



# THE VOTER

THE LEAGUE OF WOMEN VOTERS OF CENTRAL YAVAPAI COUNTY

[LWVCYC@gmail.com](mailto:LWVCYC@gmail.com)

P. O. Box 11538, Prescott, AZ 86304-1538

July 2011

## BOARD OF DIRECTORS

### *President:*

Vicky McLane  
[445-8511]

### *1<sup>st</sup> Vice President*

#### *Program:*

Vicky O'Hara  
[708-0608]

### *2<sup>nd</sup> Vice President*

#### *Membership:*

Alice Harris  
[778-6977]

#### *Secretary*

Vivian Perry  
[830-9165]

#### *Treasurer and Webmaster*

Terri Farneti  
[533-5297]

### *Communications*

#### *Director:*

Nancy Shugrue  
[227-1374]

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### *Nominating Committee:*

Pam Tetreault, Chm.  
[541-7994]

Sandra Garramone  
[443-7683]

Terri Farneti  
[533-5297]

## Announcements:

- There will **not** be an August LWVCYC Prescott Primary Mayor and City Council Candidate Forum, as the Yavapai College Performance Hall is closed for the summer for major renovations.
- Please watch your email for a separate emailing of the "**LWVAZ Report on The Structure of The Executive Branch of State Government in Arizona.**" This four page report centers on the possibility of Arizona's having a Lieutenant Governor, and the role of the Secretary of State. The fifth page is a consensus form, which you should fill out **and mail to** our Vice President for Program, Vicky O'Hara.
- Coming up on *September 10* is a meeting concerning the "**Charter Schools Study**" done by the LWV of Greater Tucson. At the State LWV convention, it was decided to ask each local League to seek concurrence with the positions reached by the Tucson League, so our Charter Schools position could be updated. The LWVGT Charter Schools **study will be emailed** to you. The first part includes the Tucson positions, the second part is the Executive Summary, and the final part is the study itself. A Voter mailed about two weeks before the meeting will give further information about local charter schools.
- At our meeting, we will have an interesting panel that will discuss the situation with charter schools locally, and then we will vote on **concurrence** with Tucson positions.
- We aren't done with Education yet! The October and November meetings will be concerned with the National LWVUS Education Study: **The Role of the Federal Government in Public Education.**

LWVCYC Website: <http://centralyavapai.az.lwvnet.org>

## Program

Hello everyone, I hope you are having a wonderful summer. First, allow me to introduce myself. I am Vicky O'Hara and I have agreed to serve as our local league's Program Director. Although I have been in and out of service as both member and board member over several years, this will be the first time I take on what has been done so well by others before me. It will be a great learning experience and I hope I can perform up to the wonderful standards of the League of Women Voters.

Our board met for retreat and this terrific group helped me as we collaborated on planning various programs for our upcoming meetings. It will be a very busy year and it was difficult choosing from the many program opportunities.

To help keep your minds sharp over the lazy days of summer, we will begin with a study seeking consensus on The Structure of the Executive Branch of State Government in Arizona that the state league has been working on. The bottom line of the study is whether or not we should have a Lt. Governor, and how the Secretary of State should be selected and whether that position should be next in line to the Governor. The study will be emailed to you separately from the VOTER. Please read the study, fill out the consensus questions and follow the instructions for mailing them back to me. We will not have a meeting on this one, just a consensus by mail, so please treat your answers as you would a ballot by mail and send it as soon as you can.

The fall meetings will be concentrating on education. The Tucson local league researched for two years and put together a comprehensive study and consensus on Charter Schools and has asked all other leagues in the state for concurrence. The study will be emailed to you in early August, so you can work on this over the summer. Please be sure to read the study and additional information in the next VOTER, and bring them to our first general meeting on September 10th to hear our panel of local experts before voting on concurrence. Attendance will be very important because we want to have a fair decision on whether to give concurrence, so please hold the date. Also, remember that although only current members can vote, however, you may bring friends and come even if you aren't yet a member since we can sign you up at the meeting. Current members can renew at the meeting or mail in the membership application in this Voter."

The meetings in October and November will be on a different aspect of education. The National League of Women Voters is conducting a national study that focuses on the federal role in pre-K through grade 12 public education. We, as a local league, have decided to participate in this study. We will need the two meetings to present the background material so that you can participate in the consensus. The study committee is in full swing. Again, membership participation is so important at these meetings because our decisions lead to positions on a local, state and national level. Please hold the second Saturday mornings in September, October and November for league meetings.

The December agenda will be our annual Meet and Greet, which has become so popular in our community. More information on that will be coming in our next VOTER.

I am looking forward to meeting all of our new members and seeing those I already know. Please introduce yourself if we haven't yet met. In the meantime, enjoy a safe summer and enjoy all of the holidays and vacations. I know I will. See you Sept. 10<sup>th</sup>!

Vicky O'Hara, 1<sup>st</sup> Vice President, Program





### **Your 2011-2012 Board:**

Vivian, Vicky, Alice, Nancy and Terri (Vicky O'Hara missing)

### **Events Committee**

*New Committee Forming  
To plan Meet and Greet, possible  
Women Leaders' Luncheon.  
Contact Pres. Vicky McLane at  
445-8511 to volunteer.*

## **Membership**

Sometimes, changes in the economy or personal investments make it hard to afford membership dues in our organization. We are working on a scholarship fund to help fund the cost of membership for these members. If you are willing to help with a donation, please contact **2<sup>nd</sup> Vice President for Membership**, Alice Harris [778-6977].

## **New Members**

Please welcome new members, Anne and Ben Jacobson, 6753 Voltaire, Prescott Valley, 86314, 928-772-4906, [anne\\_jacobson@yc.edu](mailto:anne_jacobson@yc.edu)  
Biographies to follow!

## **League Principles at Work**

From time to time our League members and friends contribute significantly to the community in ways that illustrate the LWVUS Principles. This VOTER will begin a column called "League Principles at Work" that will tell of members' and friends' service to the community. It could be someone who has been elected or appointed to a position, or has received an honor, or achieved a goal that enhances the betterment of the greater community we live in.

If you know of a League member or friend listed in our membership directory who deserves to be recognized, please send the name and descriptive information to Betsy Barnes. She will submit a brief article of recognition to the Voter editor.

Remember: to be recognized the achievement must fit within the guidelines of the League Principles, found inside the back cover of the handbook.

Betsy Barnes: [betsybarnes@cableone.net](mailto:betsybarnes@cableone.net)  
1716 Alpine Meadows Ln. #905, Prescott, AZ 86303

## Dottie Morris

Nearly 15 years ago when **Dottie Morris** arrived in Prescott, the already aged Yavapai County Juvenile Detention Center was overcrowded. Even with one expansion, the kids, who range in age from 9 to 18, were soon housed two or more to a cell. The professional staff has faced adversities including major budget cuts and has adapted to the increased numbers of juveniles requiring services. The focus has remained steadfast; rehabilitation rather than punishment. Family members are encouraged to be part of the team influencing positive behavioral patterns of the juveniles.

All too often, the juveniles who violate the law remain as obscure as the current Juvenile Justice Center and detention center. Notoriety is drawn to juvenile crime when there is a publicized major incident. Many youths in Yavapai County commit crimes from shoplifting to assault or worse. These kids are impacted positively by the amazing efforts to improve their lives by the probation officers, the counselors, judges, detention officers, teachers, juvenile court staff and more than 125 community volunteers.

An article in the Daily Courier 13 years ago caught Dottie's interest. It was about the need for community volunteers willing to join a Community Juvenile Justice Committee of the Juvenile Court. Kids who have committed minor crimes and pled guilty may appear before these community members, who determine consequences which must be completed within a set time period. This was Dottie's first exposure to the juvenile justice system. Later, Dottie was selected as a member of the Community Advisory Board of the Juvenile Court.

The cadre of volunteers has expanded tremendously as budget restraints have impacted the juvenile justice system. Volunteers do everything from answering the phones to assisting probation officers, mentoring, tutoring, visiting kids in detention and much more. Many of the volunteers were drawn to the juvenile court system after attending the Juvenile Court Institute (JCI). During the 10 classes, the participants learn about the juvenile court system's services for the kids. Another JCI is scheduled for this fall. If interested in participating or volunteering, please contact:

Sally Salisbury  
Juvenile Court Services Americorps Volunteer Coordinator  
960 Division Street, Prescott, AZ 86301  
928-442-5670  
[ssalisbu@courts.az.gov](mailto:ssalisbu@courts.az.gov)

Construction is well underway on the new Yavapai County Juvenile Justice Center located between Highway 69 and 89 on Prescott Lakes Parkway. The facility will not only house the detention center but court rooms, juvenile probation offices, the CASA (Court Appointed Special Advocates) Office, areas for family counseling and meetings etc. It is scheduled to be completed summer 2012.

We recognize Dottie for her compassion and conviction that there should be no “throw-away kids.” Her example and service have made a difference in many kids’ lives.

## **FYI: Fiscal FactCheck**

<http://m.factcheck.org/2011/07/fiscal-factcheck/>

Washington's spending has recently been higher as a percentage of the nation's economic output than at any time since World War II. But by the same measure, Washington's revenues are the lowest in more than 60 years.

So does the U.S. have "a spending problem," as Republicans keep repeating in the current debate over how to reduce the nation's record deficits? Or is the problem that taxes are not high enough? Those questions frame a long-running partisan debate, and as usual we won't offer an opinion one way or the other. But for those seeking their own answers, we can offer some fiscal history and factual context.

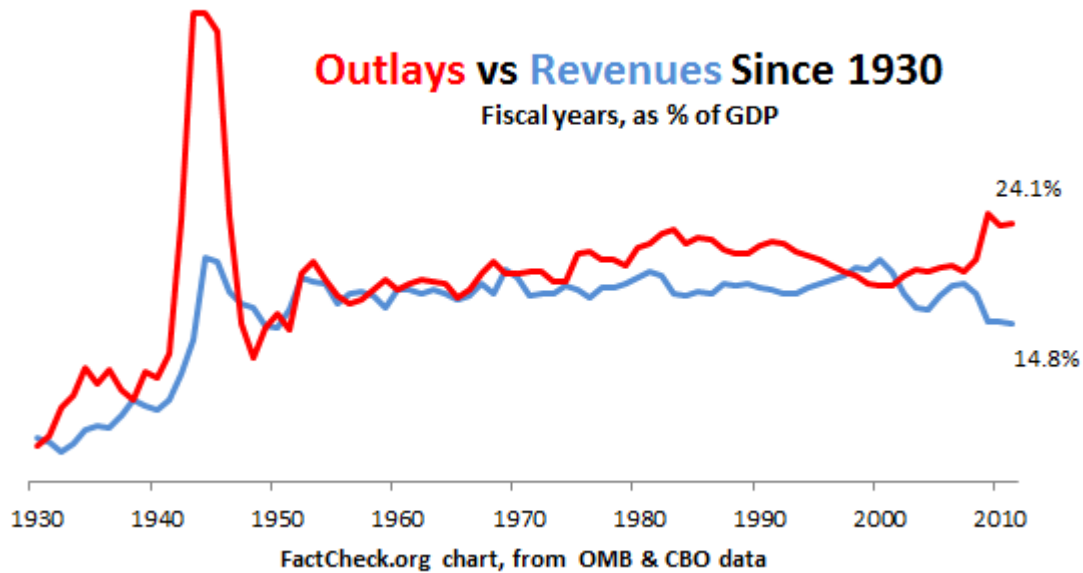
Some key facts we think are worth considering:

- Federal spending ("outlays" in budget jargon) is expected to equal 24.1 percent of the nation's gross domestic product in the current fiscal year, which ends Sept. 30. The figure was 25 percent in fiscal year 2009, highest since 1945.
- On the other hand, federal revenues are expected to drop to 14.8 percent of GDP this year, lower even than the 14.9 percent attained in both 2009 and 2010. There has been only one year since World War II when revenues have been as low as in any of these years: 1950, when the figure was 14.4 percent.
- These historically high rates of spending and low rates of taxation have combined to produce a chain of deficits that are also the highest since WWII. The deficit was 10.0 percent of GDP in fiscal 2009. It declined to 8.9 percent last year as the economy started to recover, but is projected to go up to over 9 percent this year. Each of these deficits is larger than in any year since 1945, measured as a percentage of GDP.
- The U.S. is borrowing about 36 cents of every dollar spent so far this year. It borrowed 37 cents on the dollar last year and 40 cents in fiscal 2009.
- The largest components of federal spending are Social Security and Medicare programs for the elderly (33.5 percent of total outlays in 2010) and national defense (20.1 percent). Interest payments on the federal debt alone accounted for 5.7 percent of all federal spending, and that percentage is rising.
- The federal income tax accounted for 41.5 percent of federal receipts in 2010 (down from 49.6 percent prior to the Bush tax cuts of 2001 – 2003). Corporate taxes brought in only 8.9 percent, also down sharply since the recent recession. Payroll taxes and other "social insurance" payments accounted for 40 percent of total receipts in 2010.

It's easy to argue one side or the other by just citing facts that support a particular view, and omitting others. In the Analysis that follows, we offer some graphics, details and documentation in an attempt to give our readers a quick look at the entire picture — both where the money goes, and where it comes from.

### **Analysis**

A glance at this chart quickly puts our current fiscal mess in historical context. We created it using historical budget data from the federal Office of Management and Budget, updated with the most recent estimates of the current fiscal year's outlays and receipts from the nonpartisan Congressional Budget Office, issued June 22 as part of CBO's 2011 long-term budget outlook.



Not since the enormous effort required to defeat Nazi Germany and Japan in WWII has the gap between Washington's spending and its revenues been so large, as a portion of the economy. Then, taxes were increased sharply to pay for the war, but spending increased even faster. In recent years, Washington has increased spending while cutting taxes.

The current situation is a marked change from the booming 1990s. In those years revenues increased, due to a 1993 tax increase, which fell most heavily on those making more than \$200,000 a year. Meanwhile spending decreased relative to the rapidly growing economy, partly because of an absolute decline in military spending following the collapse of the Soviet Union in 1991. Deficits were erased, and the government posted surpluses in fiscal 1998, 1999, 2000 and 2001.

But then a string of deficits began in the fiscal year 2002, and there is no end in sight. For the current year, the administration originally projected in February a deficit equal to 10.9 percent, a new postwar record. The Congressional Budget Office in April, using different economic assumptions, projected that enacting the president's budget would produce a deficit of 9.5 percent of GDP, and that making no changes to current law would result in a deficit of 9.3 percent of GDP.

What has produced these huge budget gaps? Tax cuts and wars have been big factors, as have recessions and expanded spending for health care in both Republican and Democratic administrations. For example:

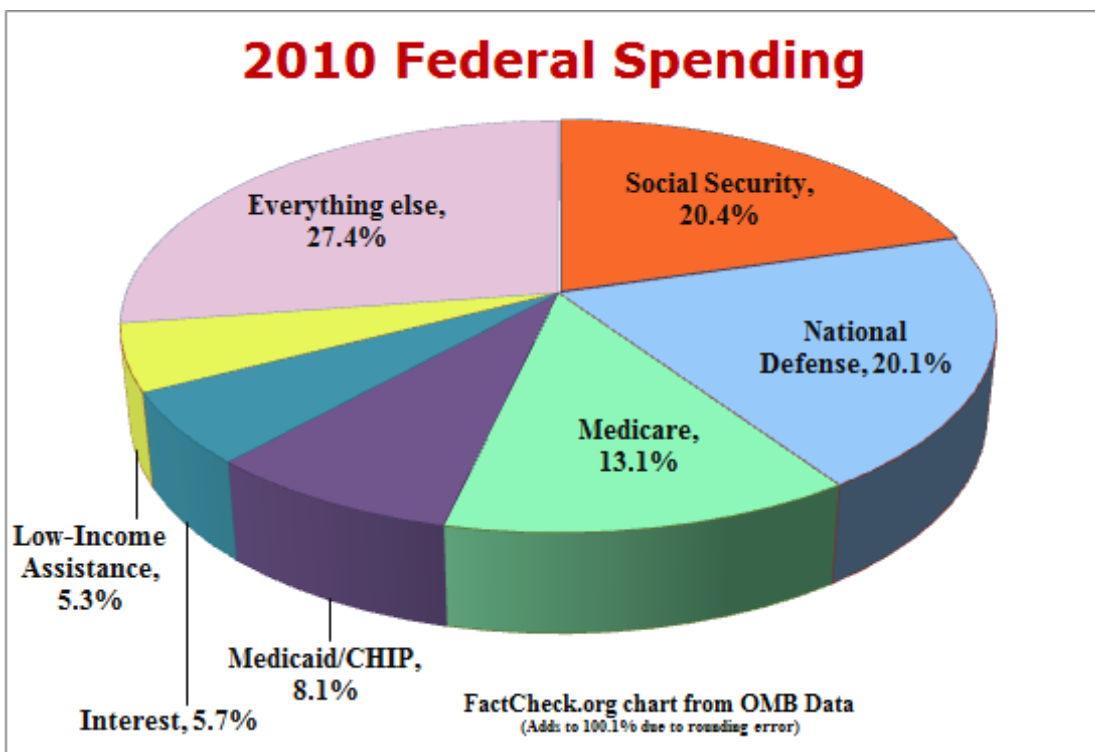
- Income-tax receipts are down sharply since the Bush tax cuts. In fiscal 2000, the year before the cuts began to take effect, receipts from the federal income tax on individuals amounted to 10.2 percent of GDP. That figure was down to 6.2 percent of GDP last year.
- Spending for the military and for homeland security has risen substantially since the attacks of Sept. 11, 2001. Spending for national defense rose from 3.0 percent of GDP that year to 4.8 percent last year.
- Non-military spending also has continued to rise. President George W. Bush pushed through an expensive prescription drug benefit for seniors in 2003, the largest expansion of Medicare in its history. In the financial crisis of 2008, Bush also pushed for and signed for a massive banking bailout. In early 2009, President Barack Obama pushed for and signed an expensive stimulus measure, and after a long fight in Congress he signed another expensive plan, the health care law, in March of last year, aimed at expanding coverage for millions who lack health insurance.

- Two economic recessions have had their effect. The recession of 2001 began in March and lasted until November. And the worst downturn since the Great Depression began in December 2007 and continued until June 2009. In both cases unemployment remained high for long after business activity began to recover, holding back both wages and the taxes that jobless workers would have paid on them.

We won't attempt to assign blame to one party or the other for the deficits. There is plenty of blame to go around, some of which rests with an American public that won't accept cuts in the largest categories of public spending, and also resists tax increases on anybody but "the rich."

### Where Does It Go?

The biggest share of federal spending now goes for Social Security (20.4 percent in 2010) and Medicare (13.1 percent), the two entitlement programs that big majorities of Americans want to protect from any reductions, according to a recent poll. Together these two programs for senior citizens consume more than one-third of spending, far more than national defense, which accounts for just 20.1 percent, despite the increases of recent years.



Some categories that are unpopular with much of the public turn out to represent a fairly small part of total spending. Foreign aid, for example, amounts to less than 1 percent of the entire budget — even counting in military assistance to Israel, Egypt, Iraq and Afghanistan. All agriculture programs — including farm subsidies — make up just over one-half of 1 percent.

Where Did It Go?	
Major components of the \$3.5 trillion spent in fiscal 2010	
Social Security	20.4%
National Defense	20.1%
Medicare	13.1%
Medicaid/CHIP	8.1%
Interest	5.7%
Low-Income Assistance	5.3%
Unemployment Compensation	4.6%

The wildly unpopular TARP program, used to finance banks, a big insurance company and two U.S. auto companies, is now actually bringing billions back into the Treasury, as old loans are repaid and government-owned stock is sold to the public. The nonprofit investigative project Pro Publica figures that \$322 billion has now flowed back into the Treasury, of the \$573 billion loaned, invested or spent originally. And even the Obama administration's \$787 billion stimulus program, so excoriated by Republicans, has nearly run its course. It was enacted in 2009, and according to the official Recovery.gov website, had spent 84 percent of the total as of June 30. That included 90 percent of the tax benefits, 83 percent of entitlements, and 78 percent of contracts, grants and loans.

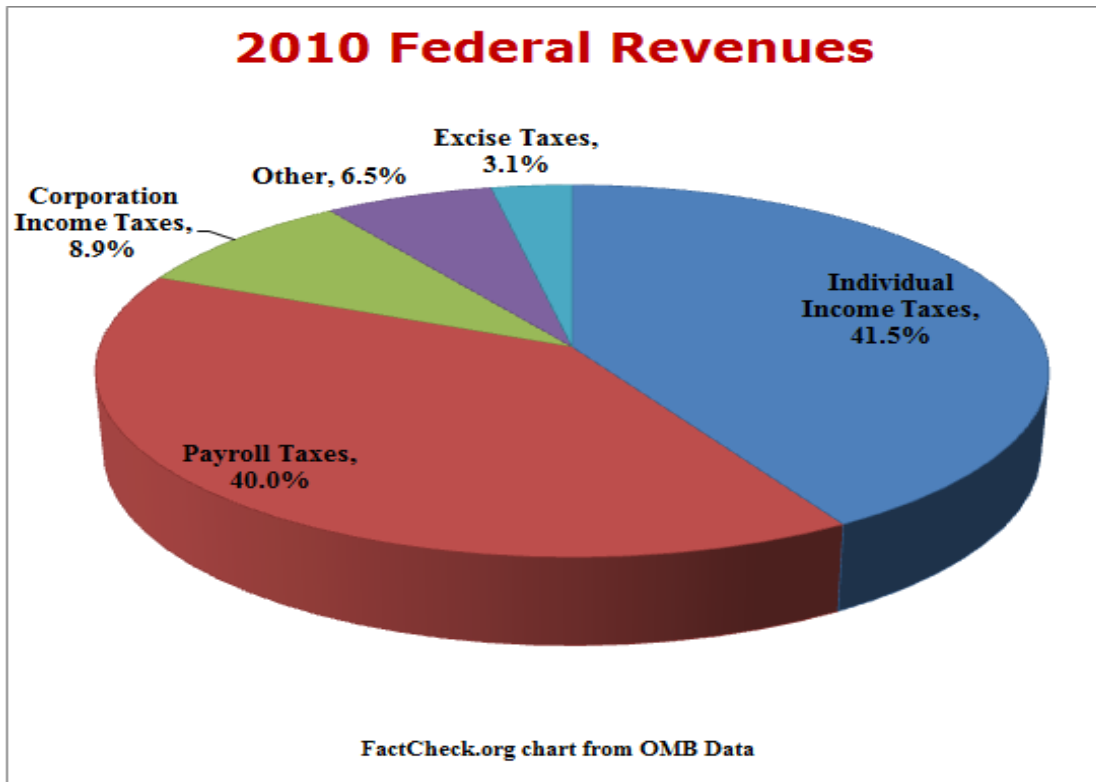
Education & Training	3.7%
Federal Employee Retirement	3.5%
Veterans	3.1%
Transportation	2.7%
Other health care	2.6%
Parks & natural resources	1.3%
Space/Science	0.9%
Foreign aid	0.9%
Agriculture	0.6%
Everything else	3.5%

**Borrowing 36 Cents on the Dollar**

The current gap between tax revenue and congressionally approved spending is so great that so far this fiscal year the federal government has borrowed an average of 36 cents of every dollar paid out. According to the most recent "Monthly Budget Review," issued by the Congressional Budget Office on July 8, the total spent through the end of June (the first nine months of the current fiscal year) was estimated at \$2.705 trillion. But government receipts fell \$973 billion short of spending, CBO estimates.

The good news — if it can be called that — is that the huge deficit is running at \$31 billion lower than last year at this time. Spending is higher (Medicaid is up 6 percent over last year, for example), but federal income tax receipts are running higher as well. CBO credited "higher wages and more employment" than last year for the increase in tax revenue. And borrowing 36 cents on the dollar is an improvement of sorts. For all of fiscal 2009, the deficit amounted to 40 cents of every dollar spent, and it was 37 cents in fiscal 2010.

**Where the Money Comes From**





Taxes make up the vast bulk of federal revenues, of course. Individual income-tax payers supplied 41.5 percent of all federal revenues in fiscal 2010, but Social Security and Medicare payroll taxes paid both by workers and their employers made up nearly as much. Combined with federal unemployment insurance taxes and a few others, these social insurance taxes made up 40 percent of revenues. The income tax on corporations brought in just under 9 percent, while excise taxes, on such things as gasoline and diesel fuel, alcoholic beverages and telecommunications services, brought in just over 3 percent.

We found a surprising bit of news buried in the "other" category, which made up 6.5 percent of all revenue.

<b>Breakdown of "other" in 2010</b>	
(Percent of total revenues)	
Federal Reserve	3.5%
Customs	1.2%
Misc	1.0%
Estate & Gift	0.9%
Total "Other"	6.5%

It turns out that in 2010, more than half of that category came from profits made by the [Federal Reserve System](#), whose lending operations expanded dramatically to address the financial crisis that started in 2007. The Fed's payments to the Treasury made up 3.5 percent of all federal revenue in 2010 — nearly \$76 billion. The rest of the "other" category is made up of customs duties (1.2 percent of all revenue), federal estate and gift taxes (0.9 percent), and miscellaneous sources.

### Who Pays?

Who pays all of these taxes? The best information on that comes from the Congressional Budget Office, which has tracked the tax burden for many years. The most recent complete data cover 2007. CBO figured in that year more than half of all federal taxes was paid by the top 10 percent of income earners. They paid 55 percent of all federal taxes in 2007, CBO said.

That's a comprehensive figure, counting the income tax, payroll taxes, excise taxes and even the corporate income tax (borne by stockholders in the form of reduced dividends and appreciation). And perhaps surprisingly, the top 10 percent of earners pay a greater share of federal taxes now than they did before the Bush tax cuts, which Democrats constantly criticize as a giveaway to "the rich." The top 10 percent paid 50 percent of all federal taxes in 2001.

However, that comes in spite of lower tax rates at the top, not because of it. The reason the most affluent 10 percent pay a greater share of taxes is that they are getting a greater share of all income. Their share of all pre-tax income went from 37.5 percent in 2001 to 42 percent in 2007.

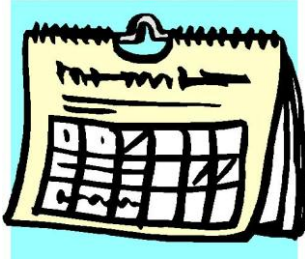
One figure that gets a lot of attention is the percentage of individuals and married couples who pay zero federal income taxes. Those figures come from the nonpartisan Tax Policy Center. The TPC's most recent report was released June 14, and it shows that this year 46.4 percent of "tax units" (individuals or married couples) had zero federal income tax liability. That's because of various exemptions and tax credits aimed at reducing the income-tax burden on lower-income workers and families with children. The figure is down from 2008 and 2009, when the percentage topped out at 50.8 percent.

But practically all workers (and their employers) pay Medicare taxes on every dollar of wages, and Social Security taxes on every dollar of wages up to \$106,800. Consequently, those who pay no federal income or payroll taxes at all amount to only 18.1 percent this year, the Tax Policy Center figures.

There's plenty more where these figures came from. We could focus more closely on what was paid and earned by the top 1 percent, for example. Or we could zoom in to examine the role of rising medical and drug costs in pushing up spending for Medicare and Medicaid. We may well visit those subjects in future articles. For now, we've tried to give a quick, accurate and balanced look at the big picture: Both where Washington spends, and where its money comes from.

– by Brooks Jackson for FactCheck

(See website for sources)



## ***Calendar of Events***

### **July 2011**

Tuesday, August 16

**Saturday, September 10**

Tuesday, September 20

**Saturday, October 8**

Tuesday, October 18

**Saturday, November 12**

Tuesday, November 15

**Wednesday, December 7**

Tuesday, December 20

**Saturday, January 14,**

Tuesday, January 17

**Saturday, February 11,**

Tuesday, February 21

Tuesday, February 28, 2012

**Saturday, March 10, 2012**

Tuesday, March 20

**Saturday, April 14, 2012**

Tuesday, April 17

**Saturday, May 12, 2012**

To Be Arranged

Week of July 30, 2012

Tuesday, August 28, 2012

Tuesday, November 6, 2012

**Mail in Consensus on “LWVAZ Report on The Structure of The Executive Branch of State Government in Arizona.”**

LWVCYC Board, 5:30 PM

**LWVAZ Charter Schools Study and Concurrence:**

LWVCYC Board, 5:30 PM

**LWVUS Study: The Role of The Federal Government in Public Education I**

LWVCYC Board, 5:30 PM

**LWVUS Study: The Role of The Federal Government in Public Education II**

LWVCYC Board, 5:30 PM

**Non-Profit Meet and Greet**

LWVCYC Board, 5:30 PM

**Program Planning, JTED Talk**

LWVCYC Board, 5:30 PM

**Water**

LWVCYC Board, 5:30 PM

Presidential Preference Primary

**Legislative Update**

LWVCYC Board, 5:30 PM

**Annual Meeting and Speaker**

LWVCYC Board, 5:30 PM

**LWVUS Study and Consensus: The impact of privatizing government services on local communities**

LWVCYC Board Retreat

Candidate Forum

Primary Election

General Election

### **DUES!!!!**

Yes, it's time for you to send in your DUES! Send \$55 (individual) or \$82.50 (household) with the Membership Registration Form on the next page to  
**LWVCYC, PO Box 11538 Prescott, AZ 86304-1538**

**IMPORTANT WEBSITE REFERENCES**

LWVUS Website  
[www.lwv.org](http://www.lwv.org)

LWVAZ Website  
[www.lwvaz.org](http://www.lwvaz.org)

LWVCYC Website  
<http://centralyavapai.az.lwvnet.org/>

We recommend that you check these out monthly, or more often. Lots of good information! Bookmark them to save on typing, or go to [lwvaz.org](http://lwvaz.org), where there are links to click on. Or Google LWVCYC!

Our website includes current and past VOTERS, Pros and Cons of Ballot Initiatives, Directory of Elected Officials, and other great material.

*Reminder – Members are always welcome to attend Board meetings. Regular meeting times will be on the calendar.*

*To request placement of an item on the Board agenda and/or to receive the Board agenda packet, contact the LWVCYC President a week in advance.*

**LWV MEMBERSHIP REGISTRATION**

**2011-2012**

Dues cover membership through June 30, 2012.

Name: \_\_\_\_\_

Address: \_\_\_\_\_

City/Zip: \_\_\_\_\_

Phone: \_\_\_\_\_ Fax: \_\_\_\_\_

Email: \_\_\_\_\_

Please check type of membership:

\_\_\_\_\_ \$55/Yr Individual Membership

\_\_\_\_\_ \$82.50/Yr Household Membership

Plus

\$\_\_\_\_\_ Contribution to League (not tax deductible)

\$\_\_\_\_\_ \*Contribution to Education Fund (tax deductible)

\*Please make donations to LWVAZ Education Fund by separate check, to preserve tax deductibility. This supports our Webpage and Voter Service activities. Thank you!

Both new and renewal members, please include this form with your check. Thank you!

New: \_\_\_\_\_ Renewal: \_\_\_\_\_

Membership in the LWV is open to any person 18 and over who subscribes to the purposes and policies of the LWVUS. These dues for 2011-2012 cover payment for local (\$15.30), state (\$10), and national (\$29.70) memberships.

OR

Be a "Friend" of LWVCYC:

\_\_\_\_\_ \$50/Yr Individual or \_\_\_\_\_ \$75/Yr Household  
(open to businesses and individuals)

Please mail this form and all checks to:

**LWVCYC  
PO Box 11538 Prescott, AZ 86304-1538**



**League of Women Voters  
of Central Yavapai County  
P.O. Box 11538  
Prescott, AZ 86304-1538**

**A nonpartisan membership organization, the League of Women Voters neither supports nor opposes political parties or candidates, but encourages informed and active participation in government, works to increase understanding of major public policy issues, and influences public policy through education and advocacy.**