

MEMORANDUM

February 24, 2006

TO: The Honorable Chair and Members of The School Board of Miami-Dade County, Florida

FROM: Rudolph F. Crew, Superintendent of Schools

SUBJECT: LEGISLATIVE UPDATE – FEBRUARY 24, 2006

The 2006 Legislative Session is scheduled to begin on Tuesday, March 7, 2006, and is shaping up to be another challenging session for the District's financial needs. The Governor's budget recommendation to the Legislature provides for \$86 million increase over the prior year, approximately \$50 million short of what the Board's projected needs are for the 2006-2007 fiscal year. Attached is a copy of an Analysis of the Governor's Budget prepared by staff along with the District's needs. These documents have been used and will continue to be used in my briefing meetings with the members of the Miami-Dade Delegation.

Staff is currently tracking 246 bills that impact District operations. Some of the key issues in these bills are secondary school reform, a proposed constitutional revision to the class size limitations, and classroom expenditure requirement for school districts. Periodic updates will be provided to the Board on these issues as well as others. Should you have any questions or need additional information please contact Mr. Alberto M. Carvalho, Associate Superintendent, Office of Intergovernmental Affairs, Grants Administration, and Community Services, at 305 995-2532.

RFC/AMC/IRM-C:pg
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Attachment

cc: Superintendent's Cabinet
School Board Attorney
Dr. Magaly C. Abrahante
Ms. Iraida R. Mendez-Cartaya
Dr. Linda D. Brown

**Analysis of the Governor's Budget
Miami-Dade County Public Schools
FY 2006-2007**

Base Appropriations	\$ 81,388,117**
Declining Enrollment	<u>\$ 4,681,433*</u>
Base + Declining Enrollment	\$ 86,069,550
DCD Transition Supplement	<u>\$ 9,503,977*</u>
Total Available under Governor's proposal	\$ 95,773,527
Total Available under the Pecuniary FPLI	<u>\$163,711,527</u>
Variance due to the new DCD policy	(\$ 77,641,550)
Statewide % Increase in total potential	7.5%
Miami-Dade % Increase in total potential	3.75%

District Needs **\$160,000,000**
(Due to declining enrollment this number is more realistically \$136,000,000)

Current Base Student Allocation: \$3,724.42

Total FTE statewide: 2,680,919

Franklin County receives highest increase per student:	\$1,105.20 per FTE
Madison County receives lowest increase per student:	\$ 223.80 per FTE

Statewide average increase in per FTE funding:	\$ 347.87 per FTE
Miami-Dade County increase per FTE funding:	\$ 281.47 per FTE

*Non-recurring

**Recurring

Miami-Dade County Public Schools

1. Look at Gadsden (\$6,810.09) and Jefferson (\$7,494.55) counties; Miami-Dade (\$6,688.93); they are above us.
2. Can anyone argue that it costs as much in Leon County as in Miami-Dade County?
3. Teachers buy housing, health insurance, car insurance, homeowners insurance.

Conclusion:

Miami-Dade County Public Schools will soon pay our teachers less than these counties because when the 3rd year of the District Cost Differential (DCD) is implemented, we will drop to the middle of the districts. How will Miami-Dade County Public Schools recruit and retain quality teachers?

Recommendation(s)/Possible Solution(s):

1. Freeze DCD at current level.
2. Use Medium Centrality instead of low Centrality when smoothing the FPLI (provides approximately \$17 million in additional funding)
3. Mitigate 100% with non-recurring funds.
4. Study housing and insurance factors!
5. Freeze .51 Local Discretionary Millage (LDM) at \$200.
(If there is a need for further equalization, increase .25 from \$100 cap to \$150. This policy would benefit all districts.)
6. Targeted solutions: more monies for safe schools based on actual expenditures; create categorical for poverty using free/reduced lunches or Title I; categorical for critically low performing schools during the last three years to be used for extended year/extended day for students and professional development for teachers
7. Statutory revisions necessary:
 - ✓ Amend the Classrooms for Kids formula (class size reduction capital outlay funding) to allocate funds based on actual need and not growth, as the operating funds of the formula have been distributed
 - ✓ Amend statutes related to the cost per student station to increase annually by the Construction Cost Index
 - ✓ Amend statutes to allow property and casualty insurance be paid from the local 2 mill levy
 - ✓ Ensure that the definition of “instructional expenditures” for implementing the 65% Solution is broad enough