

MINUTES

Parent Subcommittee on District and School Budget Priorities Family and Community Involvement Budget Advisory Subcommittee Miami-Dade County Public Schools

1450 NE 2nd Avenue, Conference Room 916 & Zoom Meeting
Miami, FL 33132

Monday, January 9, 2023

Voting Members Present:

Mr. Eddy Barea	Ms. Beverly Heller	Ms. Laura Philpot
Mr. Scot Evans	Ms. Mina Hosseini	Ms. Zoraida Serret
Ms. Isabelle Exume	Ms. Janielle Murphy	Ms. Meriel C. Seymore

Voting Members Present Via Zoom:

Mr. James Lopez	Ms. Nadeige Theresias-Joisil
Ms. Maria Norton	Mr. Antonio White
Dr. Lisa Robertson	

Voting Members Excused/Absent:

Mr. Elias Seife (A)

Others Physically Present/Via Zoom:

Ms. Silvia Bodden	Ms. Shaniqua Gray Garcia	Mr. Enyer Martinez
Ms. Nicole Crooks	Ms. Karelys Hernandez	Mr. Gabriel Perez-Ariza
Ms. Regina Davis	Dr. Milagros Hernandez	Ms. Liana Rangel
Ms. Martha M. Diaz	Mr. Samuel A. Hernandez	Ms. Ailette Rodriguez-Diaz
Ms. Tabitha G. Fazzino	Ms. Rosey Lederl	Mr. Ron Y. Steiger

I. Welcome and Introductions: The meeting was called to order by the Parent Subcommittee Chair Ms. Mina Hosseini at 5:36 pm and a quorum was established. The committee members and staff were welcomed and given a hearty New Year greeting. Those present introduced themselves.

II. Approval of Minutes for December 12, 2022: Member Ms. Beverly Heller made a motion for the approval of the minutes for the December 12, 2022, Parent Subcommittee on District and School Budget Priorities, and the minutes were approved.

III. Legislative Update: Ms. Hosseini opened the floor to Ms. Tabitha G. Fazzino, Chief Intergovernmental Affairs & Family and Community Engagement Officer, Office of Intergovernmental Affairs & Family and Community Engagement, to give a presentation on Legislative Updates. Ms. Fazzino started her presentation informing the group that the first committee week in December was essentially used for the purpose of the special session that addresses property insurance and disaster relief. They are going to be looking at providing tax relief to Floridians. That is important for us because our number one priority is to maintain the Required Local Effort (RLE) with no roll back. For the past two years we have been very successful with that. Wherever the RLE was, we got to

take advantage of an increased property value. Prior to that, there was a five-year period where they would roll that RLE back so there was no real increase. As we go forward and have conversations with our delegation and our colleagues at the state that represent school districts, we will continue to hold the line on an RLE without a rollback. We want that excluded from any tax relief that would be proffered.

As our second priority, our Board is proffering to increase the state's investment in K-12 education by increasing the Base Student Allocation (BSA) commensurate with the rate of inflation or by at least 7% and maintain the full calculation of the RLE. We need for them to increase the BSA to allow us to keep pace with our buying power as well as to be able to maintain competitive salaries for those individuals who are not classroom teachers. We need to have the BSA keep pace with inflation.

Ms. Fazzino continued sharing that we are going to advocate for the elimination of the total fund compression or compression all together. As it relates to individual categoricals within the FEFP, our Board is once again advocating for increase in school safety funding and funding for mental health as well, and more flexibility in the teacher salary increase allocation.

Ms. Fazzino concluded her presentation and provided all attendees with a copy of the 2023 Legislative Critical Priorities and invited members and guests to share any questions or concerns they may have.

Chair Ms. Hosseini addressed Ms. Fazzino and asked her to elaborate on the minimum teacher salary allocation. Ms. Fazzino said that the teacher salary increase allocation's goal is to have all teachers in the state have a beginning salary of no less than \$47,500 as a base and maintain that. Currently with the referendum, our beginning teacher salary is \$48,300. The Teacher Salary Increase Allocation created a huge issue of salary compression for those teachers that have been here for several years because it was only allocated for that beginning salary. We have been able to provide a substantial increase to our mid-career teachers through our collective bargaining with the union as well as using the lion's share of the referendum funds which were approved and supported by our community. This year, the beginning teachers are getting two percent from referendum funding. To be able to use those teachers' salary dollars for other school site personnel would be helpful for districts like ours. There is a whole other group of staff at school sites that serve students which are not considered eligible to receive increases from the teacher salary increase allocation. Nevertheless, we need to be able to support their minimum salary in order to be able to compete.

Member Mr. Eddy Barea asked if the 7% increase will be to the teachers' minimum salary or is it in general to the budget? Ms. Fazzino explained that increase will be to the BSA. The funds in the BSA are flexible and are allowed to be used for different things, like operational expenses; everything that it takes to support our students.

Member Ms. Janielle Murphy asked to clarify what is BSA. Mr. Ron Y. Steiger, Chief Financial Officer, explained that the BSA is roughly half of our total allocation. Out of the

total budget allocated to us, we have flexibility to spend half of the funds, the ones allocated to the BSA, and the other half must be spent in specific allocations required by the Florida House and Senate.

In response to Mr. Barea's question regarding what type of support would this committee be able to provide, Ms. Fazzino encouraged the attendees, if they have the opportunity, to speak to Legislators and their staff, as well as to their elected municipal leaders for them to also advocate for this increase.

As a reminder for the group, Ms. Fazzino mentioned that the next committee week in Tallahassee will be January 17th, followed by three additional sessions beginning on March 7 through May 5, 2023. Additionally, Ms. Fazzino said that if any of the attendees had a question or were planning to visit Tallahassee during this time and needed her assistance procuring a meeting with the Legislators, they may contact her at 786-367-7485 or via email at tfazzino@dadeschools.net.

There being no additional questions or comments, Chair Hosseini thanked Ms. Fazzino for her presentation.

IV. Walkthrough of Individual School Financial Data: Ms. Hosseini opened the floor to Ms. Martha M. Diaz, Chief Budget Officer, Budget Management, for a Walkthrough of Individual School Finance Data presentation. Ms. Diaz explained that the Department of Accounting is the department that works with the schedules, and they receive most of the information from the state since most of the information that is shown for the individual schools, the district and state level, which is the requirement for state statute, is generated via the cost report that we provide to the state. Ms. Diaz proceeded to show the group detailed steps to get to a specific school's Financial Data. These steps will be sent to all attendees for their information. Once you get to the Financial Report for the school, you will be able to see the school revenues and the total costs. The state statute requires us to provide this information to the parents and it needs to show it at the school, district, and state level. The district level is going to reflect the cost that we reported in our annual financial report. The state level is coming from the state, and it tells you what percentage the school's costs are as compared to total District costs. The financial report breaks out the different buckets of revenue for each school based on the percentage breakdown of our total District's revenue. The second section you will see on the report is the *Operating Costs* section, and it reflects the cost per full time equivalent. The costs reflected under the *Total School Costs* column are costs that can be specifically associated with that school. Ms. Diaz explained that this amount excludes indirect costs such as the administrative costs of running our building, the costs of running the transportation and S&D departments, and all the administrative departments required to run a school district.

The section labeled as *Additional Detail Information Teachers/Teacher Aides (Salaries/Benefits)* reflects solely teachers and Teacher Aides salary and benefits broken down by how much is being incurred at the basic programs level versus ESOL programs and ESE, vocational or adult. The Adult Programs are funded differently; therefore, they are not reflected on the school financial reports. Ms. Diaz clarified that the *Total FTE*

School column does not mean number of students. It is not a 1:1 ratio. This number is based on the student's number of classroom minutes and number of programs that he/she takes and if he/she takes an online course at another district as we are deducted for the time spent on this class. Additionally, it will cost the District money if a student takes a Dual Enrollment (DE) class. Mr. Steiger explained that there are two factors that explain the reasons why we offer DE classes. First, it is a competitive market, our competitors offer DE classes and we offer them as well in order to compete, and second, DE classes are factored into the school's grade. Without DE classes, a high school would not be able to get higher than a C grade.

Regarding the School Financial report, Dr. Milagros Hernandez asked what expenses are included in the Food Service category, is it for personnel salaries, food items, or other expenses? Ms. Liana Rangel, Supervisor, Office of the Controller, explained that food service is distributed by a calculation. The district enters in our cost report the total expenditure for the entire year. Based on a calculation it is spread to the school based on FTE. The line identified as *Food Service* includes all costs related to running our food service department.

Mr. Barea asked if ESSAC funds were part of the FTE? Ms. Diaz explained that when we were getting the discretionary lottery funds, \$5 were given per the unweighted FTE, but since we no longer get this funding, the district has been providing it from the general funds. Title I funds and other grants are also reflected in the School Financial Report.

Ms. Nicole Crooks asked if maintenance repair costs are included in this report. Ms. Rangel responded that these expenses are part of indirect costs. The cost report shows indirect costs for the school and indirect costs for the district. The cost report picks this information from our GL accounts, depending on the allocation.

Regarding school related repairs, Ms. Crooks asked what determines which funds will be used to cover the costs. Would it come from the school or the district's funds? Mr. Steiger said that vast majority of the repairs are covered by the Facilities Department. Only minor repairs are being paid by the school.

Ms. Diaz concluded her presentation inviting all attendees to, once they receive via email the document shown on the Board and review it to send her any questions or concerns they may have, and she would be happy to provide additional information.

V. Review of Amounts Currently Budgeted for FY 22/23 for Discussion of Potential Areas for Reductions:

Ms. Hosseini opened the floor to Ms. Martha M. Diaz for her Review of Amounts Currently Budgeted for FY 22/23 for Discussion of Potential Areas for Reductions presentation. Ms. Diaz showed the group an excel file with the District's current 2022-2023 adopted budget. As we get more precise information, it is tweaked along the way during the year. At this time, we are waiting for the state to provide us the results of the October survey. The line labeled as *Total Transfer In* are amounts that the General Fund receives from Capital funds to cover expenditures that are being incurred in the General Fund related to maintenance, and anything that we can get capital dollars

to cover and assist the General fund. For example, furniture, fixtures, and equipment. We have a *Net Balance* of \$188,224,851 plus the *Beginning Fund Balance* of \$295,232,729 and an *Ending Fund Balance* projected for 22/23 of \$107,007,878. This amount of \$107,007,878 basically becomes our *Beginning Fund Balance* for next year. At this time, if no changes are made, we will end with a net deficit of \$81,216,973. This deficit is not entirely accurate because the FY 23/24 column is not reflecting increases that we expect related to medical insurance, our yearly FRS rate increases that by state law we must abide by, the absorption of positions that are currently being funded by ESSER funds, as well as other expected increases. Our FTE is also subject to change in the future, resulting in less revenue. Right now, we are estimating, as projected expenditures to decrease, a minimum of \$100 million.

		<u>FY 22/23</u>	<u>FY 23/24</u>
	REVENUES:		
	Federal	15,495,000	15,495,000
	State	1,090,864,758	1,090,864,758
	Local	2,105,857,893	2,105,857,893
	TOTAL REVENUES	3,212,217,651	3,212,217,651
RECURRING	TOTAL APPROPRIATIONS	(3,604,497,615)	(3,604,497,615)
	TOTAL TRANSFERS IN	204,055,113	204,055,113
	NET BALANCE	(188,224,851)	(188,224,851)
NON-RECURRING	BEGINNING FUND BALANCE	295,232,729	107,007,878
	ENDING FUND BALANCE	107,007,878	(81,216,973)

Mr. Steiger added that this is the truest picture of our finances at this time. Legitimately we have \$188, 224,851 of too much in expenses. We could explain \$75 million because this year we basically fronted the charter schools their referendum money. Because of the lawsuit that we lost; we were required to do so. If we were to fix our own problem right now, we would need to come up with \$100 million, assuming we can push back all the other costs. Whatever funds we receive in the future will need to offset our current deficit budget. Ms. Diaz created a simple report on how we spend our money, and it will be sent via email to all attendees. The report is by program and by commitment item and shows you where the money goes.

Mr. Steiger shared with the group that we will soon need to figure out ways to reduce expenses. At this time, there is nothing off the table. The only thing that the state requires is that we must have one principal per school. We have five months before the budget has to be balanced and we are looking at all options, starting with getting very tight at the

District such as, creating moratoriums, severely limiting overtime, hourly expenditures, and all expenses across the district.

A motion was proposed by Member Mr. Scot Evans to add this topic to the agenda for the next meeting and seconded by Ms. Heller. The motion passed unanimously.

Mr. Steiger encouraged all attendees to think of ideas or questions that may lead to an idea regarding where we spend our money and so forth to reduce expenses and share them at this committee next month.

Ms. Hosseini recommended that these questions and suggestions be provided prior to the meeting to Ms. Diaz in order to be better prepared.

VI. New Business: None

VII: Adjournment: Meeting was adjourned at 7:40 pm.