Multi-year Fiscal Review and Projections

Presentation to the Arlington School Committee

November 14, 2013
Three Year Expenditure History

• Notable changes include:
  – Special Education cost increases year to year
  – Intervention services (ELL, Reading, Math, Guidance)
  – General Education expense growth
  – Drop in Admin due to lower than budgeted Legal costs

• Growth in classroom and other technology requires planning for replacement on a three year cycle
### FY14 Projected Expenses Compared to Three Year Actual History

**By Budget Transfer Detail Categories**

<table>
<thead>
<tr>
<th></th>
<th>FY14 Projected</th>
<th>FY13 Actuals</th>
<th>FY12 Actuals</th>
<th>FY11 Actuals</th>
</tr>
</thead>
<tbody>
<tr>
<td>Elementary</td>
<td>13,003,267</td>
<td>11,973,965</td>
<td>10,953,880</td>
<td>10,156,956</td>
</tr>
<tr>
<td>Secondary</td>
<td>12,974,420</td>
<td>12,394,808</td>
<td>11,394,129</td>
<td>10,872,645</td>
</tr>
<tr>
<td>Special Education</td>
<td>18,149,802</td>
<td>16,609,193</td>
<td>16,025,742</td>
<td>14,263,346</td>
</tr>
<tr>
<td>Curric. &amp; Instr.</td>
<td>1,549,100</td>
<td>1,382,497</td>
<td>1,269,020</td>
<td>1,209,250</td>
</tr>
<tr>
<td>Administration</td>
<td>2,591,737</td>
<td>2,148,487</td>
<td>2,286,877</td>
<td>2,165,840</td>
</tr>
<tr>
<td>Other (IT, Facilities, Trans.)</td>
<td>5,608,575</td>
<td>5,550,508</td>
<td>5,945,357</td>
<td>4,837,092</td>
</tr>
</tbody>
</table>
Looking forward: Special Education

- Multイヤr Financial Plan for Town and School accommodated a low average Special Education growth rate of 7%
- While not every year meets that growth level, many previous years have exceed it
- 7% is needed every year to make up for those years when growth is higher
Enrollment

- Enrollment pressure has escalated in last two years with 281 additional students
- Since FY2000 Arlington has added nearly one thousand students
- Pressure on facilities is considerable

Redistricting
Larger Thompson
High School Renovation
Looking Forward: Enrollment Growth

- The Multiyear Plan for Town and Schools assumes that we will maintain our services within the budgetary restraints of the plan.
- The Multiyear Plan did not assume large swings in population, nor does it presently compensate for such pressures on the budget.
- Given the enrollment growth, we could only maintain our budget with the confines of the plan by reducing services to our students.
Chapter 70 Funding

• Chapter 70 is the source of State funding to support education
• The amount allocated each year is based on the total number of students, the types of students (more funding is allocated for Special Education, limited English proficiency and low income students), the wealth of the community and State budget allocations
• Arlington’s Chapter 70 funding has risen in the last four years
Chapter 70 Continued

• Some of this increase is due to the move to full day kindergarten without fees
• If we reduce the amount of Chapter 70 funding by the amount of kindergarten tuition formerly collected (and now offset by the Town), the net increase of Chapter 70 to the Town of Arlington since FY11 is $2,446,923
• With enrollment continuing to rise, we should expect to see continued growth to Chapter 70 funding allocations
Chapter 70 Funding, With and Without Kindergarten Fee Offset

<table>
<thead>
<tr>
<th></th>
<th>FY11</th>
<th>FY12</th>
<th>FY13</th>
<th>FY14</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chapter 70</td>
<td>6,632,057</td>
<td>6,880,580</td>
<td>8,109,496</td>
<td>10,048,980</td>
</tr>
<tr>
<td>Less Kindergarten Offset</td>
<td>6,632,057</td>
<td>6,880,580</td>
<td>7,133,496</td>
<td>9,078,980</td>
</tr>
<tr>
<td>Increase from PY</td>
<td>248,523</td>
<td>258,916</td>
<td>1,939,484</td>
<td></td>
</tr>
</tbody>
</table>
Proposed Adjustment to the Multiyear Plan

• FY14 net increase in Students as of the Fall state enrollment reporting (134)
• Multiplied by a Per Pupil growth factor amount to be determined
• This amount added to the FY15 School Department base allocation in advance of the budget process, to allow thoughtful educational planning for the upcoming year
• In subsequent years, the current year’s enrollment change (up or down) will be multiplied by the Per Pupil growth factor and used to adjust the future year’s base budget amount in advance of the budget process