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Kathy's Notes March 14, 2019 BFAAC/BAC Joint Meeting
For joint memo and BFAAC budget memo as appropriate

One year after the Joint Task Force issued its final report, members of the Budget and Fiscal Affairs Advisory Commission (BFAAC) and the School Board's Budget Advisory Committee (BAC), along with key City and ACPS staff, met to review progress implementing Task Force recommendations, and to review other fiscal matters that have arisen since the last joint meeting in March 2018.

The Joint Task Force report was both broad and very specific in its recommendations, including its warning that leadership not allow the momentum of the process and positive reception of the recommendations to fade over time. In fact, management began putting structures in place to support cooperation required to implement recommendations even before the final report was formally presented.

Significant progress has been made in the past year, which is particularly evident in the following organizational areas:

- Cooperation and respect between the Manager and Superintendent set the tone for trust among staffs and indeed all residents of Alexandria. Regular meetings addressing budget and operational matters as well as looking forward to strategic planning encourage both staffs to communicate and work as peers on a day to day basis. BFAAC and BAC applaud their work and note the significance of this example from the top in the successful transition for our City.
- Key staff are working together to plan for the City's future. In addition to the high level Capital Management Council, City staff is included on the High School Project core team. ACPS staff has been added to the CIP Steering Committee, which will be a key to developing a joint Capability Delivery Model, identifying areas for collaboration and prioritizing deliverables.
- The City/Schools subcommittee, as a regular public meeting ground for both staff and elected leaders, is uniquely positioned to support trust between the City and ACPS. BFAAC and BAC recommend the subcommittee's new leadership consider its role in furthering progress and enhancing communication among key staff when setting goals for the coming year.
- A Request for Proposal has been issued to study the feasibility of a combined maintenance and management system (CMMS).
- The Manager is currently filling the P3 position, which will work with ACPS school, business and community partnerships staff.

Comment [JR1]: Add continued BFAAC BAC coordination? Mentioned by city staff as important.

- Add zoning and public facilities teams.

During discussion of budget and accounting processes, it was apparent that budget staffs work together as peers to foster common best practices and transparency.

- In response to questions raised at Council’s November retreat, BFAAC and BAC recommend staff budget textbook purchases in a manner that 1) allows ACPS to “get current” on textbooks offered system wide and 2) stay current going forward to avoid using out of date textbooks in any subject. Staffs have been working together to identify the best system to smooth out spikes and ensure textbook spending is not discretionary but allotted on a schedule appropriate to each subject. During this discussion BFAAC and BAC noted the degree to which budget staffs seek to utilize similar accounting methods and appreciate both the effort, and the improvement peer review brings to our systems.
- Budget staffs also are working together to determine the best way for ACPS to utilize an appropriate share of fund balance while also maintaining necessary balance going forward. BFAAC and BAC will not offer an opinion on method now but will allow the work of the two staffs to reach the best conclusion.
- On the issue of budget timing, it was noted that while in an ideal world City staff would have the benefit of a fully approved school budget when building its operating budget for Council, state codes and school year-end data are among the uncontrollable factors inhibiting this goal. BFAAC and BAC support progress that has been made to close the timing gap, and agree that assuming the current transparent working relationship continues, an ideal situation likely has been achieved. Ultimately communication and cooperation to maximize advance planning minimize surprises is the most important factor. Regarding the capital budget, the City has moved to a 2-year (with adjustments) cycle and ACPS is consciously working in that direction so that both soon will be on the same calendar.
- Add personal property tax after Manager’s presentation at BFAAC meeting.

Comment [JR2]: Some discussion here was around what should be in CIP vs not. BAC is working with ACPS staff this year on a policy but may want to address here.

ACPS Facilities Review

- BFAAC and BAC will meet again in June to review a third party facility review now in progress, and offer high level thoughts to Council and School Board in advance of their joint meeting. The review focuses on six schools, addressing systems, modernization needs and capacity, utilizing methodology recommended by the joint task force. Both City and ACPS leadership anticipate the report will reveal significant and urgent capital needs.