

**THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA
OFFICE OF THE SUPERINTENDENT**

**July 29, 2008
Tuesday, 5:30 p.m.**

MINUTES OF SPECIAL MEETING

The School Board of Broward County, Florida, met in regular session at 5:40 p.m., Tuesday, July 29, 2008, in the Board Room of the Kathleen C. Wright Administrative Center, 600 Southeast Third Avenue, Fort Lauderdale, Florida. Present were (Chair Robin Bartleman was absent); Vice Chair Maureen S. Dinnen; Members, Beverly A. Gallagher, Jennifer Leonard Gottlieb, Phyllis C. Hope, Stephanie Arma Kraft, Esq., Dr. Robert D. Parks, Eleanor Sobel, Benjamin J. Williams, Superintendent James F. Notter, and Edward J. Marko, Esq.

Call to Order The call to order was announced by the Vice Chair, followed by the Pledge to the Flag of the United States of America.

Ms. Dinnen announced that Mrs. Kraft would be participating in the meeting via telephone conference.

Ms. Dinnen requested a moment of silence for Mrs. Bartleman, who lost a family member due to a car accident. (A moment of silence was observed).

Close Agenda Upon motion by Ms. Gallagher, seconded by Dr. Parks and carried, the Agenda was approved and declared closed. Mrs. Bartleman was absent. (8-0 vote)

Purpose of Meeting Public Hearing for Proposed Millage Levy and Tentative Budget for Fiscal Year 2008-2009.

Introduction by Chair

Vice Chair Dinnen welcomed the assembly and advised that the final Budget hearing would be held on Thursday, September 4, 2008, 5:30 p.m., at the same location. She stated that the purpose of this hearing is to listen to the public's concerns regarding the Superintendent's tentative budget and the proposed millage rates. Advising that this was not the first meeting relative to the budget, Ms. Dinnen said that several workshop sessions and discussions were held with the Superintendent which has allowed the Board to review background information, study the budget, ask questions, and receive responses.

Ms. Dinnen stated that the Board's agenda for this meeting includes the proposed millage levy, in addition to the tentative budget for the 2008-2009 school year. It was noted that the Board may amend the budget prior to the final public hearing, based on public input.

Persons wishing to address the two items on the agenda were advised by the Vice Chair that they would be called on to speak after the Superintendent has presented the items, and before the Board votes. Each person will be given three minutes to address the Board which will allow each person to be heard regarding the business before the Board.

Statement by Superintendent

Commenting that the budget process in the district is a year-round procedure and involves parents, principals and district staff, Mr. Notter informed the assembly that the proposed budget being presented has taken their recommendations into consideration.

Mr. Notter informed that the Florida Legislature funds public education at 50th in the nation, although the Broward Legislative Delegation works diligently each session to protect revenue reductions to public education. In 2007-2008, after the district approved the budget, the legislature cut \$12.5 million in October and \$21.5 million in March, for a total of \$34 million in cuts after the district had set the budget, hired staff, and settled salary and benefit increases for employees. For 2008-2009, the Legislature further reduced funding to public education by \$60 million.

Mr. Notter stated that included in these reductions is reduced funding for Advanced Placement (AP) and International Baccalaureate (IB) programs by one-third, resulting in a revenue reduction for Broward schools of \$3 million for the AP and IB programs and reduced funding for the National Board Certified Teachers program. The state will no longer pay the mentoring bonus of this program to the teachers and, as a result, at least 1,300 of these teachers will have a pay reduction of approximately \$3,630 for 2008-2009. The Capital Outlay Revenue will be reduced by \$61.5 million for 2008-2009 and an additional \$250 million in bonding capacity.

Mr. Notter further stated that the overall Operating Budget shortfall for the district this year is estimated at \$140.5 million. Actions taken to reduce the shortfall will include the continuation of the hiring freeze for Noninstructional employees, continuation of the purchasing freeze, the reduction of school and department budgets, increased funds from the Capital Budget to offset the cost of property insurance, and the use of workmen's compensation savings as a result of the School Board directed audit and reorganization.

Remarking that teaching and learning is the core business of the School Board, Mr. Notter stated that it was through the team effort of district staff that has resulted in a balanced budget with minimum impact to teaching and learning.

Mr. Notter announced that the Broward School District has once again received the Distinguished Budget Presentation award from the Government Finance Officers Association and the Association of School Business Officials International. It was noted that these awards are the highest form of recognition for governmental budgeting.

The Superintendent stated that Ms. Jane Turner, Director, Budget, will present the highlights of the 2008-2009 district budget.

Presentation – 2008-2009 District Budget Highlights

Ms. Jane Turner, Director, Budget Office, presented highlights of the proposed budget as shown in the Tentative District Budget:

Millage and Taxes:

- Comparison of Millage and Rolled Back Rate (Chart)
- Comparison of Millage Rates (Chart)
- Comparison of Gross Taxable Value (Chart)
- Comparison of Budget (All Funds) (Chart)
- Comparison of Homeowner's Property Taxes
- Comparison of Condominium Owner's Property Taxes
- Taxable Value

General Fund:

- 2008-09 Projected General Fund Appropriations (Chart)
- 2008-09 Projected Appropriation Per Student (Chart)
- 2008-09 General Fund School Staff (Chart)
- 2008-09 General Fund Department Staff (Chart)
- 2008-09 Administrative Staff Positions (Chart)
- 2008-09 Funding Priorities
- 2008-09 Special Program Items
- 2008-09 Unfunded Mandates
- 2008-09 Legislative Changes Impacting the School District
- Lottery Allocations 2008-09 (Chart)
- Florida Lottery (Chart)

Capital Outlay Budget:

- 2008-2009 through 2012-13 District Educational Facilities Plan

Ms. Turner stated that budget reductions will be made in order to minimize the impact to the classroom.

Following the presentation, Mr. Notter clarified that staff will review the potential of mid-year budget reductions regarding elective courses and middle school sports of approximately \$30 million to \$40 million. He noted there was an increase by Florida Power and Light of \$11 million that was unanticipated. Mr. Notter stated if either Amendments 5, 7, or 9 were to pass in the November election, the cuts will be made in these programs and the school system would consist of "reading, writing and arithmetic."

SUPERINTENDENT’S RECOMMENDATIONS:

1. Resolution Adopting Tentative Millage Rates (Approved)

Motion was made by Ms. Gallagher, seconded by Mr. Williams and carried, to adopt resolution number 09-01, approving tentative millage rates for fiscal year 2008-2009. Mrs. Bartleman was absent. (8-0 vote)

	<u>Tentative Millage Levy</u>	<u>Proposed Amount To Be Raised</u>
Required Local Effort	5.0190	\$846,223,141
Basic Discretionary	0.4980	83,964,759
Supplemental Discretionary	0.1500	25,290,590
Subtotal	5.6670	\$955,478,490
Capital Improvement Tax	1.7500	295,056,883
Subtotal	7.4170	\$1,250,535,373
Interest and Sinking	0.0000	0
TOTAL	7.4170	\$1,250,535,373

The total millage rate to be levied is less than the roll-back rate by 3.03 percent.

Responding to Ms. Gallagher’s inquiry, Ms. Turner responded that last year’s millage rate was reduced by 2.8 percent and this year the millage rate has been reduced by 3.03 percent.

Discussing the Required Local Effort, Dr. Parks inquired whether this year is the first year the state has increased the amount of revenue that the district is required to raise from the local taxpayers. Dr. Parks stated that the taxpayer is not familiar with the funding processes from the Legislature.

Ms. Turner responded that raising the Required Local Effort is fairly new and last year it went down 3.55 percent.

Mr. I. Benjamin Leong, Chief Financial Officer, stated that seven years ago the educational funding for Broward County was generated by state revenue of approximately 60 percent and the local taxpayer contribution was approximately 40 percent. In today’s funding, the state is funding 40 percent and the taxpayer is funding 60 percent.

Referring to page 17, Mrs. Sobel inquired whether any reductions were made to special social services or enrichment programs.

Ms. Turner responded that funding has been provided at the same amount for many years.

Discussing bus transportation issues, Mrs. Sobel requested having more conversation regarding high school students riding on public transportation.

Mr. Donnie Carter, Chief of Staff, informed the Board that a second meeting is scheduled with Broward County Transit to discuss a myriad of issues whereby the district and the county could share resources and reach mutual cost savings for both agencies. Mr. Carter stated that one of the issues dealt with transporting high school students for routes where Broward County currently has transportation services. A cost savings analysis will be conducted in September to ascertain whether it is a viable issue to both agencies.

Ms. Gallagher stated that the state, even though they want to cut taxes, has raised the millage and the district is lowering the millage.

Discussing the county bus transportation system, Mrs. Kraft stated there are approximately 50 to 60 students who are assigned school buses but are using public bus transportation on the corner of Pine Island Road and Coral Springs Drive. Mrs. Kraft requested that staff coordinate with students who are already using bus transportation and to work with schools to determine the feasibility.

Referring to the four-day work week schedule, Mrs. Kraft requested that staff consider looking into this for high school levels only within the Broward County School district in the future.

Dr. Parks, who referred to the different components of Maintenance being on a four-day work week, requested that staff provide the Board with a copy of the analysis.

Mr. Notter responded that the only time frame that has been considered for a four-day work week is during the summer months, when students are not in session. He stated that with the concern over further reductions in public school funding, there will be a further review of this issue.

Mr. Williams stated that several years ago there was a partnership between the school district and Broward County Transit, and that the partnership should continue.

Discussing the District Cost Differential, Ms. Dinnen stated that the district usually gets mitigating funds but the majority of counties did not get those mitigating funds; only one county received those mitigating funds this year. Ms. Dinnen further stated that the district is not seeing just a one-year trend of reduced state funds and local funds taking up the "slack," that this has been gradually occurring over the past ten years. She opined that this is one of the major reasons that Florida is 50th in the nation in the amount of per capita funding for public education.

2. Resolution Adopting Tentative Budget

(Approved)

Motion was made by Ms. Gallagher, seconded by Dr. Parks and carried, to adopt resolution number 09-02, approving the Tentative Budget for Fiscal Year 2008-2009. Mrs. Bartleman was absent. (8-0 vote)

General Fund	\$2,119,657,167
Special Revenue - Food Service	95,314,940
Special Revenue - Other	170,511,020
Special Revenue - Miscellaneous	4,480,471
Debt Service	185,015,112
Capital Projects	2,584,865,423
Internal Services	<u>141,827,189</u>
Subtotal	5,301,671,322
Less Transfers:	<u>(249,526,921)</u>
TOTAL	\$5,052,144,401

Ms. Gallagher requested that the Board be proactive now regarding budget issues rather than January 2008, especially if the revenue goes down again.

Concurring, Mr. Notter stated that staff is currently working on the district's Strategic Plan to present to the Board at a workshop, with a target date of September 2008. The Superintendent stated that the 1st Budget hearing is illustrative of a benchmark of quality of staff and the School Board.

Congratulating staff for being proactive on this budget, Mrs. Hope requested that staff implement last year's budget techniques. She said the Board should provide staff with a list of projects they do not want cut and that staff incorporate this list into the budget.

Mrs. Hope discussed the need for Transportation, clerical, and/or cafeteria and custodial personnel.

Mr. Donnie Carter, Chief of Staff, Office of the Superintendent, stated that Transportation is one of the areas that is considered essential and no cuts have been made. Mr. Carter stated that the district has not eliminated hiring essential staff such as bus drivers, mechanics and staff associated with routing.

The following individual addressed this item:

Steve Gabur

Adjournment This meeting was adjourned at 7:02 p.m.

RT