

Maricopa Community Colleges district board approves property tax increase



Communiversity at Queen Creek, 21740 S. Ellsworth Road in Queen Creek, is operated by Rio Salado College, a member of Maricopa Community Colleges (File photo).

By Alex Ferri Independent Newsmedia Inc. USA Updated June 11, 2014

The <u>Maricopa Community Colleges</u> governing board approved a new budget and a 2 percent tax levy increase at a May 27 public hearing at the district office, 2411 W. 14th St. in Tempe.

The governing board listened to arguments for and against the tax levy increase before approving it in a 4-1 vote, Maricopa Community Colleges spokesman Tom Gariepy said in a May 28 phone interview. Board member Debra Pearson had the lone dissenting vote.

The board approved the new budget unanimously, Mr. Gariepy said.

The budget had been a topic of discussion for some time, he said, which meant little discussion was needed before the vote.

"While it looks like board members are whipping through the discussion, they've already heard a lot about this," Mr. Gariepy said.

The tax levy increase will apply to all property owners in Maricopa County. The change would result in an increase of \$2.51 per year on a \$100,000 home, according to a press release.

The tax would increase from a total of \$125.73 per year to \$128.24 per year on a \$100,000 home.

The levy increase is expected to produce more than \$8.4 million in revenue, according to the release.

The funds would go toward a variety of projects, including updating information technology systems and improving student services for a projected student enrollment of more than 260,000 across the district.

Maricopa Community Colleges includes the following schools: Chandler-Gilbert Community College, Estrella Mountain Community College, Glendale Community College, GateWay Community College, Mesa Community College, Paradise Valley Community College, Phoenix College, Rio Salado College, Scottsdale Community College and South Mountain Community College.

About 60 percent of the district's operation budget is generated by property taxes, according to a press release.

"There has been as sentiment among board members... that tuition and tax levy increases are sometimes necessary," Mr. Gariepy said. He added that the state directly funds about 1 percent of the district's budget today while it funded about 25 percent in the 1980s.

According to district documents, over the past 10 years the governing board has approved a 2 percent tax levy increase seven times.

A 2 percent increase is the largest allowed by law, Mr. Gariepy said.

Although he previously had been opposed to the increase, Dana Saar, governing board president, voted in favor of it after some consideration, he said in a May 28 phone interview.

He said he researched the district's performance in various areas and found evidence of progress.

"That made me feel better about making more investments in the district," Mr. Saar said.

Ms. Pearson, the only governing board member to vote against the increase, could not be reached as of press time.

Mr. Saar said she is opposed to property taxes in general.

Despite the tax levy increase, Mr. Gariepy said the overall tax rate is likely to decrease in the coming year because property valuations have increased. When properties are worth more, the tax rate necessary to get the desired amount ends up being a smaller percentage of the total value, he said.

But individual valuations will vary, he added.

"People have different experiences," Mr. Gariepy said.

Approximately 30 people attended the governing board meeting, Mr. Gariepy said. One group of citizens spoke in favor of the tax levy increase while two individuals spoke against it, he said.

The funds from the tax levy increase will supplement additional revenue from a \$3 per college credit tuition increase that was approved in April, Mr. Gariepy said.

Some of the additional funds will go toward built-in increases in the district's budget, Mr. Gariepy said, including software maintenance and employee incentives.

The new revenue will also be used on what Mr. Gariepy called a "seamless student experience," which streamlines various processes for students.

The project will allow students to register once and take classes at multiple schools in the district instead of having to register individually at each college, Mr. Gariepy said.

Additionally, the project will make it possible to obtain a transcript with combined grades from multiple schools, among other things, he said.

Another portion of the new revenue will go toward upgrading security systems responsible for keeping student information safe, Mr. Gariepy said. New systems were deemed necessary after an incident last year exposed the personal information of almost 2.5 million people associated with the district.

The school paid for free credit monitoring from Kroll Advisory Services for those affected using funds from the district's reserve that it accumulated over years of conservative budgeting, Mr. Gariepy said.

Revenue from the tax levy increase will instead go toward new systems as well as the salary of a new security chief position for the district, he added.

The district also plans to update its human resources, budget and finance systems, Mr. Gariepy said, and increase funding for various student success initiatives such as developmental education and needs-based scholarships.

"On the one hand you have the security issues and the other you have the need to replace outmoded systems – software mostly," Mr. Gariepy said.

The tax levy increase will go into effect July 1. For more information, visit the district website.

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