

**Slippery Rock University Council of Trustees
Special Meeting
Thursday, October 9, 2025
2:30 p.m. – 3:00 p.m.
Conference Room 304 Old Main, SRU Campus**

Call to Order:

Chair Angèle Stoebener called the meeting to order.

Roll Call:

Present: Trustee Alfonso Angelucci, Trustee Domenic Ionta, Trustee Matt Lautman, Trustee Elise Michaux, Trustee Jeffrey Smith, Trustee Angèle Stoebener, Trustee Joshua Young

Absent: Trustee Dan Lavalley, Trustee Charli Severo, Trustee Bob Taylor

Approval of Agenda: Thursday, October 9, 2025

Trustee Angelucci moved, second by Trustee Ionta, approval of the special meeting agenda. Motion carried.

Public Comment:

Chair Stoebener: As you are aware, a comprehensive budget review and discussion occurred in the Finance Committee during the regularly scheduled quarterly business meeting held Sept. 18-19, 2025.

Ms. Carrie Birckbichler, vice president, Finance and Administrative Affairs, presented a brief overview of the University's FY 2025 – 2026 operating budget proposal for Council consideration and vote.

Ms. Birckbichler forecasted two potential fee increases that will likely come before Council in Spring 2026: dining and parking. It is also important to note that all auxiliaries are able to make their transfers to life cycle maintenance, which is critical for Slippery Rock University.

Trustee Smith suggested that for next year if a parking fee is proposed, as this is a common complaint heard on campus, that you let the students know what they are getting for the higher fee. Ms. Birckbichler added the lowest fee in the System is \$75.00. Trustee Smith also suggested going forward that perhaps a drill down option for trustees to view the budget. Perhaps this could help them ask better questions. Ms. Birckbichler noted the suggestions for consideration.

Purpose:

The purpose of the special meeting is for the Council to act upon the SRU Budget Proposal Request FY 2025 – 2026.

Trustee Smith moved, second by Trustee Angelucci, by roll call vote to approve the Proposed Budget Request FY 2025 – 2026. Roll Call Vote: 7 yes, 0 no, 0 abstentions: Motion carried.

Alfonso Angelucci	Yes	Domenic Ionta	Yes	Matt Lautman	Yes
Elise Michaux	Yes	Jeffrey Smith	Yes	Angèle Stoebener	Yes
Joshua Young	Yes				

Next Meeting Date:

December 11-12, 2025

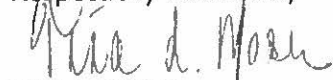
Adjournment:

Trustee Stoebener called to adjourn the meeting, Trustee Angelucci moved, with all in favor. Meeting adjourned.

Closing Comments:

President Riley thanked Council for attending today's special meeting to review and approve the budget proposal. Dr. Riley shared, "we are living in strange times right now, and we really appreciate all of your flexibility and all of your support as we know you are all very busy." "Thank you."

Respectfully submitted,



Tina L. Moser
Administrative Liaison to the SRU Council of Trustees
Chief of Staff, SRU

Documents shared with Council:

- 1: 10.09.25 Meeting Agenda
- 2: FY 2025 – 2026 Comprehensive Planning Process (CPP) Projections Fall 2025 Update
- 3: Slippery Rock University: Educational & General Funds: Auxiliary Funds
- 4: Presentation Slide Deck

SLIPPERY ROCK UNIVERSITY

COUNCIL OF TRUSTEES

Special Meeting via ZOOM

2:30 p.m. – 3:00 p.m.

Thursday, October 9, 2025

Conference Room 304, Old Main, SRU Campus

Slippery Rock University, Slippery Rock, PA

The public may participate in the meetings via Zoom by registering at:

https://sru.zoom.us/webinar/register/WN_rxFwCfpgRsulyLpa9S6dyA

Telephone: (312)626-6799

Webinar ID: 957 2047 0167

AGENDA

- I. **Call to Order:** Angèle Stoebener, chair, SRU Council of Trustees
- II. **Recording of Attendance:**
- III. **Public Comment:**
- IV. **Purpose:** The purpose of the special meeting is for Council to act upon the SRU Budget Proposal Request FY 2025-2026.
- V. **Approval of Meeting Agenda:** Thursday, October 9, 2025
- VI. **Presentation: Brief Overview of the Budget Request:**
 - Carrie Birckbichler, vice president, Finance and Administration
- VII. **Call to Action: Motion to Approve:**
 - 1: Proposed SRU Budget Request FY 2025 – 2026
- VIII. **Roll Call Vote:**
- IX. **Next Meeting Date:** December 11-12, 2025
- X. **Adjournment:**

FY 2025-26 Comprehensive Planning Process (CPP) Projections Fall 2025 Update
Slippery Rock University of Pennsylvania

For Approval

(Dollars in Millions)	2024-25 Actuals			2025-26 Budget			2026-27 Projections		
	E&G	Auxiliary	Total Unrestricted	E&G	Auxiliary	Total Unrestricted	E&G	Auxiliary	Total Unrestricted
Revenues									
Tuition	\$76.1	\$0.0	\$76.1	\$80.1	\$0.0	\$80.1	\$81.1	\$0.0	\$81.1
Fees	17.8	5.2	23.1	18.5	5.3	23.8	18.7	5.3	24.0
State Appropriation	58.9	0.0	58.9	59.5	0.0	59.5	60.7	0.0	60.7
Auxiliary Sales	0.0	21.6	21.6	0.0	22.3	22.3	0.0	21.2	21.2
All Other Revenue	14.9	0.3	15.2	13.6	0.7	14.2	7.9	0.7	8.6
Total Revenues	\$167.7	\$27.1	\$194.9	\$171.7	\$28.2	\$199.9	\$168.4	\$27.1	\$195.5
Expenditures									
Compensation Summary:									
Salaries and Wages	\$79.2	\$2.6	\$81.8	\$83.6	\$3.1	\$86.8	\$85.7	\$3.2	\$88.9
Benefits	40.8	1.4	42.2	41.7	1.5	43.3	44.2	1.6	45.7
Subtotal, Compensation	\$120.0	\$4.0	\$124.0	\$125.3	\$4.7	\$130.0	\$129.9	\$4.8	\$134.6
Student Financial Aid	6.5	3.7	10.2	6.6	3.7	10.3	6.6	3.7	10.4
Interest Expense	0.7	0.5	1.2	0.6	0.4	1.0	0.6	0.3	0.9
Other Services and Supplies	21.6	17.5	39.1	23.8	18.7	42.5	24.2	17.6	41.8
Subtotal, Services and Supplies	\$28.8	21.7	\$50.5	\$31.1	22.8	\$53.9	\$31.5	21.6	\$53.1
Capital Expenditures	3.0	0.0	3.0	3.0	0.0	3.1	3.1	0.0	3.2
Debt Principal Payments	1.5	1.9	3.4	1.4	2.0	3.4	1.5	2.1	3.6
Total Expenditures	\$153.3	\$27.7	\$180.9	\$160.9	\$29.5	\$190.4	\$165.9	\$28.5	\$194.4
Revenues Less Expenditures	\$14.5	(\$0.5)	\$13.9	\$10.8	(\$1.3)	\$9.5	\$2.5	(\$1.4)	\$1.1
Transfers Out To/(In From) Plant and Other Funds	12.9	0.0	12.9	10.8	(1.6)	9.2	3.6	(1.6)	1.9
Revenues Less Expenditures and Transfers	\$1.6	(\$0.5)	\$1.0	\$0.0	\$0.3	\$0.3	(\$1.1)	\$0.3	(\$0.8)
Supplemental Resources									
Planned Use of Reserves for One-Time Needs/Strategic Initiatives	0.0	0.0	0.0	0.0	0.0	0.0	1.1	0.0	1.1
Revenues and Supplemental Resources Less Expenditures & Transfers	\$1.6	(\$0.5)	\$1.0	\$0.0	\$0.3	\$0.3	(\$0.0)	\$0.3	\$0.3
Total Net Assets, Estimated End of Year Balance*	\$98.5	\$18.6	\$117.1	\$103.7	\$16.9	\$120.6	\$101.8	\$17.8	\$119.5
Total Cash, Estimated End of Year Balance*	\$117.3	\$18.2	\$135.4	\$122.5	\$16.5	\$138.9	\$120.5	\$17.4	\$137.9
Annualized FTE Enrollment									
Undergraduate	7,126.8		7,126.8	7,213.1		7,213.1	7,325.7		7,325.7
Graduate	1,438.5		1,438.5	1,481.3		1,481.3	1,478.5		1,478.5
Total Annualized FTE Enrollment	8,565.3		8,565.3	8,694.4		8,694.4	8,804.3		8,804.3
FTE of Budgeted Employees, Net of Turnover									
Faculty	410.4	0.0	410.4	416.7	0.0	416.7	417.6	0.0	417.6
Nonfaculty	425.6	23.7	449.3	432.0	28.3	460.3	431.9	28.3	460.2
Total FTE of Budgeted Employees, Net of Turnover	836.0	23.7	859.7	848.7	28.3	877.0	849.5	28.3	877.7

*Includes balances in plant funds

Net Tuition Revenue per FTE Student \$6,396 \$6,758 \$6,794

Undergraduate academic year tuition revenue less undergraduate E&G institutional aid/annualized undergraduate FTE enrollment excluding clock hour

	<u>Actual/Estimated</u>	<u>Estimated</u>	<u>Estimated</u>
Fall FTE Student/Fall FTE Faculty Ratio	19.1	19.4	19.6

Fall FTE student/Fall FTE faculty (excludes clock hour students and faculty)

SLIPPERY ROCK UNIVERSITY
EDUCATIONAL & GENERAL FUNDS

EDUCATIONAL & GENERAL FUNDS	Prior Year FY 2023-24	Prior Year FY 2024-25	Variance: FY2024-25 to FY2023-24		Approved Budget FY 2024-25	Variance: FY 2024-25 to Approved Budget		Budget For Approval FY 2025-26	Variance: FY 2025-26 Budget to 2024-25	
REVENUE SUMMARY										
Tuition	\$75,663,638	\$76,099,070	\$435,432	0.6%	\$75,566,236	\$532,834	0.7%	\$80,060,276	\$3,961,207	5.2%
Fees	17,728,504	17,822,252	93,748	0.5%	17,818,601	3,651	0.0%	18,527,025	704,773	4.0%
State Appropriation	54,858,813	58,908,895	4,050,082	7.4%	58,908,895	0	0.0%	59,539,923	631,028	1.1%
All Other Revenue	14,187,038	14,892,638	705,601	5.0%	11,614,606	3,278,033	28.2%	13,561,643	(1,330,995)	-8.9%
TOTAL REVENUE	\$162,437,993	\$167,722,855	\$5,284,862	3.3%	\$163,908,337	\$3,814,518	2.3%	\$171,688,868	\$3,966,013	2.4%
PERSONNEL EXPENDITURES SUMMARY										
Salaries & Wages	\$77,536,721	\$80,495,779	\$2,959,059	3.8%	\$81,771,737	(\$1,275,958)	-1.6%	\$85,292,072	\$4,796,293	6.0%
Incremental Benefits	19,527,995	19,687,876	159,881	0.8%	19,216,488	471,388	2.5%	18,802,223	(885,653)	-4.5%
Fixed Rate Benefits	16,748,832	18,119,865	1,371,033	8.2%	17,905,470	214,396	1.2%	19,559,502	1,439,637	7.9%
Educational Benefits	1,854,802	1,712,991	(141,811)	-7.6%	1,877,650	(164,658)	-8.8%	1,689,762	(23,229)	-1.4%
TOTAL PERSONNEL EXPENDITURES	\$115,668,350	\$120,016,512	\$4,348,162	3.8%	\$120,771,344	(\$754,833)	-0.6%	\$125,343,559	\$5,327,047	4.4%
SERVICES & SUPPLIES EXPENDITURES										
Utilities	\$2,814,180	\$3,031,676	\$217,496	7.7%	\$2,898,606	\$133,070	4.6%	\$3,576,947	\$545,271	18.0%
Student Bad Debt Expense	292,416	338,783	46,367	15.9%	350,000	(11,217)	-3.2%	350,000	11,217	3.3%
Student Aid	6,751,073	6,514,189	(236,884)	-3.5%	7,374,565	(860,376)	-11.7%	6,619,518	105,329	1.6%
All Other Services & Supplies	18,829,309	18,199,666	(629,643)	-3.3%	21,221,195	(3,021,529)	-14.2%	19,900,675	1,701,009	9.3%
TOTAL SVCS & SUPPLIES EXPENDITURES	\$28,686,979	\$28,084,314	(\$602,664)	-2.1%	\$31,844,366	(\$3,760,052)	-11.8%	\$30,447,140	\$2,362,826	8.4%
Capital Expenditures	\$2,810,806	\$2,963,833	\$153,027	5.4%	\$2,880,244	\$83,589	2.9%	\$3,037,501	\$73,667	2.5%
Debt Principal & Interest Payments	2,242,718	2,194,650	(48,067)	-2.1%	2,144,853	49,797	2.3%	2,047,705	(146,945)	-6.7%
TOTAL EXPENDITURES	\$149,408,852	\$153,259,310	\$3,850,458	2.6%	\$157,640,807	(\$4,381,498)	-2.8%	\$160,875,905	\$7,616,596	5.0%
REVENUES LESS EXPENDITURES	\$13,029,141	\$14,463,545			\$6,267,530			\$10,812,962		
Transfers (in-from)/out-to Other Funds	\$12,222,170	\$12,896,940	\$674,770	5.5%	\$6,267,530	\$6,629,410	105.8%	\$10,812,962	(\$2,083,978)	-16.2%
REVENUES LESS EXPENDITURES & TRANSFERS	\$806,971	\$1,566,605			\$0			\$0		

SLIPPERY ROCK UNIVERSITY
AUXILIARY FUNDS

AUXILIARY FUNDS	Prior Year FY 2023-24	Prior Year FY 2024-25	Variance: FY2024-25 to FY2023-24		Approved Budget FY 2024-25	Variance: FY 2024-25 to Approved Budget		Budget For Approval FY 2025-26	Variance: FY 2025-26 Budget to 2024-25	
REVENUE SUMMARY										
Student Center Fees	\$2,899,849	\$3,044,349	\$144,500	5.0%	\$3,088,033	(\$43,684)	-1.4%	\$3,115,963	\$71,614	2.4%
Recreation Center Fees	1,397,365	1,662,861	265,496	19.0%	1,673,620	(10,759)	-0.6%	1,953,661	290,800	17.5%
Food Services	10,460,588	11,727,054	1,266,465	12.1%	11,975,511	(248,457)	-2.1%	12,388,835	661,782	5.6%
Housing Operations	8,542,771	9,873,607	1,330,836	15.6%	9,693,672	179,935	1.9%	9,887,592	13,985	0.1%
All Other Revenue	533,192	836,908	303,715	57.0%	674,321	162,587	24.1%	836,330	(578)	-0.1%
TOTAL REVENUE	\$23,833,766	\$27,144,779	\$3,311,013	13.9%	\$27,105,157	\$39,621	0.1%	\$28,182,381	\$1,037,603	3.8%
PERSONNEL EXPENDITURES SUMMARY										
Salaries & Wages	\$2,699,367	\$2,609,678	(\$89,689)	-3.3%	\$3,057,494	(\$447,816)	-14.6%	\$3,140,967	\$531,289	20.4%
Incremental Benefits	439,870	427,407	(12,463)	-2.8%	468,641	(41,234)	-8.8%	489,632	62,225	14.6%
Fixed Rate Benefits	492,964	506,490	13,525	2.7%	555,338	(48,848)	-8.8%	544,681	38,191	7.5%
Educational Benefits	58,702	452,170	393,468	670.3%	67,114	385,056	573.7%	508,298	56,128	12.4%
TOTAL PERSONNEL EXPENDITURES	\$3,690,903	\$3,995,745	\$304,841	8.3%	\$4,148,587	(\$152,842)	-3.7%	\$4,683,578	\$687,833	17.2%
SERVICES & SUPPLIES EXPENDITURES										
Utilities	\$1,267,077	\$1,573,982	\$306,905	24.2%	\$1,305,089	\$268,893	20.6%	\$1,857,299	\$283,317	18.0%
Student Bad Debt Expense	0	0	0	n/a		0	n/a	0	0	n/a
Student Aid	400,776	3,709,595	3,308,819	825.6%	441,542	3,268,053	740.1%	3,709,595	0	0.0%
All Other Services & Supplies	14,030,610	15,966,207	1,935,597	13.8%	16,390,413	(424,206)	-2.6%	16,804,409	838,203	5.2%
TOTAL SVCS & SUPPLIES EXPENDITURES	\$15,698,463	\$21,249,784	\$5,551,321	35.4%	\$18,137,044	\$3,112,739	17.2%	\$22,371,303	\$1,121,519	5.3%
Capital Expenditures	\$82,501	\$38,231	(\$44,270)	-53.7%	\$84,563	(\$46,333)	-54.8%	\$39,148	\$917	2.4%
Debt Principal & Interest Payments	2,394,857	2,390,970	(3,887)	-0.2%	2,394,141	(3,170)	-0.1%	2,393,014	2,044	0.1%
TOTAL EXPENDITURES	\$21,866,724	\$27,674,729	\$5,808,005	26.6%	\$24,764,335	\$2,910,394	11.8%	\$29,487,042	\$1,812,313	6.5%
REVENUES LESS EXPENDITURES	\$1,967,042	(\$529,950)			\$2,340,822			(\$1,304,661)		
Transfers (in-from)/out-to Other Funds	\$2,241,952	\$13,670	(\$2,228,282)		\$2,433,140	(\$2,419,470)		(\$1,618,751)	(\$1,632,421)	
REVENUES LESS EXPENDITURES & TRANSFERS	(\$274,910)	(\$543,620)			(\$92,318)			\$314,090		

Auxiliary Enterprise Activities

Self-Supporting activities that charge a fee to cover the cost of those services. Enterprise activities include the residence halls, dining services, recreational center and student union. In addition, the operational cost SRU directly pays and receives reimbursement (revenue) from the Foundation for the Residential Suites are also incorporated. University auxiliary enterprises are not subsidized from E&G Funds, and other than an indirect cost allocation, auxiliary enterprise revenues do not support E&G operations.



1

The purpose for today's meeting is to vote on approval of the University's FY 2025-26 operating budget.

01

FY 2025-26 Budget for Approval

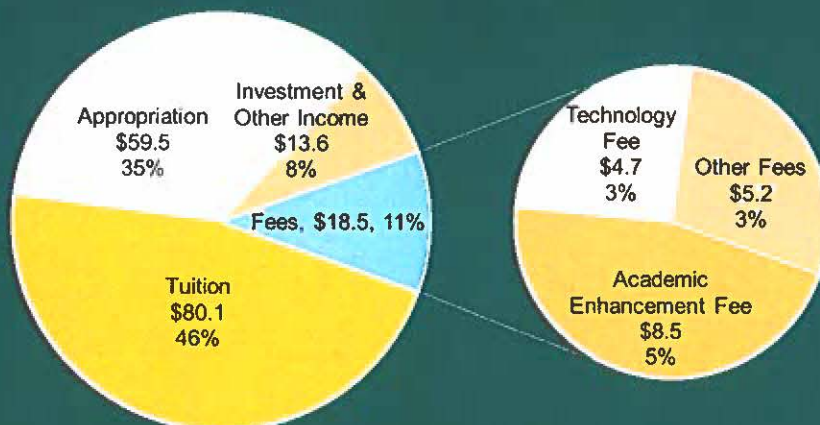
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University Uses of Funds - Expenses

Primary Uses

- Salaries, Wages & Benefits
- Services/Supplies/Debt
- Deferred Maintenance & Infrastructure
- Student Aid - Recruitment Strategies
- Utilities

E&G Revenue Budget for Approval 2025-26
\$171.7M Total (in Millions)



SlipperyRock
University

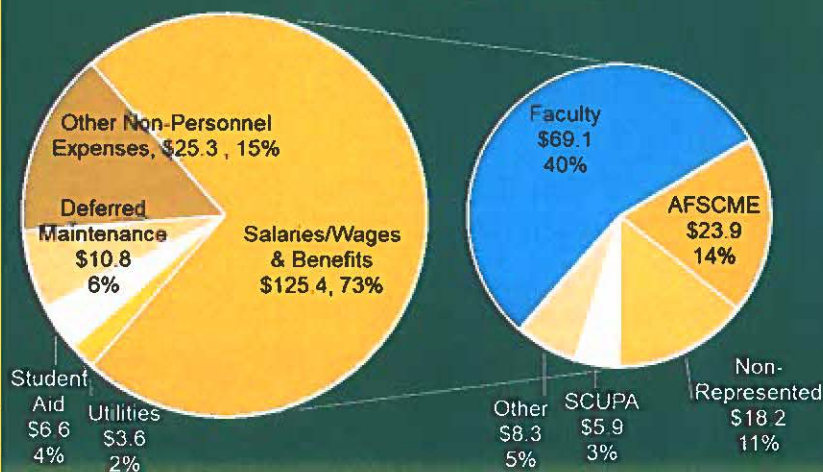
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University Sources of Funds - Revenues

Primary Sources

- Tuition & Fees - Student Recruitment & Retention
- Appropriation
- Interest Income/ Sales & Services

E&G Expense Budget for Approval 2025-26
\$171.7 Total (in Millions)



SlipperyRock
University

4

2025-26 Budget For Approval

Delays in Pennsylvania State Budget

- Pennsylvania's fiscal year concluded on June 30, 2025, and the state budget for fiscal year 2025–26 remains unresolved.
- Governor's budget request included a 6.5% in funding for the State System.
- In July, the Board of Governors approved a \$139 per-semester tuition increase, which equates to a \$278 or 3.6% annual increase.
- Should PASSHE receive the requested 6.5% funding increase, the Board will consider reversing part or all of the tuition increase.

2025-26 Budget for Approval - Assumptions

Educational & General

- Tuition/ & applicable fee rate increase 3.6% over prior year.
- Appropriation allocation increase of \$0.6M, 1.1%.
- Incoming first-time full-time students mostly flat to prior year, while new transfers are slightly up, and retention is higher at 86.4%, for an overall projected annualized student FTE increase 1.5%.
- Other revenues are down as a result of projected declines in interest rates.
- Personnel Budget Management (PBM) calculates personnel costs by position, as well as an estimated turnover/vacancy rate.
- Budget is required to balance.
- Impact of continuing economic inflationary factors somewhat offset with lower expenses due to the centralization of strategic resources.
- Strategic use of reserves for one-time needs.

Auxiliary

- All existing fee rates are in place, including meal prices, (6.22% increase in Aramark contract cost).
- Increased Traditional Housing occupancy with additional rooms in Rhoads.
- Personnel Budget Management (PBM) calculates personnel costs by position using contractual or known rate changes.
- Impact of continuing economic inflationary factors on operating expenses.
- Transfers to life cycle maintenance are maintained at recurring prior year levels.

2025-26 Budget for Approval

Slippery Rock University	EDUCATIONAL & GENERAL FUND		
	Actual FY2024-25	Budget for Approval FY2025-26	More/(Less) FY2025-26 Budget to FY2024-25 Actual
Tuition	\$76,099,070	\$80,060,276	\$3,961,207
Fees	17,822,252	18,527,025	704,773
State Appropriation	58,908,895	59,539,923	631,028
All Other Revenue	14,892,638	13,561,643	(1,330,995)
TOTAL REVENUE	\$167,722,855	\$171,688,868	\$3,966,013
Salaries & Wages	\$80,495,779	\$85,292,072	\$4,796,293
Incremental Benefits	19,687,876	18,802,223	(885,653)
Fixed Rate Benefits	18,119,865	19,559,502	1,439,637
Educational Benefits	1,712,991	1,689,762	(23,229)
TOTAL PERSONNEL EXPENDITURES	\$120,016,512	\$125,343,559	\$5,327,047
Utilities	\$3,031,676	\$3,576,947	\$545,271
Student Bad Debt Expense	338,783	350,000	11,217
Student Aid	6,514,189	6,619,518	105,329
All Other Services, Supplies	18,199,666	19,900,675	1,701,009
TOTAL SVC & SUPP EXPENDITURES	\$28,084,314	\$30,447,140	\$2,362,826
Capital Expenditures	\$2,963,833	\$3,037,501	\$73,667
Debt Principal & Interest Payments	2,194,650	2,047,705	(146,945)
TOTAL EXPENDITURES	\$153,259,310	\$160,875,905	\$7,616,596
TRANSFERS	\$12,896,940	\$10,812,962	(\$2,083,978)
NET SURPLUS/(DEFICIT)	\$1,566,605	\$0	

Revenues

- Overall tuition and fees \$4.6M higher, related to 3.6% rate increase, the projection of a flat incoming first-time class, offset by slightly higher transfers and improved retention, Total annualized student FTE increase 1.5%.
- Appropriation increase of 1.1% or \$0.6M.
- Other revenue projected to be lower, with a decline in prior year's high interest rates.

Expenses

- Overall personnel expense increase of \$5.2M or 4.4%, related to the average compounded fiscal impact of salary/wage rate increases 3.8%, projected healthcare settlements \$1.5M, hospitalization rates increase 17.0%, somewhat offset by lower SERS retirement rates and estimated vacancy savings.
- Non-personnel and utility increases for inflation and other known costs \$2.5, and higher student aid for recruitment/retention \$0.1M.
- Transfers for deferred maintenance \$2.5M, CSRFII savings and reserves for Academic Master Plan and technology needs, \$7.2M.

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2025-26 Budget for Approval

Slippery Rock University	AUXILIARY FUND		
	Actual FY2024-25	Budget for Approval FY2025-26	More/(Less) FY2025-26 Budget to FY2024-25 Actual
Student Center Fees	\$3,044,349	\$3,115,963	\$71,614
Recreation Center Fees	1,662,861	1,953,661	290,800
Food Services	11,727,054	12,388,835	661,782
Housing Operations	9,873,607	9,887,592	13,985
All Other Revenue	836,908	836,330	(578)
TOTAL REVENUE	\$27,144,779	\$28,182,381	\$1,037,603
Salaries & Wages	\$2,609,678	\$3,140,967	\$531,289
Incremental Benefits	427,407	489,632	62,225
Fixed Rate Benefits	506,490	544,681	38,191
Educational Benefits	452,170	508,298	56,128
TOTAL PERSONNEL EXPENDITURES	\$3,995,745	\$4,683,578	\$687,833
Utilities	\$1,573,982	\$1,857,299	\$283,317
Student Aid	3,709,595	3,709,595	0
All Other Services, Supplies	15,966,207	16,804,409	838,203
TOTAL SVC & SUPP EXPENDITURES	\$21,249,784	\$22,371,303	\$1,121,519
Capital Expenditures	\$38,231	\$39,148	\$917
Debt Principal & Interest Payments	2,390,970	2,393,014	2,044
TOTAL EXPENDITURES	\$27,674,729	\$29,487,042	\$1,812,313
TRANSFERS	\$13,670	(\$1,618,751)	(\$1,632,421)
NET SURPLUS/(DEFICIT)	(\$543,620)	\$314,090	

Revenues

- All existing fee rates are in place, including meal prices, (6.22% increase in Aramark contract cost).
- Traditional housing occupancy planned at 95% for the academic year, offsetting the prior year's lower occupancy.
- Reimbursements of Privatized Housing operations (for corresponding expenses), is expected to be \$1.5M, based on planned capital projects, driving most of the budget difference compared to the prior year.

Expenses

- Average compounded impact of salary/wage, related benefits & healthcare increase \$0.7M.
- Transfers for deferred maintenance are planned for each auxiliary, with a planned deficit that will be covered by operating reserves.
- Net transfers to Auxiliaries will be a credit, related to new accounting of scholarships/discounts & allowances.

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