

WARREN COUNTY BOARD OF SUPERVISORS

COMMITTEE: COMMUNITY COLLEGE

DATE: **JANUARY 9, 2012**

COMMITTEE MEMBERS PRESENT:

SUPERVISORS STRAINER
DICKINSON
MCDEVITT
VANSELOW

COMMITTEE MEMBER ABSENT:

SUPERVISOR WESTCOTT

OTHERS PRESENT:

REPRESENTING ADIRONDACK COMMUNITY COLLEGE:

DR. RONALD HEACOCK, PRESIDENT
WILLIAM LONG, VICE PRESIDENT OF ADMINISTRATIVE SERVICES
BRIAN DURANT, INTERIM VICE PRESIDENT FOR ACADEMIC AND
STUDENT AFFAIRS

KEVIN RIELLY, CHIEF FINANCIAL OFFICER

LISA DESTER, STAFF ACCOUNTANT

KAREN MOSHER, ADMINISTRATIVE ASSISTANT

LAWRENCE PALTROWICZ, ESQ.

KARA LAIS, ESQ., FITZGERALD, MORRIS, BAKER & FIRTH, P.C., FOR
WARREN WASHINGTON CIVIL DEVELOPMENT CORPORATION

PAUL DUSEK, WARREN COUNTY ADMINISTRATOR

DANIEL G. STEC, CHAIRMAN

JOAN SADY, CLERK OF THE BOARD

REPRESENTING WASHINGTON COUNTY:

KEVIN HAYES, ADMINISTRATOR

DEBORAH PREHODA, CLERK OF THE BOARD

MEMBERS OF THE BOARD OF SUPERVISORS

JOANNE COLLINS, LEGISLATIVE OFFICE SPECIALIST

The joint meeting of Warren and Washington Counties Community College Committees was called to order at 2:07 p.m. in the Bishop Community Conference Center (BCCC).

Agendas were distributed to all Committee members, a copy of which is on file with the minutes.

Dr. Ronald Heacock, SUNY Adirondack President, stated that Agenda Item 1, was a request for Capital Funding Reallocation which required approval from the sponsoring counties prior to its presentation to the State.

Privilege of the floor was extended to William Long, Vice President of Administrative Services, who advised of the need to reallocate \$914,500 from the Capital Investment Improvement Project, to Student Center Renovations as follows:

Capital Project Reallocation Plan

<u>From:</u>		<u>Amount to be Reallocated to Student Center</u>
Capital Project No. C01091:	Gymnasium Elevator (new)	\$364,500
Capital Project No. C01092:	Washington Hall Technology Renovations	\$350,000
	Randles Conference, Kitchen Duct Work	<u>\$200,000</u>
		\$914,500

Regarding the Washington Hall media arts renovation project, Mr. Long informed that a revised plan had been developed which was more viable and less costly than the original renovation plan. He noted the Kitchen Duct work expense was no longer necessary and would be completed by the contractor for the new housing facility. He advised that the plan for the Wilton Center was in place which included an additional computer lab and, he noted, capital funding would be necessary for the

installation of a heating ventilation & air conditioning (HVAC) system in the Student Center.

Mr. Long explained that the Student Center Renovations was a new project line item; however, he said, it would utilize previously approved existing funding.

Motion was made by Mr. Dickinson, seconded by Mr. McDevitt and carried unanimously to approve the SUNY Adirondack Capital Project Reallocation Plan in the amount of \$914,500 and the necessary resolution was authorized for the January 20, 2012 Board Meeting.

Privilege of the floor was extended to Kara Lais, Esq., Fitzgerald, Morris, Baker & Firth, P.C., who represented the Warren and Washington Civic Development Corporation (WWCDC). She stated in order for the WWCDC to issue the bond for tax exempt purposes, a resolution was necessary approving the issuance of certain obligations by the counties of Warren and Washington Civic Development Corporation in order to finance a student housing facility project for SUNY Adirondack. Lawrence Paltrowitz, Esq., confirmed that the Bond Counsel informed the WWCDC that each county must adopt a resolution of approval which acknowledged the Counties were aware of the project and deemed it appropriate and, he noted, there was no financial obligation placed on the Counties. Ms. Lais stated that the necessary Notice of Public Hearing had been provided and was held on December 19, 2011. Paul Dusek, Warren County Administrator, advised that the Internal Revenue Service (IRS) had a tax exempt status code requirement and he concurred the bond resolution required approval from the Counties. He said the resolution stated that the Counties would not have liability responsibilities and the Bond Counsel would sign off based on the public hearing and the Counties approval.

With regard to student housing, Mr. Long stated the closing was scheduled for January 26th. Groundbreaking, he advised, was planned for late April and possibly sooner as weather permitted, with the facility to open in the fall of 2013.

Motion was made by Mr. Dickinson, seconded by Mr. Vanselow and carried unanimously authorizing the issuance of tax exempt bonds to the Warren and Washington Civic Development Corporation to finance the student housing facility project for Adirondack Housing Association, LLC., and the necessary resolution was authorized for the January 20, 2012 Board Meeting.

Addressing the Budget, Dr. Heacock stated the Governor's preliminary budget proposed a 2.5% decrease in funding due to the State's budget deficit. He apprised that SUNY College Chancellor Nancy Zimpher's proposal to the Governor and Legislature requested that funding for Community College's be increased annually for five years. Historically, Dr. Heacock advised, the Legislature had restored funding; however, he noted, it had not been restored for the last two years. He informed that Kevin Rielly, Chief Financial Officer, would project three scenarios for which flat funding may be the optimum compromise. He said fiscal planning was based on a slight decrease in enrollment which used a sophisticated model. Dr. Heacock asserted that if an aggressive marketing effort was implemented, the budget could remain flat. He added that enrollment and State funding were anticipated to be relatively flat and Departments were informed of the need for flat budgets.

In terms of student costs, Dr. Heacock stated that students were currently paying 50% of their tuition which raised concern. He said the College was working with NYSAC (New York State Association of Counties) regarding chargebacks to develop a strategy with County government for better ways to fund Community Colleges.

Mr. Long said the 2% property tax cap could have a negative impact on chargebacks and incur additional costs to the Counties as a result.

Mr. Hayes addressed the need for a multi-year budget and a method by which to avoid the large fluctuations in the sponsoring Counties' shares which resulted from changes in enrollment and which ultimately effected the fund balance. Mr. Reilly stated that the budget request was based on the number of students in each County with review of the actual figures at the end of each semester. He said the goal was to avoid the need for the Counties to contribute more and noted that significant demographic changes had impacted the need to use the fund balance. He added that minimizing such fluctuations would be beneficial and advised that Maintenance of Effort (MOE) was a key factor in accessing funding. He reported the current ratio was 17% for Washington County and 83% for Warren County. Dr. Heacock expressed concern that in the event of an enrollment decrease, the College would be limited to using 17% of each Counties fund balance, or a total of 34% which could prove insufficient.

Dr. Heacock recommended that a small working group, comprised of the Budget Officer, County Administrator and possible Finance Committee members from each County, be formed to discuss alternative scenarios which would be brought back to the Finance and Community College Committees. He noted that education was key to increasing understanding among the Supervisors regarding fiscal matters related to the College's operations. Dr. Heacock said he would like to include himself, Mr. Long and Mr. Rielly as work group members. He asserted that although use of the fund balance was not preferred, MOE Law was imperative upon the use of the fund balance in excess of 34%.

In closing, Dr. Heacock said there were alternative ways to finance the College and the notion of a regional campus was raised which would separate the College from the County budgets. Brian Durant, Interim Vice President for Academic and Student Affairs, explained that all students pay chargebacks at regional colleges and therefore; he said, county sponsorship was not necessary.

As there was no further business to come before the Community College Committee, on motion made by Mr. McDevitt and seconded by Mr. Dickinson, Mr. Strainer adjourned the meeting at 3:20 p.m.

Respectfully submitted,

Joanne Collins, Legislative Office Specialist