

All Staff Email Sent March 17, 2007

Colleagues,

The Budget Review Group forwarded a set of recommendations to me on Thursday and I will begin the review immediately. From first glance it looks like they fall short of the amount needed if we receive only the Governor's budget. I am aiming to have a set of recommendations for the board the week of April 9.

One of the unknowns we have been tracking is our health insurance renewal rate. The preliminary information is not good. Unfortunately, we have had some high claims that increases our claims to premiums paid. (This is not anyone's fault - clearly if someone is sick that's exactly what insurance is for) However, we have been told that our increase could be anywhere from 13.6%-25%. The collective bargaining agreements call for the college to cover 15%. We have 6% in the projections (which was the trend at the time the projections were done) If the rates increase to 15% that adds another \$1.1 million to the deficit. (are we ever going to catch a break on this budget???) We will not have firm figures for another couple of months.

I plan to hold an all staff meeting in early April and will update you further at that time.

Thanks.

Mary.