

## 2023-24 BUDGET ADVISORY COUNCIL

Wednesday, March 6, 2024

Syphax Center, Room 402

7:00 PM - 9:00 PM

The meeting started at 7:05pm.

1. 8 members were present: Erik Sullivan (Chair), Chuck Rush, Katherine Christensen, Nellie Carr, Jennifer Wagener, Chris Cummings, Peter Strack, and Jonathan Hui
  - School Board Liaison Mary Kadera (filling in for Dave Priddy)
2. Approval of meeting minutes
  - Postponed until later in the budget cycle
3. Public comment
  - FAC Liaison:
    - MC/MM budget is taking a hit for the upcoming budget
    - None of the school specific items will get funded unless more money is allocated back to this
  - Josh Folb, AEA:
    - 12% department cuts – aren't really being realized in many cases (see details in back of the budget book)
    - Apple buy-back – the amount for this has been overestimated
      - Nearby school systems use Chrome books, which are more affordable
    - While retention has improved, 1 in 9 teachers are still leaving
    - Can the County help with TJ field replacement?
    - Outlined a number of page-specific questions
4. BAC Identification of Large Budget Themes
  - Central office reductions
  - How the planning factor reductions will manifest in reality
  - Only a 1% COLA for staff
  - The budget still needs a lot of work and has large deficits
5. BAC Discussion of Large Budget Themes
  - Don't lose sight of the fact that we have a good school district
  - Good to see some reductions and structural changes in the central budget
    - Believe there is a lot more work to be done in this area
    - 12% reductions seem to be taken, and then later increases are put back in
      - Not always best to do a blanket cut rather than looking at the details and targeting the most inefficient items
  - Current budget not balanced; even with potential additional revenue from the County (& State)
    - No discussion/outlined plans for how to make up the gap
    - No transparency of potential further cuts needed so awareness exists
  - \$20.9 million in Reserves – less than last year, but essentially all the Reserves that exist
    - Using Reserves has been a challenge for many years
    - How to build back up our Reserves?

- New initiatives do not have a plan to justify and measure the purchase, as per the new budget guidance
- Covering this year's budget gap does not eliminate similar, and growing, budget gaps into the near future
  - Either need to restructure, or fund ongoing costs with ongoing revenue
  - Contingency plans needed to consider and review structural changes
    - Potential expenses and potential revenue sources to offset them
    - Cannot expect the County to bail APS out year over year
- Cost per pupil continues to grow
  - National average is \$14k (versus our \$25+k)
  - Understand why APS is so high – can the WABE document help explain this?
  - How can we have a financial budgeting problem given that we spend the most amount of money – why are we spending more?
- Annual enrollment increase has been trending down, yet our projection is much higher than the past few years
- Large projected increase in special education students
  - Historically this has been overstated
- “Maintain and sustain” is a tough way to describe the budget; “disrupt and innovate” seems like a better motto knowing there is a fundamental structural deficit
- APS class size appears reasonable (compared to other jurisdictions)
- Need to approach the budget a better way
  - Should ignore what is already in the baseline and just focus on the new and change items
  - Should not expect taxpayers to fund inefficiency
- Uniform planning factors have created different experiences school-over-school
- Not a budget that the BAC/public can evaluate and analyze – seems a political move
  - There are hard conversations and choices to make
- Debt service will continue to increase over the next 8-9 years
  - Would like to see this as a better itemization in the future budget
- No consistency in individual school's increases/decreases in enrollment and staffing; would expect to see these move in the same direction
  - Seems like we have one more elementary school than we really need
- Request to see a budget forecast that tracks Expenses in line with forecasted Revenue
  - What would that expense base look like?
  - Ideally do not have a future budget showing huge future deficits
- What is the cost to fund a TJ student and how does that compare to what APS could do?
- What is the value and goal of our option schools versus the cost of them?
  - Goal should be to ensure that we do not spend more money per pupil on a student at an option school versus a student who is at a neighborhood school
  - Consider a pay to play for transportation for option schools, with income scale
- How to level out class sizes to be more equal and consistent across schools and subjects
- Resource teachers – how much is legal requirement versus discretionary?
- Transportation costs and measures
- Potential DOD military funding that APS could go through the process to request

## 6. Administrative Items

- April 9th BAC presentation to School Board

- March 19<sup>th</sup> School Board work session
  - BAC to provide high level thoughts for this work session - have until March 15<sup>th</sup> to put this together
- Erik has a conflict on the 20<sup>th</sup> – will proceed with this meeting without him
- Get all questions submitted to the google form – Erik will send them in every Friday

Meeting adjourned at 9:10pm.