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BUDGET REVIEW



NASSAU COUNTY LEGISLATURE
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Inter-Departmental Memo

To: Hon. Norma Gonsalves, Presiding Officer
Hon. Kevan Abrahams, Minority Leader
All Members of the Nassau County Legislature

From: Maurice Chalmers, Director
Office of Legislative Budget Review

A handwritten signature in blue ink, appearing to be "M. Chalmers", written over the "From:" line.

Date: July 12, 2013

Re: Proposed FY 2013-2014 Nassau Community College Budget

Attached is the Office of Legislative Budget Review's report on the proposed Nassau Community College (NCC) FY 2013-14 budget. The report details both expense and revenue variances with explanations. There is an increasing reliance on data provided by the College since the transition to a new student services/financial system called BANNER. The following are highlights of the proposed budget:

- The Property Tax Levy supporting the College will remain at \$52.2 million.
- Full-time tuition rate increases by \$49 per semester.
- Services fees charged by the College remain unchanged.
- New York State is increasing its aid per FTE by \$150.
- The proposed budget includes a \$4.9 million appropriation of the fund balance.

If you should have any further questions, please let me know.

Hon. George Maragos, Nassau County Comptroller
Steven Labriola, Nassau County Chief Deputy Comptroller
Tim Sullivan, Deputy County Executive
Roseann D'Alleva, Budget Director, OMB
Evan Cohen, Executive Director, NIFA
David Gugerty, Minority Chief of Staff
Dan McCloy, Director of Law, Finance & Operations
Gregory May, Director of Legislative Affairs
William Muller, Clerk of the Legislature

PROPOSED FY 2013-2014 NCC BUDGET

	Historical		2013		2014	2014 vs. 2013		Proj vs. 2014	
	2011	2012	Adopted Budget	OLBR Projected	Proposed Budget	Variance	Percent	Variance	Percent
Full-time Headcount	1,198	1,149	1,153	1,133	1,146	(7)	-0.6%	13	1.1%
Salaries	\$127,529,677	\$126,749,423	\$127,603,492	\$129,521,283	\$130,929,542	\$3,326,050	2.6%	\$1,408,259	1.1%
Fringe Benefits	48,555,769	50,087,859	52,996,235	53,615,334	57,850,000	\$4,853,765	9.2%	\$4,234,666	7.9%
Equipment	2,311,973	2,363,490	2,313,914	2,313,914	2,297,618	(\$16,296)	-0.7%	(\$16,296)	-0.7%
General Expenses	8,241,022	8,459,635	7,444,412	7,374,412	7,776,804	\$332,392	4.5%	\$402,392	5.5%
Contractual Services	5,911,643	5,814,635	6,583,290	6,553,290	5,620,448	(\$962,842)	-14.6%	(\$932,842)	-14.2%
Utility Cost (Tel. & Other)	1,280,783	1,359,998	1,296,050	1,296,050	1,500,000	\$203,950	15.7%	\$203,950	15.7%
Utility Cost (LIPA)	3,980,198	3,644,996	3,504,490	3,604,490	3,950,130	\$445,640	12.7%	\$345,640	9.6%
Interfund Charges	2,990,523	2,792,670	2,950,000	2,950,000	3,200,000	\$250,000	8.5%	\$250,000	8.5%
County Scholarships	54,900	55,000	55,000	55,000	755,000	\$700,000	1272.7%	\$700,000	1272.7%
Total	\$200,856,488	\$201,327,706	\$204,746,883	\$207,283,773	\$213,879,542	\$9,132,659	4.5%	\$6,595,769	3.2%

Expenses

- Expenses are budgeted to increase by 4.5%, or \$9.1 million, compared to the adopted 2013 budget. There had been adjustments made to the 2013 Adopted Budget to reallocate expense lines; however, the bottom line approved by the Legislature remained unchanged.
- Salaries in the proposed budget are growing by \$1.4 million, or 1.1%, when compared to the FY 2012-13 salary projections, and increasing by 2.6%, or \$3.3 million when comparing budget to budget. Salaries make up 61.2% of the total expense budget. Headcount figures in the chart above are based on June 1 data. FY 2013–14 budgeted headcount is declining by seven budget to budget and increasing by 13 when compared to the current onboard.
- The growth in salaries includes funding for Civil Service Employees Association (CSEA) cost of living adjustment (COLA) of 3.75% and step increases estimated to be between 1.8% and 2%. Additionally, there are promotions for certain Nassau Community College Federation of Teachers (NCCFT) members. The NCCFT contract expires August 31, 2013 and no contractual funding increase was included.

PROPOSED FY 2013-2014 NCC BUDGET

- The agreement with the Adjunct Faculty Association (AFA) expired on September 30, 2010. Aside from promotions and advancement to the next level based on seniority, the budget does not include funding for wage increases should a new contract be agreed upon.
- Salaries for Ordinance employees will include no cost of living adjustments.
- The FY 2013-14 termination budget of \$2.9 million is based on an anticipated 20 retirements in FY 2013–14. The College is projecting termination costs for FY 2012–2013 close to the budgeted \$1.6 million.
- Also contributing to the increase in expenses is a \$4.9 million growth in fringe benefits when comparing budget to budget. This is a result of rising health insurance costs and pension costs from the New York State Local Retirement System (NYSLRS) and the Teachers Retirement System.
- OTPS (Other Than Personal Services) spending is budgeted above FY 2012–13 levels primarily due to a \$700,000 increase in scholarships. The increase will be explained in the OTPS section. The College had imposed a spending cap on OTPS expenses for FY 2012–13 and intended to cease such spending if expenses in other areas of the budget required additional funds. This policy remains in effect for FY 2013-14.

Salaries

FULL-TIME HEADCOUNT											
Union	Adopted 12 - 13		Proposed 13 - 14		Difference			'Jun 13	Difference		
	F/T	Pers. Svcs	F/T	Pers. Svcs	F/T	Pers. Svcs	FT % Chg	Act. F/T	F/T	% Chg	
NCCFT	679	\$57,138,562	677	\$59,972,568	(2)	\$2,834,006	-0.3%	674	3	0.4%	
NCCFT-LINCC	14	687,182	14	650,614	0	(\$36,568)	0.0%	14	0	0.0%	
CSEA	389	22,465,901	393	24,041,783	4	1,575,882	1.0%	382	11	2.9%	
Ordinance	71	6,663,454	62	7,123,625	(9)	460,171	-12.7%	63	(1)	-1.6%	
Grand Total	1,153	\$86,955,099	1,146	\$91,788,590	(7)	\$4,833,491	-0.6%	1,133	13	1.1%	

- Fulltime headcount in the proposed budget is decreasing by seven compared to FY 2012–13.
- The number of Ordinance employees is declining by nine budget to budget and decreasing by one when compared to the current 63 onboard. The FY 2012–13 budget included a credit of -\$641,918 for initiatives which reduced the salary expenses; although a

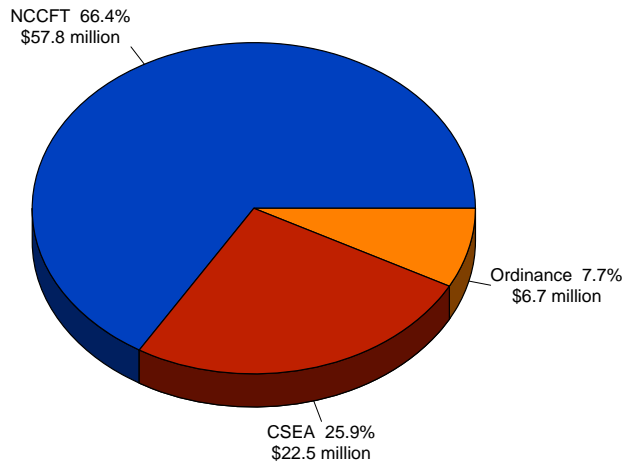
PROPOSED FY 2013-2014 NCC BUDGET

similar credit exists in the Proposed FY 2013–14 the corresponding line is a positive \$645,202 mainly due to the funding of vacant positions.

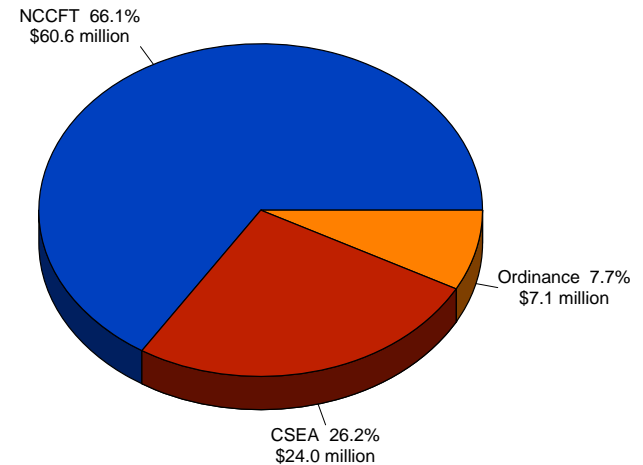
- The budget funds six vacant Ordinance positions worth approximately \$1.0 million, excluding fringe benefits. They include VP for Academic Affairs, President (or VP) for Student Affairs, AVP for Human Resources, Director of Labor Relations, Dean of Liberal Arts and a College Foundation position. These positions, while vacant at budget submission, are scheduled to be filled in FY 2013-14.

➤ The graph below illustrates salary expenses by union in the proposed budget compared to last year's budget.

Adopted 2012-13 Full Time Salaries by Union



Proposed 2013 - 14 Full Time Salaries by Union



PROPOSED FY 2013-2014 NCC BUDGET

Fringe Benefits

Nassau Community College Fringe Benefit Expenses							
	2013 Budget	OLBR Projection	Proposed 2014 Budget	2014 vs. 2013	Percent	Proposed Vs. Projected	Percent
State Retirement	\$5,110,376	\$6,110,376	\$6,883,000	\$1,772,624	34.7%	\$772,624	12.6%
Teachers Retirement	\$2,306,984	\$2,306,984	3,201,000	\$894,016	38.8%	\$894,016	38.8%
Social Security	\$9,479,289	\$9,544,612	9,550,000	\$70,711	0.7%	\$5,388	0.1%
Health Insurance	\$17,804,156	\$17,430,024	19,530,000	\$1,725,844	9.7%	\$2,099,976	12.0%
TIAA CREF	\$7,139,997	\$7,337,936	7,340,000	\$200,003	2.8%	\$2,064	0.0%
Optical Plan	\$123,997	\$121,171	122,000	(\$1,997)	-1.6%	\$829	0.7%
Unemployment	\$250,000	\$320,000	325,000	\$75,000	30.0%	\$5,000	1.6%
Dental Insurance	\$650,006	\$650,006	650,000	(\$6)	0.0%	(\$6)	0.0%
Medicare Reimbursement	\$1,375,000	\$1,375,000	1,375,000	\$0	0.0%	\$0	0.0%
Health Insurance Retirees	\$7,820,801	\$7,054,429	7,390,000	(\$430,801)	-5.5%	\$335,571	4.8%
Retirees Optical	\$14,008	\$13,824	14,000	(\$8)	-0.1%	\$176	1.3%
Medicare Part D	(\$475,000)	(\$92,441)	0	\$475,000	-100.0%	\$92,441	-100.0%
MTA Mobility Tax	\$447,631	\$447,633	445,000	(\$2,631)	-0.6%	(\$2,633)	-0.6%
CSEA Legal Fund	\$64,000	\$65,780	65,000	\$1,000	1.6%	(\$780)	-1.2%
NYS Disability Insurance	\$10,000	\$10,000	10,000	\$0	0.0%	\$0	0.0%
Workers Compensation	\$874,990	\$920,000	950,000	\$75,010	8.6%	\$30,000	3.3%
Total	\$52,996,235	\$53,615,334	\$57,850,000	\$4,853,765	9.2%	\$4,234,666	7.9%

- The Fringe Benefit budget, which represents 27.0% of the operating budget, is increasing by \$4.9 million or 9.2% compared to the current year’s budget primarily due to rising health insurance costs and pension costs from the New York State Local Retirement System (NYSLRS) and the Teachers Retirement System. The FY 2012–2013 budget had been modified to include an additional \$1.0 million.
- The fringe benefit appropriation assumes a 10% rate increase for health insurance costs. The rate is higher than the Best Estimate Projection provided in New York State’s Quarterly Experience Report, which projects that the 2014 health insurance premium rate will increase by 4.5% for family coverage. Based on this growth rate the 2013-2014 proposed budget has sufficient funding.
- The \$3.2 million proposed budget for Teachers Retirement is increasing \$894,016 compared to the current year’s projection due to a 37% rate increase in the retirement bill.

PROPOSED FY 2013-2014 NCC BUDGET

- The FY 2013-14 proposed budget of \$6.9 million for State Retirement is an increase of \$772,624 compared to FY 2012-2013 projections. This increase is attributable to a 10.5% pension contribution rate increase and higher salary costs from annual cost of living and step increases.
- The FY 2013-14 Fringe Benefit budget has eliminated the Medicare Part-D reimbursement of \$475,000 because the funding is no longer provided. This federal subsidy was previously for prescription drug coverage.
- The proposed worker's compensation budget of \$950,000 is an increase of 8.6% compared to the FY 2012-2013 budget.

OTHER THAN PERSONAL SERVICES

- OTPS spending in FY 2013-14 will be about \$952,844 more than that of the adopted FY 2012-13. The following chart details the spending from 2012 to the FY 2013-2014 Proposed Budget:

Nassau Community College OTPS Budget Comparison FY 2012-2014						
	<u>2012</u>	<u>2013</u>	<u>2013</u>	<u>2014</u>	Variance	Variance
	<u>Operating</u>	<u>Adopted</u>	<u>Projected</u>	<u>Proposed</u>	<u>2013/2014</u>	<u>Proj/Bud</u>
	<u>Results</u>	<u>Budget</u>	<u>Oper. Results</u>	<u>Budget</u>		
Equipment	2,363,490	2,313,914	2,313,914	2,297,618	(16,296)	(16,296)
General Expenses	8,459,635	7,444,412	7,374,412	7,776,804	332,392	402,392
Contractual Services	5,814,635	6,583,290	6,553,290	5,620,448	(962,842)	(932,842)
Utility Costs	5,004,994	4,800,540	4,900,540	5,450,130	649,590	549,590
Central Utility Plant Chgs	2,792,670	2,950,000	2,950,000	3,200,000	250,000	250,000
Scholarships	55,000	55,000	55,000	755,000	700,000	700,000
	<u>24,490,423</u>	<u>24,147,156</u>	<u>24,147,156</u>	<u>25,100,000</u>	<u>952,844</u>	<u>952,844</u>

- Historically, the College has adjusted spending for OTPS on an as needed basis. Sometimes, OTPS spending shifts at year's end due to surpluses in other areas of the budget to fund needed expenses. The budgeted bottom line for OTPS always remains the same.

PROPOSED FY 2013-2014 NCC BUDGET

- The scholarship line is growing by \$700,000 to enable Nassau County's Office of Emergency Management (OEM) to continue to provide services previously covered by the federally funded SAFER grant (Staffing for Adequate Fire and Emergency Response).
 - It is designed to encourage individuals to become participants in Nassau County's volunteer fire departments and as fire department emergency medical service (EMS) providers while they attend NCC. In exchange for tuition reimbursement, student/volunteers must maintain volunteer activity and training levels and certain academic objectives during their course of study and must commit to a post-education service obligation of one year for each scholarship they receive. The appropriation is expected to be necessary for one year after which the federal funding stream is expected to be renewed. In consideration of the College's efforts, OEM would work with the College to provide security related improvements at the College of a value equal to the tuition reimbursement. These improvements would be paid through resources provided to it by the US Department of Home Security.
- In anticipation of increased utility and energy costs, the College has increased this expense in the proposed budget.

OPPORTUNITIES & RISKS

- As mentioned previously, both the NCCFT and the AFA are in contract negotiations. The proposed budget does not include any contractual increases in the salary line should either one or both unions reach a labor agreement. The impact of wage increases for members of either union would result in the College using additional fund balance for the FY 2013-2014. However, the use of fund balance is troubling because the College plans on using additional fund balance monies in other areas of the budget if the need arises, further reducing the reserve.
- Should circumstances evolve during the budget year that may generate shortfalls in any area of the budget, the College will implement additional contingencies such as reductions in OTPS spending.
- The vacant funded positions, valued at approximately \$1.1 million, are an opportunity to the budget.

PROPOSED FY 2013-2014 NCC BUDGET

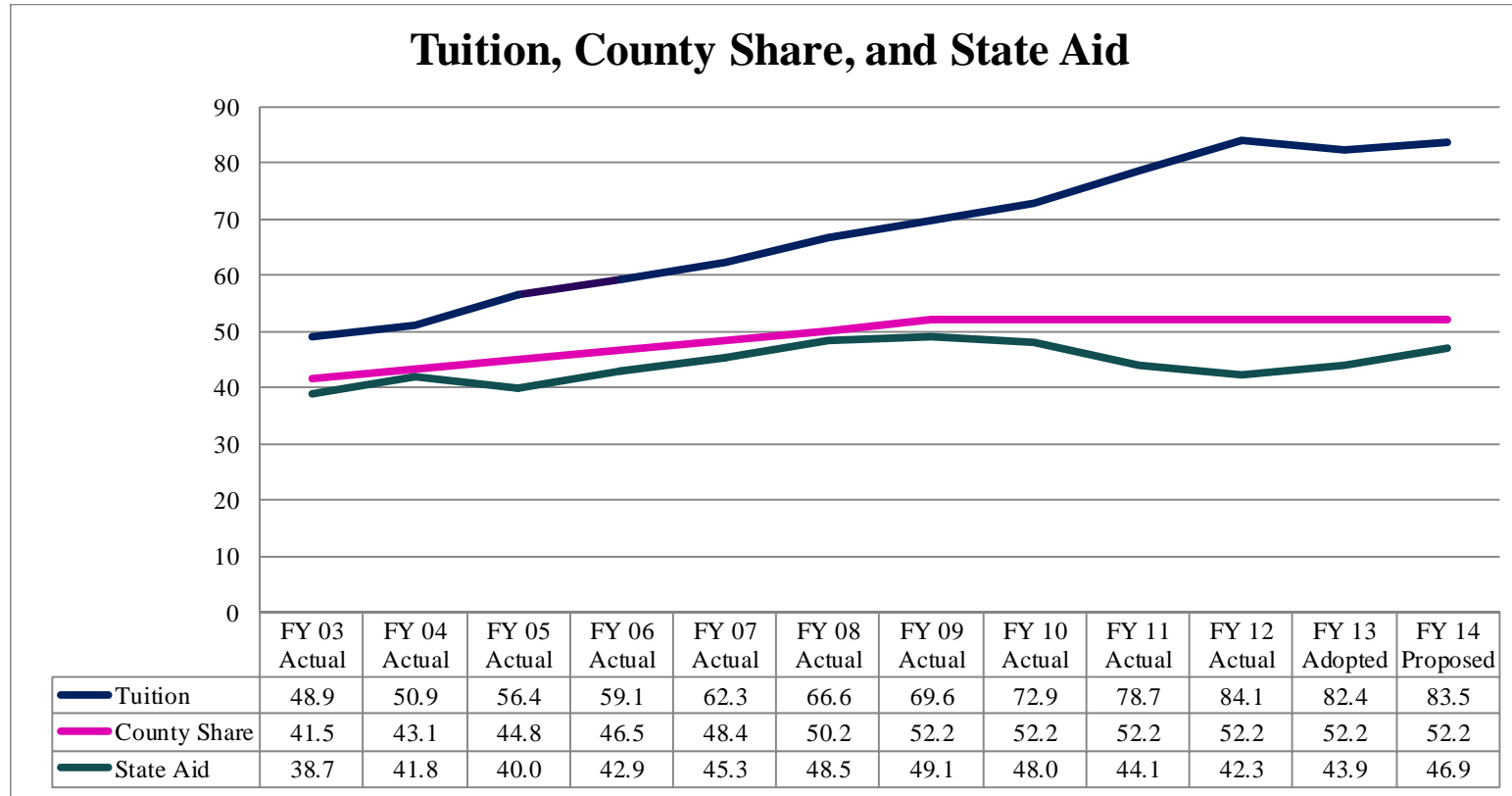
	Historical		2013		2014	2013 vs. 2014		Projected vs. 2014	
	2011	2012	Adopted Budget	OLBR Projected	Proposed Budget	Variance	Percent	Variance	Percent
Tuition	\$78,709,256	\$84,068,378	\$82,372,988	\$82,555,979	\$83,528,720	\$1,155,732	1.4%	\$972,741	1.2%
Property Tax	52,211,454	52,206,886	52,206,883	52,206,883	52,206,883	0	0.0%	0	0.0%
State Aid	44,095,874	42,295,557	43,862,313	44,819,239	46,939,139	3,076,826	7.0%	2,119,900	4.7%
Rev. Lieu Spons. Share	13,914,407	14,697,418	14,000,000	14,000,000	14,200,000	200,000	1.4%	200,000	1.4%
Rev. Offset To Expense	4,414,971	4,156,200	4,048,000	4,157,943	4,272,000	224,000	5.5%	114,057	2.7%
Service Fees	5,859,386	7,466,949	5,991,000	7,317,610	7,294,000	1,303,000	21.7%	-23,610	-0.3%
Rents & Recoveries	1,020,849	12,799	400,000	100,000	500,000	100,000	25.0%	400,000	400.0%
Investment Income	82,267	65,577	82,000	65,000	65,000	-17,000	-20.7%	0	0.0%
Federal Aid	178,920	41,415	250,000	0	0	-250,000	-100.0%	0	0.0%
Suppl Approp/Fund Balance	0	0	0	0	0	0	0.0%	0	0.0%
Fund Balance Appropriated	2,188,000	0	1,533,699	1,533,699	4,873,800	3,340,101	217.8%	3,340,101	217.8%
Total	\$202,675,384	\$205,011,179	\$204,746,883	\$206,756,354	\$213,879,542	\$9,132,659	4.5%	\$7,123,188	3.4%

Revenues

- In the proposed FY 2013-14 Budget, revenues grow by 4.5%, or \$9.1 million, compared to the previous Adopted Budget, and 3.4%, or \$7.1 million, compared to current academic year projections.
- The County’s share of College revenue, the Property Tax Levy, remains \$52.2 million in FY 2013-2014.
- State aid will grow in the FY 2013-14 Proposed Budget, as the State has restored another \$150 to the Full Time Equivalent (FTE) reimbursement rate. Following three years of cuts, the FY 2013-14 Budget is the second year in a row featuring a \$150 increase. Thus, State aid will increase by 4.7% to a total of \$46.9 million compared to current academic year projections.
- The College anticipates a third straight year of declining enrollment. The College is recommending a full time tuition increase of \$98. The College estimates the tuition increase will generate approximately \$2.0 million in revenue.
- In addition, the College expects the current tuition projection to grow by \$675,000, partly due to \$375,000 in additional summer semester tuition payments. The remainder is from reversing an accrual for bad debt (in the form of unpaid tuition). This additional FY 2012-2013 revenue will be an offset to the \$1.8 million allowance that the College Administration has and will continue to maintain for bad debt.

PROPOSED FY 2013-2014 NCC BUDGET

FY 2003 – 2014
(\$ in millions)



- The revenue growth generated from both the \$3.1 million increase in State aid as well as the \$98 tuition hike will offset the expected decline in enrollment and other mandated costs.
- The FY 2013-14 Proposed Budget is the sixth consecutive budget with a Property Tax Levy of \$52.2 million.

PROPOSED FY 2013-2014 NCC BUDGET

Tuition

- The College expects enrollment to decline 1.0% in FY 2013-14. If this decline materializes, it would mark the third consecutive year of falling enrollment. Following a 2.0% drop in 2012, enrollment is projected to be down 1.5% in 2013.
- Tuition revenue represents about 39.1% of total revenue in the proposed budget, and is mainly a function of student enrollment and tuition rates. The tuition rate is a revenue source controlled by the College.
- Thus, the College wants to raise tuition \$49 per semester, bringing the tuition rate to \$4,088 per year. Despite this increase, Nassau Community College’s tuition rate would still be lower than that of both Westchester and Suffolk County Community Colleges.

2013-2014				
Yearly Tuition Comparison				
	Current	2014 Proposed	Increase	Diff From Nassau
Westchester	\$4,280	\$4,340	\$60	\$252
Suffolk	3,990	4,140	150	52
Nassau	3,990	4,088	98	

- According to the College Administration, Nassau Community College has the second most affordable tuition in the New York State Community College system, as long as cost of living adjustments are made.

Property Taxes

- There is no Property Tax increase in the Proposed Budget.
- Nassau County’s contribution of \$52.2 million represents 24.4% of the Proposed Budget.

PROPOSED FY 2013-2014 NCC BUDGET

State Aid

- State aid is expected to grow by 7.0% to \$46.9 million in the proposed budget, compared to the previous year's Adopted Budget.
- While state aid increases in FY 2013-14, it remains down from a historical high of \$49.1 million in FY 2008-09.
 - Although the State has restored \$300 to the Full Time Equivalent (FTE) reimbursement rate over the course of the last two years, the new rate of \$2,422 per FTE is still down \$253 per FTE since 2010.
 - Despite less State support, the College must continue to offer its students quality education while containing costs.
- The State has imposed midyear cuts in the past. Further stress would be put on the budget should midyear cuts occur in the coming year.
- State aid represents 21.9% of proposed revenue in FY2013-14.

State Aid Changes 2010-2014	
	Change/FTE
2010 Mid Year FTE Reduction	(\$130)
2011 FTE Reduction	(285)
2012 FTE Reduction	(138)
2013 FTE Increase	150
2014 FTE Increase	150
Total	(253)

Revenue Lieu Sponsor Share

- This revenue stream is an assortment of collections, including tuition from international students, students from out of state, and students from New York State without a certificate of residency from their home county. The bulk of this revenue source comes from charging back other counties for educating their students at NCC.
- The College Administration estimates that the charge back rate will be \$3,220 per FTE in 2014. The charge back rate for non-resident FTEs is a function of Nassau's Property Tax contribution, FTE levels, and is subject to a prior year adjustment.
 - Individual non-resident students pay tuition. The County collects the chargeback rate from these students' home counties.
 - If a student cannot produce a certificate of residency from their home county, the student is charged double tuition.
- The \$14.2 million budget for this revenue stream breaks out in the following manner: \$12.0 million from charging back to other counties and \$2.2 million from collections of all other non-resident tuition.

Revenue Offset to Expenses

- This revenue source is comprised of commissions, contracts, and course fees to cover special course offerings. These special courses include continuing education, corporate education, and English as a Second Language (ESL).
- The FY 2013-14 Proposed Budget of \$4.3 million reflects expected growth in this revenue stream of 2.7% compared to current academic year projections.

PROPOSED FY 2013-2014 NCC BUDGET

Rents and Recoveries

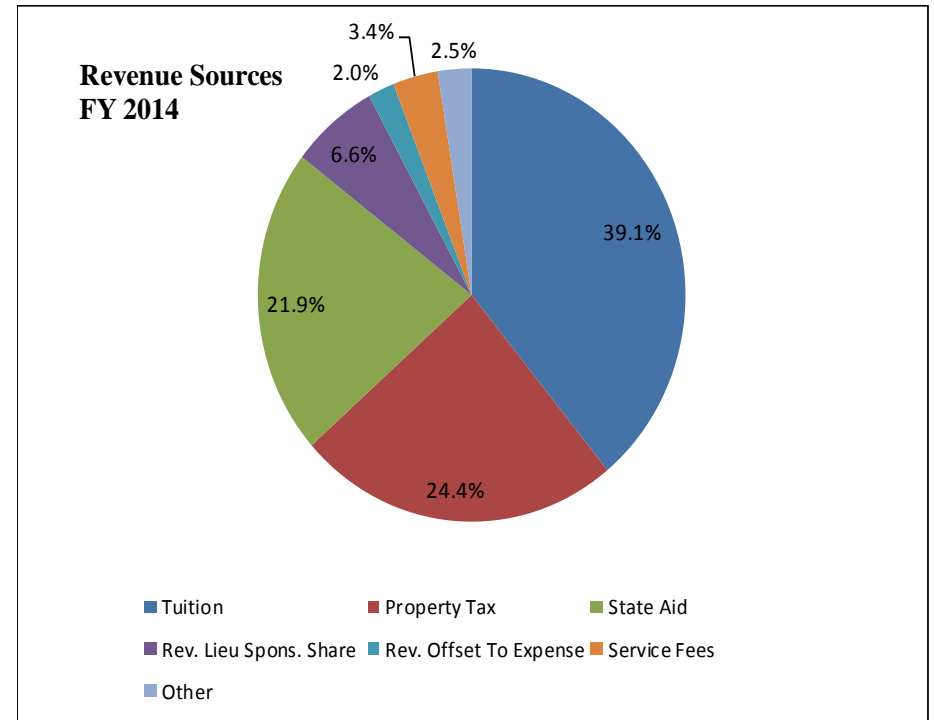
- Revenue is generated as a result of liquidating prior year encumbrances. The FY 13-14 Proposed Budget of \$500,000 is increasing by \$400,000 compared to the current projection.
 - The College has completed its transition to the Banner Finance System. Banner allows the College to exert greater control over liquidation of encumbrances.

Federal Aid

- Federal aid has been eliminated from the FY 2013-2014 Proposed Budget. Federal aid associated with the Work Study program has been reclassified to the Grant Fund by the College Comptroller.

Investment Income

The County Treasurer manages this revenue stream on behalf of the College. Investments are by their very nature directly affected by market interest rates. Rates have been remarkably low.



PROPOSED FY 2013-2014 NCC BUDGET

Service Fees

- The FY 2013-14 Proposed Budget does not include any new service fees. Anticipated collections of \$7.3 million are in line with current academic year projections. In fact, the proposed budget represents a slight decline of 0.3% from this year's projection.
- The Banner Financial System has afforded the College new found precision in financial reporting. The prior system did not operate with the same level of detail as Banner. Therefore, three existing fees (Immunization Transcript Fee, Late Payment-Tuition, and Late Payment-Tuition Payment Plan) are now accounted for separately. Previously, these fees were accounted for in a miscellaneous revenue account.
- International Student Insurance fees are now handled by the Faculty Student Association (FSA) and are no longer accounted for in the College's operating budget.

Service Fees							
Proposed FY 2014 vs. Adopted FY 2013							
Service Fee: Source	Fee	FY 12-13		FY 13-14		Variance	
		Adopted Budget	Fee	Proposed Budget	Fee	Fee	Revenue
Technology	\$40	\$1,500,000	\$40	\$1,502,245	\$0	\$2,245	
Student Lab	100	1,700,000	100	1,797,612	0	97,612	
Application	50	680,000	50	961,912	0	281,912	
NG Check	20	11,000	20	12,758	0	1,758	
Late Registration	25	150,000	25	253,636	0	103,636	
Nursing Evaluation	75	500	75	659	0	159	
Tuition Pay Plan	40	250,000	40	499,471	0	249,471	
Change of Program	25	2,000	25	2,003	0	3	
Consolidated Fee	30	1,034,000	30	1,114,161	0	80,161	
Convenience Fee	18	225,000	18	376,504	0	151,504	
Vehicle Registration	45	438,500	45	596,228	0	157,728	
Immunization Transcript Fee	5	-	5	6,452	0	6,452	
Late Payment- Tuition	25	-	25	35,239	0	35,239	
Late Payment- Tuition Payment Plan	25	-	25	135,121	0	135,121	
Totals		\$5,991,000		\$7,294,000		\$1,303,000	

***2013 Transcript & International Insurance fees are included in the Consolidated fee line*

PROPOSED FY 2013-2014 NCC BUDGET

Fund Balance

- The 2012 year-end Fund Balance was \$15.9 million, with \$1.5 million scheduled to be used for the FY 2012-13 Budget. The initial 2012 estimate had been \$14.4 million. However, additional funds came from a reclassification of a balance sheet item from restricted-reserve to unrestricted, thereby increasing the year-end Fund Balance to \$15.9 million. The College has replenished its fund balance as a result of positive operating results in the last three years.
- The College has established a Fund Balance policy stating that “an unreserved fund balance of no less than 4.0% of the prior year’s operating budget” must be maintained. The chart below demonstrates how the Fund balance would change if planned usage occurs. The College would end FY 2013-14 with a \$9.5 million Fund Balance. This would be just above the threshold established by the Board of Trustees.

Fund Balance Reconciliation	
2012 Year End Fund Balance	\$15,897,210
FY 12-13 Appropriation of Fund Balance	(1,533,699)
FY 12-13 Un-appropriated Fund Balance	14,363,511
FY 13-14 Appropriation of Fund Balance	(4,873,800)
Projected FY 13-14 Un-appropriated Fund Balance	9,489,711

PROPOSED FY 2013-2014 NCC BUDGET

Fund Balance, Cont.

- In the fiscal year ending on August 31, 2012, New York State Community Colleges held on average 12.0% of budgeted expenditures in Fund Balance.
- Nassau Community College is ranked 19th among Community Colleges in terms of Fund Balances as a percentage of expenditures, at 7.99%. This figure represents an improvement from the prior year percentage of 5.36. On this list, Nassau ranks lower than Suffolk but higher than Westchester.
- These rankings are calculated on the Fund Balance of \$15.9 million from the fiscal year ending on August 31, 2012.
- Nassau Community College's standing in relation to the rest of the New York State Community College system would change at the end of FY 2013-14 if planned Fund Balance spending were to take place.

Community College Fund Balance Comparison			
As of Fiscal Year Ending August 31, 2012			
Community College	Unreserved Fund Balance	Total Expenditures*	Percent of Fund Balance to Expenditures
Jamestown	\$10,168,979	\$32,522,889	31.27%
F-I-T	50,463,507	165,988,139	30.40%
North Country	3,572,078	13,107,559	27.25%
Niagara	11,740,422	43,392,304	27.06%
Schenectady	5,836,165	26,569,644	21.97%
Corning	6,754,427	32,414,070	20.84%
Genesee	5,898,858	34,898,264	16.90%
Erie	16,867,930	100,271,758	16.82%
Columbia-Greene	2,584,218	16,223,328	15.93%
Herkimer	2,862,757	22,051,268	12.98%
Dutchess	7,003,704	58,049,331	12.07%
Suffolk	21,937,377	186,457,606	11.77%
Monroe	13,182,639	118,692,186	11.11%
Mohawk Valley	5,179,003	48,010,416	10.79%
Jefferson	2,285,841	23,985,518	9.53%
Clinton	1,340,212	15,162,838	8.84%
Broome	4,123,759	46,946,103	8.78%
Adirondack	2,005,952	\$23,967,774	8.37%
Nassau	15,897,011	198,845,097	7.99%
Sullivan	1,061,891	15,372,410	6.91%
Finger Lakes	2,514,199	40,339,874	6.23%
Westchester	6,762,162	111,676,979	6.06%
Onondaga	3,973,300	73,503,028	5.41%
Tompkins - Cortland	1,496,820	35,568,426	4.21%
Cayuga	1,236,825	33,209,685	3.72%
Hudson Valley	2,748,500	93,424,401	2.94%
Rockland	1,682,976	62,924,579	2.67%
Orange County	1,114,070	57,310,277	1.94%
Fulton-Montgomery	245,435	17,712,564	1.39%
Ulster	202,408	24,599,478	0.82%

* Expenditures do not include unexpended encumbrances at year end
Community Colleges report actual expenditures only in their NYS Annual Report

Proposed FY 2013-14 NCC Budget

Opportunities & Risks

- A risk to the budget materializes should the State slash the reimbursement rate mid-year, an action the State last took in FY 2010.
- The FY 2013-14 Proposed Budget hinges on the passage of the \$98 tuition increase. The FY 2013-14 Proposed Budget is jeopardized if the tuition increase is not instituted. The College would need to take measures such as eliminating vacant funded positions to make up for the unrealized revenue.
- The FY 2013-14 Proposed Budget will be affected by enrollment. If enrollment rises, the College has the opportunity to realize additional revenues (tuition, service fees, etc.). If enrollment declines, the College risks not meeting its budget. In that case, additional measures would be necessary to make up for missed revenue targets.