19,243,412	19,433,846	19,433,941	19,822,619	19,624,469	20,213,204	19,433,941	19,822,619	
10 Chargebacks	2,343,544	2,411,758	2,886,549	2,814,093	2,867,663	2,876,862	2,794,409	2,846,084	2,774,534	2,802,359	2,810,309	2,819,325	
11 Service Fees	3,172,288	2,737,060	2,758,028	2,884,906	2,803,409	2,860,234	2,803,409	2,803,409	2,803,409	2,803,409	2,803,409	2,860,234	
12 Self-Sustaining Courses	161,806	194,505	500,000	525,000	500,000	525,000	500,000	525,000	500,000	525,000	500,000	525,000	
13 HEERF	2,377,996	5,268,118	6,192,634	-	6,192,634	-	6,192,634	-	6,192,634	-	6,192,634	-	
14 Other	455,945	447,860	458,044	458,044	458,044	458,044	458,044	458,044	458,044	458,044	458,044	458,044	
15 Sub-Total	39,845,450	42,840,049	44,577,407	38,845,253	44,794,430	38,885,254	44,911,706	39,184,425	45,082,360	39,531,285	44,927,606	39,214,490	
16 Total Revenues	61,052,757	60,790,328	61,621,779	57,159,294	62,444,155	57,172,237	62,690,286	57,336,006	63,040,658	58,059,256	62,577,331	57,501,473	
17 Expenditures													
18 Total Personnel Services	31,449,696	32,541,888	34,247,910	35,044,362	34,247,910	35,044,362	34,247,910	35,044,362	34,247,910	35,044,362	34,247,910	35,044,362	
19 Total Employee Benefits	17,456,286	17,791,111	18,885,454	19,522,982	18,885,454	19,522,982	18,885,454	19,522,982	18,885,454	19,522,982	18,885,454	19,522,982	
Total Contract Services & Equipment	8,975,164	10,456,270	8,488,414	8,701,821	8,488,414	8,701,821	8,488,414	8,701,821	8,488,414	8,701,821	8,488,414	8,701,821	
21 Total Expenditures	57,881,146	60,789,269	61,621,778	63,269,165	61,621,778	63,269,165	61,621,778	63,269,165	61,621,778	63,269,165	61,621,778	63,269,165	
22 Revenue Over/(Under) Exp	3,171,611	1,060	0	(6,109,871)	822,377	(6,096,928)	1,068,508	(5,933,159)	1,418,880	(5,209,909)	955,553	(5,767,692)	
			Vacancy Savings	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	
			Estimated Retirement Savings	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	
			Net Revenue Over/Under Expense	1,500,000	(4,609,871)	2,322,377	(4,596,928)	2,568,508	(4,433,159)	2,918,880	(3,709,909)	2,455,553	(4,267,692)
			Fund Balance	8,187,020	3,577,150	9,009,397	4,412,469	9,255,528	4,822,368	9,605,900	5,895,991	9,142,573	4,874,881
SUMMARY:			AY2223 Budget 1	AY2324 Budget 1	AY2223 Budget 2	AY2324 Budget 2	AY2223 Budget 3	AY2324 Budget 3	AY2223 Budget 4	AY2324 Budget 4	AY2223 Budget 5	AY2324 Budget 5	
Tuition Increase			\$ -	\$ 120.00	\$ 72.00	\$ 72.00	\$ 110.00	\$ 110.00	\$ 163.00	\$ 168.00	\$ 72.00	\$ 72.00	
Tuition % Increase			0%	2.2%	1.3%	1.3%	2.0%	2.0%	3.0%	3.0%	1.3%	1.3%	
Tuition Increase per Credit			\$ -	\$ 5.00	\$ 3.00	\$ 3.00	\$ 4.58	\$ 4.58	\$ 6.79	\$ 7.00	\$ 3.00	\$ 3.00	
Enrollment			-2.0%	5.0%	0.00%	2.20%	0.00%	0.00%	0.00%	0.00%	0.00%	2.20%	
State			100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	
County			0.0%	2.0%	1.0%	1.0%	2.0%	2.0%	3.0%	3.0%	2.0%	2.0%	
Faculty			3.25%	2.00%	3.25%	2.00%	3.25%	2.00%	3.25%	2.00%	3.25%	2.00%	
Staff & Chair			3.00%	2.00%	3.00%	2.00%	3.00%	2.00%	3.00%	2.00%	3.00%	2.00%	
CSEA			3.25%	2.50%	3.25%	2.50%	3.25%	2.50%	3.25%	2.50%	3.25%	2.50%	

ORANGE COUNTY COMMUNITY COLLEGE
AY21-22 Projected Year-End

	Actual Month vs Budget				YTD Actual vs. YTD Budget				Projected vs. Budget			
	3/31/2022	3/31/2022	\$ Variance	% Variance	YTD Actual	YTD Budget	\$ Variance	% Variance	AY21-22 *Revised Projection	AY21-22 Original Budget	\$ Variance	% Variance
	Actual Month	Budget Month	Fav/(Unfav)	Fav/(Unfav)	as of 03/31/22	as of 03/31/22	Fav/(Unfav)	Fav/(Unfav)			Fav/(Unfav)	Fav/(Unfav)
	(A-B)	(C/B)			(E-F)	(G/F)					(I-J)	(K/L)
1 Revenue												
2 Fall	\$ (17,943)	\$ (28,400)	10,457	-36.8%	9,185,012	\$ 9,604,140	(419,128)	-4.4%	9,162,092	\$ 9,581,220	(419,128)	-4.4%
3 Writer	(1,344)	-	(1,344)	#DIV/0!	99,120	92,080	7,040	7.6%	99,120	92,080	7,040	7.6%
4 Spring	124,973	89,770	35,203	39.2%	7,501,109	8,029,270	(528,161)	-6.6%	7,506,819	8,034,980	(528,161)	-6.6%
5 Summer	246,288	350,000	(103,712)	-29.6%	405,783	569,000	(163,217)	-28.7%	1,164,643	1,327,860	(163,217)	-12.3%
6 Tuition-Credit	351,974	411,370	(59,396)	-14.4%	17,191,024	18,294,490	(1,103,466)	-6.0%	17,932,674	19,036,140	(1,103,466)	-5.8%
7 Tuition-Non-Credit	810	-	810	#DIV/0!	8,580	11,240	(2,660)	-23.7%	17,605	20,265	(2,660)	-13.1%
8 Total Tuition	352,784	411,370	(58,586)	-14.2%	17,199,604	18,305,730	(1,106,126)	-6.0%	17,950,279	19,056,405	(1,106,126)	-5.8%
9 State Aid	2,952,419	2,942,554	9,865	0.3%	8,857,256	8,827,663	29,594	0.3%	11,809,672	11,770,217	39,455	0.3%
9a State Aid-Non Credit Courses	229,548	229,548	-	0.0%	688,645	688,645	-	0.0%	918,193	918,193	-	0.0%
10 County Aid	4,763,220	4,763,220	-	0.0%	14,289,662	14,289,661	1	0.0%	19,052,883	19,052,882	1	0.0%
11 Chargebacks	887,437	1,040,860	(153,423)	-14.7%	2,064,278	2,479,260	(414,982)	-16.7%	2,411,758	2,826,740	(414,982)	-14.7%
12 Service Fees	34,585	18,070	16,515	91.4%	2,603,500	2,741,750	(138,250)	-5.0%	2,737,060	2,925,310	(188,250)	-6.4%
13 Non Credit Courses	9,869	16,250	(6,381)	-39.3%	163,658	394,450	(230,792)	-58.5%	194,505	456,790	(262,285)	-57.4%
14 Cares Funding	-	-	-	0.0%	-	-	-	0.0%	-	-	-	0.0%
15 CRRSAA Funding	-	-	-	#DIV/0!	5,268,118	5,268,118	0	0.0%	5,268,118	5,268,118	0	0.0%
16 ARP Funding	-	-	-	#DIV/0!	-	-	-	#DIV/0!	-	-	-	#DIV/0!
17 Other	32,009	44,540	(12,531)	-28.1%	198,540	295,068	(96,528)	-32.7%	447,860	683,443	(235,583)	-34.5%
18 Sub-Total	8,909,087	9,055,043	(145,955)	-1.6%	34,133,658	34,984,615	(850,957)	-2.4%	42,840,049	43,901,693	(1,061,644)	-2.4%
19 Total Revenues	9,261,871	9,466,413	(204,541)	-2.2%	51,333,262	53,290,345	(1,957,083)	-3.7%	60,790,328	62,958,098	(2,167,770)	-3.4%
20 Expenditures			(F-E)	(G/F)			(F-E)	(G/F)			(I-J)	(K/L)
21 Total Personnel Services	3,498,269	3,931,284	433,014	11.0%	18,146,359	20,305,314	2,158,956	10.6%	32,541,888	34,371,200	1,829,312	5.3%
22 Total Employee Benefits	1,591,350	1,656,892	65,542	4.0%	10,123,135	10,781,961	658,826	6.1%	17,791,111	18,400,226	609,115	3.3%
23 Total Contract Services	466,642	641,139	174,497	27.2%	3,942,203	4,314,180	371,977	8.6%	10,133,035	9,894,772	(238,263)	-2.4%
24 Equipment	45,969	47,702	1,732	0.0%	318,581	287,245	(31,336)	0.0%	323,236	291,900	(31,336)	-10.7%
25 Total Expenditures	5,602,230	6,277,016	674,786	10.8%	32,530,277	35,688,700	3,158,423	8.8%	60,789,269	62,958,098	2,168,829	3.4%
26 Rev over/(under) Exp	\$ 3,659,642	\$ 3,189,396	\$ 470,245		\$ 18,802,984	\$ 17,601,645	\$ 1,201,340		\$ 1,059	\$ -	\$ 1,059	
Est Operating Fund balance as of 8/31/21									6,687,020			
Prof. Operating fund balance as of 8/31/22									\$ 6,688,079			

Operating Fund

**Total Projected Operating and
Restricted Fund Balance as of
8/31/22**

Capital Chargeback Fund	837,762
IT Fund	775,000
Athletic Fund	476,571
Facilities Fund	360,000
PIP Fund	263,558
Total Restricted Fund Balance	\$ 2,712,892

\$ 9,400,971

*Revised Projection takes into account the Current YTD Actual Activity and adds the Budget monthly amounts for the remaining months, plus any known Revenue Shortfalls or Savings.