

**THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA**

**JOINT MEETING OF THE DIVERSITY COMMITTEE AND THE FACILITIES TASK FORCE**

**Kathleen C. Wright Administration Building**

**May 7, 2009**

**SUMMARY**

**CALL TO ORDER**

The meeting was called to order, at 6:40 p.m. by **Roland Foulkes**, Diversity Committee Chair.

**Diversity Committee Members Present:**

Dr. Veda Bailey	Patrick Jabouin	Leslie Sparks
Yvette Colbourne	Bapthol Joseph	Barbara Williamson
Stephanie Desir-Jean	Marguerite Luster	Suzanne Yach
Randy Fleischer	George Pedlar	Student Representative
Roland Foulkes	Ernestine Price	Graham Rabinowitsch
Phoebee Francois	Nancy Rogan	Alyce Zahniser

**Facilities Task Force Members Present:**

Christian Chiari	Charlotte Greenberg	John Perez, Vice Chair
Ozzie Davenport	Andrew Ladanowski	Marvin Quittner
Steve Feldman	Robert Marks	Robert Rubin
Linda Ferrara	Brett Nein	Pete Tingom

**Diversity & Cultural Outreach Staff:**

Dr. Elizabeth Watts, Director; Jean D. Darius, Coordinator; Latricia Lauture; Maryse Nelson; Dr. Mary Smith; Nancy Weintraub

**District Staff:**

Michael Garretson, Deputy Superintendent, Facilities & Construction Management; Omar Shim, Director, Capital Budget

**Mr. Foulkes** informed the participants that the purpose of the presentations was to gain input on how best to allocate the limited funding that is available to the School Board.

**Mr. Perez** commented that it is a very difficult time for the School Board as they decide what cuts to make in the Capital Improvement Project. He stated that only the most necessary projects would move forward. Safety and older projects must be taken into consideration. **Mr. Perez** announced that the next meeting for the Facilities Task Force is May 14, 2009.

## **PRESENTATIONS:**

### **Michael Garretson, Deputy Superintendent, Facilities & Construction Management**

**Mr. Garretson** stated that the Five-Year Capital Plan is the basis of the Five-Year District Educational Facilities Plan. The District has won several awards for its Capital Programs. Two years ago, his department put out approximately \$700 million worth of construction projects. Last year the amount was \$552 million. **Mr. Garretson** said the district has met and exceeded the Constitutional Amendment for the Class Size Reduction Act. Kitchens have been air-conditioned, 90 roofs that were damaged during Hurricane Wilma have been replaced, and mold and mildew problems have been resolved.

**Mr. Garretson** informed the Committee that although they have accomplished a lot with the Five-Year Capital Plan, the Plan is about to end. He said that they might have \$300 million dollars over the next two years to complete remaining projects. The issue is what should be done with the money and what priorities should be listed for the limited Capital Funds. Previously, there were plans to replace a dozen of the older schools. Based upon the significant budget impacts, this may not occur. He asked the members present to provide suggestions that he can take back to the Board. He did say that life safety has to remain the number one concern.

**Mr. Garretson** acknowledged that there are remaining ADA issues that need to be addressed before the schools can meet 100% compliance. It is also important for the schools to be maintained in their current condition or better and not return to previous maintenance issues, such as mildew. **Mr. Garretson** informed the Committee that maintenance, technology, buses, debt service, insurance, and transfer to maintenance budget are only some of the items that are funded through the Capital Budget. He added that the District has 38 million square feet of real estate.

**Mr. Garretson** listed project priorities in the following order:

1. Life Safety (e.g. indoor air quality, ADA, etc.)
2. Capacity Additions (e.g. new schools, class size compliance, etc.)
3. Replacement of educationally obsolete facilities
4. Remodeling, renovation, and maintenance of existing facilities
5. District Equipment (e.g. technology equipment, vehicles, etc.)

### **Omar Shim, Director, Capital Budget**

**Mr. Shim** informed the Committee that the Capital Plan and the Capital Budget are different from the General Fund budget and the Operating Budget. He pointed out that each year a tentative Five-Year Plan is discussed in June or July and adopted in August. Revenues and State projections are key components in developing the plan. Overall, the Capital Program is \$5 billion, which includes funding for inactive projects. **Mr. Shim** stated that the amount of previously funded projects is \$2.5 billion, \$500 million of which was adopted during the 2008-2009 school year. He said they also budget for debt service, which has to be paid each year, and is equivalent to paying a mortgage.

In August of 2008, \$2.5 billion was adopted for planned projects over the next five years. (A handout titled "Impact to Capital Revenue" was distributed.) Last year, prior to the Capital Plan being adopted, the Legislature cut \$.25 mill out of the funding. There is an option in 2009-2010 to shift \$.25 mills back to capital. After 2009-2010, the \$1.5 mills for capital will be permanent.

### **Impact of Legislative Changes:**

- Estimated impact to previously budgeted projects and the Five-Year Plan is an additional \$450 million reduction.
- Based on this additional reduction, there is no available funding for capital projects, technology, equipment, buses and maintenance vehicles going forward.
- This reduction will make it difficult to meet debt service, contractual obligations, and critical fixed capital outlay needs for the next five years.

The capital millage will generate approximately \$1 billion over the next four years. Out of this amount, \$779 million has to be used for debt service. Other contractual obligations amount to \$30 million. Maintenance Transfers amount to \$250 million, ongoing projects require salary payments amounting to \$68 million. Not counting projects initially planned for in the Five-Year Capital Plan, the shortfall over the next five years is about \$38 million.

For the last Five-Year Plan, the Legislative Office of Economic and Demographic Research provided an estimate of projected property values increase of 21.7% over the next four years. However, March 2009 projections, from the same office, estimated that the values would decline by 19.8%. Consequently, many previously budgeted projects will have to be removed from the capital program.

### **Capital Budget Reductions:**

- Based on declining taxable value and the decrease in capital outlay millage, the District will not be able to issue any more Certificates of Participation (COPs) after the 2008-2009 COPs sale.
- This will affect the entire capital outlay program, including previously budgeted and future planned projects in the District Educational Facilities Plan.
  - Out of the future planned projects in the District Educational Facilities Plan, \$1.5 billion will have to be removed.
  - Additionally out of the previously budgeted \$2.5 billion budget, \$660 million in projects will have to be removed.

### **Federal Stimulus for Construction:**

- Interest Free/Tax-Subsidized School Construction Bonds
  - Qualified School Construction Bonds (QSCB): borrow money interest-free
  - Build America Bonds (BABs)
  - Federal authority for approximately \$50 million in 2009-2010 and \$50 million in 2010-2011
- Staff is exploring the option of restructuring the 2008-2009 \$130 million COPs (to be issued) to take advantage of these interest-free programs. The belief is that by using these programs the District may be able to issue an extra \$50 million next year (2009-2010).

**Mr. Shim** informed the Committee that the School Board is interested in funding the most critical projects. They are currently going through the Five-Year Plan, to determine which projects are do-able.

### **DISCUSSION**

**Mr. Chiari** asked if the demographic data presented in the handout were the only data being relied upon when it came to establishing the Five-Year Plan, and whether or not the information was conservative. **Mr. Shim** responded that the data used to make the projections came from the Local

Property Appraiser's Office. He informed everyone that the MIT scholars and Harvard business scholars were unable to accurately project how the economy was going to do. As a result, the State has been downgraded because of incorrect projections.

**Mr. Chiari** asked if data was being collected from additional sources in light of the fact that the decisions being made affect the use of millions of dollars. He asked that a conservative counterbalance of data be presented because information Broward County relied on in the past had proven to be correct. **Mr. Chiari** said the handout was worthless, especially if it was the only data used. He commented that it is a flaw to rely on only one set of numbers. **Mr. Shim** stated that one safeguard in place is to look at data from a tri-county basis, which collects the averages of the property appraisal amounts from Broward, Dade, and Palm Beach County. No other entity can compare with the Property Appraiser's Office, its access to substantial amounts of data, and its ability to analyze it.

**Mr. Pedlar** commented that a lot of people neglected to use common sense when it came to making the projections. Spending more than what you have makes no sense, especially when it comes to huge gaps in spending and earning. He also said that they should have saved for a rainy day. There appears to be no serious plan for turning the situation around, based upon what he read in the handout. **Mr. Pedlar** suggested that instead of continuously getting projections from Harvard graduates, that they instead meet with "common folk" and get their input and ideas regarding the matter. He reminded the presenters that the Diversity Committee is extremely interested in helping and providing input, and suggested that the Facilities Task Force communicate with the Committee.

**Mr. Marks** asked if there are any "callable" provisions on COPs, such as those on Bonds because he is concerned about the high rates that are being paid back. He wants to know what is happening with the Tribal gambling dollars that are being placed on reserve for education and if the money could be borrowed against. **Mr. Marks** asked if zero-based budgeting has been considered for each individual project in the Five-Year Plan as a way to clarify which projects will go through and how the remaining dollars will be shifted. He asked if **Lori Parrish** took the fact that property taxes are going up although property values have gone down into consideration when she made her projections.

**Mr. Quittner** feels that Budget and Facilities attempted to deal with reality to the best of their ability regarding the School Board's financial situation. He asked if the School Board has retained bankruptcy counsel. He pointed out that many government entities around the country have filed for bankruptcy. **Mr. Quittner** stated that seeking bankruptcy counsel would send the message to the Legislature and the community, that the money coming into the school system is totally inadequate and not sufficient to properly fund and maintain the public school system. **Mr. Shim** said that the School Board has not yet considered this an option and reminded everyone that historically Broward County has been one of the strongest financial Districts in the State. He said financial hardship is currently affecting all districts in Florida and pointed out that Franklin and Volusia Counties have already filed bankruptcy. **Mr. Quittner** stated that there is a distinction between meeting financial obligations and educational obligations. He feels that at least for the financial aspect, bankruptcy should be investigated because the Florida State Legislature is bankrupting the educational system.

**Ms. Greenberg** suggested that the Broward, Dade, and Palm Beach Property Appraiser Offices be added to page six (6) of the handout if they were used as sources. She commented that past inflation discussion regarding property taxes and the impact of flipped properties was a preview that the day of

reckoning was coming. She was astonished that no one, including the government, seemed to realize that this was going to happen. **Ms. Greenberg** stated that the School Board was aware of the action that would take place due to declining enrollment (38,000 empty seats). The Legislature had justification to cut money from capital because empty seats outnumbered students. The district has been restricted from building new schools and new additions; they are only allowed to replace the facility. She recommended that more focus be given to new facilities and schools that ignored the ADA rules.

**Mr. Fleischer** suggested that new streams of revenue be sought, such as shovel-ready projects, Federal Stimulus dollars, and resources outside the State Legislature. He said the School Board should contact the Congressional Representatives for Broward County so that the problems of Broward County can be advanced to the front of the stimulus list. **Mr. Fleischer** said that ADA compliance issues should be reprioritized to determine if there is a need in the school for the ADA retrofit. He suggested that some schools, where there is an abundance of empty seats, located in industrial communities, be closed and the students be transferred to better schools. **Mr. Fleischer** said that looking at raw numbers is not enough to make the determination for prioritizing the projects and suggests that site visits be done.

**Mr. Garretson** informed everyone that it is very marginal to run the 30 elementary schools that have less than 400 students. Clusters of special needs students are moved to these locations to accommodate their needs. As to new funding streams, **Mr. Garretson** said the District has communicated with the Federal Government and FPL about using school roofs to create a solar farm in exchange for free electricity.

**Mr. Rubin** referred to page nine (9) of the handout and asked what the difference is between paying interest and not paying interest on a cash flow basis in an interest-free system. **Mr. Shim** responded that existing debt couldn't be transferred to the interest-free system because the objective is to employ new people. On April 30, 2009, the Board authorized the Budget Department to pursue either an interest-free system or take advantage of the tax exemption on \$130 million in COPs. The Federal government gave the School Board \$50 million interest-free.

**Ms. Williamson** is happy to know that the critical areas will be funded, but reminded the presenters that technology should remain an important focus. She said that if the decision is made to close schools and bus students, that equity and parity should be considered. **Mr. Garretson** stated that neither the School Board nor the Superintendent proposed the closing of schools during this financial crisis.

**Mr. Ladanowski** asked if the schools and management structures are being analyzed for optimization and the use of technology to increase efficiency. He doesn't understand why money is being spent to bus students from one end of the county to another if they have an A school in their area. Not busing these students would save a lot of money on transportation costs.

**Mr. Garretson** announced that students are now using smart cards to pay for lunch. A system that stores the picture of each student for the purpose of taking attendance, and would automatically transfer the data to the principal's office, is now being implemented in all schools. **Mr. Ladanowski** said too much money is being used to have someone manually enter information into a system, and there are schools that aren't using software due to a lack of training. He asked why it is taking so long for the

schools to upgrade their technology when the same technology has been implemented in the private sectors for many years. **Mr. Foulkes** informed **Mr. Ladanowski** that many students are being bused to different schools because of the Magnet and International Baccalaureate (IB) programs. He suggested **Mr. Ladanowski** voice his concerns at the next District Technology Advisory meeting at BECON on Monday, May 11, 2009. **Mr. Perez** stated that it takes a year and a half to implement technology in the 200 plus schools. **Mr. Rabinowitsch** suggested that the School Board look into getting free open source software.

**Mr. Foulkes** informed everyone that of the \$800 million that was initially available to fund programs and projects, only \$200 million remains because of a \$600 million cut.

**Mr. Shim** stated that there was a \$5 billion program that the School Board had allocated over the next five years. However, the Legislature advised the District to prioritize the plan and cut back on projects. The Budget Department sought input from the School Board and the Facilities Task Force. He is looking for input from the joint meeting.

**Mr. Shim** stated that one priority is safety because they want to make sure that the schools are safe and that there are no security issues. Another priority is ADA projects. Although 27% of the schools are in ADA compliance, they want to make sure that they stay on that track and continue to meet the CCC Settlement Agreement obligations. In the past, great programs were developed because the revenue was there. However, going forward, only the critical items will be addressed.

**Mr. Joseph** asked if projects at schools such as Boyd Anderson would be cancelled or continued. **Mr. Garretson** responded that the dining hall and the auditorium are still being funded. However, it remains to be seen if the Media Center will be funded or not. If funded, something else somewhere would have to be sacrificed. Contract bids are coming in lower than anticipated, and the leftover funds could possibly be used to address other issues.

**Mr. Joseph** asked if the Diversity Committee could participate in the discussion regarding cutbacks and what should remain a priority. **Mr. Garretson** stated again that the hope is to get input from the Diversity Committee about schools that should be considered a priority based on its experience with school site visits. He said the School Board will have a workshop on May 26, 2009, and that a formal hearing will convene in June, with adoption to follow in August. **Mr. Joseph** referred **Mr. Garretson** to the 2007-2008 Site Visitation Report, which should provide the input he is seeking regarding the schools that should be prioritized. **Mr. Foulkes** stated that the Report was approved by the Diversity Committee last month. **Dr. Watts** stated that the Report will be presented to the School Board's Executive Leadership Team for final approval.

**Ms. Yach** felt that Broward County Schools should be complimented for the way they have managed its money, budget, and the school system during this crisis. Unlike Dade County, Broward County kept the required 5% reserve and has not had to declare a financial state of emergency. She feels that it is reasonable that Broward County had to reorganize its finances, considering that there was no choice in the matter and that the rest of the world also had to deal with the changes in the economy. **Ms. Yach** asked that the adult community not be forgotten, as they have been drastically devastated by financial changes, more so than other populations. She said that education is their choice over crime and that there are a number of homeless students and that they should be considered as extremely high risk.

**Mr. Foulkes** asked if most of the Adult schools are in storefronts. **Mr. Garretson** responded that many of the Adult schools are now on campus, some are housed in a separate fenced area located on school property, and others have replaced old school offices. They are working with Von Mizell on Sistrunk Boulevard to lease its top floor for the relocation of the Dillard Zone Program. It is with due diligence that they are trying to put adult students in appropriate settings instead of keeping them in malls or storefronts. **Mr. Foulkes** asked how the discussion was going to impact those facilities. **Mr. Garretson** stated that there has been no discussion by the School Board about this issue.

**Ms. Price** expressed her concern for schools that are trying to work with a very small budget and have to worry about budget cuts. She said it is not fair to require schools with an already critical financial situation to add to its sacrifices. Cuts should not be made to those who barely have any funds and that parity and equity should be considered for each and every school as stipulated in the CCC Settlement Agreement. If cuts must be made, then the amount deducted from a school with a small budget should be considerably less than those schools with adequate funding in order to maintain parity. **Ms. Price** said that everyone should be concerned, aware, and patient with the district and the crumbling economy. She suggested the Facilities Task Force visit schools. She advised them to take notice of the surroundings, then visualize their child attending that school in those conditions. **Mr. Shim** stated that the Superintendent has designated 70+ schools as Differentiated Accountability (D.A.) schools. There will be no cuts at those schools. The list of schools can be provided to the Diversity Committee and Facilities Task Force.

**Mr. Jabouin** asked who monitors the actions of implementation regarding checks and balances, because he is aware of schools that were damaged during Hurricane Wilma that still have yet to receive aid. **Mr. Garretson** responded that the only thing not fixed from Wilma are the BECON towers which have nothing to do with facilities structure. BECON provides the money for Facilities & Construction to put up the towers. Since Wilma, 90 roofs have been replaced, stand-alone cafeterias have been built, and 4,500 new classrooms have been built. **Mr. Pedlar** commended them on their diligence and asked, "What happened to the lottery dollars?"

**Mr. Quittner** suggested that the Diversity Committee and the Facilities Task Force create a joint subcommittee.

**Ms. Ferrara** stated that she expected more information than what was presented considering that the 5-year report **Mr. Shim** provided has not been updated in 8 years. She commented that she would have loved to see the report they created before presenting it to the School Board so the Committee and Task Force could have given input. She asked for the bottom line number of the Five-Year Plan for classroom additions. **Ms. Ferrara** said that the School Board has not provided sufficient information with which a committee could make an informed decision.

**Mr. Rabinowitsch** agreed that safety should remain the number one priority. He suggested that the School Board look into free open-source software because it would save a lot of money.

**Mr. Pedlar** said that, if the School Board continues to do the same things as they have done in the past, they can continue to expect the same results. **Mr. Pedlar** stated that it is obvious that the meetings are important to the Committee. He asked that the presenters relay to the Board, on his behalf, that the Diversity Committee is angry.

**Mr. Ladanowski** commented that it is important to find out the students' view on what they think should be the priorities in the education.

**Mr. Rabinowitsch** announced that the Broward County Association of Student Councils is having a convention on May 15, 2009, at Pompano Beach High from 7:30 a.m. – 3:30 p.m. It will focus on workshops and elections of officers for next year.

**Mr. Marks** thanked the Diversity Committee for having the joint meeting and stated that Facilities always had a problem distinguishing parity and equity. He requested that the Diversity Committee provide them with a definition before the conclusion of the meeting. **Mr. Marks** reminded everyone that for the last twenty years, life and safety have always been the first priority and agrees that it should remain so. At the next Facilities meeting, he will ask for the dollar amounts for life and safety.

In response to **Mr. Marks'** request, **Mr. Foulkes** read the definition of education equity that was adopted by the Diversity Committee in March 2009.

*Educational equity shall be defined as the educational policies, practices and programs necessary to (a) eliminate educational barriers based on gender, race/ethnicity, national origin, color, disability, age, sexual orientation, gender identity, or other protected group status; (b) provide equal educational opportunities; and (c) ensure that historically underserved or underrepresented populations meet the same rigorous standards for academic performance expected of all children and youth. Equity strategies are planned, systemic and focus on the core of the teaching and learning process (curriculum, instruction and school environment/culture). Educational equity activities promote and adhere to the CCC Agreement and implement strategies that allocate resources to ensure parity for all schools.*

**Mr. Foulkes** stated that there is not a formal definition for parity and asked **Ms. Price** to clarify what was intended by the CCC Settlement Agreement, as she was one of the original litigants of the lawsuit. **Ms. Price** stated that parity means that all parties should be on the same level. Many of the schools were not aware of the resources available to them and what they could or could not ask for as far as repairs. **Ms. Price** stated that Facilities should attend Site Visits so they can see what is really needed in the schools. She voiced her appreciation for them attending the meeting. **Mr. Quittner** stated that as the Chair of Tools for Schools he recently did walkthroughs at McFatter, Indian Ridge and Plantation Park, for any indication of mold, mildew, indoor air quality issues, and structural issues. He said that his subcommittee ends up visiting each and every school over a period of years to assure that students have the best facilities. **Mr. Foulkes** asked if this subcommittee produces a report and wanted to know how the Diversity Committee could gain access to it. **Mr. Quittner** suggested that another joint meeting be arranged to include **Jeff Moquin**, Executive Director of Support Operations.

**Ms. Price** recommended that the District use the resources available at schools, such as Atlantic, McFatter and Sheridan. It would be a good way to not only save money, but also provide the students with job experience that they can use in the real world. **Mr. Garretson** announced that an engineering program is being planned at Blanche Ely High School and that many of the schools are already equipped with computerized sewing machines and can do emblems and embroidery. **Mr. Shim** said that at times they have a difficult time coming up with a cover page for their Five-Year Plan report and stated that he was amazed by the print shop layout and the creativity he witnessed at Hallandale High.



**Ms. Yach** suggested that Facilities Task Force make a presentation at a future meeting.

**Mr. Shim** reminded everyone that before a determination can be made on what should be funded, they must first take their final dollar revenue value into consideration. This year the budget has been dependent on the Legislature and the proposed law that will definitely affect the revenues the School Board receives. Once they are certain of the amount they will get, then they would be in a better position to prioritize their projects based on the availability of funds. **Mr. Shim** announced that information regarding last year's and this year's Five-Year Plan is available online and through his office.

**Mr. Garretson** and **Mr. Shim** will forward current numbers (i.e., dollar amounts) related to each of the five "District Capital Outlay Funding Priorities" listed on page two of the *Adopted District Educational Facilities Plan (August 6, 2008/Fiscal Years 2008 – 09 to 2012 – 13)* to the Diversity Committee and Facilities Task Force.

1. Life Safety;
2. Capacity Additions (e.g., new schools, class-size compliance, et.);
3. Replacement of educationally obsolete facilities;
4. Remodeling, renovation and maintenance of existing facilities;
5. District Equipment (e.g., technology equipment, vehicles, etc.).

**The consensus of the group was that in any re-prioritization that "life-safety" remains number one.**

1. Find/identify new --- out-of-the-box --- sources of income/money/finances
2. To save on technology expenditures, the District should access aggressively open source software.
3. **Mr. Garretson** and **Mr. Shim** will attend the Broward County Association of Student Councils/BCASC meeting on Friday, May 15, 2009, at Pompano Beach High School, and share with these student leaders the District's financial challenges as discussed at the Town Hall and the Joint Diversity Committee/Facilities Task Force meetings, and elicit their recommendations and insights.
4. Identify and utilize students/schools/centers with particular specialties --- e.g., design and layout, and printing/publishing of documents such as the *Adopted District Educational Facilities Plan (August 6, 2008/Fiscal Years 2008 – 09 to 2012-13)*. --- instead of out-sourcing work to external vendors such as Kinkos/FEDEX, etc. This approach would not only reduce costs to the District, but give students both class credits and community service hours and documented job experience.
5. Establish a joint Diversity Committee/Facilities Task Force Subcommittee on District Facilities, Projects and Programs to continue dialogue and collaborative input on the Five-Year Capital Plan.
6. Explore Bankruptcy Counsel (Suggested with caution, and recognition that this might be

outside the purview of the joint committees to recommend. There was also some hesitation in light of the fact that they were looking only at the Five-Year Capital Budget/Plan, not the entire educational enterprise budget/plan).

In closing **Mr. Foulkes** went over the list of the six priorities suggested by the Diversity Committee and the Facilities Task Force.

**Meeting ended 8:45 p.m.**

**The next Diversity Committee meeting is scheduled for June 4, 2009 at 6:30 p.m., in the Board Room at the Kathleen C. Wright Administration Building.**

**These minutes are summarized and were recorded at the May 7, 2009 Joint Meeting of the Diversity Committee and Facilities Task Force. If any Committee member, Task Force member, or other interested party would like more detailed information as to the contents of this summary, contact the Diversity & Cultural Outreach Department at 754-321-2090.**