

Dr. Steve Gallon III, Board Member

SUBJECT: BUDGET SCENARIOS REGARDING REFERENDUM FUNDS

COMMITTEE: FISCAL ACCOUNTABILITY & GOVERNMENT RELATIONS

LINK TO STRATEGIC

PLAN: EFFECTIVE & SUSTAINABLE OPERATIONAL PRACTICES

The School Board of Miami-Dade County remains committed to promoting and maintaining a high level of accountability, integrity, and transparency in the operation of the school district, including those that involve expenditures, procurement, and related financial and budgetary matters. In fact, the ultimate authority and as a result, accountability rests with the School Board, as stipulated in F.S. 1001.42. Thus, the School Board must continue to work collaboratively with the Superintendent in developing a cohesive, yet comprehensive annual budget. In doing so, it must provide continuous and strong leadership, direction, and engagement that ensures that all resources, including local, state, and federal funds are used as intended.

Miami-Dade County Public Schools (M-DCPS), as well as school districts around the state and in some regions across the nation continue to face significant challenges in educational funding. Financial challenges in educational funding, along with the rising costs of living, teacher shortages, educational mandates, and a growing housing availability and affordability crisis, further exacerbate the ability and capacity of M-DCPS to keep schools safe, effectively perform district operations, and successfully fulfill its educational mission. These financial challenges, however, were mitigated with the support of local funding through the initial 2018 referendum in which local taxpayers overwhelmingly approved in support of improved teacher salaries and enhanced school safety.

In addition to addressing issues of school safety and student mental health in response to legislation adopted as a result of the horrific and senseless tragedy which took 17 innocent lives at Marjory Stoneman Douglas, local voters overwhelmingly supported the need to improve teacher compensation.

The need to appreciate, respect, and value teachers is nothing new. However, deliberate, strategic efforts to recruit, reward, and retain them were long overdue in M-DCPS. Teachers had always been the backbone of public education and had always served to lead and advance the tenets of democracy, learning, and prosperity. The work of their hands, heads, and hearts have always left an indelible mark on the present and future lives of their students. It has always been their work that represented the fulcrum of student learning, growth, and achievement. Throughout history, the role and impact of teachers on the learning and lives of citizenry, as well as the achievement, progress, and success of the M-DCPS have been indisputable. M-DCPS' consecutive A-rating has been largely achieved on the shoulders of our classroom teachers.

In addition, the work of teachers has consistently played a significant role in the success and prosperity of the local community. Although each individual and collective stakeholder played and continues to play a significant role in the overall success of the District, the many achievements, accolades, and awards received by M-DCPS have been a direct result of the hard work, dedication, and often personal, professional, and financial sacrifices of our teachers.

Yet, despite these realities, our teachers too often remained the unsung heroes of our time, and often went without the professional recognition and compensation they deserved.

In 2018, the voters of this community answered the call and began the initial, local, and financially sacrificial steps to change that. On November 8, 2022, the voters of Miami-Dade County overwhelmingly reaffirmed their commitment to public education. With a 65% to 35% vote in *favor* of the referendum, the community, during some of the most politically divisive and economically challenging times, stood in solidarity and in support of schools, teachers, school resource officers and most importantly, students.

With the upcoming adoption of the 2023-2024 annual budget, the Board has recognized and embraced the need and value of both short- and long-range financial planning. And although the referendum is approved for a 4-year cycle, there is much prudence in reviewing, understanding, and discussing the real impact that referendum funds have on the overall budget, operation of the school district, school safety, and most important, student learning and absent such funds what the District's financial scenario and outlook would look like.

In doing so, it is imperative that the School Board considers some essential, material facts, beginning with the Required Local Effort (RLE) mandated by the State. Some facts for the Board to consider are, that in addition to the RLE:

First, there are three (3) discretionary millage levies:

- 748 mills for operations
- 1.5 mills for capital purposes, which now must be shared with charter schools; and
- 1.0 mills for teacher salary enhancements and school safety voted by the people, which must also be shared with charter schools.

The key policy is that these taxing authorities are *discretionary* or optional. The School Board does *not* have to vote for these levies; however, failure to vote for these levies would have serious consequences in the operation of the district and capital budgets as well as teacher salaries and school safety.

It is important to note that the 1.0 levy is authorized for up to 4 years. The upcoming annual budget cycle reflects the second authorization of this levy authorized by the voters of Miami-Dade County in which the School Board levies the maximum amounts in the current budget for each of the discretionary millages and votes separately on every year. Lastly, there is language in our collective bargaining agreements that the enhancements passed by the electorate are subject to School Board's approval each year. Thus, an analysis on the impact of each optional levy should be conducted and presented as a part of the 2023-2024 annual budget presented to the School Board for review, discussion, and subsequent approval. Doing so would provide clear and concise context and understanding of the potential impact of referendum on the district.

This item seeks to direct the Superintendent to develop budget scenarios on the fiscal impact of the referendum, based on the annual millage levy options and include these scenarios in the budget presentation for the 2023-2024 annual budget.

This item has been reviewed and approved by the Office of the General Counsel as to form and legal sufficiency.

**ACTION PROPOSED BY
DR. STEVE GALLON III:**

That The School Board of Miami-Dade County, Florida directs the Superintendent to develop budget scenarios on the fiscal impact of the referendum, based on the annual millage levy options and include these scenarios in the budget presentation for the 2023-2024 annual budget.