

Fla. schools money woes may get worse

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TALLAHASSEE -- Hammered by state budget cuts, Florida school districts have spent the past year trimming programs, eliminating jobs and even closing schools.

But the situation is about to get more dire. Maybe a lot more dire.

When Florida lawmakers start the annual legislative session Tuesday, they will run smack into a budget shortfall of as much as \$6 billion for the coming fiscal year.

That means they will make cuts. And with education such a huge part of the budget, lawmakers and other officials acknowledge school funding almost certainly will get chopped.

"It's a catastrophe," said Sen. Steve Wise, a Jacksonville Republican who is chairman of a committee that writes the public schools budget.

Education leaders across the state are working on contingency plans to deal with losing potentially hundreds of millions of dollars for the 2009-10 school year.

At the same time, parents, teachers and residents have packed public meetings in Volusia and other counties to protest further cuts.

"Every (legislative) delegation meeting that I've been at, the resounding cry from the audience was, 'Do something for education, don't cut education. Don't let us lose our teachers,'" said Sen. Jim King, a Jacksonville Republican whose district includes parts of Volusia and Flagler counties.

But the likelihood of education cuts boils down to basic math.

With Florida mired in economic problems, tax collections are shrinking -- particularly in the general revenue taxes that play a large role in funding schools.

Meanwhile, Gov. Charlie Crist and Republican lawmakers in recent years have resisted raising taxes or taking steps -- such as closing sales-tax exemptions -- to bring in more money.

Crist released a budget proposal in February that called for a \$397 million increase in funding for the day-to-day operations of public schools in 2009-10. His plan is based on using new federal stimulus money to offset cuts in state funding.

But lawmakers and education officials are skeptical about that approach because the federal money will run out in two years. They say relying on it as a short-term fix could create even bigger budget holes later.

"Stimulus money, you've got to be careful with, because you can't count on it for the future," said Sen. Evelyn Lynn, an Ormond Beach Republican who has long been a leader on education-funding issues.

Budget problems will dominate the 60-day legislative session, just as they did last year's session and a special session in January. The extent of the shortfall for the 2009-10 fiscal year remains uncertain, but incoming House Speaker Larry Cretul, R-Ocala, said it could be \$6 billion.

Lawmakers have cut billions of dollars in spending during the past year, including slashing money from the part of the budget that helps pay for teachers and other school operations. Lawmakers cut \$332 million from that pot of money last spring and another \$366 million during the January special session.

With funding partly based on enrollment, Volusia also is getting squeezed by a dwindling number of students. Deputy Superintendent Tim Huth said the county has made about \$44.3 million in cuts since 2007, which has included eliminating hundreds of jobs and closing schools.

Huth said Education Commissioner Eric Smith told counties to prepare for as much as a 15 percent cut in 2009-10. While that might be a worst-case scenario, Huth said such cuts would have "devastating" effects.

Flagler County is in better shape than Volusia because its enrollment has continued to increase. Chief Financial Officer Tom Tant said Flagler is adding money to a reserve fund to help it prepare for more state cuts next year.

Florida uses a complicated system of funding schools that combines state taxes and local property taxes. The state's share of total funding has steadily declined in recent years and now is below 50 percent.

But the increased reliance on property taxes is compounding the budget problems for 2009-10. Property values have dropped during the past year, which threatens to reduce the amount of local tax dollars coming in.

Wayne Blanton, executive director of the Florida School Boards Association, said he thinks lawmakers might have to require increasing the property-tax rate to close that gap -- which could be politically unpopular.

Blanton compared solving the budget problems to a "big jigsaw puzzle."

Some lawmakers have proposed steps such as a \$1-a-pack increase in cigarette taxes or closing tax exemptions to bring in more money for the state. As an example, Lynn has proposed closing a tax exemption on sales of bottled water.

But with Crist and some legislative leaders appearing reluctant to raise taxes, Lynn and Rep. Dwayne Taylor, D-Daytona Beach, said they are looking for other ways to help school districts weather the cuts.

Lynn has filed a bill that would allow districts to switch to four-day school weeks, which could save operating money.

Taylor, meanwhile, has proposed giving districts more flexibility in the ways they can spend money. For instance, they would be able to shift money earmarked for transportation to help cover classroom expenses.

He said the proposal would "soften the blow" of cuts and help districts like Volusia County.

"I don't think they (Volusia schools) can afford to take any more cuts," Taylor said. "They need some kind of help right now, and that's what I'm trying to give them."

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