



Budget Forum

December 5, 2018

- FY19 Budget Deficit: (\$600,000)
- FY20 Budget: Multiple Scenarios X Many Possibilities
- Key Factors: Enrollment
 - State Appropriation (New D Gov/D House)
 - Salary Negotiations

FY19 Budget Update



- Current Projected FY19 Budget Balance is -\$600,000
 - Will be solved through one time funds in FY19 and added to base starting FY20 budget
- How Did We Get Here?
 - +\$1.4M (\$5.9M reductions – \$4.5M likely case deficit)
 - \$700k (Reduction in allocation to WSU beyond expected)
 - \$400K (Salary Settlements larger than expected)
 - \$900k (Loss in tuition revenue from enrollment decline)
 -
 - \$600k (Projected FY19 Budget Balance)

FY19 Tuition Receipts Update



Summer	+\$272,686
Fall	- \$545,269
Spring(Est)	- \$600,000

Grand Total	-\$873,000

- Total Tuition budget is \$54M (Variance is -1.6%)
- Closely mirrors enrollment shortfall of -1.7%

FY19 Budget Reductions Summary



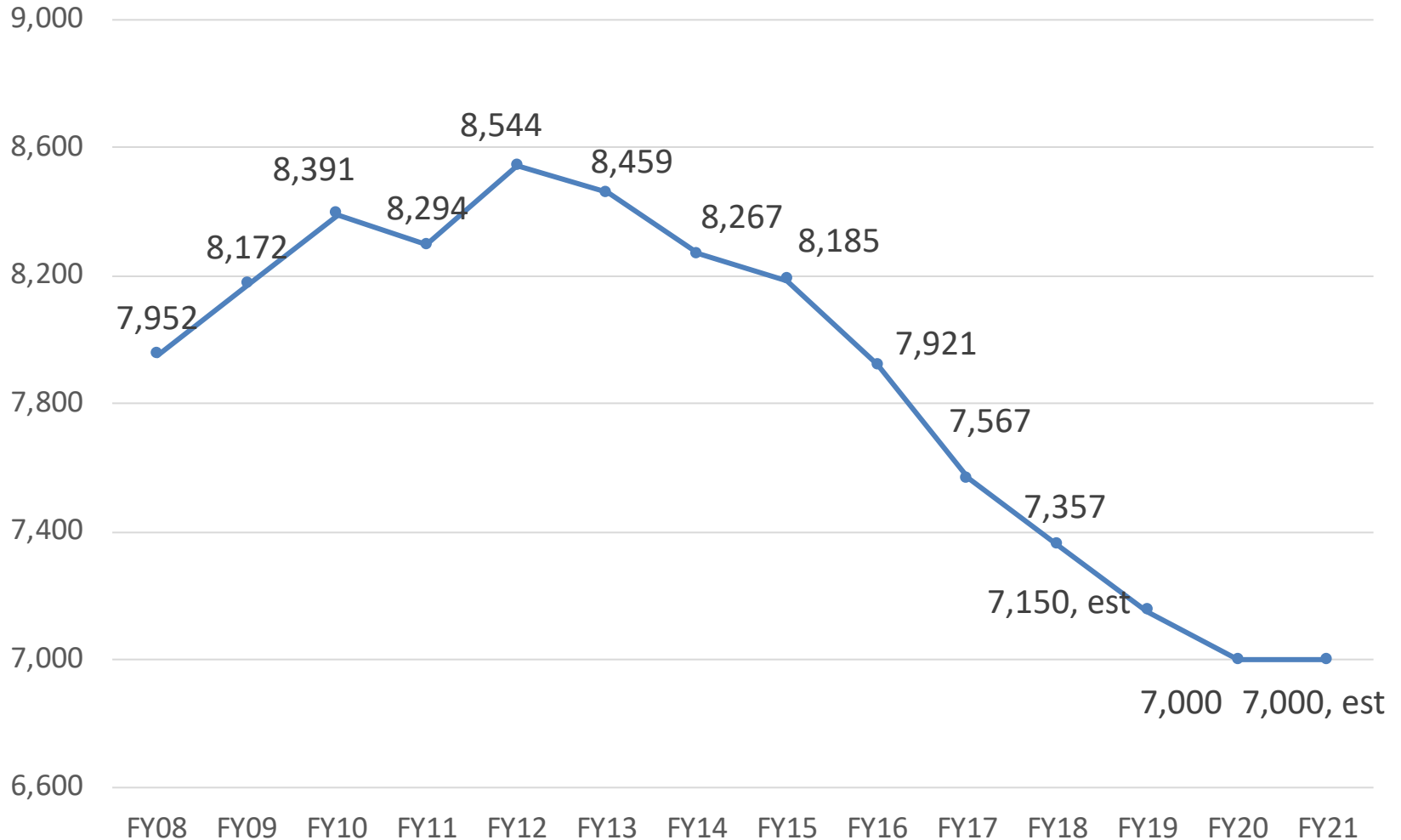
- \$5.9M of base budget reductions planned
- All budget reductions planned were implemented on July 1st, other than reductions that require bridge funding
- Athletic department reductions still under discussion
- Cabinet is reviewing and approving every position before the search begins

FY18 Ending Fund Balance Update



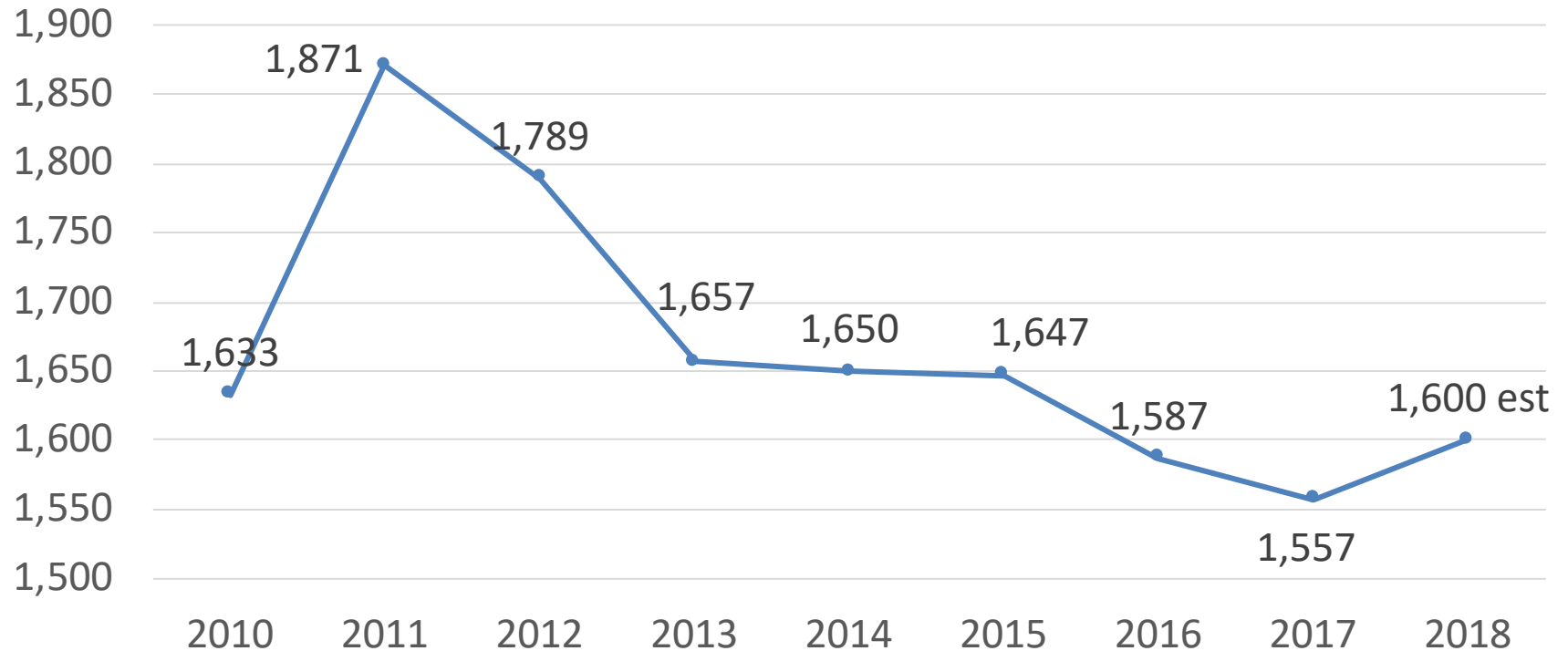
- Minnesota State System Office guidance is to have a fund balance = to 20% of our general fund budget
- Target for WSU is approximately \$20M
- Ending FY17 Balance \$19.8M or about \$200,000 under
- Ending FY18 Balance \$20.8M or about \$800,000 over
- Carryforward from FY18 to FY19 will be taxed at a 60% rate
 - Same tax rate as FY17 to FY18

FYE (Full Year Equivalent) Enrollment



New Entering Freshman Enrollment

NEF Enrollment



Minnesota State Budget Request FY2020-21



- Minn State Board of Trustees approved request: \$246M
- \$169M operating budget (Our share = 5.5%)
- \$37M ISRS Next Gen (Systemwide ERP – Total cost \$150M)
- \$25M Strengthening Access
- \$15M Workforce Strategies
- Tuition freeze if full request is funded

FY20 General Fund Budget Status



	Suboptimal Case	Rational Case	Optimal Case
State Appr Change	\$960,000	\$1,920,000	\$3,200,000
Tuition from Rate Change	\$1,650,000	\$1,375,000	\$0
Change in Enrollment	(\$700,000)	(\$350,000)	\$0
Subtotal – New Revenues	\$1,910,000	\$2,945,000	\$3,200,000
All Salary Settlements	\$1,650,000	\$1,100,000	\$550,000
Fringe Benefit (Ins, Ret, etc)	\$600,000	\$600,000	\$600,000
Operating Budget Inflation	\$200,000	\$200,000	\$200,000
Ed Village Operating Expenses	\$600,000	\$600,000	\$600,000
Subtotal – New Expenses	\$3,050,000	\$2,500,000	\$1,950,000
Entering FY20 Budget Deficit	(\$600,000)	(\$600,000)	(\$600,000)
Budget Status	(\$1,740,000)	(\$155,000)	\$650,000

Upcoming Dates



- December 5, 2018 – WSU Budget Forums (Winona/Rochester)
- December 6, 2018 – State of MN Econ Forecast
- January 8, 2019 – New Legislative Session
- January 2019 – Governor Walz Budget
- End of Feb 2019 – State of MN Econ Forecast
- Jan-April 2019 – Student Fee Management Committee (Tuition/Fees)
- March-April 2019 – WSU Budget Forums (Winona/Rochester)
- End of April 2019 – Submit Tuition and Fees to MN State
- May 20, 2019 – Legislative Session Ends
- May/June 2019 – MN State Board of Trustees approves Budget/Tuition/Fees

Looking Ahead



- Monitor Legislature and Board of Trustees
- Spring FY19 enrollment and budget
- All University Finance and Facilities Committee
- Budget Website
- Future budget communications/forums



Thank you!

Any Questions?