

THE SCHOOL BOARD OF SARASOTA COUNTY, SARASOTA FLORIDA
FINANCIAL ADVISORY COMMITTEE MEETING MINUTES
02/20/2020

ATTENDEES: Mary Bluegrass, John Cranor, Dan DeLeo, Gabriel Hament, Paula Ippolito, Pam Truitt

STAFF: Mitsi Corcoran, Christa Curtner

ABSENT: Scott Pinkerton

GUESTS: Eric Robinson

HANDOUTS: Amendment Eight Sales Tax Surtax 3 2010 2024 Revised for 03.03.2020
Combined, Financial Advisory Committee Board Presentation March 2020

Meeting called to order at 8:09 a.m.

I. Welcome

Mitsi introduced her new Administrative Assistant, Lisa Damschroder

II. Surtax III Update

Ms. Curtner gave an update on Surtax III and brief discussion on upcoming Surtax IV. Surtax III expires 2024 so already beginning the process for the Surtax renewal getting project priority lists together for the referendum.

Budget Amendment No. 8 will be going to the Board March 3, 2020. Ms. Curtner reviewed the Surtax III attachment noting that the original budgeted revenues were over \$373 million, and the current revenues are trending approximately \$291 million, so just under a \$4 million decrease. By the end of the FY projecting the revenues to be just under \$295 million. We use this surtax money for things that we cannot use the capital millage for, so it is a very important source of revenue. It is also used as a supplement for projects where the millage revenues are not enough, so it acts as an overflow. More flexible funds than millage or impact fees. Ms. Corcoran explained that the reason why the revenues are trending below the projections is because when this went to the voters in 2007, revenues were “flying high” but since then we have experienced quite a recession, impacting the current budgeted revenues.

The attachment includes the list of project priorities. The budget amendment includes a reduction to a 6th elementary school and a 2nd high school both in North Port. We do not believe these will need to be built within the time frame of this Surtax (through 2024). These funds have been moved to district-wide safety improvement projects. Safety and security projects over last year and this year account for almost 20% of the dedicated revenues.

A question was asked about the increase for the district-wide technology projects and what this entails (\$12 million to \$76 million). Ms. Corcoran explained that this includes a refresh of all the active boards in all of the classrooms (permanent to moveable), surfaces for the students in the classroom, some network upgrades, labs and middle school tech upgrades.

Ms. Corcoran explained that the Surtax is an extra penny on countywide sales, of which the school board gets a $\frac{1}{4}$ share. The remaining $\frac{3}{4}$ goes to Sarasota County and the county shares with the municipalities, capital only. The thought is that they will take Surtax IV to the voters in November of 2022. If they were to do a special election, it would go in March of 2022.

III. Review of FAC Annual Presentation

Mr. Cranor and Ms. Corcoran reviewed the FAC Annual Presentation scheduled to go before the Board on March 24, 2020. Mr. Cranor noted that one of his hot button items is the lower student achievement scores in the minority populations. We have made some measurable strides but still need progress. A question was asked on slide 9 about the students on free and reduced lunch. Ms. Corcoran explained that 61% of students on free and reduced lunch scored proficient in the district and 49% of students scored proficient in the state (2019 data). The percentage in the district dropped from 2001, but statistically not surprising because we have far more students on free and reduced lunch in 2019 than in 2001. A suggestion was made to make a note on the slide that states this percentage increase in the number of students on free and reduced lunch. The same note to be made on slide 8 as well. Reviewed SAT scores comparing Sarasota to the State and Nation. Our scores are higher than both; however, scores have been trending down over the past 3 years and the average for Sarasota does not even meet the minimum for Bright Futures. Graduation rates dropped slightly from 2018 to 2019. Dropout rates are not available yet for 2019 but the data from 2017 to 2018 did show an increase in dropout rates for Sarasota. Not a trend we want to continue.

For slide 13, the question was asked which counties are ranked higher than Sarasota. The rankings for overall points earned as follows: St. Johns, Gilcrest, Sarasota (we were 3rd overall). St. Johns and Sarasota were the only 2 counties to earn the "A" rating since 2004. St. Johns has the lowest poverty level in the state by county. St. Johns also has a referendum and is a big growth area. Adding new school almost every year.

For slide 15, Ms. Corcoran noted that the numbers are the unassigned fund balance numbers using the old calculation. We do not have the numbers back to 2006 using the new calculation. School Board has changed their policy to follow the state's financial condition ratio. But this graphic depicts the old policy. We will update the slide to show the new policy.

A few meetings ago, there were some concerns expressed that we would be deficit spending. Ms. Corcoran explained that last year we ended with a surplus but this year we believe we will be ending with a deficit based on the increase salaries and will require spending some of our fund balance.

In reviewing slide 16 regarding capital investments, it was noted that we rebuilt a lot of our high schools but not Pine View. Pine View students are still in learning mobile cottages. Ms. Corcoran noted that we are working on improvements for Pine View.

A question was asked about what our increased school security investments were. Ms. Corcoran noted that those were our school campus security monitors. We do not use referendum dollars for SRO's. A suggestion was made to change the wording on the slide to state school campus security monitors for transparency.

Ms. Corcoran wanted consensus that FAC agreed with the list of priorities. A question was raised about whether or not we pay for i-Ready. Yes, we do, and it is A LOT! I-Ready is used as a diagnostics tool, predicting how students will score.

A question was asked about continued evaluation of charter schools. Not sure what we do with that and why that is important. The original concerns were that the FAC committee be sure that the charter schools that come into our community are true local charter schools that are actually helping our students because they do not have the same requirements of rigor. Make sure our charter schools are performing. Ms. Corcoran noted that there is not much as a committee that FAC can do or sway. In addition, she mentioned that she believed there was some proposed legislation that would not allow local school districts to decide on charter schools in their communities and it would be a state decision. We do have a chart review committee that does an excellent job on ensuring any charter schools that come to our community meet the standards (rigor of excellence). Based on the discussion, it was suggested to change the priority language to state continued “review” of charter schools instead of “evaluation”. The Collins Institute recently did a review of charter schools in Florida. The link to this review will be sent to Lisa to distribute to the committee. A suggestion was made to add to the priority list a “periodic review of bond ratings/investments”.

Mr. Cranor noted that something the committee has done inconsistently is our outreach, where FAC members go out into the community and he believes we need to step that up pretty substantially. There are really only 8 or 10 organizations that FAC really needs to be reaching out to there 8 or 10 committee members that can share the load. Ms. Corcoran noted that if more than 1 FAC member attends we need to be notified so that it can be advertised. The direction was given that if any FAC member is going to attend a community event, notify Lisa so she can ensure communication gets to the whole group.

IV. FAC Membership: Discussion & Nomination of Potential Candidates

The next topic discussed was FAC membership and the discussion about coming up with names for potential candidates. It was noted that the committee has been talking about vacancies for a very long time (22 months). A few names were shared (with a particular emphasis on Mid and South County):

Susan Hines (worked for Caldwell - Venice resident)
Charles Hines (Term out of County Commission)
Sandra Terry (led the Laurel Civic Association – retired)
Cord Mallor (attorney in North Port)
Lisa Carlton
Tom Knight

An additional list of names of individuals who have small children in the school system and who are very active in the community:

Nick Owens
Emily Walsh
Emily Sperling
Sean Euwens
Nikki Taylor
Jim Tollerton
Jennifer Vine (some of her Board members)

At the next meeting, place this a major agenda item to discuss the candidates for the 3 current vacancies. A suggestion was made to do a review of the status of our existing committee members (i.e. what are the current terms, expiration dates). The committee members are supposed to have expiration dates (3-year terms) but not necessarily following these policy

guidelines. Need to do some research on when each member was appointed. At the last meeting, it was discussed determining which categories needed to be filled and then determining potential candidates for the categories. Lisa was assigned to do some research on the profession of each of the potential candidates and geography (i.e. where they live).

FAC members that have ideas of other potential candidates, send them to Lisa to coordinate and put together before the next meeting. A full committee would be 11 members.

Final note was made to put together a standard packet to go out to FAC members that present in the community.

V. Other

The next Financial Advisory Committee meeting is scheduled for Thursday, May 21, 2020 at 8:00 a.m. in conference room 315 of the green awning building.

Meeting Adjourned.

Respectfully submitted,
Lisa Damschroder