

BUDGET ADVISORY TASK FORCE MEETING




March 19, 2024 – On Zoom
Dr. Chrys Sweeting, Superintendent
Gina Zeutenhorst, Executive Director of Financial Services

Agenda

- 6:00-6:05 Welcome
- 6:05-6:45 Budget Status Fund Balance - February
Budget Planning for 2024-25
DRAFT Resolution for Reductions
- 6:45-7:00 Wrap-Up



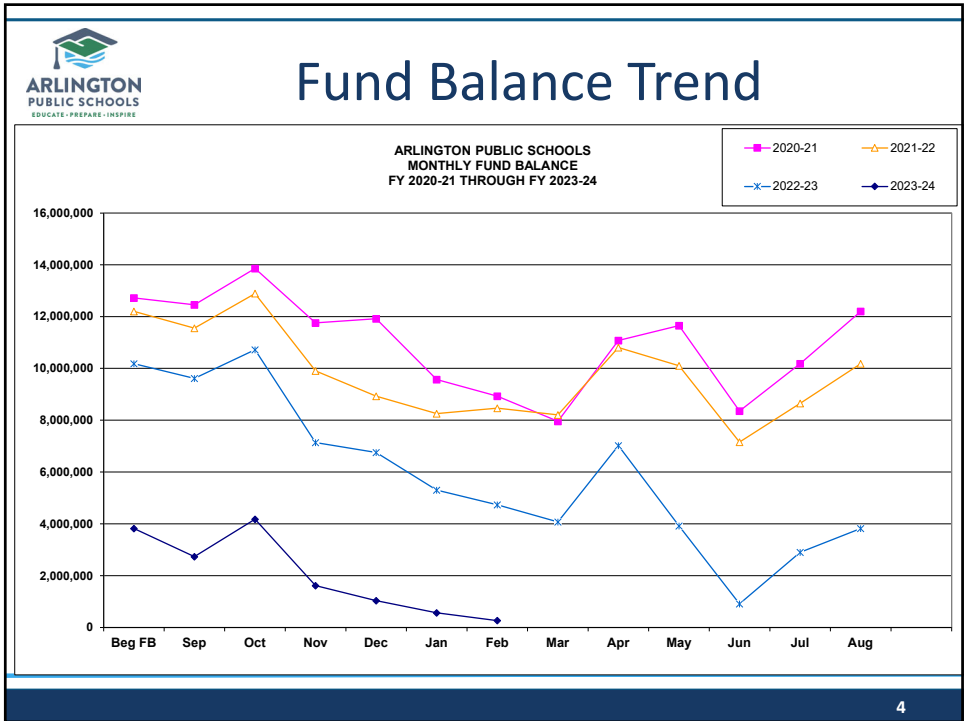


Budget Advisory Task Force

- Rafael Carranza – Community Parent
- Erika Coghill – Community Parent
- Mike Cross – Community Parent
- Darlene Fulfs – APS Classified Staff – Bus Driver
- Angie Hansen – APS Principal Representative
- Mikaela Harrington – Student Haller MS
- Crystal Henderson – Community Parent
- Scott Hodgson - Community Parent
- Nanci Johnson – APS PSE President/Nurse Staff
- Matt Jurick – APS Director of Technology
- Michael Kingman – School Board Director
- Michelle Kinney – APS Classified Staff - Fiscal Secretary
- Jason Klein – APS AEA President/Teacher
- Alyson Kleinman – Student Haller MS
- Britt Kleinman – Community/ACE Chair, Parent
- Mariska Lebahn – Student Arlington High School
- Verlaine Meyers – APS Certificated Staff - Teacher
- Debbie Montgomery – APS District Office Support
- Virginia Muniz – APS Classified Staff – Librarian
- Nathan Nichols – Student Arlington High School
- Courtney Normand – Community Parent
- Mike Ray – Community Former School Board Member
- Erica Rose – Community Parent
- Marc Rosson – Community Former School Board Member
- Rebecca Sahlin Lyons – Community Parent
- Chad Schmidt – Community Parent
- Chrys Sweeting – APS Superintendent
- Maegan Voorhies-Oestreich – Community Parent
- Jamie Wilson – APS AEA Representative/Teacher
- Gina Zeutenhorst – APS Executive Director of Financial Services

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Conditions Around Fund Balance Trend

- Pandemic induced federal and state aid were ceasing
- Enrollment was recovering more slowly than hoped
- The district continued providing high levels of services/staffing, many of which were previously bolstered by federal/state aid
- Board directed fund balance be used as 'rainy-day-one-time-funds' to continue mitigating impacts and accelerating learning, even as costs were rising, rather than reducing staff for 2022-23
- Estimated using roughly half of reserves by the end of 2022-23
- State funding models continue to lead to funding gaps
- Budget reductions were implemented for 2023-24



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Financial Health of the District

- **Challenges:**
 - State funding gaps
 - Budget reductions made for 2023-24
 - Fund balance is at a dangerous low point
 - Difficult planning **\$2.5+million** combination of savings, increased revenues, and reductions for 2024-25 budget
 - Increase in levy collections not till 2025



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Fund Balance Low Points

- Low points in Jan/Feb/Mar & June
 - Board authorized Resolution 24-02 interfund loan from Capital Projects Fund for \$600,000 as needed Jan/Feb/Mar (have not had to utilize yet)
 - Larger loan from Capital Projects to be proposed for June
- Resources will be received through end of fiscal year sufficient to reimburse the Capital Projects Fund
- Still have critically low fund balance at end of 2023-24
- Need to find an estimated **\$2.5+** million for 2024-25

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Considerations for 2024-25?

- District Office reduced FTE/LOA, admin furlough days? (\$100,000?)
- Continue pause on admin professional development allocations and annual vacation cashout options (\$100,000?)
- Reduce building budgets 5% (saves \$45,000)
- Work with unions for potential solutions (\$250,000?- \$X?)
- Tighten staffing ratios certificated & classified (\$1.5M-\$2M?)
- Clarify district-wide expectations around power savings, ie. personal space heaters, fridges, microwaves (\$50,000?)
- Don't print in color, consider publications that can move to gray scale (\$2,000 - \$30,000?)

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What more can we do?

- **Decrease program subsidies, redesign grant funded services:**
 - Use LAP funds for summer school support (\$30,000)
 - Continue to refine svc/supports SPED, LAP/Title (how?)
 - Salaries: shift into grant or other funding sources, change how support is provided (\$250,000?)
 - Decrease Middle school athletics, reduce Junior Varsity, go to intramural model (\$15,000-\$30,000?)

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What more can we do?

- **Increase revenues:**
 - Increase: meal prices, summer school tuition, athletic participation fees, tech-device protection fee, facility/field use rentals more than 10% (\$50,000-\$75,000)
 - Increase enrollment? (30 students = approx \$315,000)
 - Look for more grants (maximize grants)

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Legislative Conclusion

- Short Session concluded on – Mar 7
- Outcomes
 - Implicit Price Deflator 3.7%
 - Special Education cap increase from 15% to 16%
 - MSOC (Materials, Supplies Other Costs) funding
 - Minor increases in the prototypical funding formula



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Budget Development Timelines

- Board Adopted Enrollment – Jan 22
- Leadership Team Staffing Work Sessions – Jan/Feb/Mar
- Certificated Retirement Notices – Feb 15
- Legislative Session Ends – March 7
- Staff on Leave Notify District of Intent – April 15
- Resolution for Reduced Education Program DRAFT Mar 25/April 16
- Board Approval of Resolution planned for April 16?/April 22
- Staff notifications begin once Reso approved April 17? 23?
- Deadline for RIF/Non-renewal Notifications on or before May 15
- Budget DRAFT to Board Meeting – July 8
- Budget Hearing and Adoption – Aug 12

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Next Meeting for BATF

- April 18, 2024
(via zoom)
- Next Meetings?



Questions?

