

MEETING MINUTES
SCHOOL BOARD OF SANTA ROSA COUNTY
WORKSHOP
July 26, 2012-5:00 PM

Items for Review and Discussion

A. Presentation of Tentative Budget for fiscal year 2012-13

Mrs. Susan McCole, Assistant Superintendent for Finance came forward to make the second presentation of the tentative 2012-13 budget. She reviewed the same material presented to the board on Tuesday, July 24th with a few new comments and questions.

Dr. Scott mentioned that the Board Option Millage is really a misnomer. If we don't charge the recommended amount of millage we will lose state dollars. Mrs. McCole confirmed that she is correct and we would lose approximately \$3 million in funding if we didn't implement the millage.

Mrs. Coleman asked what the debt service amount listed on page 13 of the presentation was. Mrs. McCole explained this figure includes charges for fees, amortization and interest.

Dr. Scott asked if the increase of 48 instructional personnel projected for 2012-13 was for compliance to the class size amendment. Mr. Wyrosdick said it was as we are making every effort to comply with the amendment, but it also included the projected growth of 308 additional students.

Mrs. McCole noted again how much money has been saved on electricity due to the energy saving plan we implemented last year, especially since it was done "in house." Many districts pay large fees to have companies come in and help them implement a plan. She mentioned that she used to have to audit them when she worked with the Auditor's General office.

Mr. Emerson addressed the increase in Salaries and Benefits on page 21 sharing with the board that this figure was not reflective of a level salary increase for employees. The district in preparation for the mandated Performance Pay for Highly Effective Teachers worked with SRPE to add steps 25 to 29 and leveling the step increase so that it would be approximately \$1,333. Performance Pay for Highly Effective Teachers requires the district pay highly effective teachers a bonus slightly more than the step increase. It also included the changes made in the Administrator's salary schedule talked about at the July 24th presentation and 2 step increases for teachers and non-instructional personnel.

While discussing the fund balance, Mrs. McCole was asked at what point does the State come in and take over the finances of a school district. She responded they will step in if a district allows their fund balance to fall below 2% of their budget. We are currently at 5.78%. Our Strategic Plan recommends 7% and we are working on getting there.

Mrs. Coleman shared with everyone that we used to have three categories of fund balance but the State changed that last year and divided them into five categories. She asked Susan to explain what the five categories of fund balance are. Fund balance is divided into the following five categories: 1. Nonspendable (portion of fund balance that cannot be spent because of the form, such as inventories.) 2. Restricted (portion of fund balance that reflects resources that are subject to externally enforceable legal restrictions such as State categoricals.) 3. Committed (portion of fund balance that represents resources that have been earmarked or whose use is constrained by limitations that the governing body has imposed upon it such as school based budgets and board projects.) 4. Assigned (portion of fund balance that are constrained by the government's intent to be used for specific purposes, but are not restricted or committed. An example would be district office budgets. 5. Unassigned (portion of fund balance that is available for the Board to use as needed.)

On page 25 of the presentation Mrs. McCole reiterated that we transfer funds from Capital Outlay only for items that are specifically allowed under the law. Examples of some of these items are our COPS payments, lease of buses, COWS (computers on wheels), property and casualty insurance and implementing technology. There are many restrictions on the use of Capital Outlay monies.

Mrs. McCole shared with the board our official notification and running of the 2012-13 budget ads will begin Saturday in the Press Gazette. They will also run in the Navarre Press and Gulf Breeze news for informational purposes. The edition of the Navarre Press and Gulf Breeze news is published only on Thursdays. We have to give the public at least a five day notice of the 1st public hearing. Our 1st public hearing is scheduled for August 2, 2012 at 6:30 p.m.

Mr. Wyrosdick expressed his appreciation to the entire Finance Department for their hard work on preparing the budget this year. He thanked the board for allowing us to present it twice, once on July 24th at 9:00 a.m. and again on July 26th at 5:00 p.m. He encourages everyone to watch both video presentations on the district's web site to get a complete picture of the tentative 2012-13 budget.

The workshop was adjourned. The July 26th board meeting will begin at 6:30 p.m.

Superintendent

Chairman