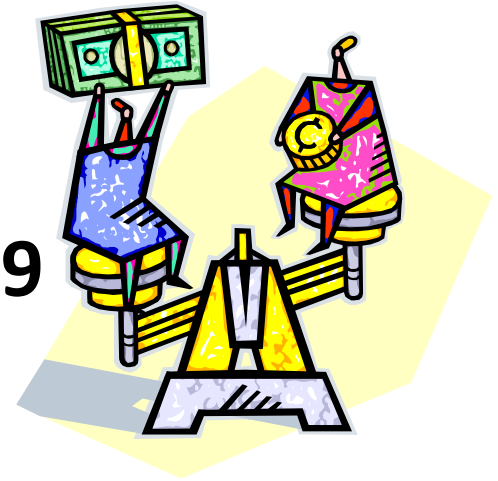


Arlington Central School District

Financial Forecast for the Years 2015-16 through 2018-2019



Presented on: November 10, 2015

Major Budget Drivers / Variables

- Property tax cap formula – potential for 0% CPI Increase for 2016-17
- State-Aid remains 27% of our budget and a major factor in the budget development process
- GEA (Gap Elimination Adjustment)
- Enrollment is decreasing – study December 2015
- Health insurance and related benefit costs

Major Budget Drivers / Variables, cont.

- ERS rates will be less in 2016-17
- TRS rates may be less in 2016-17
- Assessed values appear to be stabilizing – last year there was a slight increase year over year

Management Decisions

- Closing of LaGrange Elementary School
- Moving the Central Office out of leased space
- Closing of Arlington Middle School
- Selling of Raymond Avenue
- Committing to full-day kindergarten
- Improving building infrastructure through an EPC Project at no additional cost to the budget
- Managing staff, class size and programs based on enrollment (“Right Sizing”)

Management Decisions, cont.

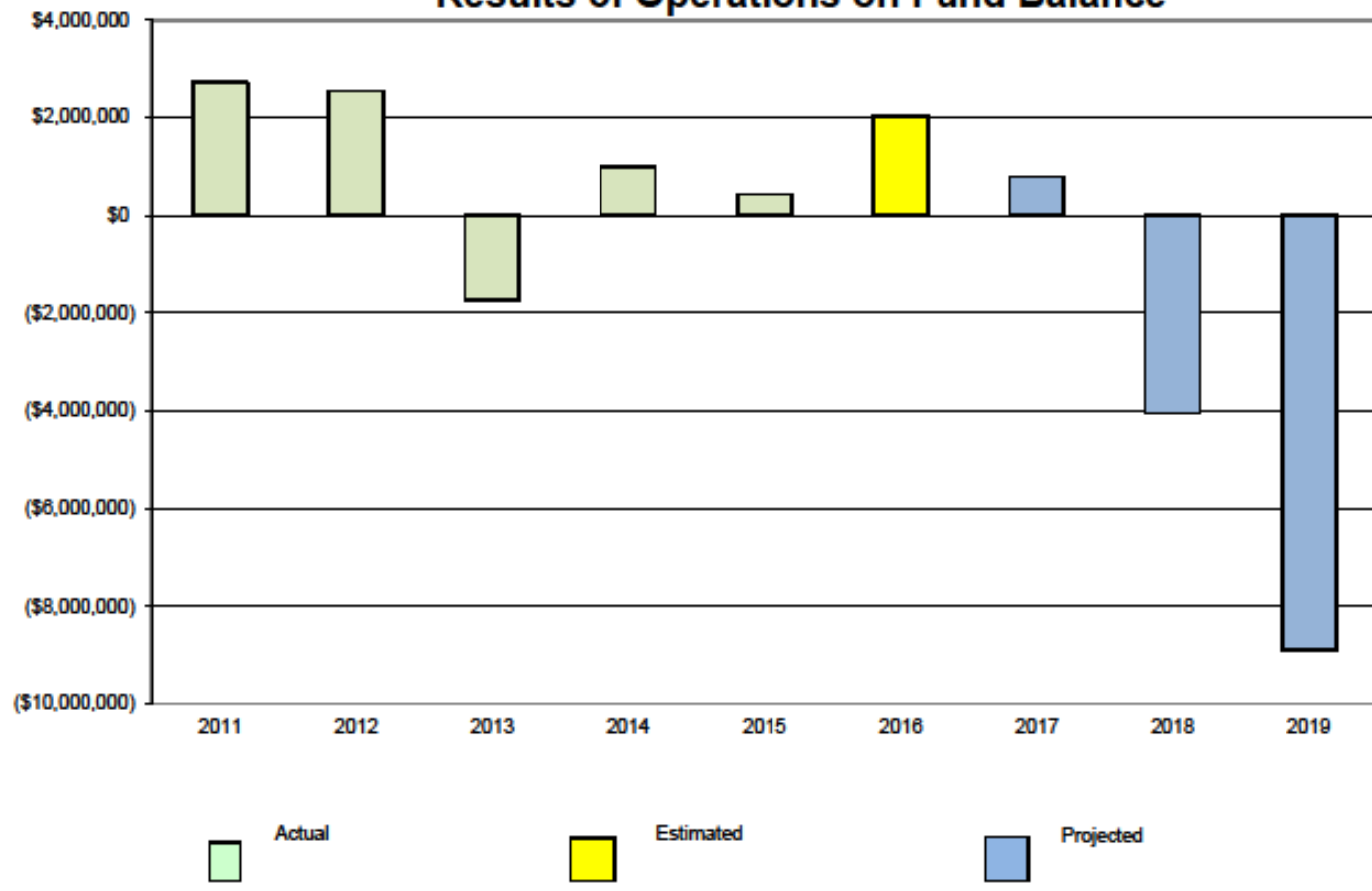
- Negotiating collective bargaining agreements, including adjustments to the health insurance plans offered by the District
- Updating the District's enrollment forecast to help long term planning
- Maintaining a 4% unrestricted fund balance
- Funding from operations the full cost of the 3.6 million health & safety proposition, therefore reducing the Districts long term debt obligation
- Reducing tax levy by \$700,000 in 2015-16
- Exploring the potential of a solar project to further reduce utility costs
- Exploring the potential of purchasing propane buses to reduce overall operating costs

**Arlington Central School District
Four Year Financial Plan, Fiscal Years
General Fund**

2016-2019

	Actual					Projected			
	2011	2012	2013	2014	2015	2016	2017	2018	2019
Revenues									
Real Property Tax Items	106,719,915	110,950,501	111,836,787	115,560,875	118,375,058	120,504,230	\$135,423,212	\$136,100,328	\$136,780,830
Other Tax Items (Includes STAR)	14,344,570	14,794,843	15,144,423	15,332,704	15,139,279	14,918,982	0	0	0
Charges for Services	1,809,748	827,028	1,674,916	1,273,999	1,699,883	1,346,328	1,400,000	1,400,000	1,400,000
State Aid	44,940,444	45,294,066	47,397,973	51,906,210	52,302,308	54,249,400	56,419,376	56,983,570	56,643,405
Federal Aid	2,382,824	21,844	21,874	23,258	25,435	27,500	25,000	25,000	25,000
Other (Includes Sale of Property, Misc.)	2,171,086	1,297,180	1,644,500	1,220,432	1,727,720	1,099,560	1,100,000	1,100,000	1,100,000
Interfund Transfers	60,238	86,400	37,572	1,263	1,047,144	185,000	0	0	0
Total Revenues and Other Sources	\$172,428,825	\$173,271,862	\$177,758,045	\$185,318,742	\$190,316,827	\$192,331,000	\$194,367,588	\$195,608,898	\$195,949,235
Dollar Change	\$1,222,620	\$843,037	\$4,486,183	\$7,560,697	\$4,998,085	\$2,014,173	\$2,036,588	\$1,241,310	\$340,337
Percent Change	0.71%	0.49%	2.59%	4.25%	2.70%	1.06%	1.06%	0.64%	0.17%
Expenditures by Object									
Personal Services - Instructional	66,369,769	64,952,638	68,718,091	69,917,968	69,650,723	73,886,174	76,841,621	79,915,286	83,111,897
Personal Services - Noninstructional	19,761,586	19,568,105	19,402,430	19,851,100	19,732,612	21,228,213	21,865,059	22,521,011	23,196,642
Equipment and Capital Outlay	167,477	218,748	196,940	282,948	357,150	338,400	338,400	338,400	338,400
Contractual and Other	28,921,578	29,349,199	31,283,510	30,922,668	30,298,686	32,389,339	31,720,726	31,038,740	30,343,115
Employee Benefits	40,793,128	43,215,845	46,564,675	50,270,328	53,042,038	55,154,006	54,215,000	57,467,900	60,915,974
Debt Service (Principal and Interest)	13,404,199	13,235,929	12,965,587	12,782,563	12,762,276	12,769,868	14,134,537	14,074,857	12,795,507
Interfund Transfers	286,767	203,423	361,519	399,536	4,046,707	425,000	450,000	475,000	500,000
Assumes 3.0% of Budget Not Spent				-113,419		-5,885,730	-5,986,960	-6,174,936	-6,336,046
Total Expenditures and Other Uses	\$169,704,504	\$170,743,887	\$179,492,752	\$184,313,693	\$189,890,194	\$190,305,270	\$193,578,383	\$199,656,258	\$204,865,489
Dollar Change	\$2,953,566	\$1,039,383	\$8,748,865	\$4,820,941	\$5,576,501	\$415,076	\$3,273,113	\$6,077,876	\$5,209,230
Percent Change	1.77%	0.61%	5.12%	2.69%	3.03%	0.22%	1.72%	3.14%	2.61%
Surplus (Deficit)	\$2,724,321	\$2,527,975	(\$1,734,707)	\$1,005,049	\$426,633	\$2,025,730	\$789,205	(\$4,047,361)	(\$8,916,254)

**Surplus (Deficit)
or
Results of Operations on Fund Balance**

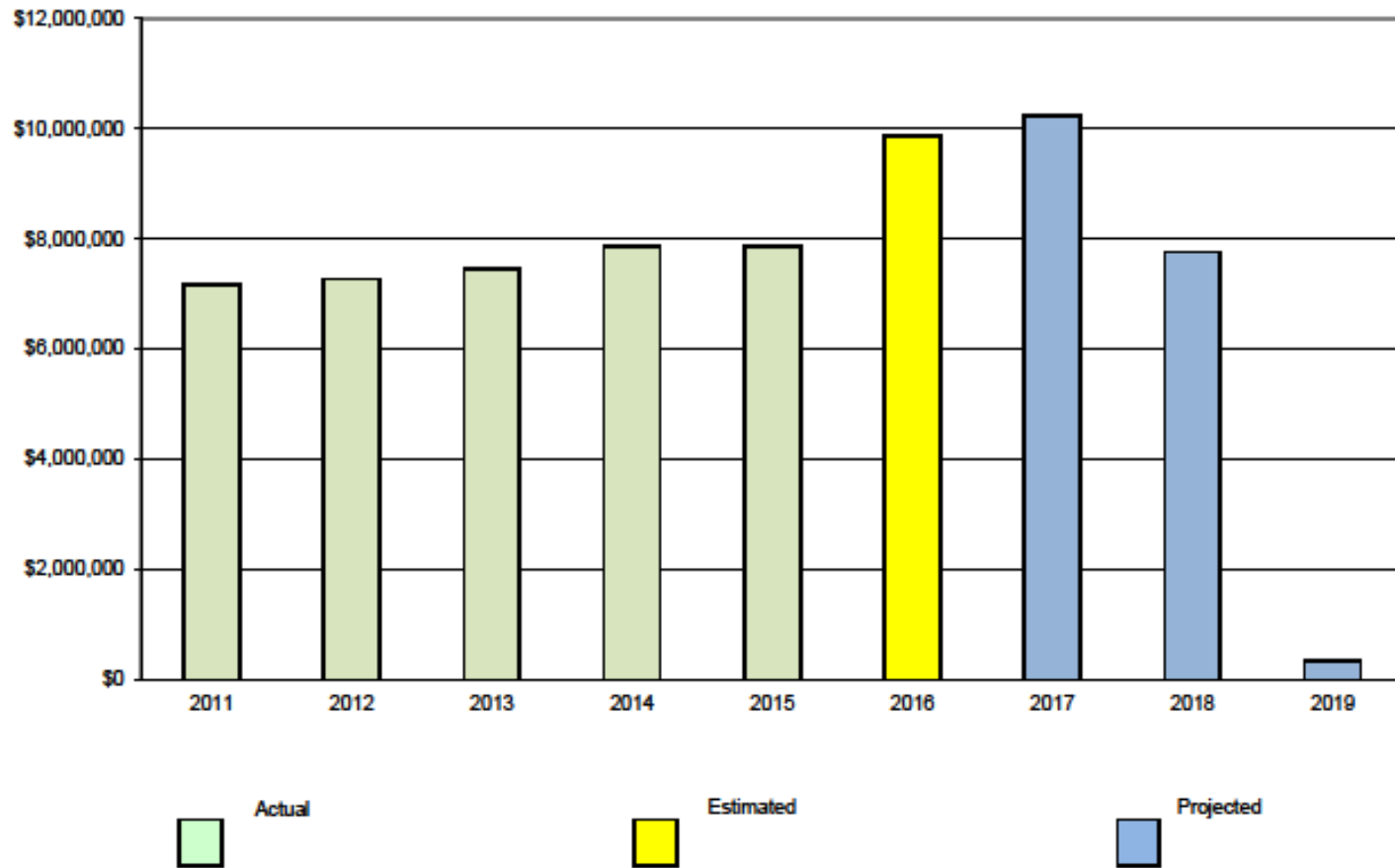


**Arlington Central School District
Four Year Financial Plan, Fiscal Years
General Fund**

2016-2019

	Actual					Projected			
	2011	2012	2013	2014	2015	2016	2017	2018	2019
Budgetary Reserves									
Fund Equity, Beg. of Year	\$14,103,821	\$16,828,143	\$19,356,118	\$17,621,411	\$18,626,460	\$19,053,094	\$21,078,824	\$21,868,029	\$17,820,668
Fund Equity, End of Year	16,828,143	19,356,118	17,621,411	18,626,460	19,053,094	21,078,824	21,868,029	17,820,668	8,904,415
Nonspendable and Restricted Fund Balance	3,996,854	5,012,385	4,322,440	4,901,040	5,904,257	6,804,257	7,229,257	6,654,257	6,654,257
Assigned	5,658,207	7,074,842	5,829,522	5,874,536	5,279,566	4,400,000	4,400,000	3,400,000	1,900,000
Unrestricted Fund Balance	7,173,082	7,268,891	7,469,449	7,850,884	7,869,271	9,874,567	10,238,772	7,766,411	350,158
Calculation for Adj Fund Balance as a % of Bgt Budget									
Budget	175,262,542	179,406,656	182,244,964	191,133,727	193,518,394	\$196,191,000	\$199,565,000	\$205,831,000	\$211,201,000
Budget to Budget Increase	1.7%	2.4%	1.6%	4.9%	1.2%	1.4%	1.7%	3.1%	2.6%
Total Fund Balance as a % of Subsequent Years Budget	8%	10%	11%	10%	10%	10%	11%	11%	9%
Unrestricted Fund Balance	7,173,082	7,268,891	7,469,449	7,850,884	7,869,271	9,874,567	10,238,772	7,766,411	350,158
Unrestricted Fund Balance (subject to 4% restriction)	4.0%	4.0%	3.9%	4.1%	4.0%	4.9%	5.0%	3.7%	0.2%
-Appropriated Fund Balance for next FY	\$4,200,000	\$4,800,000	\$4,800,000	\$4,600,000	\$3,860,000	\$3,000,000	\$3,000,000	\$2,000,000	\$1,000,000

Unrestricted Fund Balance as % of Expenditures*



6 YEAR GEA History

School District	Arlington	GEA Restoration	Net GEA
2020-11	(7,018,194)	2,382,824	(4,635,370)
2011-12	(10,060,808)	1,102,066	(8,958,742)
2012-13	(8,958,742)	1,308,770	(7,649,972)
2013-14	(5,967,850)	1,682,122	(5,967,850)
2014-15	(5,967,850)	1,239,324	(4,728,526)
2015-16	(4,728,526)	1,774,872	(2,953,654)
	Total 6 Year	GEA Reduction	(34,894,114)

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Question and Answer