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THE SCHOOL BOARD OF LEE COUNTY
Special School Board Meeting – Minutes
Public Hearing on the Fiscal Year 2010 Final Budget
(School Board Meeting Room, 2855 Colonial Blvd., Fort Myers, FL)
Tuesday, September 8, 2009

Attending

Mr. Steven K. Teuber, J.D., Vice Chair	Dr. James W. Browder, Secretary and District Superintendent
Mr. Robert D. Chilmonik, Member	Mr. Keith Martin, Board Attorney
Mrs. Jeanne S. Dozier, Member	
Dr. Elinor C. Scricca, Member	Mrs. Donna Lesansky, Recording Secretary

I. Call to Order

The School Board of Lee County, Florida, met on Tuesday, September 8, 2009, in the School Board Meeting Room for a Special School Board Meeting to conduct the Public Hearing on the Fiscal Year 2010 Final Budget. Vice Chairman Steven Teuber presided and called the meeting to order at 5:05 P.M.

Motion by Mr. Chilmonik, seconded by Dr. Scricca and carried 4-0 to accept the agenda as the Order of Business.

Mr. Teuber stated that Dr. Kuckel is out of town and would not be at the meeting.

II. Presentation

Dr. Browder announced that the purpose of the meeting is to bring before the Board the 2010 Final Budget. He stated that this year's budget has been particularly difficult because revenues are not where he would like them to be. He added that while he is not happy about the budget, it is the best they can do. Dr. Browder turned the presentation over to Dr. Ami Desamours the District's Director of Budget.

Dr. Desamours noted that this is the second of two public hearings required under Florida Statutes to allow the public an opportunity to provide input with regard to the proposed millage levy and the 2010 Fiscal Year budget. She stated that the first meeting, held on July 29, 2009, was advertised in the *News-Press* and that today's meeting was noticed through a direct mailing to the public from the Property Appraiser's office.

Dr. Desamours continued with a PowerPoint presentation. *(A copy of the PowerPoint presentation is on file with the official minutes.)* She noted that the actual calculated roll back rate is 8.989 mills; however, only 7.508 mills is actually being levied, which represents a 16.48% decrease from the roll back rate. Dr. Desamours explained that the 7.508 mills represents an increase of .640 mills from the last year's millage rate of 6.868 mills and that this is the first time in six years that the overall millage rate has increased. She added that the new millage rate will generate less dollars (approximately \$118 million less) than the previous year because of the decrease in the tax roll.

Dr. Desamours outlined the proposed millage levy as follows:

	<u>Tentative Millage Levy</u>	<u>Proposed \$ to be Raised</u>
Required Local Effort (RLE)	5.260	\$342,408,096
Basic Discretionary	0.748	\$ 48,692,254
Capital Outlay	1.500	\$ 97,644,895
Supplemental Discretionary	<u>0.000</u>	<u>\$-----</u>
Total Mills	<u>7.508</u>	<u>\$488,745,245</u>

Dr. Desamours stated that the total 2009-2010 budget for all funds is \$1,428,135,230. She explained that this figure is comprised of:

- the general (operating) fund at \$707,938,775, which is earmarked for the education of students and the operating expense of the District;
- the debt service fund at \$51,750,129, which is earmarked for the payment of debt;
- the capital projects fund at \$416,801,245, which is used to build schools, buy equipment, and provide maintenance services;
- the special revenue/food service fund at \$37,298,134, which supports the breakfast and lunch program for students;
- the special revenue/federal grants fund at \$104,000,364; which must be used for the specific purpose of the grant and
- the internal services fund at \$110,346,583, which accounts for the insurance costs of the District.

Dr. Desamours stated that the general fund is the major source of revenue for the District's daily operations. She added that it is currently budgeted at \$707.9 million (approximately 50% of the total budget) and supports an estimated 78,728 students.

Dr. Desamours reviewed additional information/facts contained in the PowerPoint presentation related to the following: FEFP revenue, sources of operating revenues and how the funds are apportioned, food services, special revenue, the capital budget, budget shortfall fund, and categorical flexibility.

With the conclusion of the presentation, Dr. Browder outlined the action that must be taken at today's meeting, which includes: the adoption of all proposed millages for the 2009-2010 final budget; adoption of the final budget for the 2009-2010 fiscal year; and adoption of all resolutions related to the millages and budget.

III. Public Hearing

Mr. Teuber recessed the Special Board Meeting and opened the Public Hearing at 5:22 P.M. to consider the adoption of the Final Millage Levies and the Final Budget for 2009-10. He asked if anyone would like to address the Board regarding the issues on the agenda for Public Hearing, as outlined by the Superintendent.

John Traube referred to the millage increase and opined that there are alternatives to raising taxes.

Sue Jacobse expressed appreciation for everyone's hard work in pulling together a balanced budget and advocated for a stable funding source for education.

There being no further requests to address the Board, Mr. Teuber closed the Public Hearing and reconvened the Board Meeting at 5:31 P.M.

IV. Adoption

(1.) Required Local Effort Millage:

Motion by Mrs. Dozier, **seconded** by Dr. Scricca, and **carried 4-0** to accept the Superintendent's recommendation that the Board adopt the 2009-2010 Final Proposed Required Local Effort Millage of 5.260 mills with a proposed amount to be raised of \$342,408,096.

(2.) Basic Discretionary Millage:

Motion by Mr. Chilmonik and **seconded** by Mrs. Dozier to accept the Superintendent's recommendation that the Board adopt the 2009-2010 Final Proposed Basic Discretionary Millage of .748 mills with a proposed amount to be raised of \$48,692,254.

Mr. Chilmonik stated he would not be supporting the Superintendent's recommendation because he feels that the District needs to examine reducing the overall operating overhead and transportation costs and because of the issues of double-dipping and the golden parachute.

Motion to amend the main motion by Mr. Chilmonik to reduce the discretionary millage to .108, which would result in a millage levy of 6.868 – the same overall rate as approved by the Board in 2008 – and to have the Board direct the Superintendent to research and bring back a recommendation with regard to conducting a referendum to ask voters to reduce the ad valorem tax millage for capital projects of the Lee County School District and increase the ad valorem tax millage for operations by an equivalent amount.

Motion failed for lack of a second.

Main motion carried 3-1, with Mr. Chilmonik casting the vote in opposition to the motion.

(3.) Capital Outlay Millage:

Motion by Dr. Scricca, **seconded** by Mrs. Dozier, and **carried 4-0** to accept the Superintendent's recommendation that the Board adopt the 2009-2010 Final Proposed Capital Outlay Millage of 1.50 with a proposed amount to be raised of \$97,644,895. The total Millage will equal 7.508 Mills with a total amount to be raised of \$488,745,245. The total Millage rate to be levied does not exceed the roll back rate. It is a decrease in the roll back rate of 16.48%.

(4.) Resolution:

Motion by Mrs. Dozier, **seconded** by Dr. Scricca, and **carried 3-1**, with Mr. Chilmonik casting the vote in opposition to the motion, to accept the Superintendent's recommendation that the Board adopt the Resolution Determining Revenues and Millages Levied for Fiscal Year 2009-2010.

(5.) FY09 Final Budget and Related Resolution:

Motion by Mrs. Dozier, **seconded** by Dr. Scricca, and **carried 3-1**, with Mr. Chilmonik casting the vote in opposition to the motion, to accept the Superintendent's recommendation that the Board adopt the Final Budget and related Resolution adopting the Final Budget for the 2009-2010 school year as follows: General Operating in the amount of \$707,938,775; Special Revenue Budget in the amount of \$141,298,498; Debt Service Budget in the amount of

\$51,750,129; Capital Outlay Budget in the amount of \$416,801,245; Internal Service Budget in the amount of \$110,346,583, for a total Tentative Budget of \$1,428,135,230.

(6.) Categorical Flexible Spending Resolution:

Motion by Mrs. Dozier, seconded by Dr. Scricca, and carried 3-1, with Mr. Chilmonik casting the vote in opposition to the motion, to accept the Superintendent's recommendation that the Board adopt the Categorical Flexible Spending Resolution as presented.

V. Comments: Board Members, Board Attorney, Superintendent

All of the Board Members expressed appreciation to the Budget Department and all staff who contributed to the development of this year's budget. Mr. Chilmonik stated that he will continue to make alternative recommendations to the Board.

VI. Adjournment

Mr. Teuber adjourned the September 8, 2009, Special School Board Meeting at 5:46 P.M.

Steven K. Teuber, J.D., Vice Chairman

ATTEST:

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

An audio-visual recording of this meeting has been produced to provide a verbatim record of the proceedings and may be viewed on the School District's Website at www.leeschools.net/board/stream/welcome.htm Members of the public wishing to obtain a copy of the recording of this or any meeting of the School Board must make a request through the District's Communications Department at (239) 337-8327.