



**MARICOPA COUNTY COMMUNITY COLLEGE DISTRICT
GOVERNING BOARD
JUNE 14, 2011**

MINUTES

A public hearing for consideration of adoption of the budget for 2011-2012 truth in taxation hearing, and special meeting of the Maricopa County Community College District Governing Board were scheduled to be held at 6:00 p.m. at the District Support Services Center, 2411 West 14th Street, Tempe, Arizona, pursuant to A.R.S. §38-431.02, notice having been duly given.

PRESENT

GOVERNING BOARD

Randolph Lumm, President
Doyle Burke, Secretary
Don Campbell, Member
Debra Pearson, Member
Dana Saar, Member

ADMINISTRATION

Rufus Glasper
Steve Helfgot
Debra Thompson
Maria Harper-Marinick
Anna Solley
George Kahkedjian
Lee Combs
Paul Dale
Shouan Pan
Ernie Lara
Gene Giovannini
Chris Bustamante
Linda Lujan
Joyce Elsner
Jan Gehler
Greg Rogers for GCC
Absent: Nikki Jackson

CALL TO ORDER The public hearing and special meeting was called to order at 6:05 p.m. Board Members pledged allegiance to the flag lead by Mrs. Debra Pearson.

EXECUTIVE SESSION There was no executive session

**PUBLIC HEARINGS – CONSIDERATION OF ADOPTION OF BUDGETS FOR 2011-2012
AND TRUTH IN TAXATION HEARING**

I.A. Truth in Taxation – Notice of Tax Increase

The first item on the agenda was a truth in taxation hearing, as required under state law. In accordance with relevant statutory and constitutional provisions, President Lumm explained that the Maricopa County Community College District proposed to increase primary property taxes in fiscal year 2011-2012 on existing property. The proposed increase was three percent, equaling eleven million, three hundred fifty-five thousand, and one hundred sixty-nine dollars in additional property tax revenues (\$11,355,169.00).

President Lumm afforded any resident or taxpayer the opportunity to address the Governing Board concerning the District's proposed action to increase primary property taxes on existing property.

The following citizens came forward.

1. Diane Post: a local attorney who has always supported education and willing to pay taxes to support education, however is against this property tax increase after having read the Goldwater Institute Report which was recently published. She stated that MCCCCD's administrative costs at 29% were too high compared to the 4% held by the rest of the country. She reminded the Board that the Chancellor reported to them and not the other way around. The Board, in turn, was accountable to the public. She encouraged the Board to bring down those expenses and not take any action on the tax increase.
2. Roy Miller: stated he had been a student at MCC about forty-two years ago and also served as president of the student government association. He has following the progress of the community college system. He stated he was also one of founders of the Goldwater Institute and has a copy of the report. He indicated that the Board needs to consider making the report an official part of the record. Tuition hike at this time are not appropriate.
3. Rosie Lopez: was present to oppose the property tax increase. She stated the Goldwater Report was right on target and that the Board reported to the public, not to the Chancellor. She opposed the increase because of how student were being treated due to their undocumented status. Parents and students are paying property taxes, however, they still will not receive any benefits. This is taxation without representation. If MCCCCD is looking to offset revenue through the increase in tuition, she guaranteed lawsuits. She has always supported education through property taxes, however now students are being charged but they are being given nothing. She asked the Board to reverse its decision on the tuition increase and that they would oppose the increase on property taxes.
4. Dale Douglas: Was afraid there not be anyone else with his viewpoints but could not add anything more than what had already been expressed by other speakers. People who feed at the public trough should raise their heads on occasion.
5. Sherrie Lyons: Expressed outrage in raising property taxes. She calculated that if students who had been charged \$96 per credit hour in the past had paid what they should have, there would have been \$31 million in revenue. She was unclear as to why the Board had not been arrested for money they had not collected.
6. James Angelino: Stated he did not agree with the tax increase. Many people were on food stamps and unemployed. Colleges should be run like a business and make money. Housing values are depreciating and taxes going up. How many people does the Board want to put on unemployment or lose their homes?

7. LeDair Dixon: Thanked Mr. Lumm for returning her e-mail. These are challenging times, money does not go as far as it used to. Would ask that MCCCCD do likewise and live within their budget.
8. Dawn Brimhall: Asked that the Board reconsider this 3% tax increase. A little bit from everybody adds up. Proposition 100, grocery increases, taxes, wages falling. 3% could be the difference in keeping a home. Asked that the Board please reconsider implementing better cost cutting measures.
9. Tex Sample, a pastor of the Asbury United Methodist Church and a member of Valley Interfaith Partnership who has a BA, MA, and PhD, he needed a course that EMC could provide because he speaks nationally and internationally. When he took that course he experienced high quality instruction. Is proud of this District. Where are we going to be after this recession when people are not trained? We have to put people in colleges to get training to compete. This is a structural problem. Have to train people to compete in this globalist world. Where will our children be when they don't have training? American people are at their best when things are tougher. Need to make sacrifices if we want our children to be where they need to be in the near future.
10. Antonio D. Bustamante, a local attorney, stated that property taxes are being proposed at a time when the children of certain families will not be able to attend community colleges. These children brought to this country when they had no choice and now being told there is going to be a property tax increase with no benefit. This a form of theft because their children will not be able to attend college. Taxation without representation. They do not have a voice. This lacks integrity and American justice. Children are stakeholders of this country. They should not be relegated to clerks and laborers. Opposes any property tax that is taxation without representation and asked that the policy be reversed.
11. Sharon Zapata, native of Phoenix and fourth generation citizen of this state, stated that many have dealt with the same thing. Adamantly opposes tax increases. Imperative that the Board reconsider the vote on tuition increase. Supports education and property taxes if they help children. Need to run college like a business . Need to look at administrative costs.
12. Daniel Martinez, retired faculty member from GCC, MCC, and SMC. He found it ironic that he stood here opposing something being proposed. He taught reading and ESL and knows how much these students value education. MCCCCD has always been about access. Interpreting HB2008 loosely. Asking citizens to pay more in property taxes. Need to hold legislators accountable.

President Lumm concluded the Truth in Taxation Hearing.

I.B. Adoption of Proposed Fiscal Year 2011-2012 Budget – Maricopa County Community College District

President Lumm introduced the next item on the agenda which was the public hearing concerning the adoption of the proposed budget of the Maricopa County Community College District for fiscal year 2011-2012. This hearing is required under state law every year when the Board presents its budget. The purpose of these hearings is to give any resident or taxpayer the opportunity to protest the inclusion of any item in the proposed budget.

President Lumm requested that Vice Chancellor Thompson provide information on the proposed budget.

Vice Chancellor Thompson commented that the Maricopa Community Colleges budget process requires presentation of the proposed budget for fiscal year 2011-12 for preliminary adoption at the April Governing Board meeting. This timeframe is necessary to comply with required publications on-line and in local newspapers, with final budget adoption to follow at a public meeting set for June 14, 2011. The District Board is required to adopt budget by June 20 and meet all statutorily required publications prior to that.

Associate Vice Chancellor of Business Services Gaye Murphy provided a detailed PowerPoint presentation pertaining to the FY2012 Budget, including potential expenditures and revenue increases, property tax perspective, and property owner impact.

President Lumm afforded any resident or taxpayer the opportunity to address the Governing Board concerning the inclusion of any item in the proposed budgets.

One citizen came forward:

1. Rosie Lopez admitted that she had not followed up on the budget because she had attended this meeting due to the tax increase. There is a need to be vigilant on what staff is telling board members. They give them recommendations, however administration is top heavy with staff and consultants. There are people on staff that can do these jobs and consultants don't need to be hired. Consultants are not accountable to the organization. Need to cut the salaries of administration since they don't deal with students. Country in dire straights. Need to stay within budget.

President Lumm asked if there were any comments from members of the Board. There were no comments from members of the Board.

I.C Adoption of Proposed Fiscal Year 2011-2012 Budget – GateWay Early College High School

President Lumm introduced the next item on the agenda which was the public hearing concerning the adoption of the proposed budget of the GateWay Early College High School for fiscal year 2011-2012. These hearings are required under state law when the budget is presented. The purpose of these hearings is to give any resident or taxpayer the opportunity to protest the inclusion of any item in the proposed budgets.

President Lumm requested that Vice Chancellor Thompson provide information on the proposed budget. Mrs. Thompson introduced Joel Loren, Program Director at GWECHS, who provided information pertaining to the budget proposed. Mr. Loren commented that they GateWay Early College High School had experienced a very successful year with 42 seniors graduating, eight of which participated in the college's graduation ceremonies. The budget indicates a decrease in the total amount due to a decrease in state funding. Funds are provided to high schools based on taxes. Charter schools are funded on counts in attendance. 244 students are being counted this year.

President Lumm afforded any resident or taxpayer the opportunity to address the Governing Board concerning the inclusion of any item in the proposed budget. No residents or taxpayers came forward.

President Lumm asked if there were any comments from members of the Board. Governing Board Member Dana Saar commented that he understands the work that GWECHS does, however he has concerns regarding how an accounting for things such as rent and administrative support are factored or not factored into the budget. He has a concern that money from the community college system is being used and would like to see these added to the high school's budget. President Lumm commented that he opposed this before and opposes it at this time. Eight students graduated from college this year and this should be a model for the whole country. His concern is that immigrant students pay more than other student born here.

I.D Adoption of Proposed Fiscal Year 2011-2012 Budget – Phoenix College Preparatory Academy

President Lumm introduced the next item on the agenda which was the public hearing concerning the adoption of the proposed budget of the Phoenix College Preparatory Academy for fiscal year 2011-2012. These hearings are required under state law when the budget is presented. The purpose of these hearings is to give any resident or taxpayer the opportunity to protest the inclusion of any item in the proposed budgets.

President Lumm requested that Vice Chancellor Thompson provide information on the proposed budget. Mrs. Thompson introduced David Singer, Principal at Phoenix College Preparatory Academy, who provided information pertaining to the budget proposed. Mr. Singer explained that the proposed budget was based on enrollment in July and they need to estimate where they are going to be. Their actual enrollment was 75 students. Charter schools are funded 20% less than other schools. The budget for Phoenix College Preparatory Academy has been cut \$11,000. The intangible reward of charter schools is they help maintain students in the education pipeline. MCCCDCD charters these schools to help students get ready for next phase of life.

President Lumm afforded any resident or taxpayer the opportunity to address the Governing Board concerning the inclusion of any item in the proposed budget. No residents or taxpayers came forward.

President Lumm asked if there were any comments from members of the Board. There were no comments from any members of the Board.

President Lumm concluded the hearings for the adoption of the budgets for 2011-2012.

SPECIAL MEETING – ACTION

II.A.1 Approval of Truth in Taxation – Notice to Tax Increase Roll Call Vote – Levy to Increase Taxes - In accordance with relevant statutory and constitutional provisions, the MCCCDCD is proposing to increase primary property taxes on existing property. This proposed increase is 3%, which equals \$11,355,169 in additional property tax revenues. Through a roll call vote (as required by statute), it was recommended that the Governing Board approve the District's proposed increase in primary property taxes on existing property in FY 2011 - 2012.

President Lumm introduced the next item on the agenda which was the motion to levy the increased

property taxes as previously described. He requested a motion.

MOTION NO. 9825

Governing Board Member Doyle Burke made a motion to approve a 3% levy on property taxes. Governing Board Member Dana Saar seconded. President Lumm called for the roll call vote:

Don Campbell – aye;
Randolph Lumm – aye;
Dana Saar – aye;
Debra Pearson – nay;
Doyle Burke – aye.

Board Members Comments:

Doyle Burke stated that despite the story that the Goldwater Institute put out, it was his opinion that the 10% enrollment increase this year was accommodated for with budget. MCCCDC can expect an increase again this next year, especially with ASU doing away with scholarships and many more coming to use for retraining. For those reasons and because the tax increase is minimal, he voted in favor of the tax levy.

Dana Saar commented that he agreed with a lot of Mr. Burke's comments, especially increased enrollment. Looking at 60% of students not meeting capacity for classes in resources, they will be put into college level courses. In addition, we need to provide benefits to veterans. These past few months he has visited with veterans advisors at the ten colleges, and we have to provide resources for veterans and their families who take classes. We have a really problem with lack of jobs in Arizona. Paying taxes takes away from spending elsewhere. We need to help prepare people to become employed, to make money, and contribute to the economy. Lastly, Mr. Saar commented that we have \$260,000 students that we need to work for.

Dr. Don Campbell commented he supported the \$2.95 tax levy on \$100,000 in order to help young people educate themselves.

Mrs. Pearson stated that the Goldwater Reports on charter schools and now community colleges were not peer reviewed. Comments made contradict themselves and the bottom line was that it was junk-in and junk-out. She found this very sad because she remembered Barry Goldwater when she was growing up. There were many contradictions in the report. Alvarez and Marsal should be laughed at because she questioned how they came up with the numbers they presented. Her no vote on the tax increase was not based on the report, however on her very strong feelings about property taxes and how her grandmother lost the family home because she could not pay the taxes due, and how she personally has been affected.

Randolph Lumm stated that his grandson would be attending EMCC this next year. This will constitute a difference between \$14,000 versus a few thousand. We need master teachers in the community colleges. Cutting classes will do a disfavor. If you don't get an education, you are not going to get good jobs. The hope is that they can get a degree or certificate and that is what we offer. Mr. Lumm commented that some say community college students should pay their own way. Community colleges are investing in the future. Immigrants own houses and pay taxes. It is taxation without representation. It is their kids we are trying to help.

Motion approved 4-1 (Pearson – Nay)

II.A.2 Adoption of Proposed Fiscal Year 2011-2012 Maricopa County Community College District Budget

Adoption of the Proposed FY 2011-12 Budgets. The General Fund, Current Auxiliary Fund, Current Restricted Fund, and Plant Fund total \$1.4 billion. The Proposed FY2011-12 Budget total of \$1.4 billion is summarized as follows:

	Adopted		Proposed		Increase/(Decrease)	
	FY2010-11		FY2011-12		Amount	Percent
General Operating Fund 1	\$ 616,953,855		\$ 632,112,196		\$ 15,158,341	2.46%
Re-appropriated Items	38,444,563		51,866,108		13,421,545	34.91%
Total Fund 1	\$ 655,398,418		\$ 683,978,304		\$ 28,579,886	4.36%
Current Auxiliary Fund 2	\$ 97,689,526		\$ 105,489,494		\$ 7,799,968	7.98%
Current Restricted Fund 3	\$ 189,874,413		\$ 223,429,437		\$ 33,555,024	17.67%
Plant Fund 7						
Unexpended Plant	\$ 77,782,994		\$ 47,450,160		\$ (30,332,834)	-39.00%
G.O. Bonds	470,617,346		256,697,106		(213,920,240)	-45.46%
Revenue Bonds	28,802,648		7,471,404		(21,331,244)	-74.06%
Debt Service	94,880,246		85,023,878		(9,856,368)	-10.39%
Total Plant Fund 7	\$ 672,083,234		\$ 396,642,548		\$ (275,440,686)	-40.98%
GRAND TOTAL	\$ 1,615,045,591		\$ 1,409,539,783		\$ (205,505,808)	-12.72%

President Lumm requested a motion for adoption of the Fiscal Year 2011-12 Proposed Budget for the Maricopa County Community College District.

MOTION NO. 9826

Governing Board Member Doyle Burke moved that the Fiscal Year 2011-12 Proposed Budget for the Maricopa County Community College District be approved. Mr. Saar seconded the motion.

President Lumm called for the roll call vote:

- Don Campbell – aye;
- Randolph Lumm – aye;
- Dana Saar – aye;
- Debra Pearson – nay;
- Doyle Burke – aye.

Motion approved 4-1 (Pearson – nay).

II.A.3 Approval of GateWay Early College High School Proposed Budget for FY 2011-2012 - approve the 2011-2012 proposed budget for Gateway Early College High School (GWECHS) in the amount of \$1,881,920.

President Lumm requested a motion for adoption of the Fiscal Year 2011-12 Proposed Budget for the GateWay Early College High School.

MOTION NO. 9827

Governing Board Member Dr. Don Campbell moved that Proposed Budget for FY 2011-2012 for the GateWay Early College High School be approved. Mr. Burke seconded the motion.

President Lumm called for the roll call vote:

Don Campbell – aye;
Randolph Lumm – aye;
Dana Saar – nay;
Debra Pearson – aye;
Doyle Burke – aye.

Governing Board Member Sana Saar explained that although he voted no on this, it was not because he did not appreciate the work they did.

Motion approved 4-1 (Mr. Saar – Nay)

II.A.4 Approval of Phoenix College Preparatory Academy Proposed Budget for FY 2011-2012 - approve the 2011-2012 proposed budget for Phoenix College Preparatory Academy in the amount of \$566,252.

President Lumm requested a motion for adoption of the Fiscal Year 2011-12 Proposed Budget for the Phoenix College Preparatory Academy.

MOTION NO. 9828

Governing Board Member Doyle Burke moved that Proposed Budget for FY 2011-2012 for the Phoenix College Preparatory Academy be approved. President Lumm seconded the motion.

President Lumm called for the roll call vote:

Don Campbell – aye;
Randolph Lumm – aye;
Dana Saar – nay;
Debra Pearson – aye;
Doyle Burke – aye.

Governing Board Member Sana Saar explained that although he voted no on this, it was not because he did not appreciate the work they did.

Motion approved 4-1 (Mr. Saar – Nay)

ADJOURNMENT

The meeting adjourned at 7:30 p.m.

NEXT BOARD MEETING

The next Governing Board Meeting will be a Regular Board Meeting on June 28, 2010 at 6:30 p.m. at the District Office.

Doyle W. Burke
Governing Board Secretary