



**MARICOPA COUNTY COMMUNITY COLLEGE DISTRICT  
GOVERNING BOARD  
JUNE 09, 2009**

**MINUTES**

A public hearing for consideration of adoption of the budget for 2009-2010, 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**

Colleen Clark, President  
Randolph Lumm, Secretary  
Don Campbell, Member  
Debra Pearson, Member  
Jerry Walker, Member

**ADMINISTRATION**

Rufus Glasper  
Debra Thompson  
Maria Harper-Marinick  
Anna Solley  
Albert Crusoe  
Steve Cresswell for Darrel Huish  
Pete Kushibab  
Paul Dale  
Shouan Pan  
Ernie Lara  
Gene Giovannini  
Linda Thor  
Bill Guerriero for Maria Hesse  
Ken Atwater  
Jan Gehler  
Jean Ann Abel for Velvie Green

**CALL TO ORDER**      The special meeting was called to order at 6:05 p.m.

**EXECUTIVE  
SESSION**              There was no executive session

**PUBLIC HEARINGS – CONSIDERATION OF ADOPTION OF BUDGETS FOR 2009-2010  
AND TRUTH IN TAXATION HEARING**

**I.A. Truth in Taxation – Notice to Increase Tax**

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 Clark explained that the Maricopa County Community College District proposed to increase primary property taxes in fiscal year 2009-2010 on existing property. The proposed increase was two percent, equaling seven million, five hundred fifty-four thousand, and three hundred sixty-four dollars in additional property tax revenues (\$7,554,364.00).

President Clark requested that Vice Chancellor of Business Services Debra Thompson and her staff explain this proposal.

Vice Chancellor Thompson explained that Truth in Taxation is about giving notice to the public that the District is intending to raise taxes by two percent or the legal limit. This ceiling limit goes back to 1980 when it was instituted that two percent was the maximum that taxes could be raised. The Truth in Taxation tax levy rate assumes that the District will not increase taxes on existing property by the maximum increase permitted by the State Constitution and statute. A comparison of the effects of calculated Truth in Taxation rate (\$.7246) to the proposed tax rate (\$.7398) reveals that the primary property taxes levied by the Maricopa County Community College District on a \$100,000 home will rise from \$72.46 to \$73.98--a \$1.52 increase per year, or 2%. The revenues that result from this increase are \$7,554,364. In addition to increased tax support from existing property, new property that has been added to the tax roll will provide the District with additional tax revenues. The total change in property taxes for new and existing property over the FY 2008 - 2009 Adopted Budget is \$21.8 million, of which \$14.2 million is new property and \$7.6 million is the 2%, if the latter is approved. Property tax increases and growth in other revenues provide funding to meet a wide variety of needs, allowing the Maricopa Community College District to better meet increased community demand for additional courses and programs.

President Clark 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.

No citizens came forward.

President Clark asked if there were any comments from members of the Board.

There were no comments from members of the Board.

There being no further comments, President Clark concluded the truth in taxation hearing.

**I.B Adoption of Budget for 2009-2010**

President Clark 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 2009-2010. These hearings are required by 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 budgets.

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

Vice Chancellor Thompson commented that the District's Governing Board is required to adopt budget by June 20; prior to this, the budget and Truth in Taxation notices in the Arizona Republic have been published in the Arizona Republic as is required by State law.

Ms. Thompson stated that it was recommended that the Governing Board approve one of two proposed budgets, each of which totals approximately \$1.5 billion. In approving the budget, the Board also authorizes the expenditure of budgeted revenues and realized or designated fund balances within the total amount budgeted in each fund (Current Unrestricted, Auxiliary, Restricted, and Plant Funds).

**The first scenario is the budget that should be acted on if the Board approves, through a roll call vote, the proposed 2% increase in the existing tax levy.**

**The second scenario is the budget that should be acted on if the Board does not approve, through a roll call vote, the 2% increase in the existing tax levy.**

She recommended that the Board adopt the 2% levy increase and the budget (Scenario 1) associated with this. It would provide the district with approximately \$7.6 million in additional resources at a time that the district is starting to increase enrollment, sometimes in double digits, and is mid way through its 2004 bond program. Additionally, it is at a time that we expect to see diminished support from property tax growth and raising these funds now will help us meet needs in FY10-11 and FY11-12, even as resource growth is limited in those years.

However, the roll call vote on the 2% levy will occur immediately before action on this budget item and if the Board does not approve the levy increase, action should be taken on Scenario 2, which does not include the funding associated with the 2% levy increase.

Ms. Thompson then requested that Associate Vice Chancellor Gaye Murphy present information along with a PowerPoint presentation which explained the changes to the proposed budget. (copy of PowerPoint included with these minutes)

President Clark afforded any resident or taxpayer the opportunity to address the Governing Board concerning the inclusion of any item in the proposed budgets. No residents or taxpayers came forward. Governing Board Member Debra Pearson requested an opportunity to introduce three students from Mesa Community College who presented a resolution opposing the tuition increase at a previous meeting. They were Spencer Morgan, Carol Walls, and Glen Ramos. Mrs. Pearson commended for their exemplary citizenship efforts.

President Clark asked if there were any comments from members of the Board.

There being no comments, President Clark concluded the hearing for the adoption of the budget for 2009-2010.

## **SPECIAL MEETING – ACTION**

### **II.A.1 Truth In Taxation – Notice to Increase Tax Roll Call Vote – Levy to Increase Taxes**

President Clark introduced the next item on the agenda which was the motion to levy the increased property taxes as previously described. She requested a motion.

Governing Board Member Randolph Lumm moved to levy a .5% increase on primary property taxes in fiscal year 2009-2010 on existing property which he stated might be an agreeable percent to fellow board members. He felt this increase would help offset the expense of the third party efficiency study which would be conducted in fiscal year 2009-2010, as well as other crucial expenses during this same time period. He further stated that the .5 % increase was also needed due to the 3 percent inflation the district is having.

Governing Board Member Debra Pearson requested that Mr. Lumm provide the basis for this amount. Mr. Lumm responded that he felt the request for a 2% increase would not receive the entire Board's support, however felt that the budget required an increase. He felt the .5% increase would be much more acceptable and still reflect sensitivity to the taxpayers because of current economic times.

Mrs. Pearson further inquired how that specific number tied to increased reflected growth in production or job decreases. Mr. Lumm responded that it was reflective of a need for additional dollars for the budget but also less than the recommended amount

President Clark responded that stimulus funds could fund some of the needs.

Mr. Walker commented that he understood the two options being proposed, however, asked how the .5% increase would affect the budget. Mrs. Thompson indicated that this option was not one her staff had developed numbers for but could send staff upstairs to work up the numbers and bring down for consideration. However, she was not certain how statutory constraints would permit this since their legal notices had already published at a significant cost. If the Board were to approve the 2% levy, she stated that this money could be placed in a reserve account that would never need spending. Mrs. Pearson further asked that if the .5% was approved, was a budget indeed passed because the process of legal notices and coming back together as a Board to approve would have to be repeated. Although Governing Board Member Debra Pearson brought forward that the budget had been passed on to the Governor by the House and Senate, she was reminded that the Governor had yet to approve.

Chancellor Glasper stated that he understood Mr. Lumm's proposal was not for additional cuts but rather for the third party review. He recommended leaving the \$5.8 million (the difference between the recommended 2% and the .5% recommended by Mr. Lumm) in the budget as is. The District will work together to make the appropriate cuts in the budget.

President Clark requested that the motion to levy a .5% increase proposed by Mr. Lumm be voted on through roll call vote.

President Clark called for the roll call vote:

Don Campbell – aye;  
Randolph Lumm – aye;  
Jerry Walker – nay;  
Debra Pearson – nay;  
Colleen Clark – nay.

Motion not approved 3-2

**MOTION NO. 9565**

In light of the .5% proposed increase having failed, Governing Board Member Dr. Don Campbell subsequently requested that the motion to levy a 2% increase be voted on through roll call vote.

President Clark called for the roll call vote:

Don Campbell – aye;  
Randolph Lumm – aye;  
Jerry Walker – nay;  
Debra Pearson – nay;  
Colleen Clark – nay.

Motion not approved 3-2

**II.A.2 Approval of Proposed Fiscal Year 2009-2010 Maricopa Community College District Budget Adoption**

Approve one of two proposed budgets, each of which totals approximately \$1.5 billion. In approving the budget, the Board also authorizes the expenditure of budgeted revenues and realized or designated fund balances within the total amount budgeted in each fund (Current Unrestricted, Auxiliary, Restricted, and Plant Funds).

**The first scenario is the budget that should be acted on if the Board approves, through a roll call vote, the proposed 2% increase in the existing tax levy.**

**The second scenario is the budget that should be acted on if the Board does not approve, through a roll call vote, the 2% increase in the existing tax levy.**

**MOTION NO. 9566**

Governing Board Member Jerry Walker moved that Scenario 2 be approved due to the 2% tax levy having not been approved.

President Clark called for the roll call vote:

Don Campbell – aye;  
Randolph Lumm – aye;  
Jerry Walker – aye;  
Debra Pearson – aye;  
Colleen Clark – aye.

Motion approved 5-0.

**ADJOURNMENT**      The meeting adjourned at 6:28 p.m.

**NEXT BOARD MEETING**      The next Governing Board Meeting will be a Regular Board Meeting on June 23, 2009 at 6:30 p.m. at the District Office.

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Randolph Elias Lumm  
Governing Board Secretary