

Arlington Public Schools Financial Updates

October 27, 2011

Diane Fisk Johnson

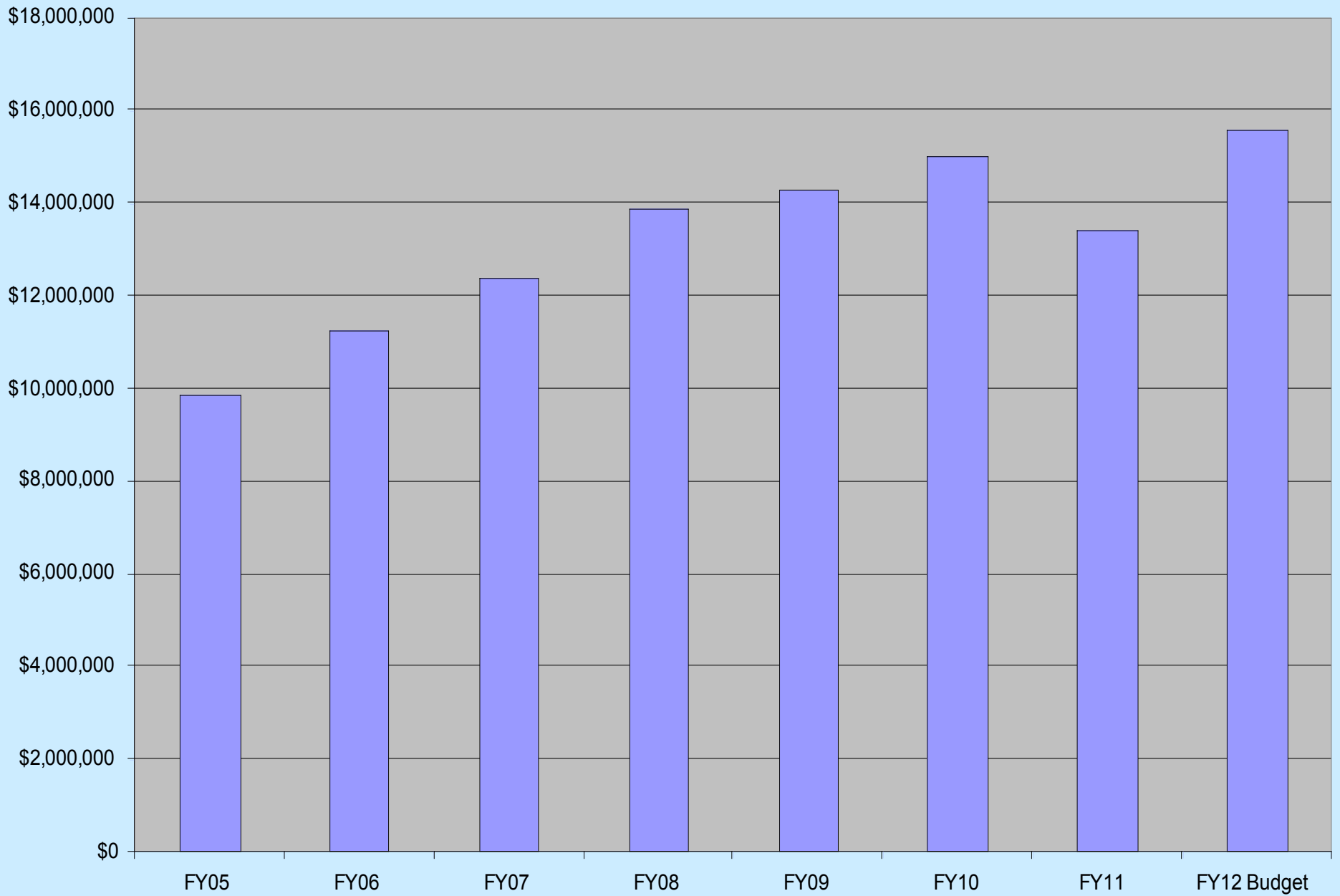
CFO



FY11 Highlights

- Special Education expenditures decreased 11% from FY10 levels
- Fee collections outperformed budget estimates overall by \$288,651
- Reserve Balances have been carried forward to support FY12, most notably:
 - Circuit Breaker \$598,011
 - Tuition In \$277,143
 - Building User Fees \$338,043

Total Special Education Expenditures



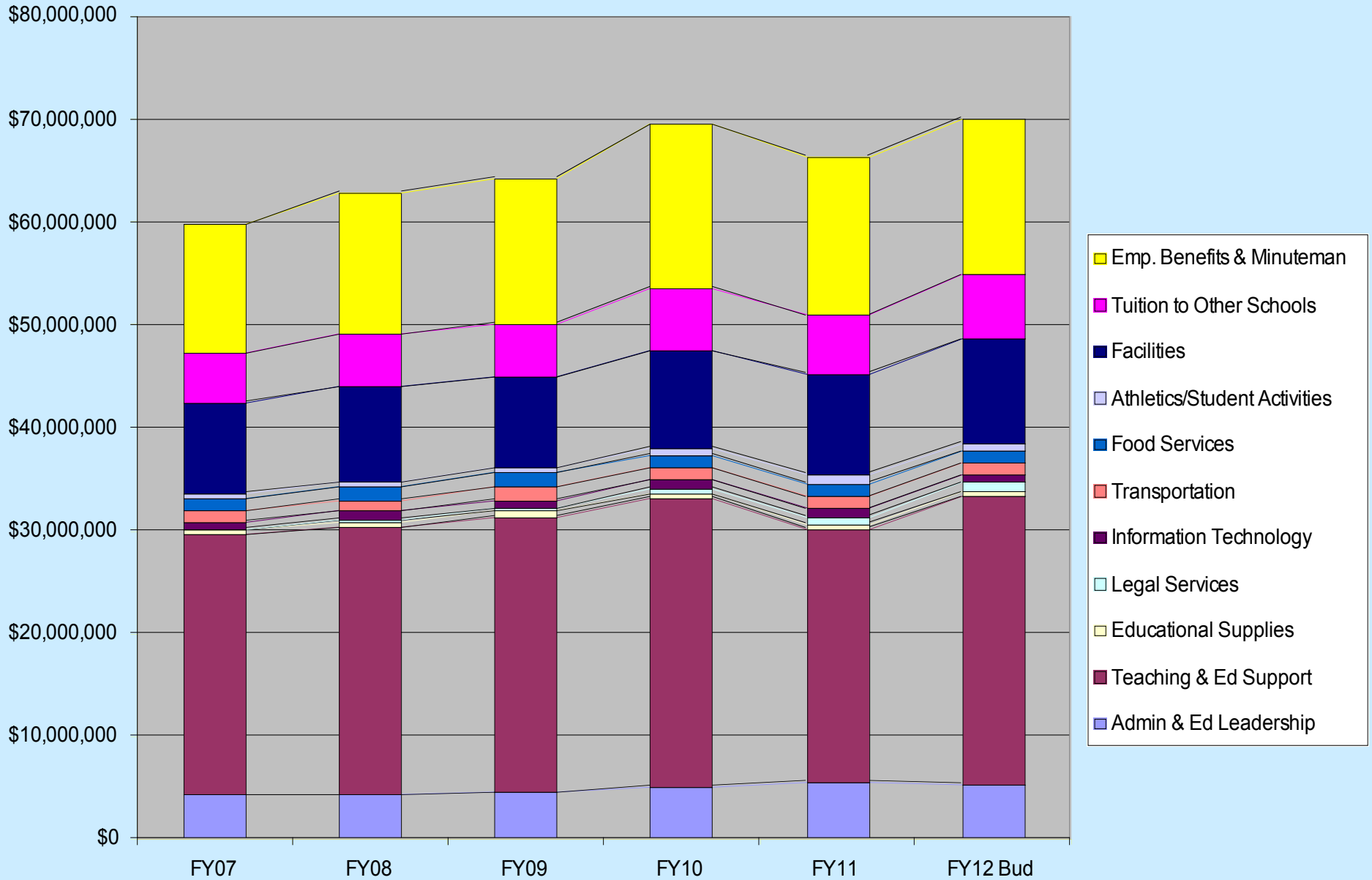
FY12 Budget Status

- Special Education out of district tuition costs are presently tracking below budget
- Prior year reserve funds enable advancement of District Technology Plan
- Grant funding has nearly reached FY11 levels, thanks to one time DESE allocations
- Circuit Breaker has increased \$502,534 above anticipated budget
- Too early to predict energy costs for year

Multiyear Trends

- FY11 saw a \$3.9m decrease to services and a \$500,000 increase to user fees. These cuts added to many previous years of reductions.
- The passage of the override has allowed the FY12 Budget to regain FY10 levels.
- With reasonable assurance of Town funding for the next four years, FY13 can be a year to address ongoing concerns.

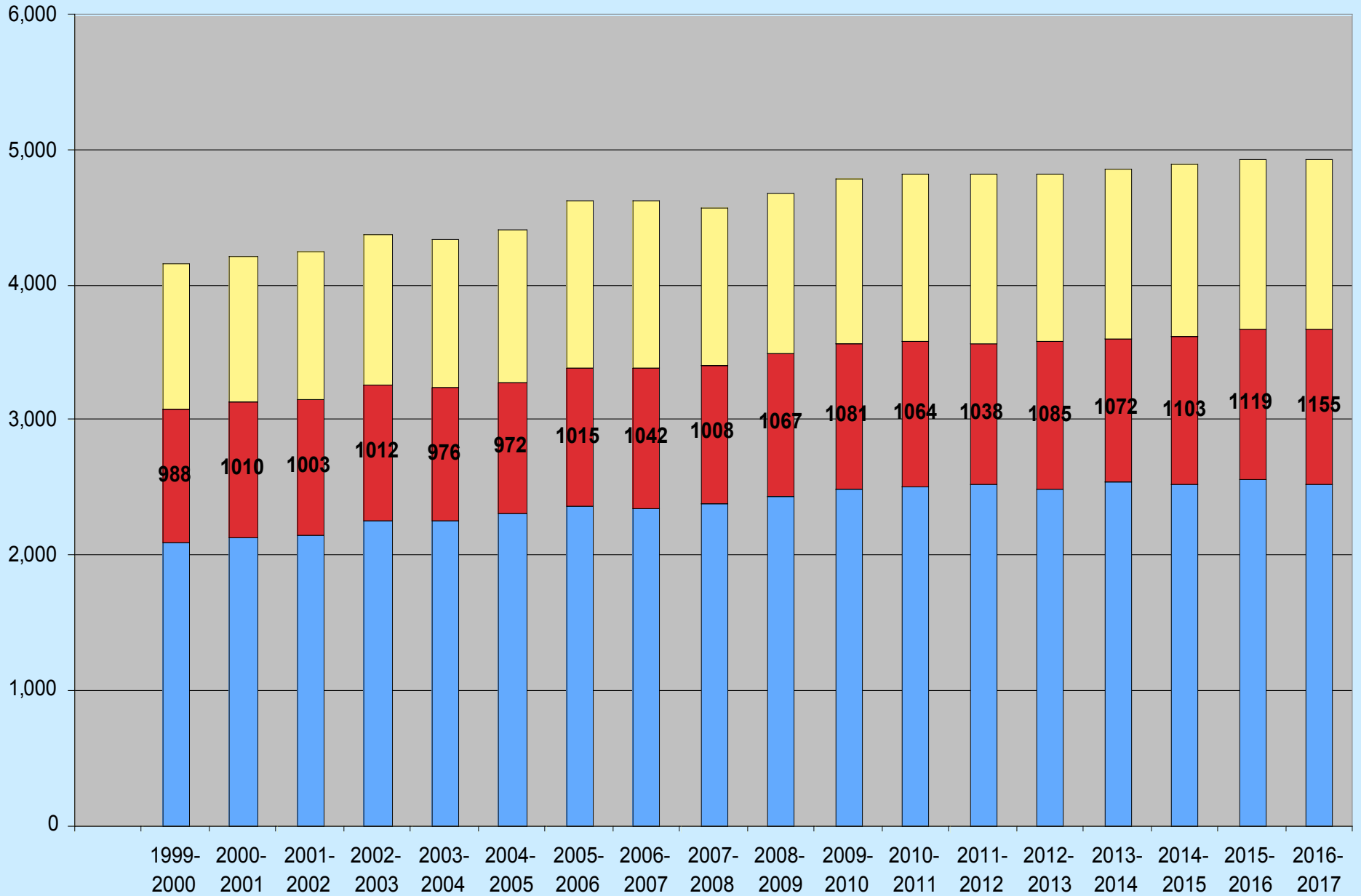
School Expenses FY07 to FY12 Budget



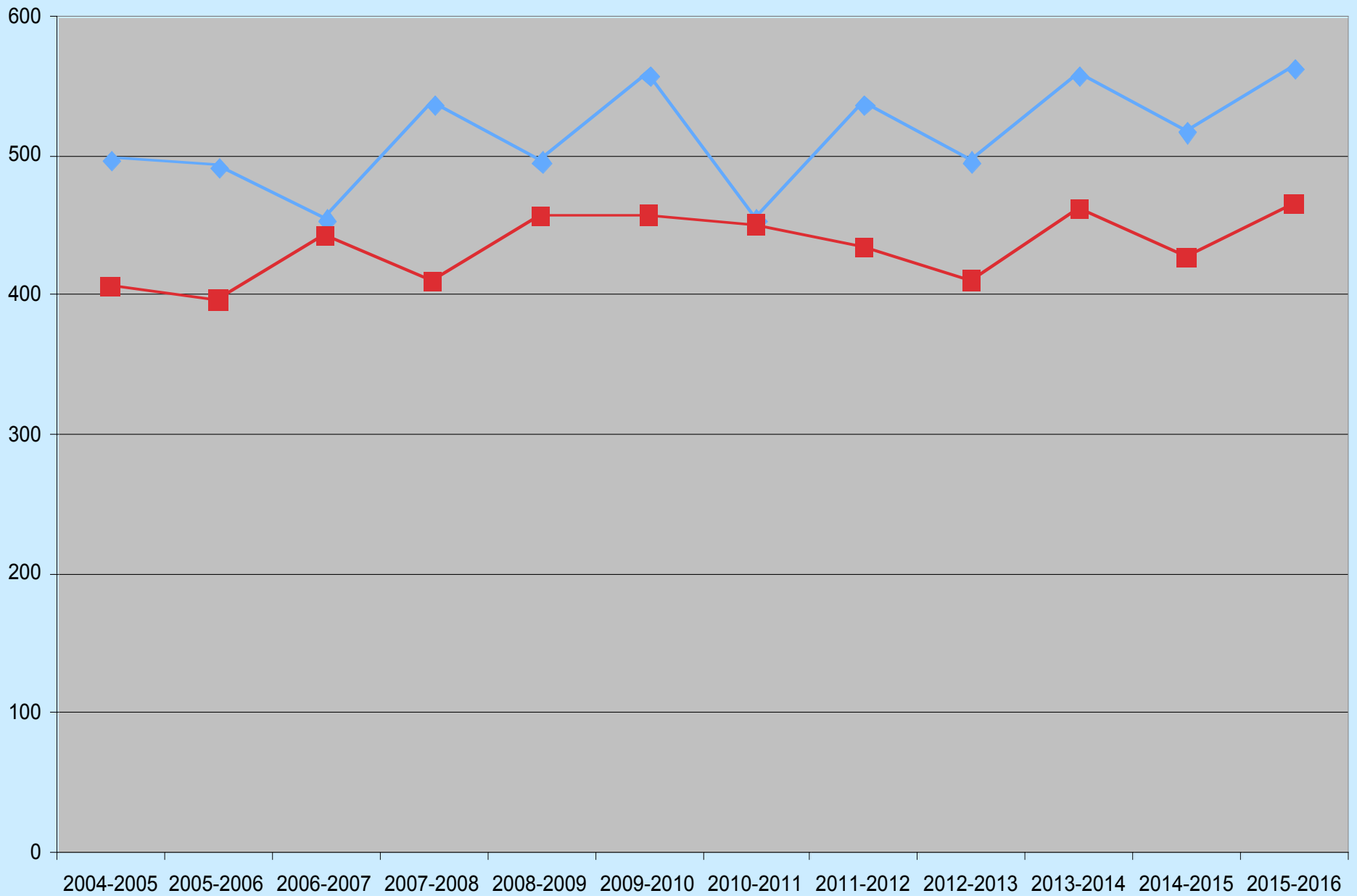
Ongoing Areas of Concern

- Population Growth & Class Size
- High User Fees
- Facilities Maintenance
- Administrative Infrastructure, including
 - IT
 - Curriculum Leadership
 - Assistant Superintendent & Special Education Director

Student Population Growth Projections



Birth data compared to Kindergarten Enrollment Five Years Later



Per Pupil Costs and Kindergarten Fees

- Those communities who receive the Kindergarten Grant from the DESE must limit their full day kindergarten fees to \$4,000. Arlington's fee is 75% of what is allowed.
- Most recent Expenditure Per Pupil data from DESE (FY10) shows Arlington at \$12,502, below the state average at \$13,053
- FY10 Kindergarten Fee was equivalent to 24% of the Per Pupil cost of educating a student.

MSBA and Stratton Project

- The MSBA's Green Repair Program accepted the Stratton for a funding grant
- The planned repairs to roof, windows and boiler were able to be expanded to the entire classroom wing
- \$739,336 has been approved by the MSBA to support these improvements

MSBA and Thompson

- Initially, the MSBA had approved a reimbursement rate of 47.21% for the project
- Arlington's commitment to building a "Green School" added 2%
- Our efforts in the area of ongoing maintenance were rewarded by the MSBA with an additional 1.21%
- Our total reimbursement rate is now 50.42% of allowable costs

Powers & Sullivan /MASBO Audit Follow-up

- Powers and Sullivan consider their recommended changes implemented in their draft management letter for FY11
- Work is continuing on those MASBO recommendations not yet fully implemented, including:
 - Written agreement with Town
 - A review of existing cash management systems
 - Procedures manuals for all business office staff positions
 - Cross training and professional development for all business office staff