




FISCAL YEAR
2020

APRIL 2, 2019

**SUPERINTENDENT'S PROPOSED BUDGET
BUDGET WORK SESSION # 5**

 ARLINGTON
PUBLIC SCHOOLS
www.apsva.us



Agenda

6:30 p.m. – 6:35 p.m.	Introductions and Comments
6:35 p.m. – 7:35 p.m.	Discussion with School Board Advisory Groups
6:35 p.m. – 6:55 p.m.	Discussion with Budget Advisory Council
6:55 p.m. – 7:15 p.m.	Discussion with Advisory Council on Instruction
7:15 p.m. – 7:35 p.m.	Discussion with Facilities Advisory Council
7:35 p.m. – 7:45 p.m.	Revenue and Enrollment Updates
7:45 p.m. – 9:00 p.m.	Department Budget Reviews
7:45 p.m. – 8:30 p.m.	Teaching & Learning
8:30 p.m. – 9:00 p.m.	Finance & Management Services
9:00 p.m. – 9:25 p.m.	Discussion of School Board changes to Supt's Proposed budget
9:25 p.m. – 9:30 p.m.	Closing Remarks and Adjournment

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Revenue and Enrollment Updates



Revenue Update

- Virginia General Assembly Adopted
 - **Total Decrease: (\$324,453)**
 - School Operating Fund: (\$326,439)
 - Basic Aid: (\$157,000)
 - Compensation Supplement: (\$129,737)
 - Employee Benefits: (\$37,895)
 - At Risk: (\$1,807)
 - Grants and Restricted Programs Fund: \$1,986
 - ISAEP



Revenue Update

- Aquatics Revenue
 - **Total Increase: \$185,000**
 - County Transfer: \$110,000
 - Adjustment to Aquatics transfer based on CPI
 - Restore fees to FY 2018 rates: (\$55,000)
 - Additional Transfer: \$130,000 to \$150,000
 - County user fee to be passed to APS

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Spring Enrollment Update

Staffing changes since Superintendent's Proposed budget based on FY 2020 Spring Update of Enrollment Projections				
	TOTAL CHANGE	Special Education Change	ESOL/HILT/HILTEX Change	Other Changes*
Elementary				
Enrollment Change		(90)	(2)	(23)
FTE Change	(16.50)	(13.50)	0.50	(3.50)
Cost Estimate	(\$1,474,000)	(\$1,300,000)	\$26,000	(\$200,000)
Secondary				
Enrollment Change		(20)	(88)	11
FTE Change	1.60	-	(5.00)	6.60
Cost Estimate	\$90,000	(\$40,000)	(\$470,000)	\$600,000
TOTAL CHANGE SUPT BUDGET TO SPRING UPDATE FTE	(14.90)	(13.50)	(4.50)	3.10
TOTAL CHANGE SUPT BUDGET TO SPRING UPDATE FUNDS	(\$1,384,000)	(\$1,340,000)	(\$444,000)	\$400,000
Less Contingency for Updated Spring Enrollment Cost	(\$300,000)			
Overall Change Supt Proposed to Spring Update	(\$1,684,000)			
Other Budget Adjustments:				
Reading Teacher-Grandfather 1 yr (2 schools: Barrett and Drew)	(\$94,350)	(1.00)		
SUM TOTAL (Enrollment Change + Other Budget Adjustments)	(\$1,778,350)	(15.90)		

*Mainly include: PreK moves and adjustments in ES, MS and HS inc HBW projections

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Budget Overview

	FY 2020 SUPERINTENDENT'S PROPOSED	FTEs	FY 2020 UPDATED	FTEs
REVENUE				
Prior Year Budget - All Funds	\$640,131,422		\$640,131,422	
CHANGES IN REVENUE				
Increase in County Revenue	\$20,599,917		\$20,599,917	
County One-Time Revenue	\$7,388,851		\$7,388,851	
County One-Time Revenue - Prior Year	(\$2,923,240)		(\$2,923,240)	
Increase/(Decrease) in Local Revenue	\$1,232,417		\$1,417,417	
Increase/(Decrease) in State Funds - All funds	\$5,630,487		\$5,306,034	
Increase/(Decrease) in Federal Revenue	\$889,282		\$889,282	
NET REVENUE	\$672,949,136		\$672,809,683	
USE OF RESERVES				
VRS Reserve Used in Prior Year Budget	\$0		\$0	
Debt Service Reserve Used in Prior Year Budget	(\$4,666,379)		(\$4,666,379)	
Future Budget Years Reserve Used in Prior Year Budget	(\$11,203,194)		(\$11,203,194)	
Compensation Reserve Used in Prior Year Budget	(\$5,950,000)		(\$5,950,000)	
Carry Forward from Prior Year - Food & Nutrition Services	\$180,000		\$180,000	
Future Budget Years Reserve Used in Current Year Budget	\$4,616,362		\$4,616,362	
Compensation Reserve Used in Current Year Budget	\$6,450,000		\$6,450,000	
VRS Reserve Used in Current Year Budget	\$0		\$0	
Debt Service Reserve Used in Current Year Budget	\$303,088		\$303,088	
NET USE OF RESERVES	(\$10,270,123)		(\$10,270,123)	
TOTAL FUNDS AVAILABLE	\$662,679,013		\$662,539,560	



Budget Overview

	FY 2020 SUPERINTENDENT'S PROPOSED	FTEs	FY 2020 UPDATED	FTEs
EXPENDITURES				
Prior Year Budget - All Funds	\$640,131,422	4,737.74	\$640,131,422	4,737.74
BASELINE ADJUSTMENTS				
Salaries and Benefits Baseline Adjustments & Efficiencies	(\$2,550,000)		(\$2,550,000)	
Baseline Savings				
Eliminate one-time costs in prior year	(\$6,164,043)	(5.25)	(\$6,164,043)	(5.25)
Contractual Obligations				
Debt Service	\$606,175		\$606,175	
Other contractual obligations	\$1,087,541		\$1,087,541	
Additional Funds for Baseline Services				
Baseline services in other funds (CSA, F&NS, Grants, Ext. Day)	\$2,812,317	13.82	\$2,814,303	13.82
Other baseline services	\$1,909,279	3.70	\$1,814,929	2.70
NET BASELINE ADJUSTMENTS	(\$2,298,731)	12.27	(\$2,391,095)	11.27



Budget Overview

	FY 2020 SUPERINTENDENT'S PROPOSED	FTEs	FY 2020 UPDATED	FTEs
ONGOING EXPENDITURES				
Enrollment Growth				
Changes in enrollment	\$6,640,000	77.90	\$5,256,000	63.00
Additional bus drivers (2) and bus attendants (3)	\$207,492	5.00	\$207,492	5.00
Spring update placeholder	\$800,000		\$500,000	
Other enrollment related needs (<i>contingencies</i>)	\$250,000		\$250,000	
Compensation				
Step increase	\$10,700,000		\$10,700,000	
Additional compensation - below market positions	\$2,200,000		\$2,200,000	
Investments to Support Growth				
	\$830,172	7.00	\$830,172	7.00
Growth Initiatives				
Arlington Tech	\$1,106,054	11.40	\$1,106,054	11.40
Student and Instructional Support	\$1,500,000		\$1,500,000	
Psychologists and Social Workers (<i>partially postponed in FY 2019</i>)	\$872,395	9.25	\$872,395	9.25
Academic Support for Level 5 English Language Learners (<i>postponed in FY 2019</i>)	\$0	0.00	\$0	0.00
Infrastructure and Support Needs	\$319,245	7.00	\$319,245	7.00
New Schools and Program Moves: Ongoing Costs				
	\$6,450,759	72.40	\$6,450,759	72.40
NET ONGOING EXPENDITURES	\$31,876,117	189.95	\$30,192,117	175.05

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Budget Overview

	FY 2020 SUPERINTENDENT'S PROPOSED	FTEs	FY 2020 UPDATED	FTEs
ONE-TIME EXPENDITURES				
Additional Funds for Baseline Services				
One-time costs in the baseline	\$1,488,065		\$1,488,065	
Enrollment Growth				
Redistributing existing relocatables including furniture, equipment, and technology	\$825,000		\$825,000	
Growth Initiatives				
Arlington Tech	\$0		\$0	
Student and Instructional Support	\$0		\$0	
Safety and Security Needs	\$256,250		\$256,250	
Capital Improvement Plan Requirements				
Turf Field Replacements	\$279,175		\$279,175	
New Schools and Program Moves: Start-up Costs				
	\$3,881,855		\$3,881,855	
NET ONE-TIME EXPENDITURES	\$6,730,345	0.00	\$6,730,345	0.00
TOTAL ONGOING + ONE-TIME	\$38,606,462	189.95	\$36,922,462	175.05
NET EXPENDITURES	\$676,439,153	4,939.96	\$674,662,789	4,924.06

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Budget Overview

	FY 2020 SUPERINTENDENT'S PROPOSED	FTEs	FY 2020 UPDATED	FTEs
REDUCTIONS				
Continuing FY 2019 Reductions				
Class Size Increase (<i>postponed in FY 2019</i>)	(\$2,100,000)	(22.20)	(2,100,000)	(22.20)
Adjust Contract Hours for Library Media Assistants (<i>two year phase-in</i>)	(\$116,000)		(116,000)	
FY 2020 Tier 1 Reductions				
Workers Compensation	(\$400,000)		(400,000)	
Changes to Workers' Compensation days paid	(\$160,000)		(160,000)	
Administrative Assistant position	(\$68,554)	(1.00)	(68,554)	(1.00)
Revise Elementary Summer School model	(\$500,000)		(500,000)	
Eliminate additional funding for lease payments	(\$1,500,000)		(1,500,000)	
TOTAL REDUCTIONS	(\$4,844,554)	(23.20)	(\$4,844,554)	(23.20)
TOTAL EXPENDITURES	\$671,594,599	4,916.76	\$669,818,235	4,900.86
Surplus/(Shortfall)	(\$8,915,586)		(\$7,278,675)	

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Departments Budget Review

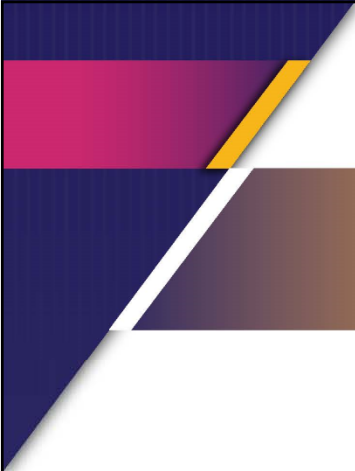


Teaching & Learning



Agenda

- Overview
 - Organizational Chart
 - Major Services Provided/Areas of Focus
 - Important Statistics/Metrics
- Budget
 - Total Budget and Personnel
 - School-Based vs Non-School Based
 - Baseline Increases
 - New Funding
 - Continuing Growth Initiatives
 - Reductions

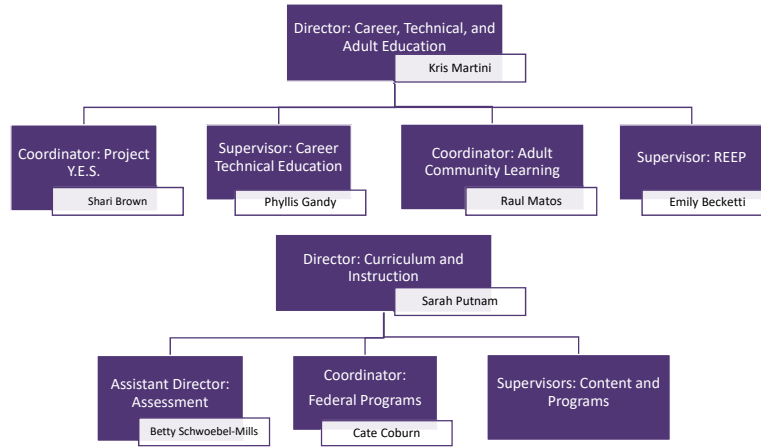


Overview

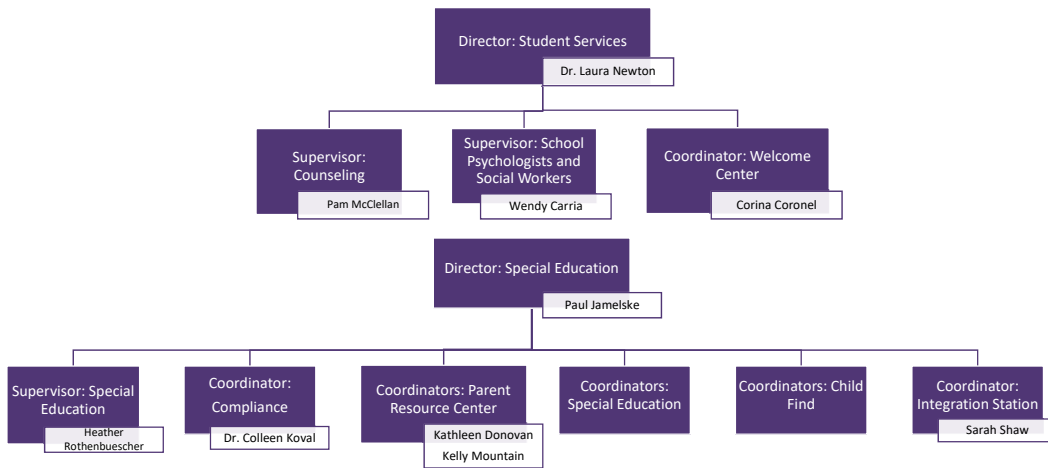




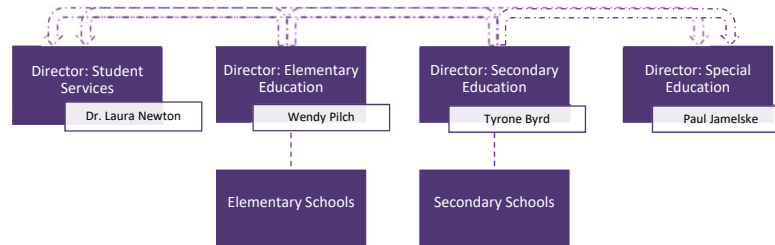
Teaching and Learning Office Organizational Charts



Teaching and Learning Office Organizational Charts



Teaching and Learning Office Organizational Charts



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Major Services Provided / Areas of Focus

- Implementing recommended PreK-12 teaching and learning experiences with an emphasis on creative thinking, collaboration, critical thinking, communication, and citizenship
- Developing appropriate academic and social-emotional core curriculum as well as interventions and supports to accelerate learning
- Providing district and site-based counseling crisis response and intervention
- Leading substance abuse prevention and intervention
- Developing professional learning opportunities in a variety of formats
- Building relationships that support student learning by implementing high-impact family and community engagement (FACE) strategies and activities
- Analyzing changes to the Standards of Quality, Standards of Accreditation, and the Standards of Learning and the results of the Standards of Learning Assessments
- Engaging in school coaching and support

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Important Statistics / Metrics

PHONOLOGICAL AWARENESS LITERACY SCREENING (PALS)
87% 
K-3 Students met PALS standards last quarter

Key Performance Indicators &

1445
Number of On-Time Graduates in 2018 

MATH INVENTORY
% Basic, Proficient and Above grades 5-8

77% 

READING INVENTORY
% Basic, Proficient and Above grades 6-12

83% 

Student Success & Well-Being

ENGLISH LEARNING STUDENTS
% of EL Students meeting expected growth by Levels



- LEVEL 1**  **87%**
- LEVEL 2**  **84%**
- LEVEL 3**  **76%**
- LEVEL 4**  **69%**




96%

Average Student Attendance Rate in 2018

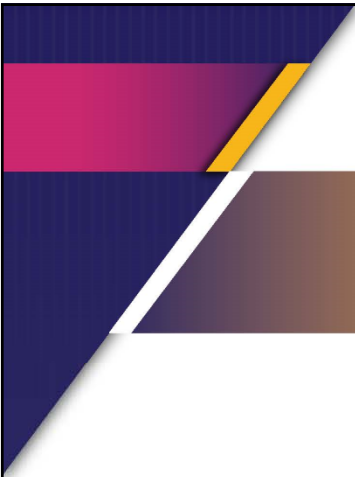


100%

of on-time safety drills completed during most recent cycle 

3,579 Students

average daily breakfast participation 



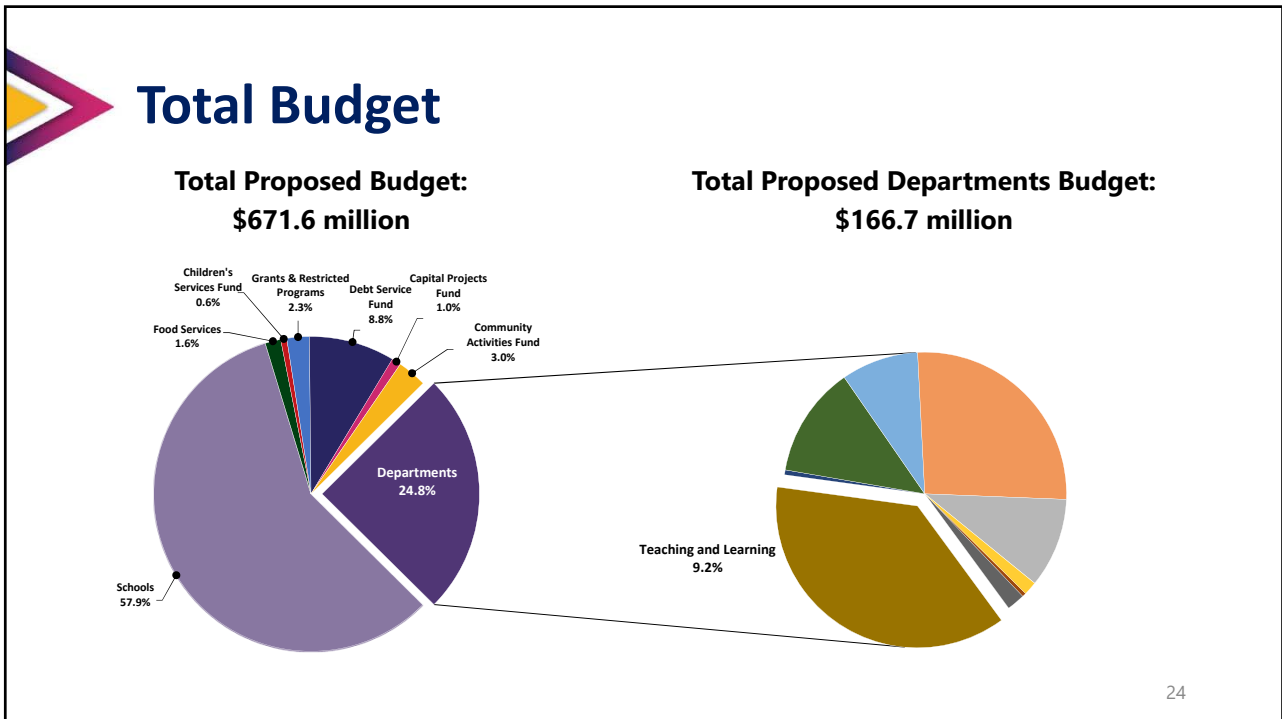
Budget

Total Budget

Financial Summary

	FY 2018 Actual	FY 2019 Adopted	FY 2020 Proposed
Arts Education	\$23,852	\$0	\$0
Assessments	\$1,420,011	\$1,287,677	\$1,548,249
Career, Technical, and Adult Education	\$1,464,305	\$1,480,012	\$1,454,123
Curriculum & Instruction	\$16,031,411	\$12,819,998	\$14,201,570
ESOL/HILT	\$3,478,158	\$4,472,614	\$4,465,149
Gifted Services	\$1,453,339	\$1,203,947	\$1,523,652
Library Media Services	\$587,535	\$959,111	\$1,316,774
Equity and Excellence	\$802,794	\$835,078	\$845,247
Outdoor Lab	\$519,273	\$605,485	\$689,501
Special Education	\$15,155,679	\$16,721,567	\$17,820,010
Special Education and Student Services Management	\$1,278,349	\$1,279,254	\$1,500,276
Student Services	\$9,320,007	\$10,682,382	\$12,374,647
Summer School	\$3,777,791	\$3,535,253	\$3,041,492
Welcome Center	\$1,194,889	\$1,298,257	\$1,317,946
Total	\$56,517,394	\$57,180,635	\$62,098,547

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School-Based vs Non-School Based

Non-School-Based

	FTE
Assistant Director	1.00
Assistant Superintendent	1.00
Clerical + Secretarial	26.30
Coordinator	20.10
Director	6.00
Educational Secretary	2.00
Interpreter	1.00
Professional Staff	2.00
Specialist	19.40
Staff General	2.20
Supervisor	18.00
Teacher	2.00
Total	102.00

School Based

	FTE
Aide	8.50
Coordinator	1.00
Guidance Counselor	14.00
Itinerant Teacher	79.30
Occupational Therapist	34.00
Pre-K Coordinator	1.20
Psychologist	47.10
Resource Teacher	1.00
School Resource Assistant	1.00
Specialist	1.00
Teacher	38.20
Teacher Mentor	2.00
Social Worker	35.40
Total	263.70

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New Schools and Programs

	Start-Up	Ongoing	FTE
Alice West Fleet Elementary School	\$140,036	\$0	0.00
Dorothy Hamm Middle School	\$1,563,629	\$24,851	1.00
Drew Model	\$170,756	\$959	0.00
HB Woodlawn and Stratford Programs at The Heights Building	\$114,783	\$0	0.00
Montessori Public School of Arlington	\$268,999	\$25,708	0.60
Total	\$2,258,203	\$51,518	1.60

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Baseline Increases

Budget Item	Amount (in millions)	FTE
Thomas Jefferson High School Tuition	\$0.24	
Testing Materials and Proctors	\$0.24	
Positions no longer supported by grants	\$0.11	1.20
Total	\$0.59	1.20

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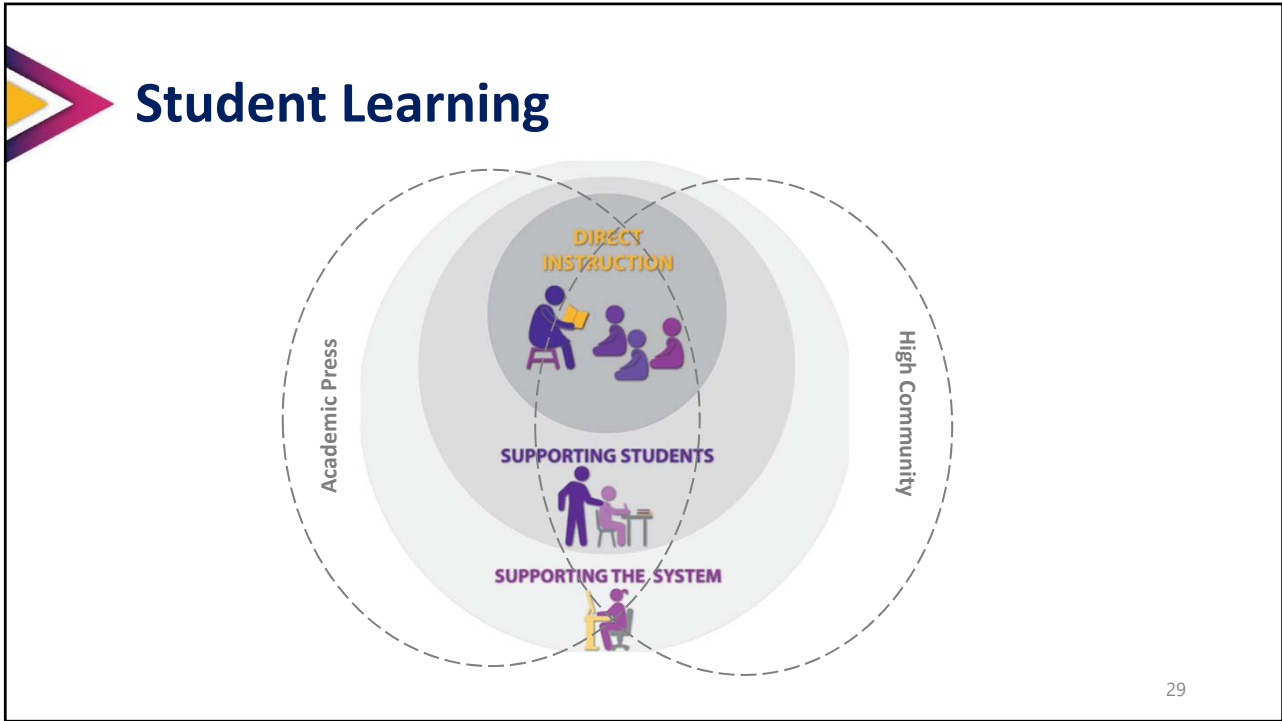


Continuing Growth Initiatives

Budget Item	Amount (in millions)	FTE
Arlington Tech at the Career Center	\$1.11	11.40
School Psychologists and Social Workers	\$0.93	9.25



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Proposed Reductions

Tier	Budget Item		Amount (in Millions)	FTE
Tier 1	Revise Elementary Summer School Model	pg. 63	(\$0.50)	
Tier 1	Eliminate a Department of Teaching and Learning Administrative Assistant Position (vacant)	pg. 62	(\$0.70)	(1.00)

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Proposed Reductions

Tier	Budget Item		Amount (in Millions)	FTE
Tier 2	Eliminate Funding for Thomas Jefferson High School for Science and Technology Tuition	pg. 75	(\$0.29)	
Tier 2	Eliminate a Secondary Teacher Specialist position	pg. 77	(\$0.09)	(1.00)
Tier 2	Implement an Activity Fee for Middle and High School	pg. 78	(\$0.05)	
Tier 2	Eliminate the Assistant Director of Assessment position	pg. 79	(\$0.14)	(1.00)
Tier 2	Eliminate the Equity and Excellence Coordinator position	pg. 80	(\$0.09)	(1.00)
Tier 2	Eliminate the Library Services Records and School Liaison Position	pg. 80	(\$0.07)	(1.00)
Tier 2	Implement a Cap on the Number of AP and IB Assessments Funded by APS	pg. 88	(\$0.10)	
Tier 2	Postpone Additional Psychologists and Social Workers	pg. 97	(\$0.87)	(9.25)
Tier 2	Eliminate activities at the Outdoor Lab	pg. 99	(\$0.70)	
Tier 2	Reduce Special Events	pg. 100	(\$0.04)	


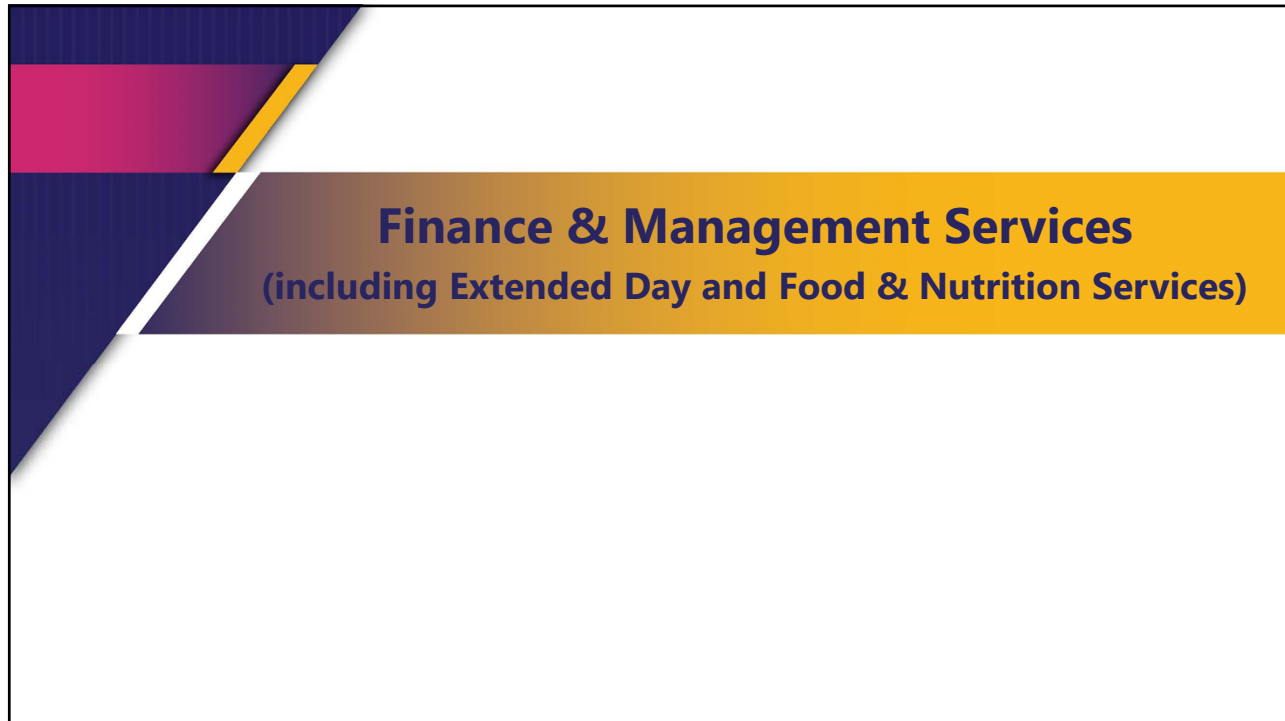
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Proposed Reductions

Tier	Budget Item		Amount (in Millions)	FTE
Tier 3	Reduction of E-Days in the Department of Teaching and Learning	pg. 117	(\$0.10)	
Tier 3	Eliminate the Humanities Coordinator Position	pg. 124	(\$0.12)	1.00
Tier 3	Eliminate Instructional Lead Teacher Stipends	pg. 128	(\$0.13)	



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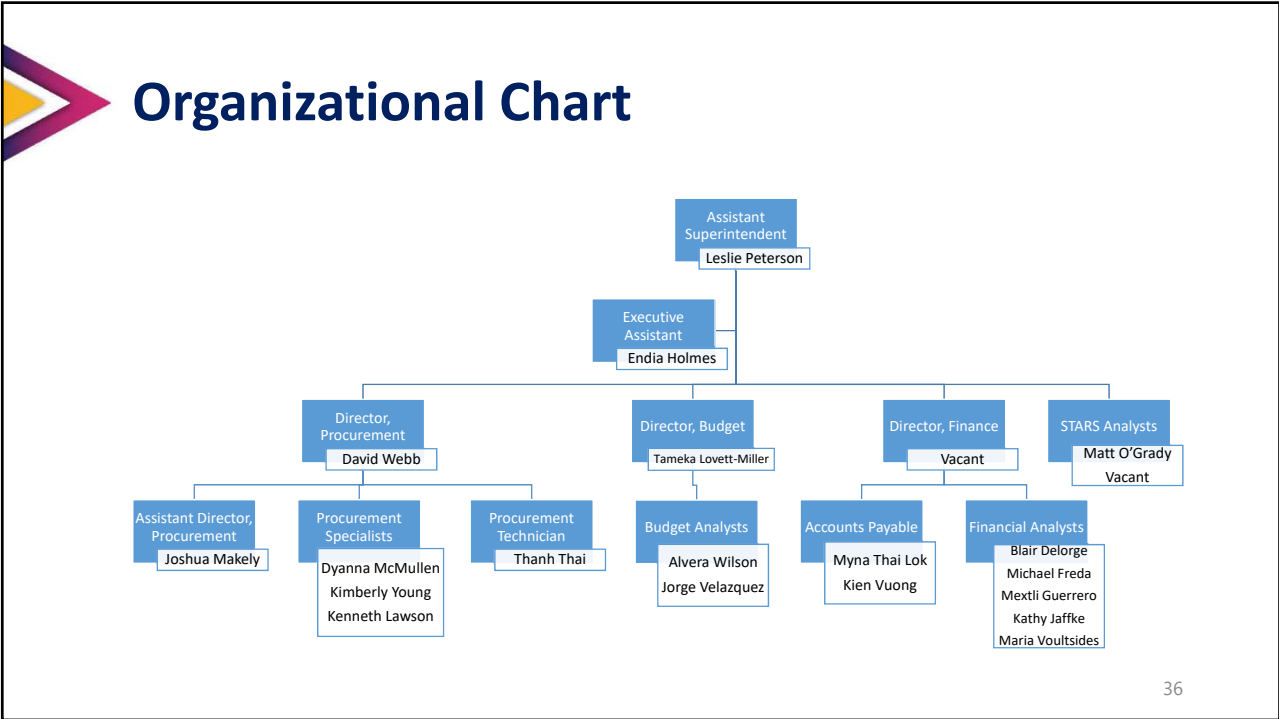


Agenda

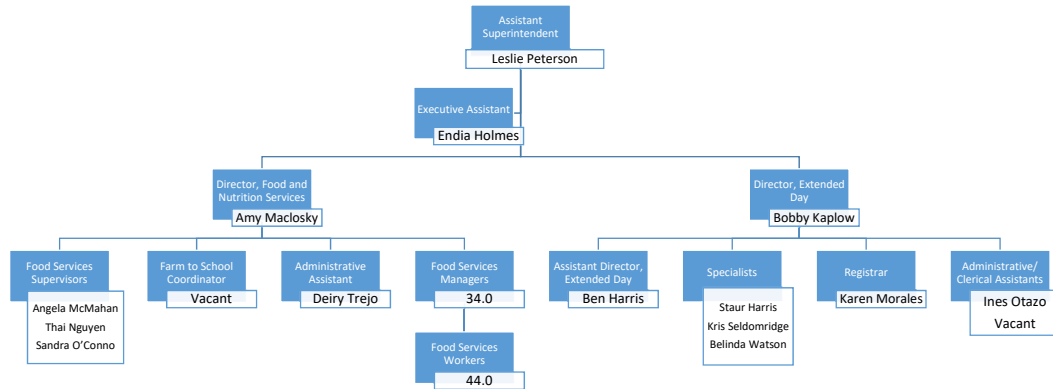
- Overview
 - Organizational Chart
 - Major Services Provided/Areas of Focus
 - Important Statistics/Metrics
- Budget
 - Total Budget and Personnel
 - Departmental vs System-wide Expenditures
 - Baseline Increases
 - New Funding
 - Reductions

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Overview



Organizational Chart



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Major Services Provided / Areas of Focus

Finance

- Accounting & Auditing
 - Financial Reporting, Student Activity Funds, Grants Financial Management, General Ledger, Annual Audit, Train Users, P-cards
- Accounts Payable
 - Vendor Payments, Employee Reimbursements
- Budgeting
 - Annual Budget, CIP, Financial Analysis, Budget Monitoring
- Building Use
- Procurement
 - Issue, Oversee, and Review all Procurement Contracts, Approve Purchase Orders, Dispose of Surplus Property, Train Users
- Other Administrative
 - Management of central accounts

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Major Services Provided / Areas of Focus

Extended Day

- Before School Care
- After School Care

Food & Nutrition Services

- School Breakfast
- School Lunch
- After School Snack Program
- Summer Feeding Program
- Syphax Café

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Strategic Plan Goals

- Multiple Pathways to Student Success (ED)
- Healthy, Safe and Supported Students (ED; F&NS)
- Engaged Workforce (ED/F&NS)
- Operational Excellence (ED/F&NS/Finance)
- Strong and Mutually Supportive Partnerships (ED/F&NS)

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Important Statistics/Metrics – Extended Day

- FY19 Enrollment (as of Sept. 30, 2018)
 - Before School: 1,787 (8% increase over FY18)
 - After School: 3,983 (1.4% increase over FY18)

Year	Before School	After School
2013	~1,200	~3,200
2014	~1,300	~3,200
2015	~1,450	~3,400
2016	~1,600	~3,700
2017	~1,650	~3,900
2018	1,787	3,983

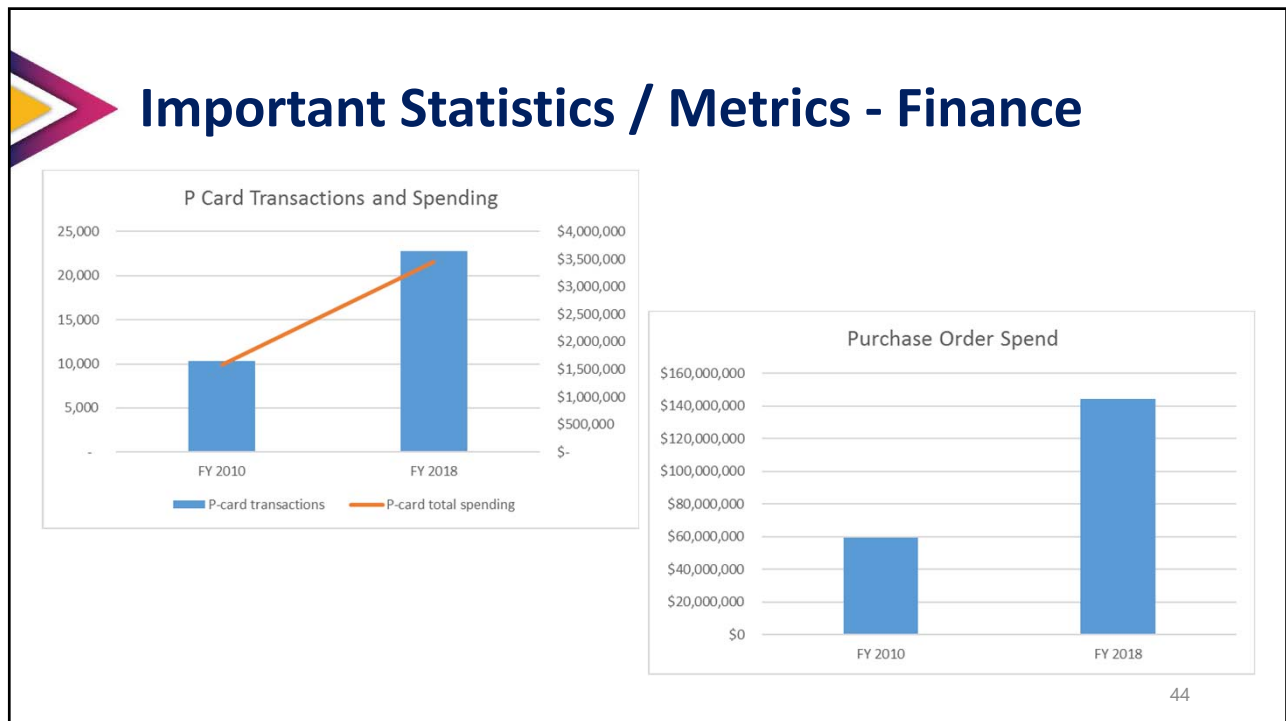
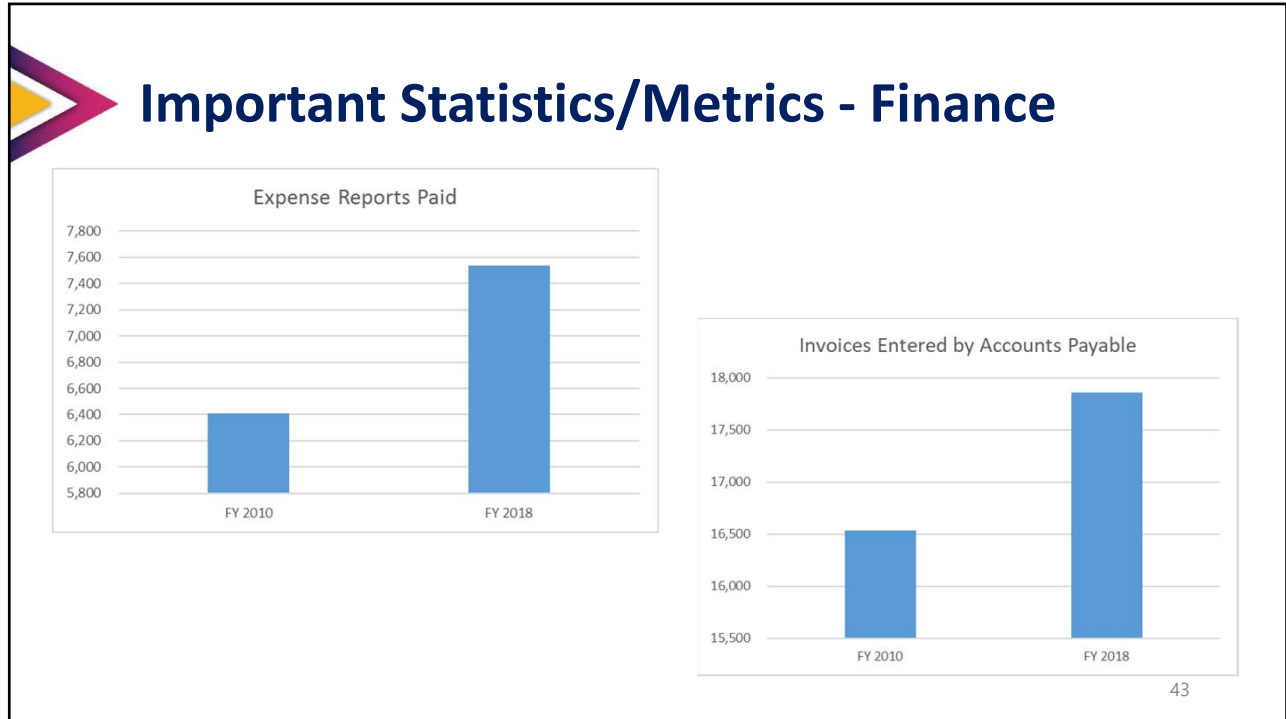
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Important Statistics/Metrics – F&NS

Year	Enrollment	F&RL	Percent
2012	~23,000	~7,000	~30.00%
2013	~23,000	~7,000	~30.40%
2014	~24,500	~7,500	~30.60%
2015	~25,500	~7,500	~29.40%
2016	~26,000	~7,500	~28.80%
2017	~26,500	~8,000	~30.20%
2018	~27,000	~8,000	~29.60%

Year	Breakfasts Served
2017-2018	~4,300
2016-2017	~3,800
2015-2016	~3,300
2014-2015	~2,800

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Important Statistics / Metrics

FY 2019	Arlington	Alexandria
Asst. Superintendent/CFO	1.00	1.00
Dept. Admin Assistant	1.00	1.00
Finance Staff	9.00	8.00
Budget Staff	3.75	3.00
Procurement Staff	6.00	5.00
Financial Systems Staff	2.00	2.00
Total	22.75	20.00

	Arlington	Alexandria	Arl vs Alex
Finance Staff	22.75	20.00	14%
FY 2019 Budget (in M)	\$640.13	\$299.67	114%
FY 2019-28 CIP (in M)	\$631.46	\$474.68	33%
Enrollment @ 9/30/18	27,436	15,968	72%
Employees – FY 2019	4,737.74	2,585.04	83%

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Budget



Budget: Extended Day

Financial Summary

	FY 2018 Actual	FY 2019 Adopted	FY 2020 Proposed
Revenue			
County Transfer	\$164,150	\$286,821	\$286,821
Local Revenue/Fees	\$10,949,876	\$11,640,696	\$12,639,068
Carry Forward from Prior Year	\$73,011	\$0	\$0
Expenditures			
Total Expenditures	\$11,187,036	\$11,927,517	\$12,925,889

Position Summary*

	FY 2019 Adopted	FY 2020 Proposed
Director	1.00	1.00
Assistant Director	1.00	1.00
Specialists	3.00	3.00
Clerical	4.00	4.00
Supervisors	29.00	31.00
Assistant Supervisors	23.00	24.00
Team Leaders	10.00	10.00
Total	71.00	74.00

*Does not include the significant number of hourly employees which include Extended Day aides and trainees.

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Budget: Food and Nutrition Services

Financial Summary

	FY 2018 Actual	FY 2019 Adopted	FY 2020 Proposed
Revenue			
Local	\$4,744,633	\$4,255,000	\$4,810,000
State	\$129,522	\$188,000	\$183,000
Federal	\$5,681,988	\$5,309,931	\$5,555,000
Carry Forward from Prior Year	\$0	\$0	\$180,000
Expenditures			
Total Expenditures	\$9,692,020	\$9,752,931	\$10,728,000

Position Summary*

	FY 2019 Adopted	FY 2020 Proposed
Director	1.00	1.00
Food Service Specialist	3.00	3.00
Farm to School Coordinator	1.00	1.00
Clerical	1.00	1.00
Total	6.00	6.00

*Does not include the significant number of hourly employees which include cafeteria managers and workers.

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Budget: Finance

Financial Summary

	FY 2018 Actual	FY 2019 Adopted	FY 2020 Proposed
Finance	\$2,312,203	\$2,513,285	\$2,645,090
Other Admin Accounts	\$8,721,324	\$12,685,846	\$11,790,916
Purchasing	\$589,178	\$803,269	\$760,946
School/County Shared Buildings	(\$490,884)	(\$498,526)	(\$501,435)
Total	\$11,131,821	\$15,503,874	\$14,695,516

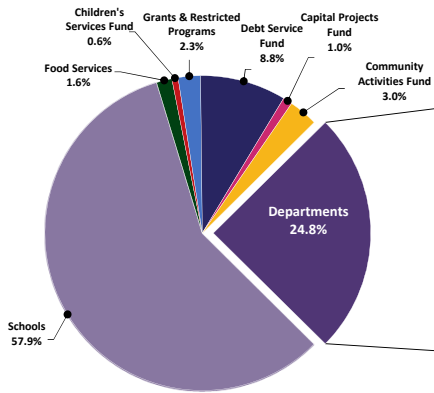
Position Summary

	FY 2019 Adopted	FY 2020 Proposed
Assistant Superintendent	1.00	1.00
Director	3.00	3.00
Assistant Director	1.00	2.00
Financial/Budget/ERP Analyst	12.75	12.75
Accounts Payable Specialist	3.00	3.00
Clerical	2.00	2.00
Total	22.75	23.75

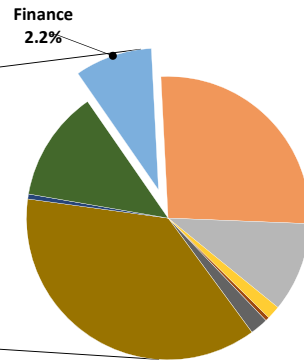


Budget: Finance

Total Proposed Budget:
\$671.6 million

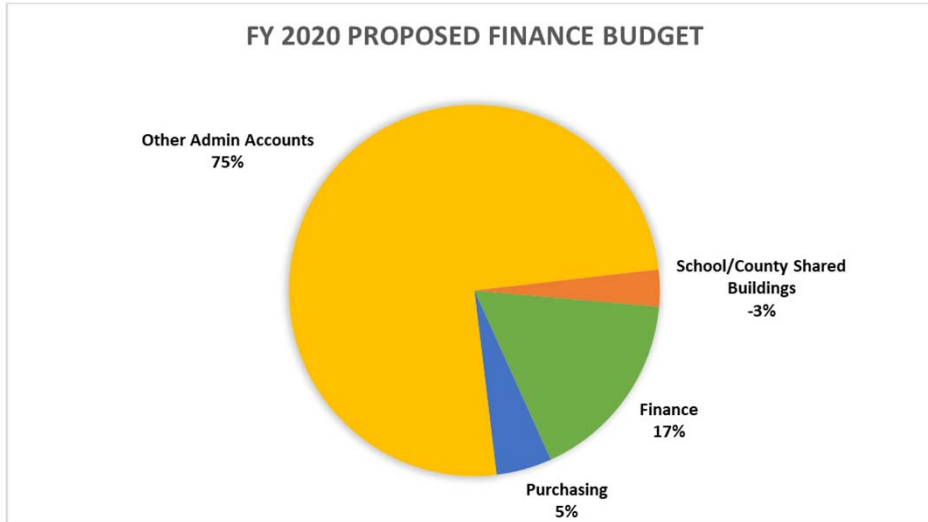


Total Proposed Departments Budget:
\$166.7 million





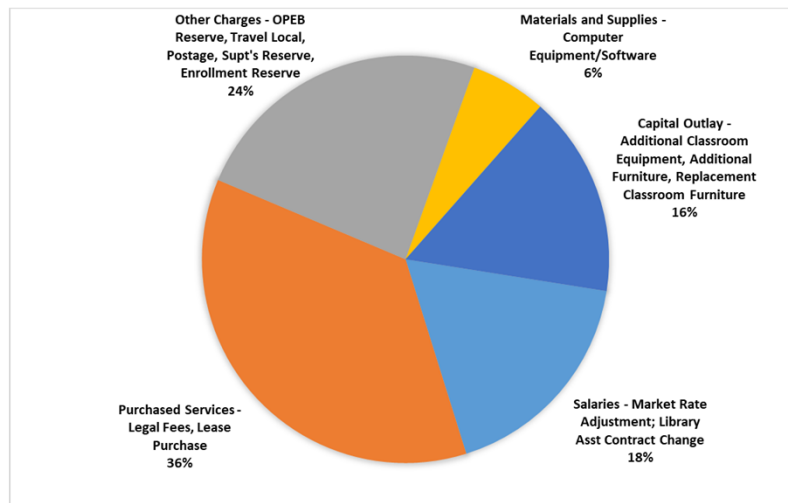
Budget: Finance



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Budget: System-Wide Services



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Baseline Increases

Budget Item	Amount	FTE
Additional funding for annual contracts for budget software, school activity funds software, and facilities use management software	\$40,765	
Additional hourly funding for temporary help for Superintendent's office	\$10,000	
Total	\$50,765	0.00

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New Funding Requests

Budget Item	Amount	FTE
Assistant Director of Finance	\$118,000	1.00
TOTAL	\$118,000	1.00

- **Assistant Director of Finance** – There is currently only one supervisory position in the Finance office which means we have no backup or redundancy in a critical area. This position would take on oversight of existing accounting functions which would then allow the Director to focus on the reporting requirements of the district as well as supervision.

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Proposed Reductions

Tier	Budget Item		Amount	FTE
Tier 1	Eliminate additional funding for lease payments	pg. 63	\$1,500,000	
Tier 2	Reduce funding available for budget software updates	pg. 95	\$5,000	
Tier 2	Reduce postage	pg. 65	\$20,000	
Tier 2	Eliminate a Financial Analyst position	pg. 70	\$75,068	1.00
Tier 2	Eliminate funding support to Supt's office	pg. 72	\$109,534	
Tier 2	Eliminate funding for replacement classroom furniture & supplies	pg. 76	\$49,762	
Tier 2	Eliminate funding for local travel reimbursement	pg. 81	\$89,624	
Tier 2	Eliminate enrollment reserve	pg. 88	\$33,000	
Tier 3	Eliminate additional funding for computer equipment/software	pg. 127	\$508,000	
			Total Reductions	\$2,386,988 1.00

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Funding of Technology – LAST YEAR

How Devices are Funded				
<i>(\$ in millions)</i>	Year 1 (FY 2018)	Year 2 (FY 2019)	Year 3 (FY 2020)	Year 4 (FY 2021)
Purchase	\$4.90	\$5.05	\$5.25	\$5.40
Lease Financing Reimbursement	(\$4.90)	(\$5.05)	(\$5.25)	(\$5.40)
Lease Payments for Year 1 Purchase		\$1.72	\$1.72	\$1.72
Lease Payments for Year 2 Purchase			\$1.78	\$1.78
Lease Payments for Year 3 Purchase				\$1.85
			TOTAL	\$5.35

- After Year 4, the full replacement cycle is funded
 - Additional funding needed only for increased enrollment and increased staff

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Funding of Technology - TODAY

How Devices are Funded						
(\$ in millions)	Year 1 (FY 2018)	Year 2 (FY 2019)	Year 3 (FY 2020)	Year 4 (FY 2021)	Year 5 (FY 2022)	Year 6 (FY 2023)
Purchase	\$5.05	\$5.15	\$5.25	\$5.35	\$5.45	\$5.55
Lease Financing Reimbursement	(\$3.36)	(\$5.15)	(\$5.25)	(\$5.35)	(\$5.45)	(\$5.55)
Lease Payments for Year 1 Purchase	\$1.16	\$1.16	\$1.16			
Lease Payments for Year 2 Purchase			\$1.91	\$1.91	\$1.91	
Lease Payments for Year 3 Purchase				\$1.94	\$1.94	\$1.94
Lease Payments for Year 4 Purchase					\$1.97	\$1.97
Lease Payments for Year 5 Purchase						\$2.00
Total					\$5.82	\$5.91

- In Year 5, the full replacement cycle will be in the base budget
 - After Year 5, additional funding needed only for increases in enrollment and staffing

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Funding of Technology – LAST YEAR

Budget for Lease Payments				
(\$ in millions)	Year 1 (FY 2018)	Year 2 (FY 2019)	Year 3 (FY 2020)	Year 4 (FY 2021)
Annual Budget	\$3.94	\$3.94	\$3.94	\$4.19
Continuing Lease Payment Needs	\$3.94	\$2.15	\$2.41	\$3.50
Available for New Lease Payments	\$0	\$1.79	\$1.53	\$0.69
Projected New Lease Payments*		\$1.72	\$1.78	\$1.85
Funding Required for New Lease Payments		\$0.07	\$0.25	\$1.16

- Based on lease financing rates and timing, the request for \$865K in FY19 can be eliminated
- After Year 4, the full replacement cycle is funded
 - Additional funding needed only for increased enrollment and increased staff

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*Based on average costs previously negotiated with Apple and Dell. Any cost changes would impact the projected lease payments.



Funding of Technology - TODAY

Budget for Lease Payments						
(\$ in millions)	Year 1 (FY 2018)	Year 2 (FY 2019)	Year 3 (FY 2020)	Year 4 (FY 2021)	Year 5 (FY 2022)	Year 6 (FY 2023)
Annual Budget	\$3.94	\$3.94	\$3.94	\$3.94	\$3.94	\$3.94
Continuing Lease Payment Needs	(\$3.94)	(\$2.75)	(\$1.92)	(\$1.91)	(\$3.85)	(\$3.91)
Available for New Lease Payments	\$0	\$1.19	\$2.02	\$2.03	\$0.09	\$0.03
Projected New Lease Payments*/**			\$1.91	\$1.94	\$1.97	\$2.00
Funding Available/(Required) for New Lease Payments			\$0.11	\$0.09	(\$1.88)	(\$1.97)

- In Year 5, additional funding will be need to fund the full replacement cycle
 - Additional funding in Year 6 and beyond will be needed only for the projected increase in enrollment and staffing

**Based on average costs previously negotiated with Apple and Dell. Any cost changes would impact the projected lease payments.*

***Based on projected enrollment increases and projected interest rates. Any changes in these projections would impact the projected lease payments.*

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FISCAL YEAR
2020

MARCH 26, 2019

**SUPERINTENDENT'S PROPOSED BUDGET
BUDGET WORK SESSION # 4**



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