



Financial Advisory Council Meeting

October 23, 2007

Rio Salado College, Room 515

2:00 - 4:00 PM

MINUTES

Members Present: Jeanne Christen, Art DeCabooter, Carol Dichtenberg, Elias Franco, Ted Georgas, Rufus Glasper, Carmen Gonzales, Maria Harper-Marinick, Steve Helfgot, Maria Hesse, Chris Hoeffler, Mark Mason, Rachel Naylor, Linda Rosenthal, Dennis Shaw, Jim Simpson, Debra Thompson, Yvonne Zeka

Staff/Guests: Tony Asti, Lulut Clow, Regis Della-Calce, Ronnie Elliot, Joyce Elsner, Susan Horner, Gaye Murphy, Connie Sherman, Carl Couch, Kathy Kunath

Welcome and Introductions: Everyone was welcomed to the meeting. Debbie introduced the new student members, Elias Franco from SMCC and Rachel Naylor from SCC. Debbie mentioned the Ground Rules, Vision Statement and Member Roles posted for today's Financial Advisory Council Meeting.

Agenda Items

September 25, 2007 Minutes – The September 25, 2007 FAC minutes were reviewed and approved.

Property Tax Cut Initiatives – Presentation

Mr. Mark Barnes from Barnes and Associates presented an overview of the Proposed 2008 Property Tax Cut Initiatives.

New Facilities Operating Support (Action Item) – The Council reviewed the document –“New Facilities Operating Support” that was distributed. There was consensus by the Council to approve the following:

- A. Operating Support for new 2004 Bond Supported Facilities
 - CGCC: New Classroom Building
 - SCC: Business Building Remodel
- B. Operating Support for New Facilities Not Acquired with Bonds
 - SCC: Remodel Child Care Center

Proposed Course Guidelines (Information Item)

A final draft document “Final Draft - Maricopa Community Colleges – Special Course Fee Guidelines” was distributed to the Council. Gaye introduced the members of the Course Fees Workgroup who created the Guidelines – Carl Couch, Randy Kimmens, Kathy Kunath, Gaye Murphy, and Dennis Shaw. Gaye provided an overview of the document with the members of the Council. Gaye reviewed the two possible pending changes to the document with the Council members. This document will be forwarded for review to the college presidents.

FY09 Budget Issues

Tuition Discussion

Debbie reviewed the document “Historic Tuition and Fees” with the Council members. The FACJC will review the comments made today and come back to the next FAC meeting for more discussion.

- There was concern that it would be difficult for some students to attend college if we increased tuition \$3.00 per credit hour.
- It was suggested that tuition be increased to \$5.00 per credit hour rather than the proposed \$3.00 per credit hour to address critical budget needs.

Hold Harmless Analysis

Debbie reviewed the document “Maricopa Community Colleges FY2004-05 to FY2006-07 FTSE Hold Harmless Analysis” with the Council members.

- The Chancellor is recommending no Hold Harmless for FY2006-07 FTSE decline.
- CEC is looking at some early retirement incentives. They are not considering insurance incentives at this time but cash payouts are being reviewed.
- It was suggested that retention may be the primary issue for MCCCCD at this time.
- It costs MCCCCD 3 times more to recruit a new student than it does to keep an existing student.
- We need to pool all of our college’s resources together and focus on our initiatives.
- The Chancellor asked FAC to create a model on how to retain their FTSE or get a FTSE rebate for referring a student to another one of our sister colleges.
- We need to find solutions and work together such as collaborating to have guaranteed schedules and not cancel our classes.
- There was a comment that MCCCCD may not appeal to honor students and that we need to have a better balance recruiting all student types.

Maricopa Health Insurance – Presentation

Dianne Johns, District Director of Compensation and Benefits presented an overview of the possible changes to our Health Insurance Program. The summary of the presentation is as follows:

- Surge in medical utilization over last 12 months due to larger catastrophic cases
- Employee enrollment dropped - causing less premium and co-insurance to pay for claims
- Spike in Employee Only and Spouse/Partner tier adding older dependents to the medical plan
- Two previous years had excellent claims experience - allowing medical premium increases to be below medical inflation rate – at some point medical inflation rate catches up

Plus / Delta

- + Rich info
- Highway 202 might still be closed this afternoon

Meeting Adjourned: 3:50 p.m.

Next Meeting: Tuesday, November 27, from 2:00 p.m. to 4:00 p.m. at Rio Salado College in Room 515