

**NORTHWEST COLLEGE BOARD OF TRUSTEES  
MINUTES OF BUDGET HEARING  
July 10, 2017**

**MEMBERS PRESENT:** President MS. NADA LARSEN; Vice President/Secretary MR. DUSTY SPOMER; Treasurer MS. CAROLYN DANKO; and Trustees MR. LUKE ANDERSON, MR. JOHN HOUSEL, MR. BOB NEWSOME, and DR. MARK WURZEL.

**OTHERS PRESENT:** DR. STEFANI HICSWA, President; DR. LOURRA BARTHULY, Vice President for Student Services; DR. GERALD GIRAUD, Vice President for Academic Affairs; MR. MARK KITCHEN, Vice President for College Relations; MS. LISA WATSON, Vice President of Administrative Services and Finance; MR. BRAD BOWEN; MR. DEAN BRUCE; DR. VERN DOOLEY; MR. DON COGGER, the *Powell Tribune*; and MS. CYNTHIA CICCI, Executive Assistant 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 10, 2017, at 4 p.m. in the in the Yellowstone Building.

**REVIEW FISCAL YEAR 2018 BUDGET:** Vice President Watson reviewed the Community College District's budget for Northwest College for the fiscal year beginning July 1, 2017 and ending June 30, 2018, which is the second year of the biennium. She called attention to the supplemental schedules at the back of the budget book. There are substantial changes from last year in the Reserve/Carryover Utilization by Division, which she reviewed with the Board.

Ms. Watson reviewed changes to the Wyoming Community College Commission (WCCC) funding formula and explained that during the 2016 legislative session, HB80 effectively eliminated the one-time only enrollment funding appropriation by permanently rolling it into the base budget allocation effective in the next biennium FY2019-FY2020. The governor provided a final enrollment growth appropriation in fiscal year 2017 but this amount was reduced from prior years. A substantial completion footnote from the last biennium expired as well. The elimination of the footnote resulted in Northwest College appropriations being reduced by approximately \$1.17 million dollars over the biennium. With the conclusion of the 2016 legislative session, NWC base state appropriations were reduced by \$1.6 million. In April 2016 the Governor called for 7.92% in additional to state agencies. This translated into a total of \$2.5 million in cuts for the biennium in state aid.

The WCCC approved per credit hour increases for FY2018 to \$5.00 for in-state, \$8.00 for WUE, and \$15.00 for out of state students. This is projected to provide \$35,000 of new revenue. Increased course and mandatory fee revenue is projected to provide approximately \$98,000 in revenue that will be offset with course costs.

Health insurance budget appropriations have been reduced but are still projected to be funded as long as college staff remains the same or is reduced. Retirement appropriations are not fully funded and each college will have to absorb the funding shortfall. Northwest College

will lose approximately \$60,000 for the biennium. This does not include the projected loss of reimbursement for the retirement shift from employer to employee. Part of the employer contributions were scheduled to be passed back to the employee in FY 2017 and FY2018. For FY 2018 the College passed .375% of the retirement contribution back to the employee; however, NWC will continue to absorb .25% of the shift (approximately \$20,000) for employees. The College will cover the cost unless modifications are needed in future fiscal years.

Overall, Northwest College's state and local levy operating revenues are projected to remain flat for FY2018 based on available information as of June 23, 2017. Once local levy numbers are finalized in July, these numbers will be utilized to recalculate the state funding formula but changes will only be reflected in the recapture redistribution of funds for FY2018.

Vice President Watson responded to questions from Trustees regarding the .375% retirement contribution and the ratio of benefits/salaries being increased each year and how it is accounted for. She explained that adjustments may be necessary, especially if health benefits go up vs. salaries.

Vice President Watson reviewed the Summary of Reserves by WCCC Category that shows various saving accounts balances. President Hicswa commented that the supplemental schedules are for transparency purposes and help in planning to determine where we have funding and what it can be used for. She appreciates Vice President Watson and Finance Director Bowen's work in developing the budget, especially their work on the last three pages.

In response to a question by Trustee Spomer regarding vulnerabilities created as a result of decisions made, President Hicswa responded that compensation is the College's biggest vulnerability. With staff reductions, we are having to work differently. If NWC's state funding is cut more, we cannot continue to just work differently; we will need to redesign the College and the services we provide.

Vice President Watson added that we will need to be even more strategic in developing the budget next year (FY19). We will need to determine priorities with regard to what programs and services the College can continue to provide.

President Hicswa concluded that NWC's vulnerabilities will need to be considered as we go through program reviews next year and look at doing business differently. We will look at best practices in all areas of campus and be strategic in our planning.

- A ADOPT EXPENDITURE AUTHORITY RESOLUTION:** A motion was made by Trustee Wurzel and seconded by Trustee Danko to adopt the Expenditure Authority Resolution as presented in the 2017-2018 budget materials. Motion carried.
- A ADOPT RESOLUTION TO PROVIDE INCOME:** A motion was made by Trustee Anderson and seconded by Trustee Wurzel to adopt the Resolution to Provide Income as presented in the 2017-2018 budget materials. Motion carried.
- A ADOPT RESOLUTION FOR ONE MIL LEVY:** A motion was made by Trustee Spomer and seconded by Trustee Newsome to adopt the Resolution for One Mil Levy as presented in the 2017-2018 budget materials. Motion carried.
- A ADJOURNMENT:** On a motion by Trustee Danko, the budget hearing was adjourned at 4:42 pm.

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DUSTY SPOMER, Vice President/Secretary