



Arlington Public Schools
Business Office
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Diane Fisk Johnson, Chief Financial Officer
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August 29, 2014

Dear Members of the School Committee:

Attached please find the September, 2014 monthly tracking reports, which consist of:

- Monthly Summary Report
- Budget Tracking Report as of August 26, 2014
- Revolving Expenditure Report as of August 26, 2014
- Revolving Revenues as of August 26, 2014
- Revised Funding Summary as of August 28, 2014

Welcome to the start of Fiscal Year 2015!

As you may already be well aware, the story of the summer was enrollment growth. I had projected a growth of about 80 students for this year, but our actual growth more than doubled that figure. Based on the growth we were witnessing throughout the summer, we have added significant staff beyond the reserves that were budgeted last year in order to meet the increased demand while maintaining class sizes at reasonable levels.

We are very fortunate in our current financial arrangement with the Town. Thanks to the changes last fall, we can be confident that the enrollment growth factor calculation will enable us to bear these increased staffing costs in next year's budget. For this year, we will be using prior year reserve balances from the Foreign Visa account to cover the deficit. While this will reduce our reserves, we felt that it was necessary to meet the increased demand.

Once enrollment numbers are recorded on October 1 for the state reporting requirements, I will update my enrollment projection sheet and present it. This will give us a solid picture of total enrollment growth from the prior year, while providing us an estimate of what we should expect in the future. However, as this year proved, predicting the future is a tricky business and prone to failure.

Grant funding is lower than was projected during the budget cycle. As you can see from the Revised Funding Summary, our Title 1 allocation was significantly reduced. The Title 1 funding formula is based on the poverty levels of the community, not on the numbers of



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students receiving free and reduced lunch. Apparently Arlington is better off now than it was previously, and the reduced funding is a reflection of this change.

There is no Grant Expenditure report for this month, since the grant spending over the summer months is part of the prior year's grant cycle. Once the FY15 Grants become active in the fall, we will begin reporting on expenditures again.

Please feel free to contact me with any questions you might have.

Sincerely,

Diane Fisk Johnson