

MINUTES  
Board of Trustees  
Finance and Facilities Committee  
July 19, 2024

MEMBERS PRESENT: Dus Rogers, Senator Arthur Orr, Mike McCoy, Jonathan Craft, Dr. Catherine Wehlburg, Victoria Mould, Emily Corzine, John Wilson and Barbara Ferguson, reporting.

MEMBERS ABSENT: Kerry Warren, Mac McCutcheon and Julia Roth

Mr. Rogers called the meeting to order at 1:15 pm. After roll call, the committee reviewed and accepted the minutes from May 17, 2024. With no old business to address, the committee moved to new business.

The first item of business was the financial summary for the 9 month period ended 06/30/2024. Mr. Craft shared with the committee that revenues for this period were approximately \$41.7M and expenses were approximately \$30.1M. He explained that revenues are at 96.78% of budget while expenses are at 70.1% of budget. The revenue percentage is higher because we are already receiving tuition for the fall semester, which extends beyond the fiscal year. Part of this tuition will be deferred. He also pointed out that excess revenues are at \$11.3M compared with last year at \$10.8M. He mentioned that one factor for the improvement is increased investment earnings. He shared with the committee that the budget is based on very conservative estimates for investment earnings, rather than the higher earnings seen recently. Mr. McCoy provided a projection for 09/30/24. He has projected ending with excess revenues over expenditures of \$953,652. He has also projected ending the fiscal year with reserves of 5.17 months.

Mr. McCoy also discussed additional information to consider for the upcoming budget discussion. He provided a handout detailing the last 9 years of salary information compared to the overall operating budget and compared to the CPI. The handout also provided information in those categories for the proposed 2025 budget. For the 2025 proposed budget, salary expense is 69.8% of the operating budget, the CPI is 3.4%, and the proposed COLA is 2%. On a separate handout, Mr. McCoy provided a projection of reserves at the end of fiscal year 2025. This projection is based on the proposed budget but he did point out that the proposal does not include revenue that will be generated from the UNV courses, which have previously been free to students. Without this revenue factored in, he is projecting 4.8 months reserves at 09/30/2025. He fully expects more than 4.8 months with the additional revenue. After a further discussion of the proposed budget and the associated information, the committee agreed to move the budget as presented forward to the full board at today's meeting.

Finally, Mr. McCoy provided updates on the following capital projects:

- New elevator in Founders Hall – PSCA funded – became operational this week
- New chiller at Sandridge Student Center – PSCA funded - The chiller installed at Sandridge was faulty. The vendor is providing a rental unit until a replacement is available. There is a 20-30 week lead-time. There will be no additional cost to the University since the original unit was faulty.
- Founders Hall chiller – will be a new project funded with leftover PSCA funds from recently completed projects.
- Waters Hall roof – will be a new project funded with leftover PSCA funds from recently completed projects.

With no further business, the meeting was adjourned at 2:06 p.m.