

Budget Council Minutes
March 1, 2023

Participants:

Lori Peterson, Rachel Warren, Morgan Sandvick, David Johnson, Luke Fidge, Mike Boogaard, Tyler Cox, Stephanie Groom, Magdalena Moulton, Lori Loseth, Chad Miltenberger, KT Peterson (not present- Brooke Marshall)

Agenda:

1. Discuss factors (known, unknown, and estimated) that will impact costs in FY2024
2. Review of the first draft of the FY24 projection for the operating budget
3. Go over any questions, or any ideas folks may have for mission, vision, goals

Meeting summary:

1. We reviewed early drafts of the FY24 Budget Assumptions and Revenue Projections
2. We discussed where reserves are held and the current balance. The reserves are held in fund balance. We have roughly \$15.9 million in uncommitted fund balance; of that, only \$7 million is available for one-time expenditures due to upcoming reserve use and 20% board policy reserves.
3. We have been drawing down the CARES funding to cover lost revenue due to COVID and can use those funds for other expenses that are not directly related to COVID
4. Salaries and benefits are up \$1.7 million over FY23 budget (before the application of FY24 COLAs and booster incentive)
5. There is a \$3.4 million delta between projected revenues and expenses (before any COLA increases/booster incentive) from FY23 to FY24.
6. We discussed that the cost-of-living increases (COLAs) are not typically fully funded by the state (the Governor's proposed FY24 budget has COLAs funded at 83%); we must come up with ways to support the unfunded portion of increases
7. We discussed that not all tuition goes toward operating costs. Tuition revenue is distributed to various buckets including building fees, institutional financial aid, innovation fee, etc. and those funds are distributed based on a percentage.
8. We discussed the option of waiving all or some part of out-of-state tuition to attract more out-of-state students as a possible way to increase enrollment. This was explored several years ago, but no one was sure what the analysis done at the time revealed, or what became of the initiative.
9. We discussed that Foundation Support (currently \$250k/annually) is included within the revenue projection (to support Foundation payroll paid through WWCC; the foundation reimburses us for any operating expenses)
10. We discussed that indirect is the funding from grants that covers the administrative costs of running a grant

11. We discussed the idea of using vacant position savings towards incentives to get more applicants, things such as a signing bonus. We would have to explore whether this is allowed by the State.

Action item:

1. Continue to brainstorm what we would like our mission, vision, and goals to be for the Budget Council and how they align with the College's mission, vision, and goals.

Next meeting: Wednesday, March 15, 2023 (Bldg D, Room 121) 2:00pm