

**JOINT PERSONNEL, ADMINISTRATION &
HIGHER EDUCATION AND FINANCE
COMMITTEES MEETING AGENDA
DECEMBER 20, 2022**

Personnel, Administration & Higher Education Committee Members: *Thomas*, Conover, Beaty, Frasier, Wild, Braymer and Runyon

Finance Committee Members: *Leggett*, Thomas, Bruno, Merlino, Runyon, Diamond and Driscoll

- I. Committee meeting called to order by Chair**
- II. Privilege of the floor and public comment**
- III. Action Agenda/New Business Items**
- IV. Discussion Items:**
 - 1) Discussion regarding the proposed changes to the SUNY Adirondack funding formula.**
- V. Privilege of the floor and public comment**
- VI. Motion to Adjourn**

SUNY ADIRONDACK SPONSORSHIP FORMULA ADJUSTMENT PROPOSAL

THE PROBLEM:

SUNY Adirondack needs to get to \$5 million (15%) in sponsor contributions in order to leverage investment from NYS and other Counties and take the pressure off student tuition to make this college both competitive in the market and the workforce development tool that Warren County needs to continue our current positive trajectory.

THE PROPOSED SOLUTION

We can achieve the \$5 million goal (15%) in five - six years if we increase the sponsor contribution by 6.5% per year, as opposed to the current practice of 2% per year increases. The 2% practice is insufficient if we expect the college to provide the services that our residents and local businesses need. If we continue providing 2% per year, the financial burden of achieving our community's goals will fall to the local students whose prospects we are trying to improve, and the non-local students we hope will come here. Students have other options and the goal is to keep SUNY Adirondack competitive and increase enrollment

Increasing the sponsor contribution is not as simple as it would seem. That is because we share the financial responsibility with Washington County, and we can only do what is affordable to both counties. Both counties agree on a formula to split the cost of the sponsorship contribution.

That formula is currently based on full time enrollees from each county, and it looks like this:

<u>2022-23 Sponsor Contributions</u>		
Warren	\$ 2,173,075	57.4%
Washington	\$ 1,613,314	42.6%
SUNY Budget	\$ 3,786,389	11.42% of total SUNY Budget
	\$ 33,160,000	

Current Projected Sponsor Contributions (assuming 2% growth per year)

	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29
Warren	\$ 2,216,537	\$ 2,260,867	\$ 2,306,085	\$ 2,352,206	\$ 2,399,250	\$ 2,447,235
Washington	\$ 1,645,580	\$ 1,678,492	\$ 1,712,062	\$ 1,746,303	\$ 1,781,229	\$ 1,816,854
SUNY Adk Budget*	\$ 3,862,117	\$ 3,939,359	\$ 4,018,146	\$ 4,098,509	\$ 4,180,479	\$ 4,264,089
15% of Budget	\$ 33,823,200.00	\$ 34,499,664.00	\$ 35,189,657.28	\$ -	\$ 36,611,319.43	\$ 37,343,545.82
*2% increase/yr	\$ 5,073,480.00	\$ 5,174,949.60	\$ 5,278,448.59	\$ 5,384,017.56	\$ 5,491,697.92	\$ 5,601,531.87

PROPOSED SOLUTION

Proposed Projected Total Sponsor Contributions (assuming 6.5% increase per year)

	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29
	\$ 4,032,504	\$ 4,294,617	\$ 4,573,767	\$ 4,871,062	\$ 5,187,681	\$ 5,524,880
	11.92%	12.45%	13.00%	13.57%	14.17%	14.79%

The costs to Warren and Washington County of providing these sponsorship payments are borne by property taxpayers in both of our counties. County services paid for by property tax dollars are nearly always apportioned according to ability to pay...in other words, by property value. Here are the equalized full values in Warren and Washington Counties:

2023 Equalized Full Value

Warren	\$ 13,579,821,375	67.9%
Washington	\$ 6,409,511,767	32.1%
TOTAL	\$ 19,989,333,142	100%

If, over time, we transition the SUNY Adirondack sponsor share formula away from student enrollee-based to something that more closely resembles our taxpayers' ability to pay, we would provide more equity to taxpayers in both counties. As a result, taxpayers in both counties would be better positioned to support the college in the work it performs on behalf of our communities.

"What If" Scenario

We plan for SUNY Adirondack to receive the 6.5% growth per year in Warren County contribution

Over time, we transition the formula from the current 57/43 split based on FTEs to something closer to an EFV-based formula

We do so with the idea of keeping Washington County's out-year cost projections flat

This year, we agree to adjust the formula as follows over the next six years:

	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29
Warren	59.40%	60.65%	61.90%	63.15%	64.40%	65.65%
Washington	40.60%	39.35%	38.10%	36.85%	35.60%	34.35%
	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

Resulting Sponsor Contributions

	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29
Warren	\$ 2,395,308	\$ 2,604,685	\$ 2,831,162	\$ 3,076,076	\$ 3,340,867	\$ 3,627,084
Washington	\$ 1,637,197	\$ 1,689,932	\$ 1,742,605	\$ 1,794,986	\$ 1,846,814	\$ 1,897,796
	\$ 4,032,504	\$ 4,294,617	\$ 4,573,767	\$ 4,871,062	\$ 5,187,681	\$ 5,524,880

Difference from Current Projected Sponsor Contributions

	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29
Warren	\$ 178,771	\$ 343,818	\$ 525,077	\$ 723,869	\$ 941,616	\$ 1,179,849
Washington	\$ (8,384)	\$ 11,440	\$ 30,544	\$ 48,683	\$ 65,585	\$ 80,943

Cumulative Additional Cost, 5-Year Period

Warren	\$ 2,713,152
Washington	\$ 147,869

WARREN COUNTY BOS ACTIONS

- 1) AGREE TO HIT THE GOAL OF 15% SPONSORSHIP CONTRIBUTION WITHIN A REASONABLE TIME FRAME
- 2) AGREE TO HIT THE GOAL OF SPONSORSHIP SHARE BASED ON EQUALIZED FULL VALUE PROPERTY ASSESSMENT OVER TIME
- 3) AGREE ON RATE OF SPONSORSHIP CONTRIBUTION OVER TIME (eg 6.5%/year x 6 years)
- 4) AGREE WITH WASHINGTON COUNTY ON PROPOSED SPONSORSHIP CONTRIBUTION PLAN



SUNYADIRONDACK
A State University of New York Community College

SPONSORS SHARE PROPOSAL

AMY RYAN

Circular economists

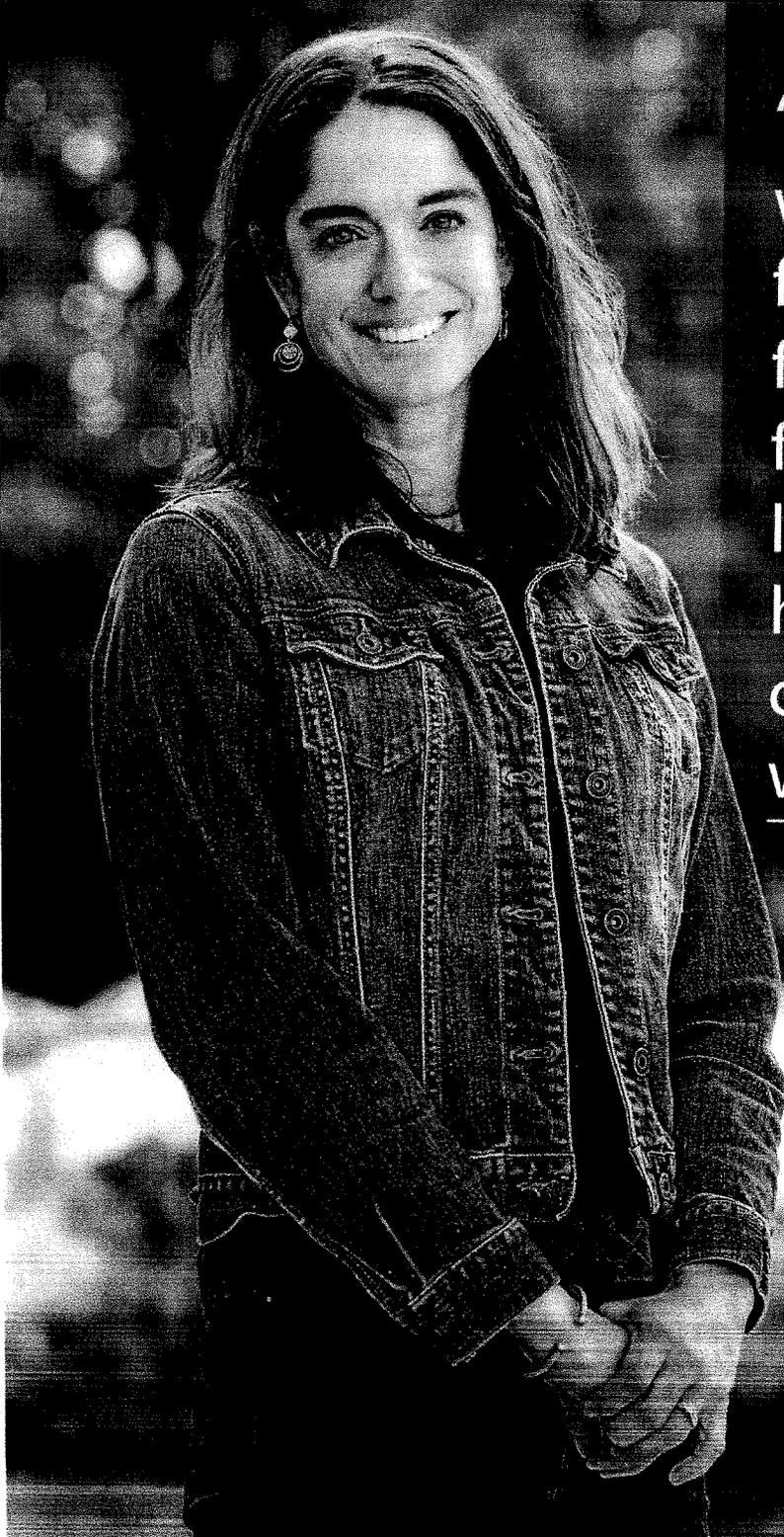
HOMETOWN: GLENS FALLS, NEW YORK

2000 GRADUATE OF SUNY ADIRONDACK, ASSOCIATE IN MATH & SCIENCE

2003 GRADUATE OF UNIVERSITY OF ALBANY, BACHELOR OF SCIENCE IN EARTH AND ATMOSPHERIC SCIENCES

2020 GRADUATE OF HARVARD UNIVERSITY, MASTER OF BUSINESS ADMINISTRATION

CURRENTLY: CO-FOUNDER OF ESG STRATEGIES



“SUNY Adirondack was the right choice for me. This school is a foundation point for me, fundamentally, but it also let me transition out of high school a little more comfortably than I ever would have admitted.”

LISA MITZEN

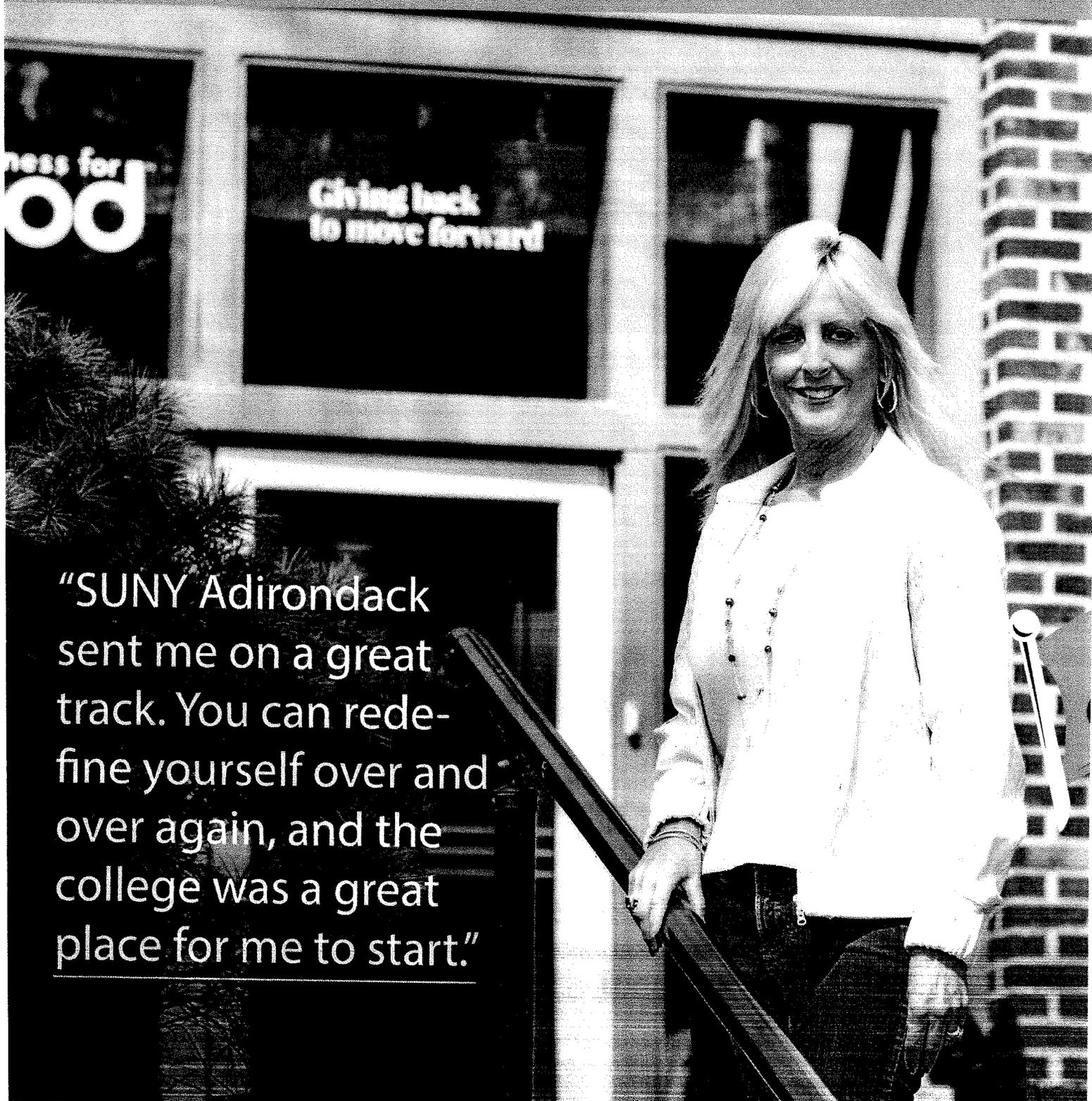
Nonprofit leaders

HOMETOWN: HUDSON FALLS, NEW YORK

1989 GRADUATE OF SUNY ADIRONDACK, ASSOCIATE IN BUSINESS

1991 GRADUATE OF SUNY UTICA, BACHELOR'S DEGREE IN BUSINESS ADMINISTRATION

CURRENTLY: RETIRED MORTGAGE LENDER; CO-OWNER OF HANDSOME COCK FARM, HATTIE'S RESTAURANT & CHICKEN SHACK, AND THE BREAD BASKET; CO-FOUNDER OF BUSINESS FOR GOOD



"SUNY Adirondack sent me on a great track. You can redefine yourself over and over again, and the college was a great place for me to start."

NICK KOSBY

IT instructors

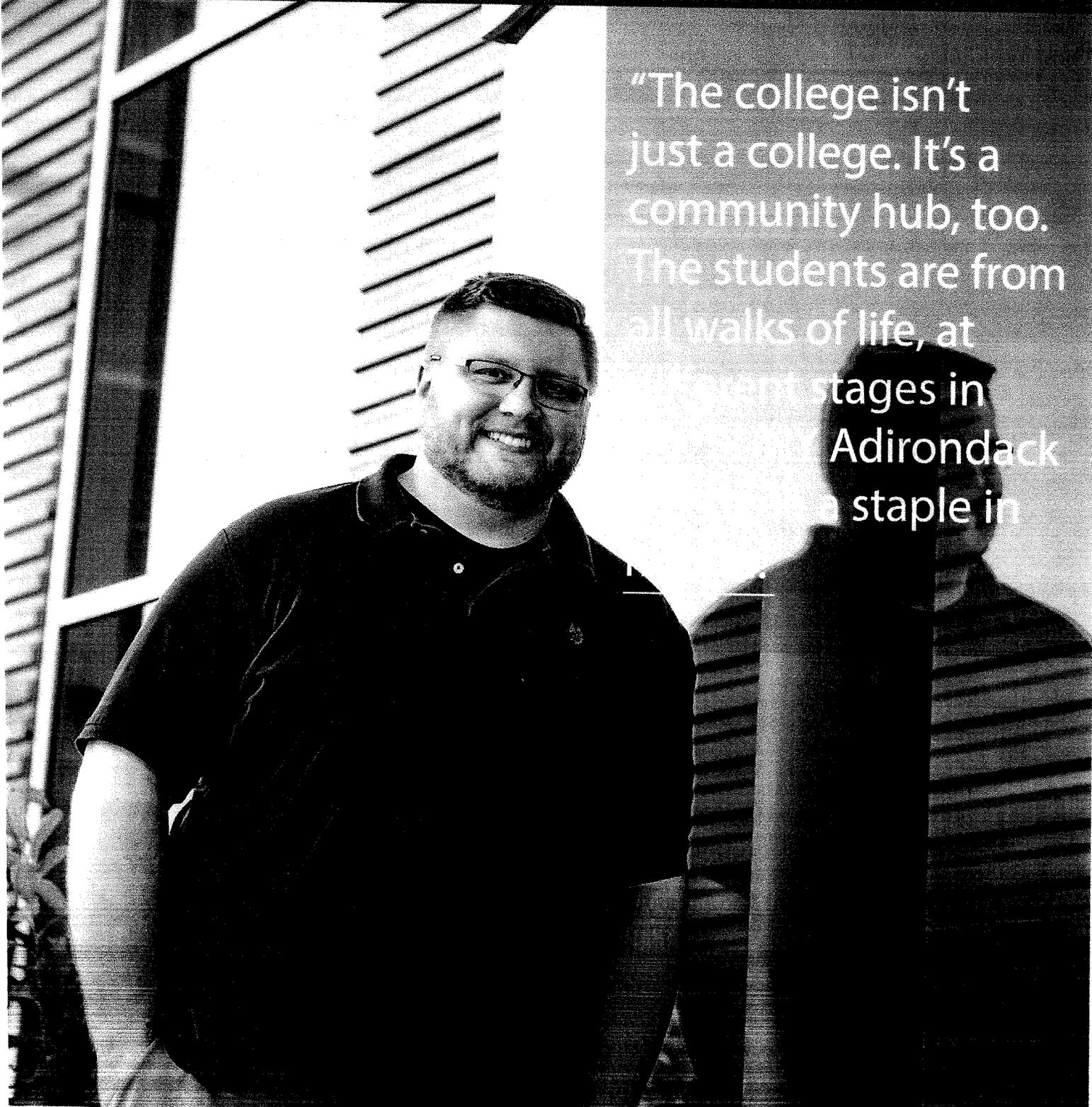
HOMETOWN: WHITEHALL, NEW YORK

2010 GRADUATE OF SUNY ADIRONDACK, ASSOCIATE IN MEDIA ARTS

2012 GRADUATE OF BURLINGTON COLLEGE, BACHELOR'S DEGREE IN PHOTOGRAPHY

2015 GRADUATE OF SUNY ADIRONDACK, ASSOCIATE DEGREE IN INFORMATION TECHNOLOGY: COMPUTER NETWORKING

CURRENTLY: INSTRUCTOR OF IT NETWORKING



"The college isn't just a college. It's a community hub, too. The students are from all walks of life, at different stages in their lives. SUNY Adirondack is a staple in



\$140.3 M
TOTAL INCOME
ADDED IN THE
REGION

2,216
JOBS SUPPORTED
IN THE REGION

16%
RATE OF RETURN
TO STUDENTS

4%
RATE OF RETURN
TO TAXPAYERS

0.7%
OF REGION'S GRP

ECONOMIC IMPACT



SUNY Adirondack generates more in tax revenue than it appropriates. The college impacts its service area economy in a variety of ways. SUNY Adirondack provides students with the knowledge, skills and abilities they need to become productive citizens and add to the overall output of the region. Further, it is an employer and buyer of goods and services, and attracts money that otherwise would not have entered the regional economy through its day-to-day operations, construction activities and the expenditures of students.

WHAT WE DO

The college's mission — to provide an outstanding academic experience for its students — is even more critical during a period of economic recovery. SUNY Adirondack continues to help local health care providers address a shortage of nurses, support local high school students who wish to begin higher education without leaving home, assist mid-career local residents who lost jobs to master new skills to return to the workforce, and provide local companies with specialized training for their employees so they can compete more effectively in the post-COVID world.

GREAT FUTURES START HERE.
FIND EVERYTHING YOU NEED AT SUNY ADIRONDACK.

THE SPONSORS' SHARE

REVENUE SOURCE (FY23 BUDGET)

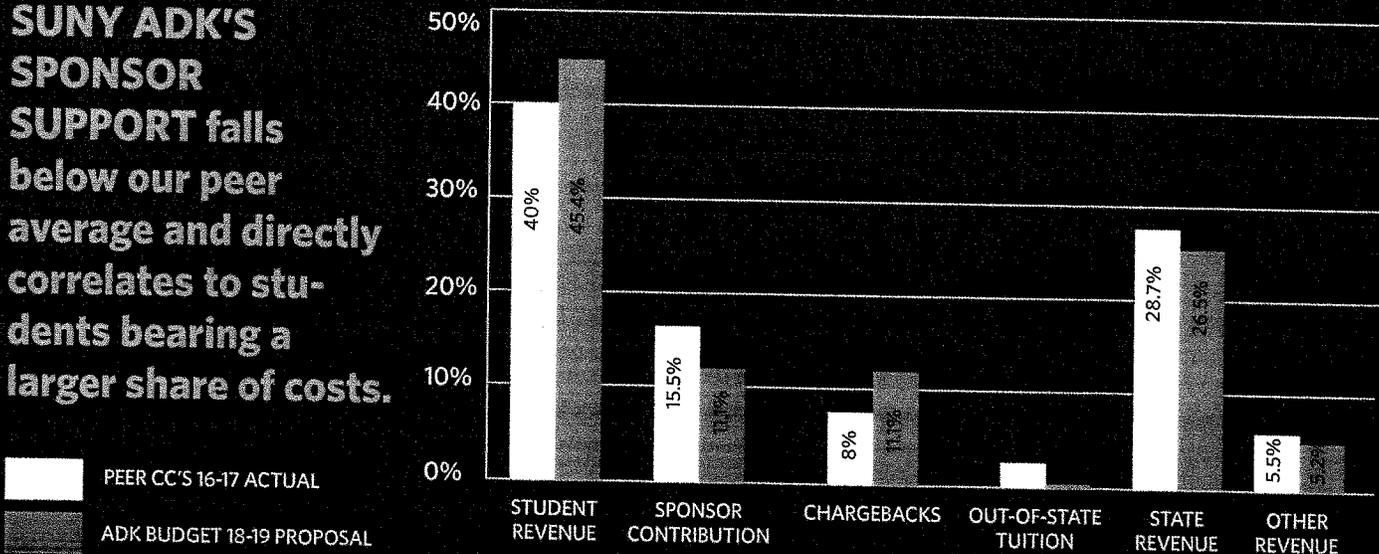
REVENUE SOURCE (FY23 BUDGET)	AMOUNT	% TOTAL REVENUE
STUDENTS	\$12.1 million	36.6 percent
STATE	\$7.8 million	23.7 percent
OTHER	\$4.4 million	13.4 percent
GRANTS	\$2.5 million	7.3 percent
SARATOGA	\$2.5 million	7.6 percent
WARREN COUNTY	\$2.2 million	6.6 percent
WASHINGTON COUNTY	\$1.6 million	4.8 percent

Sponsor support and the increased investment students bear

SUNY Adirondack's sponsor support falls below our peer average and hasn't changed substantially in **more than 15 years**. The support has not kept pace with minimal increases in personnel and benefit costs, which make up **80 percent of the college's budget**. In addition, the level of support the college receives from its sponsors directly correlates to revenue it receives from other counties that send students to SUNY Adirondack.

The cumulative impact on the college is significant. Despite being good stewards of our fiscal resources and having one of the lowest per FTE costs in the system, it is the local constituent, the student, who ends up paying a larger share of that cost, an investment many cannot afford to make.

SUNY ADK'S SPONSOR SUPPORT falls below our peer average and directly correlates to students bearing a larger share of costs.



ADDITIONAL SPONSOR SUPPORT NEEDED TO MEET PEER AVERAGE:

\$1.35 MILLION



SPONSORS SHARE PROPOSAL 2022-2023



REQUEST: \$5 MILLION

Sponsor support

In 2017, SUNY Adirondack identified the need for the Sponsor Share to increase to ensure the college's fiscal stability and initiated discussions with leaders from Warren and Washington counties regarding increasing the contribution to more closely resemble the average of its peer group.

GREAT FUTURES START HERE



SUNYADIRONDACK

A State University of New York Community College

QUEENSBURY: 640 BAY ROAD | QUEENSBURY, NY 12804

SARATOGA: 696 ROUTE 9 | WILTON, NY 12831

GLENS FALLS: 14 HUDSON AVE. | GLENS FALLS, NY 12801



#SUNYADK

**ADIRONDACK COMMUNITY COLLEGE
RESOLUTION
SPONSORS SHARE**

WHEREAS, SUNY Adirondack has a significant economic impact on the region; and

WHEREAS, SUNY Adirondack generates more in tax revenue for Warren and Washington County than it appropriates; and

WHEREAS, SUNY Adirondack's sponsor support fall below our peer average, resulting in students bearing an increased percentage of the cost to attend; and

WHEREAS, an increase in the sponsor share to the peer average of 15% of operating revenues is critical to SUNY Adirondack's fiscal stability and ability to carry out its mission; and

WHEREAS, in 2017, SUNY Adirondack identified the need for the sponsor share to increase to ensure the college's fiscal stability and initiated conversations with Warren and Washington County to increase the contribution to a level that more closely resembles the average of its peers; now therefore be it

RESOLVED, that the Board of Trustees of Adirondack Community College requests that Warren and Washington county to increase their sponsor support to 15% of operating revenues.

Adopted at the August 25, 2022 Regular Meeting of the Board of Trustees of SUNY Adirondack.

Signed: 
Kathleen Grasmeyer, Chair

Date: 8/25/2022

(Corporate Seal)