



Budget Committee Agenda
Chancellor's Lounge-Mill Building

July 22, 2024

11:00-noon

1. Introductions and Summary of Committee Role
2. Fiscal Year 2024 Close Update
3. FY 2025 Budget Update and Timeline
4. Possibilities Funding

Provost Elgren was introduced to the committee as this was his first budget committee. The VCAF described the role of the Budget Committee, membership and scope.

Update from the VCAF included, July 22nd being the last day for entries and adjustments to FY 2024. Revenue will exceed expenses for FY 24 by hundreds of thousands of dollars. No final number yet as budget staff are addressing two departments that are over budget, athletics and IT. Discussion regarding the cause of the IT to be over budget as it is a chronic issue, this fiscal year the move to the Cloud was a big part of the issue and costs for software contracts have increased.

The timeline for FY 2025 budget development was discussed and the VCAF and budget director provided a status update. The budget has been loaded to the Axiom software through the University of Montana, cleanup is occurring. The budget is due to OCHE on August 5th and the Board of Regents will vote on the budget in September. Key takeaways included the budget is balanced, the State budget increased by \$2.6M from FY 2024 to FY 2025 from \$31.3M to \$33.9M with around \$1.4M of the increase from the pay plan. Possibilities funding is now over, and the budget/expenses previously in Possibilities funding, roughly \$700,000, has been moved to the state budget or to auxiliaries. Personnel costs now account for more than 83% of the state budget and operating budgets remained flat. About \$263,000 is budgeted from the revolving reserve to balance the budget, down from roughly \$400,000 in FY 24, of which none was used, and down from \$1M in FY 23. The revolving reserve is flush at \$1.6M which is the maximum the fund can be based on Board of Regents policy.