

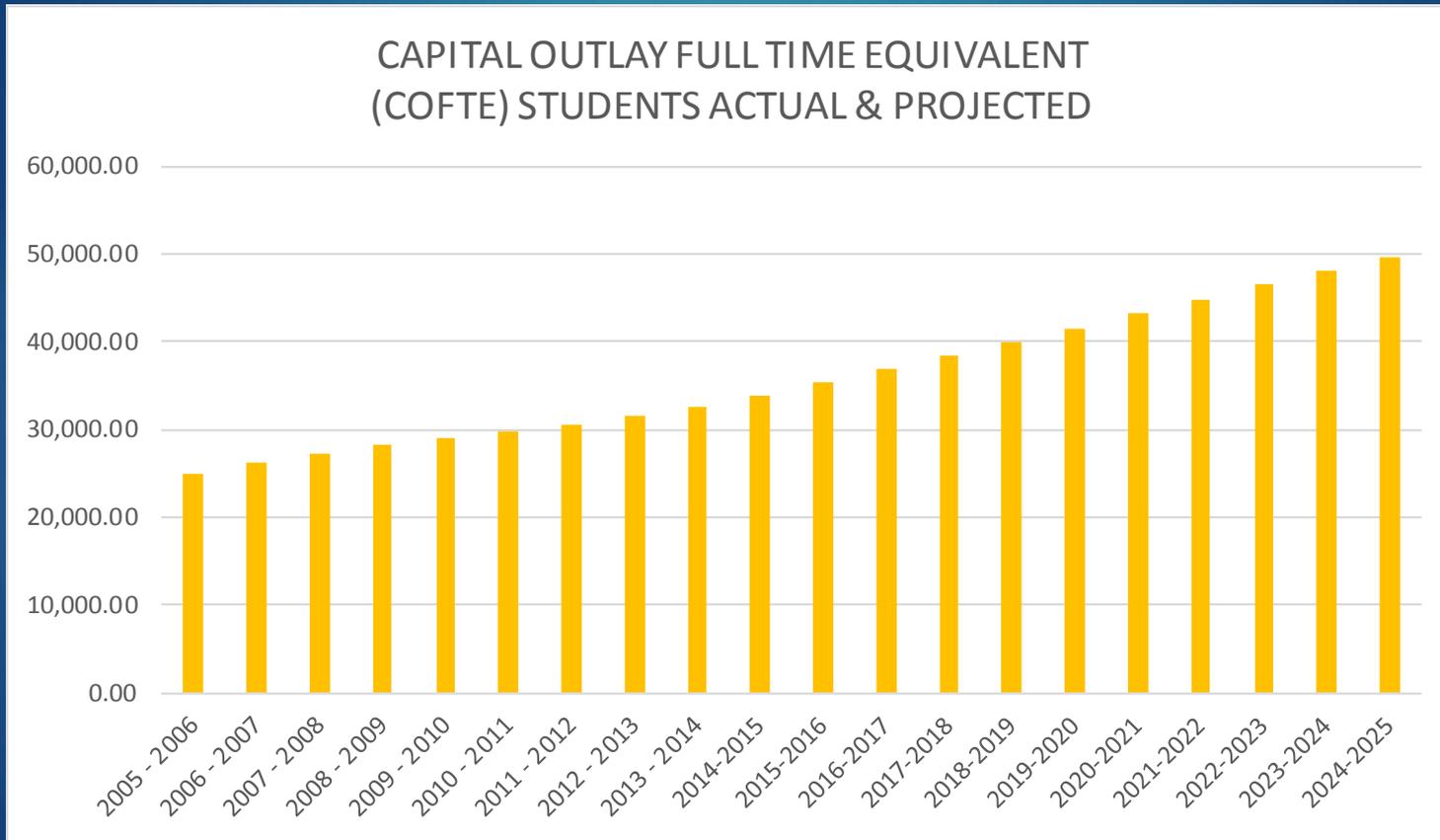
St. Johns County School District



Extensive Growth and Need for School Construction

- ▶ The St. Johns County School District has grown by 10,473 students (45%) in the past 10 years.
- ▶ In the last 10 years, 11 schools were constructed along with 8 expansions.
- ▶ In the next 10 years, we project a growth of 15,813 students (47%).
- ▶ To meet that need we will need to build 20 new school in the next 10 years!

Student Growth: Actual & Projected



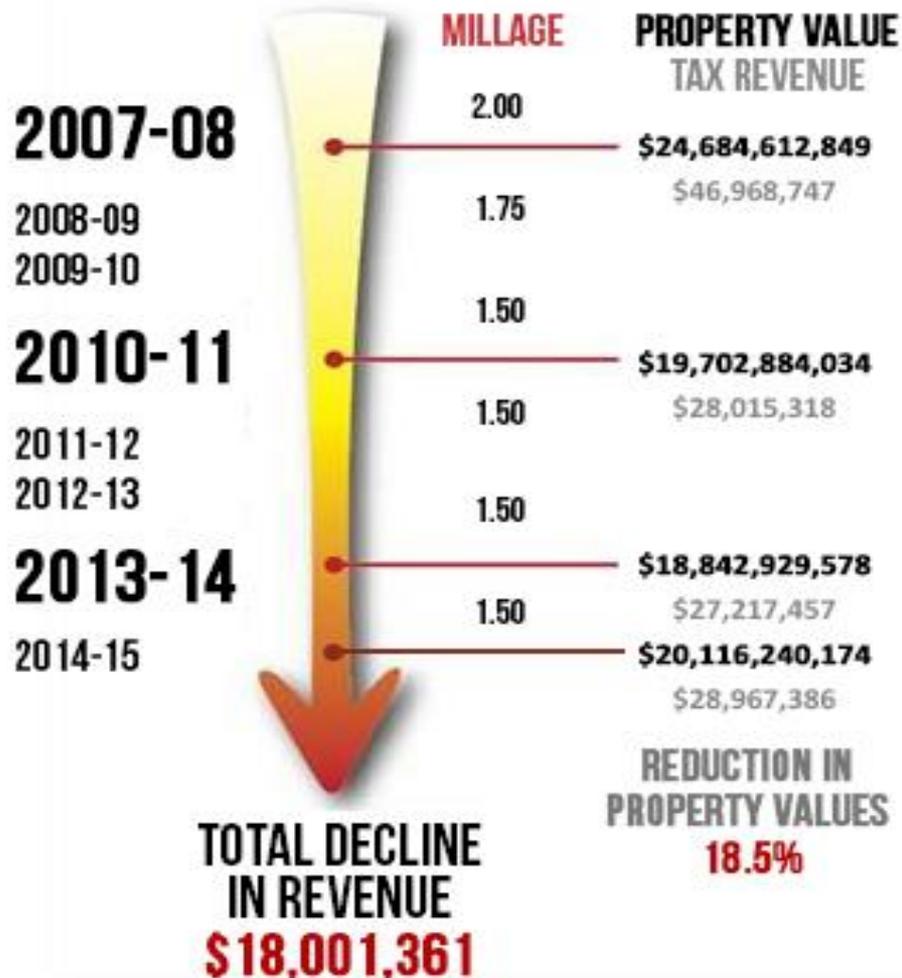
Capital Outlay Funding Problem

- ▶ Growth of 1,558 students for 2014-2015 SY is the equivalent of 2 elementary schools or 1 high school.
- ▶ Development growth continues. There were 2,689 homes permitted in 2014.
- ▶ The District added 73 relocatables this summer, at an installation cost of approximately \$4 million.
- ▶ Total annual lease for the 318 current relocatables is approximately \$2.3 million or \$191,000 per month.
- ▶ Approximately 6,360 of our children are housed in relocatable classrooms – the equivalent of nearly 9 elementary schools!

Capital Outlay Funding History

- ▶ Prior to 2008-09 and the economic meltdown, the Capital Outlay Millage was set at 2.0 mills per Florida Statute.
- ▶ In 2008-09 the Florida Legislature reduced it to 1.75 mills to fund the K-12 state-wide operating budget.
- ▶ In 2009-10 the Florida Legislature further reduced it to 1.5 mills.
- ▶ Concurrently, property values in St. Johns dropped by approximately 25 percent.
- ▶ Additionally, during the same time period, the Legislature increased capital outlay funding for charter schools and first decreased and then eliminated capital outlay funding for traditional public schools.
- ▶ SJCSD kept growing during this entire period creating the need for student space.

SJCSD Capital Outlay Outlook



Total Cumulative
Loss in Revenue

\$180,268,371

Steps Taken Locally to Assist Funding Shortage

- ▶ The school district is committed to being a good steward of taxpayers dollars.
- ▶ Saved the district \$4.9 million by refinancing \$68 million of school construction loans.
- ▶ Avoided energy costs of \$31.2 million over the past several years (July 2008-December 2014).
- ▶ Kept construction costs low through hard bids.
- ▶ Advocated to have Florida Legislature restore the full 2.0 mills that had been in place since 1988.

This problem is not new...

- ▶ Inclusion on the School Board's Legislative Platform for past four years
- ▶ Articles highlighting capital need in the record for past few years
- ▶ Annual State of the Schools presentations
- ▶ Town Hall Meeting February 24th
- ▶ Advocacy Presentations in Schools 2014-2015 SY
- ▶ Capital outlay needs presentations to school district focus groups
- ▶ Community Conversations – formal and informal
- ▶ Facilities Update – School Board Workshop April 7th
- ▶ Facilities Update – School Board Workshop April 28th
- ▶ Capital Financing Workshop – School Board Workshop May 26th
- ▶ Sales Tax Discussion – School Board Meeting June 9th
- ▶ Sales Tax Discussion – School Board Workshop June 23rd

School Funding Silos

Capital

- ▶ Debt payment
- ▶ Maintenance
- ▶ Technology
- ▶ Buses
- ▶ Equipment
- ▶ Security Improvements
- ▶ New Construction
- ▶ Relocatables

Operating

- ▶ Salaries
- ▶ Benefits
- ▶ Utilities
- ▶ Instructional Materials
- ▶ Consumable Supplies

We cannot cut our way out of this shortfall

The Need is Immediate

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- ▶ We are currently 2 schools behind and the district continues to grow.
- ▶ The Legislature is not willing to provide the needed resources.
- ▶ If we are not able to invest dollars in new construction, we will be forced to continue to put money into leasing relocatable classrooms at a cost of \$2.3 million a year.
- ▶ The taxpayer receives no asset for these expenditures.
- ▶ The district is at great risk of a very real capital outlay crisis in the next few years.
- ▶ A ½ cent sales tax is a proactive approach to prevent the children of St. Johns County from feeling the effects of growth and limited revenues.

1/2 Cent Sales Tax

- ▶ School Board voted unanimously on July 7 to move forward with a 1/2 cent sales tax for capital outlay to be in effect for 10 years.
- ▶ County Commission must now vote to place the referendum on the ballot – scheduled to take up the issue on July 21.
- ▶ The special election to be held on November 3, 2015.
- ▶ Expected to generate approximately \$13 million a year.
- ▶ Proceeds will fund new school construction, renovation of current schools, safety and security improvements and technology upgrades.
- ▶ A 1/2 cent sales tax will not solve all of our problems – we will almost always be catching up to growth – but it will go a long way to close the gap between student growth and available revenue.

