

**JOINT
EDUCATION AND ECONOMIC DEVELOPMENT COMMITTEE
AND WAYS AND MEANS COMMITTEE
MINUTES**

MONDAY, JULY 18, 2022

4:00 P.M.

PRESENT: Joseph J. Minuta, Chairman (Education and Economic Development)
James D. O'Donnell, Genesis Ramos, Paul Ruskiewicz, Janet Sutherland

Leigh J. Benton, Chairman (Ways and Means)
L. Stephen Brescia, Barry J. Cheney, Kevin W. Hines,
James D. O'Donnell, Michael D. Paduch, Laurie R. Tautel, Leigh J. Benton

ALSO

PRESENT: Katherine E. Bonelli, Chairwoman
Betsy N. Abraham, Esq., Legislative Counsel,
Kerry L. Gallagher, Commissioner of Finance
Bill Fioravanti, CEO, Orange County Industrial Development Agency
Dr. Kristine Young, President, Orange County Community College
Paul Martland, Vice President of Admin., Orange County Community College
Agnes Wagner, Comptroller, Orange County Community College
Ralph Martucci, Jr., Chairman, OCCC Board of Trustees
Deborah Slesinski, Budget Director
Lucy T. Joyce, Executive Director, Cornell Cooperative Extension
Suzy McCormack, Family and Consumer Sciences/4-H Youth Development Issue Leader
Nicholas DeSantis, Partner, O'Connor Davies LLP
Chris Kopf, Partner, Partner, O'Connor Davies LLP

Chairman Benton opened the committee meeting at 4:02 p.m. by asking everyone to stand for the Pledge of Allegiance. All Ways and Means Committee members were present with the exception of Mr. Anagnostakis. All Education and Economic Development Committee members were present with the exception of Legislators Sassi, Sierra and Stegenga who were absent, and Legislator Sutherland arrived at 4:09 p.m.

Mr. DeSantis and Mr. Kopf provided a Review of the 2022-2023 Proposed Budget of Orange County Community College (see original minutes).

Mr. Kopf stated that the college is projecting a \$50,000.00 surplus for 2021-2022, and they are projecting a \$120,000.00 surplus. The college faced challenges with enrollment figures and pointed out that all community colleges are having the same experience. The decline has been consistent over the last eight to nine years.

Mr. DeSantis referred the committee members to the Ten-Year History for State Aid, Tuition and FTE handout (see original minutes). He noted that there is no variance on the personnel side. It all calculated out based on what was being proposed.

Mr. Kopf stated that the college factored in an increase for health insurance, but they increased it even more.

Mr. DeSantis commented that the federal funds are being used by the college in the five-year projection. The federal funds will be gone by the end of 2023. There has been discussion over the years about the amount of State Aid that the college receives and the disappointment that the county has realized in State Aid, but it is also due to the declining enrollment. If the college plans to use 6.6 million to balance the current year budget they will need to go to the fund balance, or a tuition increase, they can ask for more state aid, hopefully larger enrollment, or additional contribution from the county. In the college's projection, they indicate that the sponsor contribution will go up by 2%, in addition to what is being asked for this year. The tuition revenues will range from \$18 million to \$23 million with a projection for the 2026-2027 year a \$4.3 million deficit.

Mr. Benton pointed out that in the five-year projection for the college it shows an additional contribution by the county each year. He wanted to make everyone aware.

Mr. DeSantis referred to page 41 and the \$2 million shortfall, \$1.5 million of it is on the revenue side. It is his understanding that the college segregated \$2.5 million of federal funds that they can apply towards the shortfall. The college has not indicated whether they would redirect the savings from their vacant positions towards the shortfall.

Mr. Hines mentioned the \$1 million buyout for some of the more senior professors. He asked if they analyzed the savings from that and are they able to offer it again.

Mr. Martland responded that if they needed to reduce number of employees, they would try to offer something similar as to what they did previously. They would need to explore it first prior to doing anything.

Mr. Hines asked Mr. Martland if he could analyze that and send it to Mr. Minuta.

Mr. Martland responded that he would.

Mr. Hines pointed out that Orange County Community College is the most expensive college in the region, but if you look at the expenses in Westchester County, you would think that would be higher. He asked what we are doing right or wrong.

Dr. Young responded that fees are not included in that list.

Mr. Kopf stated that every student has different fees. He added that the fees are published on the various school's website.

Mr. Hines asked if they lower their tuition and increase the fees and both Dr. Young and Mr. Martland responded yes, in some cases some colleges do that.

Mr. Hines suggested they do that and lower the fees.

Mr. Minuta stated that they need a plan because there has been a significant reduction in enrollment over the past ten years ago and the fees continue to increase. He asked that the Board of Trustees investigate it.

Mr. Martland explained that they are using the federal funds to support themselves, partially this year and most of it next year. They also plan to use the rest of the fund balance to get through the following year.

Ms. Tautel noted that from a business standpoint it did not look good for the college. She asked if it is the same amount of tuition for online learning versus in person.

Dr. Young responded that they are now more of an online college than they were in 2019 and the tuition is the same regardless if in person or online.

Ms. Ramos noted that enrollment is one thing but what about retention. What efforts is the college making to retain students.

Dr. Young stated that there are reforms in developmental education and there have been a countless number of changes made over the past five years. She felt that they are doing a better job at retaining students. Prior to the pandemic there were quite a few that dropped off.

Mr. Cheney asked about the numbers that the college projected and why they seem confident in those numbers.

Dr. Young stated that they have a consultant and many different support systems that guide them specific to their situation. They get it validated by experts so that is why they are confident.

Mr. Paduch proposed they offer a scholarship to bring full time students back from other colleges. That would save the county half the money. He stated that the college needs to think of innovative ways to help reduce the county's cost.

Dr. Young explained that the number of kids graduating high school is on the decline. The funding model they have is tied to the number of students. She was happy to announce they hired a new employee to head up the Food, Beverage, and Hospitality Industry. Contracts are being made with LEGOLAND. They coordinated with LEGOLAND to have employees work there for three days and can come to the college and get six credit hours for free from LEGOLAND. They are doing workforce training. She added that Orange County Community College has been named the lead community college in the Hudson Valley to support the cannabis industry. It is a new industry. They are out there and hustling.

Chairwoman Bonelli applauds the college for looking at different ways to make things better. The college does not have a crystal ball, and neither does the Legislature, so for them to commit 4% which is rather high, leaves her hesitant. In speaking with the college and the Board of Trustees, she wants to make sure they continue to have the best community college in the state, but they need to do it together.

Mr. Cheney suggested that they fund the college as they requested.

Mr. Martucci explained that when they put together their figures, he noted that they have not had an increase in two years. If you look at the part-time students, they have increased. There are at almost 49% part-time students. Four years ago, they were down to 40%. The part-time student base is growing, and a lot is going to be driven by initiatives as they take on new workforce development programs, regardless of the age limit. Kids right out of high school can get a job working at Taco Bell for \$20.00 an hour so why spend the money to go to Orange County Community College. They need to continue to grow their initiatives. The additional 1.6% was a one-time push for them to drive the taskforce. The 3% is the floor going forward into next year.

Mr. Benton stated that \$19 million which was previous years budget multiplied by 3% is \$571,586.00, the 1.6% is \$304,846.00.

Mr. Minuta asked if there was mention of supplemental appropriation.

Mr. Martucci responded yes, that was how they were looking at it. The floor is the floor, they have not had an increase in two years, and they felt 3% was adequate because they increased their tuition by 3%.

Mr. Minuta stated that he would like to see a supplemental appropriation and see how they work it out regarding the enrollment.

Mr. Benton clarified that you cannot just call something supplemental appropriation because once you supplement it, you add it to the floor and that becomes the base for next year.

Ms. Slesinski added that the floor is the floor, you cannot go back down.

Mr. Hines commented that they were his exact thoughts. If they were looking for one time money the college should use their ARPA money because the county cannot give a one time increase, we are there forever once we give it to you.

Mr. Martucci provided some history as to the financial burden the college endured over the years and pointed out that at the start of the COVID 19 pandemic, they received a call from New York State and said to expect 50% decrease in state funding next year. They met with the Finance Committee every Wednesday throughout the summer for three to five hours because every week the mandates kept changing. They are on top of their finances because they work on it all the time. He felt it was a fair proposal.

Mr. Martland stated that he understood that the \$800,000.00 increase is significant, and they understand that they are asking the county to pay more. The county has a responsibility to operate as efficiently as they possibly can, the college does too.

Mr. Paduch agreed with what Mr. Hines mentioned and noted that the college did not want to put this on the back of the students, but if you are asking the county to provide additional funding, it is now on the backs of the taxpayers.

Mr. O'Donnell planned to support the \$800,000.00. The Legislature needs to send a message to every resident of Orange County and every high school student, they are 100% in favor of getting the college back on track. It is \$880,000.00 out of a \$880 million budget. It affects it going forward but they believe the projections for the next five years, the floor is going up no matter what. They plan to do the best they can to increase the FTEs and the board is doing a great job on the taskforce. It is tough times but now is not the time to give a negative message to the kids. Now is the time to get them the education that they need.

(Ways and Means)

Mr. O'Donnell made a motion to adopt the proposed Orange County Community College Budget for 2022-2023 as presented, seconded by Mr. Cheney.

(Education and Economic Development)

Mr. Ruskiewicz made a motion to adopt the proposed Orange County Community College Budget for 2022-2023 as presented, seconded by Ms. Sutherland.

(Ways and Means)

2 ayes (Cheney, O'Donnell)
5 noes (Brescia, Hines, Paduch, Tautel, Benton)
Motion failed

(Education and Economic Development)

4 ayes (O'Donnell, Ramos, Ruskiewicz, Sutherland)
1 no (Minuta)
Motion failed

(Ways and Means)

Mr. Benton made a motion to adopt the proposed Orange County Community College Budget for 2022-2023 at 3%, \$571,587.00, seconded by Mr. Hines.

(Education and Economic Development)

Mr. Ruskiewicz made a motion to adopt the proposed Orange County Community College Budget for 2022-2023 at 3%, \$571,587.00, seconded by Mr. O'Donnell.

(Ways and Means)

Motion carried. All in favor with the exception of Mr. Paduch who voted no.

(Education and Economic Development)

Motion carried. All in favor.

Mr. DeSantis reviewed the Orange County Audit for Year ended December 31, 2021 (see original minutes).

Mr. Kopf referred to the Report to the Board of Legislators pamphlet and reviewed the Financial Statement Highlights of the General Fund (see original minutes).

Mr. DeSantis concluded by stating that the county is in terrific financial shape. At some point they will not have the federal funds any longer and the administration will need to plan for not having those funds.

On the motion of Ms. Tautel, seconded by Mr. Benton, (Ways and Means) and on the motion of Mr. Ruskiewicz, seconded by Ms. Ramos (Education and Economic Development), the joint meeting adjourned at 6:13 p.m.

EDUCATION AND ECONOMIC DEVELOPMENT COMMITTEE MINUTES

PRESENT: Joseph J. Minuta, Chairman
James D. O'Donnell, Genesis Ramos, Paul Ruskiewicz, Janet Sutherland

Mr. Minuta called the meeting to order at 6:22 p.m. by asking everyone to stand for the Pledge of Allegiance. All committee members were present with the exception of Legislators Sassi, Sierra and Stegenga who were absent.

Mr. Fioravanti provided a brief update on the Orange County Industrial Development Agency (see original minutes).

Ms. Joyce provided an update on Cornell Cooperative Extension. She announced that in August they plan to install a 70,000 gallon rainwater harvester collection system.

Ms. Joyce discussed the barn that they officially own, but it needs to be refurbished. She thanked Legislator Sutherland who introduced her to a funder.

Ms. Joyce mentioned their office space which is on the third floor of the county owned building on Seward Avenue in Middletown, and she noted that they appreciate the office space. However, it is not a good location for them. There have been problems all along and have been increasing. There has been a change in county departments from the Youth Bureau, Community Development and Office for the Aging, now it is DSS Emergency Services and Probation, the clientele who come to visit county staff are highly stressed. The yelling and carrying on that goes on is not good. They used to have 4-H Clubs that were homeschooled at their location. They have been keeping track of how many times there is screaming during an arrest. The security guards are great, but it is not a good environment. She wanted to share with the Legislature just to make them aware. She would really like to move the offices out to Education Center at 4-H Park and would like, in the future, to discuss capital funding to help.

Ms. Joyce announced the Bountiful Harvest that will be held on September 16th. They had cow milkers last year with elected officials, this year they plan to have attorneys involved.

Ms. Joyce introduced Suzy McCormack who shared how much she has learned since she became a Program Leader. She shared that 4-H is based on research which began back in 2002 and it shows that there is an outcome. There is also a wealth of research available and she believes the county's investment has a big return. They build a community of volunteers, parents and other stakeholders in the community to provide support for young people. During the pandemic and engaging the kids virtually was difficult especially after the kids attended school all day virtually. There was also difficulty getting volunteers to teach the programs virtually. The goal for 2022 has been about reconnecting. She reviewed the programs they have been focusing on for 2022. Ms. McCormack mentioned that next year is their 100th anniversary of 4-H.

Ms. Joyce and Ms. McCormack displayed a brief video for the committee on 4-H public presentation.

On the motion of Ms. Sutherland, seconded by Mr. Ruskiewicz, the meeting adjourned at 6:50 p.m.