

WARREN COUNTY BOARD OF SUPERVISORS

COMMITTEE: COMMUNITY COLLEGE

DATE: OCTOBER 13, 2006

COMMITTEE MEMBERS PRESENT:

Supervisors Champagne
 Sheehan
 Stec
 Tessier
 Gabriels

OTHERS PRESENT:

Representing Adirondack Community College:
 Dr. Marshall Bishop, President
 William Long, Vice President
Chairman Thomas
Joan Parsons, Commissioner of Administrative
 and Fiscal Services
Paul Dusek, County Attorney
Joan Sady, Clerk
Supervisors Belden
 Bentley
 Geraghty
 Kenny
 Mason
 Merlino
 F. Thomas
 VanNess
Nicole Livingston, Second Deputy Clerk

Mr. Champagne called the meeting of the Community College Committee to order at 9:30 a.m.

Mr. Champagne announced that the approval of the prior meetings minutes would be waived in order to proceed with the business of the day. An agenda was distributed to the Committee members, a copy of which is on file with the minutes.

Mr. Champagne introduced Chairman Thomas to detail the topic of discussion.

Mr. Thomas reminded the Committee that Washington County had proposed a 70/30 split for the costs of several Capital Projects scheduled to begin in 2007 at ACC (Adirondack Community College). He noted that the split was previously based on an FTE (Full Time Enrollment) basis and Washington County's proposal would change the determination of the split to be based upon assessed value, resulting in an increased portion for Warren County.

In speaking with Mr. Dusek, Mr. Thomas said that he had found the law pertaining to this matter to be ambiguous and allowed for changes such as this to be made. He stated that he had met with the Chairman of the Washington County Board of Supervisors to negotiate a more feasible split; however, he said, they refused to compromise, demanding

a 70/30 split. In addition, Mr. Thomas noted, the costs of the Projects had not yet been determined and only estimates of the costs were available. He said that the 2007 Budget may possibly include funds to cover the costs; however, in future years they would certainly affect the tax levy.

Mr. Thomas advised that the purpose of the meeting was for the Committee to determine if they would agree to the 70/30 split as proposed by Washington County. He said that he wanted the Committee to discuss the suggestion at length again before making a final decision as both ACC and the proposed Capital Projects were very important to Warren County.

Mr. Champagne apprised that he had also met with JoAnn Trinkle, Chairwoman of the Washington County Board of Supervisors, and other representatives of the County to discuss this matter. He said that, much like Mr. Thomas, he had found Washington County unwilling to budge. Mr. Champagne distributed copies of the Education Law to the Committee members which allowed for this change; *a copy of this information is on file with the minutes*. He read the portion of the law pertaining to this issue and summarized that the law allowed for any split that could be agreed upon by both parties.

Mr. Champagne stated it was his opinion that if the parties were to move forward with the Capital Projects, the 70/30 split based on assessed values would have to be accepted. He noted that in the future, if Washington County's assessed values increased, the split would be adjusted also. Mr. Champagne advised that some time ago a standard had been set to base the split of operating costs on enrollments, raising Washington County's portion and lowering Warren County's. He added that Washington County felt it only fair to base the Capital Project costs on assessed values because of the standards used for determination of operating costs.

Mr. Kenny asked what the split had been in the past for Capital Projects and Mr. Champagne replied that initially it was a 50/50 split but then had been adjusted based on each project. Dr. Marshall Bishop, President of ACC, explained that although the split of Capital Projects had initially been 50/50, in recent years the 60/40 ratio of enrollments had been used as a standard for payment of Capital Projects.

Mr. Dusek stated that the 60/40 ratio was very close to what was used in the development of the Trash Plant and that split was based on assessed value. He said that he thought that may be how the ratio was determined. He added that Warren County had grown in assessed value and those proportions would change accordingly. Dr. Bishop said that was incorrect, and that historically, in the 70's, 80's and 90's, the split of Capital Project costs were always determined by fall enrollments. He said that the Scoville Building was the last Capital Project completed and was finished in 1998. He added that the costs of the project were determined based on the ratio of full-time enrollments from each County.

Mr. Kenny stated that if the Capital Project costs had always been determined by assessed value he would agree to the increased split, however, since historically the split was based on enrollment it was not fair to change the calculation process now.

Mr. Sheehan asked Mr. Dusek if they might be assisted legally by past practice standards. Mr. Dusek advised that if the project had already been approved they could argue the past standards used to determine the split; however, he said, because these are new Capital Projects both parties had to approve them and agree upon the split of costs as noted in the Education Law distributed by Mr. Champagne.

Mr. Thomas apprised that one of the Capital Projects in question was a new education program put in place by New York State. He asked William Long, Vice President of ACC, if the program could be taken advantage of next year if an agreement could not be reached between the Counties. Mr. Long explained that the State grant funds were currently available for the program and if ACC were to qualify this year they would be able to take advantage of the funding. He noted that he was unsure whether or not grant funds would be available in the next year.

Discussion ensued.

Mr. Thomas asked what the current enrollment ratio was and Joan Parsons, Commissioner of Administrative and Fiscal Services, advised that it was 57/43. Mr. Thomas noted that if the enrollment ratio were used to determine costs, as it had been in the past, the ratio would be 57/43 as opposed to Washington County's proposal of 70/30.

Mr. Kenny stated that he felt the proposal was unfair because although Washington County was increasing their use of the facilities, due to increased enrollments, they wanted to pay less for Capital Project costs. Mr. Champagne advised that the proposal made sense based on the Education Law stipulations which allowed the split of costs to be based on assessed value. Mr. Kenny responded that this practice had never been used in the past and he assumed that in the future if Washington County's assessed values rose above those of Warren County they would elect to revert to the enrollment ratio. He added that he would not agree to Washington County's proposal.

Mr. Tessier noted that the agenda included a Capital Improvement Plan developed by Washington County which projected costs for the next eight years as determined by assessed values; he asked how they could estimate assessed values so far into the future. Mr. Champagne explained that when a Capital Project was approved the assessed values would be taken into consideration and a split determined. He added that this practice would be used for each project and would not be altered in the duration.

Mr. Thomas stated that a determination must be made to either agree to the 70/30 split proposed by Washington County or defend prior practices and demand a 57/43 split

based on enrollment.

Mr. Long stated that it could be argued by Washington County that the Education Law stated that the split must be agreed upon by both parties or the projects would not be realized.

Mr. Thomas apprised that in meeting with Washington County representatives it had been suggested that Warren County take full responsibility of ACC. Mr. Champagne said he had also received this suggestion.

Mr. Stec stated that if this step were taken Washington County may encourage their students to enroll elsewhere. He asked what funds would be received from Washington County if Warren County were to take sole responsibility for ACC. Mr. Long responded that Warren County would receive \$300 per full time student to defray the costs of Capital Projects. He noted that it would be more cost effective to accept the 70/30 split proposed.

Mr. Thomas stated that the Committee had been called together because they strongly supported ACC. He noted that he was not opposed to Warren County taking over all of the costs associated with accepting sole responsibility of ACC.

Mr. Kenny asked if Washington County was legally obligated to remain in partnership with Warren County as the responsible parties of ACC and Mr. Dusek replied that they could petition New York State to be removed from the partnership. Mr. Stec asked if Washington County would still be obligated for old debts and Mr. Dusek replied affirmatively.

Discussion ensued.

Motion was made by Mr. Stec, seconded by Mr. Sheehan and carried unanimously to reject the 70/30 split proposed by Washington County and restate Warren County's belief that the split should be based on enrollments.

Mr. Thomas stated that there was a remaining issue regarding funds owed to Warren County by Washington County. Mrs. Parsons advised that as per the resolution passed in 2005, to adjust operating costs due to increased enrollments from Washington County, they owed Warren County \$361,118. She added that resulting from the discussion held with respect to the Eisenhart Building, Warren County owed Washington County \$125,170. Mrs. Parsons stated that Washington County had paid a total of \$235,000 and held the balance because they felt it would be a stipend to ensure the negotiation of the 70/30 proposal. She said that they still had not received the balance, although it had been requested several times. Mr. VanNess asked what the unpaid balance was and Mrs. Parsons apprised that Washington County owed \$126,000 and Warren County owed \$125,000. She said that the transactions would cancel each other out; however, the transfers had to be made to balance each County's books. Mrs. Parsons said that the

irritation came from the fact that the transaction had not been made regardless of her many requests.

Discussion ensued.

As there was no further business to come before the Committee, on motion made by Mr. Stec and seconded by Mr. Tessier, Mr. Champagne adjourned the meeting at 9:28 a.m.

Respectfully Submitted,
Nicole Livingston, Second Deputy Clerk