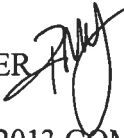


City of Alexandria, Virginia

MEMORANDUM

DATE: FEBRUARY 27, 2012

TO: THE HONORABLE MAYOR AND MEMBERS OF CITY COUNCIL

FROM: RASHAD YOUNG, CITY MANAGER 

SUBJECT: SCHOOL BOARD APPROVES FY 2013 COMBINED FUNDS BUDGET

On February 23, 2012 the Alexandria School Board adopted a FY 2013 Approved Combined Funds Budget ("operating budget") totaling \$215,168,668. This includes a transfer from the City in the amount of \$180,719,405 which equals the amount provided in the City Manager's FY 2013 Proposed Operating Budget. The proposed General Fund transfer increases by \$5.8 million or 3.3% over the FY 2012 Approved Budget. The School Board's FY 2013 approved revenues and expenditures increase by approximately \$4.6 million, or 2.2% when compared to the Board's FY 2012 Final Budget.

In the School Board's FY 2013 approved budget revenues decrease by a net of \$522,469 when compared to the Superintendent's FY 2013 proposed budget. The School Board's approved budget recognizes \$367,675 from the City which was included in the City Manager's proposed budget but not included in the Superintendent's proposed budget. Of this amount, \$203,493 is designated for the continuation of providing preschool services to 4 year olds and is transferred to the "other local funds" category of the operating budget. An additional \$686,651 in revenue associated with providing preschool services is transferred out of the Operating Fund and into the Grants and Special Projects Fund.

The School Board's FY 2013 approved budget includes \$1.2 million from the Virginia Retirement System (VRS) set-aside fund to help offset increased VRS costs in FY 2013. Through a separate resolution, the Board approved the use of \$1.2 million from the VRS set-aside, and included language that requires the set-aside fund to be repaid up to \$1.2 million in the event the final VRS rates approved by the Virginia General Assembly are lower than currently anticipated.

Total expenditures in the School Board's approved budget decrease by a net amount of \$522,469 when compared to the Superintendent's proposed. In order to achieve a balanced budget the Board conducted two add-delete work sessions. Noteworthy changes from the Superintendent's proposed budget as a result of the final add-delete work session include:

Additions –

- \$1.6 million to fund the creation of one satellite high school campus (site TBD) to create a flexible academic setting for students ages 15-22 who have dropped out of school, are on the verge of dropping out, or who are unable to attend T.C. Williams during normal

school hours. The new satellite campus is funded through the reallocation of funds currently supporting the Adult Education and Pathways to Graduation programs. (The Superintendent's proposed budget originally included funding for 4 satellite campuses).

- Restoration of one week of extended learning/intersession to provide a total of four weeks each for Mount Vernon and Samuel Tucker Elementary Schools. To offset the cost of adding back one week, fees for intersession will be raised. ACPS staff has been directed to develop options for fee increases.
- \$50,000 to support the Alexandria Teacher Consortium/Book Buddies program for FY 2013.
- \$84,968 to add a Reading Teacher (1.0 FTE) at Samuel Tucker (formerly funded by federal grant revenue).
- \$201,456 to add two Literacy/Language Acquisition Specialists (2.0 FTE)
- \$286,413 to reinstate Physical and Occupational Therapist positions (5.50 FTE)
- Other additions which are offset by corresponding expenditure reductions include: reinstating two Technology Integration Specialists (2.0 FTE), a Financial Services position (1.0 FTE), and funding for School Board travel and hospitality.

Reductions –

- (\$1.1 million) to repurpose the Pathways to Graduation budget and FTEs to support the new satellite learning model.
- (\$497,949) reduction to the Adult Education Program budget and to support the new satellite learning model.
- (\$686,651) to transfer expenditures related to preschool services from the Operating Budget to the Grants and Special Projects Fund for appropriate tracking of all preschool related expenditures.
- (\$300,000) to reflect reduced healthcare costs due to lower than anticipated premium rate increases for Kaiser plans.
- (\$108,655) to fund the Literacy/Language Specialist and therapist positions noted above.
- (\$50,000) to add funding for School Board travel and hospitality.

School Board Unfunded Priorities:

The School Board has identified two unfunded priorities (known as “below-the-line requests”) that will be presented to City Council for consideration. The two requests include:

- \$154,815 (1.0 FTE) to fund an Early Childhood Coordinator position. The School Board's approved budget eliminated funding for the Early Childhood Coordinator position that is funded in the current fiscal year.
- \$500,000 (4.0 FTE) for adult education/job training and workforce development opportunities

Attachments:

1. ACPS Memo dated February 23, 2012 – “Motion to Adopt the FY 2013 Approved Combined Funds Budget.

AMENDED 02.23.12

Date: February 23, 2012

For ACTION

For INFORMATION

Board Agenda: Yes
No

FROM: Stacey Johnson, Interim Chief Financial Officer

THROUGH: GwenCarol Holmes, Ed.D., Chief Academic Officer
Morton Sherman, Ed.D., Superintendent of Schools

TO: The Honorable Sheryl Gorsuch, Chairman, and Members of the Alexandria City School Board

COPY: Executive Staff

TOPIC: Motion to Adopt the FY 2013 Approved Combined Funds Budget

BACKGROUND: The attached motion to adopt the FY 2013 Approved Combined Funds Budget incorporates the Superintendent's recommended adjustments to the FY2013 proposed budget presented on January 19, 2012 as well as the School Board's approved budget additions and deletions as discussed during the February 21, 2012 add/delete work session.

Compared to the FY 2012 final budget, the total FY 2013 operating fund budget of \$215,168,668 after adjustments represents an increase in both revenues and expenditures of \$4,599,516 or 2.2%. The FY 2013 operating budget includes a total of 2026.43 FTEs, an increase of 14.68 FTEs, or 0.7% greater than FY 2012.

The FY 2013 Food and Nutrition Services budget includes a meal price increase for breakfast from \$1.25 to \$1.50 for students and from \$1.50 to \$1.75 for adults to cover rising food and labor costs. In addition, the adult lunch price will increase from \$3.25 to \$3.30 as federal law requires adult lunch prices to appropriately reflect the full cost of producing this meal. These increases are reflected in the attached motion.

RECOMMENDATION: Adopt the FY 2013 Approved Combined Funds Budget as outlined in the attached motion.

CONTACT PERSON: Stacey Johnson, 703-824-6644

Attachments:

1. Motion to Adopt the FY 2013 Approved Combined Funds Budget
2. School Board and Superintendent's Adjustments to the FY 2013 Proposed Operating Budget

AMENDED 02.23.12

Motion to Adopt the FY 2013 Approved Combined Funds Budget

Madam Chairman, I move we approve the FY 2013 Combined Funds Budget as follows:

- The FY 2013 Food and Nutrition Services budget totals \$8,961,485 for revenues and \$6,898,981 for expenditures including 76.82 FTEs. The food and nutrition budget also incorporates meal price increases of \$1.25 to \$1.50 for student breakfast meals, \$1.50 to \$1.75 for adult breakfast meals, and \$3.25 to \$3.30 for adult lunches.
- The FY 2013 Grants and Special Projects budget totals \$14,993,662 for revenues and \$13,741,480 for expenditures including 114.38 FTEs.
- The FY 2013 operating budget in the amount of \$215,168,668 for both revenues and expenditures which includes the amendments shown in Attachment 2 as discussed and endorsed by the School Board during the February 21, 2012 add/delete work session. The operating budget includes:
 - Total FTEs of 2026.43, an increase of 0.7% over FY 2012
 - A total City appropriation of \$180,719,405, an increase of 3.3% over FY 2012 which includes an amount of \$203,493 designated for preschool
 - A fee increase for the four-week extended learning program at Mount Vernon and Samuel Tucker, previously known as intersession, from \$25.00 to a budget neutral fee structure to cover the total cost of one week as determined by ACPS staff
 - Shared Program Priorities as shown in Attachment 2, representing a supplemental funding request of \$654,815 (including 5.0 FTEs) to City Council for preschool and adult learning

These budgets reflect the division's focus on improving achievement outcomes for all students and address the seven key priorities identified by the board of education.

Alexandria City Public Schools		
School Board and Superintendent's Adjustments to the FY 2013 Proposed Operating Budget		
Last Revised: February 24, 2012		
	Amount	FTE
FY 2013 Proposed Operating Revenue (presented on January 19, 2012)	\$ 215,691,137	
<u>I. Revenue Adjustments</u>		
1 Increase the City Appropriation amount to reflect a total percent increase of 3.3% over the FY 2012 appropriation including the "below-the-line" preschool allocation	367,675	
2 Technical Adjustment: Step 1--Record the amount designated as "below-the-line" preschool funding to the "other local funds" category in the operating budget. The approved amount for FY 2013 is the original FY 2012 amount of \$196,992 increased by 3.3%	(203,493)	
3 Technical Adjustment: Step 2--Transfer out of the operating fund the revenue required (including item 2 above) to cover existing preschool expenditures which are partially funded by State VPI funds and must be tracked separately (see item #17 below)	(686,651)	
4 Total, Net Revenue Adjustments	(522,469)	
5 FY 2013 Approved Operating Revenue	\$ 215,168,668	
FY 2013 Proposed Operating Expenditures (presented on January 19, 2012)	\$ 215,691,137	2,023.16
<u>II. Expenditure Adjustments: Additions</u>		
6 Add 1.00 FTE Reading Teacher at Samuel Tucker formerly funded by Title I grant funds	84,968	1.00
7 Add 2.00 FTE Literacy/Language Acquisition Specialist, one for Mount Vernon Community School and the second to be used at other schools as needed	201,456	2.00
8 Reinstate 1.20 FTE Physical Therapist/ 2.00 FTE Occupational Therapist, for a total of 5.50 FTE included in the FY 2013 budget	286,413	3.20
9 Reinstate 2.00 FTE Technology Integration Specialist, fully offset by a reduction in non-personnel costs (148K)	-	2.00
10 Reinstate 1.00 FTE Financial Services, fully offset by a reduction in non-personnel (45K)	-	1.00
11 Implement Option 2 of FELO satellite alternatives--one satellite site for high school students ages 15 - 22, including new wraparound services for interim education students	1,562,946	16.50
12 Add one week of extended learning/ intersession to provide a total of four weeks each for Mount Vernon and Samuel Tucker with the provisions that both schools complete the extended learning application for accountability purposes only. To fully offset the cost for this additional week, the intersession fee of \$25.00 per session will be increased to a budget neutral amount as determined by ACPS staff.	-	-
13 Add funding to support the Alexandria Tutoring Consortium/ Book Buddies program for FY2013	50,000	
14 Add funding for School Board travel/hospitality and fully offset the cost by an equal reduction in School Board dues and memberships	-	-
15 Subtotal: Expenditure Additions	2,185,783	25.70

Alexandria City Public Schools		
School Board and Superintendent's Adjustments to the FY 2013 Proposed Operating Budget		
Last Revised: February 24, 2012		
	Amount	FTE
III. Expenditure Adjustments: Reductions		
16	Repurpose professional development and other non-personnel costs within the Curriculum & Instruction departments to partially fund items #7 and #8 shown	(108,655) -
17	Technical Adjustment: Transfer out of the operating fund existing preschool expenditures to a special projects fund for appropriate tracking of all preschool expenditures including 6.00 FTE preschool teacher, 3.00 FTE paraprofessional, materials, and supplies	(686,651) (9.00)
18	Repurpose the adult education teacher and the adult education specialist FTEs, and a small amount of non-personnel costs to support the satellite learning model for students ages 15 - 22	(497,949) (4.43)
19	Repurpose the total pathways budget and FTEs to support satellite learning model for students ages 15 - 22	(1,064,997) (9.00)
20	Reduce the projected amount for Kaiser healthcare costs based on the final notice of premium rate changes which lowers the rate increase from 11.0% to 0.2% and 0.1% for Kaiser HMO and Kaiser POS, respectively	(300,000) -
21	Repurpose non-personnel costs within the Support Operations departments to fund item #13 shown above	(50,000) -
22	Subtotal: Expenditure Reductions	(2,708,252) (22.43)
23	Total, Net Expenditure Adjustments	(522,469) 3.27
24	FY 2013 Approved Operating Expenditure Budget	\$ 215,168,668 2,026.43
	Remaining Funding Surplus/ (Deficit)	0
	FY 2012 Final City Appropriation (including below-the-line preschool)	174,956,420
	FY 2013 Proposed City Appropriation	180,548,722
	FY 2013 Revised City Appropriation	180,719,405
	Total City Appropriation % Increase	3.3%
	FY 2012 Final Total Operating Revenue	\$ 210,569,152
	\$ Change in Revenue, FY 2013 Revised Proposal to FY 2012 Final	4,599,516
	% Change in Revenue, FY 2013 to FY 2012	2.2%
	FY 2012 Final Operating Expenditures and FTE	\$ 210,569,152 2,011.75
	\$ Change in Expenditures and FTE, FY 2013 Revised Proposal to FY 2012 Final	4,599,516 14.68
	% Change in Expenditures and FTE, FY 2013 to FY 2012	2.2% 0.7%

Shared Programs Priorities

Programs	FY 2013 Funding Need	FTE
Early Childhood Coordinator	\$ 154,815	1.00
Adult Education: Job Training and Workforce Development Opportunities	\$ 500,000	4.00
Total	\$ 654,815	5.00

WS
2-29-12

Jackie Henderson

From: Gwen Day-Fuller <gwen_dayfuller@comcast.net>
Sent: Saturday, March 03, 2012 12:49 AM
To: William Euille; Frank Fannon; Kerry Donley; Alicia Hughes; Del Pepper; Paul Smedberg; Rose Boyd; Jackie Henderson; Rob Krupicka; Linda Owens; Elizabeth Jones; Princetta Williams
Subject: COA Contact Us: Joint meeting with the school board and school officials
Attachments: ATT00001.txt

COA Contact Us: Mayor, Vice Mayor, and Council Members

Time: [Sat Mar 03, 2012 00:49:19] **Message ID:** [37543]

Issue Type: Mayor, Vice Mayor, and Council Members
First Name: Gwen
Last Name: Day-Fuller
Street Address: 4017 Fort Worth Avenue
City: Alexandria
State: VA
Zip: 22304
Phone:
Email Address: gwen_dayfuller@comcast.net
Subject: Joint meeting with the school board and school officials

Dear Mayor, Vice Mayor and City Council Members,

Thank

you for televising the meeting with the Council , School Board and other

school officials. It was great to be able to hear the interesting

exchanges between the School Board members and Council members. There

Comments: are so many issues to consider in Alexandria and the more citizens feel

they are part of the deliberations the more they are left with positive

feelings about those who serve. It was encouraging to hear Council

members talk with passion about the tremendous contributions our teachers

make daily. Teachers continue to sacrifice, support students and provide

the love and caring that is often missing at home. The dialogue shared

was meaningful and instructive. Thank you for your efforts to

include

those who could not attend.

Gwen Day-Fuller