

Navajo County Community College District Governing Board Meeting Minutes

February 16, 2016 – 10:00 a.m.
Painted Desert Campus, Tiponi Community Center
2251 East Navajo Boulevard, Holbrook, Arizona

Governing Board Member Present: Ms. Ginny Handorf; Mr. James Matteson; Mr. Prescott Winslow; Mr. Frank Lucero; Mr. Daniel Peaches.

Staff Present: President Jeanne Swarhout; Interim Vice President Maderia Ellison; Vice President Mark Vest; Director PJ Way; Recording Secretary to the Board Paul Hempsey.

Others Present: Ryan Rademacher; Ann Hess; Everett Robinson; Betsyann Wilson; Kim Reed; Peggy Belknap; Stuart Bishop; Ed Gentry; Ian Graham; Amber Hill; Margaret White; Linda Kor; Eric Henderson; Curtis Stevens; Peg Erdman; Anthony Epah; Tamara Martin; David Huish; Matt Weber.

Agenda Item 1: Call to Order and Pledge of Allegiance

Chair Handorf called the meeting to order at 10:00 a.m. and led the Pledge of Allegiance.

Agenda Item 2: Adoption of Agenda

Mr. Matteson moved to adopt the agenda as presented. Mr. Winslow seconded the motion. The vote was unanimous in the affirmative.

Agenda Item 3: Call for public Comment

None

Agenda Item 4: Reports

4.A. Financial Position – Interim Vice President Ellison

Interim Vice President Ellison addressed the Board and reviewed the financial position report with the Board.

4.B. Human Resources – Interim Director Fee

Interim Director Fee addressed the Board and reviewed the Human Resources Report.

Mr. Matteson asked if any new members of staff were present today. Interim Director Fee introduced those attending the meeting.

4.C. NPC CASO – Margaret White

Margaret White, Co-chair of CASO, addressed the Board and stated CASO has already had an eventful February. A copy of a Convocation Evaluation was handed to the Board. The Valentine Fundraiser sold 147 goodie bags with proceeds going towards student Scholarships.



4.D. Faculty Association – Ryan Rademacher

Ryan Rademacher, President of the Faculty Association (FA), addressed the Board and reported that a draft of Procedure 2701 has been forwarded to the Executive team for review. Revisions to Procedure 2970 are still under consideration and will hopefully be forwarded by the end of the month. Procedure 2625 is now being reviewed by faculty to make it easier to follow. FA along with CASO would like to celebrate retiring Faculty and Staff at the annual Picnic scheduled in April. Ryan Rademacher provided a written copy of the FA and CASO recommendation of a 3% salary increase to the Board with supporting information.

Mr. Lucero asked if there was a request to cover dependents under Health Insurance. Ryan Rademacher responded that it was not a part of the FA recommendation. President Swarthout also commented that she was unaware of any proposal to cover dependents.

4.E. NPC Student Government Association – Tony Hill

Tony Hill addressed the Board and stated the SGA added 14 new members during a Spring Semester Welcome Week event. The SGA had a team-building event that involved lunch and bowling in Show Low. The Annual Talent Show will take place on March 25th at 7pm in the Performing Arts Center with auditions on March 3rd and 4th at the Painted Desert Campus, Silver Creek Campus and White Mountain Campus. The Eagle Club had a successful bake sale raising \$250. The Outdoor Club is offering the chance to participate in an Ice Cave Hike on February 27th.

4.F. NPC Friends and Family – Director Wilson

Director Wilson addressed the Board and stated that the Kiwanis Quiz Night winning team donated half their prize to Friends and Family, combined with one fourth of the profits from the evening amounting to a total of over \$1800. Summit Healthcare has donated \$5000 towards sponsorship of the Golf Tournament which takes place on Saturday, April 30th. With the assistance of Board Member Winslow, Director Wilson held workshops to educate students on applying for Friends and Family Scholarships. Over 50 students attended and Director Wilson was pleased to announce that the committee would be reviewing 40 applications. Director Wilson reminded the Board that AZ Gives Day takes place on April 5th.

Mr. Winslow asked what the percentage of increase the Scholarship Applications saw after the workshops. Director Wilson responded there was a 50% increase in applications.

Agenda Item 5: Consent Agenda

- A. January 19, 2016 Regular Board Minutes
- B. January 19, 2016 Executive Session Minutes
- C. Curriculum Modifications:
 - 1. Program Deletion – Business – Retail Management AAS, CAS & CP
- D. Dual Enrollment Intergovernmental Agreement between the Navajo County Community College District and Blue Ridge USD #32
- E. Intergovernmental Agreement between the Navajo County Community College District and Apache County



*Mr. Winslow requested item E be pulled from the agenda without opposition. Mr. Winslow then made a motion to approve the remaining consent agenda. Mr. Matteson seconded. **The vote was unanimous in the affirmative.***

Discussion of Consent Agenda Item E. Intergovernmental Agreement between Navajo County Community College and Apache County

Mr. Winslow asked how the college's relationship with Apache County stands in regards to this agreement. President Swarthout responded that Apache County requested no changes to the current Agreement other than an update on dates.

Mr. Winslow asked about the statement in section V. regarding class scheduling and delivery methods. President Swarthout responded that each semester's schedule involves negotiation on what the college can provide due to enrollment levels in each class. The college will do everything it can to provide on-site classes, which are Apache County's preference, but leaves room to provide classes on alternative delivery methods if required due to low enrollment figures. This also applies to General Education classes. Mr. Winslow clarified that the college was committing to provide a two-year course cycle but reserve the right to offer it through distance learning or revise the option due to low enrollments. President Swarthout affirmed.

Mr. Winslow asked about the stipulation on class sizes in the Agreement and if it costs the college more money to allow this. President Swarthout responded that the Apache County set a class size minimum of 6 which is considerably lower than the college but there is recognition that they only have services available up to the money threshold they provide.

Mr. Winslow asked about equity of access for residents of Apache County. President Swarthout responded that we try to provide the same level of service for students in Apache County as we do in Navajo County and the college is very committed to that. However there is still a budgetary limit which could affect services.

Mr. Winslow commented that at least one High School Counselor in Apache County is very entrepreneurial on behalf of his students in regards to the College Bound Scholarship and he would like to see higher awareness, promotion, and enrollment from Navajo County. Vice President Vest responded that it appears to be a combination of a very assertive Center Manager in St. Johns as well as a school district whose administration and instructors are very receptive to the idea of students completing college coursework. Mr. Winslow commented that this is a pipeline for students to consider earning more high value; low cost college credits and take advantage of Finish Line Scholarship, 50% Tuition for summer courses, etc.

*Mr. Winslow made a motion to approve the Intergovernmental Agreement between the Navajo County Community College District and Apache County. Mr. Matteson seconded. **The vote was unanimous in the affirmative.***

Agenda Item 6: Old Business

6.A. Possible Approval of Skills Center Settlement.

No action was taken.



Agenda Item 7: New Business

7.A. Request to Accept the Audited Annual Budgeted Expenditure Limit Report

Interim Vice President Ellison reviewed the report and stated staff recommended acceptance of the report.

Mr. Lucero asked if the college is using approximately 1 million dollars of carry forward each year. Interim Vice President responded that this is the second year the college has utilized carryforward and the previous year was slightly higher.

Mr. Matteson made a motion to accept the Audited Annual Budgeted Expenditure Limit Report. Mr. Winslow seconded. The vote was unanimous in the affirmative.

7.B. Request to Approve Adjustment to Fiscal Year 2014-2015 Adopted Budget

Interim Vice President Ellison reviewed the Adjustment to the Adopted Budget and stated that staff recommended approval.

Chair Handorf asked if this was a housekeeping issue. Interim Vice President Ellison responded that it is indeed a form of housekeeping where the college takes the “budgeted” amounts and replace with the actual amounts for the year.

Mr. Winslow asked if the need for relatively minor adjustments was due to the college accurately projecting FTSE for the year. Interim Vice President Ellison responded that the college tries to make sure the FTSE projections are accurate and therefore reasonable. President Swarhout commented that there is an indirect relationship between the FTSE projections for Expenditure Limit and the adjustment seen.

Mr. Matteson made a motion to approve the Adjustment to Fiscal Year 2014-2015 Adopted Budget. Mr. Winslow seconded. The vote was unanimous in the affirmative.

7.C. 2016-17 Introductory Budget Analysis

Interim Vice President Ellison reviewed the Introductory Budget Analysis with the Board.

Mr. Matteson asked if the decrease in Property Tax Revenue is due to the Power Plant unit closures. Interim Vice President Ellison affirmed.

Mr. Winslow asked how the college can better explain to the Public that we are increasing their tax rate but raising less money from the increase. Interim Vice President Ellison responded that there is some work to do to explain clearly to the public and, as the college only recently received some of the information and is still analyzing it, hopefully will provide more information at the next Board meeting. Mr. Winslow asked which key “element” was creating this confusing situation, new construction or centrally assessed versus locally assessed valuations. Interim Vice President Ellison responded that the significant decreases in Centrally Assessed valuations are driving the changes and overall assessments are in decline. Mr. Winslow commented that this has happened before but the math looks very confusing this time. The college is stating that it will increase the tax rate to bring in less total tax dollars from property



owners. President Swarthout commented that the college completed a quick and certainly not conclusive assessment of what revenues would look like if the Property Tax rates were frozen where they are and it would probably add an additional decline of around \$250,000 for a total decline of \$400,000.

Mr. Lucero asked what the actual tax rate increase would be if the college were to ask for the maximum 2%. After much discussion Vice President Vest calculated the actual increase to be around 2.6%.

Mr. Winslow commented that he would like to see more public participation at hearings and hoped the college can provide public outreach with simplified examples to explain as best they can what is a confusing situation. President Swarthout commented that the college is required by law to use the Levy Limit Worksheet which is never clear.

Chair Handorf commented that she was pleased the Board members had taken the time to review the information and complete their own calculations on the Budget Analysis to understand how the college arrived at the figures.

Mr. Winslow mentioned the need to draw the bigger picture for constituents. In relation to closures of the Catalyst Mill and units at the Power Plant, the college needs to ask community leaders how they will help diversify our economy and then how the college can help meet the educational and workforce needs of a diversified economy. Also elected officials need to make clear that the State Government, while claiming to reduce the Tax burden on state residents, are in fact shifting the burden to counties and municipalities.

President Swarthout commented that although a Budget has not yet been passed that the predicted state aid figures are reliable for this year and possibly next year.

Chair Handorf commented that, in times when property values are declining, it is expected that taxes will increase as county programs and services still require support. However when property values go up a reduction in taxes is never expected.

Mr. Lucero asked what the total increase in revenue to the college will be from the maximum increase to the Tax Rate. Interim Vice President Ellison responded that there will actually be a decrease of \$150,000. Mr. Lucero commented that while we are bringing in less revenue the proposed salary increase will cost an additional \$250,000. President Swarthout commented that the increase in tuition would add approximately \$100,000 to the budget and Mr. Winslow added there was also an increase in Equalization this year. Interim Vice President Ellison commented that total revenues at the college were anticipated to be up by around \$200,000.



7.D. 2016-17 Tuition and Fees – First Read

Interim Vice President Ellison reviewed the 2016-17 Tuitions and Fees with the Board.

Mr. Winslow asked if the Board should be updating the three year plan in the near future. Interim Vice President Ellison responded that the college intention is to bring a new three year plan for the Board to approve during the next Budget cycle.

7.E. 2016-17 Salary and Wage Recommendation – First Read

Interim Vice President Ellison reviewed the Salary and Wage Recommendations with the Board.

Mr. Lucero confirmed that combined estimated increases in wages at 2% and increases in healthcare costs would be \$400,000. Interim Vice President Ellison affirmed and commented that increases to Arizona State Retirement would be negligible.

Mr. Winslow commented that for future discussion that the Board should look at the total compensation package so when considering a salary increase it also look at the increasing cost of Healthcare, which can be different for all employees. Mr. Lucero asked if Mr. Winslow was suggesting covering the cost of spouses and dependents. Mr. Winslow responded that he was not suggesting that.

Mr. Lucero suggested noting that while we have the lowest tuition rate of the counties we are also one of the poorest counties.

7.F. Request to Approve Pre-Purchase of Mechanical Equipment

Interim Vice President Ellison reviewed the Pre-Purchase of Mechanical Equipment with the Board and stated staff recommended approval to purchase HVAC equipment for a total cost of \$164, 353.81.

Mr. Matteson made a motion to approve the Pre-Purchase of Mechanical Equipment. Mr. Lucero seconded. The vote was unanimous in the affirmative.

7.G. Eagle Grant Report Out

Director Way addressed the Board and reviewed the Report from the Eagle Grant.

Mr. Winslow asked if there was a way to look specifically at Native American Student responses. Director Way responded that the survey results could be used to look at a specific group of students.

Mr. Winslow asked in what ways the evaluation of the EAGLE grant helped shape the planning and implementation of the TALON grant and if the new grant included money for new technology purchases over the full 5 years of the grant. Director Way responded that lessons learned from the EAGLE grant helped to form the language of the new Grant and. Vice President Vest commented the college did not specifically note the type of technology that would be purchased so they could identify the best, cheapest, most efficient equipment throughout the life of the Grant.



Mr. Winslow asked if there was a variation in the vendors, systems and infrastructure used by each of the High Schools we will be partnering with. Director Way responded that there are a number of variations and I.S. continue to work with them to identify the best solutions.

Agenda Item 8: Standing Business

8.A. Strategic Planning and Accreditation Steering Committee (SPASC) Report No Report.

8.B. President's Report

President Swarthout addressed the Board and stated that Joint Technical Education District (JTED) funding restoration legislation was still not approved. President Swarthout introduced Superintendent Matt Weber and asked him to provide an update. Superintendent Weber addressed the Board and stated that there is still a lot of support for the legislation, a few language changes were made, which caused some delay, but the main delay is due to who will receive credit. Superintendent Weber commented that some credit should go to the former NPC students that met with the members of the Legislature and did a great job lobbying for JTED funding. Superintendent Weber also commented that NPC lobbyist have been heavily involved also which was appreciated as well as efforts from Senator's Shooter, Allen, Begaye and Representative's Benally, Thorpe and Barton.

Mr. Winslow commented that he had not realized how funds had been used to help GED completers or early gradulators from High School in the past and that it represented the difference in funding. Superintendent Weber responded that Northern Arizona Vocational Institute of Technology (NAVIT) did not go down that road. All NAVIT students are current High School students.

President Swarthout mentioned Arizona Western College has named their new President. Maricopa Community College District has named an interim Chancellor. Central Arizona Community College is in a search. The Expenditure Limit Bill left Senate Caucus and will hopefully be heard in the house soon.

President Swarthout requested the Board attend a Retreat on the Budget and a Doodle Poll will be sent out to arrange a date and time. Also, on a scheduling front President Swarthout asked to move the April Board meeting up one week to April 12th due to a conflict with the Higher Learning Commission Annual Conference..

8.C. Agenda Items/Informational Needs

Chair Handorf asked the Board to look over first read items and give them serious thought. Also watch out for the Doodle Poll to choose a date for the Board Retreat

Mr. Lucero asked if it would be possible to provide the information displayed on the screens in a larger format to make it easier to read.



Agenda Item 9: Board Report/Summary of Current Event

Agenda Item 10: Announcement of Next Regular Meeting: Regular District Governing Board meeting March 15, 2016.

Agenda Item 11: Adjournment

The meeting was adjourned at a.m. upon a motion by Mr. Matteson, a second by Mr. Peaches, and a unanimous affirmative vote.

Respectfully submitted,



Paul Hempsey
Recording Secretary to the Board

DRAFT

