

Half-Cent Sales Surtax Citizens Advisory Committee

Meeting Minutes

Monday, December 14, 2020

Opening

The regular meeting of the Half-Cent Sales Surtax Citizen Advisory Committee was called to order at 4:03p.m. on Monday, December 14, 2020 via Webex at St. Johns County School District, 40 Orange Street, St. Augustine, FL 32084 by Mr. Hardman, Chairman.

Attendance

CAC Members--Present: Edward Albanesi, Fred Danner, Jack Hardman, Richa Jeetah, Amy Lasswell, John Lasswell, Theresa Lennon, Jason Lewis, Barbara Little, Dr. William McCormick, Grant Misterly and Norvie Veracruz. Alternates: Derek Barrs and Kim McManus. Absent: Javelyn Arvay, Susan Connor, Damian Cook and Michelle Dillon.

School District staff--Present: Nicole Cubbedge, Mike Degutis, Paul Rose, Colin Kirkland, Bruce Patrou, Dawn Posey, Elizabeth Moore, Greg Annucci, Vicki Davenport and Judith Harvey.

Public Attendees--Web attendees: Action News Jax, Dani Bozzini and Tekil Fujin.

Approval of Minutes

Minutes from the September 21, 2020 regular meeting were then approved with a motion by Mr. Barrs and seconded by Mr. Albanesi and Ms. Little. A vote was taken, and the motion was approved.

Presentation of Draft Annual Report

Mrs. Cubbedge explained that she had reordered the agenda for this meeting since much of the information being presented for the Citizens Advisory Committee (CAC) annual report will cover the other topics. She stated that after the presentation of the draft Annual Report, Mr. Degutis would present the Financial Reporting and if there are questions, they will be taken after the project reporting. Mr. Hardman asked that the draft be sent out after the meeting. Mrs. Cubbedge stated that she would send out the draft. Mrs. Cubbedge also stated that for calendaring purposes, the Annual Report would be presented to the School Board at the School Board meeting on January 12, 2021 at 9am via Webex. She stated that all CAC members were welcome to attend either

virtually or in-person. Information for the meeting will be posted on the School District website prior to the meeting.

Mrs. Cubbedge then presented the draft Annual Report. The first slides were background on the half-cent sales surtax and the CAC. She also stated that the Annual Report was done every January by the CAC. Mrs. Cubbedge then presented the current slate of CAC members which showed the two vacant positions. She stated that the School Board will fill these positions in February or March at their monthly meeting. Mr. Hardman asked if these positions would finish the term appointed to them and then they could be reappointed to a new term. Mrs. Cubbedge stated in the affirmative.

Next, Mrs. Cubbedge reviewed the Critically Needed Project List. She stated that \$150 million was the original, conservative projection and that the sales surtax had actually come in much stronger than originally projected. Mr. Hardman asked about the new schools and the specific areas the new schools would be located. Mrs. Cubbedge reviewed the list and also noted that the information was also on the District website. Mrs. Cubbedge then reviewed the categories and the debt service as well as giving an accounting of current expenditures to date. She noted that costs, including construction costs, have gone up but that more sales tax has been collected than originally projected. She also noted the savings for future construction and future debt service. Mr. Hardman asked about the cutoff date for these expenditures and Mrs. Cubbedge stated that information was as of December 10, 2020. Mrs. Cubbedge then reviewed the 2019-2020 budget categories. She also noted that the Liberty Pines Academy (LPA) classroom expansion was under way and was in last year's budget but is also in this report since it is now complete. She also stated that some of the slides might need to be reordered for clarity purposes. Mrs. Cubbedge also stated that the LPA dining expansion is under construction. She stated that she would put in more updated pictures and then reorder the slides.

Mrs. Cubbedge stated that the new K-8 School MM's principal was named, and committee meetings will start at the first of the year. K-8 School MM is partially funded by the sales surtax. Mr. Hardman asked if the design was similar to Palm Valley Academy (PVA). Mrs. Cubbedge stated that it was the same prototype. Mr. Hardman asked about the cost and Mrs. Cubbedge stated it was \$49 million. Mr. Hardman asked about the cost of PVA and Mrs. Cubbedge stated that the PVA budget was about the same. Mr. Rose stated that the cost was the full budget and not just the construction costs. Mr. Hardman then asked if that budget included everything and Mrs. Cubbedge stated that yes, it did include furniture, fixtures, and other expenditures so it was the full budget. Mr. Hardman asked what financing vehicle was used for funding K-8 School MM since it was only partially funded by the sales surtax. Mrs. Cubbedge stated it was financed with a combination of proportionate share mitigation funds, impact fees and COPs. Mr. Hardman asked about COPs. Mrs. Cubbedge explained that they were Certifications of Participation. She also stated that COPs were used for PVA as well. She then stated that the roof replacements were substantially complete.

Mrs. Cubbedge then reviewed the Technology budget. She discussed what had been spent in the Technology budget and that the Technology budget might need to be the next focus. She then discussed the new technology project regarding interactive classroom panels. She stated that they started putting these panels in the Title I schools first.

Next, Mrs. Cubbedge discussed the Safety and Security projects. She stated that all the schools' single point of entry (SPOE) were completed and now they were working on the Administrative facilities. She also updated the other safety and security items. Mrs. Cubbedge stated that she would not review the finances in detail because Mr. Degutis will review them. She then stated that she would finish up the Annual Report with the upcoming budget. She noted that the projections were backed down due to the Covid-19 pandemic. She reviewed the savings for future construction and the two new roofs. She discussed the CTE infrastructure grant match. She noted a big jump in the Technology category with the panel project. She then reviewed the Safety and Security category. Mr. Hardman asked if the Zonar technology for the buses was an annual lease and Mrs. Cubbedge answered in the affirmative.

Mr. Misterly stated that he liked hearing about the technology and that the first schools to get the interactive panels were not the new schools. He stated that he appreciated seeing that these items were benefitting existing schools. Mr. Hardman seconded that statement and stated that the whole community passed the tax. He further stated that it would be important to show that the whole District has benefitted from the sales surtax when the sales surtax goes up for a renewal vote in a few years. Mr. Patrou noted that the panels were installed first in the Title I schools and the computer distribution was based on need. Mr. Hardman stated that Mr. Patrou did a great job at the last meeting explaining about the computers and what happens if they are not returned. He then asked Mr. Patrou to update the committee on this item. Mr. Patrou stated that they were doing several things to try to retrieve the computers. He said the number of computers that had not been returned were declining and they were isolating the machines. He felt they were making good progress on the recovery of the computers. Mr. Hardman then asked if the wireless coverage/hot spots had settled down. Mr. Patrou stated in the affirmative. He further stated that they were using three different carriers and were covering areas in the south and southwest part of the county. Mr. Hardman also asked, when things improve and the move is back to less virtual, what would happen with these hot spots. Mr. Patrou stated these hotspots were for either one- or two-year contracts and when things improve, these hotspots would be distributed to the schools for students to checkout. Mrs. Cubbedge stated that the Governor had just issued an Executive Order and had extended the learning platforms for the rest of the school year with funding. She also stated that there was also a renewed focus to operate in person. She further stated that the Superintendent's office is working on details. She also stated that if students are distance learners now that they can continue to be a distance learner. She said they are also focusing on struggling students. She also stated that the school year started late so the second semester will start later in January. Mr. Degutis stated that they are working on this Executive Order. Mr. Hardman asked, if a student started as a virtual learner but wanted to switch back to going on campus, could they do this? Mrs. Cubbedge answered in the affirmative. Mr. Hardman also asked if teachers are doing on campus and virtual teaching. Mrs. Cubbedge stated that at this time there are some teachers doing both. She stated that they currently working on the planning for next semester.

Financial Reporting

Mr. Degutis gave the financial report. He reviewed the graphs and stated that the first three months of the fiscal year were encouraging. He stated there were nice trends until 2020. Mr. Hardman stated that he was surprised about the May and June receipts given the pandemic. Mr. Degutis stated that the general consensus was that it was “pent up” buying after the stay at home order was lifted. Mr. Hardman iterated, as an explanation, that the quarterly receipts were for example if someone purchased a car in Duval County and these tax receipts were sent in quarterly. Mr. Degutis stated that Mr. Hardman was correct, and that state law requires that state tax is captured in the county in which you live so the State redistributes the tax to the appropriate counties on a quarterly basis. Mr. Hardman noted that there was an excess of \$2 million in receipts based on the spreadsheets that Mr. Degutis had attached to the email to the committee. Mr. Degutis stated in the affirmative. Mrs. Cubbedge explained that she would add the graphs to the annual report, but she did not put the spreadsheets in the annual report because they were difficult to see. Mrs. Cubbedge then stated that there was no further project reporting since she had covered most of the topics in the annual report. Ms. Little commended the District staff on doing such a good job during this crisis.

Mr. Hardman stated that it would be good to have representation from the committee at the School Board meeting when the annual report is presented. Mrs. Cubbedge also clarified the date for the next committee meeting which will be March 15th. Mr. Hardman asked if the School Board meeting would be virtual and Mrs. Cubbedge stated in the affirmative. She explained that he could attend in person or virtually.

Public Comment

None.

Next Meeting Date/Time

The next meeting will be held on Monday, March 15, 2021 at 4:00pm via Webex at St. Johns County School District, 40 Orange Street, St. Augustine, FL 32084.

Adjournment

Mr. Lasswell made a motion to adjourn and Ms. Little seconded the motion. The meeting was adjourned at 5:09pm.

Minutes submitted by Judith Harvey