MEETING MINUTES SCHOOL BOARD OF SANTA ROSA COUNTY September 22, 2015-9:00 AM

A. Call to Order and Roll Call

The School Board of Santa Rosa County met in regular session at 9:00 a.m. with the following members present: Mr. Hugh Winkles, Chairman, Mrs. Jennifer Granse, Vice-Chairman, Dr. Diane Scott, Mr. Scott Peden and Mrs. Carol Boston. Also present was Timothy S. Wyrosdick, Superintendent of Schools and Secretary and Paul R. Green, Board Attorney.

B. Pledge of Allegiance

The Chairman called the meeting to order and Mr. Buddy Hinote lead us in the Pledge of Alliance to the Flag and in a moment of silence.

C. Approval of Minutes

1. School Board Meeting Minutes Sept. 10, 2015

Motion to Approve was moved by Scott Peden, Seconded by Carol Boston. Motion Passed by a Vote of 5 - 0.

D. Oral Written Communications

None

E. Recognitions/Resolutions/Proclamations

1. Florida School Nutrition Association Awards

Jud Crane and Leslie Bell, Sodexo came forward to recognize the following Florida School Nutrition Association Awards recipients.

Super School Award, Elementary Level - Karen Petsch, Gulf Breeze Elementary

Super School Awards, Secondary Level - Sandra Brooks, Pace High School

Smart Start Award, Elementary Level - Angel Emerson, West Navarre Primary

Smart Start Award, Secondary Level - Linda Colvin, Woodlawn Beach Middle (won same award 2 years)

Nutrition Award, Elementary Level - Wilma Bonome, West Navarre Intermediate

Nutrition Award, Secondary Level - Beverly Scheidt, Holley Navarre Middle

President's Award-Gold recognition - Wade Hall

Thelma Flanagan Quality Program (Gold) - Goldie Hurley

Leadership FS, E/M Award - Kim Cole

Employee of the Year (formerly Heart of the Program Award) - Peggy Carroll

2. Golden School Awards

Mrs. April Martin, Director of Elementary Education, came forward to present the 2014-15 Golden School Awards. The following schools were given certificates and congratulated.

Bagdad Elementary had 170 volunteers with 7,500 volunteer hours Berryhill Elementary had 250 volunteers with 5,000 volunteer hours

Chumuckla Elementary had 93 volunteers with 1,469 volunteer hours

Dixon Primary School had 229 volunteers with 6,317 volunteer hours

Dixon Intermediate School had 607 volunteers with 8,430 volunteer hours

East Milton Elementary School had 95 volunteers with 3,265 volunteer hours

Gulf Breeze Elementary School had 640 volunteers with 12,000 volunteer hours

Holley Navarre Primary School had 570 volunteers with 5,830 volunteer hours Holley Navarre Intermediate School had 101 volunteers with 6,000 volunteer hours T. R. Jackson had 290 volunteers with 1,800 volunteer hours Jay Elementary School had 171 volunteers with 7,243 volunteer hours Oriole Beach Elementary had 532 volunteers with 10.543 volunteer hours Pea Ridge Elementary had 116 volunteers with 8,110 volunteer hours Rhodes Elementary had 69 volunteers with 4,537 volunteer hours Bennett Russell Elementary had 75 volunteers with 2,050 volunteer hours West Navarre Intermediate had 231 volunteers with 8.178 volunteer hours West Navarre Primary had 792 volunteers with 10,000 volunteer hours Avalon Middle School had 48 volunteers with 2,648 volunteer hours Gulf Breeze Middle School had 92 volunteers with 3,398 volunteer hours Hobbs Middle School had 55 volunteers with 1.431 volunteer hours Sims Middle School had 125 volunteers with 4,002 volunteer hours Woodlawn Beach Middle had 2400 volunteers with 2.500 volunteer hours Central School had 58 volunteers with 1,461 volunteer hours Gulf Breeze High School had 200 volunteers with 2,951 volunteer hours Milton High School had 150 volunteers with 15,500 volunteer hours Navarre High School had 220 volunteers with 4.180 volunteer hours Pace High School with 240 volunteers with 15,000 volunteer hours

F. Public Hearing

1. Public Hearing on SB Policy Updates

Motion to Approve was moved by Jenny Granse, Seconded by Diane Scott. Motion Passed by a Vote of 5 - 0.

The Chairman opened the public hearing and asked if anyone wanted to address the board regarding the School Board Policy Updates as presented. There was no response and the public hearing was closed.

G. Public Forum- (Request to address the School Board regarding an item not on the agenda)

The Chairman opened the floor for the public forum and asked if anyone wanted to address the board regarding any item not on the agenda.

Virginia Dallas, Jeanette Welch-Dionne and Gary Welch came forward to address a safety issue with a bus stop. They explained a bus has been traveling down their road to pick up students for the last 15 years. This school year the transportation department discontinued allowing the bus to travel down their street. The bus stop has been changed to the corner of Robinson Point Road and Lavon Road due to safety issues (the road being too narrow). She pointed out how far each of the six students who catch this bus have to walk to the bus stop and the dangers they face doing so. The road is completely surrounded by woods and wetlands on both sides of the road, the nearest resident is over 1100 feet away from the stop and the closest

street light is 1,579 ft. away. They feel it is much more dangerous for children to walk down the street due to water moccasins, wild boars, dogs and/or sexual predators, increment weather (no covered area to wait under) and when the time changes on November 1st, the students will be picked up in the dark.

Ms. Welch-Dionne stated the street is narrow, but utility trucks (garbage) travel it and she personally has driven a truck with a horse trailer attached down it. It has always been this

narrow and isn't sure why it was determined dangerous now.

Mr. Crane stated there have been 3 accidents on that road in the last 24 months. The decision was made to pick the students up at the comer of Robinson Point Road and Lavon Road due to how narrow Lavon Road is.

Mr. Wyrosdick shared that if the Board and the parents didn't mind, he would personally travel by the stop and down the road to see the situation for himself.

Administrative Agenda

 Approval of Agenda-Items may be pulled from the Administrative Agenda and placed under the respective Action Agenda category by request of the Board member/Superintendent

Motion to Approve was moved by Scott Peden, Seconded by Carol Boston. Motion Passed by a Vote of 5 - 0.

The Board approved the Administrative Agenda Items H. 1, 2, and 3 as submitted.

- 1. Human Resource items
 - a. Human Resource Administrative Agenda
 - b. Leaves and Out of State Temporary Duty
- 2. Curriculum/Instruction Items
 - a. Student Transfer Requests
 - b. Suspensions
 - c. School Volunteers
- 3. Administrative Operational Items
 - a. Field Trip Requests
 - b. Facility Use Requests
 - c. Religious Venue Request

Action Agenda

- I. Administrative/Operational Recommendations- Joey Harrell, Assistant Superintendent for Administrative Services
 - 1. Literacy Unauthorized Purchase 092215

Motion to Approve was moved by Scott Peden, Seconded by Carol Boston. Motion Passed by a Vote of 5 - 0.

Mr. Crane reviewed the procedure for issuing purchase orders and explaining the purchase order process insures the funds are available and will be held to pay for the item(s) or services and it also helps determine whether an item needs to be put out for bid or not. We have so many new administrators, Principals and Assistant Principals that the Superintendent requested Mr. Crane address the Principals and review the procedures during the last

Principal's meeting. He plans to do the same at the next Assistant Principals meeting to help ensure that no purchases are made before a purchase order is generated.

2. High School Unauthorized Purchase 092215

Motion to Approve was moved by Scott Peden, Seconded by Carol Boston. Motion Passed by a Vote of 5 - 0.

3. King Middle School Unauthorized Purchase 092215

Motion to Approve was moved by Scott Peden, Seconded by Carol Boston. Motion Passed by a Vote of 5 - 0.

4. Exceed the Limit 092215

Motion to Approve was moved by Jenny Granse, Seconded by Diane Scott. Motion Passed by a Vote of 5 - 0.

5. Surplus 092215

Motion to Approve was moved by Scott Peden, Seconded by Carol Boston. Motion Passed by a Vote of 5 - 0.

6. Property Control Annual Deletions 092215

Motion to Approve was moved by Scott Peden, Seconded by Carol Boston. Motion Passed by a Vote of 5 - 0.

7. Property Control Missing-Found Assets 092215

Motion to Approve was moved by Scott Peden, Seconded by Carol Boston. Motion Passed by a Vote of 5 - 0.

8. Property Inventory Audit 092215

Motion to Approve was moved by Scott Peden, Seconded by Carol Boston. Motion Passed by a Vote of 5 - 0.

9. Transportation Quarterly Report 092215

Jim Bagby, Durham Student Services, came forward to present the quarterly transportation update. He began by stating Durham's message to parents and the community: Durham's priority is getting your children to school: 1. Safe 2. On-Time 3. Ready to Learn.

Over the summer, Durham conducted classroom training for 34 new coaches, classroom training for new applicants, conducted S.T.A.R. Training June 8-12 and behind the wheel training all summer. They had their new school year startup meetings on August 10-12, bus dry runs on August 13, ESE training on August 14 and school started on August 17. The first day of school the buses ran approximately 40 minutes late, 2nd day of school they were about 15 minutes late and by the third day of school they were running about 5 minutes late.

Durham increased their number of trainers from 7 to 11, they have a new Safety and Training Supervisor, and have adjusted their behind the wheel training. Four of the trainers are planning on attending the 3rd Party Evaluator course in Tallahassee in January. He expressed his appreciation to Mr. Emerson for calling a meeting with all the grade level directors and to April Martin for her seat belt ideas. They have noticed a Hugh difference in the student's behavior due to staying in their seats.

Mr. Bagby reviewed GEO-Fencing, a feature in a software program that uses the global position system to define geographical boundaries. It is a virtual barrier that allows an administrator to set up triggers so when a device enters (or exits) the boundaries defined by the administrator a

text message or email alert is sent. Geo-Fencing records crossings to document proper route adherence, and when a driver alters his or her route, the dispatcher receives an alert, initiates radio contact, resolves the dilemma (emergencies, unauthorized route alternation and excessive traffic delays).

Some of their problem areas has been on-time performance at 2nd tier schools. They also had a mechanic shortage early in the summer, but that has been resolved and they are at 100% now. On the first day of school, all air conditioners were in working order. He was asked by the board about their new app to help parents track their child's bus and he replied that it has been very successful. Parents are loving the app.

The board thanked him for his presentation.

10. Pinder Martin Agenda Items

Motion to Approve was moved by Jenny Granse, Seconded by Diane Scott. Motion Passed by a Vote of 5 - 0.

The board reviewed the status of the current Pinder-Martin Construction Projects.

The board approved Phase II Drawings and budget estimate for Milton High School Energy Upgrades of the Social Studies and Language Arts Wings - twenty three classrooms and support areas. Remove and replace exterior walls, windows, floors, ceilings, insulation, lighting, etc., in order to bring wings up to acceptable energy standards. Dr. Scott asked about the timeline on this work. They plan to bid the job in December and have all the materials ready to go on the first day of summer break and will be complete by the time school starts back.

11. Schmidt Consulting Agenda Items

Motion to Approve was moved by Scott Peden, Seconded by Jenny Granse. Motion Passed by a Vote of 5 - 0.

The board reviewed the status of the Gulf Breeze High School HVAC Renovation Phase II. Adjustments based on test and balance reports are near complete. The contractor is in the process of providing pre-functional reports for commissioning. Estimate performance of commissioning efforts within the next 2-3 weeks. Commissioning activities will be coordinated with the School to minimize disruptions to school activities.

Dr. Scott mentioned that a question has risen about the effect of salt air on the new chiller equipment and asked if that might be addressed. Mr. Harrell responded that special coatings were specified on all the equipment to make it resistant to salt air.

The board approved Phase II Construction Documents for Milton High School HVAC Renovation Phase A.

12. Direct Purchasing Change Orders

Motion to Approve was moved by Scott Peden, Seconded by Carol Boston. Motion Passed by a Vote of 5 - 0.

The board approved change orders decreasing the projects payable below to the appropriate contractor by the amounts shown. These decreases are to reflect recent payments made to suppliers and the associated tax savings acquired through direct purchasing.

*Central School-Gym/HVAC/Locker Room A. E. New Jr., \$21,924.23 *Gulf Breeze High School - Chiller Plant Phase II A. E. New Jr., \$107,066.64 *Gulf Breeze Middle School - Kitchen/Cafeteria A. E. New Jr., \$23,619.83 *Holley Navarre Middle School - Kitchen/Cafeteria Jack Moore & Company \$15,249.91 *King Middle School - Kitchen/Cafeteria A. E. New Jr., \$22,101.00 *Navarre High School - Technology Lab A. E. New, Jr., \$9,634.78

13. 2015-2016 Work Plan

Motion to Approve was moved by Jenny Granse, Seconded by Carol Boston. Motion Passed by a Vote of 5 - 0.

J. Human Resource Recommendation-Conni Camley, Assistant Superintendent for Human Resources

1. Human Resource Action Agenda

Motion to Approve was moved by Scott Peden, Seconded by Jenny Granse. Motion Passed by a Vote of 5 - 0.

The board approved the following Human Resource Items:

- 1. Master Contract with Santa Rosa Professional Educators Association 2014-15 and 2015-16.
- 2. Grandfathered and Performance Pay Bachelor Level Placement Schedules, 2014-15, 2015-16
- 3. Salary Settlement Equations
- 4. Salary Settlement Guide
- 5. Bachelor Level Salary Placement Schedule 2016-17
- 6. Ed Support Salary Placement Schedules 2015-16
- 7. Administrative Salary Placement Schedule 2016-17
- 8. Memorandum of Understanding 32+ Years of Qualified Service

Motion to Approve was moved by Diane Scott, Seconded by Jenny Granse. Motion Passed by a Vote of 5 - 0.

The board approved the administrative appointment of Emily Donaldson, Principal at Sims Middle School, effective October 1, 2015.

Motion to Approve was moved by Scott Peden, Seconded by Jenny Granse. Motion Passed by a Vote of 5 - 0.

The board approved the administrative appointment of Mr. Danny Brothers as Principal of Gulf Breeze High School, effective Oct. 1, 2015.

Motion to Approve was moved by Jenny Granse, Seconded by Diane Scott. Motion Passed by a Vote of 5 - 0.

The board approved the administrative appointment of Sandra Arrant, Assistant Principal at Bennett C. Russell Elementary, effective Oct. 1, 2015.

2. 2016 Medical Insurance Renewal

Motion to Approve was moved by Jenny Granse, Seconded by Scott Peden. Motion Passed by a Vote of 5 - 0.

Pam Smith, Coordinator of Risk Management and Benefits, began by stating that this is a recap of the partially self-funded insurance plan at this time including where we've been; where we're going, and finally a wrap up with a recommendation from our insurance committee regarding our renewal process.

Mrs. Smith re-introduced Mike Caraway with Fisher Brown Insurance; also Kevin Godfrey and Matt Downs with Godfrey/Downs Consulting. These gentlemen initially worked with Karen Retherford (retired Coordinator of Risk Management and Benefits) on the self-funded insurance plan last year.

Mike Caraway stepped forward and talked about the process which led to the current selffunding program. Beginning in 2015 after we received our fully-insured renewal from Blue Cross Blue Shield we began looking at moving from a fully-insured platform to a partially selffunded platform. This was partly because of our claims history improving over the last thirty-six months. After due diligence steps were implemented to make this a successful plan. The variable we could not predict was the amount of claims in 2015. The School District was advised to fund the plan correctly and they did. Mr. Caraway shared the first page of the handout which Mrs. Smith distributed showing the information the group had last year, including a best case and worst case scenario. If we had absorbed the renewal that Blue Cross Blue Shield was proposing on a fully-insured plan, in 2015 our cost would have been roughly \$15.6 million to remain fully-insured. If we moved to a partially self-funded plan we would spend roughly \$14.2 million. The numbers can fluctuate based on enrollment. This would have resulted in a savings of roughly \$1.5 million. Through 2014 our claims experience performance was roughly 70% (.70 of every dollar received is going to pay a claim); through July 2015 our claims experience performance has been approximately 90%. We experienced the "worst case scenario" as shown on the attachment. Mr. Caraway stated that he felt confident that we are on the right platform. If we had remained on the fullyinsured platform with Blue Cross Blue Shield, based on his history with Blue Cross Blue Shield, with our claims experience going from 70% to 90%; we would have experienced a 20% insurance increase which is a \$3 million increase in cost to the School District.

Kevin Godfrey (Godfrey/Downs Consulting) approached the podium to talk about our past year, where we are now, and recommendations to the School Board as we move into 2017 and future years. Mr. Godfrey reviewed the monthly claims history for 2015 (through July). Our enrollment has fluctuated and our current claims are at 90.8%. In 2013 claims were at 70.2%; in 2012 we were at 80.12 loss ratio. From an actuarial standpoint, 90.8% is unusual for a group of our size. Statistically one out of every five years may be considered a "bad" year. The good news is we have another quarter left (numbers could improve). Even if we hit 100% exposure, we are better off than we would have been under a fully self-insured plan. We have nine claimants with expenses greater than \$75,000 which is a lot of utilization from a claimant standpoint for a group our size. We have "stop loss" at \$150,000 (which means the District is no longer liable at that amount).

Mr. Godfrey reviewed some important considerations for going into renewal and our budget for next year. 90.8% is a high number for claims; and we're having to mature this contract. We also have to have enough money in reserves if the School District ever decides to leave self-funding and go back to fully-insured. Fixed costs show an increase of 2.69% for Blue Cross Blue Shield premiums and an increase of 5.01% for stop loss premium. The increase for variable costs is estimated at 14.86% (this is the 2-3 months we must have in reserves to pay the lag in claims). This money stays in the School District bank account (unless needed to pay claims); it is there to be sure the plan is properly funded. Our effective increase is 12.79%. The reserve is taken care of; next year we will not have to mature this contract - it is already matured; next year we will be judged on our experience. Since we have historically run in the 70 percentiles it is plausible that we will trend back to

that number. Mr. Godfrey reiterated what Mike Caraway stated earlier, at 90% (if we had stayed with the self-insurance plan) we would be looking at a 20% renewal with no chance of getting the money back from Blue Cross Blue Shield. Mr. Godfrey also stated that self-funding is not a one-year fix but a five-year strategic plan. Ninety- nine percent of groups in country of our size are self-funded; this is statistically credible. They will continue to work on finalizing the agreement, monitoring claims closely, and building more reserves to offset the higher utilization.

Dr. Scott asked if the lag time that was considered a benefit when first moving to the partially self-insured plan (three-month lag time) should be a cause of concern now since we are not looking at a full year's worth of claims. Mr. Godfrey responded that it should be more concerning due to the lag time at the beginning of the year, he noted that at the beginning we only lagged about two months.

Superintendent Wyrosdick noted that the current rate is approximately 145% with a loss ratio of 90.8%. He asked how the 90.8% would affect our renewal in coming years. Mr. Godfrey responded that the money in reserves would be taken care of at that point as would the maturing effect; it would be related to our claims liability. Mr. Godfrey explained the aggregate calculation process and that as our consultants, Godfrey/Downs' task is to keep the re-insurer from basing our premiums on one bad year when we've had so many good years. Mr. Godfrey also stated that we may need to look at some plan design changes next year in the area that is being heavily utilized in order to curb some of the utilization; more data is needed from Blue Cross Blue Shield in order to make this determination. They will continue to monitor claims, meet quarterly with the Insurance Committee, and then come up with a strategic plan. If we continue to run at 90%, we may try to blend prior years with the current one to keep it balanced.

Dr. Scott asked Mr. Godfrey about the reference to the nine employees (with claims over \$75,000); she wanted to be sure that these employees are not being identified in any way since we wouldn't want anything to keep them from seeking medical treatment. Mr. Godfrey assured Dr. Scott that they have not been identified in any way.

Pam Smith came back address the Board regarding our claims experience this year. Part of this year's concerns are due to high utilization and some of it is just daily activity such as prescription costs and the overall activity of the group as a whole. We won't have a good idea of what our savings reserve from the 2015 year will be until January/February of 2016. Mrs. Smith will be monitoring that with Mike Caraway (Fisher-Brown) and Godfrey/Downs Consulting to finalize that amount and determine what our set aside final number needs to be in order to have that on the books in March.

Mrs. Smith began talking about the renewal process including employee meetings in October and open enrollment in November. She submitted to the Board a letter for the insurance renewal recommendation. The insurance subcommittee and committee met and made some recommendations regarding different options; Mrs. Smith met with Board members individually and narrowed it down to one option based on the Master Contract. The recommendation for the increase amount is \$1.1 million to add to our 2016 premium collection to be able to handle our funding going in to the 2016 year. The recommendation is also asking the School Board to incur 71.5% of the increase (\$776,033.48). This calculation will change slightly since it is based on current enrollment. The recommendation also includes a 28.5% increase to be incurred by employees (\$313,944.60); this increase for employees will be spread out over all employees and all plan tiers. There are no plan changes at this time and no changes to the School Board HSA contribution amount which is currently approximately \$1.8 million. Dental will have a 5% premium increase across plans; vision, basic, supplemental life, and long term disability will have no changes in plan or premiums.

Superintendent Wyrosdick talked about the difficult territory we have worked through. We now have a process that helps us work through the unknowns. We have stop loss coverage, reinsurance, and funding to 100%, which was a wise move on behalf of the Board.

The Superintendent thanked the Insurance Committee for their hard work resulting in this renewal recommendation.

K. Curricular and Instructions Recommendation – Bill Emerson, Assistant Superintendent for Curriculum and Instruction

1. Early Terminations

Motion to Approve was moved by Carol Boston, Seconded by Diane Scott. Motion Passed by a Vote of 5 - 0.

2. Alternative Placements

Motion to Approve was moved by Carol Boston, Seconded by Scott Peden. Motion Passed by a Vote of 5 - 0.

The Chairman asked if anyone wanted to address the board regarding any of the student alternative placements. There was no response.

The board approved the student alternative placements as presented.

3. 15-16 Adult Ed Fees

Motion to Approve was moved by Diane Scott, Seconded by Carol Boston. Motion Passed by a Vote of 5 - 0.

4. Digital Classroom Plan

Motion to Approve was moved by Carol Boston, Seconded by Jenny Granse. Motion Passed by a Vote of 5 - 0.

L. Financial Recommendations – Susan McCole, Assistant Superintendent for Finance

2014-15 Annual Financial Report

Motion to Approve was moved by Diane Scott, Seconded by Scott Peden. Motion Passed by a Vote of 5 - 0.

Susan McCole, Assistant Superintendent for Finance came forward and introduced Marilyn Brown, Accounting Supervisor. Ms. McCole expressed her appreciation to Ms. Brown and also to Kathy Strickland, Accountant for all the hard work that went into finalizing the Annual Financial

Report and the GASB 34, 2014-15. There were several new parts that had to be added to the report, such as our new Health self-insurance this year and our re-funding of a COPS issue.

Ms. Brown stated that we had another good year and have managed to increase our fund balance by approximately \$1.6 Million. We are waiting on one figure from the State that she needs in order to completely finish the report, but it will have no affect on the figures she is presenting this morning.

Since the Legislative Session starts earlier this year, Dr. Scott asked Susan McCole if that means she will get her figures from the State earlier than we have in the past. Ms. McCole stated that she doesn't expect the figures to come in any earlier than they have in the past.

M. Items from Board Members

1. Florida School Board Association's 70th Annual Joint Conference

The 70th Annual Joint Conference of the Florida School Board Association and the Florida Association of School Superintendents is coming up and it contains a new training component for School Board Chairmen and Vice-Chairmen. Mr. Wyrosdick asked the board members to let us know if they are interested in attending so that we can make arrangements for them. The deadline for registering is the day after we have our 2016 re-organization meeting. Since we don't know yet who our Chairman/Vice-Chair will be, we will go ahead and register a couple of slots and let FASA know who will be attending as soon as we have our re-organization meeting.

N. Items from Board Attorney

Motion to Approve was moved by Scott Peden, Seconded by Jenny Granse. Motion Passed by a Vote of 5 - 0.

Mr. Green brought it to the board's attention that when they approved the contract with the Santa Rosa County Sheriff's Office for 2015-16, it stated the contract was for 5 officers. The correct number of officers in the program is 6 and the cost figures in the contract were for 6 officers'. Mr. Green has revised the contract to six officers' and is asking the board to give the Superintendent the authority to sign the revised contract.

O. Items from Superintendent

None

P. Adjournment

Motion to Approve was moved by Carol Boston, Seconded by Scott Peden. Motion Passed by a Vote of 5 - 0.

There being no further business the meeting was adjourned.

DONE AND ORDERED IN LEGAL SESSION BY THE School Board of Santa Rosa County this 22nd of September, 2015 A. D.

SCHOOL BOARD OF

	SANTA ROSA COUNTY
ATTEST:	
Superintendent of Schools	