

THE SCHOOL BOARD OF
ESCAMBIA COUNTY, FLORIDA

MINUTES, SEPTEMBER 17, 2013

The School Board of Escambia County, Florida, convened in Special Meeting at 5:01 p.m., in Room 160, at the J. E. Hall Center, 30 East Texar Drive, Pensacola, Florida, with the following present:

Chair: Mr. Jeff Bergosh Vice Chair: Mrs. Linda Moultrie

Board Members: Mr. Gerald W. Boone
Mr. Bill Slayton
Mrs. Patricia Hightower

School Board General Counsel: Mrs. Donna Sessions Waters

Superintendent of Schools: Mr. Malcolm Thomas

[Note: The minutes below reflect actions taken during this meeting. Any additional information can be accessed by review of video at <http://escambiacountysdfl.swagit.com/play/09172013-604>]

Meeting was advertised in the *Pensacola News Journal* on August 29, 2013 - [Legal No. 1607249](#)

I. CALL TO ORDER/ADOPTION OF AGENDA

Mr. Bergosh called the special meeting to order at 5:01 p.m. He asked for a motion to adopt the agenda. Mr. Slayton moved the adoption, which was seconded by Mr. Boone. Mr. Bergosh asked for discussion on the agenda and there was none. Motion carried unanimously.

Supplementary Minute Book Exhibit "A"

AMENDED II. PRESENTATION OF [2013-2014 MILLAGE RATES AND DISTRICT SCHOOL BUDGET](#)

Mr. Thomas asked Mr. St. Cyr, Assistant Superintendent for Finance and Business, to come forward to make a PowerPoint presentation. He started with the Florida Education Finance Program (FEFP) and explained that the second calculation showed the 2013 fourth quarter. This shows what the year ended with in the 2013 fiscal year against what 2014 started with in funds. There was a total FEFP revenue change increase of \$16 million, unweighted FTE of -\$201.39. They had projected about \$269 more than that, but the way FEFP is calculated, that decreased the total projections so based on the virtual school issues, that was a decrease in the unweighted FTE. FEFP stands for Florida Education Finance Program, which is the main funding through General Fund based on student membership and attendance. He stated the unweighted FTE increased \$429.93 per pupil.

Mr. St. Cyr then presented the analysis of the fund balance. There are three years of beginning fund balances beginning in 2012 of \$66.9 million, decreasing in 2013 to \$55.5 million and decreasing to begin this year at \$50.6 million. The change from the prior year was approximately \$4.9 million. In the components of the fund balance, the reserve portion, there are two unreserved pieces where there is a change in the reserve portion of -\$4.2 million and the net

change in the unreserved is right at -\$700,000 for a total of -\$4.9 million. The financial condition ratio for 2014 is 15.1%.

Mr. St. Cyr stated for the roll back rate/millage rate, that would generate the same ad valorem tax revenue as the prior year when applied to the current year certified tax roll with certain exclusions, the current year total proposed millage rate is 2.4%, less than the roll back rate therefore there is no tax increase. He then explained the total budget. The General Fund showed \$339.7 million on down through Capital Projects. The total governmental fund is \$558.6 million, adding in Internal Service funds which are made up of the Risk Management Fund and the Employee Benefit Trust Fund for a grand total of all funds of \$612.7 million.

Mr. St. Cyr presented a chart of the analysis of the General Fund. The total revenue was \$278.4 million made up of federal through state, state and local; after bringing in transfers and beginning fund balance, there is a total budget of \$339.7 million. He stated appropriations against that revenue by object shows salaries, benefits, purchase services, energy services, materials and supplies, capital outlay and other. Total of appropriations is \$318.1 million bringing the ending fund balance of \$339.7 million. Mr. St. Cyr said General Fund mills are made up of the required local effort of 5.309, discretionary operating of .748 that total 6.057 and proceeds budgeted right at \$88 million. The Capital Outlay portion is 1.5 mills of 21.8 for totals of 7.557 mills. Proceeds of \$109.8 million budgeted against a tax roll of \$15.1 billion.

Mr. St. Cyr then offered the comparison of 2013 against 2014. There is a net change of $-\frac{2}{10}$ of a mill. He stated last year's tax roll was \$14.995 billion, and the current year tax roll is \$15.133 billion, with a change of \$137.4 million. He went over a scenario of property values and how much property taxes would be paid. Mr. St. Cyr gave the example if you had \$150,000 appraised value, you would pay \$944.63. Last year you would have paid \$969.75, so there is a difference of -\$25.00. He then provided a history of millages levied from 2000 to current fiscal year 2014 range from 9.011 in 2000 to 7.557 currently, stating that since 2011, the millage rates have decreased each year.

Mr. St. Cyr reviewed the analysis of the tax roll. For the 2014 fiscal year, the tax roll is \$15.1 billion which is about 1% higher than in the prior fiscal year. The tentative budget against the final budget has changed and the total millage rate stays the same. For budget changes, those corrections are made for final budget but the millage rates and the proceeds from the mills remain the same.

Mrs. Moultrie asked Mr. St. Cyr if all of this information was available on the web and he replied that it was listed on the agenda, but it will be on the website once it was approved. He explained that what he gave the board was a snapshot of what was in the package which was very comprehensive data and this snapshot included highlights of that information. Mr. Bergosh asked if the email that Mr. St. Cyr sent that day was the difference between the tentative or what was projected, and what the actual was. Mr. St. Cyr said that was correct and what they had was the changes from tentative to final. Mr. Bergosh asked if the grand difference was a -\$60,000 total. He was looking at page 4 of what was sent and then said it was a -\$34,000 total. Mr. St. Cyr said it varied by fund. Mr. Bergosh said that for all funds there was a \$5 million increase. Mr. St. Cyr said that for any changes between tentative and final, what happens is that they nail the final fund balance for June 30, 2013 and bring that into the new fiscal year. The tentative budget was estimated so based on the tentative to final change, there will be a change in the fund balance and there will be more revenue and appropriations information that will bring it up or down. There will be much more information that will be brought in and the final fund balance will come into the new year as the beginning fund balance. There are significant changes especially in capital where the fund balance went into appropriations.

III. PUBLIC HEARING FOR INPUT ON MILLAGE RATES AND DISTRICT SCHOOL BUDGET FOR FISCAL YEAR 2013-2014

Mr. Bergosh asked if there was anyone present to speak to the board, and there was not.

IV. ADOPTION OF RESOLUTIONS

1. [Resolution Number 2014-03](#) – Resolution Determining Revenues and Millages Levied

Mr. Bergosh asked for a motion. Mrs. Hightower moved to adopt and Mrs. Moultrie seconded. The motion carried unanimously.

Mr. Slayton asked if they had to read this and Mr. Bergosh replied that when they got further down, they do.

2. [Resolution Number 2014-04](#) – Resolution Adopting the Final Budget for Fiscal Year 2013-2014

Mr. Bergosh asked for a motion. Mr. Boone moved to adopt and Mr. Slayton second the motion, which carried unanimously.

V. FINAL ADOPTION OF MILLAGE RATES FOR FISCAL YEAR 2013-2014

1. Required Local Effort

Mr. Bergosh asked for volunteers to read it and Mr. Slayton moved to adopt the 2013 - 2014 Required Local Effort millage rate at 5.309 mills. Mrs. Hightower seconded the motion. Motion carried unanimously.

2. Discretionary – Operating

Mr. Slayton moved the adoption of the 2013 -2014 Discretionary Operating budget millage rate to be 0.748. Mrs. Moultrie seconded his motion, which carried unanimously.

3. Local Capital Improvement (Capital Outlay)

Mr. Slayton moved the adoption of the 2013 – 2014 Local Capital Improvement (Capital Outlay) millage rate at 1.500. Mr. Boone seconded the motion, which carried unanimously.

4. Total Millage

Mrs. Moultrie moved the adoption of the 2013 – 2014 Total Millage in the amount of 7.557. Mrs. Hightower offered a second to the motion; which carried unanimously.

VI. FINAL ADOPTION OF DISTRICT SCHOOL BUDGET FOR FISCAL YEAR 2013-2014

1. General Fund

Mr. Boone moved the adoption of the 2013 – 2014 General Fund budget of \$339,705,423.86, with Mr. Slayton seconding her motion. Motion carried unanimously.

2. Special Revenue – Food Service

Mr. Boone moved the adoption of the 2013 – 2014 Special Revenue - Food Service budget in the amount of \$26,926,234.40. Mrs. Moultrie seconded the motion, which carried unanimously.

3. Special Revenue – Other

Mr. Boone moved the adoption of the 2013 – 2014 Special Revenue – Other in the amount of \$39,488,297.85. Mrs. Hightower seconded the motion. She asked that Mr. St. Cyr define “other.” Mr. St. Cyr said that it was Federal Programs, mostly the entitlement programs such as Title I and the IDEA budgets. The motion carried unanimously.

4. Special Revenue – Targeted ARRA Stimulus Funds

Mr. Boone moved the adoption of the 2013 – 2014 budget for Special Revenue – Targeted ARRA Stimulus Funds in the amount of \$394,286.36, which was seconded by Mr. Slayton. Motion carried unanimously.

5. Special Revenue – Race To The Top

Mr. Boone moved the adoption of the 2013 – 2014 budget for Special Revenue – Race to the Top, in the amount of \$2,876,221.00. Mrs. Moultrie second Mr. Boone’ motion, which carried unanimously.

6. Debt Service Funds

Mr. Boone moved the adoption of the 2013 – 2014 budget for Debt Service Funds in the amount of \$11,237,652.56. Mrs. Hightower seconded, and the motion carried unanimously.

7. Capital Project Funds

Mr. Boone moved the adoption of the 2013 – 2014 budget for Capital Project Funds in the amount of \$137,976,142.07. Mr. Slayton seconded the motion, which carried unanimously.

8. Internal Service Funds

Mr. Boone moved the adoption of the 2013 – 2014 budget for Internal Service Funds in the amount of \$54,111,859.95. Mrs. Moultrie seconded the motion. Motion carried unanimously.

9. Total Budget

Mr. Bergosh moved the adoption of the 2013 – 2014 Total Budget budget in the amount of \$612,716,118.05, and Mr. Boone seconded his motion. Motion to approve the total budget carried unanimously.

VII. PUBLIC HEARING FOR INPUT ON DISTRICT’S TENTATIVE FACILITIES WORK PROGRAM

Mr. Bergosh asked if anyone wanted to speak and there was no one.

VIII. [ADOPTION OF DISTRICT’S TENTATIVE FACILITIES WORK PROGRAM](#)

Mr. Bergosh asked for a motion to adopt. Mr. Boone offered a motion to adopt the recommendation, with Mr. Slayton seconding the motion. Mrs. Hightower wanted to make sure that everyone understood that it has been used at the planning counsel as a reference document. Mr. Bergosh commented that they still have the west side school and the northwest school and asked if we were going to keep them both? Mr. Thomas said that there are needs in both areas and as they move forward, they will prioritize funding. Motion was called for a vote, and carried unanimously.

IX. ADJOURNMENT

There being no further business, Mr. Bergosh adjourned the meeting at 5:23 p.m.

ATTEST:

APPROVED:

Superintendent

Chair