

Half-Cent Sales Surtax Citizens Advisory Committee

Meeting Minutes

Monday, September 19, 2022

Opening

The regular meeting of the Half-Cent Sales Surtax Citizen Advisory Committee was called to order at 4:04p.m. on Monday, September 19, 2022, St. Johns County School District, The Fullerwood Training Center, 10 Hildreth Drive, St. Augustine, FL by Mr. Lewis, Vice Chairman.

Attendance

CAC Members--Present: Ed Albanesi, Susan Connor, Damian Cook, Richa Jeetah, Elena Laguardia, Amy Lasswell, John Lasswell, Jason Lewis, Barbara Little, Terence Mahoney, Kim McManus, Virginia Morgan, and Norvie Veracruz. Alternates: Michelle Dillon. Absent: Jack Hardman, Linda Villadoniga, Javelyn Arvay, Derek Barrs, Mary Ford and Dr. William McCormick.

School District staff--Present: Nicole Cubbedge, Gretchen Saunders, Colin Kirkland, Elizabeth Moore, and Judith Harvey.

Public Attendees--None.

Approval of Minutes

Minutes from the June 20, 2022, regular meeting were then approved with a motion by Mr. Albanesi and seconded by Mr. Cook. A vote was taken, and the motion was approved.

Project Reporting

Mrs. Cubbedge gave the project report. She stated that most of the construction projects have been finished. She also stated that the South Woods expansion would be forthcoming. She further stated that they are continuing to do roof projects. She discussed the roofing projects at Osceola Elementary School and Landrum Middle School. She explained there had been delays due to the construction industry. She also shared pictures of the roofs at Osceola Elementary School and Landrum Middle School. Next, Mrs. Cubbedge shared pictures of Phase II on the roofing project for Sebastian Middle School.

Financial Reporting

Mrs. Saunders gave the financial report. She reviewed the 2021-2022 Sales Tax Receipts. Next, she reviewed the quarterly receipts. She noted that the interest earnings are also shown on the report. Next, she reviewed the Monthly and Quarterly Sales Tax Revenue graph and accompanying charts. She also explained that there was concern due to Covid and inflation and sales tax holidays, but the receipts are still above projections. Next, Mrs. Saunders reviewed the Summary of Funds. She also reviewed the capital projects and debt service. Mr. Lewis asked if there was approximately \$40 million left in the future school construction category and Mrs. Saunders answered in the affirmative. Mrs. Cubbedge also noted that some funds are held for overages on construction. She also stated that keeping the projections as is would be best and also to leave budgeted items as is. She further stated that the critically needed projects list is dwindling down. She said that funds for the new elementary school in the southern part of the county as well as the expansion at South Woods Elementary School and the locker rooms at Bartram Trail High School and Pedro Menendez High School have not been touched yet. She also acknowledged that should the sales tax fall off then these items would still need to be done since those were promised to taxpayers. Ms. Connor asked how much the overall original projection was and Mrs. Saunders and Mrs. Cubbedge both answered that it was \$150 million over the whole 10 years. Mrs. Cubbedge further stated that there were 2 more years left since this year is the beginning of the 8th year.

Mr. Mahoney asked about a reserve fund with the COPs funding. He stated that if another round of the half-cent sales surtax passed then if there was a reserve fund, the district would not have to borrow but would have these monies in reserve. Mrs. Cubbedge explained that officially the district cannot establish a reserve fund until the list is finished with all the commitments that were made to the county when the sales tax was first proposed. She further explained that the elementary school in the southern part of the county must go through the bid process and be awarded in order to meet the obligation of fulfilling the commitments. She also stated that caution needed to be used because the School Board has not given any direction on whether they will want to renew the half-cent sales surtax or not. Mr. Mahoney added that if the sales tax falls off then the schools will fall off and that the Committee should explore ideas and make suggestions to the School Board.

Ms. Morgan asked about borrowing from the line entitled Savings for Future Schools. Mrs. Cubbedge explained that the line is used like a savings account, but the elementary school slated for the southern part of the county will get most of the funds in that line. Ms. Little asked where Pine Island Academy was located, and Mrs. Cubbedge explained that the location is north of Palencia in the southern edge of Nocatee. Mr. Lewis asked about the timetable for the elementary school slated for the southern part of the county. Mrs. Cubbedge stated that the elementary school needs to be under construction by the end of the 10 years, but they are still identifying a site and watching development trends. Ms. Little also asked about the status of the school at Shearwater. Mrs. Cubbedge explained that it was K-8 School NN but was not funded through the half-cent sales tax and the bid was awarded and is under construction although there is not much to see at the present time. She said it is scheduled to open in 2024-2025. She explained that the first bid

was for a 1 ½ year timeframe of completion but given the status of the construction industry at this time, it was put out for re-bid with a 2-year timeframe. Ms. Little asked if it was funded with half-cent sales surtax funds and Mrs. Cubbedge answered in the negative.

Next, Mrs. Cubbedge reviewed the 2022-2023 sales surtax budget. She explained that the debt service comes off the top. She reviewed the four categories. She stated that the South Woods expansion was originally at \$5 million but after opening the bids, it was decided to add another \$5 million for the classroom expansion. She explained that South Woods was the last elementary school to be affected due to the class size amendment. She further explained that the enrollment at South Woods dropped but now they are growing.

Mrs. Cubbedge then reviewed that maintenance of roofs. Ms. Laguardia asked about the phases of the roofing projects. Mrs. Cubbedge explained that the roofing projects are usually done in the summer when the students are not onsite and are done in phases. She stated that they have done two phases at once but typically they do one at a time. She also explained that usually one phase is funded with sales tax funds because they try to spend the sales tax fairly throughout the county. Mr. Mahoney asked if all the roofs were done in the county. Mrs. Cubbedge stated that it depends on the age of the roof, but most are a 15–20-year roof. Mr. Mahoney then asked how the district would pay for the roof projects if there was no sales tax. Mrs. Cubbedge explained that the roof projects are funded through the capital budget, but the sales tax allowed the district to move forward with projects.

Next, Mrs. Cubbedge reviewed the funds spent on technology. She said at first that technology lagged behind the building of schools and safety but now the district has made that up. She reviewed several technology items such as upgrading wifi speeds and network switching as well as classroom sound upgrades and audio enhancements such as the microphone on the lapel which has been very beneficial to teachers. The teachers can walk around, and everyone can hear the teacher. She also mentioned panel upgrades for every classroom. Ms. Laguardia asked if technology was implemented across the district and Mrs. Cubbedge stated that if an upgrade was needed, then an upgrade was done.

Next, Mrs. Cubbedge reviewed the safety category. She stated that the main focus was the single point of entry. She further stated that it is very important to know who is in the schools. Next, Mrs. Cubbedge reviewed the mobile panic alarm system, Centegix. Mrs. Cubbedge explained how the system works and the importance of this new system.

The next category that Mrs. Cubbedge reviewed was safety and security related to transportation. She discussed the new system that is being piloted named Zpass. She said the system has badges that will track the student as they get on and off the buses. They are still working on it through the pilot program.

Mrs. Cubbedge stated that they are fulfilling the commitments that were made to the voters. Mr. Cook asked about the budget versus actual numbers and Mrs. Cubbedge stated that she could send that out to the committee. Mrs. Connor asked about the high number of false alarms with Centegix. Mrs. Cubbedge explained that they are still working through the kinks and that part of it is knowing how many times to push the button, so it is a learning process. She also stated that it is good to

know though that the system does work. Mrs. Cubbedge also explained that the state allocation was only enough for the cell phone app, but the district wanted a better system. She asked Mr. Kirkland how many other districts are using Centegix and he said only a handful. He also stated that most districts were using the cell phone apps. Mr. Albanesi asked about the cost for Centegix and Mrs. Moore said it was about \$1.3 million. Mrs. Little stated that it is overwhelming to think about all the safety and security improvements that have been made since the committee first began and she gave kudos to the district. Mrs. Cubbedge stated that she did not know what we would do with out the sales tax. Mrs. Little stated the committee definitely needed to promote the sales tax before the next vote. Ms. Connor stated that Duval County was trying to pass a half-cent tax for teacher salaries which would be needed next. Ms. Dillon said there were still about 80 vacancies. Mrs. Cubbedge stated that there is a large sub-pool, but Mrs. Hutchins has referred to substitutes as “at will” employees. Mrs. Cubbedge stated that they are watching what will happen with the St. Johns County capital sales tax on the ballot in the next election. Mr. Mahoney asked about the projections based on development and the need for new schools. Mrs. Cubbedge said that the district will need 21 schools in the next 20 years. There was then a discussion about how to handle items without the sales tax and the legislature’s actions impacting the districts. Mr. Mahoney asked about how to optimize impact fees and could more be charged. Mrs. Cubbedge explained that the school impact fees are recalculated every 5 years, but the power is with the Board of County Commissioners (BCC). She also explained that the sales tax had to be counted as a revenue source against impact fees which brought the impact fees down, even though the impact fees were implemented at the top level. She stated that legally the BCC had to include the sales tax. Mr. Mahoney asked about the impact of the county’s half cent tax for the school district and Mrs. Cubbedge said that she did not know. Mrs. Laguardia raised the question of the legislature compensating for not giving enough in funding. A discussion followed regarding funding and the interpretation of the statute governing sales tax and impacts on sales tax. Mrs. Cubbedge stated that the district must be compliant with the law.

Public Comment

None.

Next Meeting Date/Time

The next meeting will be held on Monday, December 19, 2022, at 4:00pm at the Fullerwood Training Center, 10 Hildreth Drive, St. Augustine, FL 32084.

Adjournment

The meeting was adjourned at 5:17pm with a motion by Mr. Cook and seconded by Mr. Mahoney.

Minutes submitted by Judith Harvey