



Arlington Public Schools
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September 10, 2010

Arlington School Committee
Arlington Public Schools

Dear Members of the School Committee:

Attached please find the first of the FY11 monthly budget tracking reports. The Budget Tracking format is that suggested by the Budget Subcommittee.

As you will see, there will often be lines where expenses exist without a budget. This is because the FY11 budget was created on the model of previous budgets, aggregating many expenses together into larger categories. For the sake of more detailed information to inform sound decision making, FY11 expenses are being tracked in greater detail. This will allow us to generate a more detailed and nuanced budget for FY12, but for FY11, it will look a little strange. In my comments I have tried to indicate budget sources for items that are presently without a budget line.

This month's report reflects the fact that grants and revolving funds are not yet set up to receive direct expenses. During this set up interval, all expenses will hit to the Town Appropriation budget, causing it to track higher than one would expect. Once details are finalized about the distribution of positions and expenses to each grant and revolving fund, salaries and other expenses will begin to hit to those funds directly. It will be necessary for us to go back to the beginning of FY11 and move appropriate expenses via a journal entry from the Town Appropriation to the grant or revolving fund where they should be. As each grant or revolving account comes on line, it will be included in the monthly report.

Also, please note that as of September 9, when the financial information for this report was downloaded from Munis, teacher salaries due for FY11 had not yet begun. All payments to teachers paid out over the summer are actually part of FY10, with the exception of the summer school program, which we are tracking separately for the first time.

September's monthly Budget Tracking is using the budget dated 8.26.10. Since that time, there have been changes that are not yet reflected in a revised budget. The primary changes are due to finalization of hiring, the addition of a fourth Brackett Kindergarten and the Traffic Supervisor positions recommended by TAC, and the inclusion of the Menotomy Preschool Fee revenue. Menotomy Preschool shifted from a self supporting enterprise, like Community Education, to become incorporated into Special Education during FY10. Revenues from this source were only minimally considered as part of the FY10 budget.



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However, it has been determined that the fees should be used to defray a portion of the expenses incurred by the district in providing early childhood services to children without special needs. Because these fees were not fully utilized in FY10, we are planning to use revenues from both FY10 and FY11 for FY11. The use of these revenues has allowed us to add the Brackett and Traffic Supervisor positions. Also, Dunkin Donuts and Ecole Bilingue are each committed to reimbursing the Arlington Public Schools for the cost of one full time Traffic Supervisor.

The Position Control report of September 10, 2010 includes all of the revisions listed above, and so shows an increase of 139,597 over the budget of August 26.

The Revolving Revenues report shows what has been collected and processed as of September 9, 2010. Kindergarten reflects many full payments made at the beginning of the year, rather than partial payments throughout the year.

Given the strong interest in a closer look at the final outcomes of FY10, the Business Office staff is hard at work producing the Department of Elementary and Secondary Education's End of Year Report. Once completed, this report will allow us to integrate FY10 into the five year analysis done last March, for a comprehensive, multi-year view of the trends that led to our present situation.

Sincerely,

Diane Fisk Johnson
Chief Financial Officer