



Budget Forum  
FY24-25 Budget  
June 28, 2023

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# Presentation Format

- Zoom webinar format
- All lines are muted - Chat function is disabled



This session is being recorded and will be available on the Budget website



Any questions submitted through the Q&A function will be answered at the end of the presentation

# Road Map



- Introduction
- 2023 Higher Education Bill
- Enrollment
- Budget Update FY24 and FY25
- Capital Projects – CICEL and HEAPR



# Introduction

## President Olson

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# 2023 Higher Education Bill

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# Summary of Higher Education Bill



	Base State Appropriation Increase FY24	Base State Appropriation Increase FY25	One Time State Appropriation Funds FY24	Tuition Freeze Funding FY24 (and FY25)	Grand Total FY24 Funding Increase (including other specials)
 <b>MINNESOTA STATE</b>	\$61.5M or 10.4%	-\$1.0M or 0.01%	\$50M or 8.33%	\$25M or 3.5%	\$159M or 19%
	\$3M or 9.1%	-\$0.05M or 0.01%	\$4.4M or 13%	\$1.76M or 3.5%	\$9.16M or 10%+

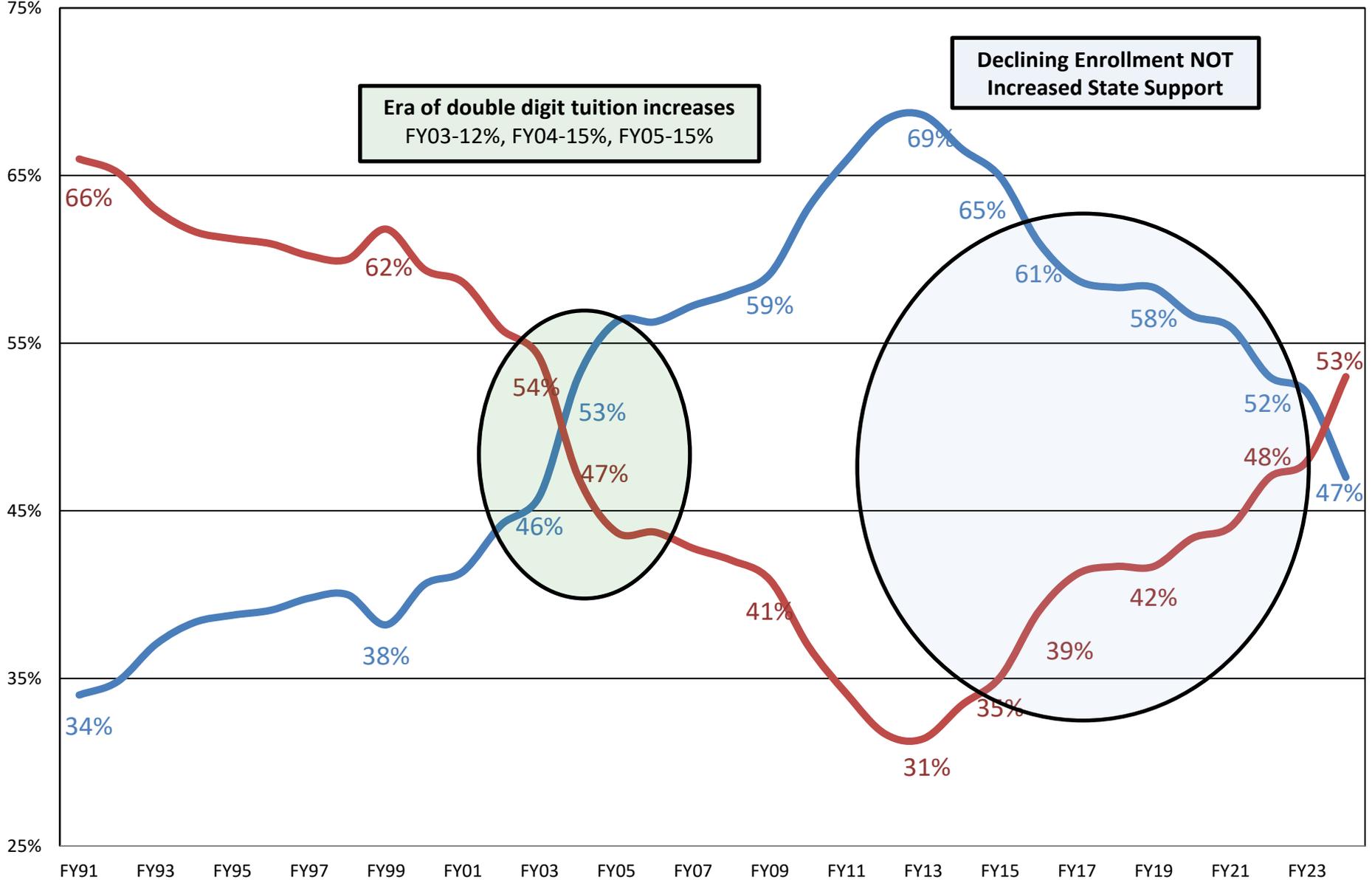
# Summary of Higher Education Bill



- Other Items (*WSU Share - Subject to Mn State interpretation and allocation*)
  - IRAP employer contribution change - \$40k?
  - Unemployment insurance - \$40k?
  - Student support services (Mental Health, etc) - \$150k?
  - Equipment and learning environments - \$300k?
  - Free menstrual products - \$25k
  - Workforce development scholarships – (2 yrs schools?)
  - Industry sector programming - ??
  - **North Star Promise (Starting in FY25, free college \$80k family income or less)**
    - OHE will establish program in FY24 for rollout in FY25
    - Should be a good match for our first gen and other populations

**Winona State University**  
**Percentage of General Fund Budget from State Appropriation and Tuition**  
**Actual FY91-FY22**  
**June 28, 2023**

Tuition State Appropriation





# Enrollment

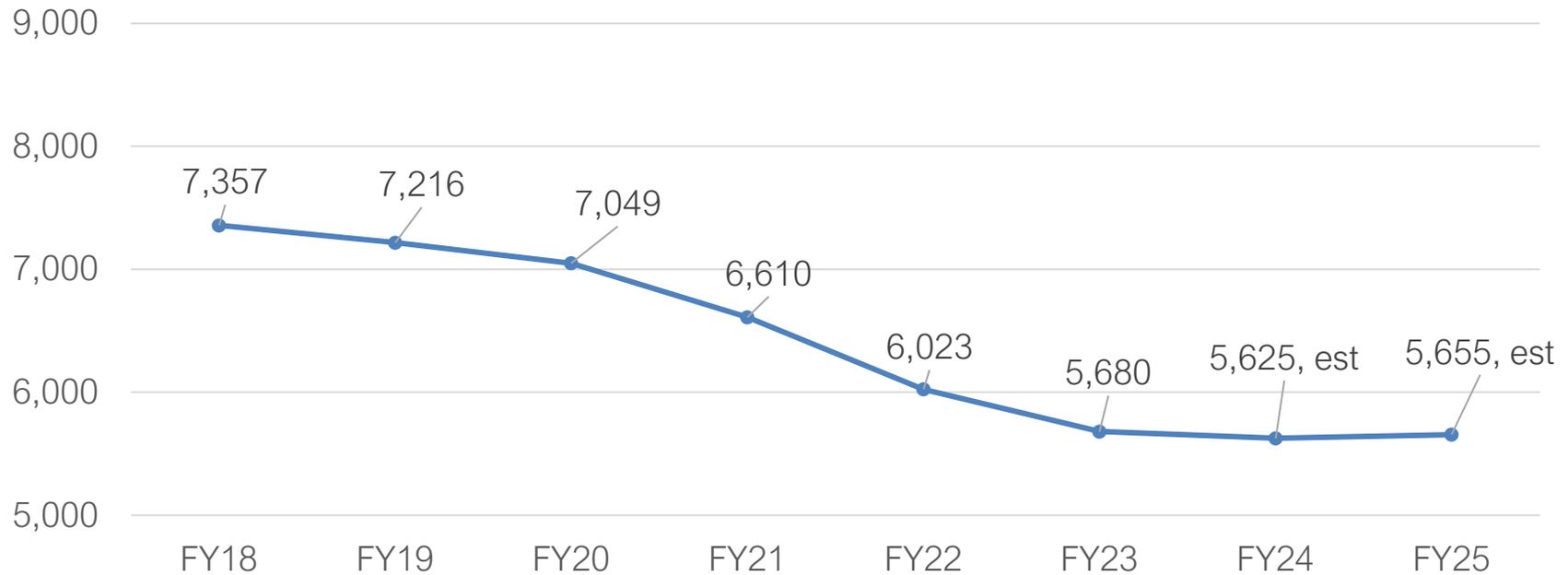
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# Enrollment – Summer and Fall 2023

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- Summer enrollment -1.3% or 6 students from last year
- Fall Enrollment Targets(budget based on):
  - New Entering Freshman: 1,225 (1,214 in 2022)
  - New Entering Transfer: 400 (374 in 2022)
- As of June 23rd:
  - New Entering Freshman Registrations 1,185+ (More to come)
  - New Entering Transfer 300+ (Typically register in July/August)
  - Continue to work hard towards the enrollment goals for 2023

# Total FYE (Full Year Equivalent) Enrollment



## Enrollment Change

FY18 to FY23: -1,677 or -22.7%

FY22 to FY23: -343 FYE or -5.6%

FY23 to FY24: -55 FYE or -1.0%



# FY24/25 Budget Update

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# Collective Bargaining Update



- Tentative agreements with AFSCME and MAPE reached last week
  - 5.5% + step progression FY24
  - 4.5% + step progression FY25
  - Other details to follow
  - Contract must be ratified by members
  - **Law change this session: No longer requires Legislative approval**
  
- Negotiations ongoing with IFO, ASF and other bargaining units

# FY24 Budget Status

		HE Bill Passed / Mn State Budget Approved
A	Entering FY23 Budget Deficit	-\$6M
B	State Appropriation Change	\$3M (9%)
C	Tuition Freeze Fully Funded by Legislature	\$1.7M (3.5%)
D	One-time State Appropriation Funding	\$4.4M
E	Tuition Gain/Loss: FY24 Enrollment Change	\$0M (0%)
<i>F</i>	<i>Total Revenue Change (B+C+D+E)</i>	<i>\$9.1M</i>
G	Salary/Fringe Settlements	\$4.2M (6%)
H	Inflation	\$600,000 (6%)
<i>I</i>	<i>Total Expense Change (G+H)</i>	<i>\$4.8M</i>
<i>J</i>	<i>FY24 Budget Status w/ One Time \$ (A+F-I)</i>	<i>-\$1.7M</i>
<i>K</i>	<i>FY24 Budget Status – Base</i>	<i>-\$6.1M</i>

# FY25 Budget Status

		HE Bill Passed / Mn State Budget Approved
A	Entering FY24 Budget Status - Base	-\$6.1M
B	State Appropriation Change	\$0M (0%)
C	Tuition Freeze Fully Funded by Legislature	\$1.7M (3.5%)
D	One-time State Appropriation Funding	\$0M
E	Tuition Gain/Loss: FY25 Enrollment Change	\$0M (0%)
<i>F</i>	<i>Total Revenue Change (B+C+D+E)</i>	<i>\$1.7M</i>
G	Salary/Fringe Settlements	\$3.6M (5%)
H	Inflation	\$300,000 (3%)
<i>I</i>	<i>Total Expense Change (G+H)</i>	<i>\$3.9M</i>
<i>J</i>	<i>FY25 Budget Status (A+F-I)</i>	<i>-\$8.3M</i>

# Where are we? – FY24 Budget

- Budget deficit in FY24 (\$1.7M) will have to be solved with fund balance and carryforward funds
  - Will continue to monitor enrollment and ongoing bargaining settlements for changes that will impact the current year budget (FY24)
  - Cabinet will be cautious on filling of positions
- Fund balance will be below the 20% Mn State threshold
  - Current estimate for EOY FY23 is 15-16%
  - Mn State is watching and monitoring
  - **Once budget is balanced, will have to rebuild this fund balance above 20%**
- We need as much carryforward as possible
  - Carryforward comes from salary savings due to unfilled positions, unspent operating budgets, etc
  - Annually about \$2M is realized from carryforward

# Where are we? – FY25 Budget

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- Probable \$8M+ budget deficit for FY25
- Items that could help this number:
  - Legislative support through a supplemental budget request
  - Increase in enrollment
  - Contract settlements less than anticipated
  - Inflation cools off dramatically
- Items that could hurt this number:
  - Recession / Decrease in legislative support
  - Decrease in enrollment
  - Contract settlements higher than 4%

# Where are we? – FY25 Budget



- Administration will continue to refine budget scenarios over the Summer as additional information is received
- August/September meet and confer cycle with bargaining units to discuss budget
- Interim President Janz and the President's Cabinet will be engaged in conversations across campus this Fall around the budget

# Looking Ahead



- WSU Budget Forum – Fall 2023
- State Economic Forecast – End of November 2023
- Legislative Session Begins – February 12, 2024
- State Economic Forecast – February 2024



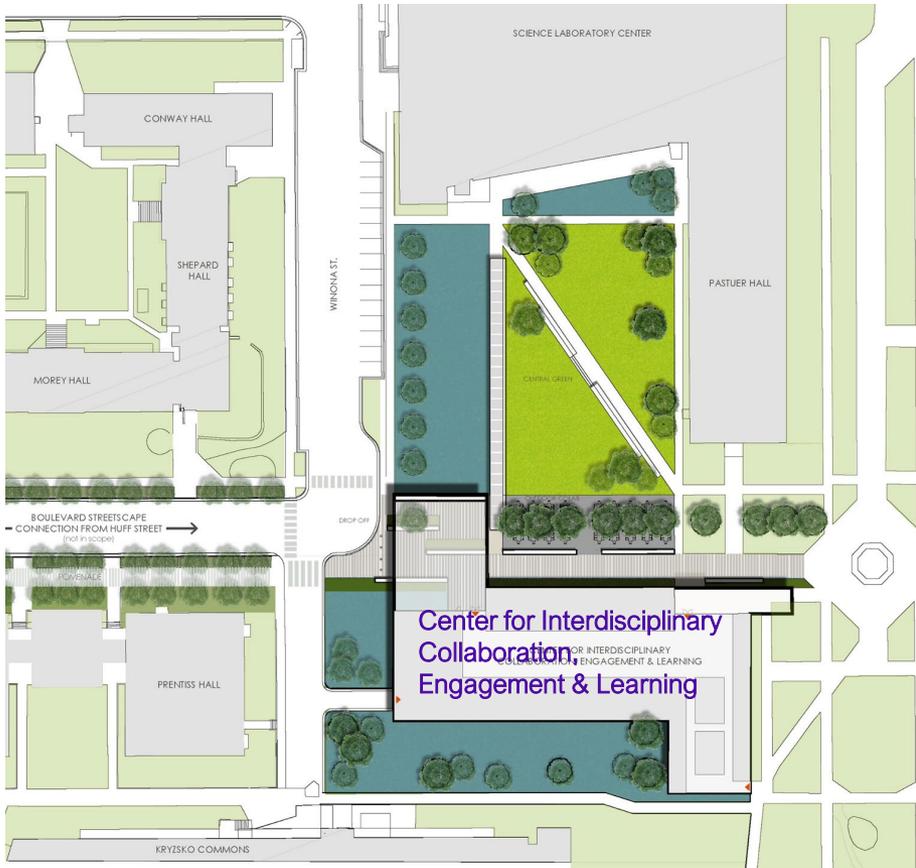
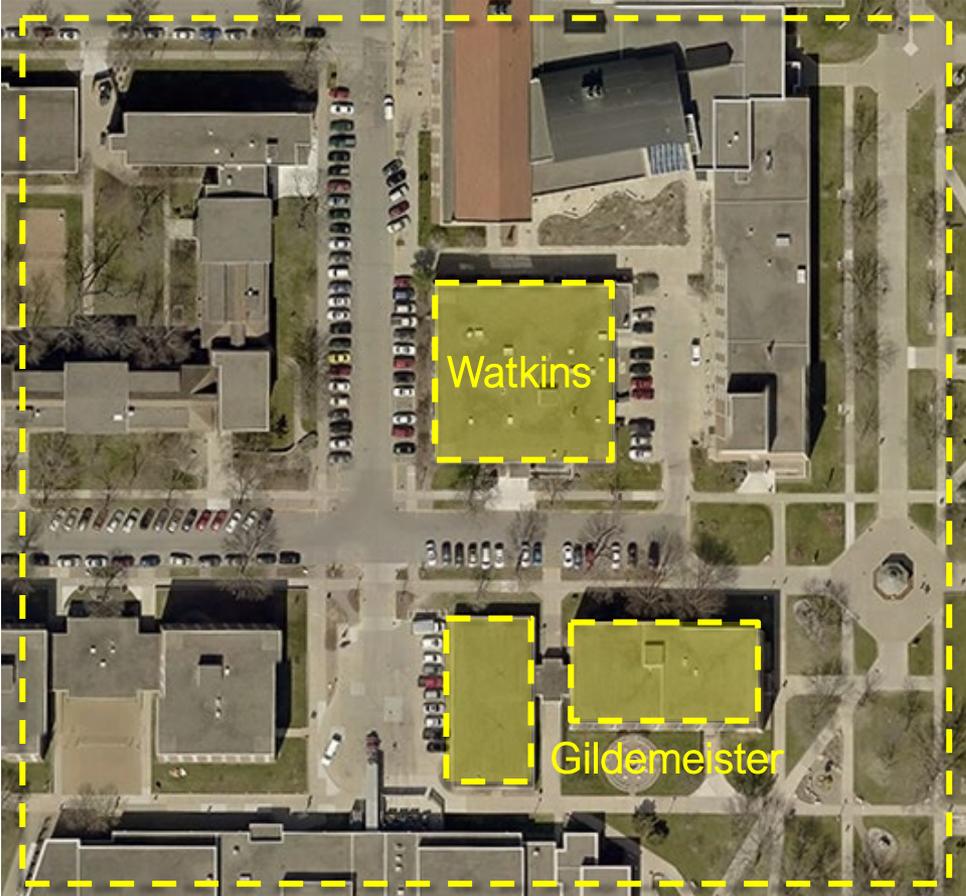
# Capital Projects

## CICEL & HEAPR

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- Center for Interdisciplinary, Collaboration, Engagement & Learning (CICEL)
  - Home to Computer Science, Math, Art and Design and other student services
  - First Net Zero Energy Building in Mn State System
- Received design funding in 2023 legislative session - \$4.8M
- Construction funding request is #4 on 2024 Mn State bonding list – about \$67M

# CICEL



# CICEL



- HEAPR = Higher Education Asset Preservation and Renewal
  - Funds infrastructure items:
    - Roofs
    - Heating and Air Conditioning (HVAC)
    - Plumbing
    - Electrical
- MnState received \$45M in 2023 Legislative session
- WSU share will be \$2.7M and project is Memorial Hall Roof



Thank You!

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