

Minutes

Board Budget Workshop

May 21, 2013, 2:30 p.m.

SSC 302

Present:

Brian S. Pennington, Chairman

Paul A. Foster, Vice Chairman

C. Wayne Ansley

Patrick E. Byrne, II

D. Bradley Drake

Michael M. Flynt, Sr.

Rachel R. Gillis

Marioj Strauss

Ty J. Handy, President

Others present: Mike Griffith, The Bay Beacon; Gary Yancey, Vice President for Administrative Services; Sasha Jarrell, Vice President for Academic Affairs; Cristie Kedroski, Vice President for College Advancement; Donna Utley, Associate Vice President for Business Affairs; Sherry Aaker, Dean, Student Affairs; Pat Bennett, Director, Financial Aid; Greg Eller, Chief Information Officer; Nancy Murphy, Director, Human Resources; Pam Kaby, Controller; Rosalyn Iovieno, Foundation Office Manager/Analyst; Julie Terrell, Director, CBA; Woody Mann, Technology Support Specialist; and Carolyne Laux, Executive Assistant to President.

**Budget Workshop**

Dr. Yancey provided an overview of the background of budget development and the various Funds. He stated that the Budget Development Committee is made up of 16 people – someone from each area of the college including two student representatives.

Dr. Yancey reviewed the Board of Trustees' Budgetary Goals and the Measures for those Goals. Mr. Byrne asked about how we are doing with Auxiliary Funds since the Bookstore and Food Services have been contracted out. They profits are about the same and maybe somewhat better.

Dr. Handy provided information on the budget process including a "first pass" on the budget which includes the requested amounts from each department of the college. Each department has a budget meeting with Dr. Handy, Gary Yancey, Donna Utley, Pam Kaby, and Sasha Jarrell to request monies needed.

The next step is to review the revenue anticipated and expenses. During this year's process the personnel expense was trimmed along with current expenses and capital expenses (which were transferred to Fund 7). A summary of revenues and expenses along with other impacts was reviewed.

1. Impact on "typical" student would be \$30.00/semester.
2. Impact on "typical" employee would be an increase of \$12/month over the past five years.

A list of, by category within student activities, was provided with the amount budgeted from the Student Activity and Service Fee for each activity.

Dr. Handy then provided the highlights of the 2013-14 proposed Budget citing the increase in health insurance; a 1.5% salary adjustment; new positions budgeted; and, a retirement rate increase. There will be NO tuition increase for students outside the \$2 increase in the technology fee.

Mr. Byrne had the following concerns:

- What is the Capital Outlay Fee being used for?
  - The ERP Implementation – some of the fees are going to help pay for the System so that it is not coming out operational costs. The payment is \$750,000 for seven years.
  - Part of the fees are being used for remodeling, renovation, and equipment.
- Approximately, you have budgeted for a 3% enrollment decline in the budget for 2013-14. What has the past enrollment declines been?
  - Approximately 6% in 2011-12 and 5% in 2012-13,
- There is a threat in the college prep/developmental education monies as a Senator wants it pulled completely out. Legislature left it in this year, but not sure about future years. Also, a student can opt out of taking prep classes thinking that they can make it without the class. It may have impact or it may not. The classes are credit, but do not count toward a degree.

Mr. Byrne asked that the Board consider delaying the new positions until we can figure out the enrollment picture. Would ask that the college look at one or two positions that we just can't delay – but the rest of them defer until September or October.

Dr. Yancey completed the budget presentation.

Overall the budget provides for NO tuition increase and a 1.5% salary increase.

The meeting adjourned at 4:10 p.m.

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Ty J. Handy, President  
Northwest Florida State College  
and Corporate Secretary

Brian S. Pennington, Chairman  
Board of Trustees  
Northwest Florida State College