

School District of Indian River County

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David K. Moore, Ed.D. - Superintendent

May 13, 2020

Indian River Board of County Commissioners
1801 27th Street
Vero Beach, FL 32960-3388

To the Honorable Commission Chair and Commission Members,

This correspondence is being submitted with the full support of the School Board of Indian River County. On Tuesday, May 12, 2020, the School District of Indian River County presented to the Indian River Board of County Commissioners a Resolution for the continuation of a 0.5 millage to be placed on the August 18, 2020 election ballot. The District acknowledges and is appreciative of the unanimous support that our County Commissioners demonstrated for the continuation of the millage. Certainly, the support of the proposed referendum is a vital action, which assists the District in securing the needed funding for its future operations. At the same time, it is essential that the District provides a formal response to the decision of the Indian River County Commission to place the resolution on the November 2020 ballot, as opposed to the August 18, 2020 date requested by the School District and in alignment with previous County Commission and District past practices.

The fiscal impact of this decision cannot be understated, as was clearly identified during the May 12, 2020 Commission meeting. The intent of this correspondence is to serve as an opportunity to reiterate the statutory requirements and ask for your reconsideration to allow the referendum to be placed on the August 18, 2020 ballot.

At the May 12, 2020 meeting, it was shared by Indian River County's Administrator that House Bill 5 "disallows discretionary sales taxes from going on the ballot anytime other than November." This information was shared within the context of the consideration of the placement of the millage referendum on the August versus the November 2020 ballot. The current requested referendum is not a discretionary sales tax, but instead an ad valorem tax millage. Therefore, this requirement within House Bill 5 is not applicable to the District's current request. While we understand your perspective on the sales surtax election, such limitations were not included by the State Legislators in the laws governing ad valorem tax millages, and we do not believe it is appropriate or justified to impose such a limitation on the School Board.

In addition, during the County Commission meeting, school district staff referenced FS 1011.73(2), which indicates that "The district school board, pursuant to a resolution adopted at a regular meeting, **shall direct the county commissioners to call an election at which the electors within the school district may approve an ad valorem tax millage as authorized under s. 1001.71(9).**" **FS 1011.71(9) provides "a school District may levy, by local referendum or in a general election, additional millage for school operational**

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purposes.” When read together, these statutes allow the School Board to direct the Commission to place the referendum on the ballot and allow the School Board the discretion of whether the referendum is placed on a local referendum or the general election. We are requesting the County Commission follow the statutes as currently written, without imposing the discretionary sales tax requirement on the ad valorem tax millage. We are requesting the County Commission hold the election on August 18, 2020.

In addition to statutory considerations, the complex nature of educational settings, operations, and budgeting processes were taken into account when developing the District’s rationale for the August 2020 election date. A major need identified within the School District is the recruitment and retention of a high-quality, diverse teaching force. The delay of presentation of the millage referendum until November 2020, places the District at a significant disadvantage in the recruitment and retention of new and currently employed teachers prior to the start of the academic year. The uncertainty of the District’s anticipated financial situation impedes communication with prospective teacher candidates with reference to projected compensation and incentives, as well as the stability of available positions within the District. Furthermore, District-Union negotiation processes are severely hampered by the delay of the millage referendum date until November 2020. District staff will not be able to engage in initial negotiation processes with our District’s Teacher Union until the District has both clear knowledge of whether the referendum is approved by voters and this information is then integrated within existing budgeting processes and strategic planning. The ramifications of a delay of District-Union negotiations include, but are not limited to, significantly restricting incentives to retain high-quality, experienced teachers; increased costs to the District due to teacher turnover; and the lack of ability to initiate multi-year teacher contracts in a timely manner.

Beyond the previously identified barriers to effective district operations as a result of the County Commission decision to delay the presentation of the millage referendum to voters, additional barriers have been identified with regard to ensuring the provision of high-quality learning environments to all students to prepare them with the skills needed to be successful and contributing citizens of the 21st Century. In particular, within educational settings and planning processes, a delay of three months in understanding a large organization’s budgetary picture results in significantly diminished opportunities and flexibility, as related to District negotiations and establishment of operations-related contracts. Furthermore, a lack of a clear understanding of potential and significant shifts in budget and funding for the 2021-2022 academic year eliminates opportunities to execute multi-year operations-related contracts resulting in additional, unnecessary costs. As a result, this delay will adversely impact student and staff technology access, ongoing support related to online learning platforms, professional development for teachers, school safety measures, and access to student information systems.

The estimated amount to be generated by the millage is approximately \$10 million annually or a financial impact of \$40 million over the term of the millage. Due to the current global COVID-19 crisis and impact to the global economy, the District must plan for a 10-20% reduction in revenue for the 2021-2022 school year. The District is the largest employer in the county with approximately 2,200 employees. Compassion, grace, and time are required to plan for this level of loss of revenue and potential impact to the lives of the community. Therefore, the referendum on the August ballot affords the District additional time for discussion and planning for the future of our students, staff, and community.

In closing, our community as a whole is experiencing unprecedented instability and uncertainty due to the current COVID-19 crisis that has swept our nation. Educational systems serve a key role in providing a strong foundation and stability for communities. As previously stated, our School District is the largest employer in the county, while also serving almost 18,000 of our community’s children. Having the ability to establish a clear idea of future funding with a sense of urgency enables us to continue to serve as a

source of ongoing stability for our students, staff, and families. Based upon the negative funding impact of COVID-19, along with the delay in the presentation of the millage referendum during the 2020-2021 academic year, our District will need to begin implementing reductions and budget cuts to mitigate the impact that these anticipated budget cuts, during the 2021-2022 academic year, will have on our students and staff. Further, without knowledge of the continuation of the millage, the District will have to take a more aggressive approach on those cuts due to an unclear understanding of our funding status.

We are requesting the County Commission reconsider its decision at its next meeting to be held on May 19, 2020. We also are requesting the County Commission afford Dr. Moore the opportunity to address this issue at that scheduled meeting. We strongly urge you to present the ad valorem tax millage to the voters at the election on August 18, 2020.

Respectfully Submitted,



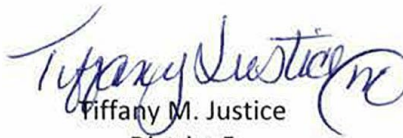
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District 1



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District 2