FISCAL YEAR 2020

FEBRUARY 28, 2019

SUPERINTENDENT'S
PROPOSED BUDGET

SCHOOL BOARD MEETING

ARLINGTON PUBLIC SCHOOLS
www.apsva.us

Overview

- Budget Direction and Priorities

- Proposed Budget

- Revenue and Expenditure Pressures

- Expenditures

- Budget Strategy

Starting Point: Fully-Funded FY 2020 Budget

Based on School Board Budget Direction, the budget will align with the Strategic Plan, be fully funded and include:

- On-time opening of new schools and programs

- Increased enrollment

- Employee compensation increase

- If possible, restoration of items funded with one-time funds in FY19 and continued implementation of critical whole-child initiatives

- Efficiencies and cost savings

- Increases in revenue, including fees

- Use of reserves

- Tiers for cuts to consider if funding not met

Superintendent's Budget Priorities

Fully aligned with the School Board's
FY 2020 Budget Direction

Superintendent's FY 2020 Budget

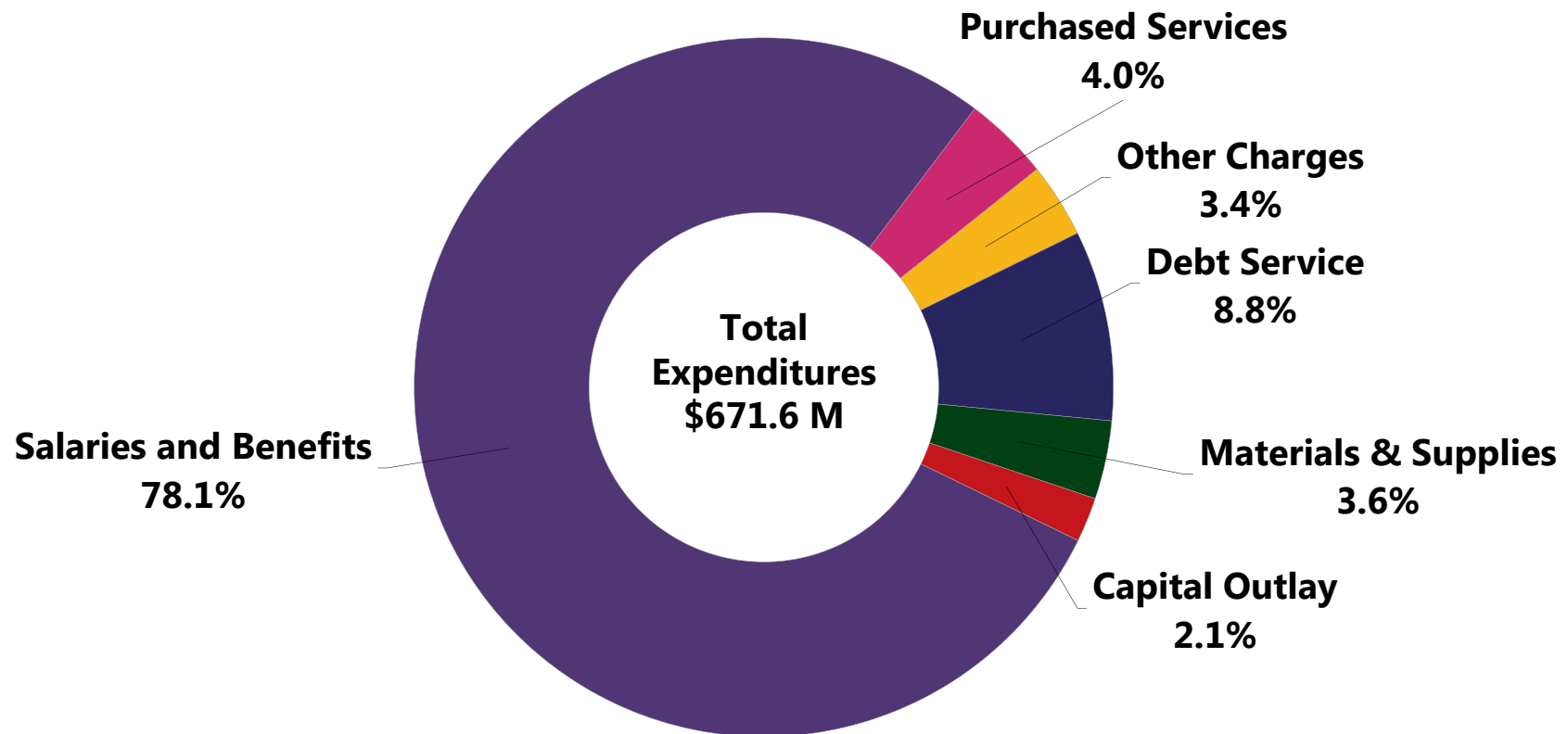**Total Fully-funded Proposed Budget:
$671.6 million**

Fully-Funded Budget

	Amount ($ in millions)
Total Expenditures	$671.6
Total Revenue *	$662.7
Additional Revenue Needed	**($8.9)**

Based on County Manager's proposed budget
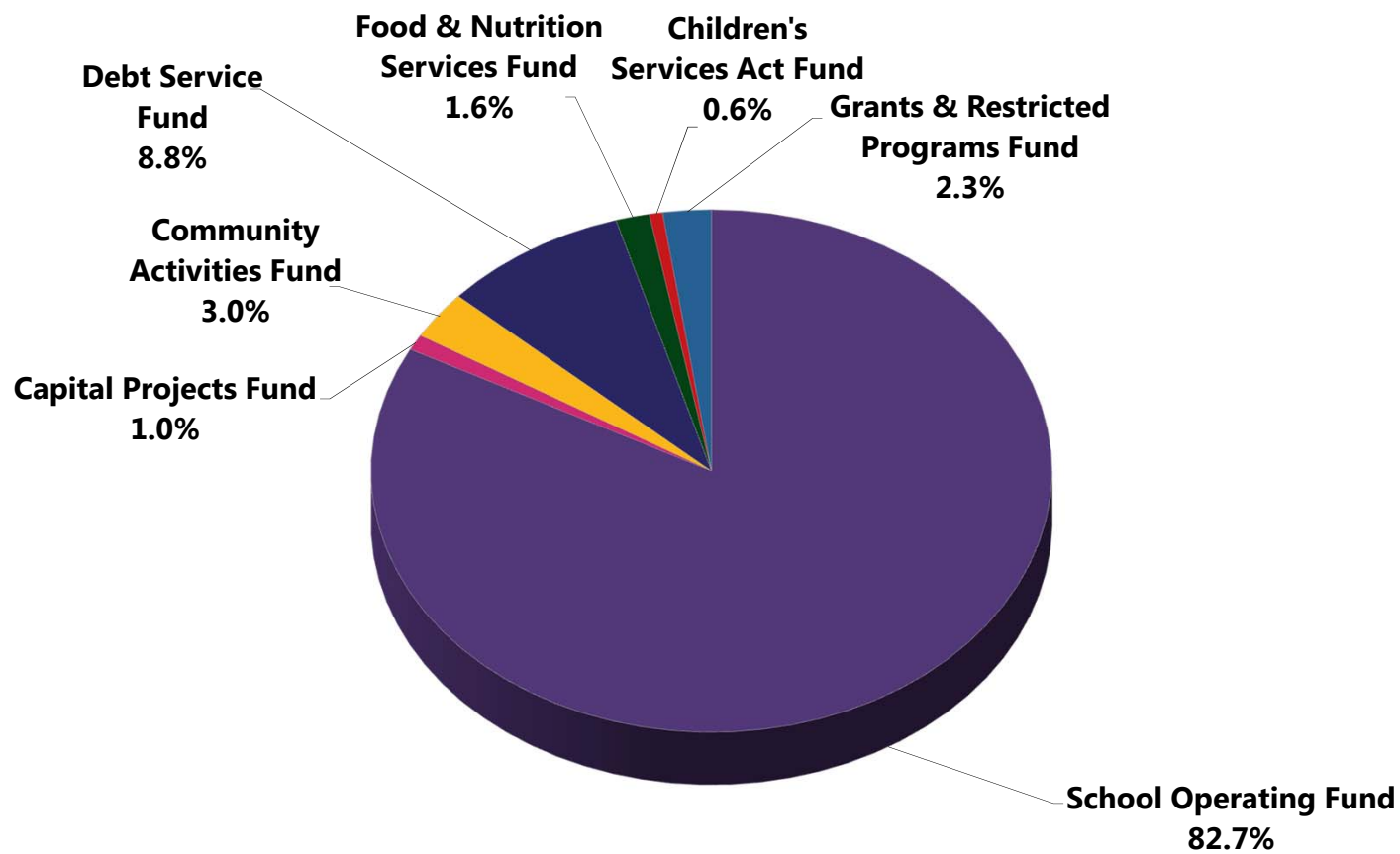
Expenditure Summary – All Funds

Total Expenditures $671.6 M

Purchased Services 4.0%

Other Charges 3.4%

Debt Service 8.8%

Materials & Supplies 3.6%

Capital Outlay 2.1%

Salaries and Benefits 78.1%

Revenue Summary – All Funds

Local Fees
3.7%

State
12.3%

Federal
2.4%

Carry Forward
0.6%

Reserves
1.7%

County Transfer
79.3%

Total Revenue
$662.7 M
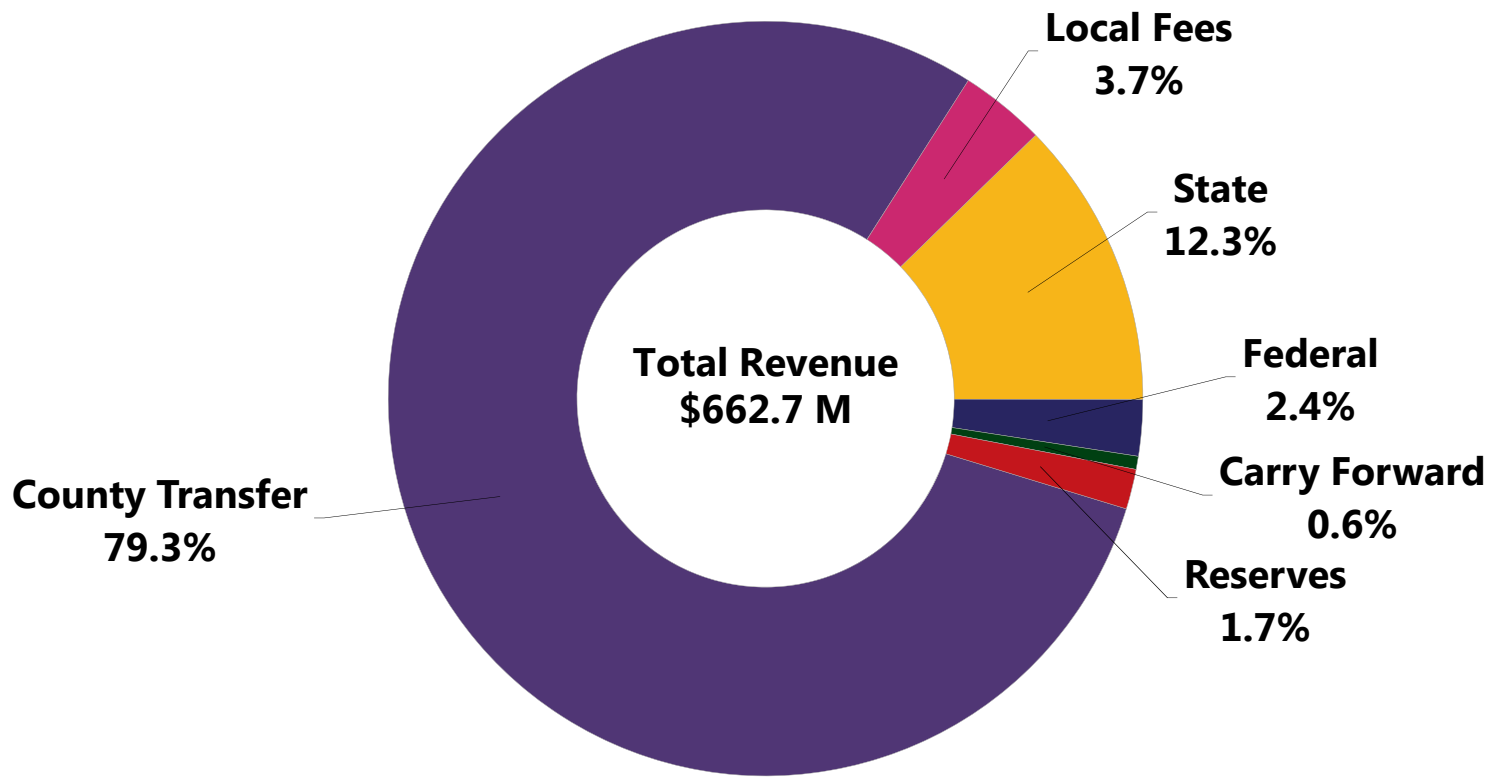
Distribution of Funds

Total Expenditures: $671.6 M

Food & Nutrition Services Fund 1.6%

Children's Services Act Fund 0.6%

Debt Service Fund 8.8%

Grants & Restricted Programs Fund 2.3%

Community Activities Fund 3.0%

Capital Projects Fund 1.0%

School Operating Fund 82.7%

Enrollment and Cost Per Pupil

Enrollment values: FY 2009: 19,534; FY 2010: 20,233; FY 2011: 21,241; FY 2012: 21,841; FY 2013: 22,613; FY 2014: 23,316; FY 2015: 24,529; FY 2016: 25,238; FY 2017: 26,152; FY 2018: 26,941; FY 2019: 27,436; FY 2020: 28,495

Cost per Pupil values: FY 2009: $19,538; FY 2010: $18,569; FY 2011: $17,322; FY 2012: $18,047; FY 2013: $18,674; FY 2014: $18,678; FY 2015: $19,040; FY 2016: $18,616; FY 2017: $18,957; FY 2018: $19,340; FY 2019: $19,348; FY 2020: $20,012
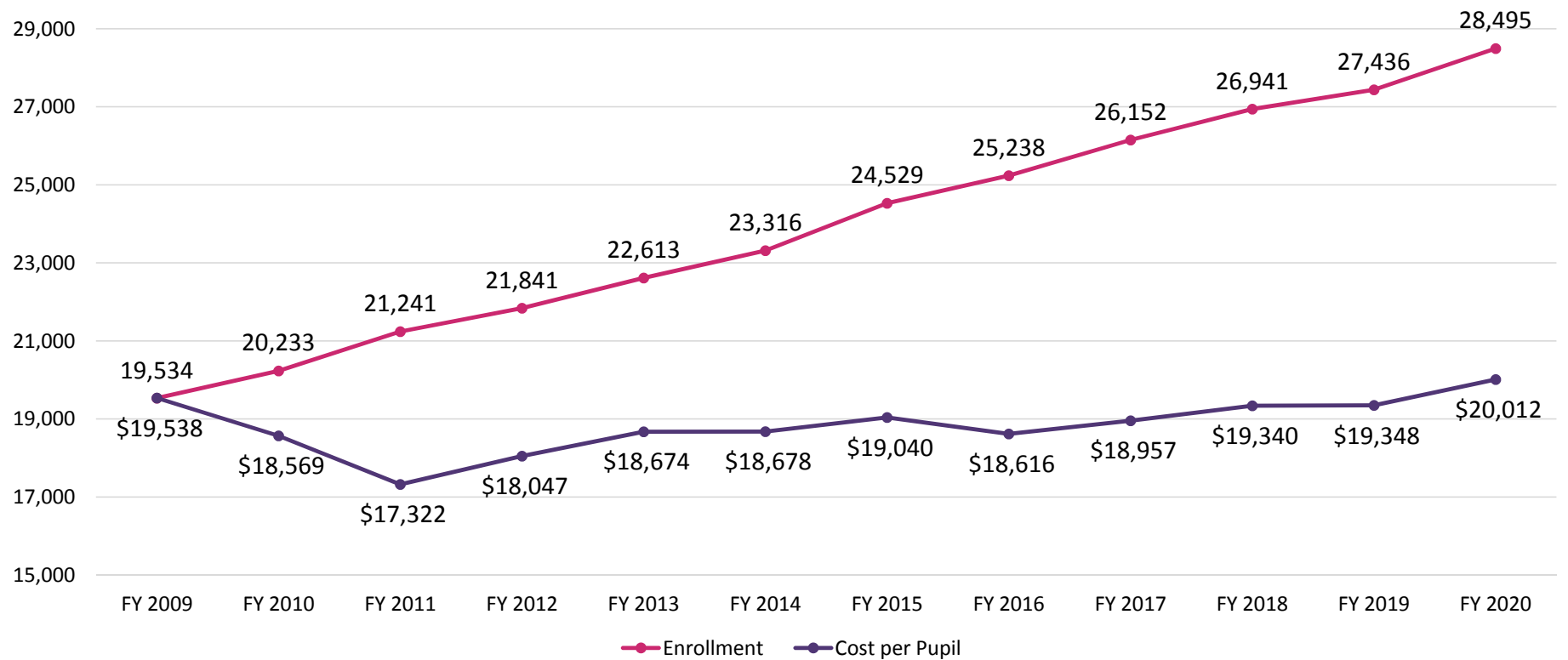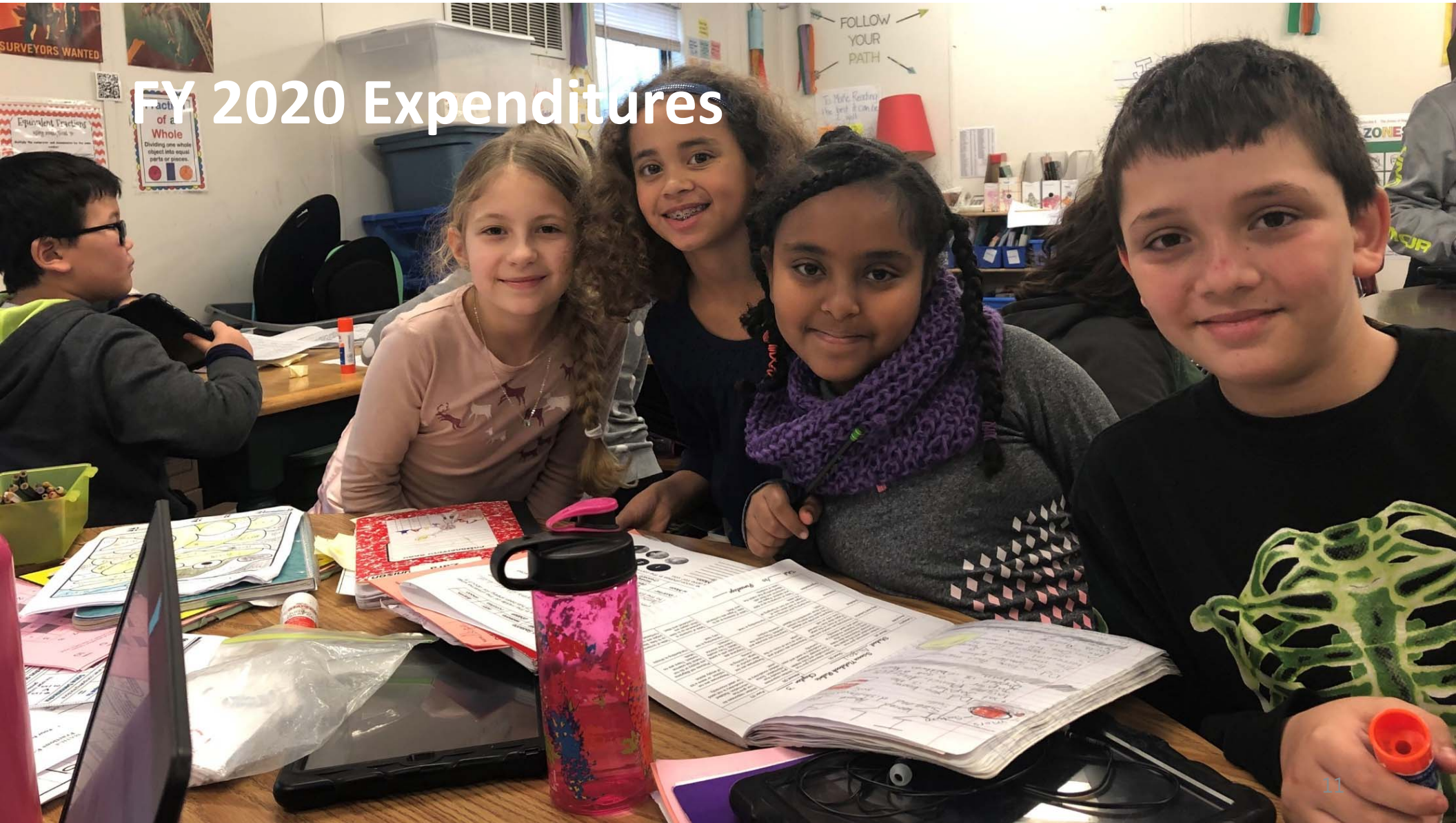
Note: Cost Per Pupil is based on a fully-funded budget, including an additional $8.9 million in revenue.

FY 2020 Expenditures

FY 2020 Expenditures

Compensation

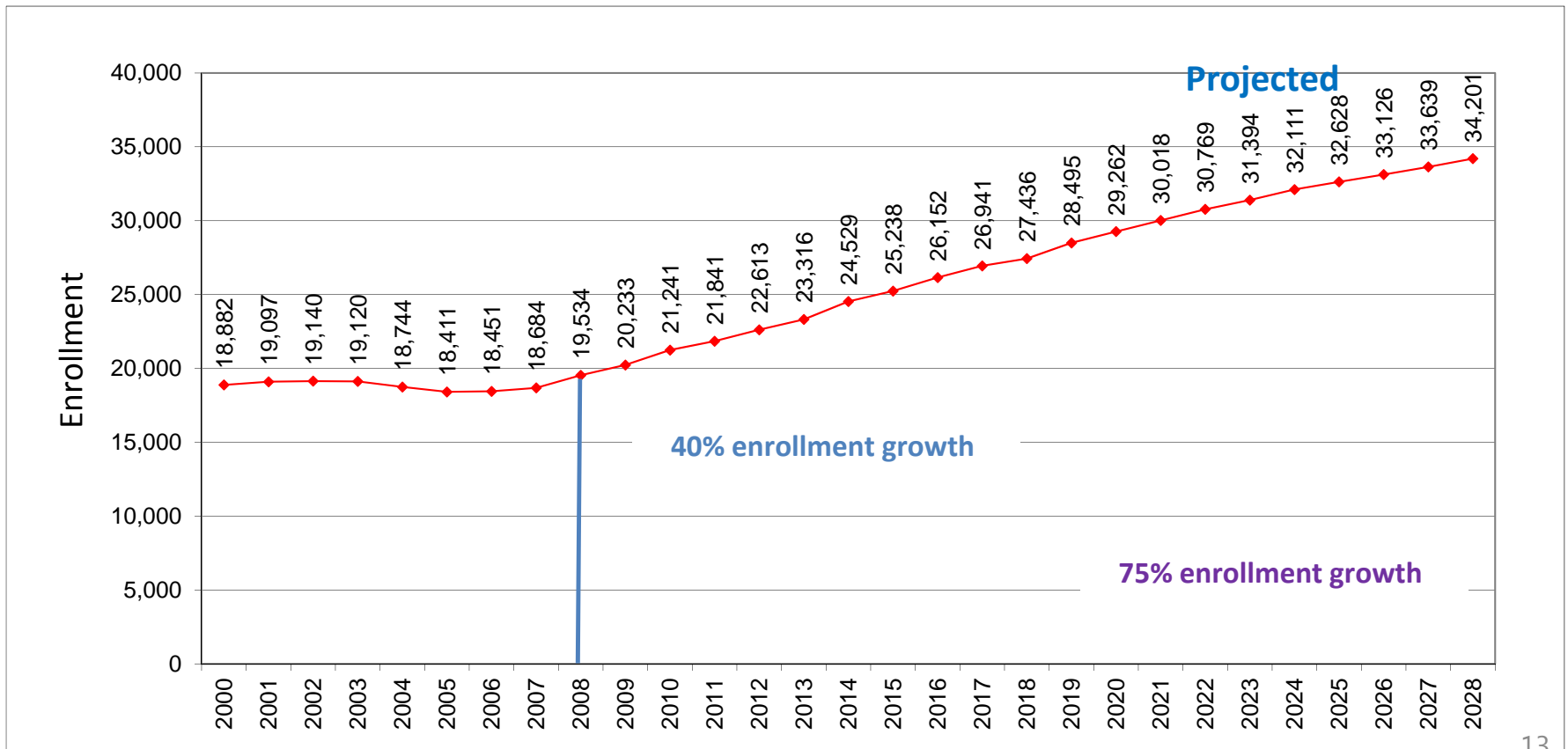|	Amount ($ in millions)	Positions
Step Increase for eligible employees	$10.7	n/a
Adjustment for under market positions (Year 3 of 3)	$2.2	n/a
Total	$12.9	n/a

Total Enrollment from Fall 2000 to 2028

Projected to reach 34,201 PreK-12 Students in September 2028

FY 2020 Expenditures

Enrollment Growth	Amount ($ in millions)	Positions
Staffing, materials and supplies	$6.64	77.90
Spring staffing contingency	0.80	
Boundary changes placeholder	0.25	
Relocatables, furnishings and technology	0.83	
Transportation (bus drivers and bus attendants)	0.21	5.00
Total	$8.73	82.90

FY 2020 Expenditures
Dorothy Hamm MS, Alice West Fleet ES, The Heights building, Drew ES, and Montessori Program

Opening of New Schools/Programs Costs	Amount ($ in millions)	Positions
Start-up Costs (one-time)		
Instructional materials, equipment, supplies	$3.88	
Ongoing Costs		
School staffing	4.15	46.40
Custodians, bus drivers and attendants, maintenance	2.30	26.00
Total	$10.33	72.40

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FY 2020 Expenditures

Continuing Growth Initiatives*		Amount ($ in millions)	Positions
Arlington Tech		$1.11	11.40
Additional psychologists and social workers		$0.87	9.25
Student and instructional support		$1.50	
Safety and security needs		$0.26	
Bus drivers and attendants		$0.32	7.00
	Total	$4.06	27.65

Initiatives begun in the FY17 and FY18 budgets.

FY 2020 Expenditures

Investments to Support Growth	Amount ($ in millions)	Positions
Schools Supports	$0.54	5.00
Safety and Security	$0.14	1.00
Central Office Supports	$0.17	1.00
Total	$0.83	7.00

May not total due to rounding

FY 2020 Budget Strategy

Achieving a Fully-Funded Budget

- Collaboration between central and school-based staff
- Innovative solutions
  - Use of reserves
  - Efficiencies in baseline budgets
- Revenue adjustments
- Service delivery model changes

Use of Reserves*

	Amount ($ in millions)
From Future Budget Years Reserve (for one-time costs)	$4.62
From Compensation Reserve	6.45
From Debt Service Reserve	0.30
Total	$11.37

Reserves are one-time funds.

Efficiencies and Changes in Service Delivery Models

Tier 1 Reductions – included in proposal	Amount ($ in millions)	Positions
Increase class size *(postponed for one year in FY 2019)*	2.10	22.20
Use one-time funds for Minor Construction/Major Maintenance (MC/MM)	5.28	
Workers' Compensation changes	$0.56	
Technology lease payments savings	1.50	
Alignment of Library media assistants contracts (Year 2 of 2)	0.12	
Department of Teaching and Learning efficiencies	0.57	1.00
Total	$10.12	23.20

May not total due to rounding

Budget Considerations

Fully-Funded Budget

	Amount ($ in millions)
Total Expenditures	$671.6
Total Revenue *	$662.7
Additional Revenue Needed	**($8.9)**

Based on County Manager's proposed budget

Considerations if Not Fully Funded

If $8.9 million in additional revenue above the County Manager's proposal is not realized, then Tier 2 reductions would be taken

	Amount ($ in millions)	Positions
Tier 2 Reductions	$8.9	77.85

- Central office reductions
- Transportation changes
- Schools staffing changes
- Benefits changes
- New and increased fees
- Delay student support increases

Considerations if Not Fully Funded

If the increased revenue in the County Manager's proposal is not realized, then Tier 3 reductions would be taken

	Amount ($ in millions)	Positions
Tier 3 Reductions	$11.1	68.10

- Further reductions in central office, transportation services, and schools staffing
- Reductions in professional learning and student supports

Future Considerations

- Multiple Pathways to Student Success
  - Middle School program at Williamsburg
  - Expansion of PreK
  - Adding 3rd immersion ES
- Engaged Workforce
  - Increase compensation
- Operational Excellence
  - Expansion of Human Resources and Finance staffs
  - Expansion of Planning & Evaluation staff
- Partnerships
  - Partnership coordinator to support Profile of a VA Graduate

Key Takeaways

- **Strongly support a fully-funded Schools budget**

- **$10.1 million in reductions already incorporated**

- **Competitive compensation package**

- **Preserve quality programs and services**
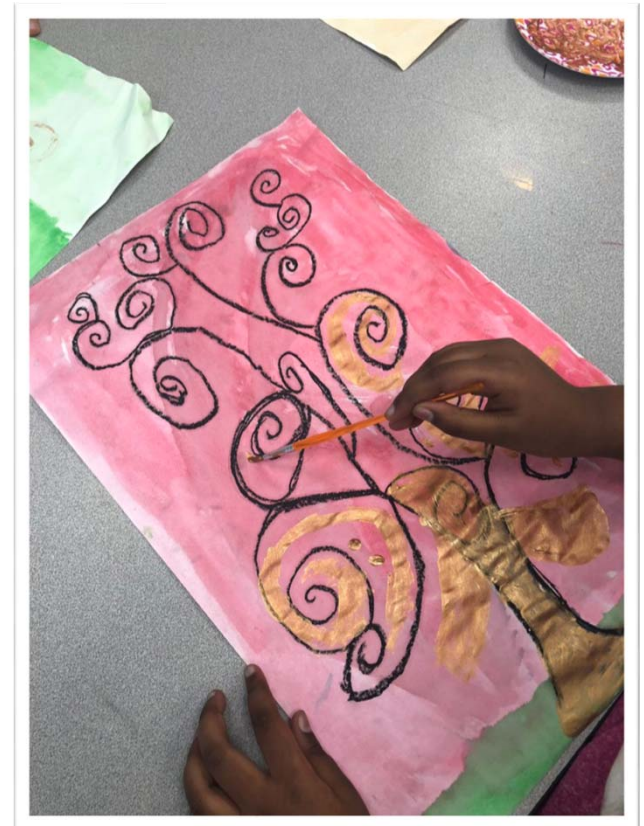
FY 2020 Budget Calendar

Feb 28: Superintendent's Proposed FY 2020 Budget

Feb 28: Work Session #1

Mar 12: Work Session #2 (w/Employee Groups)

Mar 19: Work Session #3

Mar 26: Work Session #4

Mar 28: Public Hearing on Superintendent's Proposed Budget

Apr 2: Work Session #5 (w/Advisory Chairs)

Apr 9: Work Session #6

Apr 11: School Board's Proposed FY 2020 Budget (Action)

Apr 12: School Board's Budget Presentation to County Board

May 2: Public Hearing on School Board's Proposed Budget

May 7: Work Session #7 (if needed)

May 9: School Board's Adopted FY 2020 Budget