Budget Forum
FY26-27 Budget
November 13, 2025

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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

Agenda

- President Janz
- Enrollment
- Budget Update - FY26
- Budget Update - FY27
- Timeline / Next Steps

President Janz

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2035

Strategic Alignment

WARRIOR WAY

COMMUNITY • KINDNESS • BELONGING

WARRIOR EDGE

INNOVATE • EVOLVE • LEARN

WARRIOR SHIELD

RESILIENT • SUSTAINABLE • RESPONSIVE

FY26 Initiatives: Student Experience and Academic Direction

- **Warrior Journey – Engaging Students**
  Launch new student service opportunities and build Journey Maps to connect students and strengthen belonging.
- **Campus Compass – Advising for Success**
  Enhance the advising model with training, tools, and micro-credentials to provide inclusive and proactive student support.
- **Academic Plan – Shaping Our Future**
  Begin work on a 5-year academic plan to align programs and priorities with Winona State 2035 and evolving learner needs.
- **Reimagine Rochester – Expanding Opportunity**
  Develop a strategic plan for the Rochester campus that defines its niche and creates new pathways for growth and innovation.

FY26 Initiatives: Facilities, Data and Financial Resilience

- **Warrior Places – Investing in Facilities**
  Advance projects including CICEL, a new residence hall, and campus repair and renewal.
- **Data Hubs – Informed Decision-Making**
  Create dashboards and redesign the Report Index to provide leaders and faculty with timely, actionable information.
- **Diversify Enrollment – Broadening Access**
  Strengthen recruitment in a diverse array of areas.
- **Campaign Readiness – Building Capacity**
  Lay the groundwork for a potential capital campaign by identifying priorities and engaging the campus community.

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Enrollment

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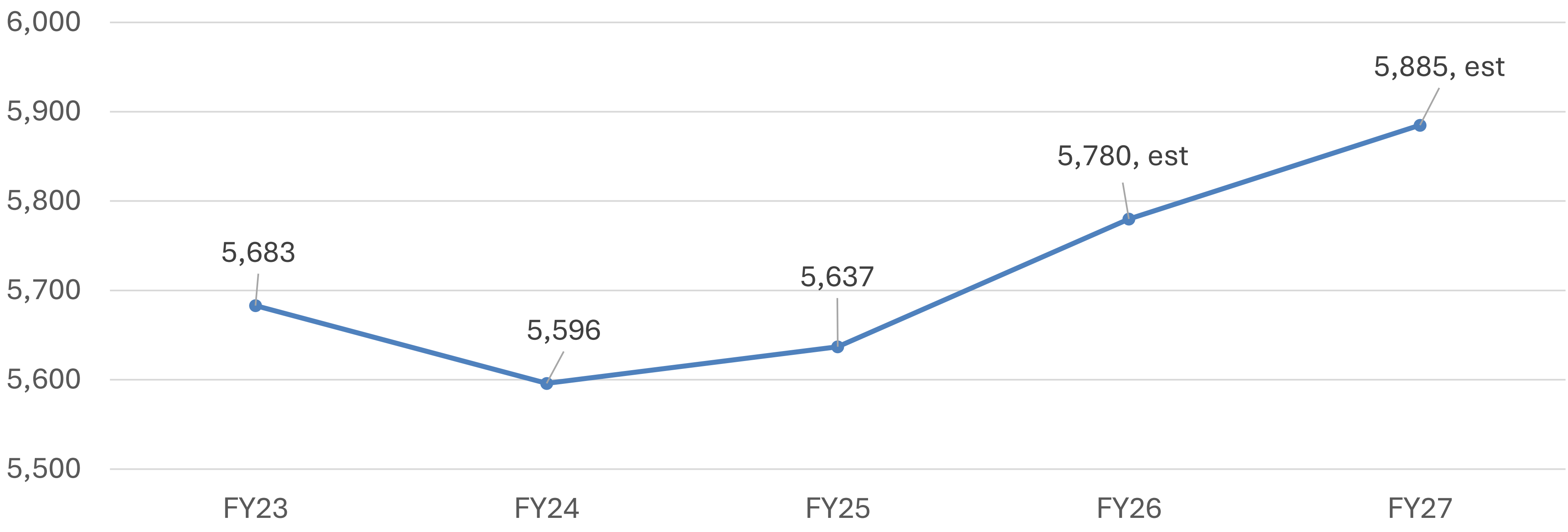
Total FYE (Full Year Equivalent) Enrollment

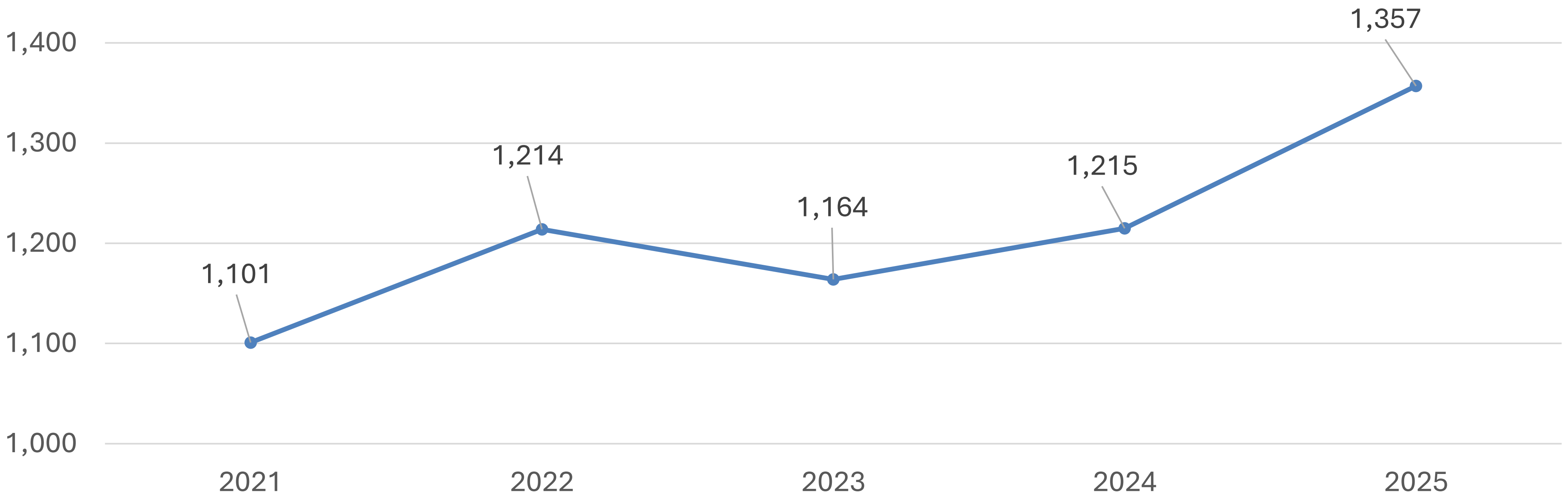


<u>Enrollment Change</u>

FY25 to FY26: +143 FYE or +2.5%

FY26 to FY27: +105 FYE or +1.8%

New Entering Freshman Enrollment



<u>NEF Change</u>

2024 to 2025: +142 or +11.6%

New Entering Freshman

- New Freshmen (NEF) Overall: **+11.6%**
- Twin Cities Metro (Zone 11): **+17.8%**
- Wisconsin: **-2.1%**

New Entering Transfer Enrollment

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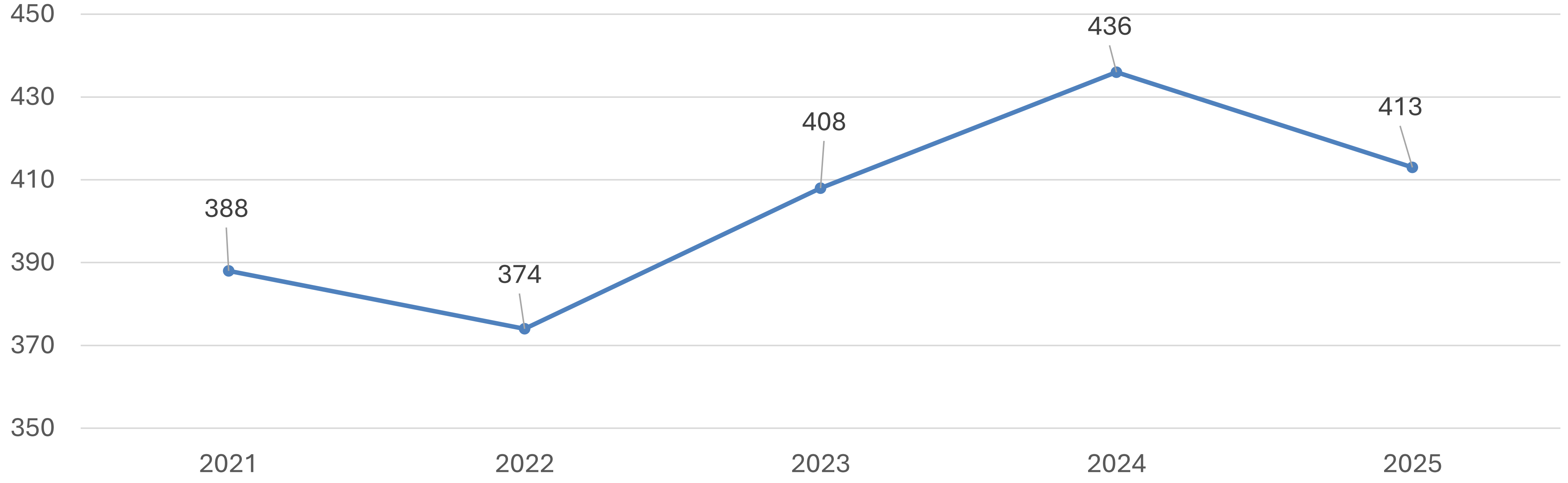
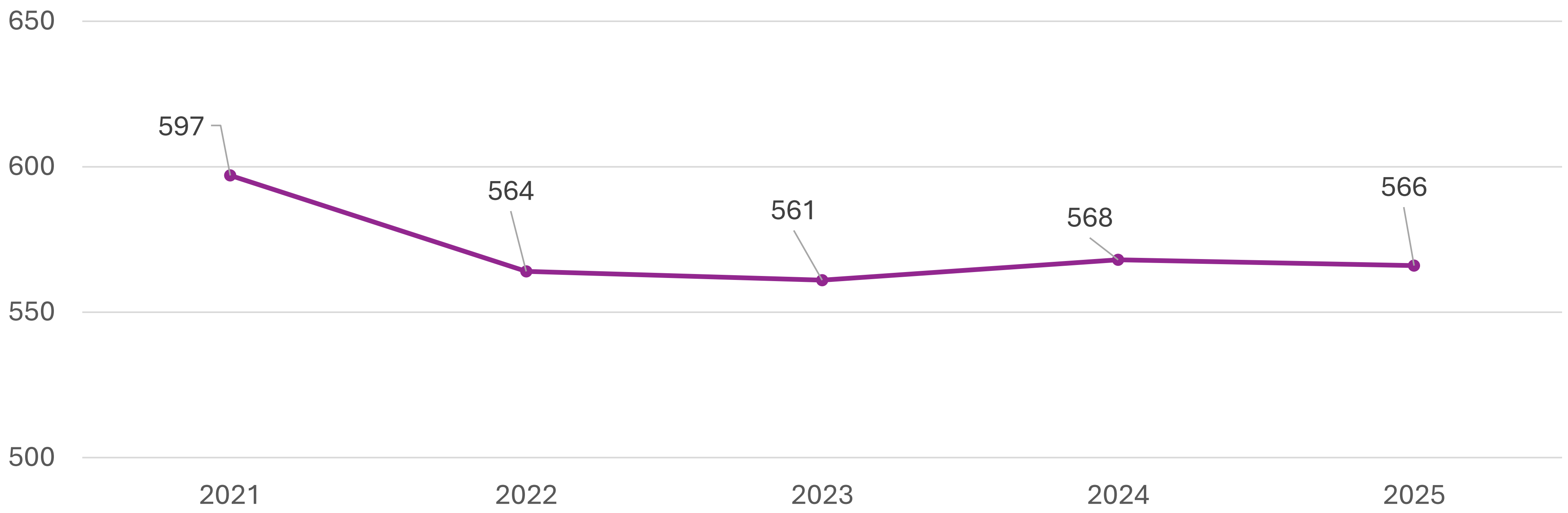


NET Change

2024 to 2025: -23 or -5.2%

Graduate Enrollment (FYE)



<u>Graduate FYE Change</u>

2024 to 2025: -2 or -0.3%

Enrollment – Mn State

Full Year Equivalent (FYE)	Fall 24 v Fall 25 %	Fall 24 v Fall 25 FYE
Bemidji State	0.0%	0
Metro State	6.8%	+155
MSU-Mankato	2.0%	+128
MSU-Moorhead	4.9%	+85
St Cloud State	-3.5%	-116
SW Minn State	9.5%	+187
Winona State	2.5%	+67
Rochester CTC	4.7%	+75
MNState College SE	1.7%	+12

FY26 Budget Update

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Where are we? – FY26 Budget

- Budget deficit in FY26 ($4.4M) will have to be solved with fund balance and carryforward funds
  - "Hiring Chill" in effect starting Fall Semester 2025
  - Cabinet approves the filling of every position and will be cautious
  - Deficit is primarily caused by tuition rate increase being reduced by MnState Board of Trustees, higher than expected health insurance cost increases and changes in State Appropriation

- Fund balance is below the 20% Mn State threshold
  - Currently at around 10%
  - 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 $2-3M is realized from carryforward

THE Good News! – FY26 and Beyond

- MnState is exploring a common tuition rate for the State Universities
  - WSU currently has the lowest tuition rate among the State U's – 7% from Bemidji
  - Phased in over 1-3 years?
  - Still in the discussion stages
  - More tuition revenue to WSU

- MnState have said they will adjust the allocation model
  - Alter shifting of funds between the 2-year and 4-year institutions
  - Short term(1-2 yrs) vs. long term(recalibration) solution
  - More State Appropriation revenue to WSU

- Enrollment is trending positive!
  - New Entering Freshman up this past Fall
  - New Residence Hall – Foundation Hall is on the way!
  - Diversification of enrollment - WSU 2035

Foundation Hall

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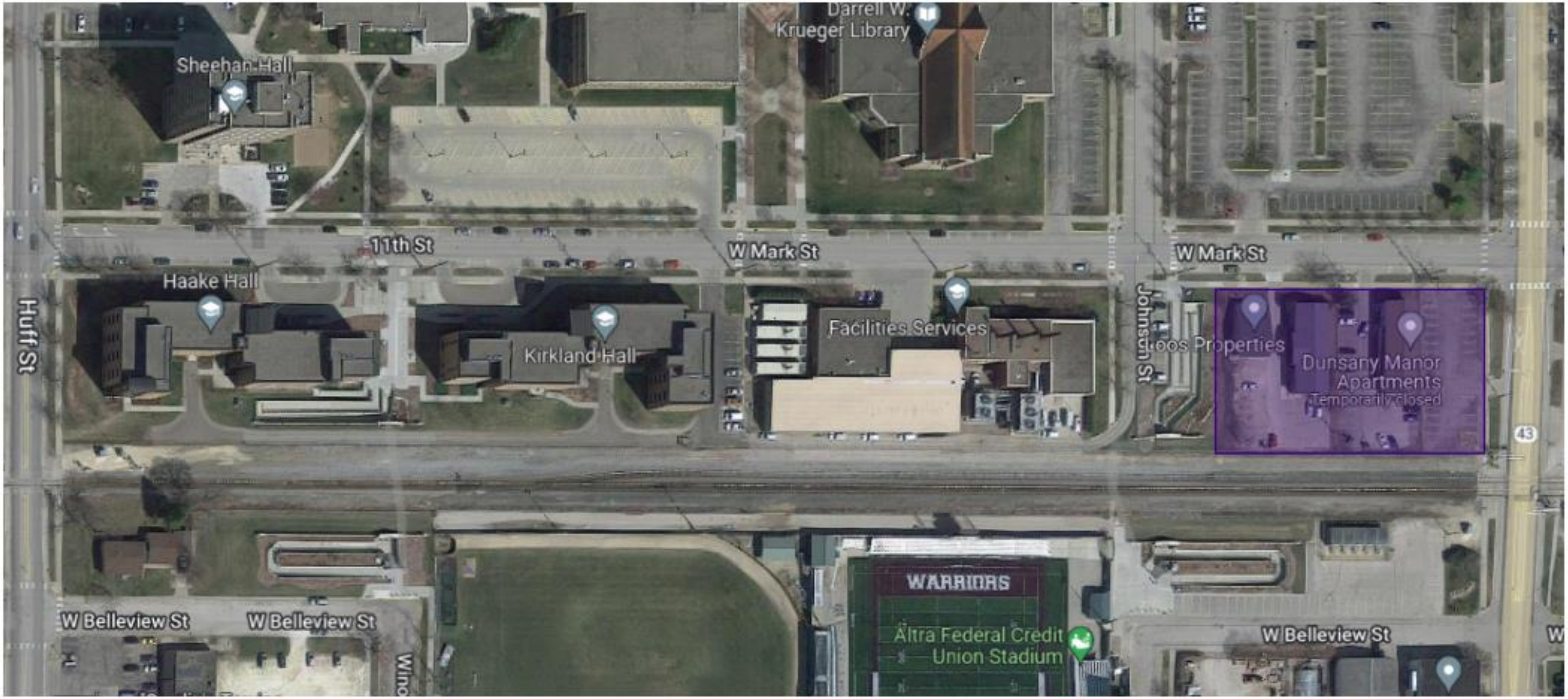
Project Summary

- WSU Foundation will build a 340-bed residence hall adjacent to the WSU campus at a cost of $30M
- Construction could begin this Fall with occupancy in the Fall of 2027
- WSU and WSU Foundation would enter into a long-term lease to operate the residence hall
- WSU and WSU Foundation have experience with this model through the East Lake Apartments
  - Constructed in 2001, opened in 2003
  - Apartment style primarily serving our Junior and Senior students
  - Highly successful joint venture for over 20 years
  - WSU Foundation has returned over $2M in scholarships to WSU from East Lake Apartments


Darrell W. Krueger Library
Sheehan Hall
11th St
W Mark St
W Mark St
Haake Hall
Kirkland Hall
Facilities Services
Huff St
Johnson St
Loos Properties
Dunsany Manor Apartments
Temporarily closed
43
WARRIORS
Altra Federal Credit Union Stadium
W Belleview St
W Belleview St
W Belleview St


WELCOME

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CICEL Project

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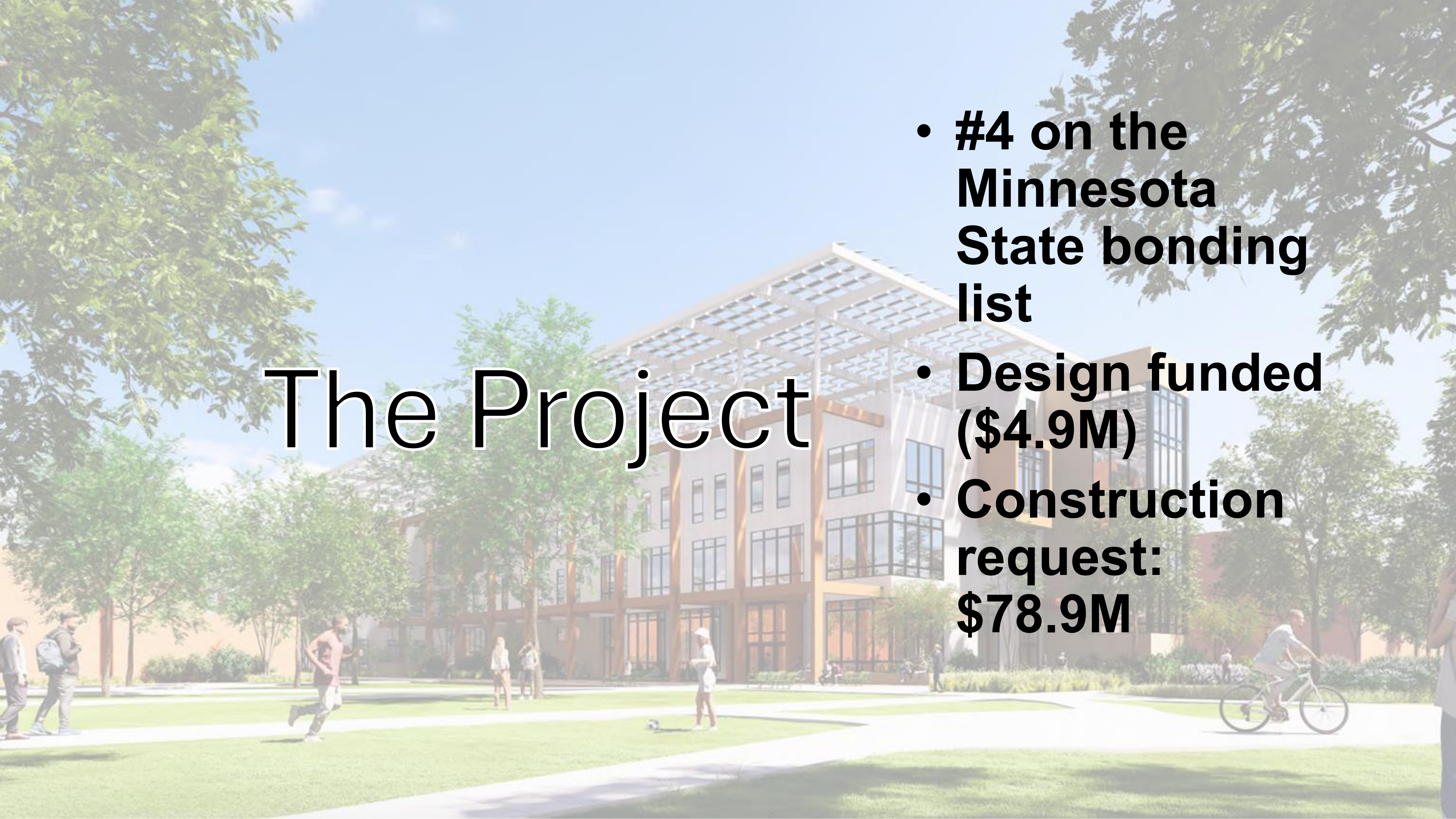
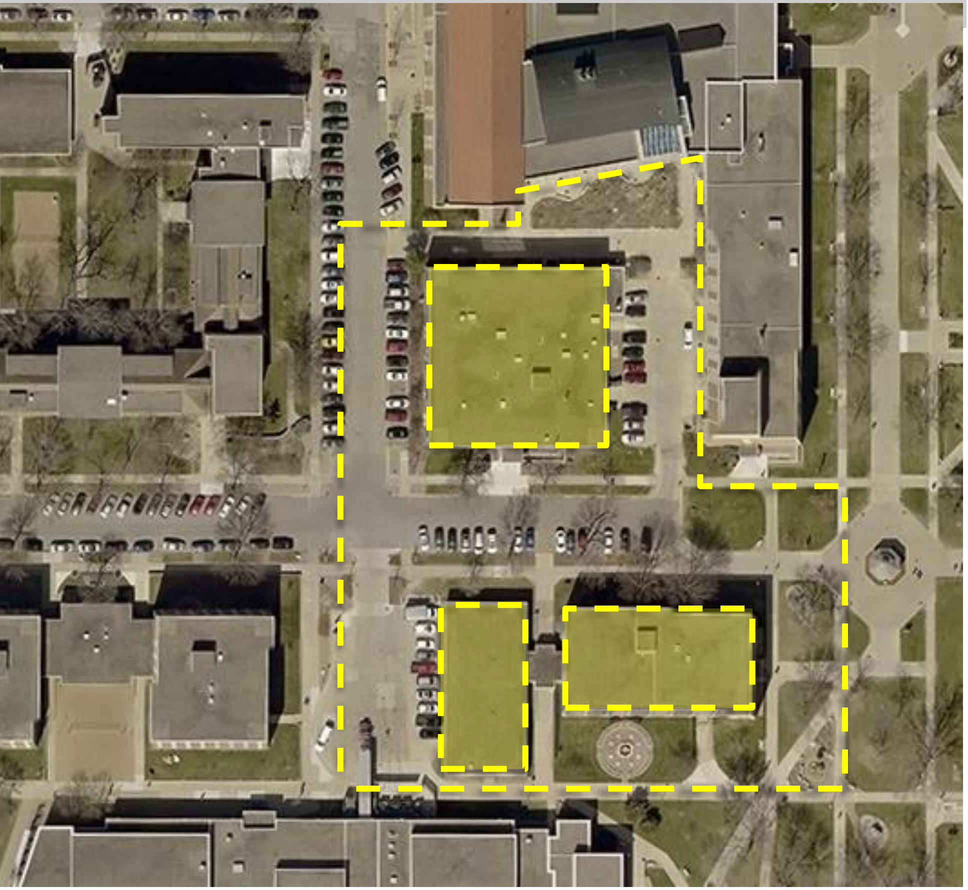


The Project

- **#4 on the Minnesota State bonding list**
- **Design funded ($4.9M)**
- **Construction request: $78.9M**

Vision

Demolish Gildemeister and Watkins Halls



Existing Site

Center for Interdisciplinary Collaboration, Engagement & Learning

New Site

CICEL is not just a building — it's a bold statement of Minnesota's future in education, innovation, and sustainability.


1. THE FOREST
2. THE BLUFFS
INSPIRED BY THE UNIQUE FEATURES OF THE WINONA LANDSCAPE
3. THE FALLS
4. THE LAKE
5. THE SKIES
Locally Sourced Limesone
Mass Timber Structure
Vertical Glazing Ribbons
Stormwater Bioswales
Solar Super-Roof

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FY27 Budget Update

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State of Minnesota Budget

- FY26/27 State Budget Forecast shows a deficit of **$2.14B** as of 2/25
  - Total State Biennial Budget is about $66B
- Early revenue projections from the State show slight increases 0.5%
  - Structural imbalance in future years FY28/29
- Mn House is split 67/67 and Senate is 34/33 D
  - Last year proved difficult to pass any funding bills/legislation
  - Elections in 2026
- Updated forecast will be released in December 2025

Mn State Supplemental Budget Request – FY27

- Due to State budget, prospects for supplemental budget funding are slim and none

- Doubtful that the System will submit a formal supplemental budget request

- System will advocate for the principles in the biennial budget request from last year
  - Total Biennial Budget Request $465M ($365M base and $100M one time)
  - Student Affordability and System Operations $285M (About a 5% increase annually)
  - Critical Infrastructure $100M (one-time - $50M HEAPR, $25M Demo, $25M Workday)
  - Student Support $40M
  - Workforce-Focused Support $40M
  - Silent on tuition (If 5% fully funded, assumption is a zero/very low tuition increase)

FY27 Budget Scenarios (as of 11/13/25)

	(M = Millions)	Scenario A	Scenario B	Scenario C
A	***Entering FY27 Budget Deficit***	***-$4.4M***	***-$4.4M***	***-$4.4M***
B	State Appropriation Change	$0.00M (0%)	$0.00M (0%)	$0.00M (0%)
C	Tuition Rate Change ($470k per 1%)	$1.41M (3%)	$2.35M (5%)	$3.29M (7%)
D	Tuition Gain/Loss: FY27 Enrollment Change	$0.64M (+80)	$0.88M (+110)	$1.60M (+200)
E	***Total Revenue Change (B+C+D)***	***$2,050,000***	***$3,230,000***	***$4,890,000***
F	Salary/Fringe Settlements (incl Health Ins)	$3.40M	$3.40M	$3.40M
G	Inflation/General Fund Scholarship Budget	$0 (0%)	$0 (0%)	$0 (0%)
H	***Total Expense Change (F+G)***	***$3,400,000***	***$3,400,000***	***$3,400,000***
I	***FY27 Budget Status (A+E-H)***	***-$5,750,000***	***-$4,570,000***	***-$2,910,000***

Where are we? – FY27 Budget

- President's Cabinet has decided to make base budget reductions of $3M for the FY27 budget

- Certain details are still being finalized
  - Allocation of budget reduction targets
  - BESI for AFSCME, MAPE, MMA?
  - Updated information from the system office
  - Revenue Solutions
  - Budget Suggestion Box
  - Final timelines

Budget Reduction Targets – Summary Level

DRAFT – Subject to final review of reorganization budget shifts

Organizational Unit (All #'s are rounded)	% of General Fund Budget	$3M Budget Reduction
Academic Affairs	70.1%	$2,102,000
Finance and Administration	11.6%	$350,000
Enrollment Management	8.6%	$256,000
Student Life	1.4%	$43,000
University Advancement and Athletics	7.7%	$231,000
President's Office	0.6%	$18,000
GRAND TOTAL	**100.0%**	**$3,000,000**

Next Steps / Timeline

- WSU Super Meet & Confer / Budget Forum – November 13, 2025

- BESI Announcement(If necessary) – December 2025
- Begin Student Tuition and Fee Consultation – January 2026
- Budget Reductions to Cabinet – February 2026
- Budget Forum to Announce Reductions – March 2026
- Board of Trustees Meetings to Approve Budget, Tuition and Fees – May/June 2026
- Implement Budget Reductions – June 30, 2025

- State Economic Forecast – December 2025
- Legislative Session Begins – February 17, 2026
- State Economic Forecast – February 2026

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Thank You!

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