

## SCHOOL BOARD WORKSHOP

GADSDEN COUNTY SCHOOL BOARD  
MAX D. WALKER ADMINISTRATION BUILDING  
35 MARTIN LUTHER KING, JR. BLVD.  
QUINCY, FLORIDA

September 22, 2009

4:00 P.M.

The workshop was open to the public and electronically recorded.

The following Board members were present: Mr. Judge B. Helms, Chairman; Mr. Isaac Simmons; Mr. Eric F. Hinson; and Mr. Roger P. Milton. Also present were Mr. Reginald C. James, Superintendent and Secretary to the Board; Mrs. Deborah Minnis, Attorney for the Board; and others. Mr. Charlie D. Frost was absent.

1. CALL TO ORDER

The workshop was called to order by the Chairman, Mr. Judge B. Helms, at 4:10 p.m.

2. FINANCIAL DATA REPORT

Mrs. Wood stated that Board approval was requested to borrow funds from Capital City Bank to purchase 24 school buses. She stated that the loan amount would be added to the district's capital improvements revenue. She stated that the price of the school buses was based on the current State of Florida bus bid which expires on September 28<sup>th</sup>. She stated that the district's attorney has reviewed the contract. She asked Mr. Rocky Pace and Attorney Minnis to give the Board an update regarding the loan to purchase 24 school buses.

Mr. Pace stated that signed purchased orders for the bus loan must be submitted to the Department of Education by tomorrow. He stated that final approval by the Board was needed at the regular Board meeting in order to meet the current State of Florida bid specifications. He stated that the district would anticipate a savings between \$1,200 and \$1,500 per cost.

Mrs. Minnis stated that she had reviewed all of the loan documents from the resolution relating to the purchase of the school buses. She stated that the purchase of the school buses was aligned with State statutes. She stated that the promissory note with Capital City Bank does not use the school buses as collateral. She stated that there is no prepayment penalty. She stated that she assisted with the language for the resolution. She stated that payment is due upon delivery of the school buses.

Mrs. Wood asked Mrs. Melanie King to share with the Board an update on the districts use of federal funds.

Mrs. King stated that there have been many changes with the use of federal funds in the past year. She stated that the district is becoming more accustomed to terms like stimulus, ARRA, and revenue shortfalls. She stated that each of these changes have impacted the way that funds are requested and reported for federal funds. She stated that two years ago, the district was allowed to estimate revenue needs and request in advance the federal dollars that were needed. She stated that generally the district would request funds about once a month. She stated that the request for federal funds has a four day turn around time and with the district's operating cash being so volatile this year, the district has to stay ahead of their cash needs, four days ahead. She stated that every time a check is written from federal funds, this process has to be completed. She stated that this means that accounts payable bills have to be in the finance department and ready for processing no later than noon on Monday. She stated that in doing so, the invoices can be sorted either as general or federal funds and the federal dollars can be requested so that they would arrive on Friday morning when checks are issued. She stated that for payroll this means that instead of having to be completed two days in advance because of direct deposit, now the projected totals must be four days prior to pay day and federal cash is requested so that it would arrive when the checks go out. She stated that the district does not have the money this year to have the general fund loan the federal fund money until the cash arrives. She stated that the district has to work smarter and use the financial resources that are available to stay in the game.

Mrs. Wood stated that the district's total net assets decreased by \$147,012.43 during the year. She stated that this change was due in part to the implementation of GASB Statement #45 and the recording of Other Post Employment Benefits net obligation of \$1,061,277. She stated that the total ending unrestricted net assets were (\$1,584,889.13) which represents an increase from the 2007-08 fiscal year. She stated that the district had total expenses for the year of \$63,308,742.58 compared to total revenues of \$62,642,166.81. She stated that the general fund (the primary operating fund of the district) revenues exceeded expenditures and net other financing uses by \$172,209.00 during the 2008-09 fiscal year. She stated that this may be compared to last year's results in which general fund revenues exceeded expenditures and other net financing uses by \$378,132.00. She stated that after experiencing a significant decline in FTE for six straight years, the FTE increased slightly in the 2005-06 and 2006-07 fiscal years and declined again in the 2008-09 fiscal year.

In response to Mr. Hinson's concern regarding the expansion of Gadsden Elementary Magnet School, Mr. James stated that he would submit a proposal to the Board.

Mr. Milton stated that he was concern that immediate attention would need to be given to the budget if the student enrollment numbers that were presented are correct. He stated that this would reduce the general fund budget below 3%.

Mrs. Wood stated that the district uses their investment funds along with their cash deposits to create a pooled cash and investment account for operating purposes between funds. She stated that certain funds may overdraw their cash positions which are reflected in the financial statements as due from/to other funds and described in a subsequent note on interfund activity. She stated that since the general fund is

considered the loaning fund for the pooled cash account any deficit cash pool is offset to the investment account.

During the overview of the Superintendent's Annual Financial Report, Board members shared their concerns, asked questions, and made comments.

3. ITEMS BY THE SUPERINTENDENT

None.

4. SCHOOL BOARD REQUESTS AND CONCERNS

Mr. Milton stated that he was concern about whether the district should be paying 75% of the Sheriff's contract. He requested a report showing the annual of services. He stated that he was concerned whether or not \$300,000 was actually used for the Sheriff's contract.

Mrs. Wood stated that the district would pay for five School Resource Officers at the rate of \$29.62/hour for an amount not to exceed \$226,982.36. She stated that the actual payment would be based on monthly time and attendance sheets submitted. She stated that last year the district spent less than \$226,982.36 with the Sheriff's contract.

In response to Mr. Hinson's concern about the district seeking ways to find grant funding for Carter Parramore Academy, Mr. James stated that grant funds are competitive monies and when received the funds will be disbursed to all districts for innovative projects. He stated that Mrs. Tammy Farlin was the district's contact for all grants and is working to find grant funding for the district.

5. The workshop adjourned at 5:37 p.m.