



FY20 BUDGET MEMO # 41

DATE: April 25, 2019

TO: The Honorable Mayor and Members of the City Council

THROUGH: Rob Stalzer, City Manager *RA Stalzer*

FROM: Kerry Kidd, Budget Manager

SUBJECT: Reissue Budget Memo #24; ADM and School Tuition Updates

As requested by Councilmember Miller, attached are the School Superintendent's responses relating to: (1) the definitions for ADM and Membership, (2) Updated ADM numbers and (3) updated estimates for the FY 2019 and FY 2020 Tuition.

This Budget Memo is being reissued to include two additional attachments missing from the original Budget Memo #24 (as distributed on April 23rd).

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Hodgkins, David

From: Pajardo, Phyllis
Sent: Tuesday, April 23, 2019 6:57 PM
To: Stalzer, Rob; Hodgkins, David
Cc: Kidd, Kerry; Crowder, Melanie; Wiczalkowski, Susan; Pitches, Carolyn
Subject: Follow up to Budget Memo #07
Attachments: City of Fairfax Schools Membership vs ADM_April2019.pdf

Hello – here are responses to Ms. Miller’s questions:

1. **Membership:** Membership is a count of all students enrolled as of a certain point in time. Fairfax County provides September and March membership counts to the City of Fairfax based on the last school day of September and March. Fairfax County also publishes monthly membership for the division based on the last school day of each month from September through June.
2. **March ADM:** Average daily membership (ADM) is determined by dividing the TOTAL aggregate daily membership by the number of days school was in session, from the first day of the school term through the last school day in March. For example, March ADM for the 2018-19 school year would be calculated from the first day of school, August 28, through March 29. Total aggregate daily membership means the sum of the days present and the days absent for all students in grades K-12.

To further explain ADM and membership, here are two examples. There are two students, Student A and Student B, in our City schools. Both students were in our schools in March. We'd have a March membership of 2 with these two students.

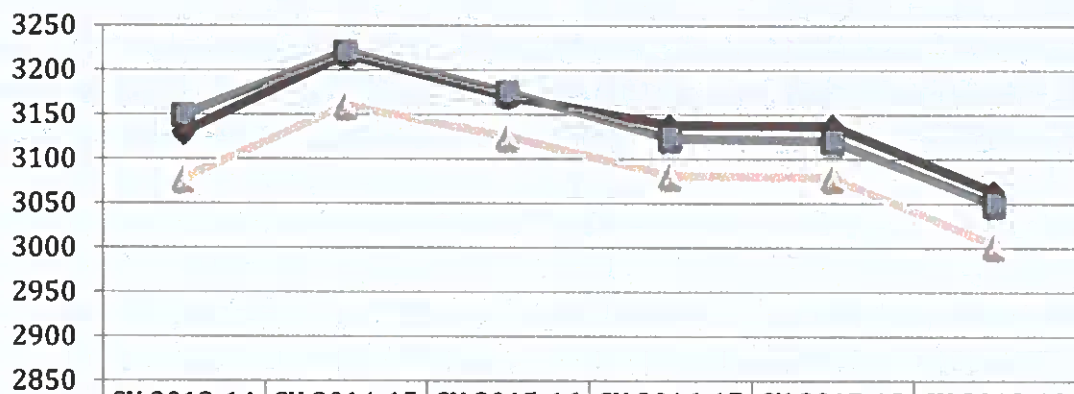
Unlike the monthly membership, ADM considers an entire timeframe (start of school until last school day in March). Using an ADM time period of 121 days, follow these ADM examples. Student A is enrolled the whole time in a City school with 110 days present and 11 days absent. Student A would have an ADM of 1 (110 days present plus 11 days absent/121).

Student B transferred to Fairfax City in March and was present for 20 days and not absent during March; that ADM calculation would 20 days present plus 0 days absent/121. Student B has an ADM of .16529.

We'd have a March ADM of 1.16529 for these 2 students, who were counted as 2 for our March membership.
3. See attached updated chart which now includes SY2018-19 September and March Student Membership as well as the March 2019 preliminary ADM.
4. The newly-revised March 2020 ADM estimate is 3040.

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City of Fairfax Schools Membership vs. ADM



| | SY 2013-14 | SY 2014-15 | SY 2015-16 | SY 2016-17 | SY 2017-18 | SY 2018-19 |
|------------------|------------|------------|------------|------------|------------|------------|
| Sept Membership | 3130 | 3217 | 3170 | 3138 | 3137 | 3063 |
| March Membership | 3150 | 3221 | 3175 | 3123 | 3120 | 3049 |
| March ADM | 3078 | 3160 | 3125 | 3081 | 3079 | 3003★ |

★ Preliminary

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Hodgkins, David

From: Pajardo, Phyllis
Sent: Tuesday, April 23, 2019 5:44 PM
To: Stalzer, Rob; Hodgkins, David
Cc: Kidd, Kerry; Wiczalkowski, Susan; Wilson, Diego; Crowder, Melanie; Pitches, Carolyn
Subject: Update - City Schools FY20 Proposed Tuition Budget
Attachments: City of Fairfax Schools Membership vs ADM_April2019.pdf

I'm writing, as promised, with an update regarding our FY20 proposed average daily membership (ADM) and tuition budget.

The Schools' FY20 Proposed tuition budget will be lower than our original estimate. The primary factor is we have a lower ADM.

FY20 Proposed ADM/Budget

We now have a *preliminary* FY19 ADM, which is 3003. This is the fourth consecutive year that we've seen a decline in ADM (see attached chart). Given that we've seen a four-year decline in ADM, I'm refining the proposed **FY20 ADM from 3082 to 3040**. I'm uncomfortable making predictions close to or lower than 3000 since our ten-year ADM trends haven't been below 3000 in 10 years.

Eric Forman's analysis of housing/student projections in his March 2019 presentation to our Board, which you attended/heard, further confirm the decline. Therefore, I'm comfortable **reducing our proposed FY20 tuition budget to \$48,287,277**, \$1 million below what's published in the budget book (\$49,287,277). You'll likely remember that after learning about the county's full transfer to FCPS and anticipating FCPS increased operating costs, I increased our tuition bill to \$50,037,277 during the March budget presentations. So, the new figure is a \$1,750,00 decrease from what was shared during my budget presentation to MCC.

Our tuition budget is a prediction and by nature of that alone, it is inaccurate from the initial proposal. The contributing (and uncontrollable) factors of ADM, county's transfer to FCPS, and FCPS operating budget, further compound our prediction/proposal. Add to that our budget cycle, which is different than the county's, and you have exponential inaccuracies. I certainly hope that you will gravely consider adjusting at least one of the things that we can control and that is the timing of our budget cycle. While we understand the impact a decision would have in the short-term, we believe that by aligning our budget with Fairfax County's budget would alleviate some of the many challenges and frustration felt throughout the budget process. I, and our School Board, would welcome that discussion.

I'm hopeful that this updated info will assist as the City's budget is being finalized. Please let me know if you have questions.

Dr. Phyllis Pajardo
Superintendent