

INTERIM SUPERINTENDENT'S PROPOSED BUDGET

SCHOOL BOARD MEETING

FEBRUARY 27, 2020

1



Honoring Our Commitment and Remaining Competitive

2

FY 2021 Budget Direction



- Based on School Board Budget Direction, the budget will:
 - Align with the Strategic Plan
 - Emphasize the School Board's top three priorities:
 - Increased achievement for all reporting groups that shows progress toward eliminating the opportunity gap
 - Improved mental health measures and access to mental health resources, and
 - All students can identify at least one school-based adult who supports and encourages their academic and personal growth
 - Provide a compensation increase for all employees and the School Board
 - Include funding to support the growth of our almost 28,000-student system
 - If possible, continue the initiatives begun in FY17 and FY18, fund new initiatives and expenditures, and consider steps to implement recommendations from the evaluations of Services for Students with Special Needs and English Learners and the English Learners DOJ Settlement Agreement, and
 - Be a needs-based budget

3

3

Commitment to Students

- Close the opportunity gap
- Continue to deliver what students need to become college and career ready
 - Highly-qualified staff
 - Supports for social/emotional well-being
 - Inclusive environment
 - Course options for all
 - Voice and choice
 - Support for internships and externships
 - State of the art facilities and technology



4

Commitment to Staff

- Compensation for Entire Team
 - Competitive
 - Appropriate
 - Equitable
- Professional Learning
 - Relevant
 - Consistent
 - Ample time
- Voice and Choice
- Meaningful/Plentiful Resources
- Fully Engaged/Proud to work at APS



5

Commitment to Community

- World-class education
- Good fiscal stewards
- Pride in school system
- Increased economic value for County overall
- Welcoming and safe schools



6

6



7

External Budget Factors (VA)

- Virginia Retirement System rate increases
- State-mandated student to school counselor ratios
- Competitive teacher salary scales in Northern Virginia

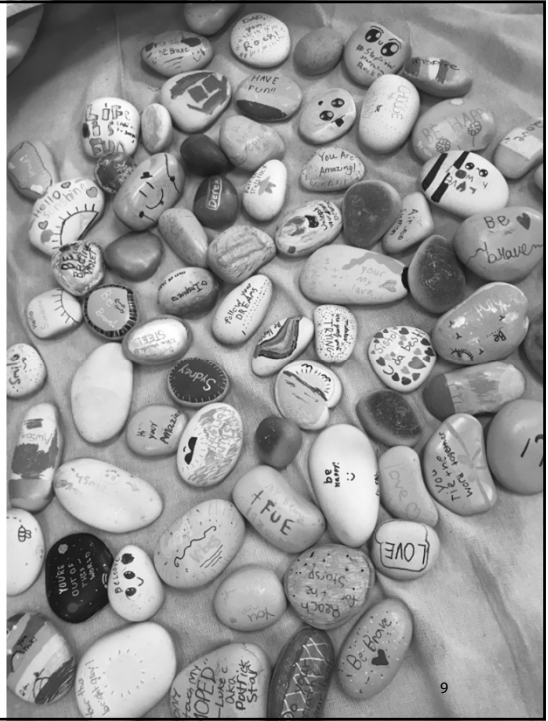


8

External Budget Factors (ACG)

- **Revenue Picture**
 - Real estate up 4.6% overall
 - Both residential and commercial are stable

- **County Transfer:** 47% of locally-generated tax revenue
 - County Manager’s budget does not include a tax rate increase



External Budget Factors (APS)

Enrollment:

+4% = 1,122 Students = 1-2 New Schools

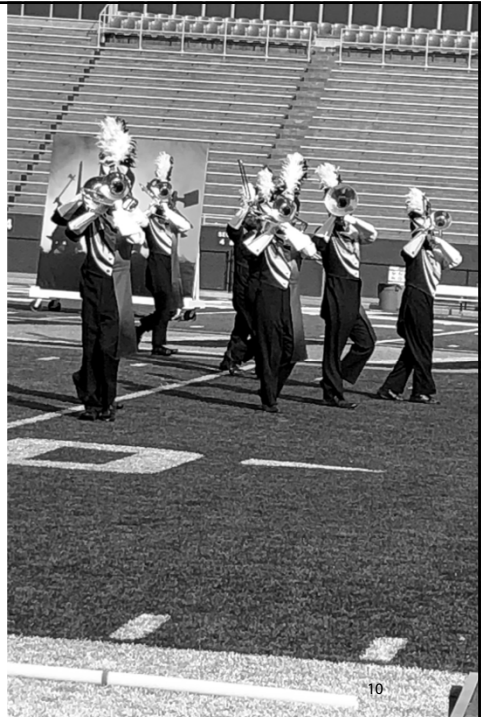
Capacity:

44% of APS schools currently exceed capacity

Operating:

Rising costs for:

- Students with special needs
- Transportation services
- Substitutes
- ADA accommodations for staff
- Health insurance

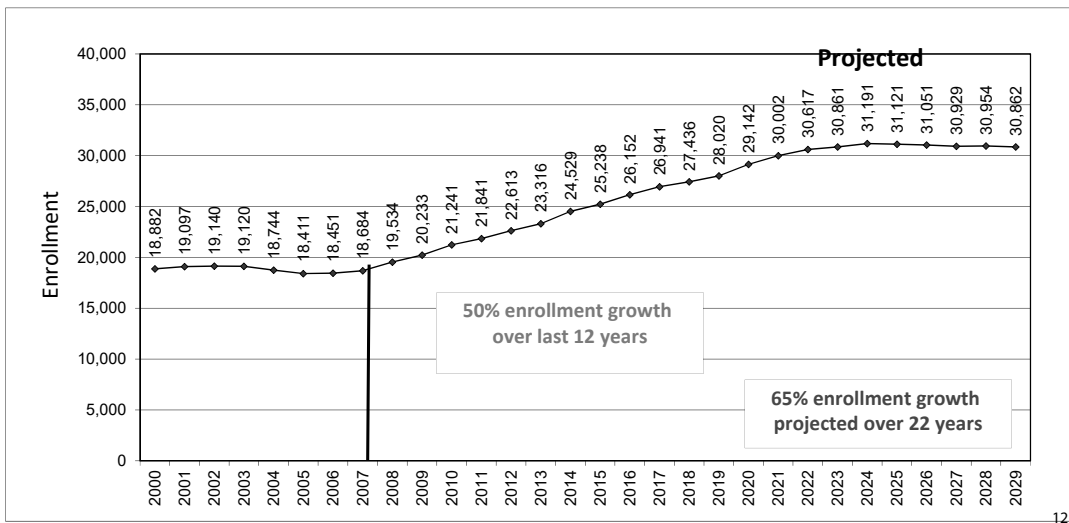




11

Total Enrollment from Fall 2000 to 2029

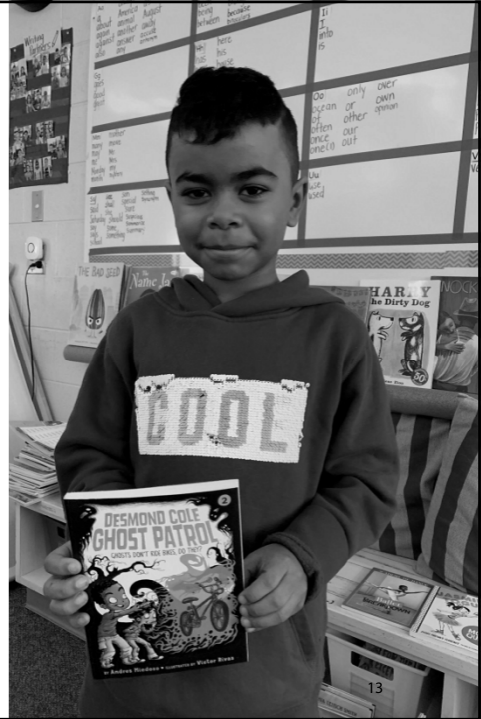
Projected to reach 34,201 PreK-12 Students in September 2028



12

Consequences of Enrollment Growth

- Increased square footage = increased maintenance costs
- Increased # of staff = increased need in Teaching and Learning, Human Resources, Finance
- Increased construction needs = increased procurement needs



13

Our Needs-Based FY 2021 Budget



	<u>Amount</u> (\$ in millions)
Total Expenditure Needs	\$725.9
Total Revenue *	<u>\$698.4</u>
Additional Revenue Needed	(\$27.5)

*Based on County Manager's proposed budget
May not total due to rounding

14

14

FY 2021 Funding Highlights

COMPENSATION FOR ALL

- Step increase
- Plus 1.6% Cost of Living Adjustment

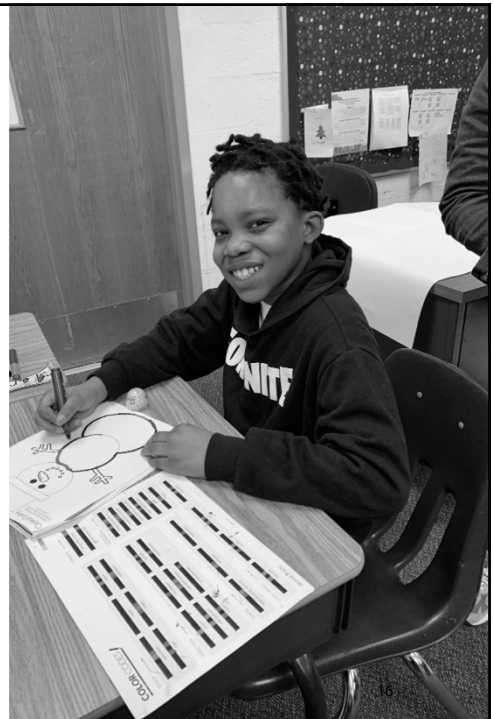


15

FY 2021 Funding Highlights

INSTRUCTIONAL SUPPORTS

- Funding for enrollment growth
- Staffing for English Learners to meet the DOJ Settlement Agreement
- Increased staffing and services for students with special needs
- Transportation staffing
- Textbooks



16

FY 2021 Funding Highlights

OPERATIONAL INFRASTRUCTURE

- Custodial and maintenance staffing and funding
- Human Resources staffing and support
- Substitute funding
- Safety and security funds
- Utilities



17

17

Compensation for All

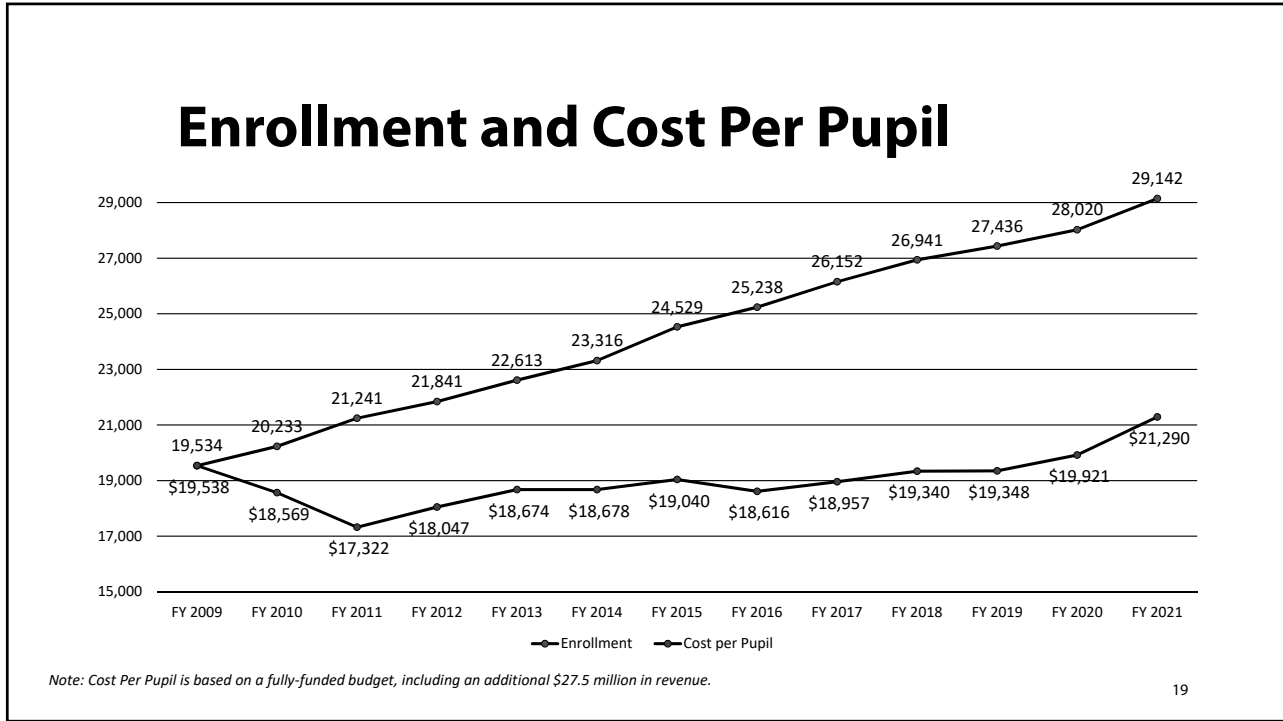
	<u>Amount</u> (\$ in millions)	<u>Positions</u>
Step Increase	\$10.60	
1.6% Cost of Living Adjustment*	<u>\$7.40</u>	
Total	\$18.00	N/A

*Based on Social Security increase for 2020

May not total due to rounding

18

18



19

Enrollment Growth

	Amount (\$ in millions)	Positions
Staffing, materials and supplies		
General education	5.82	59.40
Special education	3.66	46.00
Spring staffing contingency	0.80	
New SOQ ratios for School Counselors	0.50	5.20
Capacity (relocatable moves; principal & asst for Reed)	1.09	2.00
Transportation (bus drivers and bus attendants; vehicles and buses)	<u>0.96</u>	<u>8.00</u>
Total	\$12.83	120.60

20

Continuing Initiatives

	<u>Amount</u> (\$ in millions)	<u>Positions</u>
Arlington Tech	\$0.87	9.75
Technicians to meet Standards of Quality (SOQ)	0.37	4.00
Bus drivers and attendants	<u>\$0.33</u>	<u>7.00</u>
Total	\$1.57	20.75

**Initiatives begun in the FY17, FY18, and FY20 budgets.*

21

21

Increased English Learner Supports*

Per DOJ Settlement Agreement	<u>Amount</u> (\$ in millions)	<u>Positions</u>
English Learner teachers to meet DOJ requirements	\$3.39	35.40
Translation of essential documents	<u>\$0.50</u>	
Total	\$3.89	35.40

**Does not include funding provided as part of Enrollment Growth*

May not total due to rounding

22

22

Increased Special Needs Supports*

<i>Per Special Education Evaluation</i>	<u>Amount</u> (\$ in millions)	<u>Positions</u>
Special education director	\$0.15	1.00
One to one assistants	1.68	30.00
American Sign Language interpreters	0.77	9.00
Cued language transliterators	0.34	4.00
Speech therapists	0.51	5.00
Assistive technology specialists	0.41	4.00
Supervisor of Related Services	0.15	1.00
Integration Station administrator	0.10	1.00
CSA, transportation, nursing specialist	0.10	1.00
Increase PreK assistants planning factor	0.86	16.00
Compliance coordinator	<u>\$0.09</u>	<u>1.00</u>
Total	\$6.56	84.00

**Does not include funding provided as part of Enrollment Growth*

23

23

Increased Transportation Supports*

	<u>Amount</u> (\$ in millions)	<u>Positions</u>
Routing planners	\$0.20	2.00
Bus attendants	0.15	4.00
Safe Routes to School coordinator	0.14	1.00
Student transit subsidy	0.10	
Customer service reps, admins, swing driver	0.35	6.00
Dispatcher	<u>\$0.09</u>	<u>1.00</u>
Total	\$1.03	14.00

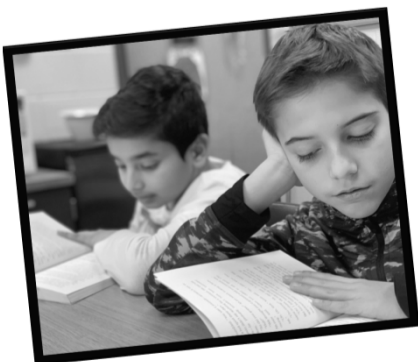
**Does not include funding provided as part of Enrollment Growth*

24

24



Steps Taken to Reduce Deficit



- Innovative solutions
 - Realignment of resources
 - Collaboration between central and school-based staff
- Efficiencies in baseline budgets
- Use of reserves
- Service delivery model changes through realignment which will eliminate the FLES program as it exists today

Realignment of Resources

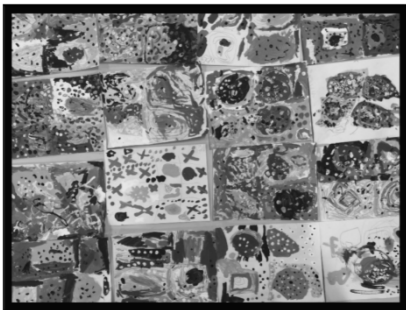
	<u>Amount</u> (\$ in millions)	<u>Positions</u>
Realign English Learner (EL) assistants to provide additional EL teachers to meet DOJ requirements	(\$1.27)	(23.50)
Current EL teachers who manage dually-identified students will provide direct instruction for half the day	(1.23)	
Provide incentives to special education teachers in self-contained settings to become dual-endorsed in EL to reduce need for additional teachers	(0.92)	
Eliminate FLES but provide flexible positions to meet instructional and planning needs (1-2 per school based on enrollment)	(2.79)	
Total	(\$6.20)	(23.50)

May not total due to rounding

27

27

Use of Reserves*



Reserve	Current Balance	Added from FY19 Closeout	Used in Supt's Proposed Budget	Projected Balance
VRS	\$2.5		(\$1.1)	\$1.4
Debt Service	\$0.7		(\$0.7)	\$0.0
Future Budget Years	\$11.2		(\$8.4)	\$2.7
Compensation	\$0.0	\$7.8	(\$7.8)	\$0.0
Separation Pay	\$2.0			\$2.0
Health Care	\$1.0			\$1.0
Total	\$17.4	\$7.8	(\$18.0)	\$7.2

*Reserves are one-time funds

28

28



29

Considerations if Not Fully Funded

	<u>Amount</u> (\$ in millions)	<u>Positions</u>
Total Deficit	\$27.46	
Eliminate Tier 3 requests (offset by reduction in Future Budget Years Reserve funds used)	(2.68)	(34.00)
New Deficit	\$24.78	
Eliminate Tier 2 requests (offset by reduction in Future Budget Years Reserve funds used)	(4.07)	(45.00)
New Deficit	\$23.39	
Eliminate Tier 1 requests except EL teachers and 1:1 assistants (offset by reduction in Future Budget Years Reserve funds used)	(2.93)	(24.00)
New Deficit	\$20.46	
Eliminate Compensation Increase (offset by reduction in Compensation Reserve funds used)	(10.25)	
New Deficit	\$10.21	

30

30

Considerations if Not Fully Funded



If \$27.5 million in additional revenue above the County Manager’s proposal is not realized, then Tier 3 new budget requests would be eliminated

	<u>Amount</u> (\$ in millions)	<u>Positions</u>
Tier 3 Requests	\$2.68	34.00
		<ul style="list-style-type: none"> • Special education staffing • Student support coordinators • Safety and security needs • Custodial and maintenance staff • Human resources supports

31

31

Considerations if Not Fully Funded



If \$24.8 million in additional revenue above the County Manager’s proposal is not realized, then Tier 2 new budget requests would be eliminated

	<u>Amount</u> (\$ in millions)	<u>Positions</u>
Tier 2 Requests	\$4.07	45.00
		<ul style="list-style-type: none"> • Special education staffing • Transportation supports • Student support coordinators • Substance abuse counselors • Safety and security needs • Human resources supports

32

32

Considerations if Not Fully Funded



If \$23.4 million in additional revenue above the County Manager’s proposal is not realized, then Tier 1 new requests would be reduced to only EL teachers and one to one assistants

	<u>Amount</u> (\$ in millions)	<u>Positions</u>
Tier 1 Requests	\$2.93	24.00

- No additional resources provided for:
 - transportation services
 - students with special needs
 - safety and security
 - maintenance needs
 - schools staffing

33

33

Considerations if Not Fully Funded



If \$20.5 million in additional revenue above that in the County Manager’s proposal is not realized, then the Compensation Increase would be eliminated.

	<u>Amount</u> (\$ in millions)	<u>Positions</u>
Compensation Increase	\$10.25*	

- Step Increase
- 1.6% Cost of Living Adjustment

Even with all these reductions, we would still be faced with a \$10.2 million deficit.

**Offset by Compensation Reserve funds used*

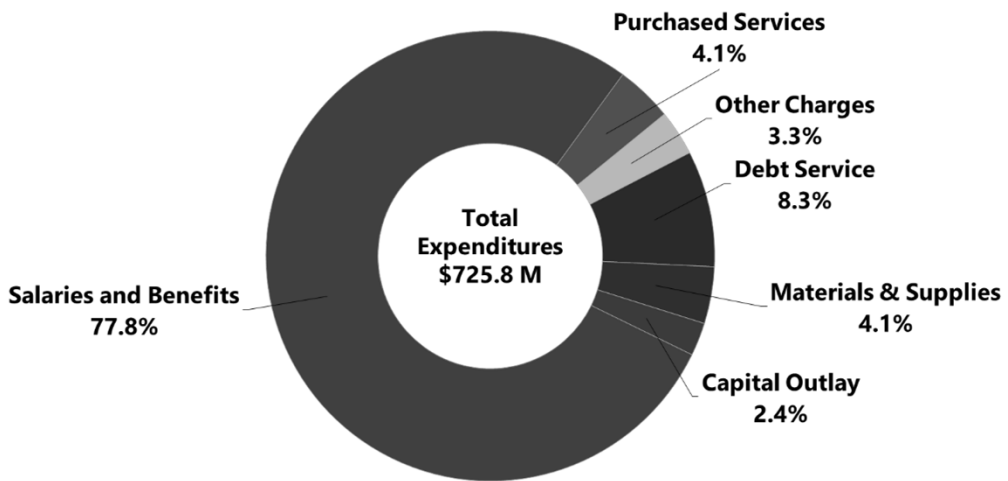
34

34

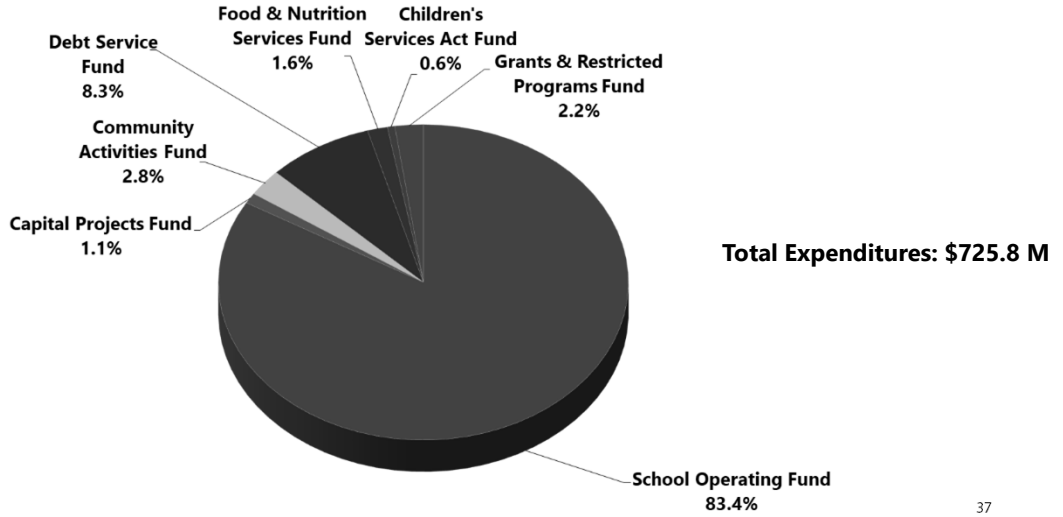


Breaking It Down

Expenditure Summary – All Funds

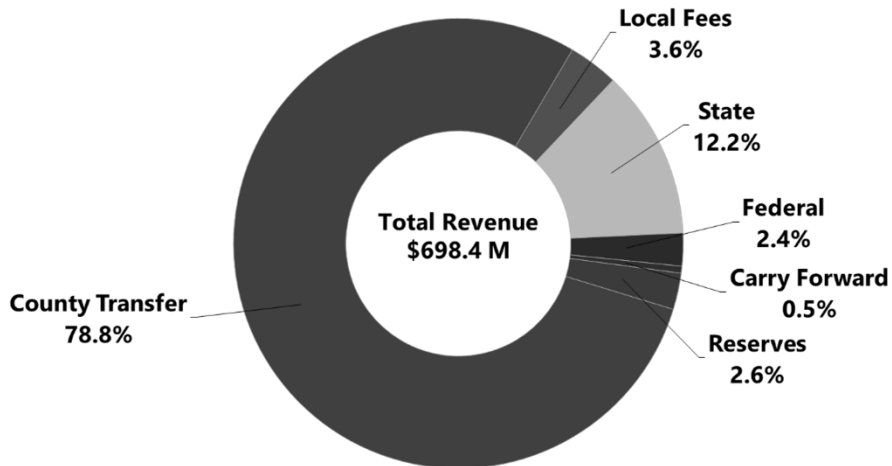


Distribution of Funds



37

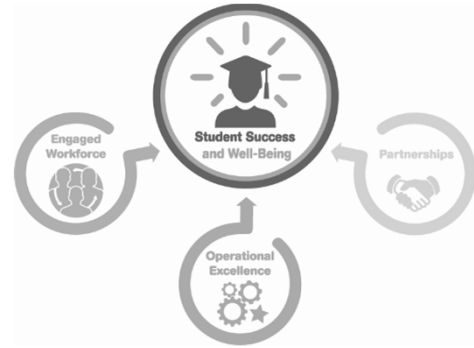
Revenue Summary – All Funds



38

Future Considerations and Budgetary Pressures Aligned to Strategic Plan

- Multiple Pathways for Student Success
 - Expansion of PreK
 - Implementation of recommendations from program evaluations for EL and Students with Special Needs
 - Implementation of English Learner DOJ Settlement Agreement requirements
- Engaged Workforce
 - Competitive compensation
- Operational Excellence
 - Continued enrollment growth
 - Opening of Reed and Education Center sites in FY 2022
 - Expansion of Human Resources and Finance staffs
- Partnerships
 - Expand partnerships to support VA Profile of a Graduate and multiple pathways for student success

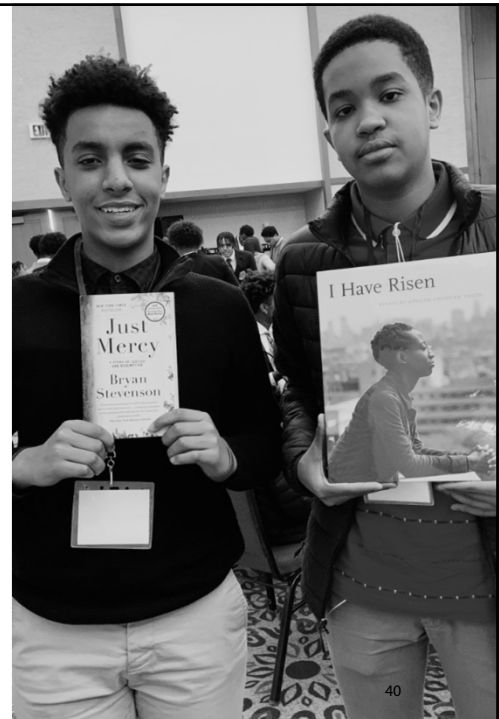


39

39

Key Takeaways

- Unusual year with increased external pressures
- \$6.2 million in realigned resources already incorporated
- Compensation increase for all employees
- Quality programs and services preserved
- Additional resources to support operational excellence



40

40

FY 2021 Budget Calendar

- Feb 27:** Superintendent's Proposed FY 2021 Budget
- Feb 27:** Work Session #1
- Mar 10:** Work Session #2 (w/Employee Groups)
- Mar 17:** Work Session #3
- Mar 24:** Work Session #4
- Mar 25:** Public Hearing on Superintendent's Proposed Budget
- Mar 31:** Work Session #5 (w/Advisory Chairs)
 - Apr 2:** School Board's Proposed FY 2020 Budget (Action)
 - Apr 3:** School Board's Budget Presentation to County Board
- Apr 28:** Work Session #6
- Apr 30:** Public Hearing on School Board's Proposed Budget
- May 7:** School Board's Adopted FY 2020 Budget

41

41

**Honoring Our Commitment
and Remaining
Competitive**

42

42

**INTERIM
SUPERINTENDENT'S
PROPOSED BUDGET**

**SCHOOL BOARD
MEETING**

FEBRUARY 27, 2020