

## **REGULAR MEETING - APRIL 17, 2000**

The Invocation was offered by Mr. Hill; the Pledge of Allegiance was led by Mr. Taylor.

The School Board of Okaloosa County met in Regular Session on April 17, 2000, in the Fort Walton Beach Administration Building, 120 Lowery Place, SE.

**PRESENT:** Rodney Walker, Chairman  
Cindy Frakes, Vice-Chairman  
Don Gaetz  
Howard Hill  
Lloyd Taylor

Walter Gordon, Superintendent  
C. Jeffrey McInnis, Esq., Attorney to the Board

The Chairman called the meeting to order at 6:00 p.m. and welcomed visitors and presenters.

### **APPROVAL OF AGENDA:**

The Chairman approved the request of Mr. McInnis to delete the Articulation Agreement with Troy State University. All other changes were approved at Workshop.

Motion to approve the Agenda as amended was made by Mr. Hill, seconded by Mrs. Frakes and carried unanimously:

Consent Agenda (C.A.): Item #2 was moved to D.A. #6; item #3 was moved to D.A. #7; item #15 was moved to D.A. #8; item #16 was deleted; added as item #24A(2), TRO Learning, Sole Source Request, for Niceville High

Discussion Agenda: (D.A.): Added as item #5, Recommendations of the Zoning Committee regarding Combs-New Heights Elementary; added as item #6, C.A. #2; added as item #7, C.A. #3; added as item #8, C.A. #15

Construction Program Business: Added as item #2, Program Status Report for March 2000

The Chairman stated that Discussion Agenda #4, Okaloosa County School District Strategic Plan, would be considered at this time to accommodate visitors and presenters.

### **DISCUSSION AGENDA (#4):**

4. The Superintendent recommended approval of the Okaloosa County School District Strategic Plan for 2000-2003. He stated that funding for the plan would be addressed during the regular budget process.

Motion to approve the Okaloosa County School District Strategic Plan for 2000-2003 subject to funding and staffing was made by Mrs. Frakes, seconded by Mr. Gaetz and carried unanimously (Exhibit 00-229).

### **VISITORS:**

1. The Ruckel Middle School Math Counts Team was recognized as the State Champions for the second consecutive year. Superintendent Gordon presented certificates to the team members and coach.
2. The Special Olympics Basketball Team was recognized as the State Champions and certificates were presented to the team members and coaches. On a motion by Mr. Gaetz and seconded by Mr. Hill, Resolution 00-4 honoring their

## **REGULAR MEETING - APRIL 17, 2000**

accomplishments was unanimously adopted and presented to the team by Mr. Gaetz.

3. The Okaloosa County School District School-Related Employee of the Year and Finalists were introduced by their Department Supervisor. Finalists were Roy Spann, Data Processing; Mary Wells, Southside Elementary; Betty Jo Holloway, Human Resources Department. The School-Related Employee of the Year was Debra Kosche of Walker Elementary. Each was presented a plaque by the Superintendent.
4. Janet Hays recognized the Okaloosa Reading Council Officers for their outstanding contributions to the reading profession. Under the leadership of these officers, the 1999-2000 Council was selected as an Honor Council Program by the International Reading Association.

### **PUBLIC DISCUSSION:**

1. Linda Smith expressed her dissatisfaction with the ESE services provided to her student at Mary Esther Elementary (Exhibit 00-230).
2. Barbara Hunt expressed concern that the middle and high school students of an employee at Valparaiso Elementary were allowed to be on the school campus unsupervised by an adult and stated that she believed it to be unsafe for the older students to be with the elementary students (Exhibit 00-231).
3. Becky Reynolds, Okaloosa County School Food Service Association (OCSFSA) President-Elect, addressed the Board with concerns regarding the possibility of the District Nutrition Center being privatized, problems that have been addressed and overcome by the Food Service staff and the commitment of the staff to the program and the students they serve (Exhibit 00-232).
4. John Tyre, member of OCSFSA, stated concerns regarding privatization of the food service program and encouraged the Board to support the Nutrition Center by allowing them the time needed to implement the program successfully and profitably (Exhibit 00-232).
5. Donna Cornwell, OCSFSA Secretary, spoke in defense of the food service program and staff. She addressed measures taken to improve the program and to increase participation. She encouraged the Board to continue to support the program without the threat of privatization (Exhibit 00-232).

Mr. Gordon stated that there were some problems in the first year of operation, which is to be expected. Staff has worked diligently to overcome these problems and through some very innovative ideas has successfully increased participation in the program and the program is now operating in the black.

### **PERSONNEL APPOINTMENTS:**

1. The recommendation of the Superintendent for the appointment of Mike Owens as the Athletic Director/Head Football Coach at Fort Walton Beach High School was approved on a motion by Mr. Taylor, seconded by Mr. Hill and carried unanimously (Exhibit 00-233).

### **COMMITTEE AND STAFF REPORTS (Workshop Only):**

1. Facilities Construction Update, presented by Bill Smith
2. Update on the Florida High School On-Line Program, presented by Donna Wiseman

## **REGULAR MEETING - APRIL 17, 2000**

3. Update on Employee Health Care Insurance Coverage, presented by Jim Palmer (Exhibit 00-234)
4. Report on Interim Financial Review, presented by Carr, Riggs, and Ingram (Exhibit 00-235)

### **CONSENT AGENDA:**

Motion to approve the Consent Agenda as amended was made by Mr. Hill, seconded by Mrs. Frakes and carried unanimously:

1. Minutes of Special Meeting of March 22, 2000; Minutes of Workshop Meeting of March 27, 2000; Minutes of Regular Meeting of March 27, 2000; and Minutes of Special Disciplinary Hearing of March 27, 2000, recommended by the Superintendent for approval.
2. Moved to Discussion Agenda #6 - Budget Amendment #6, presented by Dennis Hundley and recommended by the Superintendent for approval.
3. Moved to Discussion Agenda #7 - Monthly Financial Reports for March 2000, presented by Dennis Hundley and recommended by the Superintendent for approval.
4. Payment of Invoices dated April 17, 2000, presented by Dennis Hundley and recommended by the Superintendent for approval (Exhibit 00-236).
5. Warrants in the amount of \$32,379,826.57, presented by Dennis Hundley and recommended by the Superintendent for approval (Exhibit 00-237).
6. Acceptance of donation to Destin Elementary School from the Louise H. Miller Foundation in the amount of \$10,000 to assist the Technology Program, presented by Dennis Hundley and recommended by the Superintendent for approval (Exhibit 00-238).
7. Acceptance of donation to Fort Walton Beach High School tennis team in the amount of \$500 from the Northwest Florida Tennis Association and to the Fort Walton Beach High School Key Club in the amount of \$760 from The Kiwanis Club of Fort Walton, presented by Dennis Hundley and recommended by the Superintendent for approval (Exhibit 00-239).
8. Surplus Property List #00-20, Media Services, film to be disposed of, presented by Dennis Hundley and recommended by the Superintendent for approval (Exhibit 00-240).
9. Surplus Tires to be disposed of, Transportation Department, presented by Jay McInnis and recommended by the Superintendent for approval (Exhibit 00-241).
10. Volunteer List, compiled by Gayle Grimes and recommended by the Superintendent for approval (Exhibit 00-242).
11. New Community Education Class: Darkroom Photography Lab, presented by J. J. Steele and recommended by the Superintendent for approval (Exhibit 00-243).
12. New Community Education Class: Summer Math Class for Fourth Graders, presented by J. J. Steele and recommended by the Superintendent for approval (Exhibit 00-244).

## REGULAR MEETING - APRIL 17, 2000

13. Partner/Host Site Contract for Services of AmeriCorps OWCC Members at thirteen (13) Okaloosa County Schools, recommended by the Superintendent for approval (Exhibit 00-245).
14. Department of Juvenile Justice Centers calendar for 2000-2001, presented by Mary Gunter and recommended by the Superintendent for approval (Exhibit 00-246).
15. Moved to Discussion Agenda #8 - Summer School 2000 Calendar, presented by Mary Gunter and recommended by the Superintendent for approval.
16. Deleted - Articulation Agreement between the School Board of Okaloosa County and Troy State University for The University Schools, presented by Mary Gunter and recommended by the Superintendent for approval.
17. Adoption of Harcourt Science as the K-5 science instructional materials for 2000-2006, presented by Patti Boyles and recommended by the Superintendent for approval (Exhibit 00-247).
18. Application for continuation of the COMPACT Grant Program at Crestview High School for 2000-2001, presented by Mary Gunter and recommended by the Superintendent for approval (Exhibit 00-248).
19. Personnel Recommendations, presented by Becky Spence and recommended by the Superintendent for approval:
  - A. New Hire Report (Exhibit 00-249)
  - B. Leave Requests (Exhibit 00-250)
  - C. Transfer Report (Exhibit 00-251)
  - D. Suspension of Employee #263-80-7249 (Exhibit 00-252)
20. Employment Separations, presented by Becky Spence and recommended by the Superintendent for approval (Exhibit 00-253).
21. Reinstatement of Sick Leave due to line-of-duty illness/injury/medical examination, presented by Becky Spence and recommended by the Superintendent for approval (Exhibit 00-254):
  - A. Novella Baggett, Sikes Elementary, ½ day
  - B. Perry Barrow, Meigs Middle, 5 days
  - C. Diane Boyett, Baker School, 4 days
  - D. Katie Elizabeth Homer, Bluewater Elementary, 12 hours
  - E. John Mike Killimett, Bruner Middle, 2 days and 12 hours
  - F. Judith Talley, Meigs Middle, 1 day
  - G. Robert Washington, Niceville High, 6 days
22. Zoning Waivers, presented by Emmett Windham and recommended by the Superintendent for approval (Exhibit 00-255).
23. Customer Service Agreement between the School Board of Okaloosa County and Southern LINC for activation of emergency radios, presented by Emmett Windham and recommended by the Superintendent for approval (Exhibit 00-256).
24. Bids and Purchasing, presented by Rick Norris and recommended by the Superintendent for approval (Exhibit 00-257; see bid file for additional information):
  - A. Approval of Bids and Purchasing Requests:
    - (1) The College Board, sole source for purchase of instructional software in the amount of \$16,568.00, Fort Walton Beach High School

## REGULAR MEETING - APRIL 17, 2000

- (2) TRO Learning, sole source for purchase of PLATO courseware in the amount of \$28,904.00, Niceville High School

B. Rejection of Bids and Purchasing Requests: None

25. Application for Florida COMPACT Grant submitted by Fort Walton Beach High School, presented by Mary Gunter and recommended by the Superintendent for approval (Exhibit 00-258).

### DISCUSSION AGENDA:

1. School Improvement Plan Requests, Responses and Updates, presented by Mary Gunter and recommended for approval by the Superintendent were approved on a motion by Mr. Hill, seconded by Mr. Taylor and carried unanimously (Information on file in the District School Improvement Office):
  - A. Change in membership of the Baker School Advisory Council
  - B. Waiver of Pupil Progression Plan to provide original credit summer school courses - Choctawhatchee
2. Motion to remove from the table the Budget Allocation Committee Report for FY 2000-2001 was made by Mr. Hill, seconded by Mr. Taylor and carried unanimously.

Mr. Hundley stated that due to the difficulty in understanding the current school budget allocation formula, it has been discarded and a new formula developed by J. C. Connor with the assistance of the Small School Committee and input from the school principals and finance staff.

Guyla Hendricks, Chairman of the Small School Committee, stated that in collaboration with Mr. Hundley and Mr. Connor, the committee looked for a way to reduce or adjust a single lump sum that is provided to schools based on their designation as a small school. Another objective was to redefine small school. The formula looks at several criteria for funding which include the unique population of each school, the earning power of students at each school, and the spending obligation of each school to meet the needs of its students.

J. C. Connor stated that he looked at the State's FTE funding model to develop a formula for allocating funds to the schools. He explained the formula step-by-step beginning with establishing a base student allocation which is then adjusted by school size using weighted FTE, then by the mobility rate of the school, and the percentage of ESE and free/reduced lunch population. A minimum base student allocation was established and any school falling below that number will receive a supplement. Mr. Connor stated that the formula was designed to empower the Allocation Committee to make adjustments as needed.

Mr. Connor responded to questions from the Board and offered further explanation of the formula.

Mrs. Hendricks stated that the formula is being recommended because it is a more equitable distribution of funds among all schools using a number of factors to determine funding for the schools based on actual data and it places responsibility for financial solvency on all schools. The formula is evident, it is clear, it makes sense, it is easy to adjust if reductions or additions are suggested, it is exact, and there is a visual representation of allocations for all schools. The formula uses the same process of allocation for all school levels and use of the formula allows greater flexibility to the schools to determine the staffing needs based on the individual school program. All principal members of the Small School Committee agreed that they could operate their school on the budget allocated by the new formula. In

## **REGULAR MEETING - APRIL 17, 2000**

conclusion, Mrs. Hendricks stated that the formula was presented to the School Budget Allocation Committee and was unanimously approved.

Motion to approve the School Budget Allocation Formula as presented was made by Mr. Taylor, seconded by Mrs. Frakes and carried unanimously (Exhibit 00-259).

3. Mrs. Frakes moved to reconsider the starting dates for the 2001-2002 school year and to establish August 1, 2001, as the starting date for teachers and August 7, 2001, as the starting date for students. She explained that at the previous meeting the Board had objections to the 2001-02 calendar that was presented but the starting dates were approved. Mistakenly she used the 2000-01 school calendar starting dates when she made the motion to establish starting dates for 2001-02.

The motion was seconded by Mr. Hill and carried 3-2, Mr. Gaetz and Mr. Taylor dissenting.

4. The Okaloosa County School District Strategic Plan for 2000-2003 was considered and approved at the beginning of the meeting to accommodate visitors (Exhibit 00-229).
5. Mr. Gordon presented and recommended approval of the recommendation of the Zoning Committee to freeze any new zoning waivers from Combs-New Heights Elementary School to any other elementary school effective April 18, 2000 (Exhibit 00-260).

Motion to approve the recommendation as presented by Mr. Gordon was made by Mr. Hill, seconded by Mr. Taylor and carried unanimously.

6. Budget Amendment #2 was placed on the table until the next meeting on a motion by Mr. Taylor, seconded by Mrs. Frakes and carried unanimously.
7. Motion to table the Monthly Financial Report for March 2000 was made by Mr. Gaetz, seconded by Mrs. Frakes and carried unanimously.
8. Motion was made by Mr. Taylor to approve the Summer School 2000 Calendar and authorize funding of summer school from the 2000-01 FY budget. The motion was seconded by Mr. Hill and carried unanimously. (Exhibit 00-261)

### **CONSTRUCTION PROGRAM/OWNER'S REPRESENTATIVE'S BUSINESS:**

1. Motion was made by Mr. Gaetz to approve Amendment No. 1 to the Program Management Agreement between Jacobs Facilities, Inc., and BTG, Inc., Delta Research Division approving GMP adjustments and fee credits for Program No. 2, Task Order No.1, No. 2 and No. 3 as recommended by Mr. McInnis. The motion was seconded by Mr. Taylor and carried unanimously. (Exhibit 00-262)
2. The Board acknowledged receipt of the Program Status Report for March 2000 covering the activities of Sverdrup/Delta on the Okaloosa County School District Construction Management Program, submitted by Ray Gabriel, Program Manager (Exhibit 00-263).

**BIDS AND PURCHASING:** None

### **ATTORNEY'S BUSINESS:**

Mr. McInnis advised the Board that he needed to schedule a closed Attorney-Client session to discuss pending litigation. He suggested the session be held on May 4, 2000,

## **REGULAR MEETING - APRIL 17, 2000**

beginning at 8:00 p.m. in the Fort Walton Beach Administration Building. The Chairman approved the session as recommended.

### **BOARD MEMBERS' BUSINESS:**

Mrs. Frakes requested the Superintendent provide to the Board two weeks prior to the beginning of the budget workshops a list of district staff travel expenses broken down by employee, the type of training or conference attended, the location, the dates they were away from the district and the total cost to the district.

Mr. Hill stated that he has received complaints about the new substitute management system. Mrs. Spence responded that there have been some problems but they are working on changes to correct them. She also stated that she is planning a training program this summer for potential substitutes.

### **SUPERINTENDENT'S BUSINESS:**

1. Crestview High School band to perform at the "American Musical Salute to the New Millennium 2000" in San Antonio, Texas, May 4-8, 2000 (Exhibit 00-264).
2. Florosa Elementary fifth grade students to travel to New Orleans, Louisiana, on May 12, 2000 (Exhibit 00-265).
3. Niceville High School football team to play Bridgeport High School at Texas Stadium in Dallas, Texas, September 28-30, 2000. The cheerleaders will be accompanying the team. (Exhibit 00-266)
4. Submission of the instructional personnel recommendations for 2000-2001 school year (Exhibit 00-267)
5. Submission of the administrative (Exhibit 00-268) and managerial (Exhibit 00-269) personnel recommendations for 2000-2001 school year

As a result of the information presented by the firm of Carr, Riggs, and Ingram at the Workshop indicating that the district needed to take immediate actions to reduce spending due to the projection that the district will be over budget by the end of the fiscal year, Mr. Gordon presented a list of options to stop the decline of the Fund Balance to be considered by the Board. He stated that some of the proposals are for immediate action, some will be over the next year, and that this list is not all the recommendations that he will be making. At budget time there will possibly be some recommendations for additional cuts. He asked the Board to go down the list and make comments. (Exhibit 00-270)

Mr. Walker stated that of the recommendations listed he agreed that placing a freeze on hiring, discretionary spending, and out-of-county travel could be done immediately. However, it is too late in the year to take any drastic measures but that all options need to be considered in next year's budget. With only two months left in the fiscal year, not much impact can be made on the budget at this point.

Mr. Hill asked if the Fund Balance as of the end of March and the 4<sup>th</sup> FEFP calculation were available as requested at the Workshop.

Mr. McInnis advised the Board that the Chairman would need to add this to the Agenda as an emergency item if any action was to be taken at this meeting.

Motion to add to the Agenda as an emergency matter Proposals Related to Increasing the Fund Balance was made by Mr. Hill, seconded by Mrs. Frakes and carried unanimously.

## REGULAR MEETING - APRIL 17, 2000

Motion was made by Mr. Hill to approve the recommendation of the Superintendent to place a freeze on hiring, discretionary spending, and out-of-county travel for the remainder of the fiscal year. The motion was seconded by Mrs. Frakes.

After discussing what would be considered discretionary spending, Mrs. Frakes withdrew her second since this prohibits the schools from buying supplies they made need such as copy paper and other paper products.

Mr. Hill asked Mrs. Frakes if she would second the motion if he amended the motion to freeze discretionary spending at the district level only and not the schools. Mrs. Frakes agreed to second the motion with the stated amendment. The motion as amended carried unanimously.

Board members indicated that they would need more information and definitive numbers relative to the amount of savings from the proposed budget cuts. Mr. Hill stated that if personnel cuts are to be made, then information outlining the duties and responsibilities of each position needs to be presented to the Board. Mr. Walker stated that he was not prepared to cut principals' salaries at this time and that he was against deleting personnel immediately.

Mr. Gaetz stated that he would have to give the Superintendent credit for making a good faith effort to make some serious budget cuts to reduce spending. He further stated that he was prepared to approve at this time more of the recommendations made by the Superintendent than the other board members. While members of the Board may have different ideas about where to make the cuts, making serious cuts cannot be put off. The Board's accountant has told the Board that drastic action needs to be taken immediately.

Mr. Hill stated that he was prepared to come back into session at any time this week to consider recommendations for this year. However, some of these recommendations are for the next year and do not need to be considered immediately.

Mr. Walker stated that he would schedule a budget meeting and that he wanted to see at this meeting the end of March Fund Balance, the 4<sup>th</sup> FEFP calculation, and the projected savings for any recommended budget cuts.

Alan Jowers of the accounting firm of Carr, Riggs, and Ingram stated that the Fund Balance as of the end of March shows an increase due to additional Impact Aid Funds received in the amount of \$214,809 and an increase of approximately \$400,000 in the 4<sup>th</sup> calculation due to an increase of approximately 100 students. In the report made at Workshop he had projected a decrease of approximately 50-60 students. (Exhibit 00-235)

Mr. Gordon asked Mr. Jowers if he had the opportunity to look at the Reserve accounts in the original budget document because the budget screen is showing three separate reserve accounts. Mr. Jowers responded that as of June 30, 1999, there was a \$1 million reserve for FTE, a \$1 million reserve for retirement and a \$2.197 million reserve for self-insurance.

Mr. Gordon stated that every year \$1 million is placed in a reserve account in case of a FTE shortfall and that he believes the money is still there. The Finance staff ran a printout of the Reserve Accounts today and it shows that the money is still in the account but has been mislabeled in the budget system as an Insurance Reserve account. The printout shows a Self-Insurance Reserve account of \$2.197 million, a Retirement Reserve account of \$1 million and another Insurance Reserve account of \$1 million which is believed to be the FTE Reserve account.

Mr. Gaetz asked if the proposed cuts were still necessary if there is, in fact, a million dollars in the reserve account. Mr. Gordon responded that he was still prepared to make the cuts based on the impact it would have on the budget for the following year.



## **REGULAR MEETING - APRIL 17, 2000**

The Chairman closed the discussion and set a Special Meeting regarding the budget on Wednesday, April 19, 2000, beginning at 9:00 a.m. in the Fort Walton Beach Administration Building. He directed the Superintendent and his finance staff along with the Board's accounting firm to determine if the reserve funds are in the budget and to determine the actual Fund Balance to date. He stated that any recommendations that need to be considered based on the actual findings will be discussed at that time.

Based on the discrepancies regarding the financial status of the district, Mr. Hill moved to rescind the previous motion to place a freeze on hiring, discretionary spending at the district level, and out-of-county travel for the remainder of the fiscal year. The motion was seconded by Mr. Taylor and carried unanimously.

There being no further business to come before the Board, and upon motion being duly made and seconded, the meeting was adjourned at 9:00 p.m.

Teresa Epperson, Recorder

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WALTER C. GORDON  
SUPERINTENDENT AND  
EX-OFFICIO SECRETARY

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RODNEY L. WALKER  
CHAIRMAN OF THE BOARD