

ARLINGTON PUBLIC SCHOOLS
Budget Work Session #1
February 22, 2018

Item C-1-d

The Arlington School Board convened on Thursday, February 22, 2018, at 7:20 PM at 1426 North Quincy Street, Arlington, Virginia.

Present were:

Barbara Kanninen, Chair
Reid Goldstein, Vice Chair
Monique O’Grady, Member
Tannia Talento, Member
Nancy Van Doren, Member
Melanie Elliott, Clerk

Also present were:

Dr. Patrick K. Murphy, Superintendent
Raj Adusumilli, Assistant Superintendent, Information Services
John Chadwick, Assistant Superintendent, Facilities and Operations
Linda Erdos, Assistant Superintendent, School and Community Relations
Dr. Kristi Murphy, Assistant Superintendent, Human Resources
Dr. Tara Natrass, Assistant Superintendent, Instruction
Leslie Peterson, Assistant Superintendent, Finance and Management Services
Lisa Stengle, Executive Director, Planning and Evaluation
Tameka Lovett-Miller, Budget Director
Jorge Velasquez, Budget Analyst

Dr. Kanninen called the meeting to order and reviewed the purpose of the Work Session. Ms. Peterson thanked staff for their work in producing the Superintendent’s FY 2019 Proposed Budget, and reviewed the agenda for the work session.

Noting that development of the proposed budget begins with the prior year’s approved budget, Ms. Peterson provided an overview of the proposed budget. She summarized revenue amounts and revenue sources, including reserves, and confirmed that the anticipated funds available total \$630.2 million. She also reviewed expenditures, including baseline adjustments in terms of salaries and benefits, VRS rate changes and insurance premium increases, Debt Service, additional costs for new capacity, and other adjustments. New investments in the budget are funds for enrollment growth, compensation, continued growth initiatives and additional requests.

Ms. Peterson then provided an overview of the budget shortfall, and described some mechanisms being used to reach a revenue neutral budget. These include proposals to participate in a technology buyback program, to increase aquatics fees to cover costs, and to use reserves to fund Minor Construction/Major Maintenance (MCMM) projects. Additional reductions are being found through changes to service delivery, such as class size and planning factor changes, postponing some growth initiatives, and changes within the Department of Teaching and Learning. In addition, there are some professional development and employee benefits reductions, as well as reductions in some other

programs. These reductions come to a total of approximately \$10 million, resulting in a revenue neutral budget.

Next, Ms. Peterson briefly reviewed the process for submitting and responding to School Board budget questions, confirming that all responses will be posted online for public viewing. She then provided an overview of the agendas for the remaining budget work sessions.

Responding to questions, Ms. Peterson reviewed the budget process and how APS would approach any changes to the anticipated county or state funding. The group recognized there is always a chance that anticipated revenues may change and the Board and staff may need to reassess the budget to address any differences. Also discussed was the County's request that APS present a revenue neutral budget, which differs from past years where a needs-based budget was proposed. The group agreed with the importance of working together with the County to support the schools as much as possible. Ms. Van Doren appreciated the staff efforts in developing the budget, particularly efforts to find efficiencies. Should the opportunity occur, she stated her support for reinstating the initiative to add school psychologists/social workers. Ms. O'Grady was interested in efforts to help staff who are in positions that are being eliminated find other opportunities within APS. Ms. Peterson confirmed new positions are being added to accommodate growing enrollment, and noted that many of the positions being eliminated have not yet been staffed or are vacant, so every effort is being made to minimize the impact of the reductions on individuals.

Responding to additional questions, Ms. Peterson spoke to how the spring update is used to inform budget development, and she reviewed how reserves have been used in the past as well as how they are incorporated into the proposed budget. Staff also provided information about how the projections process is being adjusted and refined to improve accuracy and to better inform budget development, as well as how adjustments are made to accommodate enrollment that varies from projections.

In closing, Dr. Murphy and the Board thanked all who have been involved in the budget development, and looked forward to continued work with staff and the community throughout the budget process.

H. ADJOURNMENT:

The meeting adjourned at 8:17 PM.

ATTEST:

Melanie Elliott, Clerk
Arlington School Board

Barbara Kanninen, Chair
Arlington School Board