

WESTERN COMMUNITY COLLEGE AREA

BOARD OF GOVERNORS

PROPOSED AGENDA

PUBLIC HEARINGS/ADOPTION OF  
2013 - 2014 WCCA BUDGETS MEETING

September 11, 2013

A. Call to Order, Dr. Gramberg

1:00 P.M. - PUBLIC HEARINGS/ADOPTION OF  
2013 - 2014 WCCA BUDGETS MEETING

B. Roll Call

Boardroom  
Western Nebraska Community College  
Scottsbluff Campus

C. Introduction of Visitors

1601 East 27<sup>th</sup> Street  
Scottsbluff, NE

D. Approval of Agenda

E. Excuse Absent Board Member(s)

F. Public Hearings/Adoption of 2013 - 2014 WCCA Budgets

1) Public Hearing on Proposed 2013 - 2014 Budgets, Pursuant to Sections 13-501 to 13-513, R.R.S., and Section 85-1517, R.R.S. 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 2013 - 2014 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

2) Adoption of 2013 - 2014 Budgets

- a) General Fund - \$25,601,600.00
- b) Capital Improvement and Bond Fund - \$5,781,940.00

F. Public Hearings /Adoption of 2013 – 2014 WCCA Budgets - Cont

2) Adoption of 2013 - 2014 Budgets – Cont

- c) Designated Fund - \$5,342,315.00
- d) Restricted Fund - \$8,068,637.00
- e) Agency Fund - \$385,000.00

3) 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 2012 - 2013 Property Tax Request – \$9,146,220.78
- c) Presentation of 2012 Tax Rate - \$0.100259
- d) Property Tax Rate (2012 - 13 Request/2013 Valuation) – \$0.094868
- e) Presentation of 2013 - 2014 Property Tax Request – \$9,906,793.38
- f) Presentation of 2013 Tax Rate - \$ 0. 102757
- g) Public Comments
- h) Close Public Hearing

4) Adoption of Final 2013 - 2014 Property Tax Request and Rate

- a) General Fund - \$8,142,394.11 - \$0.084456
- b) Capital Improvement and Bond Fund - \$1,764,399.27 - \$0.018301

G. Adjournment

PUBLIC HEARINGS/ADOPTION  
 PROPOSED BUDGETS  
 BOARD OF GOVERNORS  
 WESTERN COMMUNITY COLLEGE AREA

TIME AND PLACE  
 ROLL CALL  
 NOTICE OF MEETING

The Western Community College Area Board of Governors held a meeting for the purpose of Public Hearings and adoption of the proposed 2013 - 2014 Western Community College Area Budgets at 1:04 p.m., on Wednesday, September 11, 2013, 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 Thursday, September 5, 2013, and the publicized notice in the Star-Herald, on Saturday, September 7, 2013, with the following members present: Timothy H. Daniels, F. Lynne Klemke, L. Paul Leseberg, Kimberley A. Marcy, Jack L. Nelson, Alexander D. Pavlista, M. Thomas Perkins, Mary K. Shaver, Richard G. Stickney, Julienne K. Walworth, Merlyn L. Gramberg, Chairperson. Absent: None. Faculty Representatives present: Guy Wylie, Scottsbluff Campus; Richard Cecava, Sidney Campus. Student Representatives present: None. College staff present: Todd R. Holcomb, William D. Knapper, Coral E. Richards, Terry B. Gaalswyk, Susan K. Yowell, Paula J. Abbott, Ellen M. Dillon, Michael E. Houdyshell, Roger S. Hovey, Jason L. Stratman, Susan L. Verbeck. College Attorney present: Philip M. Kelly. A current agenda was available in the College President's office and the 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: There were no visitors.

APPROVAL OF AGENDA

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

EXCUSE ABSENT BOARD MEMBERS

All Board members were present.

PUBLIC HEARINGS/  
ADOPTION OF  
2013 – 2014 WCCA  
BUDGETS  
Public Hearing

Pursuant to Section 13-501 to 13-513, R.R.S., and Section 85-1517, R.R.S., Dr Gramberg declared the Public Hearings 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.

Presentation of Proposed  
2013 – 2014 WCCA  
General Fund Budget

Mr. Knapper reported the General Fund is the heart of the College's operations. He presented the 2013 – 2014 General Fund Budget in the amount of \$25,027,000.00. He reported the total General Fund Budget request is \$25,601,600.00 which includes \$574,600 for tuition remissions. Mr. Knapper reported the proposed 2013 – 2014 General Fund Budget reflects a 3.01 percent increase over the previous year.

Mr. Knapper reviewed the primary revenue sources for the 2012 – 2013 General Fund Budget, which are state-aid, property tax and tuition and fees. He reported the statewide appropriation for state aid increased four percent. He explained the distribution of state aid as it was defined in LB 946. The College will receive total funding from state-aid in the amount of \$11,915,827, which is an increase of \$255,459 or 2.19 percent. He commented that state aid represents slightly more than 46.5 percent of the total General Fund revenue and the increase provided less than 35 percent of the new funds needed to underwrite the 2013 – 2014 General Fund Budget.

Mr. Knapper reported tuition and fee revenue was budgeted at a decreased amount of \$234,909, or -6.16 percent. This was done in response to decreasing enrollment. He reported tuition was increased by \$3.00 per credit hour and per credit hour fee rates remain unchanged. He commented charges for consumable material costs were increased and vary according to the supply costs per course. Tuition and fees represents approximately 14 percent of the total General Fund revenue.

Mr. Knapper reported the net revenue from ad valorem property tax is \$7,905,237.00 which represents an increase of \$424,884 or 5.68 percent. He remarked out of concern for property taxpayers, both the Board and the College administration agreed to hold the total property tax request to no more than the increase in assessed valuation.

PUBLIC HEARINGS/  
ADOPTION OF  
2013 – 2014 WCCA  
BUDGETS  
Public Hearing  
Presentation of Proposed  
2013 – 2014 WCCA  
General Fund Budget  
Cont

Mr. Knapper reported there are two additional revenue sources of note, a draw from cash reserves in the amount of \$112,133.00 and a transfer of unused scholarship fees in the amount of \$50,000.00. Additional revenue sources include: Interest - \$45,000.00; Transfers - \$112,000.00; and Miscellaneous, which includes the fees for consumable supplies - \$300,000.00.

Mr. Knapper reported there are five expenditure categories: Personnel Costs - \$15,703,282.00; Operating Expense - \$7,928,210.00; Travel - \$641,356.00; Equipment - \$671,152.00; and a contingency of \$83,000.00. Mr. Knapper remarked, Personnel expense increased 3.7 percent. This increase includes an additional \$125,000 for Early Retirement as agreed to in the most recent agreement with the Western Education Association. A review of staffing positions has resulted in the consolidation and elimination of vacant positions where possible.

In response to the challenges in developing the General Fund 2013 – 2014 budget, College staff members with budget duties were asked to develop division and department financial plans with no increase in operational budgets. Mr. Knapper reported operating expenses, which include utilities, increased 4.8 percent. Travel expenses increased 6.23 percent. This expenditure includes several categories within the budget including Professional Development. Equipment expenditures were reduced 26.10 percent compared to last year when there was a one-time expenditure to fund improvement to an aging vehicle fleet used to transport student groups. The Contingency was reduced 8.4 percent.

Presentation of Proposed  
2013 – 2014 WCCA  
Capital Improvement  
and Bond Fund

Mr. Knapper explained there are several notable changes in funding the Capital Improvement and Bond Fund. The Capital Improvement Fund will now include the accounts for Facility Fees which were previously budgeted within the Designated Fund. This change will account for additional capital budgeting in the amount of \$954,540.00. Ad Valorem Property Tax will provide \$1,166,576 for funds dedicated to the College's facility needs and \$546,433 of debt service. Additional revenue sources will transfers from student housing for debt service and student housing renovations.

Mr. Knapper reported Capital Improvement and Bond Fund expenditures include a lump sum of \$3,738,626.00 for yet to be specified capital projects which are identified in the Facilities Master Plan. Additional uses will include external and

PUBLIC HEARINGS/  
ADOPTION OF  
2013 – 2014 WCCA  
BUDGETS  
Presentation of Proposed  
2013 – 2014 WCCA  
Capital Improvement  
and Bond Fund  
Cont

internal improvements at the Scottsbluff and Sidney Campuses, and the purchase of additional surveillance cameras for the Scottsbluff Campus. Debt Service for Scottsbluff Campus student housing, the Certificates of Deposit for the Sidney Campus and Scottsbluff Campus D-Pod and the Harms Addition Financing are included in the Capital Improvement Fund Budget. Mr. Knapper commented as a result of the Refund and Reissue of Bonds, the College will save over \$400,000 in interest expense through the life of the debt (2026-2027), and Educational Service Unit #13 will also save interest costs.

Mr. Knapper remarked the facility needs of the College continue to be a challenge. The main campus and Pioneer Residence Hall are now over 40 years old and they have not had a major refresh. The facility condition assessment study, which was concluded in 2012, provides a blueprint for addressing the needs of aging facilities including electrical, plumbing, heating, ventilation, air-conditioning, and other infrastructure. A Facility Master Plan study was concluded in 2013 which will provide guidance for updating educational, residential and office spaces. Accordingly, a contingency account has been established to begin addressing the financial requirements of responding to those studies.

Mr. Knapper reported the Capital Improvement Fund Levy is proposed at \$0.018301 cents, which is made up of \$0.012463 for capital projects and \$0.005838 for debt service.

Mr. Knapper reviewed the Western Area Property Tax Levy History for the period of Fiscal Year 1992 – 1993 through the current year. The highest tax levy request of \$0.127600 occurred in 1993 – 1994. The proposed total tax levy for the 2013 – 2014 College budgets is \$0.102757. This proposed levy is an increase of \$0.002498.

Mr. Knapper reviewed the supporting schedules which show the College budget is within the legal limit of Restricted Funds Authority and also the Levy Limit Authority. These supporting schedules are required to be filed as a part of the Budget Document that is submitted to each County Clerk and the State Auditor's Office on or before September 20 of each year.

Mr. Knapper reported the College has \$5,090,668.74 in Unused Restricted Funds Authority. For the 2013 – 2014 Fiscal

PUBLIC HEARINGS/  
ADOPTION OF  
2013 – 2014 WCCA  
BUDGETS

Year, the only allowable increase the College will receive is the base limitation percentage of 2.5 percent. Other allowable increases are growth in student enrollment, a one percent increase by a seventy-five percent vote of the governing body or a voter approved increase through a special election. Mr. Knapper commented the administration is not requesting the Board approve an additional one percent or a voter approved increase.

Mr. Knapper pointed out the College has a total levy limit of 11.25 cents which includes up to a 2 cent limit for the Capital Improvement and Bond Fund. The levy limit may be exceeded by the amount necessary to retire debt.

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.

Presentation of Proposed  
2012 – 2014 WCCA  
Designated Fund,  
Restricted Fund, and  
Agency Fund Budget

Mr. Knapper reported the Designated Fund Budget in the amount of \$5,342,315.00 is comprised of enterprise funds which are internally restricted for a specific purpose such as student housing, the bookstore, and food service.

Mr. Knapper reported the Restricted Fund Budget in the amount of \$8,068,637.00 is comprised of monies which are externally restricted for a specific purpose, state grants and direct Federal grants.

Mr. Knapper reported the Agency Fund Budget is comprised of monies which the College holds in a fiduciary capacity for others, primarily student organizations. He 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. He also recognized and thanked Mr. Groshans for his assistance in budgeting for personnel costs. Mr. Knapper also thanked all the College staff members who had budget responsibilities. He remarked the budgeting process at the College involves many within the institution, which hopefully, keeps the organization well informed about the budget.

Mr. Knapper thanked and recognized Board members for their attendance at Informal meetings for the purpose of

PUBLIC HEARINGS/  
ADOPTION OF  
2013 – 2014 WCCA  
BUDGETS

budget workshops. He commented the Board members have spent many hours assisting the College administration in the preparation of the proposed budgets.

Mr. Knapper commented the financial plan developed for the 2013 – 2014 fiscal year aligns the resources of the institution with the commitment of the Board members, faculty and staff to making a difference in the futures of everyone attending the institution and improving the quality of life throughout the area.

Public Comments

Dr. Gramberg asked for comments from the Board members concerning the proposed 2013 – 2014 Western Community College Area Budgets. There were none.

Dr. Gramberg asked for comments from the public concerning the proposed 2013 – 2014 Western Community College Area Budgets. There were none.

Close Public Hearing

Dr. Gramberg declared the Public Hearings for the purpose of hearing support, opposition, criticism, suggestions or observations of taxpayers relating to the 2013 – 2014 Western Community College Area Budgets closed at 1:30 p.m.

Adoption of 2013 – 2014  
WCCA Budgets  
General Fund

Dr. Perkins moved the Board adopt the 2013 – 2014 Western Community College Area General Fund Budget in the amount of \$25,601,600.00 which will require funding from ad valorem property tax in the amount of \$8,142,394.11 generating net ad valorem property tax receipts of \$7,095,237.00. He further moved, pursuant to 18-1517(2)(a), the Board set the property tax levy for the 2013 – 2014 General Fund Budget at \$0.084456 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: Klemke, Leseberg, Marcy, Nelson, Pavlista, Perkins, Shaver, Stickney, Walworth, Daniels, Gramberg. No: None. Absent: None. Motion carried.

Adoption of 2013 – 2014  
WCCA Budgets  
Capital improvement  
and Bond Fund

Mr. Daniels moved the Board adopt the 2013 – 2014 Western Community College Area Capital Improvement and Bond Fund Budget in the amount of \$5,781,940.00 which will require funding from ad valorem property tax in the amount of \$1,764,399.27 generating net ad valorem property tax receipts of \$1,713,009.00. He further moved, pursuant to Section 85-1517(2)(b) and Section 13-520, the Board set the property tax levy for the 2013 – 2014 Capital Improvement and Bond Fund at \$0.018301 on each one



PUBLIC HEARINGS/  
ADOPTION OF  
2013 – 2014 WCCA  
BUDGETS  
Adoption of 2013 – 2014  
WCCA Budgets  
Capital improvement  
and Bond Fund

hundred dollars on the taxable valuation of property subject to the levy within the Western Community College Area. Seconded by Ms. Klemke. The vote was, Yes: Leseberg, Marcy, Nelson, Pavlista, Perkins, Shaver, Stickney, Walworth, Daniels, Klemke, Gramberg. No: None. Absent: None. Motion carried.

Adoption of 2013 – 2014  
WCCA Budgets  
Designated Fund

Ms. Klemke moved the Board adopt the 2013 – 2014 Western Community College Area Designated Fund Budget in the amount of \$5,342,315.00. Seconded by Ms. Walworth. The vote was, Yes: Marcy, Nelson, Pavlista, Perkins, Shaver, Stickney, Walworth, Daniels, Klemke, Leseberg, Gramberg. No: None. Absent: None. Motion carried.

Adoption of 2013 – 2014  
WCCA Budgets  
Restricted Fund

Mr. Stickney moved the Board adopt the 2013 – 2014 Western Community College Area Restricted Fund Budget in the amount of \$8,068,637.00. Seconded by Mr. Daniels. The vote was, Yes: Nelson, Pavlista, Perkins, Shaver, Stickney, Walworth, Daniels, Klemke, Leseberg, Marcy, Gramberg. No: None. Absent: None. Motion carried.

Adoption of 2013 – 2014  
WCCA Budgets  
Fiduciary Authority  
Agency Funds

Mr. Daniels 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 \$385,000.00 for the 2013 – 2014 Fiscal Year. Seconded by Mr. Nelson. The vote was, Yes: Pavlista, Perkins, Shaver, Stickney, Daniels, Klemke, Leseberg, Marcy, Nelson, Gramberg. No: None. Absent: None. 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 related to setting the tax request at a different amount than the prior year tax request open at 1:35 p.m.

Presentation of  
2012 – 2013 Property  
Tax Request and Tax Rate

Mr. Knapper presented the 2012 – 2013 Property Tax Requests and Property Tax Rates for the Western Community College Area Budgets as follows:

<u>Budget</u>	<u>Tax Request</u>	<u>Tax Rate</u>
General Fund	\$7,704,763.59	\$0.084458
Capital Improvement and Bond Fund	\$1,441,457.19	\$0.015801
Total	\$9,146,220.78	\$0.100259

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

Mr. Knapper reported the 2013 Assessed Valuation for the Western Community College Area is \$9,641,001,288 as certified by the County Assessors of the Western Area on August 20, 2013. The assessed valuation of property within the Western Community College Area increased by 5.68 percent above the previous year. He commented last year (2102) property valuations increased 4.7 percent. He reported two counties certified assessed valuation increases in excess of eleven percent: Deuel County – 11.18 percent; and Morrill County – 12.58 percent. This year the assessed property valuation increased in all counties, unlike last year, when two counties certified a decrease in assessed property valuations,

Presentation of Property Tax Rate (2012 – 2013 Request/2013 Valuation)

Mr. Knapper presented what the property tax rate would be using the 2012 – 2013 Property Tax Requests and the 2013 Valuation:

<u>Budget</u>	<u>Tax Request</u>	<u>Tax Rate</u>
General Fund	\$7,704,763.59	\$0.079917
Capital Improvement and Bond Fund	\$1,441,457.19	\$0.014951
Total	\$9,146,220.78	\$0.094868

Presentation of 2013 – 2014 Property Tax Request and 2013 Tax Rate

Mr. Knapper presented the 2013 – 2014 Actual Property Tax Requests and rates as follows:

<u>Budget</u>	<u>Tax Request</u>	<u>Tax Rate</u>
General Fund	\$8,142,394.11	\$0.084456
Capital Improvement and Bond Fund	\$1,764,399.27	\$0.018301
Total	\$9,906,793.38	\$0.102757

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

Mr. Knapper reported the 2013 Tax Rate represents just under a one-quarter cent increase above the 2012 Tax Rate.

Public Comments

Dr. Gramberg asked for comments from the Board.

Dr. Wylie remarked that even with the small increase in the levy, the rate is lower than in 1992-93. He commented the College has been, and is, very fiscally responsible.

PUBLIC HEARING FOR  
SETTING A TAX REQUEST  
DIFFERENT THAN THE  
PRIOR YEAR  
Public Comment - Cont

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 1:38 p.m.

Adoption of Final 2013 –  
2014 Property Tax Re-  
quest and Rate  
General Fund

Dr. Perkins moved, pursuant to Section 77-1601.02, the Board set the Western Community College Area General Fund 2013 – 2014 tax request at \$8,142,394.11. He further moved, pursuant to Section 85-1517(2)(a), the Board set the final property tax levy for the 2013 – 2014 Western Community College Area General Fund at \$0.084456 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 Mr. Leseberg. The vote was, Yes: Perkins, Shaver, Stickney, Walworth, Daniels, Klemke, Leseberg, Marcy, Nelson, Pavlista, Gramberg. No: None. Absent: None. Motion carried.

Adoption of Final 2013 –  
2014 Property Tax Re-  
quest and Rate  
Capital Improvement  
and Bond Fund

Mr. Daniels moved, pursuant to Section 77-1601.02, the Board set the Western Community College Area Capital Improvement and Bond Fund 2013 – 2014 tax request at \$1,764,399.27. He further moved, pursuant to Section 85-1517(2)(b) and Section 13-520, the Board set the final property tax levy for 2013 – 2014 Capital Improvement and Bond Fund at \$0.018301 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. Klemke. The vote was, Yes: Shaver, Stickney, Walworth, Daniels, Klemke, Leseberg, Marcy, Nelson, Pavlista, Perkins, Gramberg. No: None. Absent: None. Motion carried.

BOARD MEMBER  
COMMENTS

Dr. Gramberg thanked the Board members for their time, work, and guidance in the development of the 2013 – 2014

BOARD MEMBER  
COMMENTS  
Cont

Western Community College Area Budgets. He also com-  
mended the College administration, faculty and staff for  
their diligence in the preparation of the budgets.

ADJOURNMENT

Dr. Gramberg declared the meeting for the purpose of the  
Public Hearings and adoption of the proposed 2013 - 2014  
Western Community College Area Budgets adjourned at  
1:40 p.m.

---

Merlyn L. Gramberg, Chairperson

---

Coral E. Richards, Secretary