

**WESTERN COMMUNITY COLLEGE AREA
BOARD OF GOVERNORS**

**2024-2025 PUBLIC HEARING
PROPOSED BUDGETS/FINAL TAX REQUEST
MINUTES
September 18, 2024**

The Western Community College Area Board of Governors held a Public Hearing for presentation of Western Community College Area 2024-2025 Proposed Budgets at 1:00 p.m. on Wednesday, September 18, 2024, in the Coral E. Richards Boardroom, at Western Nebraska Community College, Scottsbluff Campus, located at 1601 East 27th Street, in the City of Scottsbluff, in the County of Scotts Bluff, in the State of Nebraska, as per the Notice of Budget Hearing published 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
Lori J. Liggett	Present
Starr Lehl	Present
William M. Packard	Present
Coral E. Richards.....	Present
R. J. Savely, Jr.....	Present
Marjorie L. Schmidt	Present
John P. Stinner, Vice Chairperson	Present

QUORUM

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

BOARD CHAIRPERSON COMMENTS

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

APPROVAL OF AGENDA

Chair Anderson entertained a motion for approval of the agenda. Ms. Richards MOVED the agenda be approved as presented. SECONDED by Mr. Savely.

The vote was, Yes: Guzman-Gonzales, Klemke, Kreman, Lehl, Liggett, Packard, Richards, Savely, Schmidt, Stinner, Anderson. No: None. Abstain: None. Absent: None. Motion carried.

EXCUSE ABSENT BOARD MEMBER(S)

All Board members were present.

OPEN PUBLIC HEARING/2024-2025 WCCA BUDGETS

Pursuant to Section 13-501 to 13-513, R.R.S. and Section 85-1517, R.R.S., Chair Anderson declared the Public Hearing for the purpose of hearing support, opposition, criticism, suggestions, or observations of taxpayers relating to the following proposed budgets open at 1:00 p.m.

Presentation of Proposed 2024 – 2025 WCCA Budgets

Chair Anderson asked Ms. Lynne Koski, Vice President of Administrative Services, to present the Western Community College Area proposed 2024-2025 Budgets.

Ms. Koski explained as the College plans and develops the budget, it is important to keep in mind the budget needs to support the College mission and that includes providing learning opportunities for students in our service area, which is essentially twelve and a half counties in the Panhandle of Nebraska.

Property Tax Levy Lid – State Statute §77-3442 and §85-1517 (through 2023-24)

In preparing the budget, levy and budget lids are considered. The levy must not exceed the difference between 11.25 cents and the rate levied for building improvement funds per \$100 of taxable property valuation for operating expenditures.

Beginning 2024-25 there is no levy authority, unless the State fails to provide full funding of the newly created Community College Future Fund.

Total Property Tax Request Limitation – State Statute §77-1631 and §77-1634 (2023)

- Property tax requests greater than allowable growth percentage (2% plus real growth percentage) are required to participate in a Joint Public Hearing.

Budget Lid – State Statute §13-518 through §13-522

- Limits restricted funds revenue (State Aid and Property Taxes)
- Base limitation of 2.5% plus growth in full-time equivalent (FTE) enrollment exceeding 2.5%.
- Allows for 1% additional authority with 75% Board approval of members constituting a quorum authorized to conduct business. (Attorney General opinion 17-006, December 28, 2017)

Factors Affecting Operational Funding

- Increase in tuition and mandatory fee rates per credit hour:
 - ✓ \$4 resident, border state (CO, SD, WY), non-resident
 - ✓ \$0 dual enrollment (College Now)
- Credit hour projections remain at 2023-24 levels
- New Construction Trades programming (\$137,750)
- Tuition Remission increase (10%)
- Funding formula – State statute §85-2234 specifies state aid distribution
 - ✓ \$2,177,539 (2% increase) certified community college system aid
 - ✓ \$138,413 WNCC certified state aid increase
 - ✓ \$2,531 Dual Credit state aid increase (LB 1008, 2020 and LB380, 2021)
 - ✓ Board approved 1% budget lid override July 17, 2024

Operating Revenue Budget

The Operating Revenue Budget is summarized by the source of revenue, the prior year budget, the proposed budget and the percentage of the total budget for each source. The General Operating 2024-2025 budget increased by \$1,437,927 or 4.89% over the previous year.

Factors affecting operational expenditures include:

- 4% reduction in operating and travel categories
- Negotiated total compensation agreement 3%
- Compensation study salary adjustments
- Increases in insurance (18%), software licenses, utilities
- Replacement of customer relationship (CRM) software
- Funding strategic plan goals and objectives
- Use of cash reserves to fund contingency and operational costs

The total proposed Operating Expenditure Budget is \$30,737,562 with a total dollar increase (decrease) of \$1,431,927. This represents a percent change of 4.89%.

Operating Expenditures are summarized two ways:

1. Program Classification
 - instruction (32%)
 - institutional support (32%)
 - academic support (13%)
 - physical plant (10%)
 - student services (12%)
 - student financial support (1%)
2. Object of Expenditure
 - personnel services (66%)
 - operational expenses (29%)
 - travel (2%)
 - capital outlay (3%)

**2024-2025 Building Improvement/Bond Sinking Budget
Levy Lid**

State Statute §85-1517 authorizes property tax levy up to two cents per \$100 valuation for fiscal years beginning July 1, 2013.

Building Improvement/Bond Fund

The total Building Improvement/Bond Fund proposed budget is \$7,991,033.

New Buildings/Renovations include:

- Prior year carry-over projects
 - Master Facility Plan Update \$ 100,000
- 2024-2025 Building and Renovation Projects:
 - Debt Service/Lease Purchase \$1,126,090
 - Facility Fee Expenditures \$2,633,643
 - Pioneer Hall Updates \$1,342,994
 - Harms Health Science Expansion \$1,267,000
 - Other Career and Technical Facilities \$ 550,000
 - External/Internal Improvements \$ 971,306

Building Improvement Budget Summary for the WNCC Campuses
 (Alliance, Scottsbluff, Sidney)

Improvements/Debt Service

- Funded by:
 - Carry Forward Balance \$4,092,779
 - Property Tax Revenue \$3,371,473
 - Other Revenue \$ 446,214
 - Student Facility Fee \$ 80,567
 - **Total Resources** **\$7,991,033**

Summary Tax Supported Budget

	2023-24 Budget	2024-2025 Budget
Operating	\$29,305,635	\$30,737,562
Building Improvement	\$ 9,123,617	\$ 7,991,033
Total Tax Supported Budgets	\$38,429,252	\$38,728,595

Self-Supporting Budgets

Total Proposed Budget	\$26,614,316	
➤ Designated (auxiliary enterprises)		\$ 8,050,000
➤ Restricted:		\$18,172,596
• Federal student aid/grants		
• Federal loan pass-through fund		
• State and federal and ARPA funds		
• Retirement of Debt		
➤ Agency (student clubs and organizations)		\$ 391,720
➤ Funded by		
• Projected revenue		\$21,034,708
• Carry forward balance		\$ 5,579,608

In conclusion, Ms. Koski stated tax supported budgets advance the 2023-2027 Strategic Master Plan:

Re-envisioning Student Success

Re-envisioning Academic Excellence

Re-envisioning Community Partnerships

Re-envisioning Institutional Vitality

Self-supporting funds budget financed by sales and fee revenue, state and federal financial aid and other funds.

Public Comments

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

Close Public Hearing

Chair Anderson declared the 2024-2025 Proposed Budgets Public Hearing closed at 1:19 p.m.

Open Special Hearing to Set Final Tax Request

The Special Hearing to set final tax request opened at 1:19 p.m.

Public Hearing Pursuant to Section 77-1601.02, for the purpose of hearing support, opposition, criticism, suggestions or observations of taxpayers relating to setting the tax request at a different amount than the prior year tax request.

- **2024-2025 Property Tax Request**
 - General Operating Fund \$ 0.00
 - Capital Improvement and Bond Fund 3,384,844.31
- **Total Property Tax Request** **\$ 3,384,844.31**

- Total assessed value of property differs from last year's total assessed value by 7.90%
- The tax rate which would levy the same amount of property taxes as last year, when multiplied by the new total assessed value of property would be 0.09167 per \$100 of assessed value
- Western Nebraska Community College proposes to adopt a property tax request that will cause its tax rate to be .021121 per \$100 of assessed value
- Based on the proposed property tax request and changes in other revenue, the total operating budget of Western Nebraska Community College will increase last year's budget by 1.25%

Tax Levy Summary

	2023-24	2024-25	Dollar	
	Actual	Proposed	Increase(Decrease)	Increase
Total Valuation	\$14,852,609,373	\$16,026,202,896	\$1,173,593,523	7.90%
Tax Dollar Requirements				
General Fund	\$11,774,407	\$0	-\$11,774,407	
Building Improvement Fund	\$2,737,484	\$3,205,241	\$467,757	
Bond Debt	179,399	179,603	204	
Total Building & Bond Fund	2,916,883	3,384,844	467,961	
Total Tax Dollar Requirements	\$14,691,290	\$3,384,844	-\$11,306,446	-76.96%
Levy Requirement				
General Fund	\$0.079275	\$0.000000	-\$0.079275	
Building Improvement	\$0.018431	\$0.020000	\$0.001569	

Bond Obligations	\$0.001208	\$0.001121	-\$0.000087	
Total Building & Bond Fund	\$0.019639	\$0.021121	\$0.001482	
Total Levy Requirement	\$0.098914	\$0.021121	-\$0.077793	-78.65%

2024-2025 Tax Hearing Summary

LB243 Community College Legislative Changes

FY24 tax request established new state funding base

Eliminated FY25 General Fund property tax levy authority

Retained Building Improvement Fund levy authority

If State fails to provide full funding, the Board may levy an amount equal to the amount that would have been provided.

Public Comments

Chair Anderson asked for comments from the community. Pursuant to Board Policy BP-101, Chair Klemke reminded community members who wish to make comments that each speaker will be limited to a five-minute presentation. There were no public comments.

Close Special Hearing to Set Final Tax Request

Chair Anderson declared the Special Hearing to Set Final Tax Request closed at 1:28 p.m.

Next Regular Meeting: Wednesday, September 18, 2024, at the conclusion of the Budget Hearing (approximately 1:30 p.m.), Coral E. Richards Boardroom, Scottsbluff Campus, 1601 East 27th Street, Scottsbluff, NE

Adjournment

The meeting was adjourned by unanimous consent at 1:28 p.m.

Karen Anderson, Chairperson

Susan L. Verbeck, Secretary