

**NORTHWEST COLLEGE BOARD OF TRUSTEES
MINUTES OF BUDGET HEARING
July 11, 2016**

- MEMBERS PRESENT:** President MR. JOHN HOUSEL; Vice President/Secretary MS. NADA LARSEN; and Trustees MS. CAROLYN DANKO, MR. DUSTY SPOMER and DR. MARK WURZEL.
- MEMBERS ABSENT:** Trustees DR. PAUL FEES and MR. MARK WESTERHOLD.
- OTHERS PRESENT:** DR. STEFANI HICSWA, President; DR. GERALD GIRAUD, Vice President for Academic Affairs/Interim Vice President for Student Services; MR. MARK KITCHEN, Vice President for College Relations; MS. LISA WATSON, Vice President of Administrative Services; MS. SHELBY WETZEL; MR. STEVE THULIN; MS. ILENE OLSON, *Powell Tribune*; and MS. CYNTHIA CICCI, Executive Secretary to the President and Board of Trustees.
- CALL TO ORDER:** The budget hearing of the Northwest College Board of Trustees was held on Monday, July 11, 2016, at 4:05 p.m. in the in the Yellowstone Building.
- REVIEW FISCAL YEAR 2017 BUDGET:** Vice President Watson reviewed the Community College District's budget for Northwest College for the fiscal year beginning July 1, 2016 and ending June 30, 2017 which is the first year of the 2017-2018 biennium.
- At the conclusion of the 2016 legislative session, Northwest College was allocated \$1.6 million in reductions to our base state appropriations. In April 2016 the Governor called for an additional 7.92% cut to state agencies which translated into a \$2.5 million reduction in state aid for the biennium for Northwest College.
- Recent projections suggest a decline in mill tax levy revenue across the state and NWC is estimated to lose \$1.8 million over the biennium.
- Tuition revenue and enrollment declines have slowed but are projected to finish slightly down for FY2016.
- Overall, Northwest College is expected to see an overall reduction in state and local levy operating revenues of approximately \$4.6 million for the next fiscal biennium. This projection is based on available information as of June 28, 2016. Once local levy numbers are finalized in July, these numbers will be used to recalculate the state funding formula but changes will only be reflected in the recapture redistribution of funds for FY2017. Currently, Northwest College is projected to receive less than \$58,000 in recapture.
- The revised Fair Labor Standard Act regulations will be implemented at NWC on July 1, 2016. Vice President Watson described the positions that will be affected adding that the cost to the College will be around \$90,000.
- The College also budgeted \$20,000 for the .25% employee portion for the retirement increase that was approved by the Legislature. There

are no changes to health insurance premiums this year.

The budget materials include supplemental schedules to provide additional information for the users of the College budget. They are designed to provide the user with additional information regarding decisions made to transfer expenditures between the College's Divisions and Funds, summary of reductions by divisions, summary of one time only use of College reserves to fund fiscal year 2017, and a summary of reductions by select revenue and expense categories. These items are included in the Schedule of Transfers Between Divisions, Summary of Budget Reductions, Reserve Utilization by Division and Budget Reduction by Category and Fund.

**A ADOPT EXPENDITURE
AUTHORITY RESOLUTION:**

A motion was made by Trustee Danko and seconded by Trustee Wurzel to adopt the Expenditure Authority Resolution as presented in the 2016-2017 budget materials. Motion carried.

**A ADOPT RESOLUTION TO
PROVIDE INCOME:**

A motion was made by Trustee Larsen and seconded by Trustee Spomer to adopt the Resolution to Provide Income as presented in the 2016-2017 budget materials. Motion carried.

A ADJOURNMENT:

The budget hearing was adjourned at 4:55 pm.