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Community colleges get bond fund share

Western Piedmont Community College to receive $430,000 this year

RALEIGH (AP) — The State Board of Community Colleges agreed Wednesday to make some money from a $600 million bond issue available to all 58 schools in the system this year, including Western Piedmont Community College.

WPCC is expected to receive $430,000 this year and $5.35 million over six years, said Malone McNeely, vice president of administrative services.

McNeely said the college plans to use the initial funds to upgrade heating and air-conditioning units and to resurface roadways and parking lots.

Some of the remaining monies may be used to construct a proposed new building, which could house allied health and child care services, McNeely said.

Wednesday's decision to make the money available now means the board will not establish a need-based ranking of the 440 building projects to be financed with the bonds.

Instead, board members unanimously approved a plan to dole the money out over six years, as the bonds are sold, based on a school's projected enrollment.

"This seemed the most equitable method, rather than trying to prioritize over 430 projects," said Kennon Briggs, vice president of finance for the community college system.

Voters approved the bonds last fall as part of a $3.1 billion package to repair old classrooms and labs, and build new ones to meet projected enrollment increases at the community colleges and 16 public universities in the state.

It was the single largest borrowing package ever approved by North Carolina voters.

The bonds will be paid back over 20 years. At the peak of the payments, in 2006, lawmakers will have to set aside $342 million to repay them.

The first series of bonds are scheduled to be sold next month, with $48.4 million to go to the community colleges.

Money to be received in the first year will range from $40,495 for Montgomery Community College to $5.1 million for Central Piedmont Community College in Charlotte.

Despite having money available by April, some schools won't begin significant building projects for another two years.

Martin Lancaster, president of the community college system, explained that the distribution for-

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mula is largely the result of meetings among the school presidents.

"We left it in their hands. We asked them when they needed the money," Lancaster said.

But initially the school presidents wanted more money than is available. Their building plans called for spending $30 million more than was available in the fourth year of the bond sales.

Faced with the prospect of having the state board set priorities, the presidents came back with a revised building schedule that didn't exceed the money available.

"This way everybody had their say," Lancaster said. "They like to chart their own course. And we like for them to do that."

Lancaster also said the board would have spent between six to eight months establishing a priority-based list of projects, a process that would have created some hard feelings among schools whose construction was delayed.

The plan approved by the board also calls for the colleges to meet any construction costs overruns with local money from their county appropriation.

Even so, in the third year of the bond sales, the schools will spend just $3 million less than is available.

"This is very marginal. If it goes out of line, we're in trouble," said board member James Woody Jr.

Community college officials said it may be necessary to revise the schedule anyway in coming years.