



VISION
To be a world-class school system

THE SCHOOL BOARD OF LEE COUNTY, FLORIDA
Legislative Education Day Meeting – M I N U T E S [Approved 1/9/07]

Friday – November 17, 2006 / 10:00 a.m. (commenced at approximately 10:30 a.m.), Human Resources Conference Room

Participants: Mr. Steven K. Teuber, J.D. – Chairman
Dr. Jane E. Kuckel, Board Member
Dr. James W. Browder, Secretary & District Superintendent
State Senator Mike Bennett, District 21
State Rep. Nick Thompson, District 73
Ms. Randi Rosete, Asst. to State Sen. Burt Saunders
Mr. Robert D. Chilmonik, Board Member
Mr. Keith Martin, Board Attorney
Mrs. Julie Nieminski, Board Auditor
State Senator Dave Aronberg, District 27
State Rep. Gary Aubuchon, District 74
Ms. Crystal Fitzgerald, Asst. to Sen. Bennett

+ (District Staff) Lee Legutko, Dr. Constance Jones, Michael Mc Nerney, Herb Wiseman, Joe Donzelli, Linda Boyle, Donna Mutzenard, Bob Rushlow, Denise Mangus (Recording Secretary), Ms. Sonia Roberts

WELCOME: Mr. Teuber, Board Chair, welcomed all and noted he and the legislators were late today due to the Horizon Council's Meeting running over where they all were present as well.

INTRODUCTION OF DIGNITARIES AND STAFF: Everyone in attendance introduced themselves. (Regrets were given for Mrs. Dozier who was out of state and Dr. Scricca who was ill.)

ANNUAL REPORT—SUCCESSSES OF THE DISTRICT: Dr. Browder noted the annual report/calendar. Mr. Teuber noted the annual report was done a little differently this year—inside there are demographics, budget information, performance, the selection process for schools, etc.; this will be helpful for legislators in discussions on education. The Board's platform card was also mentioned. Mr. Teuber noted that the Horizon Council is very in tune for education; funding is desired to provide educational needs. Senator Bennett then commented that if one thing's done, another is sacrificed; for class size, some things have to be foregone. The District's 2007 top priorities are: provide funding for District operations commensurate with a State goal to improve instructional outcomes; re-establish proper governance of charter schools; assist with classroom space needs for class size reduction, growth in students, and replacement of aging facilities; and improve on the newly established State pre-kindergarten program.

Re *providing funding for District operations*, Mr. Teuber noted wanting to be in the top half of states for educational funding; we need to compete with other states/countries. There was acknowledgment that getting in the top 50% funding percentile is not overnight. Funding provided last year was unprecedented in the state's history; that's the way we need to go—a long enduring plan for top 50th percentile. Maintaining the 90% rule within the FEFP was noted (stipulating a maximum of 90% of a district's base funding may be generated by local tax funds with the remainder coming from state general revenue). Looking at the definitions of solutions supported was noted as well as referring back to everything on the Red Book re functions based on class code—what's in construction and what's not.

Re *charter schools*, Dr. Kuckel noted 15 charter schools in the county, with more applications coming. Charters provide an opportunity for the District to provide parents with more choices. A couple of pieces of legislation came out after charter schools and it's being asked to look at for integrity of our charter schools. Re a binding appeal process for state school board, the Board would have to abide by that. A couple of pieces of legislation diluted constitutional wording; re repeal and revoke, the Board could be bypassed and a school created in the county without any control. The District works well with the charters; the Board still has constitutional responsibility if it's begun to bypass them. The District has a full-time staff member to work with charters. Another piece is the financial end. Impact fees are designed for growth; there are two things to consider before assigning our impact fees—we look at District-wide and if another charter receives some of ours and they close, the students return to the District. Charters aren't under same requirement to build facilities to code and impact

fees are used to abide with code; charter facilities not to code cannot be used. There isn't an obligation to make the District gets the facilities (re closed). The language responsibility re District publicly funded was noted as well as funds having to follow students versus the school; the same goes for 2 mill money—these funds never allotted to an individual school but District-wide.

Mr. Cerra answered Senator Bennett about charters' 95% of operations and share of capital outlay funds designated for charter schools—5% for first 500 students (administrative duties that District performs for those schools; reporting to state to get funding). If something goes wrong, the Board still has responsibility as the political body to the County (the 5% is even smaller than District administration would take as a cut to run). When charters passed originally, 90% received (and no capital outlay money; this year's of that has almost doubled). Further to Senator Bennett, there are additional costs. Charters do help alleviate our student demand (they have about 6,000 in the county currently). Senator Bennett noted that although Lee may be okay, not all counties do the right thing. The legislative delegation represents counties all over the state.

Dr. Kuckel noted impact fees are critical; we look at whole county-wide (we don't give pieces of impact fees and/or 2 mills to one school). Dr. Browder noted to Senator Bennett that we work well with charters but we want them to be at the same accountability level. Re the exclusive authority to grant, Dr. Browder feels this should be a local issue; he feels the measure Senator Bennett having of being fair to all is good as well. In a growth county, Dr. Browder noted needing all the seats we can get; we're borrowing money while getting State dollars. In a growth county, there may not be as much support for charters.

Senator Aronberg noted hearing Dr. Kuckel but there's been legislation not due to Lee but other counties; some other local school boards wouldn't approve. Under old system, there's the state-granted charter and the local board; legislation was intended to protect charters throughout the State from situations. Senator Aronberg doesn't believe the legislature will deal with changes since just passed last year but a court may overturn such.

Mr. Chilmonik noted his question being answered re the impact fee issue. He noted public buildings will stand forever but charters may not. There's \$1.2 billion in county District buildings. Ms. Rosete noted how Senator Bennett favors impact fee action; something to consider once there are lags in regard to that—maybe lien facilities with lien of impact fees against buildings could go back to the District.

Mr. Teuber noted it is a complex issue and the Board's angst. Charters receive District's Student Assignment, athletics, and other things to be provided. The cap after 500 students was noted. With current legislation, the Board had to approve (due to appeal process); this puts the Board in awkward positions. The City of Cape Coral built their buildings up to our (DOE) code; most charters don't. It's desired to make charters conform to SREF and State standards. As a District, we've the onerous responsibility of children; we want consideration that each District is responsible.

Re **class size reduction and student growth**, Mr. Chilmonik commented we're massively growing and noted the debt figures. There may be a little leeway but it's seen as short-term. To the credit of District administration, the District's been kept with buildings and growth (\$51 million in bonded interest which could be used for other needs). Four schools will open next year, and it looks like the District's doing a fairly reasonable job. Dr. Browder added that the legislature deals the best it can with the dollars there re space. An unintended outcome of this bill is a tremendous shortage in the state; we're struggling. Senator Bennett noted asking legislators being asked to put forth a bill to overturn voters; it was in the package, and the legislators can't do such.

Mr. Cerra noted it was in the platform previously to repeal class size. The District needs to be fully funded or it comes at the cost of other programs. DOE was asked for \$2 billion of capacity to meet the needs of class size reduction. Senator Bennett noted slowdown of construction and that Orange County, California charges \$100,000 in impact fees for a home. Senator Bennett noted, re real estate developers, their never advertising for anyone to move here. Revenues are needed. Ms. Rosete noted, re shortages and housing, there are other areas—e.g.,

nursing; she has an Early Childhood Masters but wasn't certified to teach in Florida. Certification requirements may need to be looked at; she understands education and protecting teachers. Dr. Browder noted things are better than it was re pulling people out of industries to become teachers. The District gets gouged from both sides re certification and No Child Left Behind (NCLB). The District has 400-500 education certified having gone through the programs at FGCU and Edison; about nine hours of work is taken and then a test taken (discipline and other things are taught). Dr. Browder noted this carries on to NCLB.

Mr. Chilmonik noted impact fees' support so to build without borrowing. Construction's slowing down. The District will get monies (impact fees are an easy one to pick on); in spreading liability among many folk, we need flexibility. Senator Bennett noted trying to find other sources; he's not opposed to impact fees but just wants reasonableness; he noted doc stamp revenues but sees local governments raise impact fees though affordable housing needed. In Collier County, a \$30,000 impact fee can add \$200 monthly to a mortgage. Senator Bennett further commented instead trying to figure how to stimulate the market, more fees are being put out there.

Re *improving on the new State pre-kindergarten program*, Dr. Kuckel noted this constitutional amendment through referendum; to meet high quality standards though, full support of funding is needed. Ms. Toni Jennings chaired a task force of what was high quality funding. There are several parts now not meeting high quality. Dr. Kuckel spoke in the past and on funding pre-k transportation; it's important to reach those unaware of pre-k or who don't have the means (some only have one car in a neighborhood). The quality of teachers within the program was noted; we'd start with non-certified folks and then line up (not implemented/fallen by the way side). Re the structure of 3-hour programs (10 hours in the summer), 4-year-olds don't do well in the summer program. The legislators were asked to be mindful of continuing to tweak. Kids come into kindergarten at a disparity (20,000 word vocabulary versus 5,000; teachers are put "under the gun" to get other students up). Like state accountability, we want all students to read on grade level by grade 3; pre-k is opportunity for us to get there. We'd be glad to work on language/wording. It averages now about \$2,650 per student without funding transportation; we're looking for higher quality (more than 3 hours per day may be needed). Mr. Cerra will help on language to move it forward; still on standstill (hoped every year to become better).

LEGISLATIVE PRIORITIES' WRAP-UP: Mr. Cerra noted last year was good for public education funding statewide (operations and capital sides—there were positives; on capital, there was funding success). He noted, rhetorically, how many would like to bring more money home for Lee County without raising taxes. Mr. Cerra pointed out, in representing Lee 7 of his 15 years, that on the 90% rule—there's a portion for funding formula (no district required to raise 90% of its base funding; impacted 10-12 districts now and Lee first time last year—entitlement to state pot stays same but required local effort gets reduced if more than 90% raised). The RLE rate was reduced; thousands (monies) are raised locally.

Of the statewide student growth, we had more in Lee than anyone and still growing; it was still very significant—we grew by 3,800. We'll continue to grow over course of year (some shortfall is where we'll be in February on projections). Our growth issues are vastly different here and it's not that we don't want to help others solve their problems. Senator Aronberg noted re the 65% rule and finding what is constituted in the classroom, he's all ears; Mr. Cerra can provide this to him. It's desired to have code 5000 and 6000 expenditures in that category; include guidance, teachers, nurses, social workers—all touch children daily; functions from the Red Book was noted. Lee County would 69% if the aforementioned included. Dr. Browder feels that people throughout the state will talk about these inclusions. Mr. Teuber worked with Mr. Cerra on the draft (it will be provided).

For Representatives Aubuchon and Thompson, weighted funding kept for comprehensive high schools was noted; the Horizon Council works/integrates with us. Funding was taken (career ed) from middle schools; though Senator Bennett had already departed this meeting, he's on board with this career ed. Mr. Teuber noted further one way maybe would be to use Lee as a test county to get funding back (funding grant/pilot county and show we can impact dropout rate and test scores as proof).

IDEA EXCHANGE: It was asked if there's anything the District can do or help to provide/facilitate. Representative Aubuchon went back to the charter school impact fee question, as this is huge, and asked if the real issue is with a state board. It's the facilities and impact for capital improvements. Maybe a mechanism would be a lien to protect re charters. Impact fees are for growth/incremental growth re allocating a small portion out versus for entire infrastructure of system. Dr. Browder noted impact fees are generated and spent by area—e.g., those in West Zone will not pay for the number of seats needed to be built; we're having to continue to borrow money to build seats. If impact fees in an area generated more money than needed, there wouldn't be a problem per Dr. Browder; impact fees are not enough to keep up with growth (fees will not generate 40% we need to spend due to growth). Dr. Browder noted if he had extra, he'd spend. In the last 3-1/2 years, \$300 million borrowed to stay up with growth and class size. In the next 5 years, there'll be 18 new schools (originally 28); we're not generating enough revenue for impact fees in whole district to cover cost of growth.

Representative Aubuchon asked how is the argument offset of any charter that we don't have to provide for the seats they're providing. Mr. Cerra noted that when we build a school, it's there forever; charters can go out. Even if not the case, when impact fee studies are done, students in charter schools are not included in needs assessments; actually impact fees are already discounted since not included in study. Since 15 already approved, legislature is being asked to not change but maybe create an entitlement. Courts have upheld districts and boards; it's not being asked to do legislation requiring a change. Some may be in areas of growth and others may not (same as Cape Coral—they don't always put schools where we want). It's being requested to leave the decision/authority with the local school board. Dr. Browder noted Mr. Martin had a discussion with the City of Cape Coral to have the formula re-done for some inclusion; City's not willing to do (they're being pushed back, as it would go up due to kids in charter; the amount we get is minus charters). Senator Aronberg noted the hurt only comes when the charter students come back into the District. Mr. Cerra explained that if we had used our facility instead of the charter's—it goes toward a facility that's going to be here 50 years (charters generally lease). If their population doesn't stay (noting not enrollment but having gone back to public schools), the District wouldn't have the charter's facility/capital dollars (Mr. Teuber noted there's no requirement for charters to stay in business a particular number of years—e.g., 2 years, 4 years, etc.) Ms. Rosete noted two empty Cape facilities but the District doesn't have these monies for our needs. We absorb students back into system and hopefully we stay in compliance re class size amendment, per Dr. Browder. Mr. Chilmonik noted it may be helpful to give our amount borrowed (he has such for the Cape chartered graphically). Charters still funded publicly; Dr. Browder is having Mr. Legutko get the Budget Book. The Superintendent will collect Mr. Chilmonik's data and provide an update on spending for the schools (it's one sheet of how much is borrowed).

CLOSING: The meeting concluded at 11:34 a.m.

/dwm

MINUTES BOOK NO.41 FY07

Steven K. Teuber, J.D., Chairman

ATTEST:

James W. Browder, Ed.D., Secretary and District Superintendent

<p><i>An audio/visual tape of this meeting has been produced to provide a verbatim record of the proceedings. Members of the public may obtain a copy of the tape of any meeting by making a request for such through the Communications Department and paying the actual cost of copying the tape. Members of the public may view any Board meeting tape at the Communications Department at no cost. Anyone wishing to view a Board meeting tape should contact the Communications Department at 337-8327 to make such a request.</i></p>
