



Board of Governors
Northeast Community College Area
Minutes of Budget Hearing and Regular Meeting
Tuesday, September 26, 2023

ATTENDANCE

BOARD OF GOVERNORS

- Julie Robinson, Chairperson Present
Jeffrey Scherer, Vice-Chairperson Present
Donovan Ellis, Secretary Present
Del Ames Present
Steve Anderson Present
Dr. Terry Nelson Present
Dirk Petersen Present
Jeanne Reigle Present
Nicole Sedlacek Present
Carol Sibbel Present
Pat Wojcik Present

OTHERS PRESENT

- Dr. Leah A. Barrett, President
Scott Gray, Vice President, Administrative Services
Dr. Charlene Widener, Vice President, Educational Services
Dr. Tracy Kruse, Vice President, Development and External Affairs
Amanda Nipp, Vice President, Student Services
Jessica Dvorak, Vice President, Human Resources
Paul Feilmeier, Vice President, Technology Services
Jerry Guenther, Director, Public Relations
Lindsay Spiegel, Director, Institutional Effectiveness
Travis Kaup, Diesel Instructor
Tiffany Seybold, Web Developer
Field May, Senior Director, Network and Infrastructure
Neila Muminovic, Norfolk Daily News
Pat Caveye, WJAG

- 1. The Northeast Community College Board of Governors met for its Budget Hearing regarding the 2023-2024 College budgets on Tuesday, September 26, 2023. Notice of the Budget Hearing and Budget Summary was published in the Norfolk Daily News on Thursday, September 21, 2023. Chairperson Robinson declared the Budget Hearing convened at 2:58 p.m., in Suite 197 of the Lifelong Learning Center, located on the campus of Northeast Community College and via Zoom videoconferencing.
2. 2023-2024 budget, levy, and budget lid information for Northeast Community College, along with factors affecting operational funding and expenditures, was provided by Scott Gray, Vice President, Administrative Services.

2023-2024 proposed budget is as follows: General Operating Budget, \$59,147,497; Building Improvement Budget, \$19,549,149 for a Total Tax Supported Budget of \$78,696,646; Self-Supporting Funds Budget, \$41,686,748; for a Total of All Budgets \$120,383,394.

### 3. PUBLIC COMMENT on Budget Hearing

Chairperson Robinson advised that individuals commenting on the Budget Hearing are allowed three minutes each.

No constituents addressed the Board of Governors.

4. At 3:19 p.m., there being no further discussion on the proposed budgets, Chairperson Robinson declared the Budget Hearing adjourned.
5. The Northeast Community College Board of Governors met for its regular session Board Meeting on Tuesday, September 26, 2023 in Suite 197 of the Lifelong Learning Center, located on the campus of Northeast Community College. Chairperson Robinson convened the meeting at 3:19 p.m.

### 6. ADOPT AGENDA

**MOTION** by Donovan Ellis, **SECONDED** by Del Ames to adopt the Agenda of the September 26, 2023 Regular Meeting. Notice of the Regular Meeting was posted on the Northeast Community College website and published in the *Norfolk Daily News* on Monday, September 18, 2023.

**Voting Yes:** Ames, Anderson, Ellis, Nelson, Petersen, Reigle, Robinson, Scherer, Sedlacek, Sibbel, and Wojcik

**Voting No:** None

**Absent:** None

**MOTION CARRIED**

### 7. OPEN MEETINGS ACT

A copy of the Nebraska Open Meetings Act is posted on the table at the back of the meeting room, along with a copy of the September 26<sup>th</sup> Board of Governors Meeting agenda and all printable supporting documents.

### 8. ITEMS FOR DECISION

#### 8.1 2023-2024 budget

**MOTION** by Donovan Ellis, **SECONDED** by Jeanne Reigle to APPROVE the 2023-2024 budget as presented:

2023-2024 General Operating Budget of \$59,147,497

2023-2024 Building Improvement Budget of \$19,549,149

2023-2024 Self-Supporting Funds Budget of \$41,686,748

Discussion was held regarding the proposed budget. Mr. Scherer advised that he attended four of the public hearings last week. From those meetings, the consistent message that he heard was that inflation has impacted farm and ranch operations,

construction operations; all types of business have been impacted by inflation. People in the 20-county area are having a difficult time making ends meet. Northeast Community College needs to take care of its students, but we also have a responsibility to the taxpayers of the 20-county area. Based on those conversations, he would prefer to reduce Northeast's levy from 0.0925% to 0.090%.

An inquiry was made regarding the impact going forward with regard to the new legislation. Dr. Barrett reported that current statute states that the Community College Future Fund will be at a general levy of 0.075% for the 2023 valuation. Capital levy will remain at 0.02%.

Mrs. Reigle reported that she's been impressed how fiscally responsible Northeast Community College has been and from her observation, the College is in a position that the levy could be reduced to 0.090% for a year.

Mrs. Robinson advised that if the levy is reduced, the College would need to use \$1MM of its reserve funds. Mrs. Robinson agrees that the tax situation is painful for everyone but wants to be assured that reducing the levy will have an impact on taxpayers. She is concerned that if we drop the levy to 0.090% that we have corrected any part of the tax problem.

Mr. Ellis stated that moving to 0.090% will be a token move and will likely not affect taxpayers very much. His fear is to not dwindle tax reserves too far. He is not convinced that the current legislation is going to last; that the state will be able to meet its obligation down the road. He does not want to reduce the levy too much that it creates financial trouble for the College.

Mr. Ames was amenable to what Mr. Scherer is advocating for. However, as he looks at projections for 2024-2025 and expenditures are increasing, where do we get the income to support the additional increase in expenses. If we use reserve funds this year, he is concerned with the amount of reserve funds we will need to use in future years. A token reduction could occur this year, but it will likely not make a big impact on taxpayers.

Mr. Nelson's worry is what happens if valuations go down? There are a lot of things that we can't control so we need to manage what we can control today. Can we reduce the levy to 0.090% and still be fiscally responsible with the reduction? Reducing the levy would show that we are team players and cognitive to the needs of our public.

Mr. Scherer added that he hasn't found anyone who can make sense of the postcard and is a huge waste of government spending.

Chairperson Robinson called for a vote on the motion. A yes vote would be to pass the budget as presented and a no vote would be to adjust the budget.

Jeff Scherer MOVED to AMEND the motion to reflect a 0.090% levy rate. Del Ames SECONDED the motion.

Chairperson Robinson stated that a vote of yes to the amended motion would be to change the levy rate to 0.090% and a vote of no would be to not adopt the 0.090%.

Mr. Nelson clarified that reducing the levy rate to 0.090% would be an increase in the tax asking by 6.31%.

**Voting Yes:** Anderson, Ellis, Nelson, Reigle, Scherer, and Ames

**Voting No:** Petersen, Robinson, Sedlacek, Sibbel, Wojcik

**Absent:** None

**MOTION CARRIED**

8.2 Property Tax Request

**MOTION** by Jeff Scherer, **SECONDED** by Del Ames to **APPROVE** the 2023 property tax request for all funds is 0.090%, with a Final Tax Request of \$34,299,567.

**Voting Yes:** Anderson, Ellis, Nelson, Reigle, Scherer, and Ames

**Voting No:** Petersen, Robinson, Sedlacek, Sibbel, Wojcik

**Absent:** None

**MOTION CARRIED**

8.3 2023-2024 Budget and Property Tax Request

**MOTION** by Jeanne Reigle, **SECONDED** by Del Ames to **APPROVE** the 2023-2024 budget as presented with a property tax rate for all funds of 0.090%.

General Operating Budget:	\$59,147,497
Building Improvement Budget	\$19,549,149
Self-Supporting Funds Budget	\$41,686,748
Total Budget	\$120,383,394

**Voting Yes:** Nelson, Petersen, Reigle, Robinson, Scherer, Sedlacek, Sibbel, Wojcik, Ames, Anderson, and Ellis

**Voting No:** None

**Absent:** None

**MOTION CARRIED**

- A self-evaluation of today’s meeting was conducted and is recorded in the September 26<sup>th</sup> Board of Governors Teams site.

Dr. Barrett thanked the Board of Governors members for their willingness to state their opinion and recognize that they might disagree but can continue to work together and continue to support Northeast.

10. In other business, board members expressed their appreciation for the board working together and coming to a final decision. Appreciation was also extended to Chairperson Robinson for her leadership in getting everyone involved in the discussion and providing the opportunity to weigh in.

It was suggested that consideration be given next year when approving the budget and levy rate that the order of the two motions be considered as it was confusing today.

#### 11. **ADJOURNMENT**

At 4:09 p.m., there being no further business to discuss, it was UNANIMOUSLY PASSED BY VOICE VOTE to ADJOURN the meeting.

*Minutes prepared by Diane Reikofski, Recording Secretary.*

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Julie Robinson, Chairperson  
Northeast Board of Governors

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Donovan Ellis, Secretary  
Northeast Board of Governors