

**WESTERN COMMUNITY COLLEGE AREA  
BOARD OF GOVERNORS**

**INFORMAL MEETING**

**MINUTES**

**September 18, 2024**

The Western Community College Area Board of Governors held an Informal Board meeting at 10:31 a.m. on Wednesday, September 18, 2024, in the Coral E. Richards Boardroom at Western Nebraska Community College, Scottsbluff Campus, located at 1601 East 27<sup>th</sup> 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 on Tuesday, September 10, 2024.

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

**AREA BOARD**

Karen S. Anderson, Chairperson .....	Present
Linda A. Guzman-Gonzales .....	Present
F. Lynne Klemke .....	Present
Allan D. Kreman .....	Present
Starr Lehl .....	Present
Lori J. Liggett .....	Present (late)
William M. Packard .....	Absent
Coral E. Richards .....	Present
R. J. Savely, Jr .....	Present
Marjorie A. Schmidt .....	Present
John P. Stinner, Vice Chairperson .....	Present

**Quorum**

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

**Board Chairperson Comments**

A copy of the Nebraska Open Meetings Act was available on the table at the back of the room.

The Board reserves the right to enter into closed session if deemed necessary for any item on the agenda per Section 84-1410 of the Nebraska Revised Statutes.

**Community Comments**

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

**Presentation/Discussion of Proposed 2024-2025 WCCA Budgets**

Ms. Lynne Koski, Vice President of Administrative Services reported two public hearings were required at this meeting. The first, a budget hearing and second, a special hearing to change the tax request from the prior year. Each hearing will open, then close after information is shared. The Board will be asked to approve the budgets and property tax request during the regular board meeting.

**Presentation/Discussion of Proposed 2024-2025 WCCA Budgets (cont.)**

Based on state statute §77-1631 through §77-1634, WNCCA does not meet the criteria requiring participation in a Joint Public Hearing.

Ms. Koski reported the Community College Aid Act provides the state aid distribution to the respective community college areas. Community College system funding for 2024-25 is \$114,116,711 an increase of \$2,177,539. WNCC will receive a \$138,413 state aid formula increase from the previous year amount. Based on a three-year average, dual credit full-time equivalent enrollment (FTE), Western will receive \$2,531 increase in dual credit aid resulting in a total state aid increase of \$140,944. Under new legislation, general operating fund property taxes will not be levied for fiscal year 2024-25. The State is replacing property tax revenue through a new mechanism called the Community College Future Fund. The new funding results in a 3.5% increase over the prior year general fund tax request for an increase of \$528,683. The inclusion of miscellaneous taxes results in a net decrease in restricted revenues (state aid and property taxes) of \$11,121,043 from the previous year's budget.

Total tuition and fee revenue was budgeted based on a \$4.00 increase in tuition for resident, border state, and non-resident rates. Dual enrollment tuition remained at a discounted rate of \$46 per credit hour. Projected tuition remission increases and reduced course fees for consumable materials, costs, net tuition, and fees is 1% less than the prior year.

General Fund revenue was projected at an increase of \$1,437,927 or 4.89% over the previous year. One revenue source to note is included as a draw from cash reserves in an amount of \$696,335 for one-time expenditures that support Re-Envisioning WNCC strategic goals and objectives. Almost \$900,000 of that is for contingency and operational costs to balance our capital budgets.

College budget managers were charged with developing division and department financial plans with a 4% decrease in operating and travel categories. Personnel costs included a 3% total compensation increase with additional pay adjustments resulting from a compensation study completed the prior fiscal year. Other operating costs of significance included increases in property, liability, and cyber security insurance of \$220,452 or 18%, software licenses and the replacement of customer relationship management (CRM) software. The CRM software was replaced due to the company going out of business.

County certified property valuations increased 7.90% over the prior year. The capital improvement levy rate is set at \$0.02 for 2024-2025 plus \$0.001121 for debt service. The debt service levy is exempt from the established levy limits. The total property tax levy for all funds is 2.1121 cents on each \$100 of taxable property valuation which is a decrease from 9.8914 cents in 2023-2024.

An inter-fund transfer from the Residence Hall account provides debt service for Conestoga Hall and Pioneer Hall revenue bonds. Additionally, student facility fees are included in total capital improvement fund revenue. The total capital fund budget reduced 14.57% from the previous year due to the completion of prior year construction projects.

**Presentation/Discussion of Proposed 2024-2025 WCCA Budgets (cont.)**

Ms. Koski reported all budgets have been updated based on Board discussions from June through August and reflect actual beginning balances, actual property valuations, and certified state aid. The 2024-2025 final budget requests are:

	<b>2023-2024</b>	<b>2024-2025</b>
General Operating Budget	\$29,305,635	\$30,737,562
Building Improvement Budget	\$ 9,123,617	\$ 7,991,033
<b>Total Tax Supported Budgets</b>	<b>\$38,429,252</b>	<b>\$38,728,595</b>
Self-Supporting Funds Budget	\$26,105,597	\$26,614,316
<b>Grand Total of all Budgets</b>	<b>\$64,534,849</b>	<b>\$65,342,911</b>

**Board Policy Discussion**

***BP-103 Committees of the Board***

Ms. Kimberly Reichert reported changes were made to the structure in policy BP-103 Committees of the Board. The first was the elimination of the Human Resources and Student Services committees. Those committees were active at a time when several policies were being reviewed but have not met in over four years. If there is a need for them to meet, there is a provision in the revised policy for an ad hoc committee.

Discussion was initiated concerning the audit committee. The Board's primary responsibility is the audit of the institution, but over the past couple of years, it has been a challenge to provide an effective review by committee members. As a result, the Audit committee has been added to the Finance and Facilities committee. Ms. Reichert clarified this action does not eliminate the Board's audit responsibilities. Following discussion of concerns from Board members, it was suggested the Board monitor this change for a couple of years, then revisit to determine whether the change was effective. Mr. Stinner stated in his opinion members of the Finance and Facilities committee have knowledge of financial information that may be helpful when the audit is presented.

Discussion also included the Risk Management committee. Ms. Reichert commented following a past campus incident, the Board committed to monitor the safety and security of the institution more closely. Because there are many facets of risk in higher education, it was not clear which risks the Board should oversee. Ms. Reichert shared a document that came through the Association of Governing Boards that provided several types of risks Boards should be monitoring. Risk management addresses more than safety and security; today, risk can include cyber security, contractual and reputational security, and financial security, just to name a few. Currently, the primary oversight of the committee is regarding safety, security, and technology types of risk management issues. Oversight of risk cannot be designated to a particular group because risk impacts the whole institution, so several departments can be involved.

**Board Member Comments**

Chair Anderson thanked Ms. Koski and her staff for their work with the budget preparation and reminded all in attendance that the Budget Hearings start at 1:00 p.m. with the regular meeting following at approximately 1:30 p.m.

**Next Regular Meeting:** Wednesday, September 18, 2024, following the Budget Hearing (approximately 1:30 p.m.), Coral E. Richards Boardroom, Scottsbluff Campus, 1601 East 27<sup>th</sup> Street, Scottsbluff, NE.

**Adjournment**

The meeting was adjourned by unanimous consent at 12:06 p.m.

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Karen S. Anderson, Chairperson

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Susan L. Verbeck, Secretary