

COMMUNITY COLLEGE COMMITTEE MEETING MINUTES
MARCH 6, 2008

COMMUNITY COLLEGE COMMITTEE MEMBERS PRESENT: Alexander, G.
Hall, Lindsay, Henke

COMMUNITY COLLEGE COMMITTEE MEMBERS ABSENT: Banks

SUPERVISORS: Trinkle, LaPointe

Debra Prehoda, Clerk

Kevin Hayes, County Administrator

Phyllis Cooper, Treasurer

AGENDA AS PRESENTED IN COMMITTEE NOTICE:

- 1) Call to Order
- 2) 2008 – 2009 Preliminary Budget
- 3) Capital Projects Updates
- 4) Miscellaneous
- 5) Adjournment

The Community College committee meeting was called to order at 2:05 P.M. at Adirondack Community College in conjunction with Warren County.

Bill Long, ACC, distributed an agenda listing the following items: 2008-2009 Board of Trustees Operating Budget Parameters, Impact of Governor's proposed Operating and Capital Budget and Update on the Regional Higher Education Center. Also attached was a summary of charges to sponsors 1988 through 2008, attached.

Dr. Heacock, President ACC, distributed and explained a handout that listed the following parameters set by the Board of Trustees for the 2008-2009 Operating Budget:

- 1) Spend at least 3.5% of the budget on equipment and software – The college has not been keeping up with their equipment and software needs and they need to begin to address this deferred maintenance.
- 2) Personnel costs are not to exceed 75% of the total budget – Personnel costs include wages and fringe benefits. They are looking at every position to see if it is needed. Currently personnel costs at the facility are running between 77% and 78%. It is common for institutions to be between 80% and 85%. The salaries at the college are low compared to their peer institutions but they have more faculty. Faculty wage increase for 2009 is projected between 3.8% and 4%. President Heacock stated they are examining replacement of every faculty position when a notice of retirement is given. Currently there are three or four vacant administrative positions. He will monitor as the year progresses to see if any of these positions need to be filled. Kevin Hayes, County Administrator, would like to see the breakdown of personnel costs between faculty and other positions. He also mentioned a higher education report that includes a change, an unfunded mandate from the state, regarding picking up the cost of retirement contributions, approximately \$100,000 every three-years and the possibility of the state billing the county's for their 26% share.

- 3) Discretionary spending costs are to hold at 3.5% - This is the absolute maximum amount.
- 4) Fund balance is to be approximately 10% of the entire budget – \$2M is the target fund balance amount. One reason for this fund balance amount is in the event of a crisis, one time expenditure, at the facility and used toward the budget.
- 5) Hold student tuition to current level - fall enrollment was down 2.7% and spring is down 4%. One contributing factor to the decline in enrollment is that high school graduating classes are smaller. Students at the Higher Learning Center are not considered ACC students. Regarding tuition, President Heacock thinks that ACC has already priced kids out. He feels ACC has balanced the budget on the students' backs. His revenue theory is to ask for more local share and work to increase enrollment. He noted that the State has not lived up to their financial commitment to the college of 40%. The county's portion is 26% and they contributed approximately 24% last year. The students are covering what the state is not contributing 43%.

President Heacock stated that in New York State it is more expensive to go to a two-year college than our surrounding states and less expensive for the four-year colleges.

Kevin Hayes, County Administrator, stated he would like a projection of where the ACC budget is going and budget numbers forward.

President Heacock stated the Foundation is working hard to raise monies and the college is being very proactive in securing other funds such as grants. He stated the college has failed to ask both the counties and the state for the funds they need to operate and maintain the college.

President Heacock stated at some point serious conversations need to take place between the college and the two counties on the college's \$62M capital improvements plan. The plan includes new buildings for economic development, allied health, and renovations/deferred maintenance items. The State has allotted \$469M for capital improvements to the Community Colleges over the next five-years. The counties will need to commit to the college's five-year plan at about the same time as the budget.

Phyllis Cooper, Treasurer, distributed and explained detailed information on the ACC capital projects, handouts on file. Three capital projects are active and she recommends closing Capital Project No. 90. The county is cash flowing the monies for the Higher Learning Center and she is preparing to borrow \$2.5M for that project.

The Higher Learning Center project is underway, the steel is up, starting to frame and the membrane is going on the roof. ACC still anticipates construction complete by September. There was a problem with the survey of the site, survey off by 34 feet, which may cost construction some time. Any additional costs created by this survey error will be addressed with the surveyor. January 09 is the proposed official opening date, ribbon-cutting ceremony.

The meeting adjourned at 3:55 P.M.