



Administrative Offices

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April 25, 2017

**Ms. Laura Kennedy, President
NYSARC, Inc.
29 British American Blvd. 2nd Floor
Latham, New York 12110**

Dear Ms. Kennedy:

The Board of Directors of the Columbia County Chapter wishes to express our concern over the recently proposed 2017-2018 Nysarc State Office budget. First, we fully understand and can empathize with the financial pressures that the State office is under, as our Chapter lives with these same financial pressures every day.

Our concerns center on several issues. First, the use of reserves to balance the budget. Second, the over-reliance on the Nysarc Trust as a source of revenue, especially given the projections of declining Trust performance over the next several years. Third, the reliance on increased assessments to all the Nysarc Chapters, especially in these challenging financial times. Fourth, and perhaps most concerning, is a general feeling of insufficient effort to reduce costs given the first three items. Any single issue would be of concern, but taken together are troublesome.

While it might not be feasible to address all the issues previously mentioned in one year, minimizing expenses to help mitigate dues increases or the use of reserves to balance the budget would seem prudent. Given a budget deficit of over \$350,000 we fail to understand why '2% merit/market adjustment' and '1% Holiday' are included in the budget. While they are likely not significant, it sets a tone for the budget as presented. This is in no way a reflection upon the hard working Nysarc staff, just simply a reality.

Financial realities often require a prioritization of efforts and goals, and perhaps elimination of some objectives. We are not sure whether this exercise has taken place or if it was simply decided to present a 'maintenance of effort' budget.

Without a real concerted effort to reduce the amount of reserves needed to balance the budget and/or maintain or minimally increase Chapter assessments, Coarc cannot support the State Office Budget as presented.

Sincerely,

**Dorothy Wheeler
Coarc Board of Directors President**

DW/pd

Cc: Coarc Board of Directors
Ms. Laurie Martindale – Nysarc Treasurer
Kenneth Stall – CEO
Bruce Drake – COO
Karen Amanna - CFO