

**WORKSHOP MEETING – JUNE 30, 2010**

The School Board of Okaloosa County met in Workshop Session on June 30, 2010, in the School District Administration Building, 120 Lowery Place, SE, Fort Walton Beach, Florida.

PRESENT: Rodney Walker, Chairman  
Cindy Frakes, Vice-Chairman  
Howard Hill  
Chuck Kelley  
Cathy Thigpen

Alexis Tibbetts, Superintendent  
C. Jeffrey McInnis, Esq., Attorney to the Board

The Chairman called the meeting to order at 8:30 a.m. for the purpose of reviewing district department draft budgets for the 2010-2011 fiscal year.

Mrs. Rita Scallan provided a budget analysis of each department and a draft budget for each department for reference in addressing budget items with each department supervisor. The budget analysis compares the original 2009-2010 budget with the proposed 2010-2011 budget. She explained that the variances in salaries and benefits in each department reflects changes in positions as well as changes in salaries, health insurance, FICA, etc.

Steve Bolton stated that the major reductions in the Maintenance Department include eliminating a clerk position (effective October 1, 2010), non-renewal of the lease for a copier, reductions in fuel costs, and reducing overtime costs. He explained that overtime pay is reserved for emergency situations and employees are given compensatory time when overtime is otherwise required.

Mr. Bolton explained that the budget for the Niceville Central Complex covers the custodial services and utilities for the complex. The reduction in garbage fees reflects the amount of funds for boxes and dumpsters left over in the current year after the moving of schools and relocation of teachers. Mrs. Scallan explained that prior to the 2010-2011 budget the electricity cost was charged to each department in the complex. Those funds are now being taken from the other departments and the facility will be treated the same as Carver Hill and Lowery Place. It will be a cost to the district for operating that facility. The credit union is charged a portion of the electricity cost in their lease, and based on the direction of the Board during the June 28 regular meeting, beginning with the 2010-2011 fiscal year Sodexo will be charged a proportionate share of the cost.

Mr. Hill made a correction to the statement he made during the June 28 meeting regarding the percentage of participation in the customer satisfaction survey conducted by the Haas Center. After reviewing the report, Mr. Hill stated that there is approximately a 20% participation rate in the survey.

Mrs. Scallan reviewed the Superintendent's budget. Minor adjustments were made in various budget categories with reductions being in the cost of supplies, the lease for the copier and temporary personnel services.

Dr. Bill Smith reviewed the budgets for Educational Support Services and School Plant Planning departments. He stated that the only budget increase in these two departments is the cost of the lease on the copier which will be shared with other departments in the complex. Mr. Hill questioned the need for funds in the repairs/maintenance category. Dr. Smith responded that funds are appropriated in case there is a need to repair equipment such as the blueprint plotter in his office.

Mr. Hill stated that the civil engineer department from Eglin AFB will be conducting energy audits for the county and the school district has been invited to participate. Dr. Smith stated that the company that performed the district's lighting

**WORKSHOP MEETING – JUNE 30, 2010**

retrofit program was very thorough but he will contact the civil engineer's office regarding their services.

Rodney Nobles reviewed the budget for Deputy Superintendent for Operations and there were no questions from the Board.

Jay McInnis reviewed the budgets for the Transportation Departments (north, central and south zones). Increases were made for repair parts and tires because additional funds were needed in those areas during the current year. Mr. McInnis stated that the significant savings for the department is in eliminating the Nextel phones from the buses for the coming year; however, all buses will be equipped with a radio. Mr. Nobles added that the Nextel program was not as efficient as it was represented to be and the savings it promised was not evident. Mr. McInnis stated that additional funds have been spent recently to add and replace radios for the buses.

Mr. Walker noted that there was no increase to the budget for fuel and diesel. The Board agreed that the proposed amount was insufficient and directed Mrs. Scallan to add \$100,000.00 to the budget for fuel and diesel for the 2010-2011 fiscal year. This amount will be distributed proportionately among the three transportation zones.

In response to Mr. Hill's questions, Mr. McInnis stated that the district currently has Vehicle Maintenance Contracts with Liza Jackson Preparatory School, Okaloosa Academy, Northwest Florida State College, and Emerald Coast Marine Institute. Any increase in fees would need to be addressed at the time these contracts are renewed.

Mr. Kelley questioned the variance in the increase in the cost of group health insurance among the three transportation zones. Mrs. Scallan responded that it is dependent upon the number of participants in the insurance program. Transportation has a large turnover in employees and the participation rate changes as the employees change.

Mr. McInnis advised the Board that additional video cameras have been purchased specifically for the buses that will serve Valparaiso School and Lewis School due to the parents' concerns with having students of varying ages on the buses. Fifteen cameras have been purchased through the state bid which gives the district a total of 38 buses with cameras.

Mr. Kelley asked Mr. McInnis if he has been approached by businesses about advertising on buses. Mr. McInnis responded that he has not been asked by local vendors. He stated that advertising on buses is regulated by the state. There are specific rules regarding advertisements inside the bus and advertising on the outside of the bus is prohibited by the state.

Mrs. Scallan reviewed the budget for Chief Financial Officer and there were no significant changes. Mrs. Frakes asked if the Director of Budgeting position is going to be filled. Mrs. Scallan responded that the position has been budgeted but in trying to cut costs she is not planning to fill the position right now. She added that at some point she may want to fill the position. If someone internally moved into that position, she would probably not fill the lower position. Board members expressed their appreciation for her efforts to cut costs but also offered their support for filling the Director position when she was ready to do so.

Perry Rich reviewed the budget for the Bay Area Office. There were no questions from the Board.

Mrs. Scallan reviewed the budget for the Purchasing Department. She noted that there is a reduction in printing and postage due to the change in Board policy regarding bids.

## WORKSHOP MEETING – JUNE 30, 2010

Mrs. Scallan reviewed the budget for Risk Management. There were no questions from the Board.

Mr. Mike Foxworthy reviewed the budget for the Human Resources Department. Mr. Kelley questioned the increase in the supply budget. Mr. Foxworthy responded that the carryover funds from fingerprinting were absorbed into this budget. Mr. Foxworthy noted that there is a reduction in out-of-county travel and that is funds typically used to send employees to negotiator training.

Mrs. Kaye McKinley presented the budget for Deputy Superintendent for Curriculum, Instruction & Assessment. There were no questions from the Board.

Mrs. McKinley also presented the budget for Community Affairs. She stated that the biggest expense in this department is the cost of fingerprinting volunteers. Mrs. Frakes asked if the amount budgeted would cover the travel expenses for the program coordinator. Mrs. McKinley responded that part of the coordinator's travel is paid through the Take Stock in Children budget.

Mr. JC Connor reviewed the budget for Information Systems and the Carver Hill Administration Complex. He stated that savings have been achieved through personnel retirements and filling those positions at a lower salary level; reduction in courier service and assigning additional duties to the couriers; and eliminating third party vendors when possible. The budget for Carver Hill covers the maintenance and utilities for the complex and is also the pass-through budget for Telco and E-rate. He noted that the old gym has been refurbished and is now used as a storage facility and surplus center.

Mr. Kelley questioned the large decrease in the telecommunications-internet budget. Mrs. Scallan stated that after reviewing the telecommunications-internet budget and the telephone-local budget for the past two years it was determined that these budgets were larger than needed.

Mrs. Thigpen asked Mr. Connor to address the change in position of Custodian to Warehouse-Grounds Personnel. Mr. Connor stated that this is a clean-up from several years ago when an employee was moved from the Surplus Warehouse to the Custodian I position but was placed on the wrong salary schedule. Since it would have been a further reduction in pay to place him on the District Level Custodian salary schedule, his assigned duties were evaluated and he has been assigned additional duties related to the warehouse that has been established at Carver Hill and some grounds work at Carver Hill and the Southside Center. By moving him into the Warehouse-Grounds position, his pay will remain the same but he will have additional duties.

Mrs. Scallan reviewed the budget for Budgeting Services. There were no questions from the Board.

Mrs. Carolyn McAllister presented the budget for Staff Development. She stated that the budget has been significantly reduced and Title II funds are used to supplement district funding whenever possible.

Mrs. Scallan reviewed the budget for Accounting Services. She stated that an increase in repairs has been budgeted because there have been problems with the check signing machine and some printers in the department. Previously there were no funds budgeted for repairs and the cost was absorbed by the CFO's department.

Mrs. Frakes asked the amount spent district wide for overtime. Mrs. Scallan responded that to date the district has paid \$79,187.13 excluding the Transportation Department. The bulk of overtime pay is for bus drivers but the cost may be reflected in other ways since they are paid hourly. Board members asked that they receive a monthly report on overtime pay.

**WORKSHOP MEETING – JUNE 30, 2010**

The budgets for Quality Assurance and Student Intervention Services were reviewed with no further questions from the Board.

Mr. Kelley asked the reason for the increase in salaries and in software in the Instructional Technology budget. Dolores Noechel responded that there is an increase in the subscription cost for UnitedStreaming but there will be an improvement in services to the schools. The salary increase reflects a portion of the technology trainer's salary which was previously paid from Enhancing Education Through Technology funds. The EETT funds will not be available in 2010-2011.

Mary Beth Jackson presented the budget for CHOICE. For clarification Mrs. Scallan stated that last year the CHOICE Director position was budgeted but held vacant. Later in the year the funds were reallocated to another area at the direction of the Board. The position is again being budgeted but held vacant for 2010-2011. Under the District Level Downsizing section of the budget the position is shown as being held vacant so there is zero impact to the budget.

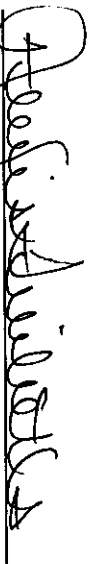
In reviewing the budget for the Curriculum, Instruction & Assessment Department, the Board asked for clarification on the funding of the Curriculum Director position. Mrs. Scallan responded that the position was not funded in 2009-2010. For 2010-2011 the position has been budgeted but will not be filled. She again referred to the District Level Downsizing section of the budget where the position is shown as being held vacant and there is zero impact to the budget.

After discussing the budgeting process for the two director positions, the Board directed Mrs. Scallan to eliminate the CHOICE Director position and the Curriculum Director position from the respective department budgets. The Board further directed Mrs. Scallan to keep the Budgeting Director position in the budget and funds available to fill the position when she is ready to do so.

Mrs. Scallan asked the Board for any suggestions to improve the budget review process. Board members stated that the budget comparison for each department was very helpful and they would like to receive this information prior to the workshop next year.

There being no further business, the meeting was adjourned at 11:25 a.m.

Teresa Epperson, Recorder



ALEXS TIBBETTS, Ed.D.  
SUPERINTENDENT AND  
CORPORATE SECRETARY



RODNEY L. WALKER  
CHAIRMAN OF THE BOARD