



FISCAL YEAR
2020

APRIL 12, 2019

SCHOOL BOARD'S PROPOSED BUDGET

*SCHOOL BOARD &
COUNTY BOARD
JOINT WORK SESSION*



ARLINGTON
PUBLIC SCHOOLS
www.apsva.us

Overview

- Thank You
- Collaboration
- Current Budget Challenges
- Building the Budget
- Maintain Our Tradition of Excellence





Thank You



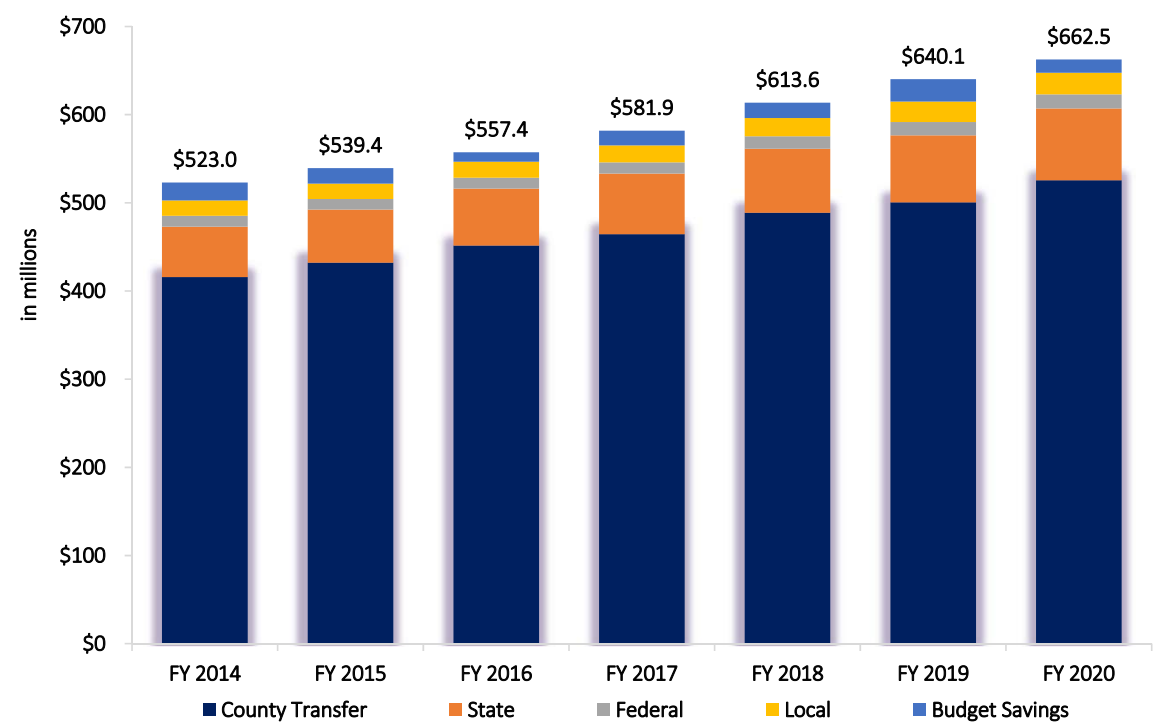
Applaud County's Focus on Economic Development





Strong Historic Support for Past Budgets

Thank You!!!



Niche: Best Place to Live in America

1. Arlington, Virginia



A photo of Freedom Park in Rosslyn, a city in Arlington County. Jon Bilous/Shutterstock

Thank You!!!





Collaboration



APS/Arlington County Collaboration

Working Collaboration

- ART Bus Pilot
- Fenwick Building
- Fields and Recreation Spaces
- Crossing Guards
- Joint Work Sessions
- Buck property
- School Nurses
- School Resource Officers (SROs)
- Joint Leadership Meetings
- Joint Retreats

Advisory Groups

- Joint Aquatics Committee
- Joint Facilities Advisory Committee (JFAC)
- Arlington Partnership for Children, Youth and Families (APCYF)
- Career Center Working Group (CCWG)
- Advisory/Joint Committee on Transportation Choices (ACTC/JCTC)

BLPC/PFRCs

- Reed
- Hamm
- Heights
- Fleet
- Ed Center

**And, of course,
The Budget!!**



Results of Our Joint Successes

Arlington County

- Close-in, good transportation options, strong job mkt, well-managed gov't, variety of attractive neighborhoods, diverse housing options, commercial and retail variety, low tax rate, affluent community, low crime rate

Arlington Public Schools

- Great schools: low class sizes, high instructional quality → high success metrics, options, opportunities, high per-child spending, strong community support for school funding (only 20% have school-age children)



Current Budget Challenges



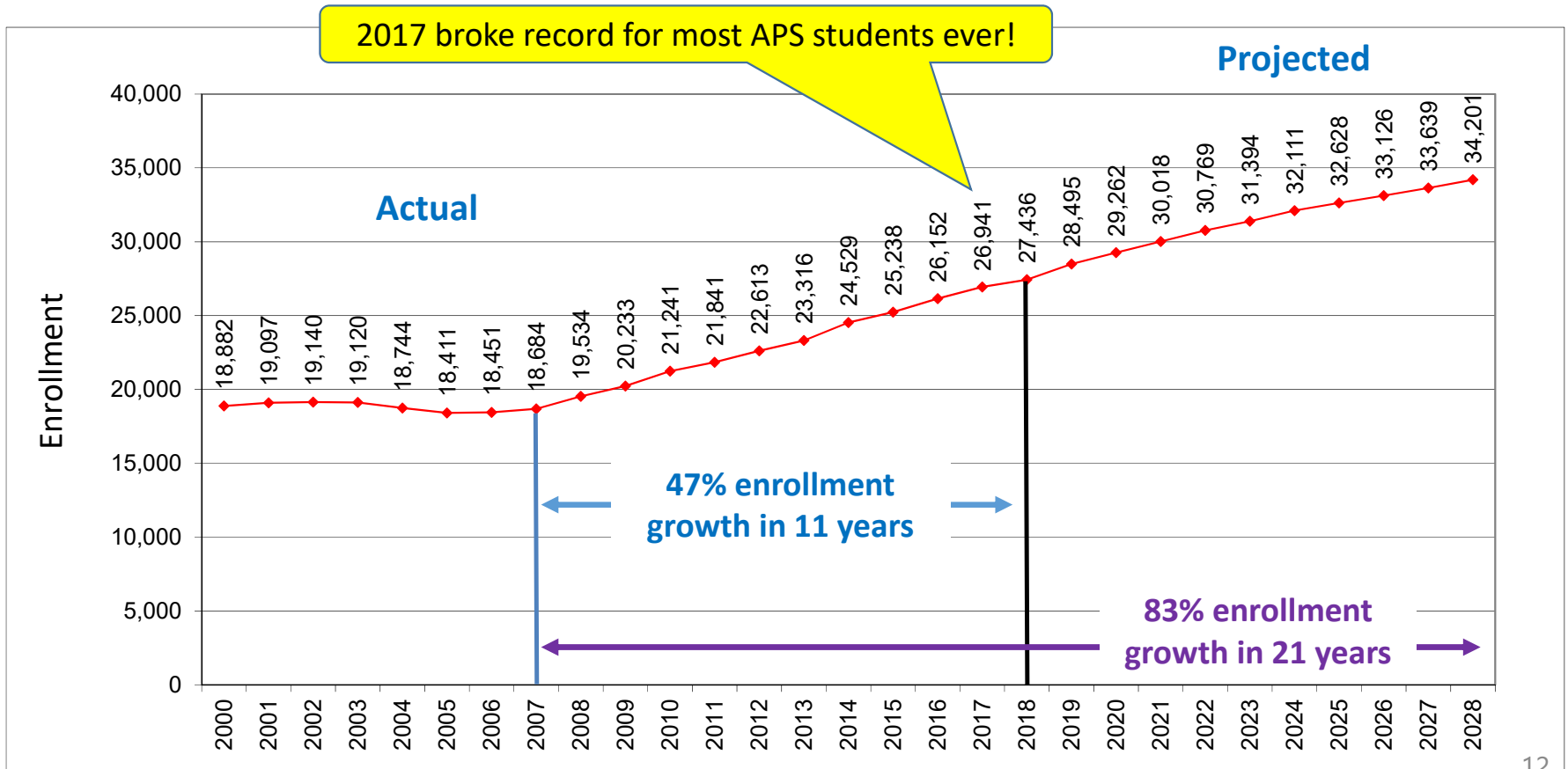
Recipe for Student Success

Our high-quality, top-ranked, desirable school system is a function of:

- Low class sizes
- High-quality, dedicated instructional staff
- Robust student supports such as
 - Math and Reading coaches
 - Gifted and special education services
 - Mental health services
 - Choices and Opportunities

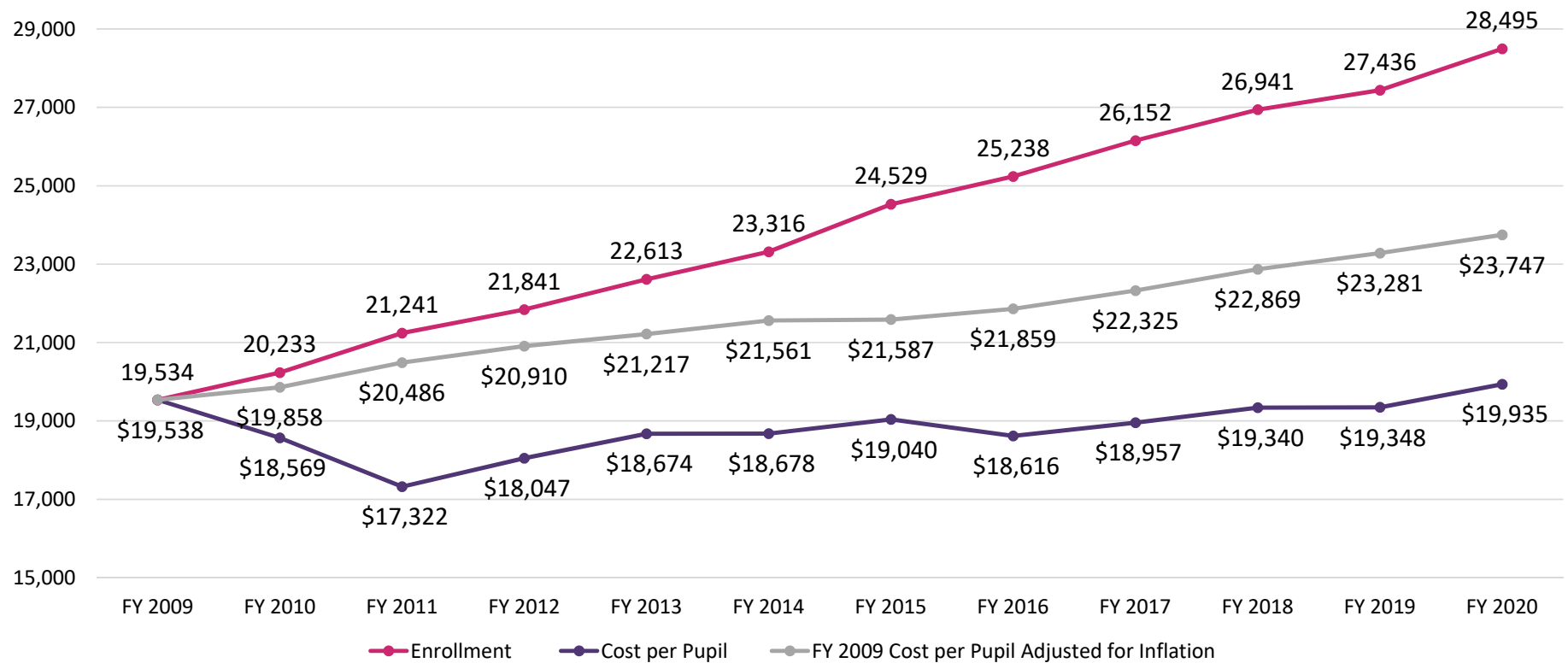
Total Enrollment from Fall 2000 to 2028

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





Enrollment and Cost Per Pupil

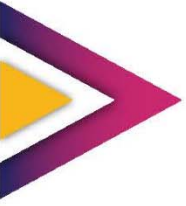


Note: Cost Per Pupil is based on a fully-funded budget, including an additional \$6.8 million in revenue.



Tightened the Belt Last Year

- Reductions or Fee Increases of \$11.4 million
 - Increased user fees
 - Changes in Planning Factors
 - Partially postponed growth initiatives
 - Eliminated benefits
 - Central Office reductions
 - Funded MC/MM with one-time funds



Budget Journey

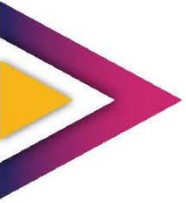
- Started planning this budget last spring
- Initial deficit was \$42.8 million
- Team of senior leaders and principals worked side by side to find reductions
- Significant balancing act
 - Relied on Strategic Plan to guide decisions
 - Needed reductions but did not want to undercut instruction
 - Looked for items beyond SOQ's
- Superintendent's Proposed Budget reflected this work
 - Shortfall pared down to \$19.0 million before reductions



Result: Budget Reduced \$11.3 million

- Started with \$42.8 million deficit
 - Diligently worked to scrub the numbers
- Shortfall reduced to \$19.0 million
- Superintendent's Proposed included \$10.1 million in cuts
 - Resulted in gap of \$8.9 million
- Spring revenue and enrollment update resulted in saving of \$1.6 million
 - New gap of \$7.3 million
- School Board Proposed budget includes additional reductions \$1.2 million

New Gap in School Board Proposed Budget: \$6.8 million



Fully-Funded Budget

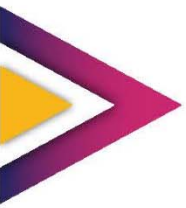


	<u>Amount</u> (\$ in millions)
Total Expenditures	\$669.3
Total Revenue *	<u>\$662.5</u>
Additional Revenue Needed	(\$6.8)

**Based on County Manager's proposed budget*



Building the Budget



FY 2020 Expenditures

	<u>Amount</u> (\$ in millions)	<u>Positions</u>
Opening of New Schools/Programs	\$10.33	72.40
Enrollment Growth	\$7.05	68.00
Compensation	\$12.90	
Continuing Growth Initiatives*	\$4.06	27.65
Investments to Support Growth	\$0.83	7.00
Total	\$35.17	175.05

Expecting 1,000 Additional Students in September 2019

**Initiatives begun in the FY17 and FY18 budgets.*



Compensation Increase

- Strategic Plan Goal: Engaged Workforce
 - Want to retain our high-quality staff
- National teacher shortage
 - Insulated at first, but now affecting APS
- Surrounding jurisdictions have caught up to and surpassed APS



Strategic Use of Reserves*

Reserve	Current Balance	Earmarked in FY19-28 CIP	Used in Supt's Proposed Budget	Projected Balance
Capital	\$22.0	(\$34.8)		(\$12.9)
VRS	\$2.5			\$2.5
Debt Service	\$1.0		(\$0.3)	\$0.7
Future Budget Years	\$16.1		(\$4.6)	\$11.5
Compensation	\$6.5		(\$6.5)	\$0.0
Separation Pay	\$2.0			\$2.0
Health Care	\$1.0			\$1.0
Total	\$51.0	(\$34.8)	(\$11.4)	\$4.8

*Reserves are one-time funds.



Reductions to Close Gap

Reductions included in Supt's Proposed

	<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)	
Benefits 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



Reductions to Close Gap

Additional Reductions in SB Proposed

Central office reductions

Evaluation staff/funds; transportation staff; training staff; service awards; HR staff; substitutes

Schools reductions

FLES; MS Pathways Program; parking fees

<u>Amount</u> (\$ in millions)	<u>Positions</u>
(\$1.18)	(8.50)

Investments in APS's Future

Investments directly aligned with Strategic Plan

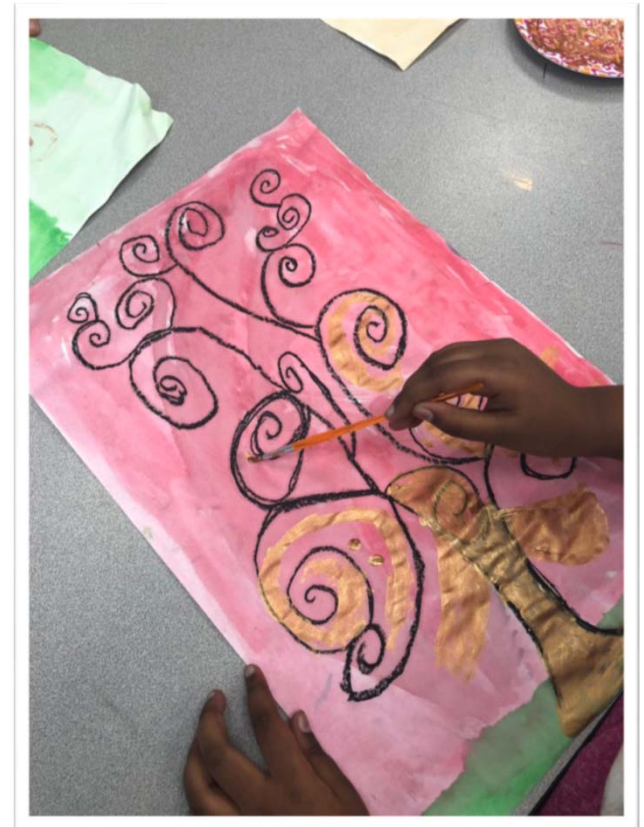
- Core Values: Equity and Inclusivity
 - Accelerating diversity efforts
- Strategic Plan Goal: Strong, Mutually Supportive Partnerships
 - Advancing the growth of strategic partnerships and expand internship and externship opportunities for students
- Strategic Plan Goal: Operational Excellence
 - Investing in ways to become more efficient



School Board Proposed Budget

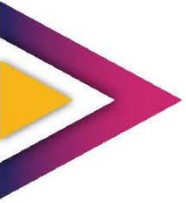
Description	Amount in \$M	Gap In \$M
Superintendent's Proposed Budget	\$671.6	\$8.9
Spring Update – revenue & enrollment	(\$1.8)	
Updated Superintendent's Proposed Budget	\$669.8	\$7.3
School Board Reductions	(\$1.2)	
School Board Additions	\$0.7	
School Board Proposed Budget	\$669.3	\$6.8

May not total due to rounding





Maintain Our Tradition of Excellence



Fully-Funded Budget



	<u>Amount</u> (\$ in millions)
Total Expenditures	\$669.3
Total Revenue *	<u>\$662.5</u>
Additional Revenue Needed	(\$6.8)

**Based on County Manager's proposed budget*

Key Takeaways

- \$11.3 million in budget reductions already incorporated
- Preserve excellent programs and services
- Invest in quality employees
- Strong partnership between County and Schools is essential



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