

FEBRUARY 28, 2019

**SUPERINTENDENT'S
PROPOSED BUDGET**

***SCHOOL BOARD
MEETING***

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

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Superintendent's Budget Priorities



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

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Superintendent's FY 2020 Budget



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

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Fully-Funded Budget

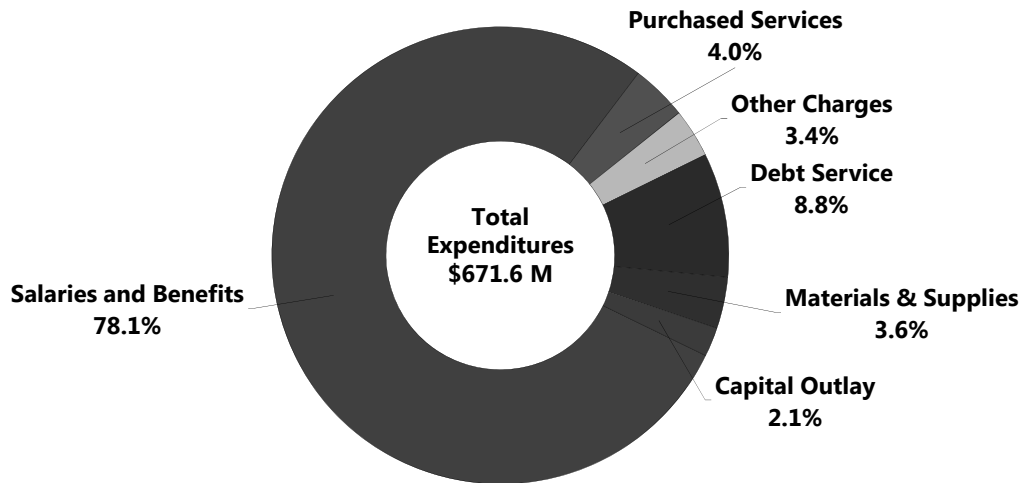


	<u>Amount</u> (\$ in millions)
Total Expenditures	\$671.6
Total Revenue *	<u>\$662.7</u>
Additional Revenue Needed	(\$8.9)

**Based on County Manager's proposed budget*

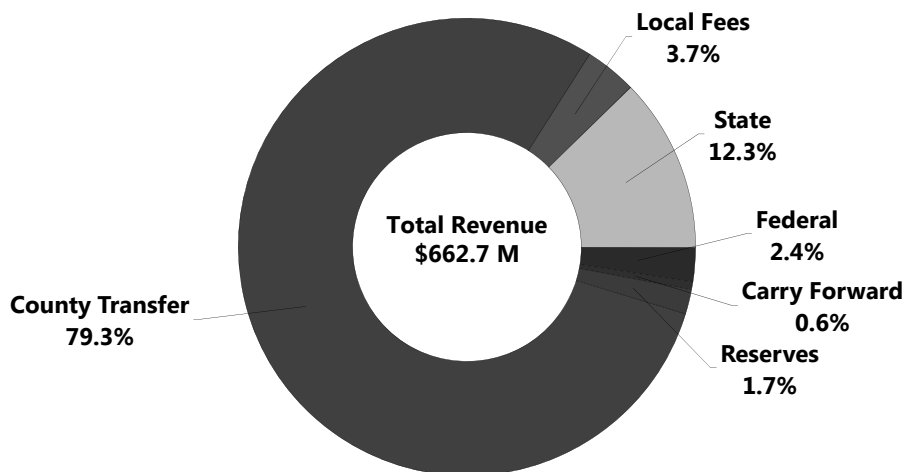
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Expenditure Summary – All Funds



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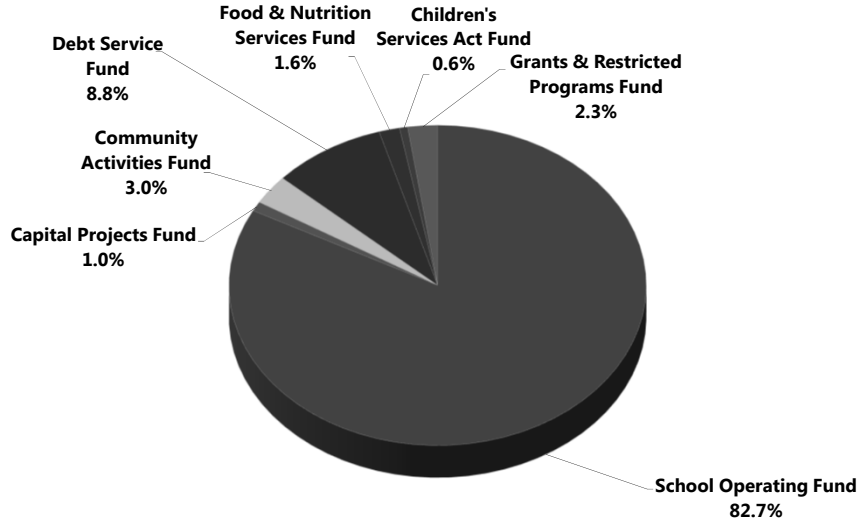
Revenue Summary – All Funds



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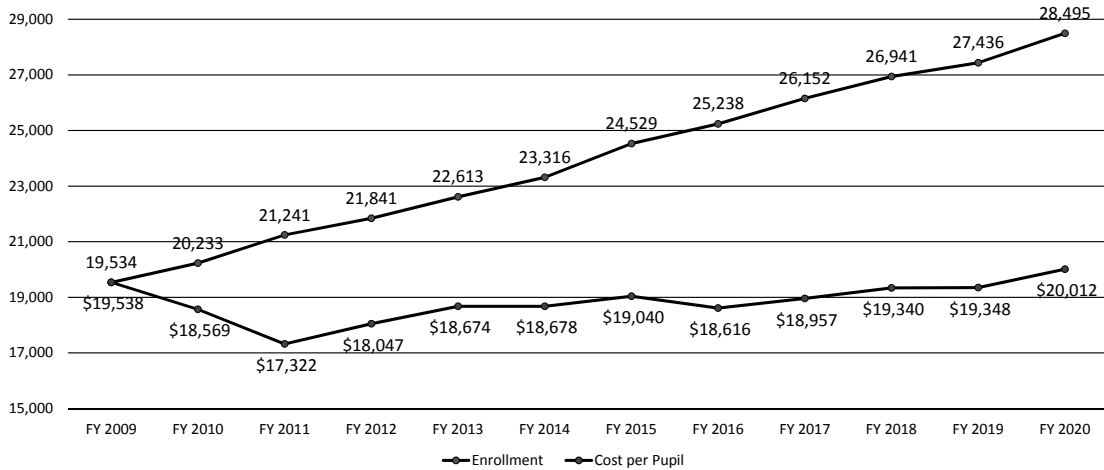
Distribution of Funds

Total Expenditures: \$671.6 M



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Enrollment and Cost Per Pupil



Note: Cost Per Pupil is based on a fully-funded budget, including an additional \$8.9 million in revenue.

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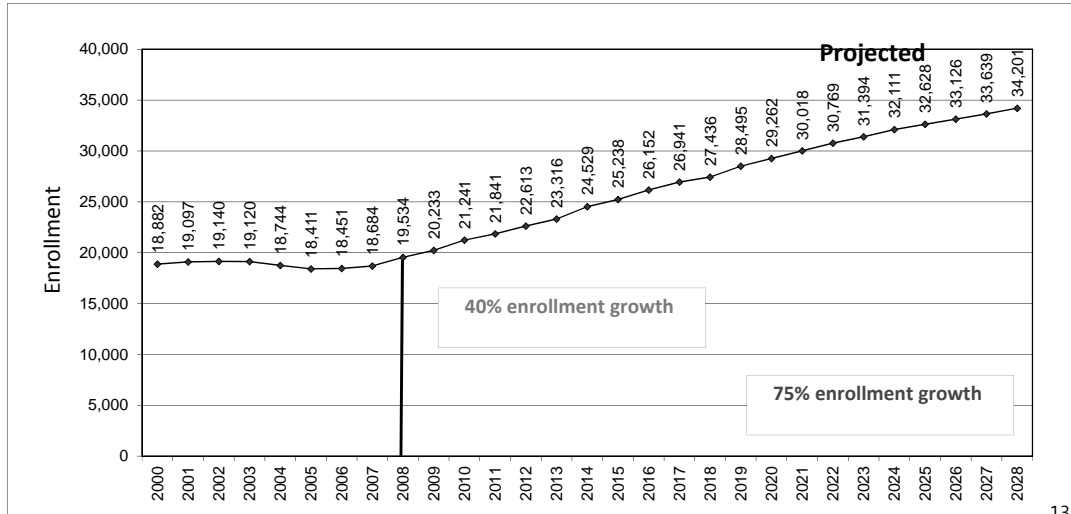
FY 2020 Expenditures

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



Total Enrollment from Fall 2000 to 2028

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



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FY 2020 Expenditures

Enrollment Growth	<u>Amount</u> (\$ in millions)	<u>Positions</u>
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)	<u>0.21</u>	<u>5.00</u>
Total	\$8.73	82.90

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FY 2020 Expenditures

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

	<u>Amount</u> (\$ in millions)	<u>Positions</u>
Opening of New Schools/Programs Costs		
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	<u>2.30</u>	<u>26.00</u>
Total	\$10.33	72.40

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FY 2020 Expenditures

	<u>Amount</u> (\$ in millions)	<u>Positions</u>
Continuing Growth Initiatives*		
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	<u>\$0.32</u>	<u>7.00</u>
Total	\$4.06	27.65

*Initiatives begun in the FY17 and FY18 budgets.

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FY 2020 Expenditures

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

May not total due to rounding



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

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Use of Reserves*

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



*Reserves are one-time funds.

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Efficiencies and Changes in Service Delivery Models

Tier 1 Reductions – included in proposal	<u>Amount</u> (\$ in millions)	<u>Positions</u>
Increase class size (<i>postponed for one year in FY 2019</i>)	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	<u>0.57</u>	<u>1.00</u>
Total	\$10.12	23.20

May not total due to rounding

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Fully-Funded Budget



	<u>Amount</u> (\$ in millions)
Total Expenditures	\$671.6
Total Revenue *	<u>\$662.7</u>
Additional Revenue Needed	(\$8.9)

**Based on County Manager's proposed budget*

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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



	<u>Amount</u> (\$ in millions)	<u>Positions</u>
Tier 2 Reductions	\$8.9	77.85
<ul style="list-style-type: none"> • Central office reductions • Transportation changes • Schools staffing changes • Benefits changes • New and increased fees • Delay student support increases 		

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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

	<u>Amount</u> (\$ in millions)	<u>Positions</u>
Tier 3 Reductions	\$11.1	68.10
		<ul style="list-style-type: none"> • Further reductions in central office, transportation services, and schools staffing • Reductions in professional learning and student supports

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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



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Key Takeaways

- **Strongly support a fully-funded Schools budget**
- **\$10.1 million in reductions already incorporated**
- **Competitive compensation package**
- **Preserve quality programs and services**



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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

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