

**EXECUTIVE BUDGET COMMITTEE
MINUTES
FEBRUARY 7, 2022**

The meeting began at 11 a.m. in the Plaster Student Union Ballroom East.

Members present – Doug Gouzie (chair), Anne Baker, Jim Baker, Nicole Busdieker-Jesse, Ryan DeBoef, Frank Einhellig, Steve Foucart, Richard Gebken, Kathleen Hains, Chris Herr, Lyon Hough, Jim Kaatz, Mitzi Kirkland-Ives, Dennis Lancaster, Kayla Lewis, Victor Matthews, Matt Morris, Suzanne Shaw, Dee Siscoe, Clif Smart,

Also present – Jennifer Severson

Absent – Michael Chapman

Following a welcome from Doug Gouzie, Clif Smart and Steve Foucart provided a review of the FY2022 budget. Due to fewer students taking fewer classes than budgeted, MSU anticipates receiving almost \$6.5 million less in tuition and fees revenue in FY2022. The university carried over more than \$3.1 million in unallocated state appropriations from FY2021. This nets to an anticipated shortfall of \$3.3 million that must be accounted for in the FY2023 budget.

Clif Smart and Steve Foucart then reviewed FY2023 budget facts and assumptions. Gov. Parson included a 5.4% appropriation increase in his budget recommendations. For MSU this would result in \$4.7 million in additional revenue from the state. In the conversations that led up to Gov. Parson's budget recommendation, COPHE universities committed to keeping tuition increases in the range of 3 to 4 percent.

The university has significant expense increases to budget for in FY2023. These include a \$2.2 million increase in the university's MOSERS and health plan contributions along with increases in technology expenses, property insurance, and other contractual obligations.

Due to inflation and market forces, the committee agreed that compensation must be a priority in the FY2023 budget. The committee discussed various options for increases to the university's minimum wage and across the board pay raises.

The committee will schedule its next meeting for late March or early April and will evaluate data regarding enrollment indicators, university expenses and prior expense reductions, and updated budget facts and assumptions before making a decision on budget recommendations for the board.