

BUDGET SUB MEET & CONFER
THURSDAY, MARCH 6, 2008
1:30 P.M. – CSU 238

Please note: Budget Sub Meet & Confer agendas and supporting documents are located on Web site <http://www.mnsu.edu/finadm/submeetconfer/>.

Attendees: Rick Straka, Chair, Michael Bentley, Mary Bliesmer, Stephen Larson, Ellen Mrja, Diane Richards, Barry Wilkens, Sharon Sandland, Mike Hodapp, Lynn Akey, David Cowan, Avra Johnson, Scott Johnson, Rosemary Kinne, Steve Smith, Pat Swatfager-Haney, John Winkworth, Jason Schilling and Vickie Hanson.

The agenda was reviewed and the following item were added and discussed:

- Student payroll rates for FY09-The advisory group met and there will be no increases for FY09.

1. Discussion Items

**2. Post-Hearing Parking Advisory Committee Recommendations for 2008-09
(David Cowan)**

- There are 5,400 parking spaces at MSU, 7400 people permits are sold.
- PAC annually conducts a public hearing, final set of recommendations shown at Budget SubMeet & Confer.
- For FY09 PAC has recommended a 3% rate increase across the board for permit rates. First increase since fall 2006.
- Paylot with 200 stalls generates \$300,000. We haven't seen the traffic jams this year with the street parking removed.
- There are 5,400 spaces available any time of the day. 175-250 vacant spaces in Lot 21.
- Mike Hodapp asked about Lot 13 parking spots (Sears, McElroy, Crawford). When these spaces are eliminated students will be given Lot 13 and 16 permits, possibly Lot 20.
- There will be one tower of Gage empty next year. Lot 1 and 3 should free up parking spots.
- PAC recommended to not impose a fee for the free lot.
- A question came up the on-street (Gold) parking by Nelson Hall and lack of spaces available. A person that holds a gold permit will not get charged in the pay lot if they flash their permit and if there are no available spots where they have a permit. The parking patrols have been reduced, but tickets are still issued, but they do not like to tow.
- Parking is self-sustaining (does not use general funds), it costs \$30,000 electricity a year to light the lots and heat the shelters to which the state contributes.
- Parking fee is one of three mandatory fees under board policies.

VP Straka talked about the transportation/parking study. The issue of a parking ramp comes up often. A ramp would cost \$1,500-2,000 per stall annually to fund. Cost would be \$15,000 to \$20,000 per stall to build. Private donors want to see what they are getting for their money. Ramps are 10 times more expensive than surface parking. Cash flow designates that \$330,000 for parking ramp come out of parking structure. On the St. Cloud ramp this year they paid for 60% of cost (\$9M) with \$5M coming out of general state funds. Parking study would help determine the demand of traffic.

Scott Johnson-The College of Business-300 seat auditorium. Parking ramp is only a matter of time. The proposed COB site is the back side of sunken lot 16.

VP Straka with a parking ramp get ready to pay the urban rates. Need a shift in mind set of people to provide the cash flow. We will need a good shuttle system, pedestrian campus, ramp on campus, robust shuttle system with Sears. There will be a third shuttle scheduled with Sears opens.

3. Proposed Passenger Fleet Budget and Rates for 2008-09 (David Cowan)

- PAC recommending an increase of 6% to rates
- Passenger Fleet account is a self-sustaining accounting
- There are 44 vehicles, with the older vehicles are not going for long distances
- 2006-07 models are the most recent purchased
- Oldest vehicles are 2001-02 models

4. FY09 Institutional Equipment List

Rosemary Kinne is still looking for representatives from faculty, the bargaining units and the students to serve on this committee. The group will be meeting in the next 2-3 weeks. Please let her know ASAP if you would like to be on the committee.

- Committee meets once or twice for 1 hour each
- They prioritize the list for Budget SubMeet & Confer
- Then the list goes to Cabinet for approval
- There is \$450,000 in budget for institutional equipment with request of \$1.5M
- Institutional equipment includes items above and beyond the basic core of equipment. These items cannot be covered with equipment money. This allows the ability to put in a larger request for equipment.
- Basic core equipment is ongoing with repair and replacement. Institutional equipment is in addition to this.

5. Revised FY08-09 General Fund Budget (Rick Straka)

A request was made to bring a budget breakdown by division to the next meeting.

- Positive news to share at this time:
 - a. System Office kept competitive salary money. \$529,155 additional base here after.
 - b. FY08-IFO backloaded raises-savings this year. \$700,000 savings + \$520,000 (FY08) salary reserve. Reserve this year and will roll forward into FY09.

- c. On budget projection FY09 – Scenerio IV invest with new enrollment. \$982,000 base deficit, cut \$1M, carryforward FY08 to help pay. At Cabinet reallocation feature. In interim, any cut savings won't come immediately with severance, etc.
 - d. The 300 FTE enrollment still looks doable. Admissions figures are still up 4% in applications. Target rate is equal to last year.
- Gloom and doom
 - a. Governor said Higher Ed will share in the \$985M state deficit. Worst case scenario \$1.5M above this.
 - b. President Davenport has asked Vice Presidents to come up with 1.5% of their budget (1.5% reduction in FY09, including salary, non-salary, fringe) planned to give back in the short-term. Some divisions may do more in the short-term. VPs were asked to bring their plan back to Cabinet.
 - c. Looking at the economy there are not any signs that things will get better.

If we meet the NEF enrollment numbers we will need some additional support services. This will be part of the academic master planning. There are a lot of factors entering into this such as classroom size, workload and release time, including looking at different ways to block schedules.

6. History of Funded Institutional Equipment and Strategic Initiatives

- As requested at the last Budget SubMeet & Confer attached is the history information on institutional equipment and strategic initiatives.

VP Straka thanked everyone for the open discussion. Remember to get agenda items to Rosemary, Rick or Vickie for April.

Agenda item for April-Concepts for discussion budget principles.

The meeting was adjourned.

The next meeting will be April 3, 2008 at 1:30 p.m. in CSU238.