

OFFICE OF THE SUPERINTENDENT OF SCHOOLS
JAMES F. NOTTER
SUPERINTENDENT

Telephone (754) 321-2600

Facsimile: (754) 321-2701

School Board Workshop
January 27, 2009

Capital Funding

Due to several cuts in the budget from the State this past year, a total of \$129 million dollars, the Broward Public School's Capital funding program is in a critical situation. This district has never been through this before. The sustaining length of the nation's recession has had a huge impact on the School District's borrowing power.

The District borrows money through the financial market by selling COPS, which is a bond. Currently the plan is to sell a \$125 million bond. This money is used for construction contracts. At this time the majority of people in this country cannot purchase large amounts because of this financial situation. Therefore, it was decided not to sell the bond at this time and wait until March, hoping the borrowing power will be better at that time.

There is only one outstanding construction contract, which is for Walker Elementary. The Superintendent, with his financial staff, found other means to pay for this work. Construction money is not due until June for construction projects now on the District Educational Facilities 5-year Plan (DEFP).

The Superintendent and financial staff are confident that their strategy will work and will go ahead and sell the \$125 million bond in a few months. If that were not possible, alternate funding would have to be found, such as borrowing from local banks.

The State also reduced the millage from 2.0 to 1.75. The loss of millage dollars will dramatically cut our construction program and construction plans of other schools districts across the state with an estimated loss of \$1.6 billion, which will compound the loss of state dollars into a worse situation than already exists. The School District is working hard legislatively to bring the millage back to 2.0.

The School Board Members asked to review the DEFP. Last December the Board removed 27 projects from the construction plan. The Superintendent advised the Board we are moving into the timeline which the District traditionally reviews the plan and will be providing the Board a list of priority projects. Also included in that information will be the new information from the Plant Survey, which was done by the State, and the spot surveys, which have been done at selected schools throughout the District.

The Board Members requested more communication from staff regarding projects that will come before them for contract approval. Board items will contain information regarding funding and where the funding is coming from. Staff is requested to show whether it is COPs dollars, PECO dollars, noting wherever the money is coming from and a timeline as to when the money will be in the bank.

Future construction projects will be prioritized according to certain criteria, such as safety and security projects. The Superintendent is confident that absolute dollars needed will be determined by using the established model process.

A stimulus package from the Federal Government, if approved, will bring more dollars to Broward County. These dollars are restricted and can only be used for building green schools, technology and saving energy. These dollars are going to flow through the State and then through Title One and IDEA programs, which have regulations already in place and possibly be used for high tech libraries and making all classrooms wireless.

Additional information will be forthcoming to the School Board Members to keep them up to date on plans now and for the future.

Materials for this topic can be found on the eAgenda January 27, 2009 workshop.

Boundaries V

The purpose of this School Boundaries workshop is to share community feedback with the School Board Members and to receive final direction on all boundary recommendations. After receiving input from today's workshop, the Superintendent shall make his final boundary recommendations for the Public Hearings.

The first scenario reviewed was for Park Trails Elementary School to "Z" Elementary School. This scenario provides relief for Park Trails Elementary. There have been questions from the community regarding why "Z" Elementary was built close to Park Trails Elementary. The Shield site was available at that time and there was no land at Park Trails for an addition.

The next scenario was regarding moving students from Riverglades Elementary to Park Trails. This boundary change allows overcrowded Riverglades Elementary to meet Level of Service, a mandate of the Interlocal agreement. This boundary change keeps children in Parkland and does not split communities or TAZs. There was discussion regarding an East West split instead of Option 1, North South split, in order to look at all possibilities. The East West split did not provide relief as needed.

Board Members asked if there was a possibility of a change in the Interlocal Agreement and Level of Service requirement. Growth management is looking into this. It was thought that the District could use the emergency condition as a way to not comply. The State recently passed a definition as to what a state of emergency is and we do not fit into that definition. The School District is looking into a waiver. This could take two years for a waiver to be established. The School District could choose to ignore the Interlocal agreement until the economy is better because there is no penalty. Staff is continuing to look at all these options.

Board Members requested staff to do a pros and cons on the Interlocal agreement showing enrollment at a school at 110 % and 120%. It is possible to hold off for a year, as the District does not have to meet LOS until 2011. The problem with that is the possibility of disrupting a community more than once. This information will be discussed at a future workshop.

The next recommendation is regarding moving students from Atlantic West to Morrow Elementary. This will provide relief for Atlantic West. Morrow Elementary is a Title One school and students are moved out because of AYP. Atlantic West has been a receiving school for AYP students in past years but will not be one this coming year.

Board Members asked to place AYP on the Legislative platform. Because of concurrency, we will not be able to make AYP. There has to be some way to figure this out. This is one of those issues this School District needs to push statewide. Staff is requested to give data to the Board regarding moving just level one and two students. Staff is requested to supply the Board with of list of bullets regarding concurrency to show how ridiculous this situation is. Once a school meets LOS, students could be transferred in due to AYP, thus changing the enrollment total and not meeting LOS.

The next scenario reviewed was Lyons Creek Middle to Margate Middle and Deerfield Beach Middle phase in. This boundary change is projected to provide Lyons Creek the relief needed to meet Level of Service by 2013 and will reduce under-enrollment at Margate Middle.

For many students, Margate Middle is not their first choice. It is recommended by the Board to see what existing programs are offered at Lyons Creek Middle and Deerfield Beach Middle and offer them at Margate Middle to attract students to this school.

The next scenario recommendation was moving a portion of Cooper City Elementary boundary to Embassy Creek Elementary. This scenario reduces the under-enrollment at Embassy Creek. The community wanted to wait on moving students and complying with LOS. The Community wanted the 5th graders, housed in the Cooper City Annex, to go back to their Cooper City school. The community also wanted all Davie students to move, leaving Cooper City students, which is a neutral cost for transportation. Board Members wanted to know how many portables are left at Cooper City. Staff will take another look at this scenario to see if the 5th graders can remain at Cooper City Elementary.

The next scenario recommendation is moving students from Coral Cove Elementary to Sea Castle Elementary. This will provide Coral Cove the relief needed to meet LOS and will reduce under enrollment at Sea Castle Elementary.

The final scenario recommendation was moving students from Walter C. Young Middle School to Pines Middle. This scenario will provide relief to Walter C. Young to meet LOS and will reduce under-enrollment at Pines Middle. This will also allow the portables to be moved off the ball field at Walter C. Young and students will be able to use the ball field.

The Chair stated that there are many variables and challenges which have to be weighed when determining boundary decisions, such as the Federal law NCLB and AYP, the financial dilemma the state is in, and the stoppage of building with the uncertainty of when that will start again. When making boundary decision and determining different scenarios, they are impacted by all these unknowns.

Staff presented the Boundary process next steps. It was decided that it was not necessary to hold the two boundary Public Hearing on February 24th and 25th and on March 24th and 25th. The Board recommended that the Boundary Public Hearings would be held on February 25th and March 25, 2009. A workshop will be held on February 24th and March 24, 2009.

The Superintendent will bring forth his final boundary recommendations to the February 25th Public Hearings where the public can give input.

The material for this topic can be found on the eAgenda January 27, 2009 Workshop.

Policy 5000, Adequate Educational Facilities, Designation of Schools and Attendance Areas, Development of Positive Alternative to Accommodate Growth, To Keep Schools Open, and to Eliminate, Consolidate or Re-Purpose Schools

This policy was reviewed to make sure it aligns with all State and local mandates. Staff went through the matrix of changes for the Board Members. All the definitions used for boundaries and this policy have been listed.

Board Member requested *overcrowded* is added to the list of definitions. Any school that is over 100% capacity of the permanent building is determined overcrowded. Staff is requested to add a note that portables will be used for certain special programs.

On Page 4 of the matrix, number 7, Board Member requested to add language regarding keeping the community/neighborhood integrity. Also place a note that any boundary decisions made are not based on city boundaries. The Board wants to make sure that all communities are treated fairly. Page 5 of the matrix, number 9, the deleted statement would be appropriate to add to number 7 on page 4.

On page 7 of the matrix, the deletion of the options provides clarification that any alternative enrollment options is at the School Board's discretion. The deletion of options was also done because of concurrency. Several of the Board Members would like the options added back. The Board requested adding a statement; *These options will not be used in lieu of impact fees.* The Board also wanted to add a statement, *these are the options to be considered, but not limited, for consideration.* After listening to the discussion, the Board Attorney would like to reconsider and review this portion of the policy with the Interlocal Agreement Attorney and come back to the Board with their recommendation.

It was requested that the term "moth balling" on page 7, number 3 of the policy, be changed and a more updated term is used.

The Board requested that future community meetings not be held on Friday evenings or Saturdays. They felt these days were difficult for families to attend. The Board also requested that the next timeline would not hold community meetings three days in a row. Next year's boundary process will start following the 20-day count and more space and notice will be given. The District-Wide Board Members would like the meetings spaced out more so they can attend.

Policy 5000 and the matrix of changes can be found on the eAgenda January 27, 2009 workshop.

McKinney-Vento Act for Homeless Students Education Policy

Board Members discussed this new draft policy for homeless students. They were extremely happy with the policy and wanted this policy and information for homeless students to be available and easily assessable.

There is a wealth of information available for families of homeless students and the School District must find ways to reach out to the community to get the message out. In every school there are posters listing the homeless educational rights, which gives contact numbers to services available. Staff is requested to link this information with the EAP website. At the School Social Work & Attendance website, located at the browardschools.com under departments, there is a *Homeless Survival Guide* which lists all services in Broward County that help the homeless. Board Members asked for a link to be placed on the home page of the browardschools.com website for quick access to this information.

Parents can also find information on the browardschools.com website under Benefits. The District is also working with United Way, who just received dollars to help homeless families.

The Superintendent stated that the definition or what we thought a homeless person is has changed. These days the homeless student could be your next-door neighbor. Homeless students numbers have increased after Wilma and now because of the current financial situation Broward County Schools has the greatest numbers in all its history. There are approximately 1400 students now and at the end of the year it is expected the number will rise to 2500 students homeless. Most of the homeless students come from shelters or living doubled up with other families.

There are many programs that are available to help the homeless families that are in transition and looking for more help. The homeless do not have access to the internet or phones. Board Members are requesting that this information be placed in the Student Code of Conduct. Information could also be placed on report cards or in pamphlets handed out from the schools giving the 1-888-537-0211 message. The 0211 phone number is a referral site that would have further information for homeless families.

There are two choices to determine which school a homeless student would attend. They can attend the original school they attended or go to their boundary school. If the student stayed with a cousin, or at a hotel, it would be the school for that boundary.

Board Member requested that staff meet with Principals to make sure they have the information needed to help students and that their staff is also familiar with this information.

The McKinney-Vento Act for Homeless Student Education Policy & Procedural Manual can be found on the eAgenda January 27, 2009 workshop.

Budget/Legislative Update

Due to the extreme budget situation, and the importance of staying updated to the current State and Federal financial status, the Superintendent has recommended having weekly budget update workshops with the School Board Members.

There is no new revenue this year and possibly next year, so the District must diversify and find new funding options for the next 36 months. At this time, the School District has had a total budget cut of \$129 million from the State in the last two years and are expecting further cuts.

The School District has an operating budget of roughly \$2 billion, which includes grants, capital reimbursement from the State and the fund balance. The School District's borrowing capacity is based on the fund balance, which is the accumulated fund surplus from each year's budget and is approximately \$116 million.

The School District approved a policy, brought forward a few years ago by Board Member Robin Bartleman, which states the Broward School's fund balance cannot go below 3.5% of the total budget. The State has recently passed their own policy stating School District's fund balance cannot go below 3%. If the fund balance goes below the 3% the State and Department of Education will request from that school district a plan to replace those monies. If it goes below 2% the State will intervene.

The credit rating of a School District is based on the fund balance and, if too low, may have no borrowing power or will get a high percentage rate to repay the dollars.

Staff went over the list of *Cost Savings But Not Recommended Budget Cuts for 2008-09*. These recommendations were considered last year as a last resort. At today's discussion Board Members requested staff to take a second look and make sure the cash savings were correct.

Also brought forward for discussion was a new *Cost Savings* list. Department hiring and department purchasing freeze will be continued for the rest of the school year with a cost saving of 26 million. The School District has reduced kilowatt-hours dramatically but the cost saving is offset by FPL rate increase.

Other cost saving items from this list that are being looked at are:

- One vendor for all vending machines, such as being a total Coke or Pepsi District.
- Look at reducing sports programs.
- Eliminate BAT Testing. Principals are recommending only having one mandatory BAT test instead of two and being able to opt out of one.
- Move high schools to six out of seven periods. Board Members will discuss this further at a future workshop. Staff is requested to verify savings.
- Personnel Substitutes. All certified non-school based personnel might substitute an average of 2 days a month.
- Reduce four area offices to three.

Board Members made the following suggestions to reduce spending and save dollars.

- Look at vehicles that personnel take home.
- Look at unfunded mandates, such as class size, and not do them, which has an approximate cost savings of \$50 million.
- Four day work week for the School District. Staff is requested to research if this is feasible.
- Review the Environmental and Technology Strategic plans for cost reductions.
- Reduce lawn service and building exterior painting.
- Bus environmental savings, idling.
- Employees over 65 and are receiving medical benefits use Medicare instead of the District's insurance.

A budget update is scheduled at the February 10, 2009 workshop where the School Board Members will be further updated with information requested above giving pros and cons to the items and total dollars saved.

There is a site at the browardschools.com website under Human Resources called *Harness the Power* for employees to use to recommend savings ideas. If proven cost saving, employee and/or group will receive financial award.

The Board recommended that the community be educated on the status of the budget and cuts to come. The Board will continue to work on making known the status of this School District to the community and legislators and their concerns about the quality of education due to the State's budget cuts. It is the children's money that is being taken. It is their future. Rallies are scheduled February 26th at the KCW south side parking lot, February 28th in Orlando and a statewide FSBA rally March 18th for the community to show support. The Board also recommended inviting Governor Crist to a Town Hall Meeting inviting the community to discuss the School District Funding.

The material for this topic can be found on the eAgenda January 27, 2009 workshop

Financial Market Update

There is no new information brought forward to this workshop.

June and July Calendars

The Superintendent gave the School Board Members calendars for June and July, which shows a three-week period of time for staff and the Board to schedule vacations. The School Board Members' request is that the staff has the opportunity to take time off for vacations and to be with their families.

Broward County Housing Authority Board Member Appointment

Board Member Phyllis Hope has accepted this position on the Broward County Housing Authority.

JFN:jd