WESTERN COMMUNITY COLLEGE AREA
BOARD OF GOVERNORS

INFORMAL MEETING
MINUTES

Wednesday, July 15, 2026

The Western Community College Area Board of Governors held an Informal Board meeting at 11:00 a.m. on Wednesday, July 15, 2026 at Western Nebraska Community College, Coral E. Richards Boardroom, 1601 East 27th Street, in the City of Scottsbluff, in the County of Scotts Bluff, in the State of Nebraska, as per the publicized notice in the Star-Herald Thursday, July 9, 2026.

A current agenda was available in the Board Secretary's office on the Scottsbluff Campus at the time of the publicized notice.

AREA BOARD

Linda A. Guzman-Gonzales .... Present
Joshua R. Hanson .... Absent
Mark A Kaufman .... Present
Allan D. Kreman .... Absent
Starr Lehl, Vice Chair .... Present
Lori J. Liggett .... Present
Coral E. Richards .... Present
R. J. Savely, Jr. .... Present
Marjorie A. Schmidt .... Present
Monica R. Shambaugh .... Present
John P. Stinner, Chair .... Present

Mr. Josh Hanson informed President Dart that he would be unable to attend the meeting due to business commitments. Mr. Allan Kreman informed the Board secretary that he would be unable to attend the meeting due to personal commitments.

QUORUM

Chair Stinner declared a quorum was present for the transaction of business.

COMMUNITY COMMENTS

Chair Stinner asked for comments from the community. Pursuant to Board Policy BP-106, Chair Stinner reminded community members who wish to make comments will be limited to a five-minute presentation. There were no comments.

BOARD CHAIRPERSON COMMENTS

Chair Stinner announced for public information there was a copy of the Nebraska Open Meetings Act available on the table at the back of the room.

Chair Stinner announced that the Board reserves the right to enter a closed session if deemed necessary for any item on the agenda per Section 84-1410 of the Nebraska Revised Statutes.

Budget Review – Designated Fund/Restricted Fund

Ms. Lynne Koski, Vice President of Administrative Services explained that this review is focused on the College's other funds, which include the Designated Fund, Restricted Fund, Loan Fund, and Agency Fund. These funds operate independently of tax dollars and are primarily supported through external or self-generated revenue sources.

The Designated Fund consists primarily of self-supporting auxiliary enterprises, with the largest operations being the bookstore, food service, and residence halls. Beginning fund balances are preliminary and will be adjusted following year-end closing and the annual audit before the budget is finalized in September.

The Restricted Fund is comprised primarily of grants, federal financial aid, and other contracts. These resources are externally restricted, meaning their use is limited by the requirements of granting agencies or other outside parties.

The Loan Fund includes resources designated primarily for emergency student loans, while the Agency Fund accounts for student clubs and organizations, with the College serving as the custodian of those funds.

Revenue projections are based on actual information available as of June 30 and will be updated as additional funding sources are confirmed. Expenditures currently balance projected revenues.

The tentative budget for these funds is approximately $2 million lower than the prior year. The decrease is largely attributable to one-time transfers from the Designated Fund in the previous year to support equipment, technology, furnishings, and the Harms Health Center. Additionally, Restricted Fund expenditures have declined following the completion of ARPA-funded projects.

Board discussion clarified that Designated Fund local receipts are generated through self-supporting operations such as residence hall fees, food service meal plans, bookstore sales, and facility rentals. Restricted Fund local receipts primarily consist of local scholarship funding.

An updated General Fund Budget was also presented, reflecting revisions since the June meeting. While revenue estimates remain unchanged, continued refinement of personnel and operating expenditures has reduced the projected budget shortfall from $764,000 in June to $481,000 in July. Personnel costs have been finalized, vacancy savings have increased, and compensation adjustments have further reduced projected expenditures. Six positions remain unfilled, and no full-time positions are currently being advertised while budget decisions continue.

Ms. Koski noted that additional one-time expenditures may be funded through cash reserves if appropriate, although the College continues working toward a balanced operating budget.

The Board also received an update on the state's budget outlook. Nebraska community colleges have been directed to prepare a 92% budget exercise for the next biennium, modeling the impact of an 8% reduction in state aid. In addition, uncertainty remains regarding a potential 5% reduction in current-year state appropriations through the Governor's proposed budget sequestration. While it is not yet clear whether community colleges will be subject to the current-year reduction, the administration is preparing contingency plans should additional state funding reductions be implemented. It was emphasized that the budget remains a moving target as guidance from the state continues to evolve.

The discussion focused on the potential impact of proposed state budget reductions on the college and the uncertainty surrounding how those reductions would be implemented. Leadership indicated that the governor's current priority is addressing the state's estimated $179 million budget shortfall through a proposed 5% sequester, while also requesting agencies prepare an additional 8% reduction proposal for the upcoming biennium. Based on current understanding, any immediate reductions would likely apply to state aid rather than Future Fund revenues, though clarification is still needed. If reductions were ultimately applied to both funding sources, the financial impact on the college could approach $1 million.

Board members noted that preparing 95% budget scenarios has historically been a routine legislative exercise; however, given the state's current fiscal challenges, this year's request may represent an actual funding reduction rather than a planning exercise. While expressing concern over continued reductions in state revenue and appropriations, it was emphasized that the college remains financially stable, with healthy reserves and access to a statutory safety net property tax levy if necessary. It was stressed that the institution's goal is to remain both efficient and effective while recognizing that continued cuts could eventually compromise operations and educational services.

The discussion also addressed the Future Fund, which the governor has identified as a model for potential K-12 education funding reforms. While the Future Fund has been fully funded, college leadership observed that continued reductions in state aid effectively undermine its benefits because the college no longer has the same flexibility to offset losses through property taxes. The board acknowledged that invoking the safety-net levy remains an available option but emphasized that it would only be considered if necessary and would require careful deliberation.

Ms. Koski noted that tuition and fee increases represent one of the few remaining revenue options but emphasized that community college students often cannot absorb significant cost increases. Likewise, initiatives such as tuition-free dual credit, while a priority, may require reevaluation if state funding declines, particularly because dual-credit appropriations could also be affected.

Looking beyond budget reductions, Ms. Koski highlighted a potential opportunity through the federal Rural Health Transformation Program, which is expected to provide approximately $1 billion over five years to improve rural healthcare across Nebraska. Community colleges are exploring the possibility of receiving direct appropriations similar to previous ARPA funding, potentially requesting approximately $15 million per institution. Preliminary concepts include expanding health science programs, improving facilities in Sidney and Alliance, enhancing EMT and community health worker training, and exploring new programs such as respiratory therapy to better address regional workforce needs.

The meeting concluded with discussion of the state's community college funding formula. Leadership explained that the college's share of state aid has declined from approximately 13.8% in 2012-13 to about 12% today, largely due to enrollment growth at larger institutions. Community college presidents have begun discussing revisions to the allocation formula, including freezing each institution's percentage share or establishing allocations based on historical averages to provide greater stability for smaller, rural colleges. No decisions have been made, but discussions with state officials are ongoing.

Next Regular Meeting: Wednesday, July 15, 2026, 1:00 p.m., Coral E. Richards Boardroom, WNCC Scottsbluff Campus, 1601 East 27th Street, Scottsbluff, NE.

Adjournment
The meeting was adjourned by unanimous consent at 12:02 p.m.

John P. Stinner, Chair	Susan L. Verbeck, Secretary