Joint Budget Work Session

Sheryl Gorsuch
Chairman, Alexandria City School Board

Alexandria City Public Schools
Alexandria City Council
November 7, 2011

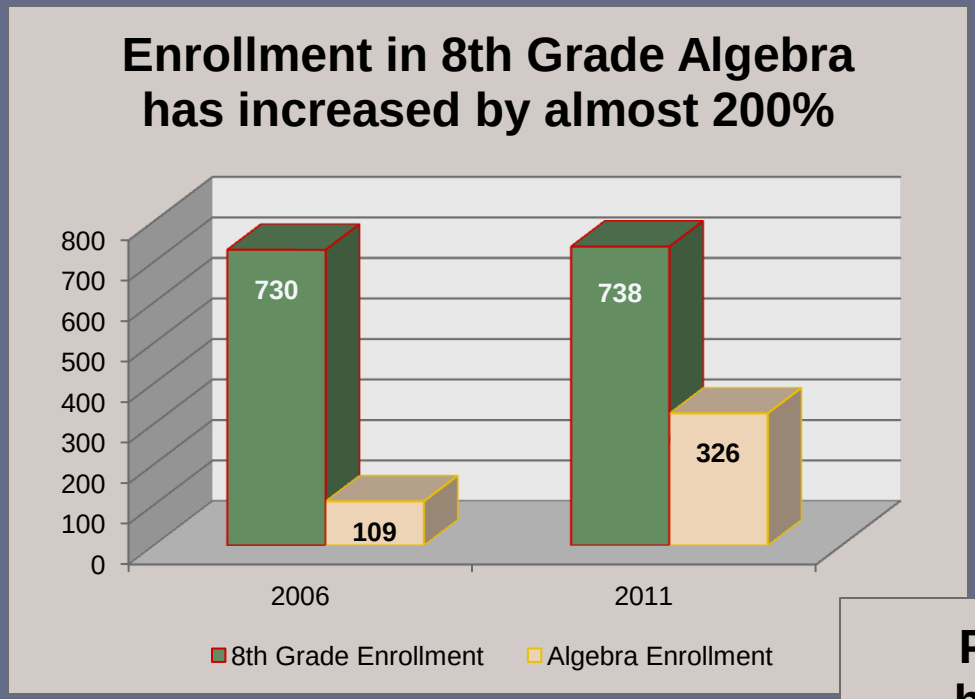
FY 2013 Fiscal Forecast

High Achievement for All Students

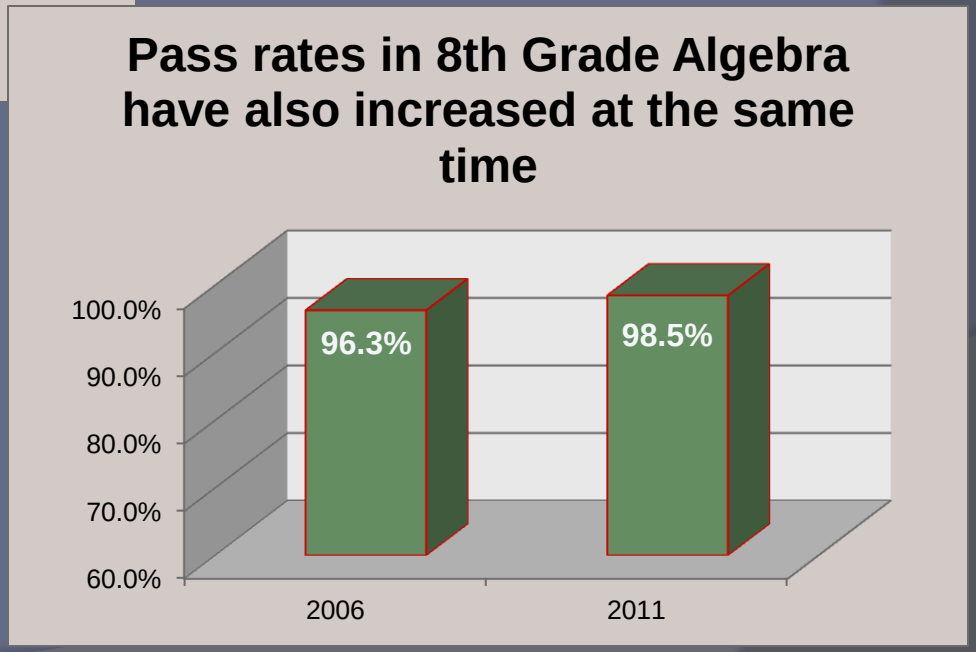
“Presumption should never make us neglect that which appears easy to us, nor despair make us lose courage at the sight of difficulties.”

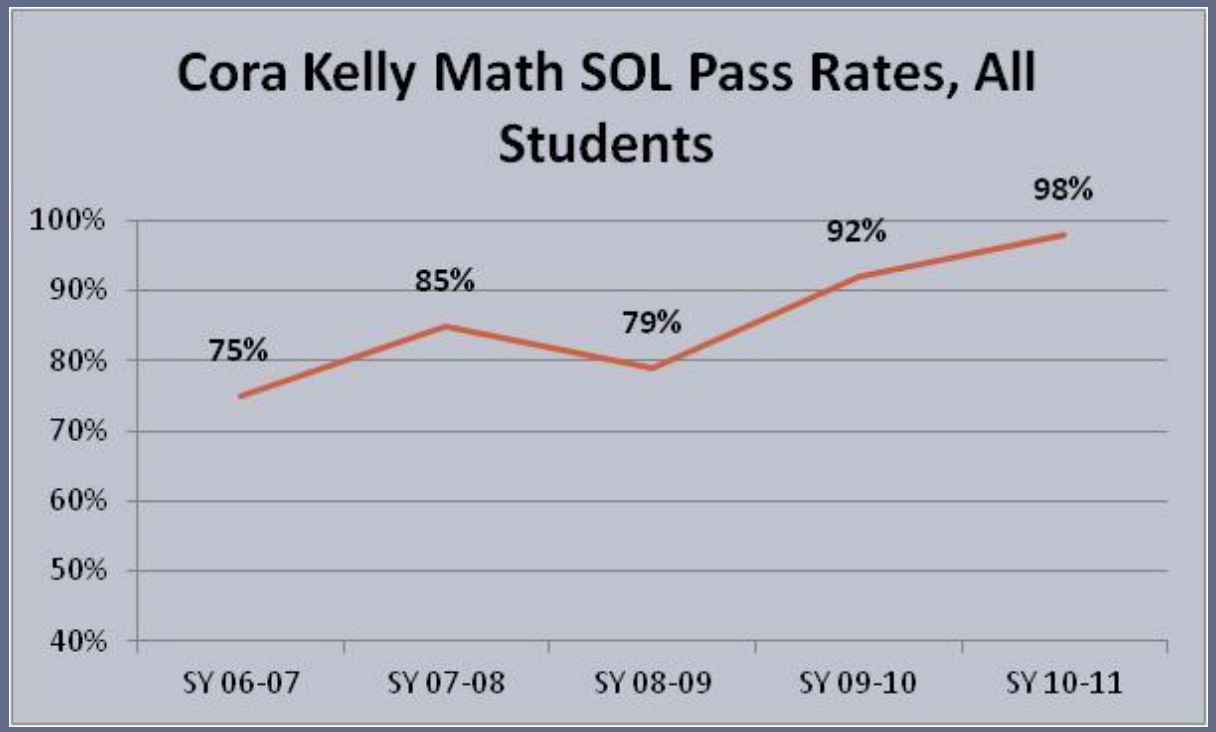
Benjamin Benneker
Mathematician and Astronomer

Class of 2012 National Merit and Achievement Award Winners



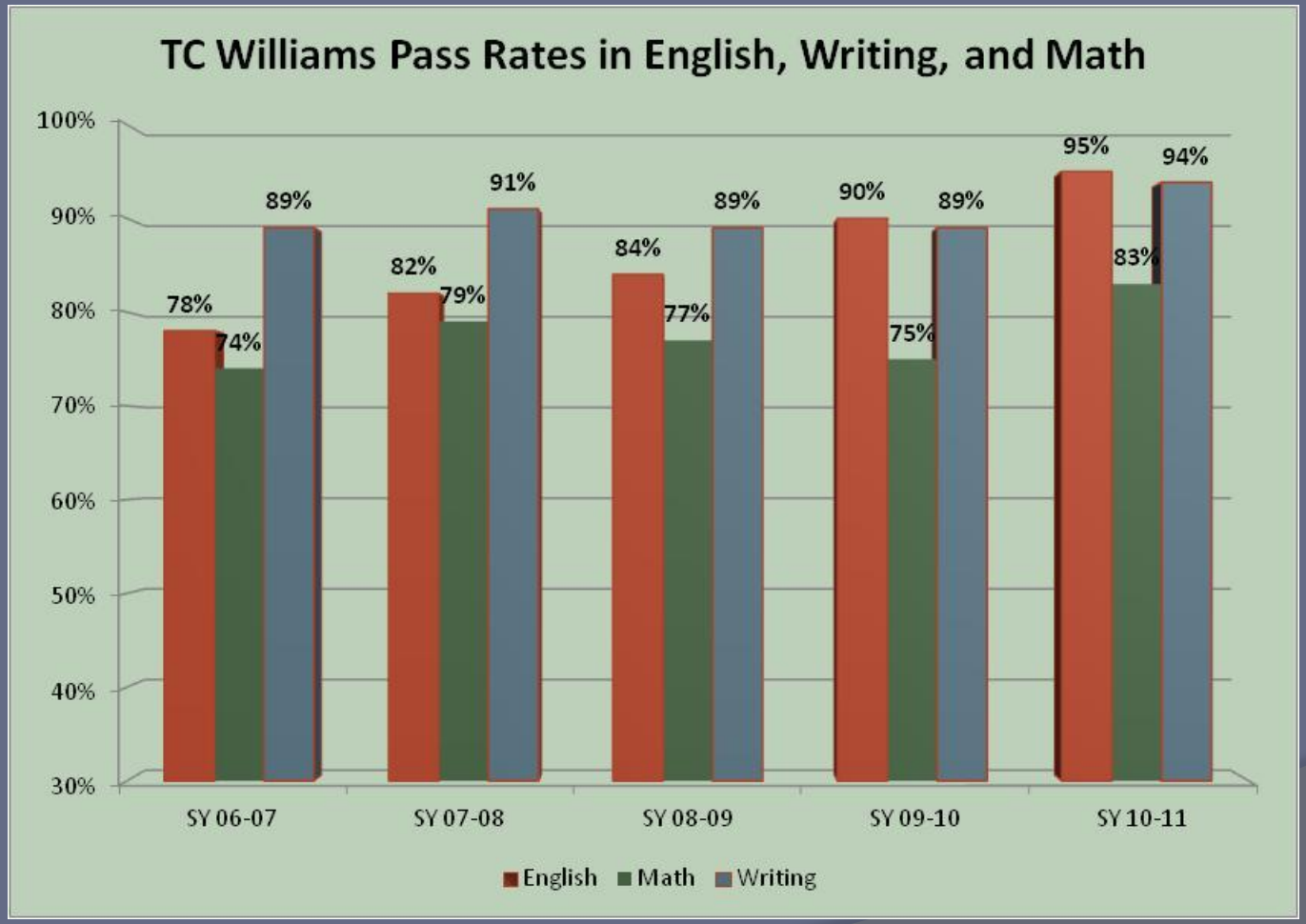
Current 8th grade Algebra participation is 51%

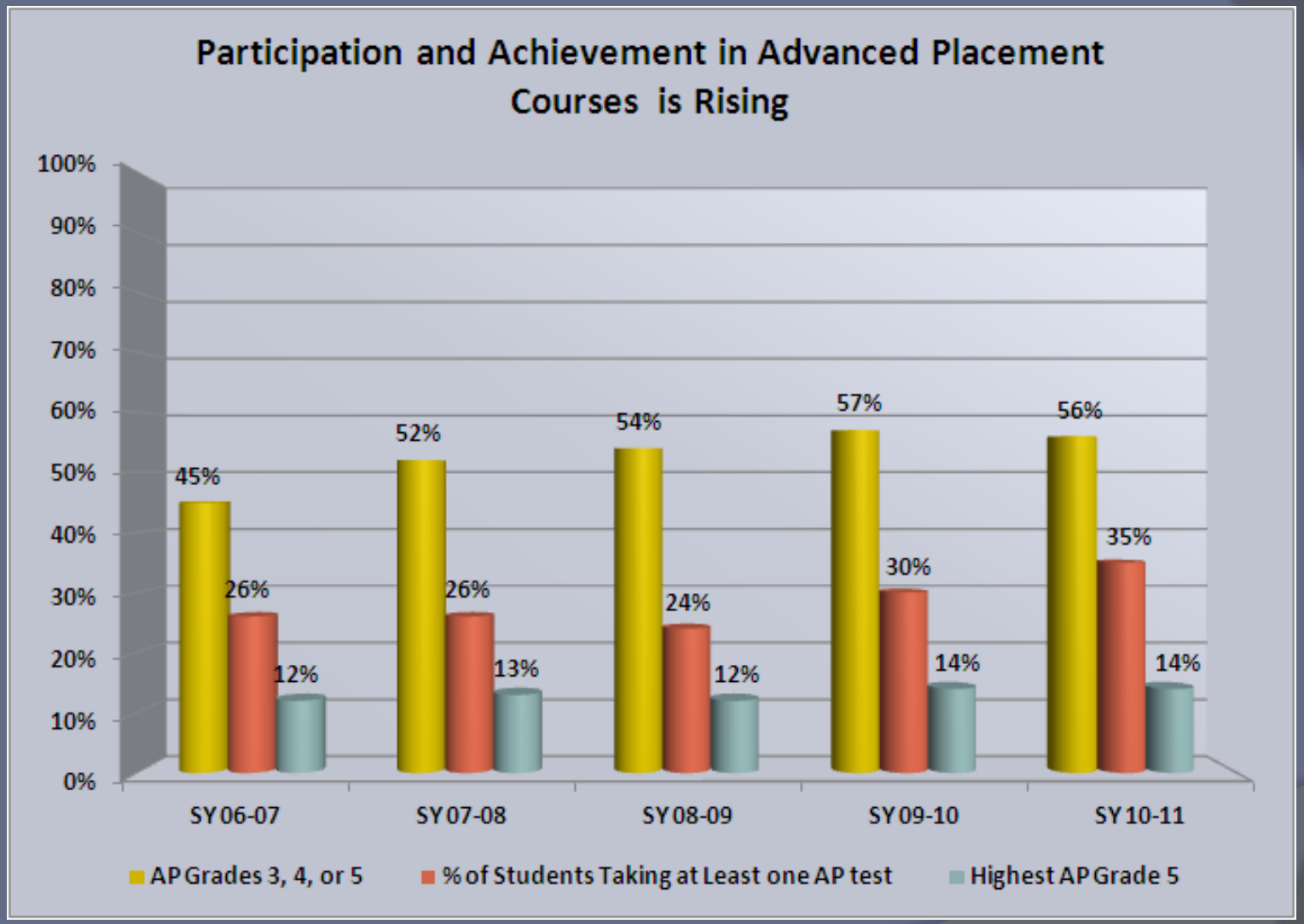


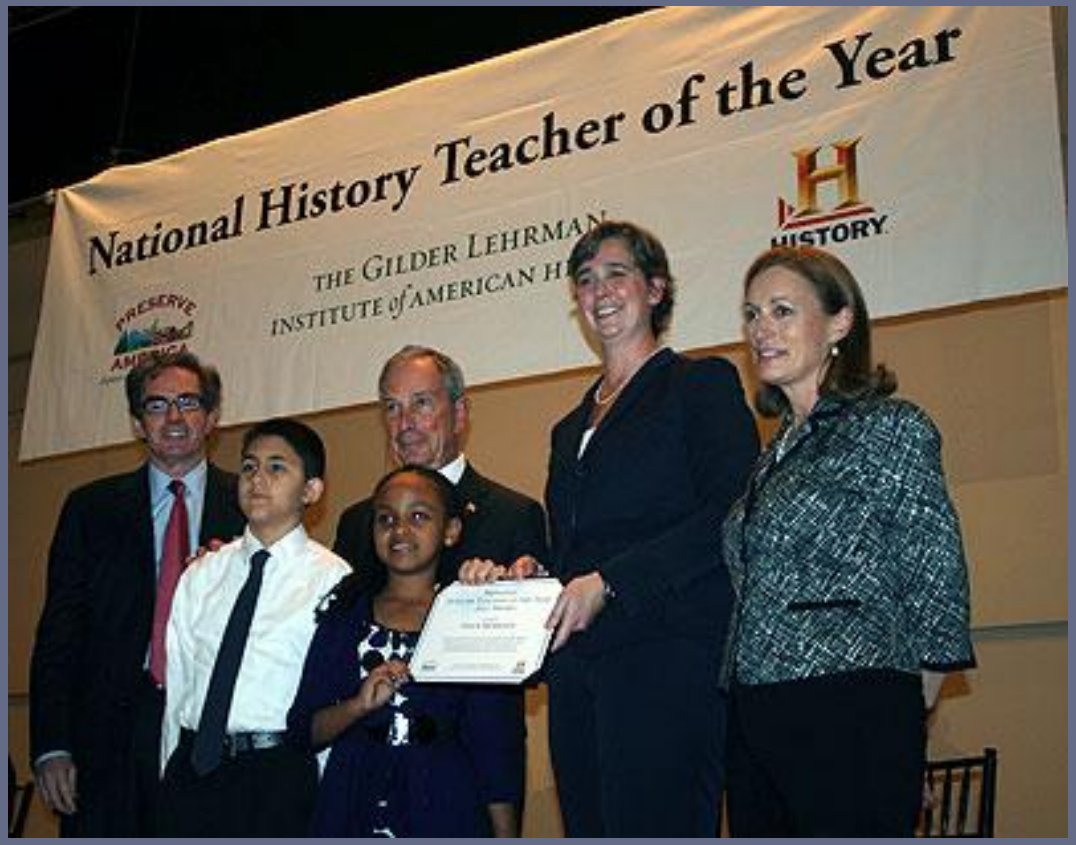


Cora Kelly School for Math, Science, and Technology had the highest passing rate for math in ACPS history

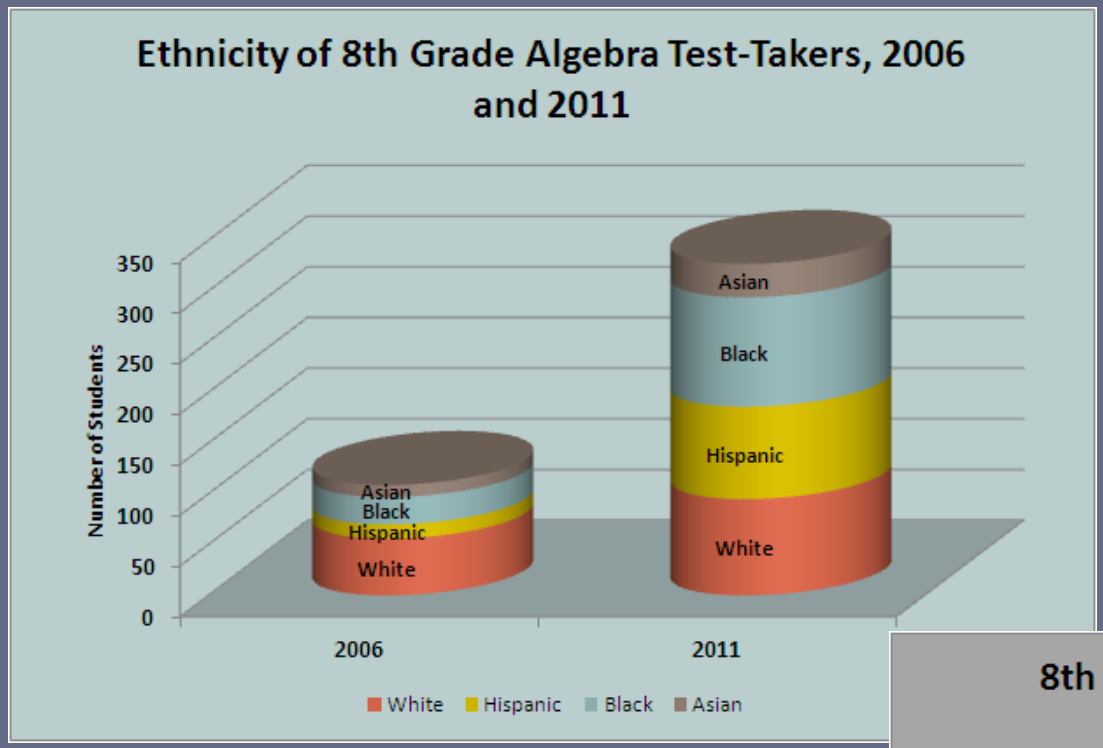
TC Williams' scores are the highest ever!




Participation and Achievement in Advanced Placement Courses is Rising
100%
90%
80%
70%
60%
50%
40%
30%
20%
10%
0%
45%
26%
12%
52%
26%
13%
54%
24%
12%
57%
30%
14%
56%
35%
14%
SY 06-07
SY 07-08
SY 08-09
SY 09-10
SY 10-11
AP Grades 3, 4, or 5
% of Students Taking at Least one AP test
Highest AP Grade 5

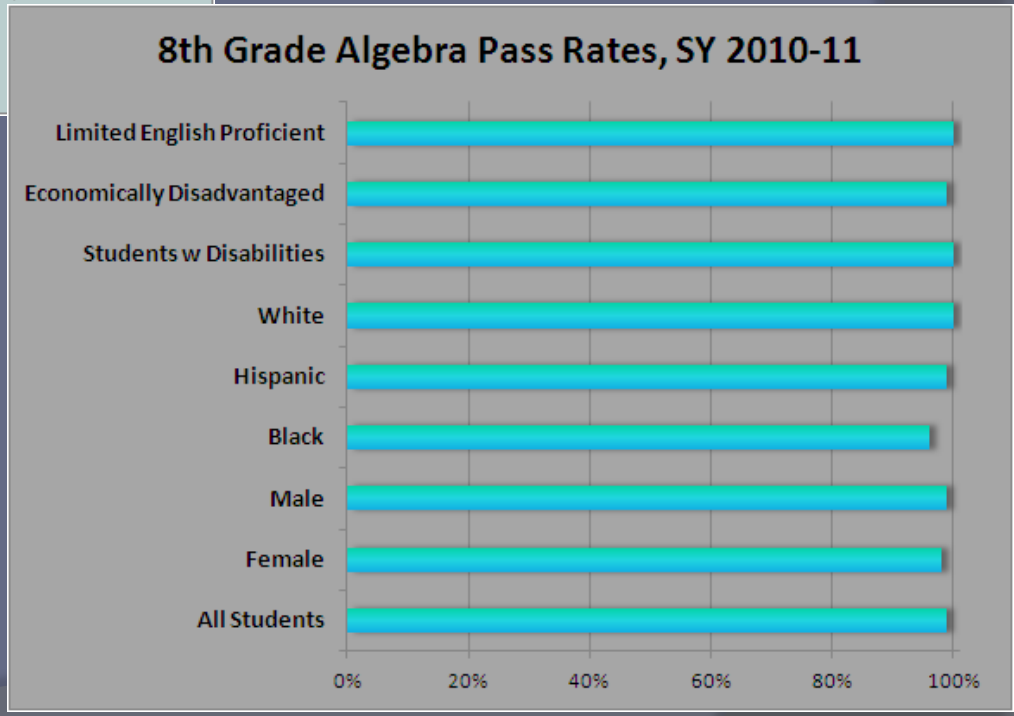


Stacy Hoeflich, history teacher at John Adams Elementary School, receiving National History Teacher of the Year award

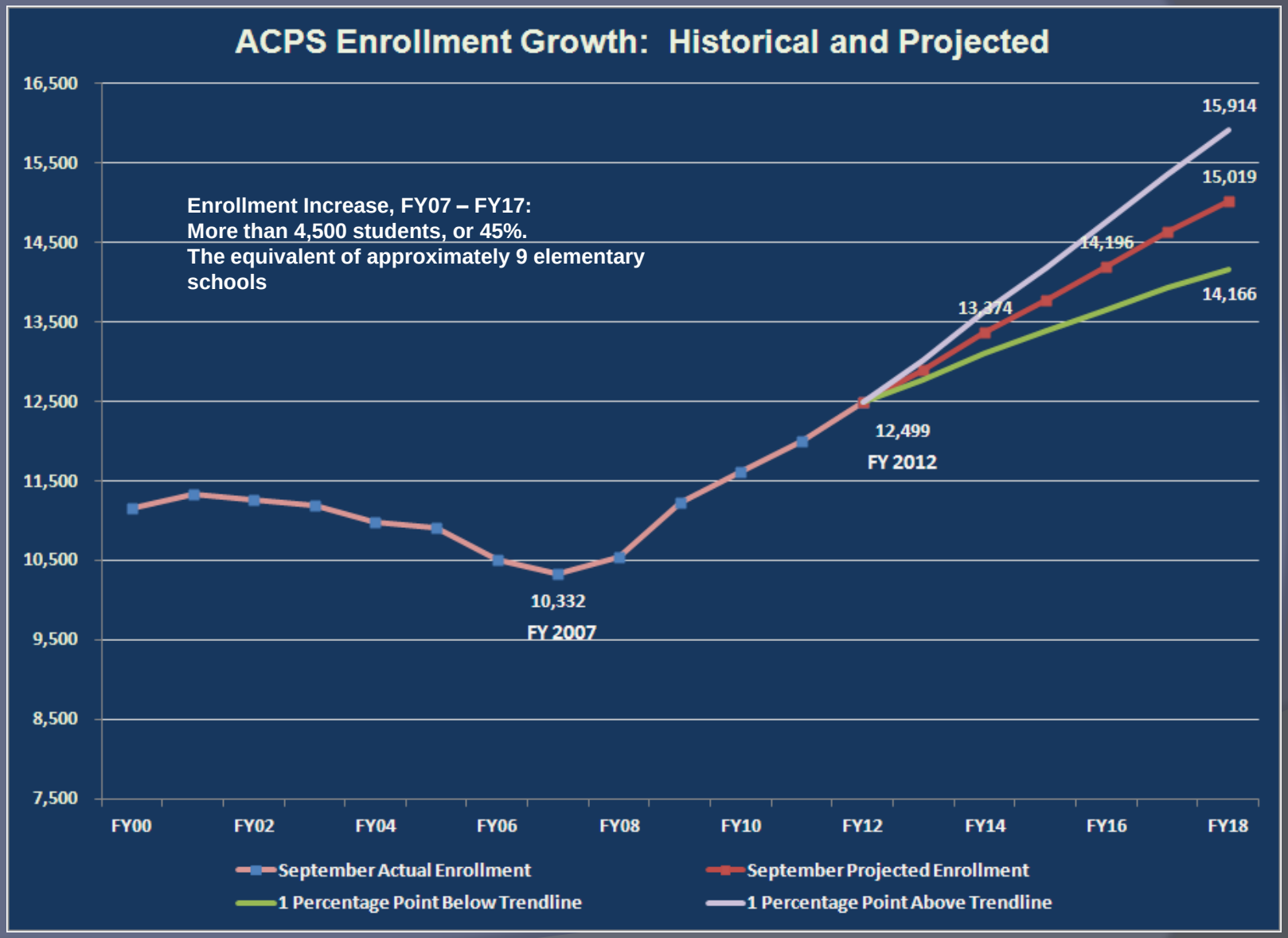


Equity in Achievement

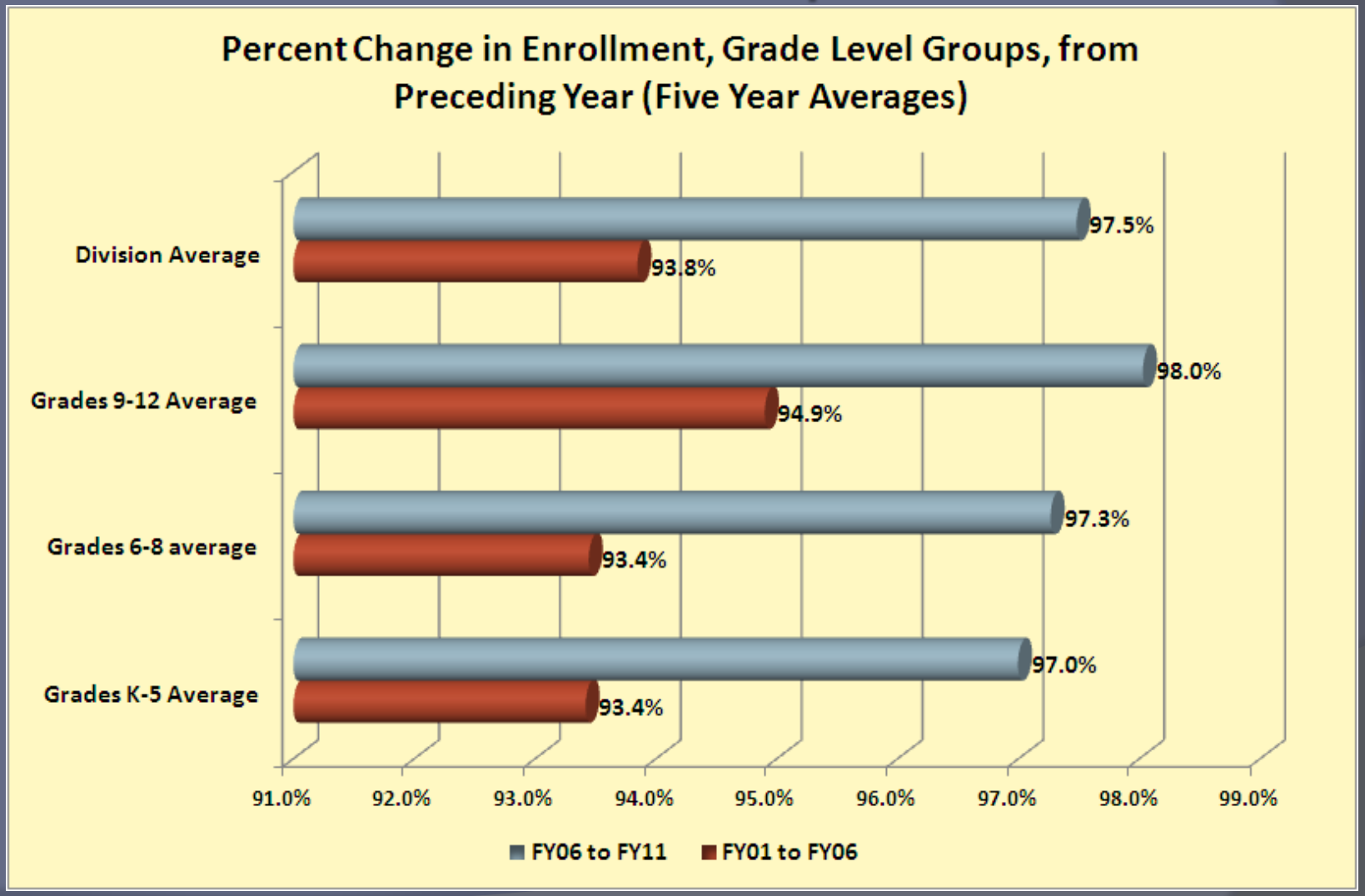
Equity of opportunity



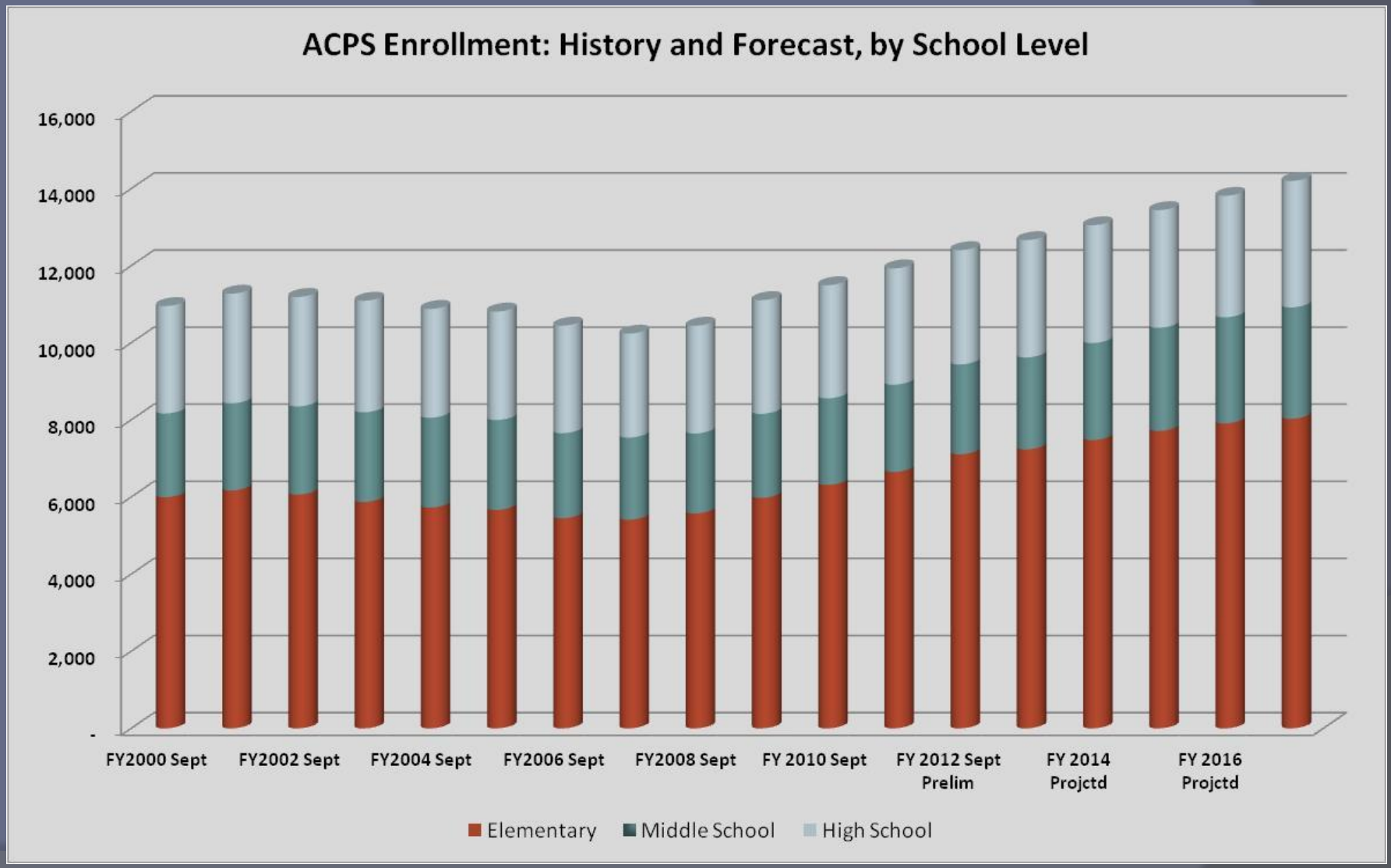
Student Enrollment Continues to Increase

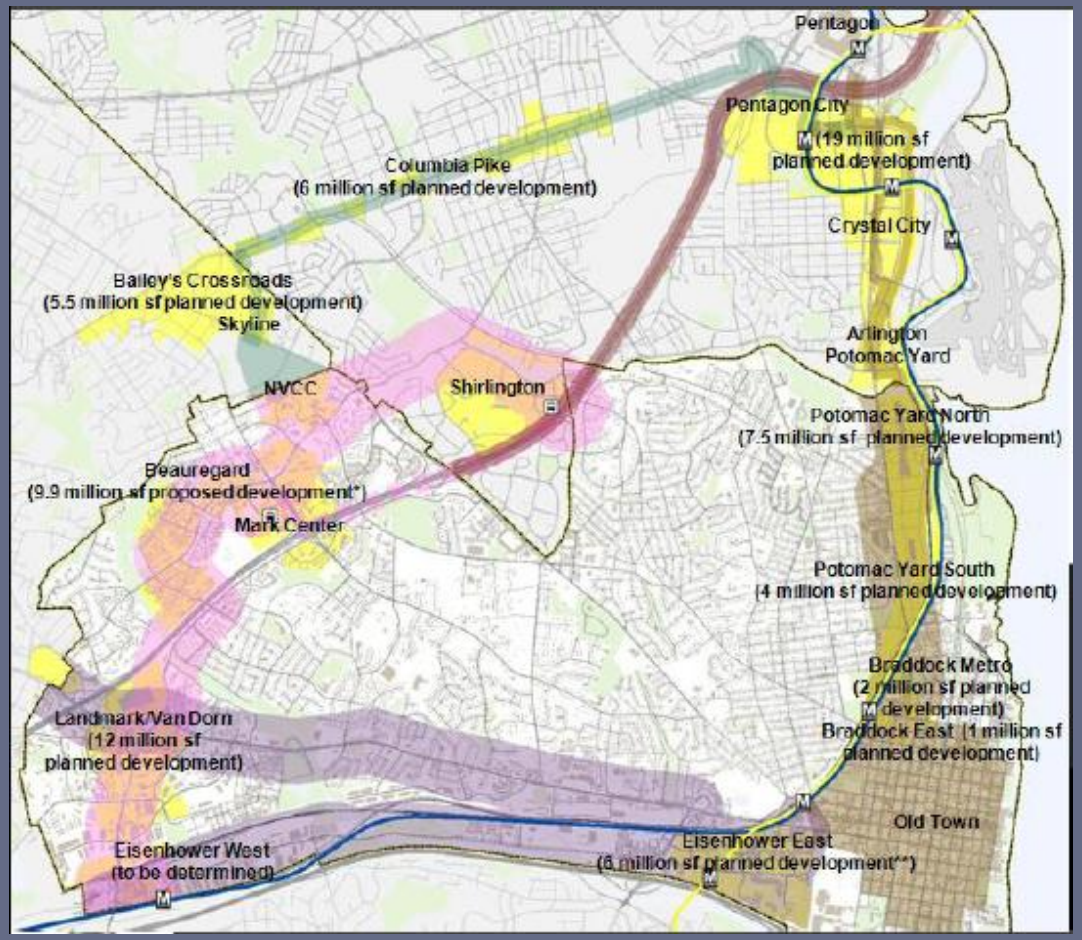


More students are continuing in ACPS than in the past

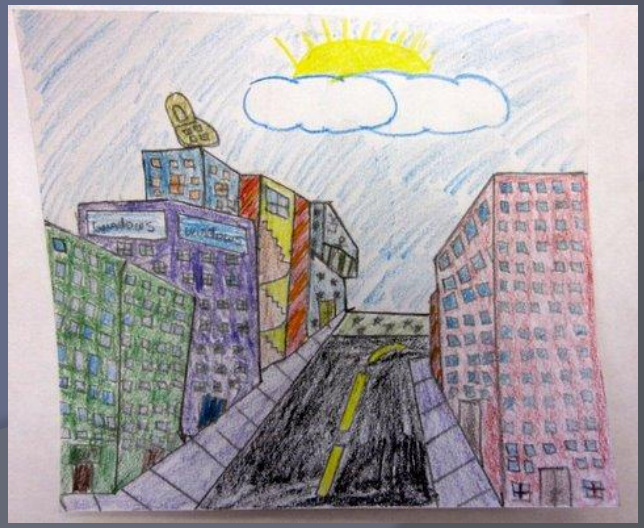


Higher enrollment in grades K-5 will lead to middle and high school facility needs in future years





The City Council and the School Board must plan together to address City-wide school capacity issues



Capital Improvement: FY12-FY15

Capital Improvement Plan				
	FY 2012	FY 2013	FY 2014	FY 2015
ACPS Final CIP	$21,986,475	$30,949,356	$24,930,211	$31,371,027
City Approved CIP	$21,986,475	$30,949,356	$24,930,211	$31,371,027
Variance, ACPS to City	$0	$0	$0	$0

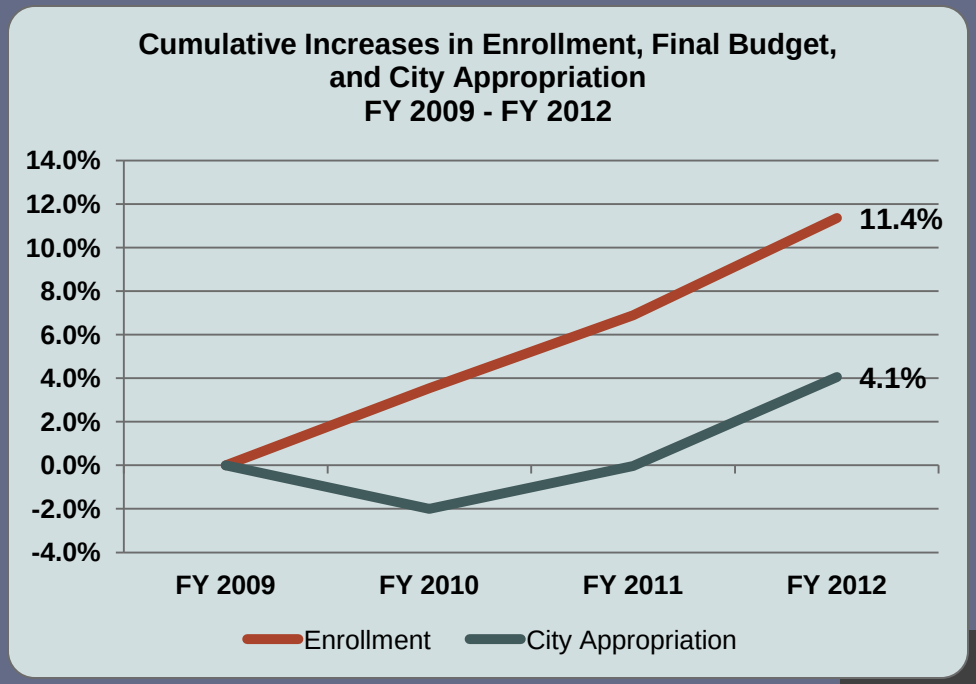
Major Projects Include:

- Phase II Modular classroom at Barrett, Polk and Patrick Henry
- New Jefferson Houston Pre K-8 School
- Planning for new Patrick Henry Pre K-8 School
- Building envelope repair, elevator projects, interior painting and flooring projects, plumbing, daylighting, Ecocity, and security projects

Capital Improvement: FY16-FY21

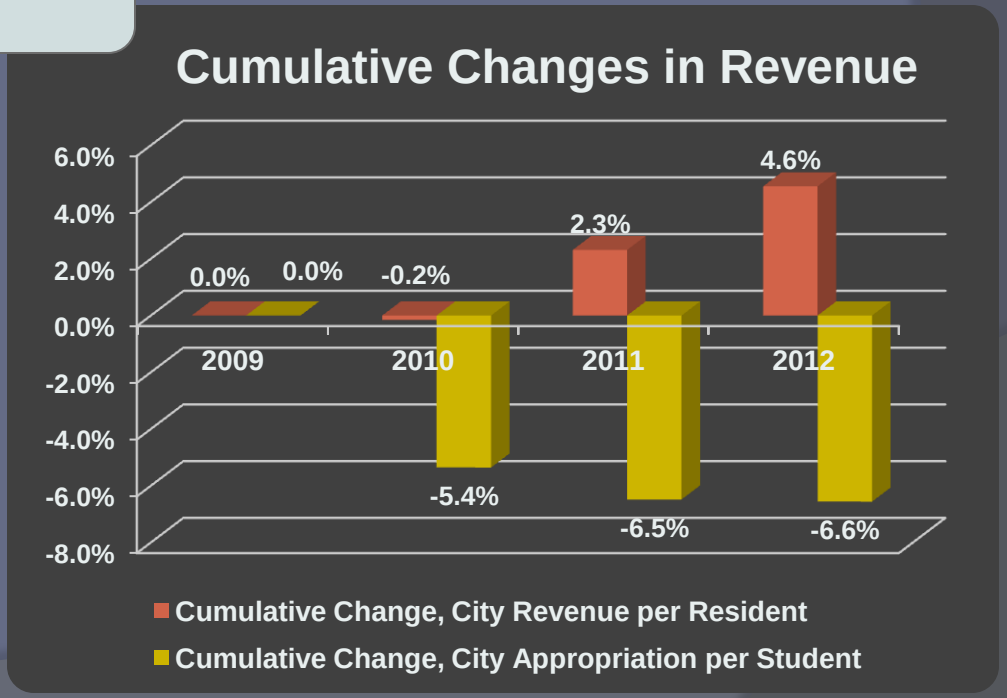
	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	Grand Total
ACPS Final CIP	$ 42.65	$ 49.35	$ 56.89	$ 33.70	$ 37.85	$ 15.35	$ 345.03
City Approved CIP	36.39	12.00	13.00	13.50	13.37	13.56	211.05
Difference	$ (6.27)	$ (37.35)	$ (43.89)	$ (20.20)	$ (24.48)	$ (1.79)	$ (133.98)

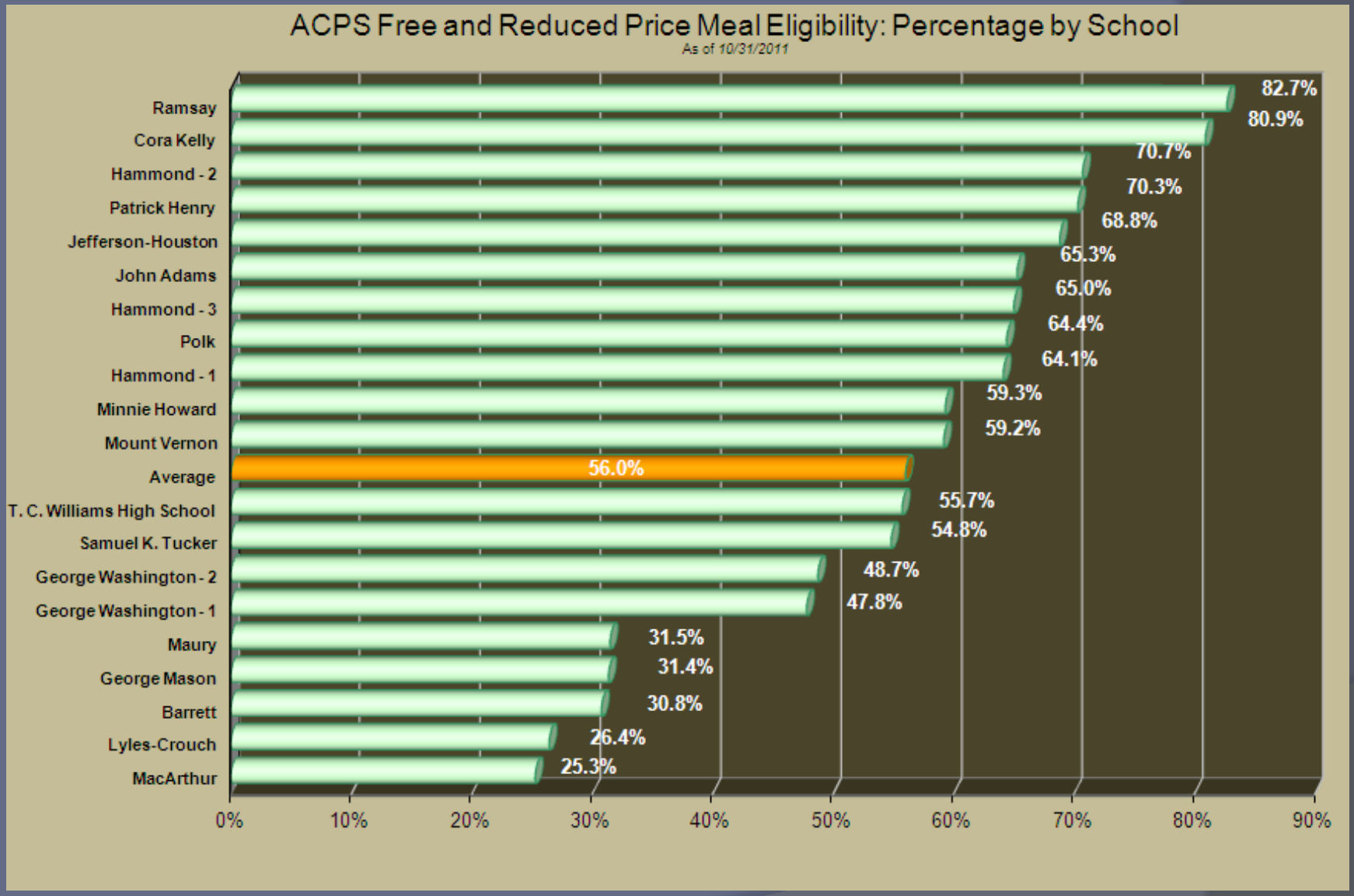
- **The ACPS FY16-21 Final CIP includes additional capacity projects (Cora Kelly, Minnie Howard capacity expansion, and a fourth new elementary school) that the City has not funded.**



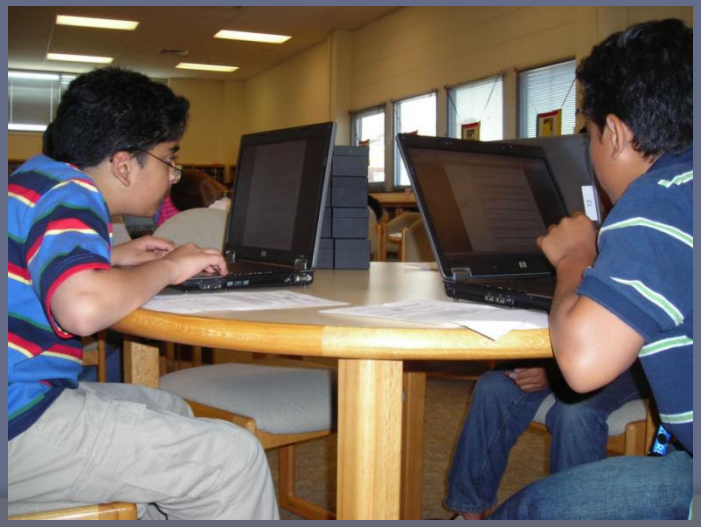
The City Appropriation per student has decreased by 6.6% since FY 2009, while City general fund revenue has increased by 4.6% per resident over the same period.

ACPS enrollment has increased by 11.4% since FY 2009, while the total City Appropriation has increased by 4.1%



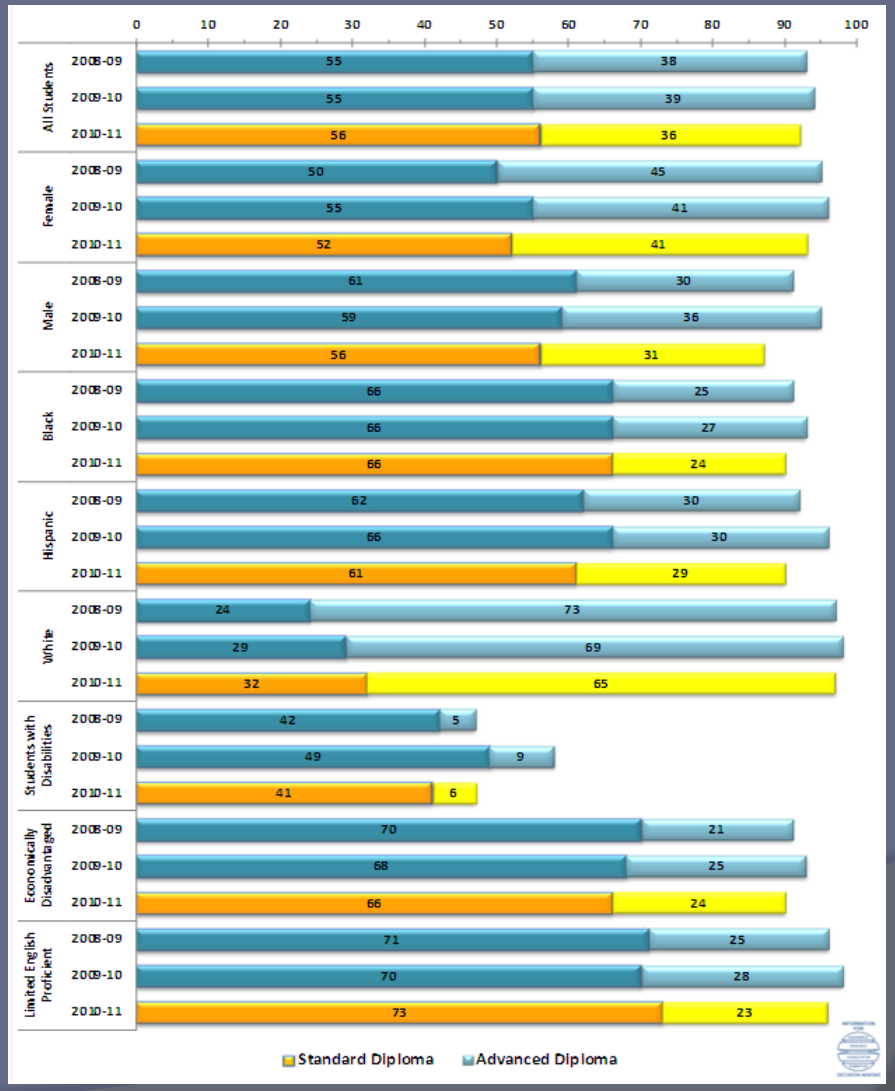

ACPS Free and Reduced Price Meal Eligibility: Percentage by School
As of 10/31/2011
Ramsay 82.7%
Cora Kelly 80.9%
Hammond - 2 70.7%
Patrick Henry 70.3%
Jefferson-Houston 68.8%
John Adams 65.3%
Hammond - 3 65.0%
Polk 64.4%
Hammond - 1 64.1%
Minnie Howard 59.3%
Mount Vernon 59.2%
Average 56.0%
T. C. Williams High School 55.7%
Samuel K. Tucker 54.8%
George Washington - 2 48.7%
George Washington - 1 47.8%
Maury 31.5%
George Mason 31.4%
Barrett 30.8%
Lyles-Crouch 26.4%
MacArthur 25.3%
0% 10% 20% 30% 40% 50% 60% 70% 80% 90%

21st Century Resources



Our Challenge: Equity in Achievement

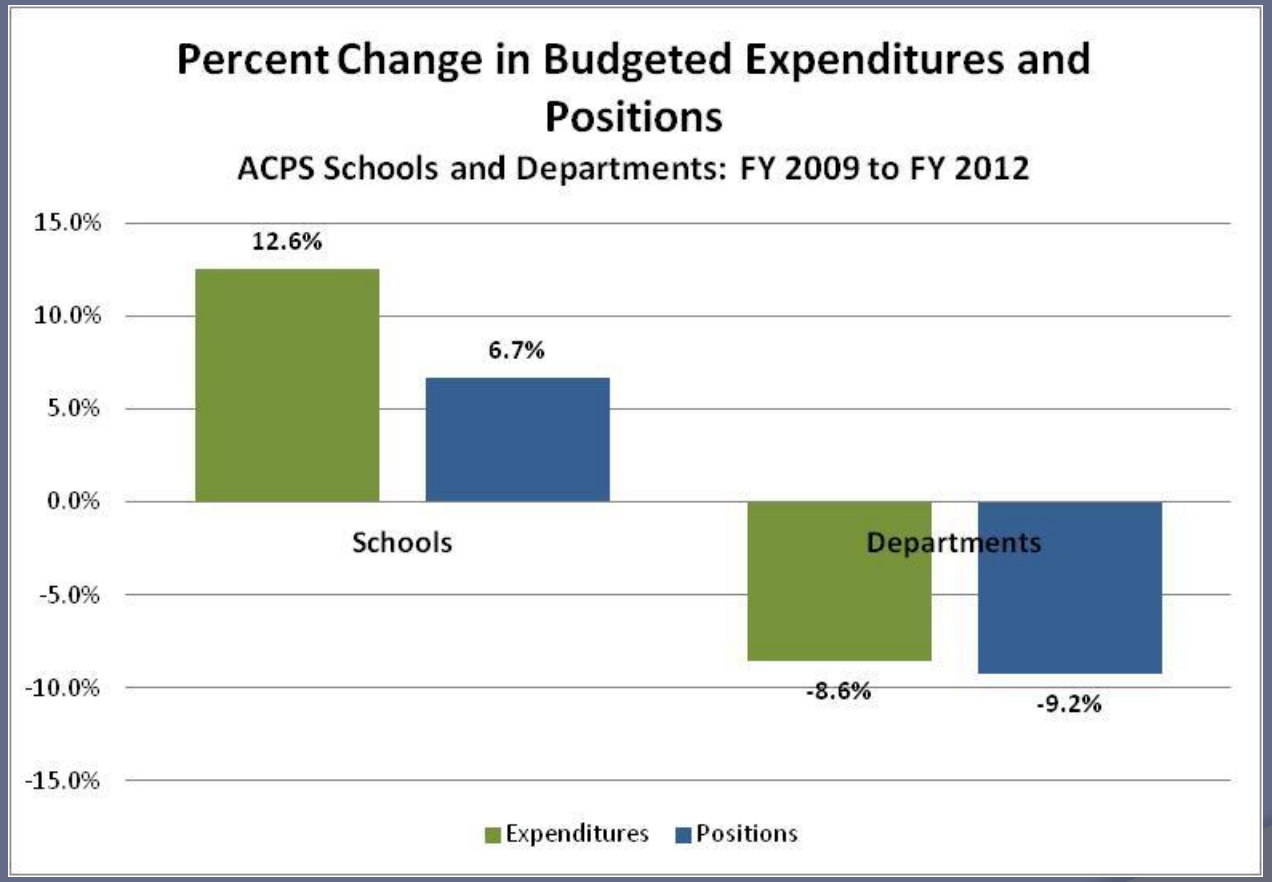
Percentage of students receiving standard and advanced diplomas, of all students enrolled as of June, 2011



ACPS has repurposed a significant portion of its total budget over the past three years

Budget Realignments		
	Dollars	FTE
FY 2010	$ (20,431,862)	(116.86)
FY 2011	(20,693,112)	(174.66)
FY 2012	(9,228,936)	(53.14)
Total Realignments	**(50,353,910)**	**(344.66)**
FY 2012 Budget	$ 210,569,152	2,011.75
Realignments as % of Budget	**23.9%**	**17.1%**

Resources have been directed to schools and away from central office departments



*Departments provide support for day-to-day school operations in areas such as Maintenance and Facilities, Transportation, Human Resources, Financial Services, Technology Services, Curriculum and Instruction Support, Student Services, and Communications

ACPS has realigned resources to extend learning time. Salary increases have been funded by shifting benefit costs to employees

	Step Increase		Benefit Cost Sharing
FY 2010	Half Year	$ 1.42	$ (0.93)
FY 2011	Half Year	$ 3.48	$ (2.50)
FY 2012	Full Year	$ 5.26	$ (5.66)
Total		**$ 10.16**	**$ (9.09)**

“Education is learning what you didn’t even know you didn’t know.”

Daniel J. Boorstein

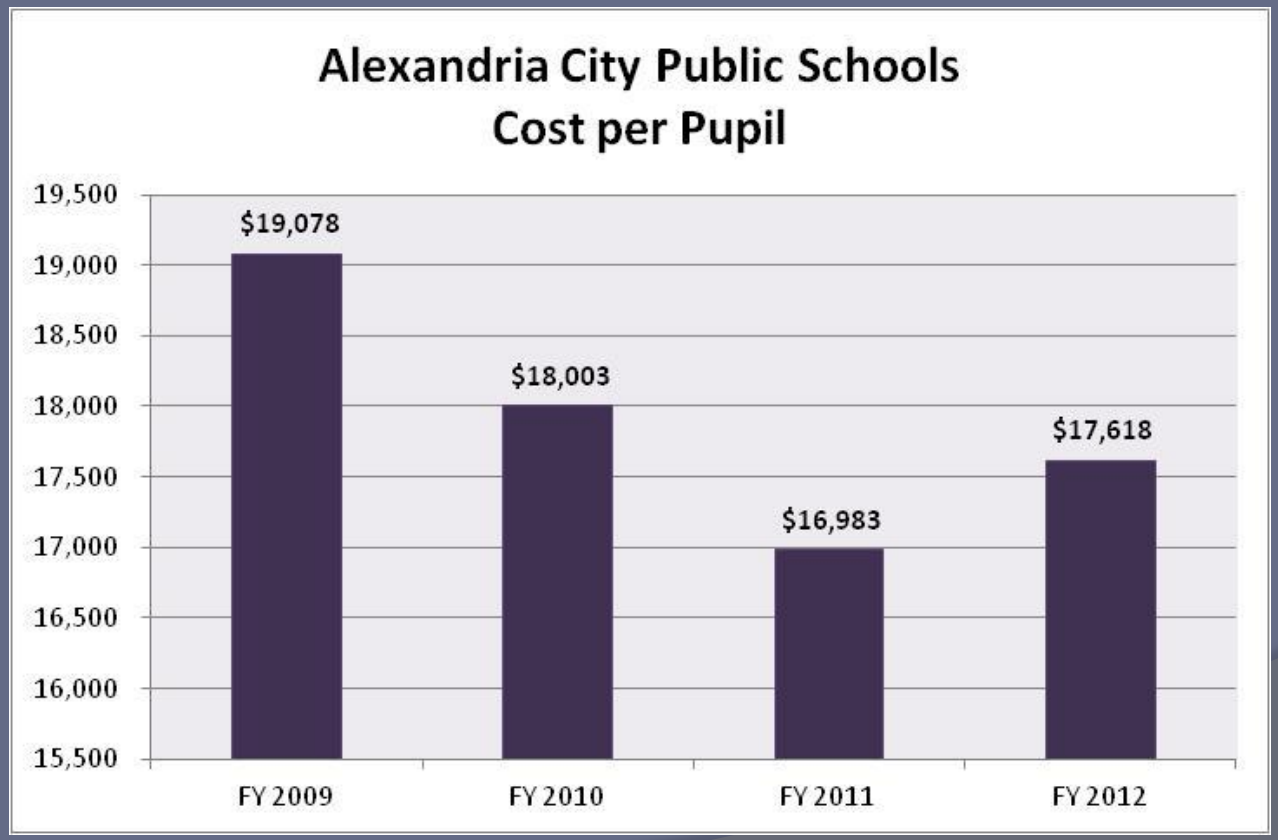
ACPS maintained small class sizes while funding costs of enrollment growth

ACPS Average Class Size per WABE					
	FY 2010	FY 2011	FY 2012	Change, FY 2010 to FY 2012	% Change
Elementary	19.8	18.5	18.1	(1.7)	-8.6%
Middle	23.7	17.9	19.9	(3.8)	-16.0%
High	25.0	23.0	21.7	(3.3)	-13.2%

*WABE methodology determines average class size by comparing number of students at each level (elementary, middle, and high school) to teacher FTE at the same levels.

ACPS Enrollment Growth			
	Enrollment	**Enrollment Growth**	**Cost of Growth (in millions)**
FY 2010	11,623	398	2.8
FY 2011	11,999	376	2.6
FY 2012	12,499	500	3.5
Total Change, FY 2010 to FY 2012		**1,274**	**$8.9**

The ACPS cost per pupil dropped almost 8% or about $1,500 since FY 2009.



WABE budgeted cost per pupil

FY 2013 Current Services Estimate

Assumptions:

- Student enrollment growth of 3.2%
- No market rate adjustment
- VRS rate increase of 4 percentage points, compared to 10.44 percentage point increase recommended by VRS Board
- Health benefit rate increase of 17.5%
- Full step increase
- Expiring grant funds of $2.1 million

Major Categories

	FY 2012 Final	FY 2013 Current Services	$ Change
Salary	$ 135.7	$ 142.7	$ 7.0
VRS	13.5	20.5	7.0
Health and Other Benefits	32.6	37.0	4.4
Other Operating Expenditures	28.7	28.8	0.1
Expenditure Adjustments	0	-	-
Total	**$ 210.6**	**$ 229.0**	**18.4**
Percentage Change			**8.7%**

Revenue Estimates

- Decline in beginning balance of $4.1 million
- State sales tax increase of 2%
- No changes in state funding formulas
- VRS designated fund balance cannot be used
- City Appropriation TBD

Revenue Estimates with City Appropriation Increase of 6.0%

	FY 2012 Final	FY 2013 Estimated	Change	Percent Change
Beginning Balance	$ 6.99	$ 2.88	$ (4.11)	-58.8%
State Sales Tax	9.59	9.78	0.19	2.0%
Other Revenue	19.23	19.80	0.57	3.0%
City Appropriation	174.76	185.24	10.49	6.0%
Total	**$ 210.57**	**$ 217.71**	**$ 7.14**	**3.4%**

Revenue Estimates with City Appropriation Increase of 4.0%

	FY 2012 Final	FY 2013 Estimated	Change	Percent Change
Beginning Balance	$ 6.99	$ 2.88	$ (4.11)	-58.8%
State Sales Tax	9.59	9.78	0.19	2.0%
Other Revenue	19.23	19.80	0.57	3.0%
City Appropriation	174.76	181.75	6.99	4.0%
Total	**$ 210.57**	**$ 214.21**	**$ 3.64**	**1.7%**

Revenue Estimates with City Appropriation Increase of 2.0%

	FY 2012 Final	FY 2013 Estimated	Change	Percent Change
Beginning Balance	$ 6.99	$ 2.88	$ (4.11)	-58.8%
State Sales Tax	9.59	9.78	0.19	2.0%
Other Revenue	19.23	19.80	0.57	3.0%
City Appropriation	174.76	178.25	3.50	2.0%
Total	**$ 210.57**	**$ 210.72**	**$ 0.15**	**0.1%**

Balancing Estimated Current Services Expenditures and Revenue

ACPS will need to reduce its budget by 5.3% to 8.7% to balance, depending on revenue received from the City.

FY 2013 Estimates		
Revenue w 6% City Appropriation Increase	$	217.71
Expenditures	$	228.97
Difference to Balance	**$**	**(11.26)**
Percent of FY12 Final Budget		-5.3%
Revenue w 4% City Appropriation Increase	$	214.21
Expenditures	$	228.97
Difference to Balance	**$**	**(14.76)**
Percent of FY12 Final Budget		-7.0%
Revenue w 2% City Appropriation Increase	$	210.72
Expenditures	$	228.97
Difference to Balance	**$**	**(18.25)**
Percent of FY12 Final Budget		-8.7%

Budget Structure and Impact on Budget Reductions

- Every $1.0 million reduction to the ACPS budget represents approximately $840,000 in salaries and benefits, or an average of 10 teachers
- Approximately 84% of the ACPS budget is focused on compensation and benefits, compared to the City's budget at 55%

“The question is not whether we can afford to invest in every child; it is whether we can afford not to. Education is a precondition to survival in America today.”

Marian Wright Edelman,
American Educator

Our Commitment: Equity and Excellence

- Responsible and accountable for the success of each and every student
- Using every resource efficiently and effectively