

The FAC welcomes the opportunity to provide comment on the Superintendent's fiscal year (FY) 2025 proposed budget (PB) for Arlington Public Schools (APS).

To begin, the PB shares a lot to be celebrated about public school outcomes in Arlington. Among these outcomes are that APS ranks in the top 5 percent of schools nationwide, an

monitor
variations in enrollment patterns within the County, this trend allows

the PB attributes to staff cut-backs is the elimination of the Office of Planning and Evaluation functions and staff from the Superintendent's office. Planning and evaluation

¹ The latest annual inflation rate, reported for the 12 months ending in February for the United States, was 3.2%.

functions are critical to the work of the Department of Facilities and Operations (F&O) where these tasks were historically housed. It is not readily apparent what the net savings are to the PB's bottom line since these activities

: Of the several offices under the F&O department, only the maintenance services and transportation accounts show funding reductions below the approved FY 2024 budget. However, these reductions can be attributed to a reorganization that took place after the FY 2024 budget was approved, and a one-time allocation of \$1.1 million in FY 2024 for bus replacements. We do not see reason for concern about these changes at this time.

: Due to FAC's advisory role for the Capital Improvement Plan (CIP), the Committee follows APS' debt service account closely. The CIP is funded by bonds approved by voters. APS is responsible for repaying the County all debt incurred for school purposed bonds. As prudent fiscal managers, APS sets limits to debt incurred. These limits are followed to ensure the County's triple-A rating, thereby decreasing the cost of bonds to taxpayers. Most critical at this time is the limit that debt service not exceed expenditures by more than 10 percent. It is concerning that the BP projects a rise in debt service from a current 9.0 percent to 9.3 percent in FY 2025 and upward to a high of 9.9 percent in FYs 2028 through FY 2030, before beginning to decrease. These facts will play a larger role when the FAC considers the proposed FY 24-33 CIP later this spring.

: Given the PB's projected a multimillion-dollar deficit, further cuts will be necessary to balance the budget. Since the PB lacks guidance regarding additional cuts, it is unclear to the FAC whether such cuts would impact the facility programs and assets that we are charged with providing recommendations on to the School Board. As the School Board works with APS to propose a balanced budget, there may be other concerns that we will want to bring to your attention.

Thank you for the opportunity to submit these comments.

Cynthia Hilton
Acting Chair, FAC