

Preliminary Budget Update

March 3, 2023

Preliminary FY'24 Budget – Revenue Detail

	FY '23 February Estimate	FY '24 Prelim Bud
NFE:		
On-campus	2,350	2,350
Off-campus	168	165
Total	2,518	2,515
Revenues:		
Regular Tuition-		
On-campus	\$ 143,657	\$ 148,688
Off-campus	10,292	10,440
Total	153,949	159,128
Less: financial aid	(65,859)	(69,607)
Net Regular Tuition	88,090	89,521
Discount Rate	42.8%	43.7%
Other Tuition & Fees	8,745	10,608
Skidmore Fund	7,844	8,119
Endowment Takeout	22,813	22,763
Total Other Revenues	11,569	10,500
Auxiliary Operations (gross margin)	34,279	37,250
Total Revenues	173,340	178,760

Preliminary FY'24 Budget – Expense Detail

	FY '23 February Estimate	FY '24 Prelim Bud
\$000s		
Expenditures:		
Salaries, Wages & Benefits	\$ 105,315	\$ 109,552
Debt Service	7,738	7,738
Capital Transfers	13,500	14,000
Other expenditures	45,172	45,970
New Initiatives	-	500
Contingency	500	1,000
Total Expenditures	172,225	178,761

Above/Below the line

- Operating revenue and expense
 - On going year after year operational revenue and expenses
 - Tuition
 - Endowment Income
 - Salaries
 - Utilities
 - Debt Service
- Surplus
 - One time expenses
 - Capital / infrastructure renovation
 - Equipment
 - Computer hardware
 - Reserves

Preliminary Net Tuition Revenue Summary

	FY '24 Prelim Budget	FY '25 Forecast	FY '26 Forecast	FY '27 Forecast	FY '28 Forecast
Comprehensive Fee Assumptions:					
Comprehensive Fee	\$ 81,659	\$ 84,518	\$ 87,476	\$ 90,537	\$ 93,706
Tuition	\$ 63,272	\$ 65,486	\$ 67,778	\$ 70,150	\$ 72,606
Rate of Increase	3.5%	3.5%	3.5%	3.5%	3.5%
Net Regular Tuition: Above the line:					
NFE:					
On-campus	2,350	2,350	2,350	2,350	2,350
Off-campus	165	165	165	165	165
	2,515	2,515	2,515	2,515	2,515
Below the line:					
NFE (all on-campus)	89	32	37	-	-
Total:					
NFE:					
On-campus	2,439	2,382	2,387	2,350	2,350
Off-campus	165	165	165	165	165
	2,604	2,547	2,552	2,515	2,515
Regular Tuition (\$000s):					
On-campus	\$ 154,319	\$ 155,988	\$ 161,786	\$ 164,853	\$ 170,623
Off-campus	\$ 10,440	\$ 10,805	\$ 11,183	\$ 11,575	\$ 11,980
	\$ 164,759	\$ 166,793	\$ 172,970	\$ 176,428	\$ 182,603
Financial Aid Expense (\$000s)	\$ 72,071	\$ 74,146	\$ 77,358	\$ 82,113	\$ 87,452
Net Regular Tution (\$000s)	\$ 92,688	\$ 92,647	\$ 95,612	\$ 94,315	\$ 95,151
Change vs. Prior Year	-1.2%	0.0%	3.2%	-1.4%	0.9%
Discount Rate	43.7%	44.5%	44.7%	46.5%	47.9%

Forecast Model Parameters (\$000s)

	FY '24 Prelim Bud	FY '25 Forecast	FY '26 Forecast	FY '27 Forecast	FY '28 Forecast
Skidmore Fund:					
Amount	\$ 8,119	\$ 8,464	\$ 8,887	\$ 9,331	\$ 9,798
Rate of Increase	3.50%	4.25%	5.00%	5.00%	5.00%
Investments:					
Endowment Takeout -					
Total Rate of Return	7.0%	7.0%	7.0%	7.0%	7.0%
Gifts	\$ 7,000	\$ 7,000	\$ 7,000	\$ 7,000	\$ 7,000
Takeout Rate	5.0%	5.0%	5.0%	5.0%	5.0%
Investment Earnings Other:					
Short-term Rate Above-the-Line	2.00%	2.00%	2.00%	2.00%	2.00%
Compensation:					
General Salary Adjustment:					
Faculty and Non-union staff	3.00%	3.00%	3.00%	3.00%	3.00%
Union staff	2.00%	2.00%	2.50%	2.50%	2.50%
Market Equity Pool	\$ 500	\$ 400	\$ 400	\$ 400	\$ 400
Heath Care:					
Faculty and Non-union staff	3.5%	5.0%	5.0%	5.0%	5.0%
Union staff	7.0%	7.0%	7.0%	7.0%	7.0%
Departmental Services & Supplies:					
Rate of Increase	1.5%	1.5%	1.5%	1.5%	1.5%
Transfer to Plant Fund for Capital	\$ 14,000	\$ 15,000	\$ 16,000	\$ 17,000	\$ 17,000
New Initiatives	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500

Forecast Model Budget Summary

	FY '24	FY '25	FY '26	FY '27	FY '28
	Prelim Bud	Forecast	Forecast	Forecast	Forecast
\$000s					
<u>Above the Line</u>					
Total Revenues	\$ 178,760	\$ 182,351	\$ 187,602	\$ 190,344	\$193,989
Total Expenditures	178,761	184,687	189,831	196,419	202,408
Operating Surplus(Deficit)	(0)	(2,336)	(2,229)	(6,075)	(8,419)
<u>Below the Line</u>					
Number of students	89	32	37	-	-
One-time revenues	4,579	1,687	2,010	-	-
One-time expenses	-	-	-	-	-
Net below the line	4,579	1,687	2,010	-	-
Total Operating Surplus(Deficit)					
Including Below the Line	\$ 4,578	\$ (649)	\$ (219)	\$ (6,075)	\$ (8,419)

Operating Budget Impact of FY '24 Comprehensive Fee Increase Assumptions

	FY '24 Prelim Budget	FY '25 Forecast	FY '26 Forecast	FY '27 Forecast	FY '28 Forecast
Operating Surplus(Deficit) Scenarios:					
@ FY24 +3.5% Comprehensive Fee Increase	\$ (0)	\$ (2,336)	\$ (2,229)	\$ (6,075)	\$ (8,419)
@ FY24 +4.0% Comprehensive Fee Increase	\$ 452	\$ (1,879)	\$ (1,787)	\$ (5,601)	\$ (7,976)
@ FY24 +4.5% Comprehensive Fee Increase	\$ 857	\$ (1,513)	\$ (1,457)	\$ (5,327)	\$ (7,712)

Operating Budget Impact of FY '24 Budgeted NFE Assumptions

	FY '24 Preliminary Budget			
	Current Planning	Increase Above the Line NFE by:		
		15	20	25
<u>Above the Line</u>				
On-Campus NFE	2,350	2,365	2,370	2,375
Operating Surplus(Deficit)	\$ (0)	\$ 772	\$ 1,029	\$ 1,286
<u>Below the Line</u>				
On-Campus NFE	89	74	69	64
Over Enrollment Net Revenue	\$ 4,579	\$ 3,807	\$ 3,550	\$ 3,293
<u>Total</u>				
On-Campus NFE	2,439	2,439	2,439	2,439
Surplus(Deficit)	\$ 4,579	\$ 4,579	\$ 4,579	\$ 4,579

Operating Budget Impact of
FY '24 Comprehensive Fee to +4.0% and NFE to +20

		FY '24 Prelim Budget
Current Planning	Above the Line Operating Surplus(Deficit)	\$ (0)
Impact of Changes:		
	Comprehensive Fee to +4.0%	452
	NFE +20, to 2,350	1,029
Alternate Scenario	Above the Line Operating Surplus(Deficit)	\$ 1,480