

WESTERN COMMUNITY COLLEGE AREA

BOARD OF GOVERNORS

PROPOSED AGENDA

PUBLIC HEARINGS ON BUDGETS

September 14, 2011

A. Call to Order, Dr. Gramberg

1:00 P.M. - PUBLIC HEARINGS

B. Roll Call

Boardroom

Western Nebraska Community College

Scottsbluff Campus

1601 East 27<sup>th</sup> Street

C. Introduction of Visitors

Scottsbluff, NE

D. Approval of Agenda

E. Excuse Absent Board Member(s)

F. Public Hearings on Budgets

1) Public Hearing on Proposed 2011 - 2012 Budgets, Pursuant to Sections 13-501 to 13-517, R.R.S., and Section 85-1517, R.R.S. Supp. 2010, for the purpose of hearing support, opposition, criticism, suggestions or observations of taxpayers relating to the following budgets and consider amendments relative thereto.

a. Open Public Hearing

b. Presentation of Proposed 2011 - 2012 Budgets

1) General Fund

2) Capital Improvement and Bond Fund

3) Designated Funds

4) Restricted Fund

5) Agency Fund

c. Public Comments

d. Close Public Hearing

e. Adoption of 2011- 2012 Budgets

1) General Fund - \$24,352,543.00

2) Capital Improvement and Bond Fund - \$4,942,067.00

F. Public Hearings on Budgets – Cont

e. Adoption of 2011 - 2012 Budgets – Cont

- 3) Designated Fund - \$5,063,015.00
- 4) Restricted Fund - \$7,912,386.00
- 5) Agency Fund - \$385,000.00

2) 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.

a. Open Public Hearing

b. Presentation of 2010 - 2011 Property Tax Request – \$8,401,501.94

c. Presentation of 2010 Tax Rate - \$0.101622

d. Property Tax Rate (2010 Request/2011 Valuation) – \$0.096428

e. Presentation of 2011 – 2012 Property Tax Request – \$8,735,294.37

f. Presentation of 2011 Tax Rate - \$0.100259

g. Public Comments

h. Close Public Hearing

i. Adoption of Final 2011 – 2012 Property Tax Request and Rate

- 1) General Fund - \$7,292,980.22 - \$0.083705
- 2) Capital Improvement and Bond Fund - \$1,442,314.15 - \$0.016554

G. Next Regular Meeting: Wednesday, September 14, 2011, immediately following the Public Hearings on the Proposed 2011 - 2012 WCCA Budgets (approximately 1:30 p.m.), Boardroom, Western Nebraska Community College, Scottsbluff Campus, 1601 East 27<sup>th</sup> Street, Scottsbluff, NE.

H. Adjournment

PUBLIC HEARINGS  
PROPOSED BUDGETS  
BOARD OF GOVERNORS  
WESTERN COMMUNITY COLLEGE AREA

TIME AND PLACE  
ROLL CALL  
NOTICE OF MEETING

Public Hearings for the proposed 2011 - 2012 Western Community College Area Budgets were held at 1:04 p.m., on Wednesday, September 14, 2011, in the Boardroom, 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 Notice of Budget Hearings and Budget Summary and Notice of Special Budget Hearings published in the Star-Herald, on Friday, September 9, 2011, with the following members present: Timothy H. Daniels, L. Paul Leseberg, Jack L. Nelson, Jecca R. Ostrander, Alexander D. Pavlista, M. Thomas Perkins, Richard G. Stickney, Julie K. Walworth, Jane N. Wisniewski, Merlyn L. Gramberg, Chairperson. Absent: F. Lynne Klemke. Student Representatives present: None. Faculty Representatives present: Guy Wylie, Scottsbluff Campus; Richard Cecava, Sidney Campus. College staff present: Todd R. Holcomb, William D. Knapper, Coral E. Richards, David E. Groshans, Terry B. Gaalswyk, Paul G. Jacobsen, Dayle L. Wallien, Susan K. Yowell, Paula J. Abbott, Garry R. Alkire, Judith L. Amoo, Jason L. Stratman, Mary K. Barkeloo, Roger L. Hovey. College Attorney present: Richard A. Douglas. A current agenda was available in the College President's office and Board Secretary's office, on the Scottsbluff Campus at the time of the publicized notice.

QUORUM

Dr. Gramberg declared a quorum was present for the transaction of business.

Dr. Gramberg 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.

VISITORS

Visitors were: Maunette Loeks, Scottsbluff.

APPROVAL OF AGENDA

Ms. Wisniewski moved the agenda be approved as presented. Seconded by Mr. Daniels. The vote was, Yes: Daniels, Leseberg, Nelson, Ostrander, Pavlista, Perkins, Stickney, Walworth, Wisniewski, Gramberg. No: None. Absent: Klemke. Motion carried.

EXCUSE ABSENT BOARD MEMBERS

Dr. Gramberg reported Ms. Klemke notified the Secretary she would be unable to attend the meeting because of a Family Concern. Ms. Klemke's father, who resides in Colorado, is gravely ill.

Dr. Perkins moved Ms. Klemke be excused from the meeting because of a Family Concern. Seconded by Mr. Nelson. The vote was, Yes: Leseberg, Nelson, Ostrander, Pavlista, Perkins, Stickney, Walworth, Wisniewski, Daniels, Gramberg. No: None. Absent: Klemke. Motion carried.

PUBLIC HEARINGS ON BUDGETS

Pursuant to Section 13-501 to 13-517, R.R.S., and Section 85-1517, Supp, 2010, Dr. Gramberg declared the Public Hearing for the purpose of hearing support, opposition, criticism, suggestions or observations of taxpayers relating to the following budgets and consider amendments relative thereto open at 1:07 p.m.

Mr. Knapper reviewed the processes used in the preparation of the 2011 – 2012 WCCA Budgets. Mr. Knapper reported the College has a budget process that involves many within the institution and hopefully a process that also keeps the organization informed about the budget preparation. He commented the Board has held Work Sessions for the past four months, and the College staff began developing the 2011 – 2012 budgets nearly eight months ago.

Presentation of Proposed 2011– 2012 WCCA General Fund Budget

Mr. Knapper presented the proposed 2011 – 2012 General Fund Budget in the amount of \$23,800,598. Mr. Knapper reported the total General Fund Budget request is \$24,352,543.00 which includes \$551,945 for tuition remissions. He reported the proposed budget reflects a 3.74 percent increase over the previous year.

Mr. Knapper reviewed the primary funding sources for the 2011 – 2012 General Fund Budget.

Mr. Knapper reported preparation of the 2011 – 2012 General Fund Budget was influenced by funding from the State of Nebraska. Due to revenue issues occurring at the state level, state aid revenue was decreased. The College will receive \$11,512,790 or 13.27 percent of the total state aid appropriations as stipulated in LB59.

Mr. Knapper reported the net ad valorem property tax request of \$7,080,563 is a four percent increase over the previous year. He commented out of a concern for property taxpayers both the Board and the College administration

PUBLIC HEARINGS ON  
BUDGETS  
Presentation of Proposed  
2011- 2012 WCCA  
General Fund Budget

agreed to no more than a four percent increase in ad valorem property tax.

Mr. Knapper reported tuition and fee revenue increased 13.01 percent to \$3,814,561. He reported the tuition rate for both resident and non-resident students increased by \$7.00 per credit hour. There was no change in per credit hour fees. For tuition revenue budgeting purposes enrollment was projected to increase 3.5 percent. He reported further new fees were implemented for consumable materials costs for courses with significant consumable supplies. Additional revenue from this source is anticipated to be \$35,000.00. Revenue from Business and Industry training is projected to be \$1,115,080 which is a 9.46 percent decrease from the previous year to more accurately reflect historical revenue from that source.

Mr. Knapper reported overall General Fund Revenue was projected at a net increase of \$487,622, an increase of 2.13 percent more than the prior year. Additionally, a one-time revenue source, a draw from cash reserves, was included in the amount of \$370,000. This one-time revenue source will be utilized to fund improvements to the College vehicle fleet which transports student groups.

Additional revenue sources include: Interest - \$60,000; Miscellaneous - \$314,163 which includes the new fees for consumable supplies; Transfers - \$85,386.

Mr. Knapper reported the expenditures reflect personnel costs at \$14,739,708; Operating expense - \$7,442,502; Travel \$539,301; Equipment - \$879,087 which includes the one-time expenditure for improvements to the college vehicle fleet; and a Contingency of \$200,000.

Mr. Knapper reported College personnel charged with budget duties were asked to make reductions of 2 percent in operational budgets in response to the challenges in developing the 2011 - 2012 budget.

Mr. Knapper reported several College staff members have stepped forward in response to Dr. Holcomb's leadership to work on a retention initiative program. As was reported at August Board meeting, a retention coordinator has been identified and several retention liaisons are working on this initiative.

PUBLIC HEARINGS ON  
BUDGETS  
Presentation of Proposed  
2011– 2012 WCCA  
General Fund Budget

Mr. Knapper reported the College has developed a Strategic Plan for the institution as well as plans within several key areas. Four goals were developed including action steps, timelines and personnel assignments. The goals focused on: 1) High School to College Transition; 2) Recruitment of Typically Under-Enrolled Populations; 3) Development of a Comprehensive Strategic Marketing Plan; and 4) Expanding Partnerships to Stimulate Economic Development. Dr. Holcomb has indicated to the College staff that future allocation of the College's resources will be in concert with the Strategic Plan. Evidence of such resource allocation can be found in the 2011 – 2012 Western Community College Budget Book.

Presentation of Proposed  
2011- 2012 WCCA  
Capital Improvement  
And Bond Fund

Mr. Knapper presented the 2011 – 2012 Capital Improvement and Bond Fund Budget in the amount of \$4,942,067.00. He commented the College will see an increase in funding for capital projects. He reported the proposed property tax levy of \$0.009670 will provide \$818,000 in funds dedicated to the College's facility needs. Additionally, a grant of \$450,000 is projected for receipt from the State of Nebraska to apply toward implementing energy conservation measures. The state funding will underwrite the engineering expenses of a firm identified by the State Energy Office to engineer and bid the installation of equipment associated with this project. Other notable projects funded in the 2011 – 2012 Capital Construction and Bond Fund Budget are the remodeling of the Scottsbluff Campus Science Labs, and continuation of the Scottsbluff Campus main entrance renovation. Mr. Knapper commented the facilities needs of the College continue to be a challenge to the organization. The Scottsbluff campus main building and Pioneer Residence Hall are 40 years old and neither facility has had a major refresh of the electrical, plumbing, HVAC, window systems and other infrastructure.

Mr. Knapper reported an assessment review is planned that will provide a blueprint for addressing the needs of an aging facility. He reported a contingency account has been established to begin addressing the financial requirements of responding to those needs.

Mr. Knapper reported the 2011 – 2012 Capital Improvement and Bond Fund Budget also includes \$582,305 for debt retirement which will require a tax levy of \$0.006884.

Mr. Knapper reviewed the Western Area Property Tax Levy History for the period of Fiscal Year 1992 – 1993 through the

PUBLIC HEARINGS ON  
BUDGETS  
Presentation of Proposed  
2011- 2012 WCCA  
Capital Improvement  
And Bond Fund  
Cont

current year. The highest tax levy request of \$0.127600 occurred in 1993 – 1994. In 2002 – 2003, the only year when the formula was fully funded, the levy was \$0.077270.

Mr. Knapper reviewed the supporting schedules which show the College budget is within the legal limits of Restricted Funds Authority and also levy limit authority. Mr. Knapper pointed out the College has a levy limit of 10.25 cents for the General Fund and a one cent levy limit for the Capital Improvement and Bond Fund. He reported the one cent levy limit may be exceeded by the amount necessary to retire debt. Mr. Knapper reported the proposed total 2011 – 2012 tax levy request is \$0.100259. This request is a decrease of \$0.001363 from the prior year. Mr. Knapper reported the assessed valuation certified by the County Assessors within the region reflect a 5.39 percent increase over the 2010 assessed valuation.

Presentation of Proposed  
2011 – 2012 WCCA  
Designated Fund,  
Restricted Fund, and  
Agency Fund Budgets

Mr. Knapper reported the College also has additional funds which are supported by non-tax dollars. The Board of Governors approves the claims for the Designated Fund, Restricted Fund and Agency Fund each month. These funds are self-supporting.

Mr. Knapper reported the Designated Fund Budget in the amount of \$5,063,015.00 is comprised of enterprise funds which are internally restricted for a specific purpose such as student housing, food service and the bookstore.

Mr. Knapper reported the Restricted Fund Budget in the amount of \$7,912,386.00 is comprised of monies which are externally restricted for a specific purpose such as state and Federal funds.

Mr. Knapper reported the Agency Fund Budget is comprised of monies which the College holds in a fiduciary capacity for others, primarily student organizations. Mr. Knapper requested authority to act in a fiduciary capacity for the Agency Fund Budget in the amount of \$385,000.00.

Mr. Knapper recognized and thanked Dr. Holcomb for his early and committed response to the financial challenges that became evident during the past year, and for the formation of a cabinet-level Budget Committee which meets monthly to address budget issues from a long-range as well as near term perspective. Mr. Knapper also thanked Mr. Groshans for his assistance in budgeting for personnel costs. He also thanked the College staff members who had

PUBLIC HEARINGS ON BUDGETS

budget responsibilities including the members of the budget committee.

Mr. Knapper reported the 2011 – 2012 fiscal year financial plan (budget) aligns the resources of the institution with the College commitment to serve the needs of the Western Area by making a difference in the futures of everyone attending the institution and improving the quality of life throughout the region.

Public Comments

Dr. Gramberg asked for comments from the Board members concerning the proposed 2011 – 2012 Western Community College Area Budgets.

Dr. Perkins asked Mr. Knapper to address the tax request necessary to fund the budgets. Mr. Knapper reported out of concern for property taxpayers the Board and College administration worked on budget models holding the property tax request to no more than a four percent increase. He reported the total tax request is \$8,735,294.37 which will require a tax levy of \$0.100259. This is a decrease of \$0.001363. He reported the assessed valuations within the Western Community College Area increased 5.39 percent.

Dr. Gramberg asked for comments from the public concerning the proposed 2011 – 2012 Western Community College Area Budgets. There were none.

Close Public Hearing

Dr. Gramberg declared the Public Hearing for the purpose of hearing support, opposition, criticism, suggestions or observations of taxpayers relating to the 2011 – 2012 Western Community College Area Budgets closed at 1:22 p.m.

Adoption of 2011 – 2012 WCCA General Fund Budget

Ms. Wisniewski moved the Board adopt the 2011 – 2012 Western Community College Area General Fund Budget in the amount of \$24,352,543.00 which will require funding from ad valorem property tax in the amount of \$7,292,980.22 generating net ad valorem property tax receipts of \$7,080,563.00. She further moved, pursuant to Section 85-1517(1), the Board set the property tax levy for the 2011 – 2012 General Fund Budget at \$0.083705 on each one hundred dollars on the taxable valuation of property subject to the levy within the Western Community College Area. Seconded by Mr. Daniels. The vote was, Yes: Nelson, Ostrander, Pavlista, Perkins, Stickney, Walworth, Wisniewski, Daniels, Leseberg, Gramberg. No: None. Absent: Klemke. Motion carried.



PUBLIC HEARINGS ON  
BUDGETS  
Adoption of 2011 – 2012  
WCCA Capital  
Improvement and Bond  
Fund

Mr. Daniels moved the Board adopt the 2011 – 2012 Western Community College Area Capital Improvement and Bond Fund Budget in the amount of \$4,942,067.00 which will require funding from ad valorem property tax in the amount of \$1,422,314.15 generating net ad valorem property tax receipts of \$1,400,305.00. He further moved, pursuant to Section 1517(2) and Section 13-520, the Board set the property tax levy for the 2011 – 2012 Capital Improvement and Bond Fund at \$0.016554 on each one hundred dollars on the taxable valuation of property subject to the levy within the Western Community College Area. Seconded by Mr. Stickney. The vote was, Yes: Ostrander, Pavlista, Perkins, Stickney, Walworth, Wisniewski, Daniels, Leseberg, Nelson, Gramberg. No: None. Absent: Klemke. Motion carried.

Adoption of  
2011 – 2012 WCCA  
Designated Fund

Dr. Pavlista moved the Board adopt the 2011 - 2012 Western Community College Area Designated Fund Budget in the amount of \$5,063,015.00. Seconded by Ms. Walworth. The vote was, Yes: Pavlista, Perkins, Stickney, Walworth, Wisniewski, Daniels, Leseberg, Nelson, Ostrander, Gramberg. No: None. Absent: Klemke. Motion carried.

Adoption of  
2011 – 2012 WCCA  
Restricted Fund

Dr. Perkins moved the Board adopt the 2011 – 2012 Western Community College Restricted Fund Budget in the amount of \$7,912,386.00. Seconded by Dr. Pavlista. The vote was, Yes: Perkins, Stickney, Walworth, Wisniewski Daniels, Leseberg, Nelson, Ostrander, Gramberg. No: None. Absent: Klemke. Motion carried.

Fiduciary Authority  
2011 – 2012 Agency  
Funds

Ms. Wisniewski moved the Board authorize the College to act in a fiduciary capacity for the Agency Funds that the College holds for others in the amount of \$385,000 for the 2011 – 2012 Fiscal Year. Seconded by Dr. Pavlista. The vote was, Yes: Stickney, Walworth, Wisniewski, Daniels, Leseberg, Nelson, Ostrander, Pavlista, Perkins, Gramberg. No: None. Absent: Klemke. Motion carried.

PUBLIC HEARING FOR  
SETTING A TAX REQUEST  
DIFFERENT THAN THE  
PRIOR YEAR

Pursuant to Section 77-1601.02, Dr. Gramberg declared the Public Hearing 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 open at 1:25 p.m.

Presentation of  
2010 – 2011 Property  
Tax Request and Tax Rate

Mr. Knapper presented the 2010 – 2011 Tax Requests and Property Tax Rates for the Western Community College Area Budgets as follows:

PUBLIC HEARING FOR  
SETTING A TAX REQUEST  
DIFFERENT THAN THE  
PIOR YEAR  
Presentation of  
2010 – 2011 Property  
Tax Request and Tax Rate  
Cont

| <u>Budget</u>                        | <u>Tax Request</u> | <u>Tax Rate</u> |
|--------------------------------------|--------------------|-----------------|
| General Fund                         | \$7,012,479.94     | \$0.084821      |
| Capital Improvement and<br>Bond Fund | \$1,389,021.99     | \$0.016801      |
| Total                                | \$8,401,501.95     | \$0.101622      |

Mr. Knapper reported the 2011 Assessed Valuation for the Western Community College Area is \$8,712,723,765 as certified by the County Assessors of the Western Area on August 20, 2011. The valuation of property within the Western Community College Area increased by 5.39 percent above the previous year. Mr. Knapper commented the last two years property valuations increased in excess of seven percent. He reported the assessed valuation in three counties certified double digit increases: Banner County – 15.11 percent; Box Butte County – 12.13 percent; and Deuel County – 10.89 percent. The assessed property valuation of Cherry County that is within the Western Community College Area decreased 0.02 per cent.

Presentation of Property  
Tax Rate (2010 Request/  
2011 Valuation)

Mr. Knapper presented what the property tax rate would be using the 2010 - 2011 Property Tax Request and the 2011 Valuation:

| <u>Budget</u>                        | <u>Tax Request</u> | <u>Tax Rate</u> |
|--------------------------------------|--------------------|-----------------|
| General Fund                         | \$7,012,479.94     | \$0.080486      |
| Capital Improvement<br>and Bond Fund | \$1,389,021.99     | \$0.015942      |
| Total                                | \$8,401,501.95     | \$0.096428      |

Presentation of  
2011 – 2012 Property  
Tax Request and  
2011 Tax Rate

Mr. Knapper presented the 2011 – 2012 Actual property tax request and rate as follows:

| <u>Budget</u>                        | <u>Tax Request</u> | <u>Tax Rate</u> |
|--------------------------------------|--------------------|-----------------|
| General Fund                         | \$7,292,980.22     | \$0.083705      |
| Capital Improvement<br>And Bond Fund | \$1,442,341.15     | \$0.016554      |
| Total                                | \$8,735,294.00     | \$0.100259      |

Mr. Knapper commented the total tax request includes a one percent collection fee and a two percent delinquent fee allowable by statute.

PUBLIC HEARING FOR  
SETTING A TAX REQUEST  
DIFFERENT THAN THE  
PRIOR YEAR  
Public Comments

Dr. Gramberg asked for comments from the Board. There were none.

Dr. Gramberg asked for comments from the public concerning setting the tax request at a different amount than the prior year tax request. There were none.

Close Public Hearing

Dr. Gramberg declared the Public Hearing 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 request closed at 1:27 p.m.

Adoption of Final  
2011 – 2012 Property Tax  
Request and Rate  
General Fund

Dr. Pavlista moved, pursuant to Section 77-1601.02, the Board set the Western Community College Area General Fund 2011 – 2012 tax request at \$7,292,980.22. He further moved, pursuant to Section 85-1517(1), the Board set the final property tax levy for the 2011 – 2012 Western Community College Area General Fund at \$0.083705 on each one hundred dollars on the taxable valuation of all property subject to the levy within the Western Community College Area. He further moved the Secretary be instructed to certify the final tax request and final tax levy to each county Board of Equalization within the Western Community College Area. Seconded by Ms. Walworth. The vote was, Yes: Walworth, Wisniewski, Daniels, Leseberg, Nelson, Ostrander, Pavlista, Perkins, Stickney, Gramberg. No: None. Absent: Klemke. Motion carried.

Adoption of Final  
2011 – 2012 Property Tax  
Request and Rate  
Capital Improvement  
And Bond Fund

Dr. Pavlista moved, pursuant to Section 77-1601.02, the Board set the Western Community College Area Capital Improvement and bond Fund 2011 – 2012 tax request at \$1,442,314.15. He further moved, pursuant to Section 85-1517(2), and Section 13-520 the Board set the final property tax levy for the 2011 – 2012 Capital Improvement and Bond Fund at \$0.016554 on each one hundred dollars on the taxable valuation of all property subject to the levy within the Western Community College Area. He further moved the Secretary be instructed to certify the final tax request and final tax levy to each county Board of Equalization within the Western Area. Seconded by Mr. Nelson. The vote was, Yes: Wisniewski, Daniels, Leseberg, Nelson, Ostrander, Pavlista, Perkins, Stickney, Walworth, Gramberg. No: None. Absent: Klemke. Motion carried.

BOARD MEMBER  
COMMENTS

Dr. Gramberg thanked the Board members for their work and guidance in the development of the 2011 – 2012 Western Community College Area Budgets. Dr. Gramberg

BOARD MEMBER  
COMMENTS  
Cont

also commended the College administration, faculty and staff for their diligence in the preparation of the budgets.

NEXT REGULAR MEETING

The next Regular meeting of the Western community College Area board of Governors will be held on Wednesday, September 14, 2011, immediately following the Public Hearings on the Proposed 2011 – 2012 Western Community College Area Budgets (at approximately 1:30 p.m.), in the Boardroom, Western Nebraska Community College, Scottsbluff Campus, 1601 East 27<sup>th</sup> Street, Scottsbluff, Nebraska.

ADJOURNMENT

The meeting was adjourned by unanimous consent at 1:29 p.m.

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Merlyn L. Gramberg, Chairperson

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Coral E. Richards, Secretary