

St. Johns County School District

HALF-CENT SALES SURTAX REFERENDUM



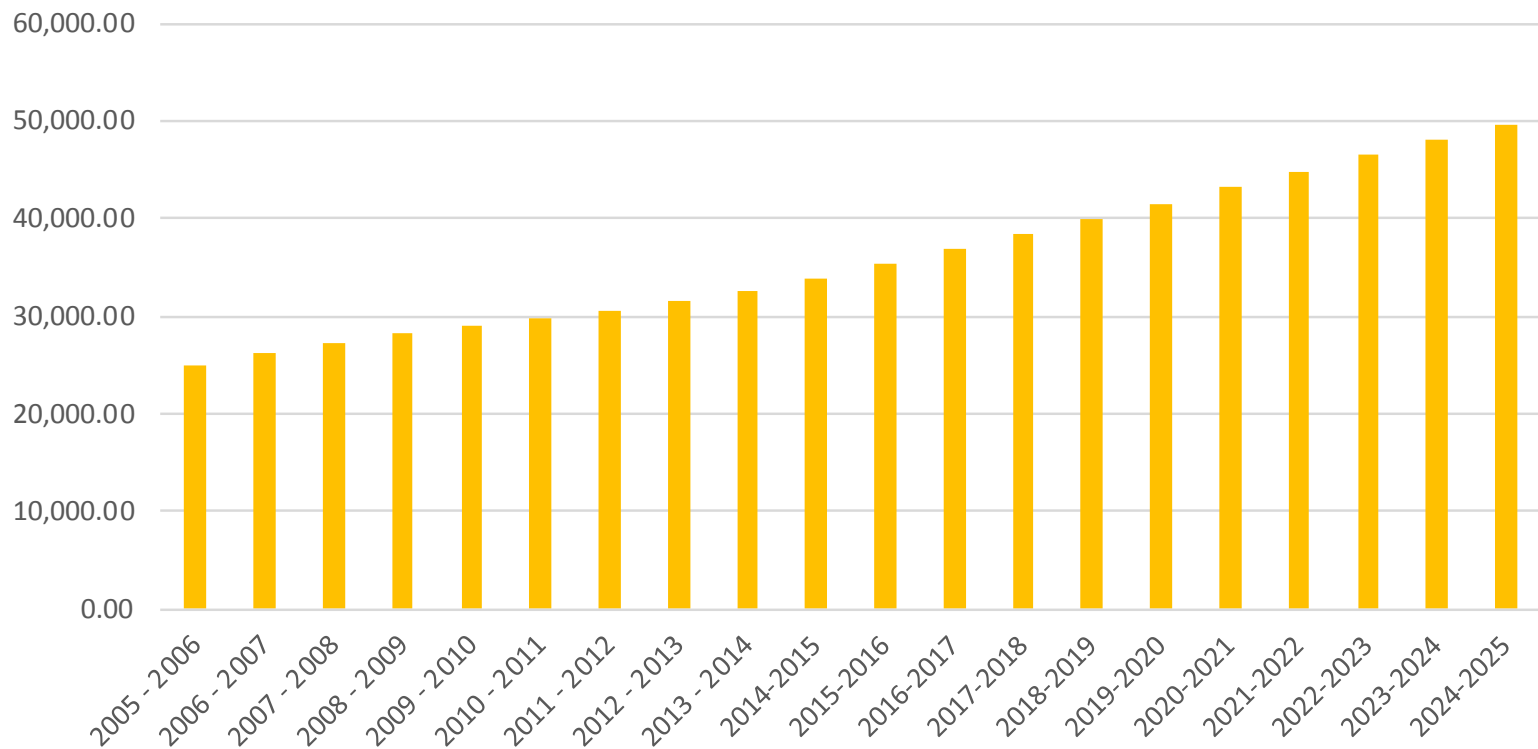
Extensive Growth and Need for School Construction

- ▶ 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 this need we will need to build 20 new schools in the next 10 years!

Student Growth: Actual & Projected

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CAPITAL OUTLAY FULL TIME EQUIVALENT
(COFTE) STUDENTS 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.
- ▶ Of the total 318 relocatables, 270 are leased at an annual cost of 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!

School Funding Silos

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Capital

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

Operating

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

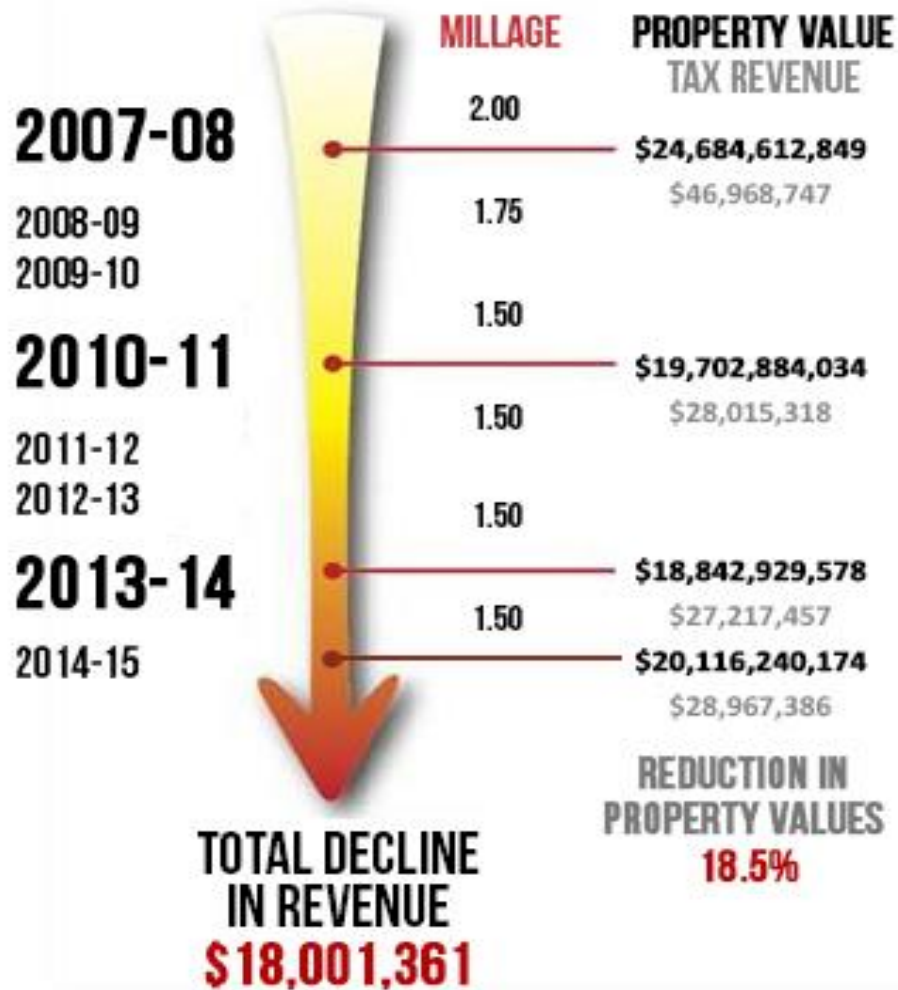
We cannot cut our way out of this shortfall!

Capital Outlay Funding History

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- ▶ Prior to 2008-09 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.
- ▶ During the same time period, property values in St. Johns dropped by approximately 25 percent.
- ▶ The SJCSD kept growing, creating the need for student space.

SJCSD Capital Outlay Outlook



Total Cumulative
Loss in Revenue

\$180,268,371

Funding Misconceptions

- ▶ Lottery Funds
 - ▶ Comprise less than 2.75% of the total state Operating Budget.
- ▶ Impact Fees
 - ▶ Never intended to pay the full cost of the impact of a new dwelling. Calculated based on the assumption of other revenues.
- ▶ School Concurrency
 - ▶ Does pay full cost, if no capacity is available. Limited to building seats needed for specific development. Does not address backlog of capacity deficiencies.

Steps Taken Locally to Assist Funding Shortage

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- ▶ Spends only 3.18% on district administration. We rank among the lowest in the State.
- ▶ Saved the district \$4.9 million by refinancing \$68 million of school construction loans.
- ▶ Avoided energy costs of over \$33 million since 2008 through behavior and system modifications.
- ▶ Ranks below the state average on annual energy costs based on both square footage and Capital Outlay Full-Time Equivalent (COFTE) students.*

*Source: District Financial Report, Office of Educational Facilities, Florida Department of Education

Steps Taken Locally to Assist Funding Shortage

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- ▶ Ranks second in the state, since 2010, in Average Bus Occupancy which measures efficiency in bus transportation operations.**
- ▶ Kept construction costs low.
- ▶ Ranks below the state average on annual maintenance and operations costs based on both square footage and COFTE.***
- ▶ Advocated to have Florida Legislature restore the full 2.0 mills that had been in place since 1988, to no avail.

**Source: Final Transportation Calculation, Florida Department of Education

***Source: District Financial Report, Office of Educational Facilities, Florida Department. of Education

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 capital outlay 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.
- ▶ The current relocatable lease cost is \$2.3 million a year.
- ▶ With no new school construction, we are projected to need at least 50 new relocatables a year.
- ▶ This will add \$424,000 to the overall lease cost per year.
- ▶ The taxpayer receives no assets for these expenditures.

The Need is Immediate

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- ▶ The district is at great risk of a very real capital outlay crisis in the next few years.
- ▶ The district is limited to 1.125 mills in its ability to borrow. We are currently borrowing at approximately 0.9 mills with an annual debt service of \$18.9 Million.
- ▶ In addition to adding relocatables, the district will have to utilize frequent attendance zone changes to balance student population with available capacity.
- ▶ We believe 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.
- ▶ By holding the election in November, the district would begin collecting funds in 2016 if approved by the voters. This would allow the district to begin to address the situation a year earlier.

1/2 Cent Sales Tax

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- ▶ The special election will be held on November 3, 2015.
- ▶ Expected to generate approximately \$13 million a year.
- ▶ Of the \$13 million, approximately \$4 million (25%-40%) a year will be paid by out-of-county visitors.
- ▶ All revenue generated will stay in St. Johns County.
- ▶ Surrounding counties have a 7% sales tax.
- ▶ Depending on income and spending patterns, a family of 4 with average household income of \$65,000, would contribute \$70 per year or \$5.83 per month.

How much will a Half Cent cost you?

ANNUAL EFFECT OF INCREASED TAX						
Gross Annual Income	# people in house					
	1	2	3	4	5	Over 5
\$ 0 - \$ 20,000	\$20	\$22	\$23	\$24	\$25	\$26
\$ 20,000 - \$ 30,000	\$33	\$36	\$38	\$40	\$41	\$43
\$ 30,000 - \$ 40,000	\$40	\$44	\$47	\$49	\$50	\$52
\$ 40,000 - \$ 50,000	\$47	\$51	\$54	\$57	\$58	\$61
\$ 50,000 - \$ 60,000	\$53	\$58	\$61	\$64	\$66	\$69
\$ 60,000 - \$ 70,000	\$58	\$64	\$68	\$70	\$73	\$76
\$ 70,000 - \$ 80,000	\$63	\$70	\$74	\$77	\$79	\$82
\$ 80,000 - \$ 90,000	\$68	\$75	\$79	\$82	\$85	\$89
\$ 90,000 - \$ 100,000	\$73	\$80	\$85	\$88	\$91	\$95
\$ 100,000 - \$ 120,000	\$79	\$87	\$92	\$96	\$99	\$103
\$ 120,000 - \$ 140,000	\$87	\$96	\$101	\$106	\$109	\$114
\$ 140,000 - \$ 160,000	\$95	\$104	\$110	\$115	\$119	\$124
\$ 160,000 - \$ 180,000	\$102	\$112	\$119	\$124	\$128	\$133
\$ 180,000 - \$ 200,000	\$109	\$120	\$127	\$132	\$137	\$142
\$ 200,000 - \$ 225,000	\$144	\$158	\$167	\$174	\$180	\$188
\$ 225,001 - \$ 250,000	\$125	\$137	\$145	\$151	\$156	\$162
\$ 251,001 - \$ 275,000	\$132	\$145	\$154	\$160	\$165	\$172
\$ 275,001 - \$ 300,000	\$140	\$153	\$162	\$169	\$175	\$182
\$ 300,001 or over	\$184	\$203	\$215	\$224	\$231	\$241

1/2 Cent Sales Tax

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- ▶ 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.
- ▶ Proceeds will fund new school construction, renovation of current schools, safety and security improvements and technology upgrades.
- ▶ The following is a **TENTATIVE** Project List. The district is requesting input on this list and encourages comments and feedback through our website.

Meet the Needs of an Increasing Student Population

\$106,000,000



- ▶ Northeast K-8 school – Nocatee
\$26,000,000
- ▶ Northwest elementary or K-8 school – Greenbriar Rd / Longleaf Pine Pkwy area
\$26,000,000
- ▶ Central elementary or K-8 school – World Golf Village area
\$26,000,000
- ▶ South elementary school
\$20,000,000
- ▶ School expansions
 - ▶ South Woods Elem.
\$3,000,000
 - ▶ Liberty Pines Academy
\$5,000,000

Maintain High Quality Educational Facilities

\$14,000,000



- ▶ Roof replacements – Hartley, Ketterlinus
- ▶ P E, playground, and athletic facility improvements – R B Hunt restrooms and covered PE area, locker room expansions at Pedro Menendez and Bartram Trail
- ▶ Academy facility improvements – Middle and High schools
- ▶ Site improvements – Webster and Murray

Provide New Technology to Prepare Children for 21st Century Learning

\$25,000,000



- ▶ Classroom technology tools
- ▶ Student and teacher instructional devices
- ▶ Infrastructure improvements



Continue to Keep our Children Safe

\$5,000,000



- ▶ Security cameras and monitoring systems
- ▶ Fencing
- ▶ Security doors and entrances
- ▶ GPS systems for school buses
- ▶ 800 mghz radios for school buses

Make Your Voice Heard on November 3

For more information
<http://www.stjohns.k12.fl.us/>

