

FINANCE & CAPITAL COMMITTEE MINUTES

BOARD OF TRUSTEES

Meeting of January 11, 2022

Finance & Capital Committee members 2021-2022

John DeGrace, Chair

John Durso

Linda Green

Wanda Jackson

Edward Powers

The meeting of the Finance and Capital Committee of the Board of Trustees was called to order by Trustee Wanda Jackson via Zoom meeting at 5:04 p.m.

Committee Members present: Wanda Jackson

Committee Members absent: John DeGrace
John Durso
Linda Green
Edward Powers

Other Trustees in attendance: Kathy Weiss (ad hoc)
George Siberon (ad hoc)
Donna Tuman (ad hoc)
Carl Henry Denaud, Student Trustee (ad hoc)

Also in attendance: President Williams
VP Izquierdo, Kerrigan, Conzatti, Lausch

General Counsel Haugen

Note: 4 added as ad hoc to all committee meetings for today because of absentees.

1. **Minutes** Minutes of the November 9, 2021 Finance and Capital meetings were approved. Motion made by Trustee Tuman and seconded by Trustee Siberon.
2. **The Following Pending College Procurement Agreements were presented for Board Approval**
 - A. Marshall & Sterling Upstate: \$280,000 Insurance and Brokerage Services Included in package was what College paid for last year for different types of insurance.
 - B. Total Environments \$250,000, Mold Remediation.
 - C.

incentive to subcontract with MWBE to obtain the additional points in the selection process. All these bids have gone through the process except Watermark, they are a legacy vendor.

AVP Cappello: With Marshall & Sterling, the insurance broker, we did find 8 MWBE firms that we invited, but they did not respond.

Trustee Weiss: I appreciate seeing that on the paperwork that we go

Contractual expenses down 32% due to staff not on campus, contracts with the cleaning, housekeeping and maintenance were reduced.

Utility costs -3.2% decrease was due to lower utilization of building space.

Interfund charges -16% - this is part of utility cost. Decrease was due to lower utilization of building space.

Recruitment and Retention - \$425,000 used for direct expenses, remaining funds used for salaries. There was not a real shortfall as the funds were not transferred from salaries to Recruitment and Retention to ensure proper reporting of salaries.

The College is projecting a \$5.4 million loss. Reserve Fund Balance will be transferred to unreserved, offsetting the loss by \$2.5 million; additionally, the College also drew down \$14.6 million for loss revenue from HEERF funds. Net impact was an increase to Funds Balance of \$11.7 million. The College projects to have an ending Fund Balance of \$31.7 million. The College plans to accumulate Fund Balance in order to offset future losses.

Budget vs Actual for 2022- Student revenues decrease 8.3%. Service fees are -13.3% decreasing at a higher rate than student revenues as some fees are not collected for remote students.

Revenue Offset to Expense: 53.1% less than budget. We are still being hit hard by pandemic in this area, students are not taking continuing education courses.

Rent & Recoveries -94.6% we are not getting rent from Westbury school district, the rental agreement has not been renewed, additionally we have lower commissions from the bookstore due to lower enrollment and remote learning; and food service vendor is not being charged rent to maintain the cafeteria open with low and remote enrollment.

Investment income -71% the interest rate dipped down this current year, we are trying to keep more money in the County because the County rates are higher than our rates.

State aid and property taxes, expecting to be on budget.

Use of Fund balance, the College had budgeted use of \$12 million, we are projecting to use \$13.5 million. We do have more savings in salaries from attrition, we are looking into what positions need to be hired back and how we allocate our resources. Same thing with fringe benefits, they go hand in hand. Everything else is too early to look at, OTPS is trending to be at budget, currently looking at \$13.3 million-dollar loss, looking to draw down to \$12 million in HEERF funds, leaving the Fund Balance at \$30 million.

A discussion ensu

be around very much longer. We need to find ways to decrease our operating expenses, or we will be in trouble.

Trustee Siberon indicated that cutting expense and personnel cost is not the only solution. The College needs to bring in some additional funds, best way is to increase enrollment.

President

