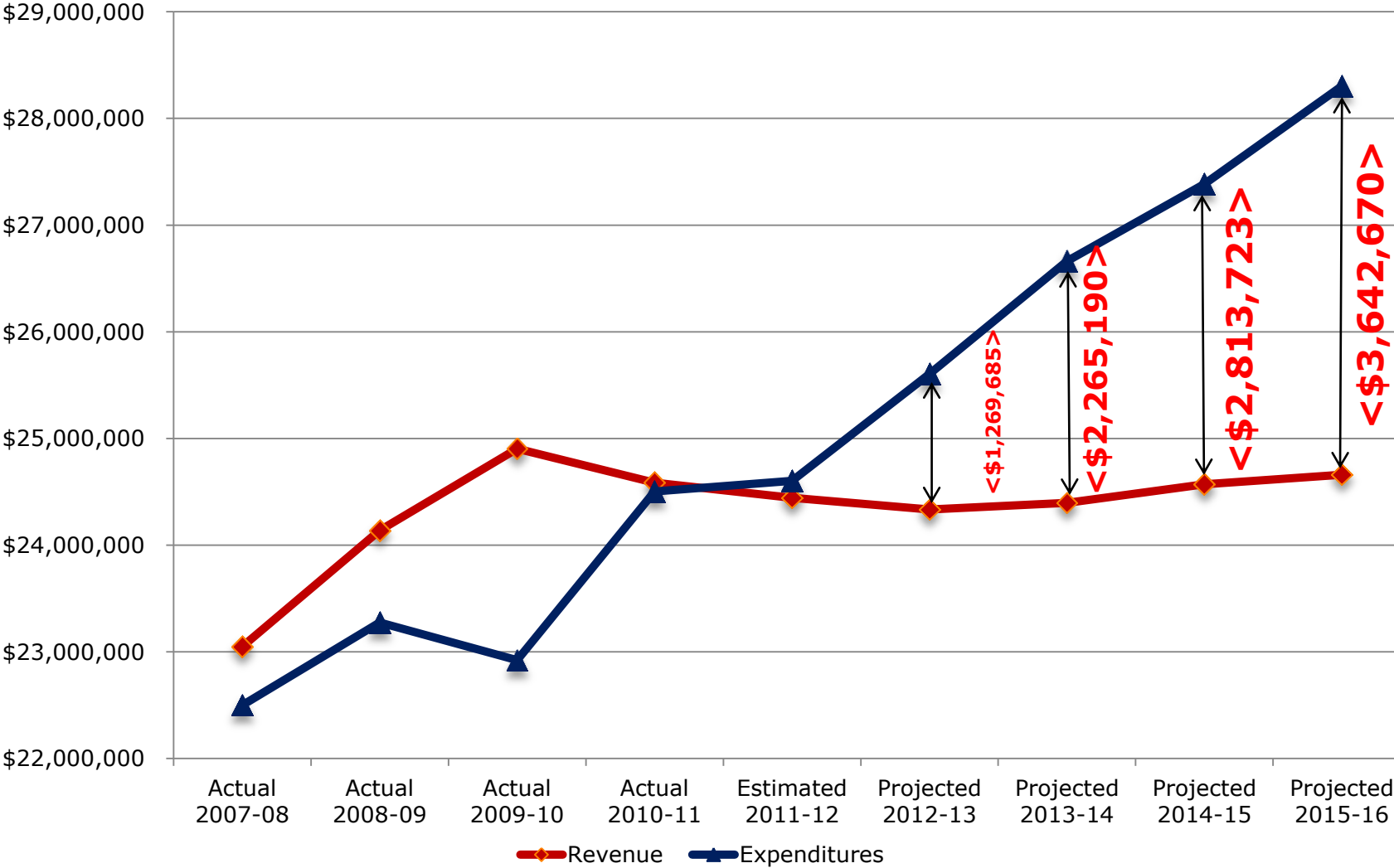


Budget Status and Challenges

Eden Central School District
March 31, 2012

	Estimated	Projected			
	2012	2013	2014	2015	2016
Revenues		DRAFT #3			
Real Property Tax Items	10,414,287	10,609,852	10,822,049	11,038,490	11,259,260
Other Tax Items (includes STAR)	2,136,473	2,189,549	2,233,340	2,278,007	2,323,567
Non-Property Tax Items	1,622,656	1,550,000	1,550,000	1,550,000	1,550,000
Charges for Services	161,419	230,138	231,289	232,445	233,607
State Aid	9,616,602	9,381,431	9,193,802	9,101,864	8,919,827
Federal Aid	102,963	80,000	80,800	81,608	82,424
Other (includes Sale of Property, Misc.)	389,049	282,800	285,628	288,484	291,369
Interfund Transfers	0	10,289			
Total Revenues and Other Sources	\$24,443,449	\$24,334,059	\$24,396,908	\$24,570,899	\$24,660,054
Expenditures by Object					
Personal Services - Instructional	9,125,430	9,608,637	9,962,847	10,261,733	10,569,585
Personal Services - Noninstructional	2,923,681	3,188,910	3,284,577	3,350,269	3,417,274
Equipment and Capital Outlay	201,940	15,195	11,396	11,396	11,396
Contractual and Other	4,840,836	4,843,232	4,891,664	4,940,581	4,989,987
Employee Benefits	5,335,885	5,787,248	6,308,100	6,938,910	7,632,801
Debt Service (Principal and Interest)	602,296	563,397	602,395	281,415	337,415
Interfund Transfers	1,571,625	1,597,125	1,601,118	1,600,317	1,344,266
Total Expenditures and Other Uses	\$24,601,693	\$25,603,744	\$26,662,098	\$27,384,621	\$28,302,725
Surplus (Deficit)	(\$158,244)	(\$1,269,685)	(\$2,265,190)	(\$2,813,723)	(\$3,642,670)

COMBINED REVENUE AND EXPENDITURE PROJECTIONS



	Estimated	Projected			
	2012	2013	2014	2015	2016
Revenues		DRAFT #3			
Real Property Tax Items	10,414,287	10,609,852	10,822,049	11,038,490	11,259,260
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Total Expenditures and Other Uses	\$24,601,693	\$25,603,744	\$26,662,098	\$27,384,621	\$28,302,725
Surplus (Deficit)	(\$158,244)	(\$1,269,685)	(\$2,265,190)	(\$2,813,723)	(\$3,642,670)
Deficit to be funded by:					
Appropriated Fund Balance	\$138,035	\$631,360	\$631,360	\$420,907	\$420,906
Restricted: Unemployment Insurance Res		\$210,959	\$210,959	\$140,639	\$140,638
Restricted: Retirement Contribution Res		\$173,914	\$173,914	\$115,943	\$115,943
Restricted: Reserve for Tax Certiotari	\$20,209				
Restricted: Reserve for Employee Benefits		\$157,586	\$157,586	\$105,057	\$105,058
Unrestricted Fund Balance		\$166,276	\$166,276	\$110,851	\$110,851
Surplus/Unfunded Deficit	\$0	\$70,410	(\$925,095)	(\$1,920,326)	(\$2,749,274)

The District Will Use \$4.5 MM in Available Reserves and Fund Balances to Close the Gaps

2012-13	2013-14	2014-15	2015-16	Emergency Fund
27%	27%	18%	18%	10%
\$1.35 MM	\$1.35 MM	\$0.90 MM	\$0.90 MM	\$0.50 MM

It is Not Prudent to Use All of the Reserves Next Year

Under the Most Recently Proposed Budget There are Million Dollar Deficits in Subsequent Years

	2012-13	2013-14	2014-15	2015-16
Revenue	24.3	24.4	24.6	24.7
Expenses	25.6	26.7	27.4	28.3
Deficit	1.3	2.3	2.8	3.6
Reserves Used to Plug Gap	1.3	1.3	0.9	0.9
Remaining Deficit	0.0	1.0	1.9	2.7
Remaining reserves	3.7	2.4	1.5	0.6

All numbers are millions of dollars

If We Use All Our Reserves as Some Have Suggested, We Will Be In Serious Financial Trouble in Three Years

	2012-13	2013-14	2014-15	2015-16
Revenue	24.3	24.4	24.6	24.7
Expenses	25.6	26.7	27.4	28.3
Deficit	1.3	2.3	2.8	3.6
Reserves Used to Plug Gap	1.3	2.3	1.4	0.0
Remaining Deficit	0.0	0.0	1.4	3.6
Remaining reserves	3.7	1.4	0.0	0.0

All numbers are millions of dollars

Remaining Steps in the Budget Process

- April 2 – Budget Workshop
- April 17 – BOE Meeting and anticipated budget vote
- April 20 – Deadline for BOE to approve budget for vote
- May 15 – Public budget vote

Revenues Have Been Falling or Are Restricted

- State and Federal Aid was reduced by
 - \$0.5 MM in 2010-11
 - \$0.3 MM in 2011-12
 - \$0.5 MM in 2012-13
- 2% Tax Cap imposed in 2012-13 and subsequent years further limits Revenue growth

Using Reserves will Help with the Pain, It will not Cure the Problem

- There is a multi-year structural gap between revenues and expenses
- New York state does not appear to be heading in a direction of significant increases in school funding
- The tax cap strictly limits tax rate growth and therefore revenue

The Next Few Years will Require Significant Cost Reductions to Close the Budget Gaps

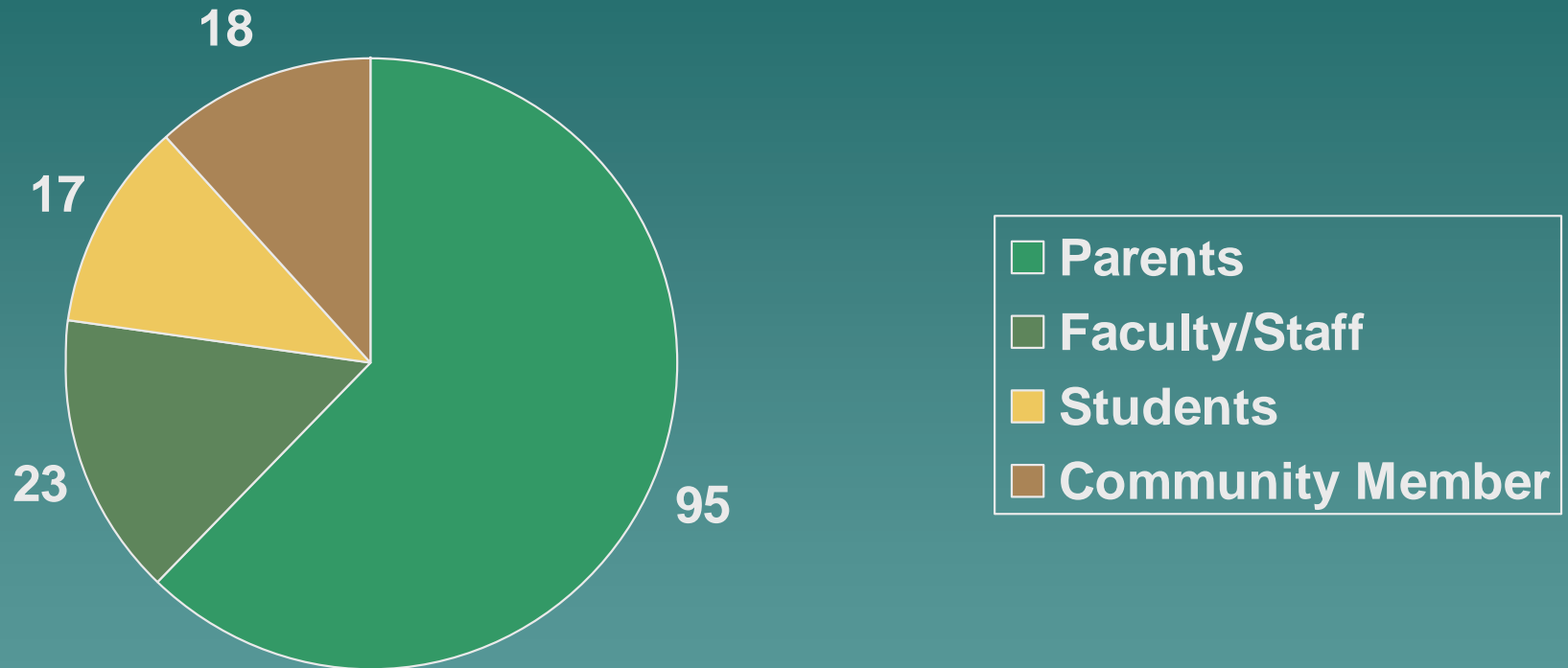
Survey Results

2011/12 Budget Survey

Budget Survey

- ◆ Posted on School Web Site
 - March 9 -27
 - Simple Input form
 - ◆ Identify category (student, parent, teacher, etc.)
 - ◆ Comment Section
 - ◆ Personal Response
- ◆ Informed
 - Global Connect Calls
 - Parent Portal emails

153 Responses



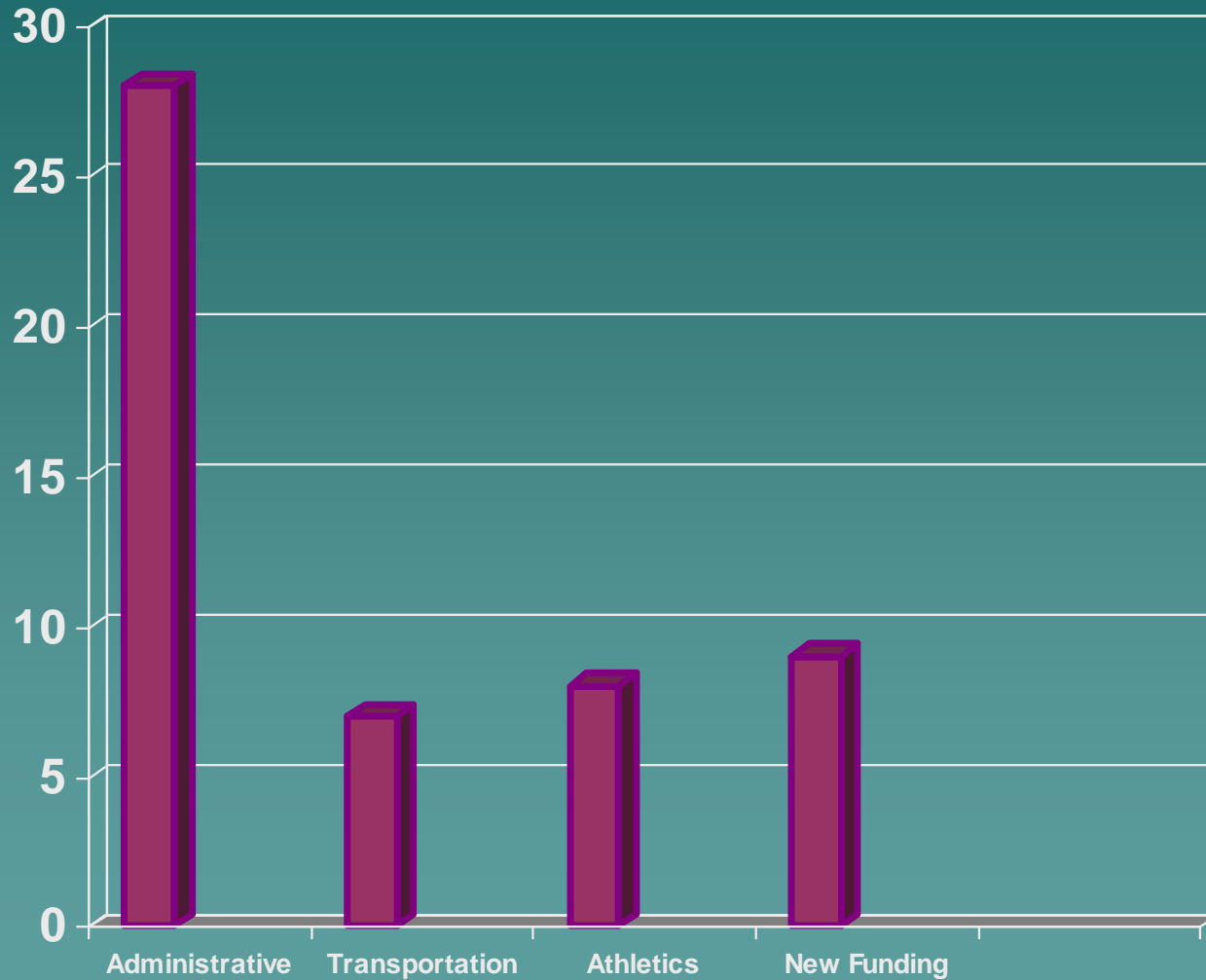
Maintain programs theme

- ◆ Please don't cut my...
 - Musicals
 - Sports
 - Enrichment programs
 - Art & Music
 - Other Clubs
 - Tech Ed

Reduction Themes

- ◆ Administrative
- ◆ Transportation
- ◆ Athletics
- ◆ New funding sources

Reduction Themes



Reduction Themes

- ◆ Administrative
 - Staffing cuts/consolidation
 - Wage freezes
 - Building consolidation (GLP)
 - Shared services with other districts
 - District consolidation

Reduction Themes

- ◆ Transportation
 - Consolidate/eliminate runs
 - Eliminate overlap of runs
 - Make kids walk to a central point
 - Make some kids walk to school
 - Explore outsourcing

Reduction Themes

◆ Athletics

- Intramural rather than modified
- Reduce modified/JV sports with lowest participation
- Pay to Play (many versions of this)
- Club Teams

Reduction Themes

- ◆ New ways of funding
 - Parents assume some burden of extracurricular costs
 - Fundraising efforts
- ◆ Parents as volunteers
 - Musical
 - Intramural coaches

Conclusions

- ◆ Useful tool
 - Quick & inexpensive.
 - Try a quantitative survey next year
- ◆ Better understanding
 - Community priorities
 - Helps Board reach conclusions
- ◆ Thanks to all who participated