



**SCHOOL BOARD'S
PROPOSED BUDGET**


**FISCAL YEAR
2022**

**JOINT SCHOOL BOARD /
COUNTY BOARD
BUDGET WORK SESSION**

April 12, 2021


www.apsva.us

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Overview

- Thank You
- Who We Are
- Economic Realities
- Current Budget Challenges
- Budget Highlights
- What We Need



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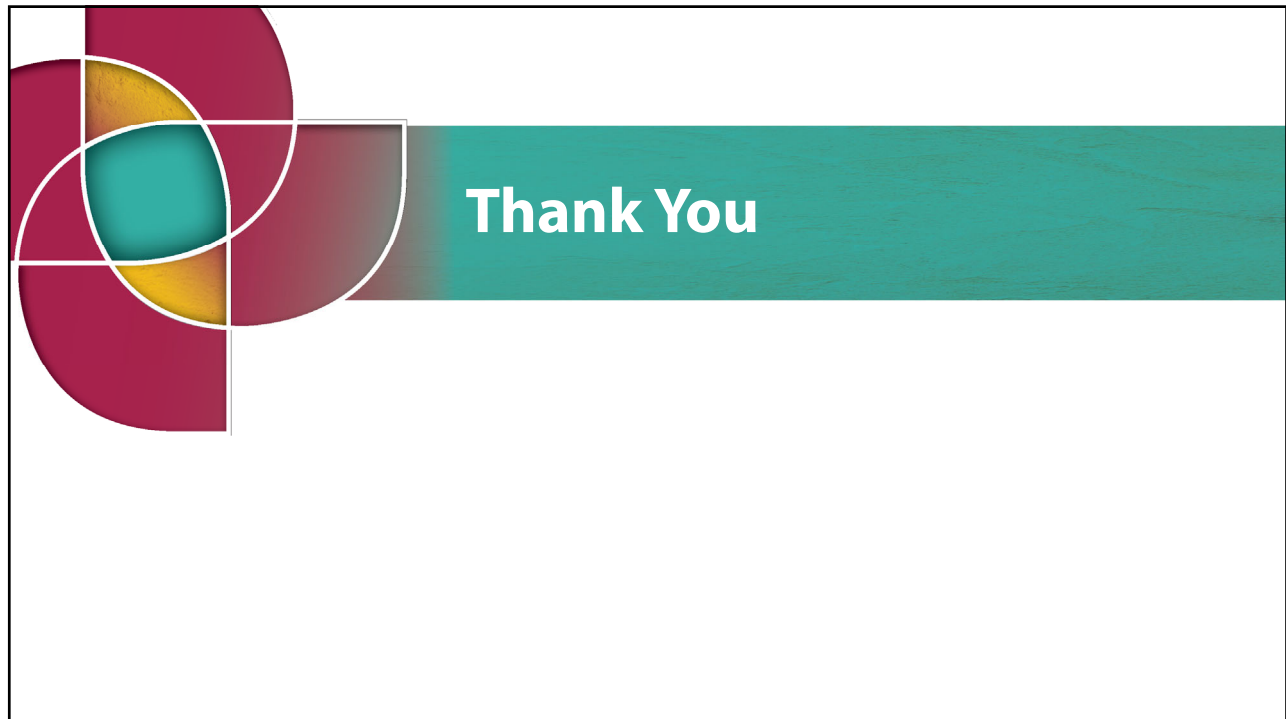


Key Takeaways

- Effects of the COVID-19 pandemic will be long-lasting – instructionally, social-emotionally, and economically
- This budget focuses on supporting education and equity
- Limited additional resources to provide instructional, social emotional, and operational supports
- Compensation increase provided for all employees
- Quality programs and services preserved
- \$6.9 million in budget reductions already incorporated
- Strong partnership between County and Schools is essential

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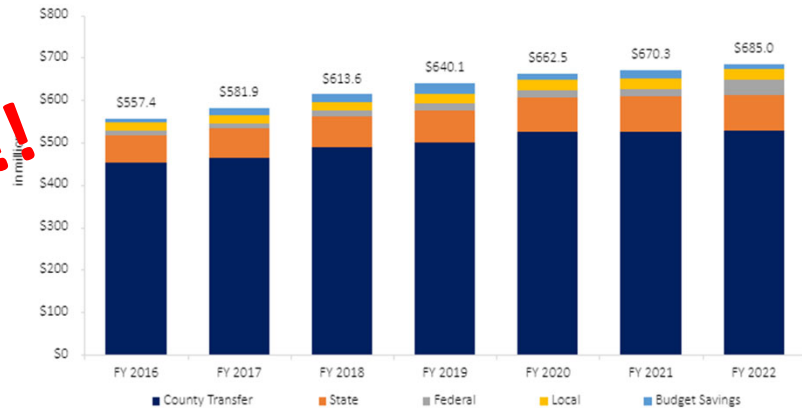
Thank You

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Strong Historic Support for Past Budgets

Thank You!!



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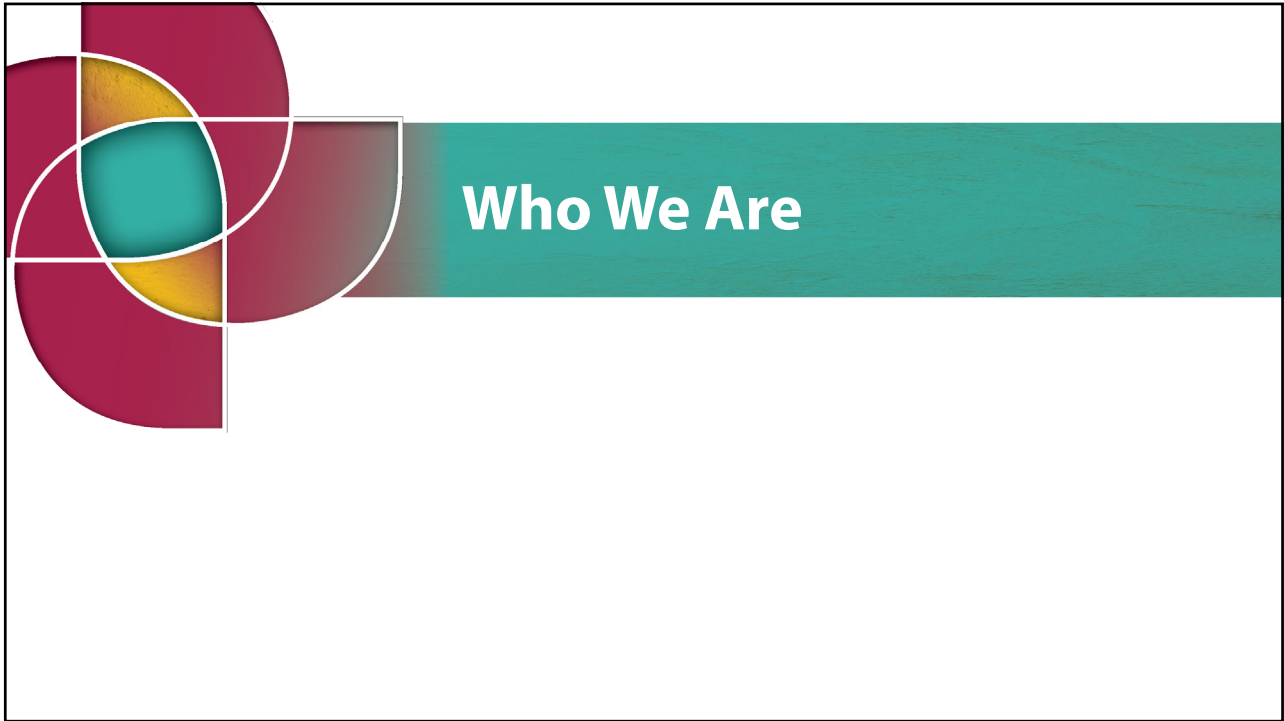
FY 2021 Assistance

- \$7M CARES Act funding
- \$0.5M in funding for wireless Internet access for students
- Collaboration on APS wireless access on county property
- Collaboration on feeding families over the past year
- Collaboration on Instructional Learning Support program

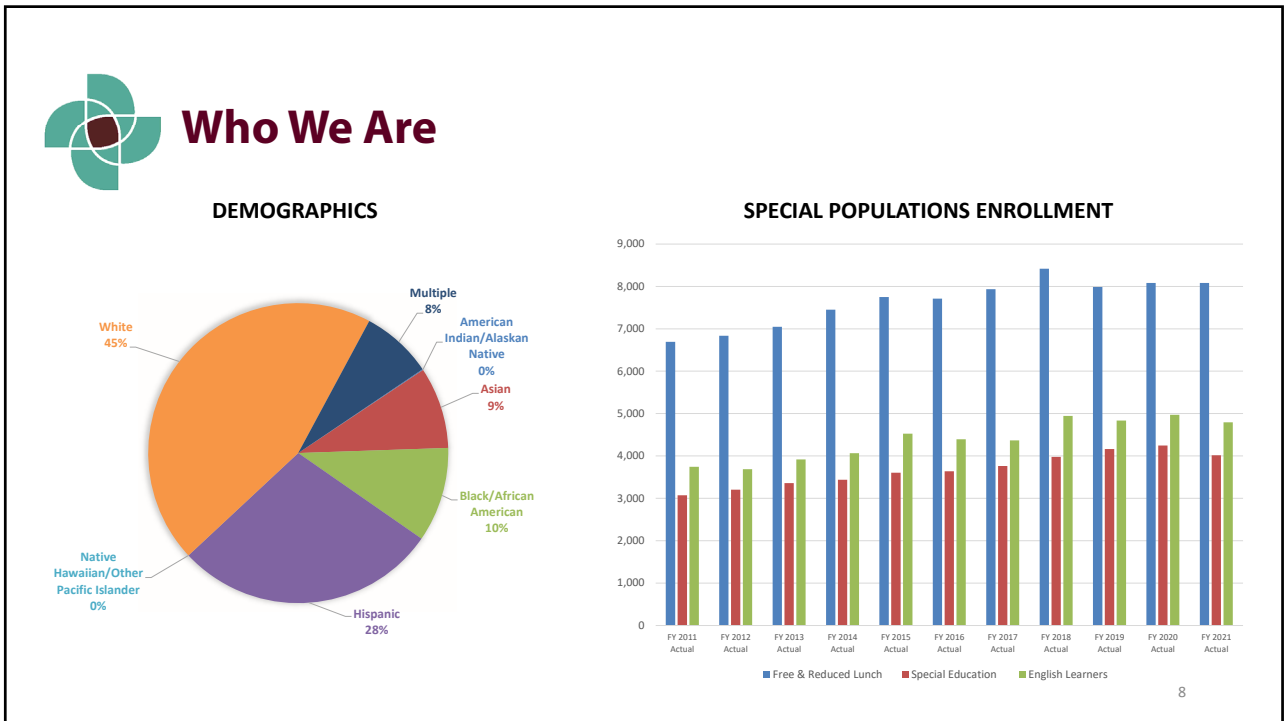
Thank You!!

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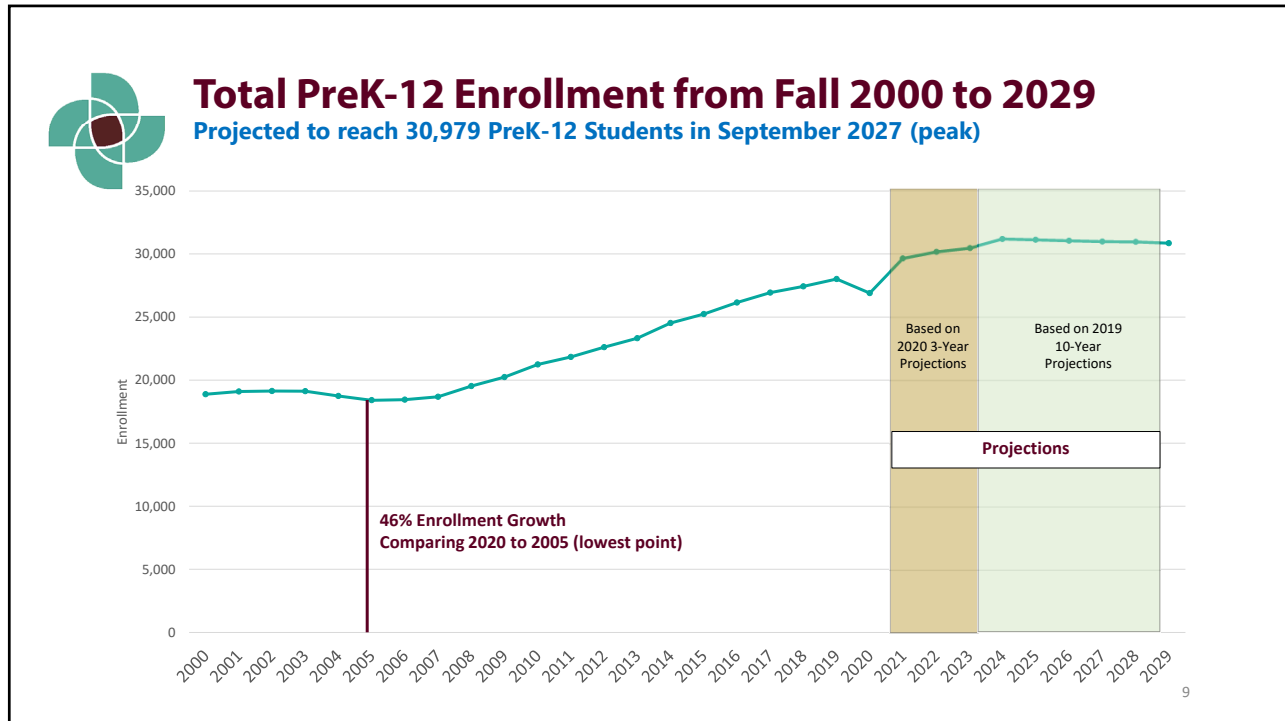
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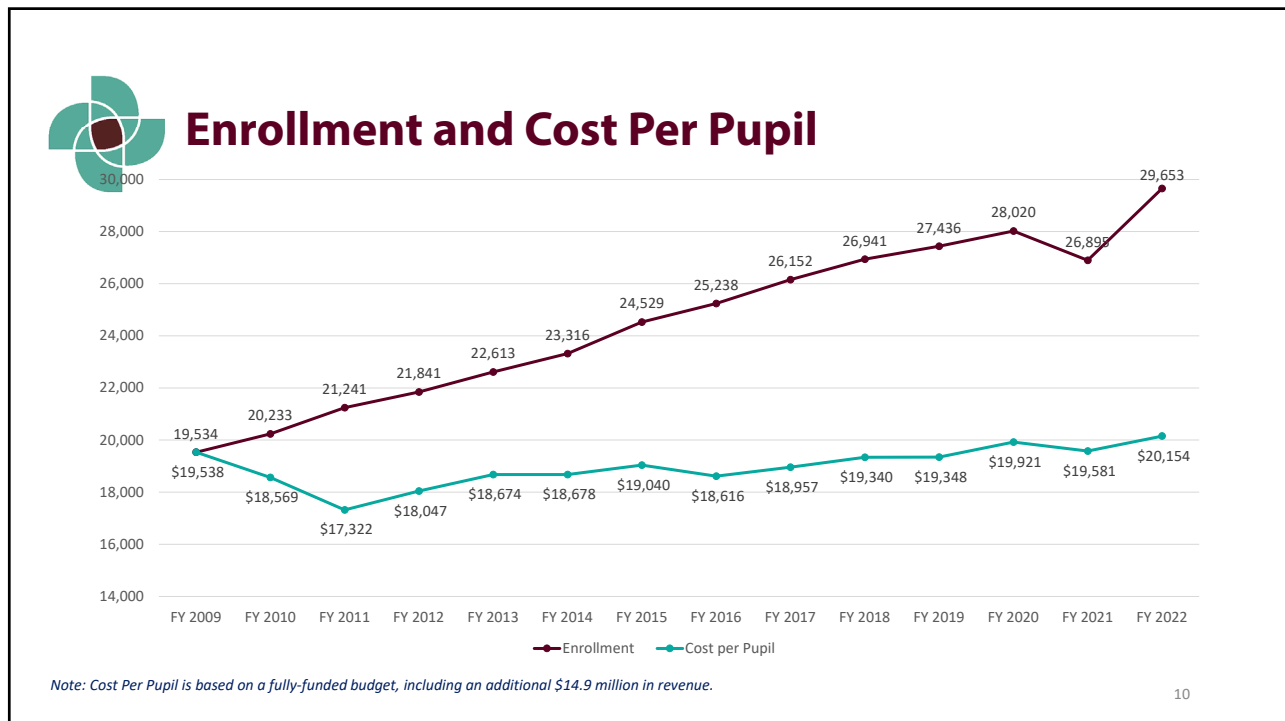
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Economic Impact of COVID-19

- County revenue essentially flat (0.5% increase)
 - Average increase over three years prior to FY21 = \$19.3M or 4%
 - Down \$16.8M based on average increase
- State revenue increases \$2.2M
 - Average increase over three years prior to FY21 = \$4.3M or 6%
 - Down \$2.1M based on average increase
- American Rescue Plan funding for APS is \$18.9M based on preliminary estimate

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External Budget Factors

State

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

County

- County Manager's budget proposes a flat tax rate

APS

- K-12 Enrollment projected to increase to pre-pandemic levels
- Operating costs rising for:
 - Student supports to mitigate learning loss
 - New buildings and school moves
 - Students with disabilities
 - ADA accommodations for staff
 - Substitutes
 - Health insurance



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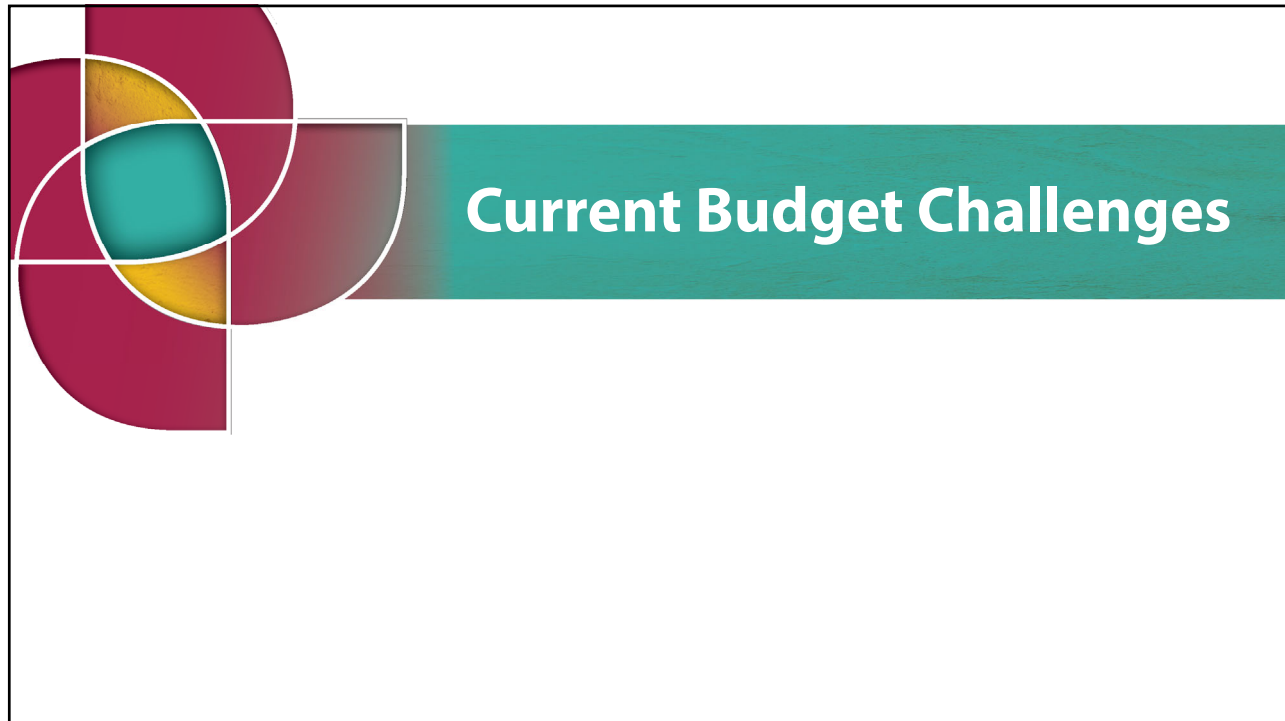


Tightening the Belt


- Reductions Past Several Years
 - FY 2021 = \$16.6M
 - FY 2020 = \$11.3M
 - FY 2019 = \$15.6M
- Examples:
 - Increased class size
 - Eliminated the Foreign Language in Elementary School (FLES) program
 - Increased user fees
 - Changed planning factors
 - Partially postponed growth initiatives
 - Eliminated benefits
 - Reduced central office
 - Drastically cut MC/MM or funded with one-time funds

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Current Budget Challenges

- Summer School
 - Full in person and full distance learning programs
 - Larger than normal number of students
 - Incentives for teachers and assistants to teach in person
- Fall Return to School
 - Full in person and full distance learning programs
 - Distance Learning Program will require additional administrator as well as materials and software for students and teachers
 - Additional social-emotional supports needed

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Current Budget Challenges

- Equity
 - Began with hiring Chief Diversity, Equity and Inclusion Officer
 - Funding needed for Equity Audit
 - Other needs include:
 - Professional development funding
 - Stipends for Equity Teams in schools
 - Stipends for Family and Community Engagement Action Teams in schools
 - Funding for budget study on equitable allocation of resources

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Current Budget Challenges

- Enrollment Growth
 - Enrollment grew 46% from FY 2005 to FY 2020
 - FY 2021 was an anomaly caused by the pandemic
 - Projections indicate we will continue to grow in the future
 - Funding also needed for budget study to review planning factors
- School Openings and Moves
 - New Cardinal Elementary School opening
 - Moves of 3 schools to new buildings
 - Funding for Education Center furniture and technology

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Current Budget Challenges

- Compensation
 - Need to recognize ALL our employees for their work over the past year and show we value them
 - General Assembly approved a 2-5% raise in state budget
 - Prior to FY 2010, step increase and cost of living adjustment provided every year
 - Since FY 2010
 - No step increase four years
 - Step increase midway through the year once
 - Cost of living adjustment provided once
 - Surrounding jurisdictions have caught up to and surpassed APS
 - Compensation study must also be funded to provide salary scales that are competitive and fiscally sustainable
 - Need to prepare for collective bargaining

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FY 2022 Budget Highlights

- Enrollment Growth
 - Includes increasing needs of English Learners and students with disabilities
- Instructional and Mental Health Supports
- Funding for Diversity, Equity, and Inclusion Office
- New Buildings and School Moves
- Investments to Support Growth
- Safety, Security, Risk and Emergency Management Needs
- Network Infrastructure and Technology Supports
- Funding to Support Operational Infrastructure

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Our Needs-Based FY 2022 Budget



	<u>Amount</u> (\$ in millions)
Total Expenditure Needs	\$699.9
Total Revenue	<u>\$685.0</u>
Additional Revenue Needed	(\$14.9)

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FY 2022 Expenditures

	<u>Amount</u> (\$ in millions)	<u>Positions</u>
Enrollment Growth	\$5.66	61.40
<i>Special Education</i>	1.98	25.00
<i>School Counselors per new SOQ</i>	1.11	11.60
<i>Other</i>	2.57	24.80
Compensation	9.80	
Phase-in of Initiatives from Prior Budgets	2.25	4.00
New Investments	7.33	44.90
Reinstatement of FY21 Reductions	<u>9.59</u>	
Total	\$34.63	110.63

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School Board's Reductions to Close Gap

	<u>Amount</u> (\$ in millions)	<u>Positions</u>
Reductions of New Investments	(\$1.36)	(20.50)
Department Reductions	(2.88)	
Reduction of MC/MM	(1.50)	
Schools Reductions	<u>(1.06)</u>	<u>(14.50)</u>
Total	(\$6.80)	(35.00)

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Strategic Use of Reserves

RESERVE Balance @ 1/21/2021	Bond funds	Current Revenues (non-bond funds)	Total Funds	Used in FY22 Supt's Proposed Budget	Balance after FY22 Supt's Proposed Budget	Available for Use in FY22 Budget (non-bond funds)
Capital	\$24,047,583	\$9,392,372	\$33,439,955		\$33,439,955	\$9,392,372
VRS	\$0	\$1,412,239	\$1,412,239	(\$365,000)	\$1,047,239	\$1,047,239
Debt Service	\$0	\$414,474	\$414,474	(\$414,474)	\$0	\$0
Future Budget Years	\$0	\$11,974,566	\$11,974,566	(\$4,168,798)	\$7,805,768	\$7,805,768
Compensation	\$0	\$3,579,114	\$3,579,114	(\$3,579,114)	\$0	\$0
Separation Pay	\$0	\$2,000,000	\$2,000,000		\$2,000,000	\$2,000,000
Health Care	\$0	\$1,000,000	\$1,000,000		\$1,000,000	\$1,000,000
Total	\$24,047,583	\$29,772,765	\$53,820,348	(\$8,527,386)	\$45,292,962	\$21,245,379

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School Board Proposed FY 2022 Budget


	SCHOOL BOARD'S PROPOSED	
	\$ in millions	
	Funds	FTE
TOTAL REVENUES - SUPT'S REVISED PROPOSED	\$685,641,188	
Loss of State Revenue	(\$657,783)	
REVISED REVENUES - SCHOOL BOARD PROPOSED	\$684,983,405	
TOTAL EXPENDITURES - SUPT'S REVISED PROPOSED	\$706,117,521	5,125.50
School Board's Proposed Changes - Attachment A	(\$6,796,056)	(35.00)
Additional Cost for Compensation Option 1 - Attachment B	\$598,340	
REVISED EXPENDITURES - SCHOOL BOARD PROPOSED	\$699,919,805	5,090.50
Remaining Surplus/(Shortfall)	(\$14,936,400)	

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Additional Request to County

ADDITIONAL REQUEST TO COUNTY	<u>Funds</u>	<u>FTE</u>
Summer school incentive payments (one-time costs)	\$605,000	
One-time costs to open new Cardinal ES	\$882,940	
One-time costs to open Education Center	\$750,000	
Distance Learning Program for fall (one-time costs)	\$580,000	
TOTAL ADDITIONAL REQUEST FROM COUNTY	\$2,817,940	0.00
Remaining Surplus/(Shortfall)	(\$12,118,460)	

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