

**Alexandria School Board
Budget Advisory Committee**

April 20, 2021 - 7PM

Location: Zoom

MINUTES

Budget Advisory Committee Members Present: Erin Dahlin (Chair); Nancy Drane (Secretary); Salena El Hajji; and Sukumar Rao. Sean McEneaney was unable to attend the meeting.

ACPS Staff Liaison Present: Robert Easley, ACPS Director of Budget and Fiscal Compliance

Alexandria School Board Liaison Present: Susan Neilson, Clerk, Alexandria City Public Schools School Board. Alexandria School Board member Ramee Gentry was unable to attend the meeting.

Meeting was called to order at 7:04 p.m.

Approval of Prior Meeting Minutes

A motion to approve the minutes was made and seconded, with all present approving adoption of these minutes.

Staff Report

With respect to Federal funding, a reminder that ACPS already received CARES Act (ESSER 1) funding (\$3.7M). A previously submitted Board brief¹ covered these expenditures. The ACPS budget team recently submitted its application for ESSER 2 funding (\$15.5M) and is in the process of preparing an application for the ESSER 3 funding (a/k/a American Rescue Plan) (\$34.8M). Generally, ACPS will be focused on doing more of what they did with the first rounds of funds (e.g., technology, SEAL supports, PPE, infrastructure improvements). But they also anticipate making some additional adjustments to account for other potential expenditures, as there is a limit to the utility of some of the prior expenses (i.e., you can only purchase so many computers). There was a question about what “infrastructure” means. They are working on identifying other non-technology infrastructure needs and formulating how they’d be paid for. Funds could be used to pursue physical space for additional, temporary capacity if needed (e.g., learning cottages or leasing building space). They may also have some FY21 savings that can be utilized to purchase air purifiers for buildings. These may not require Federal funds, but it frees up those Federal funds for other uses.

There was a question about how the total \$50M (from ESSER 2 and 3) will be utilized, knowing that the funds will likely far exceed what they need for the items listed above. Can these funds

¹ https://alexandriapublic.ic-board.com/public_itemview.aspx?ItemId=14432&mtgId=1777

be used as an opportunity to accelerate investments in infrastructure improvements, deferred maintenance, etc. – especially around HVAC? How much of those details need to be in the applications they filed or are planning to file? ACPS is still working on planning out how to use the funds through an iterative process. The applications are due with a very short turnaround time, but they have two years to spend the funds and an opportunity to amend their original applications to account for additional/more specific expenditures. So, this is still a work in progress.

For FY22 budget planning, they are formulating the budget based on an expectation of a 5 day a week, in-person learning environment. However, they will maintain the ability to pivot if necessary (especially if they need to maintain 3 feet social distance). However, that's when learning cottages or other physical space comes in. They hope to have parent return-to-school surveys in hand as they are doing this budgeting to account for the students who intend to return physically to the classroom, which will then let them know what level of virtual supports will continue to be needed.

ACPS budget staff anticipate some forthcoming adjustments to the Superintendent's proposed budget. These will be shared with the Board on May 6. These changes reflect additional state revenue (about \$2M) to support compensation increases. The City is set to adopt their budget in early May, and will reflect those changes. The adjusted budget changes only include revenue coming from outside of the City appropriation (e.g., State).

Finally, with respect to FY21 budget – they are starting the year-end closing process now that they are moving in Q4. It was a “healthy” year with respect to budget v. actuals because of unintended budget savings arising out of the remote learning environment. These savings were “significant” from a budget perspective. As a result, ACPS does not intend to dip into its fund balance, and may actually add to the fund balance. And – as described above – some of these savings may be reprogrammed for air purifiers.

Discussion of Proposed Budget Process Memo

We will be presenting our budget memo and recommendations at an upcoming May Board meeting – the May 20 Budget Work Session. The goal of the meeting tonight will be to go through the draft memo and share reactions and potential edits. The memo will have to be submitted to the Board in early May, well in advance of the Board meeting at which we will present.

These comments supplement those made directly into the draft memo document:

- There could be some opportunities for streamlining during the priority setting/rules of engagement process in August/September/October – although the ACPS budget team's sense is that this is “time well spent” since the work done here settling on priorities is important background for the rest of the budget process and the work done here reduces time needed in future stages of the process. It may seem prolonged, but there is considerable time spent going through potential priorities (there could be numerous ones identified) and then settling on a tight set of agreed upon budget priorities.

- The budget calendar document itself could be presented differently. The level of detail lends to completeness, but may make the process appear more complicated than it is. Even consolidating events that happen on the same date to one single item might be an improvement.
- The Community Budget Forum may be a missed opportunity. It is intended to be an educational opportunity members to explain the budget process. However, it is not traditionally well attended by the community. Could it be reformed, replaced with other more targeted engagement opportunities, etc.?
- The time that the ACPS budget team takes to confer with ACPS staff is important; it avoids a situation where the budget is rushed and there is a feeling that the ACPS budget team has created it in isolation, without broader ACPS staff input.

Next Steps

- Erin will follow up with Ramee Gentry to get her feedback since she was unable to attend the meeting tonight
- BAC will aim to complete its budget memo by early May for circulation to the Board
 - BAC committee members are asked to make all comments/edits to the draft budget memo by Tuesday, April 27
 - Nancy will then review and make final edits to synthesize comments, etc.
- BAC will provide recommendations to the School Board on May 20. The presentation (about 10 minutes in length plus 5+ minutes for Q&A) will cover:
 - BAC goals for this process
 - High level observations from comparative review of other jurisdictions
 - *Consider whether this could be incorporated into the BAC Recommendations piece (i.e., our suggestion for a Board vote b/f the City Manager budget release is in line with the other jurisdictions reviewed)*
 - BAC recommendations
 - Next steps
- Erin will prepare a document with draft talking points for the presentation and a draft set of slides (the context will be lifted from the final budget memo)
- We will identify a date for BAC members to connect and prep for the Board meeting presentation

With that the meeting was adjourned at 8:36 p.m.