

## **NOTICE OF PUBLIC HEARING ON TENTATIVE BUDGET FOR ORANGE COUNTY COMMUNITY COLLEGE**

The Public Hearing was called to order at 3:15 p.m. by Paul Ruszkiewicz, Chairman of the Education and Economic Development Committee.

The Deputy Clerk read the Notice of Public Hearing:

**NOTICE IS HEREBY GIVEN**, that the Orange County Legislature will meet at the Chambers of the Orange County Legislature, in the Orange County Government Center, 255 Main Street, Goshen, New York, at 3:15 p.m. (EDST) on the 1st day of August, 2019, for the purpose of holding a public hearing on the tentative budget for Orange County Community College for the fiscal year beginning September 1, 2019 and ending August 31, 2020.

**FURTHER NOTICE IS HEREBY GIVEN**, that copies of said tentative budget are available at the Office of the Clerk of said County Legislature, 255 Main Street, 2<sup>nd</sup> Floor, in the Orange County Government Center, Goshen, New York, where they may be inspected or procured by any interested person during usual business hours, and on the Orange County website: [www.orangecountygov.com](http://www.orangecountygov.com).

This notice was published in the July 17th issues of Hudson Valley Press, Times Community Newspapers (Wallkill Valley and Mid-Hudson Times) the July 19th issues of The Orange County Post, Straus Newspapers (Warwick Advertiser, Monroe Photo News, The Chronicle) News of the Highlands-The Cornwall Local and the Gazette.

Ms. Linda Dauer, Orange County Community College Vice President of Administration and Finance thanked the Legislature and the citizens of Orange County for their tremendous ongoing support of our college. Orange County truly understands the value of having a community college and the important role it plays in a healthy economy and workforce. She presented the Orange County Community College budget request that was approved by the college's Board of Trustees on May 15, 2019. When she is done, Dr. Young, President of Orange County Community College, will join her at the podium to present a proposed amendment to the budget request which we hope will be favorably accepted. The College budget request for AY19-20 totals \$62,704,282, which is 2% greater than the current year budget. The college is requesting an appropriated county share of support in the amount of \$19,237,862. This request for additional county support came after much deliberation, scenario building, and financial analysis. In the past two budget cycles the college has worked very hard to "re-set" its budget structure while still achieving its mission. The "re-set" is beginning to deliver positive results that are demonstrated in our year-end results. Last academic year we ended the year with a significant shortfall. This year we are projected to end the year with a modest surplus, largely thru savings in personnel and benefits. The operating budget has three categories that make up 90% of the total budgeted revenues. They are tuition, state aid, and county support. Tuition revenue, at 38%, is the greatest share. It is determined by projecting student enrollment and applying the rate of tuition. This past spring, after much consideration, the College Board of Trustees approved a \$208.00 or 4%, increase to the annual tuition rate. This brings the annual tuition rate at SUNY Orange for the 2019-20 year to \$5,184 for all in-state, full-time students. County support is the second greatest share of total budgeted revenues at \$19,237,862 or 31%. The third major component of total budgeted revenues is State aid at \$13,394,887 or 21%. Since the State approved a \$100 increase per weighted average full-time equivalent student for the 2019-20 year, state aid revenues are increasing 2%. Advocacy efforts continue at the State level

to promote an alternative funding model in the future that will provide, at the minimum, a level base of support along with inflationary adjustments.

Ms. Dauer explained that the college has four expenditure groups – Personnel Services, Employee Benefits, Contractual Services, and Capital Equipment. Since we are an institution of higher education, it is no surprise that we are a labor-intensive organization and that 86% of our operating expenses are derived from salaries and benefits. Personnel services are budgeted at \$34.5M. Negotiations on two of our collective bargaining agreements are underway. A new CSEA contract was ratified effective January 1, 2019, and its terms are incorporated into the College's budget request. Benefits are budgeted at \$19.1M. The increase includes an estimated 6% hike in health insurance costs beginning in January 2020. Contractual Services are budgeted at nearly \$8.9M, a \$316,000 decrease over the prior year. This broad expenditure group encompasses funding for marketing, utilities, department budgets, as well as annual maintenance and software licensing costs. The college continues to be proactive in seeking cost savings through bids, state contracts, locking in favorable utility rates, and negotiating new contracts. Capital Equipment is budgeted at \$225,000, a \$50k increase over the prior year. This expenditure represents the third year of a 3 – 5 year glide path to support the college's long range technology plan.

In conclusion, this budget was created by identifying key institutional strategic priorities, performing financial and scenario analysis, determining reasonable assumptions, seeking input from shared governance and the campus community, and, of course, working with our Board of Trustees.

Dr. Young stated that the 2019-2020 budget presented by Ms. Dauer, was developed in the spring and approved by the Board of Trustees on May 15th, two and a half months ago and over three months prior to the start of the college's fiscal year on September 1<sup>st</sup>. Over the course of three months, some budget projections crystalized into realities while other projections become more certain. As consequence, she is pleased to share that the college's Board of Trustees now feels that a smaller appropriation from the county would still enable Orange County Community College to deliver a high quality, accessible education to our community in the 2019-2020 academic year. It is her desire to communicate publicly that Orange County Community College wishes to reduce its allocation request from the county, specifically, they wish to request an allocation of \$19,052,882.00 as part of the total college budget of \$62,519,302.00. Should the Legislature take favorable action on this modified request, the Orange County Community College Board of Trustees will convene in a timely fashion to formally approve an amended budget with these new amounts. Orange County Community College enjoys one of the most supportive sponsors in the State of New York. They are enormously grateful to have a positive relationship the County Legislature and the County Executive. Because of this support, it is the college's great gratification to continue to provide the highest quality of education to the citizens of Orange County.

With no members of the public wishing to speak, Chairman Ruszkiewicz declared the public hearing closed at 3:25 p.m.