

TO: Arlington School Committee
 FROM: Michael Mason, Jr., Chief Financial Officer
 RE: FY2021 End of Year Report and Spending Analysis
 DATE: December 2, 2021

Please find attached a copy of the final summary total spending report from the FY2021 End-of-Year Financial Report, Special Education spending from FY2008 to FY2021 and a report that looks at the last three years of the total expenditures.

End-of-Year Report - Expenditures Summary FY21

As you may know that every district is required to submit a report on their total spending after each fiscal year. This report includes expenditure data from all funding sources including school committee town appropriation, municipal spending in support of schools per agreement between town and schools, federal and state grants, and revolving and special funds. Since this report includes all spending, regardless of the funding source, the total expenditures in this report will not match up or tie to the approved FY2021 budget.

The spending is reported by functional classification codes in accordance with the DESE chart of accounts, and is totaled by funding source. The report lists the functional codes along the left side, and the funding sources are identified along the top of each page. There are 88 functional codes, and the funding categories are separated into ten columns by funding source.

<i>Total Spending - All Funds</i>	<i>Fiscal Year</i>		
<i>Description</i>	<i>FY19</i>	<i>FY20</i>	<i>FY21</i>
Administration	2,943,147	3,132,171	3,312,406
Instruction Leadership	5,431,636	5,624,686	6,058,495
Classroom & Specialist Teachers	33,267,904	35,810,756	38,846,710
Professional Development	522,666	619,457	1,006,023
Instructional Materials, Equipment & Technology	1,285,923	1,623,153	1,725,173
Other Instruction	6,667,440	7,651,910	8,384,359
Guidance & Psychological Services	3,731,274	4,052,630	4,606,259
Pupil Services	4,247,389	4,935,474	3,325,977
Transportation	2,022,051	1,813,229	1,749,116
Food Services	1,674,470	1,678,308	1,679,899
Athletics	847,882	798,259	767,384
Operations and Maintenance	6,980,621	7,170,798	9,058,749
Employee Benefits	14,278,604	16,013,356	16,605,226

Fixed Charges	6,771,719	9,039,546	26,002,638
Other Costs	1,339,950	1,207,669	1,349,877
Tuition to other Schools	12,238,479	10,954,585	13,697,336
Grand Total	104,251,155	112,125,987	138,175,627

The total expenditures reported in FY2021 is \$138,175,627. The district expended 23.23% or \$26,049,640 more when comparing to the prior year expenditures. Below is a description of the changes in each funding source.

School Committee (Town Appropriation)

The total spending in this funding category was \$76,685,367. This is an increase of \$7,658,014 or 11.09% increase over prior year expenditures. This spending level was in line with the FY2021 budget. This figure does not include the transfer of \$110,000 into the Special Education Reserve Fund. However, this figure does include \$1,363,437 of out-of-district tuition expenditures prepaid in FY2020 that are applicable for FY2021.

Below are the School Committee (Town Appropriation) actual expenditures reported for FY2019 to FY2021.

<i>School Committee Appropriation Expenditures</i>	<i>Fiscal Year</i>		
<i>Description</i>	FY19	FY20	FY21
Administration	2,394,043	2,526,137	2,715,239
Instruction Leadership	5,251,239	5,391,993	5,817,607
Classroom & Specialist Teachers	32,414,106	35,270,382	37,677,792
Professional Development	354,161	339,749	331,582
Instructional Materials, Equipment & Technology	1,015,736	1,436,072	1,513,894
Other Instruction	5,624,042	6,404,030	7,025,331
Guidance & Psychological Services	3,421,107	3,620,298	4,134,142
Pupil Services	1,463,944	2,015,501	2,176,721
Transportation	1,811,416	1,633,704	1,552,808
Food Services	219,891	389,790	118,620
Athletics	523,200	523,573	390,840
Operations and Maintenance	6,170,588	6,107,865	7,942,396
Employee Benefits	201,287	236,216	322,950
Fixed Charges	156,964	48,248	68,985
Special Education Tuition	5,023,039	3,083,795	4,896,460
Grand Total	66,044,763	69,027,353	76,685,367

Town Expenses (Not included in Town Appropriation)

The next column reports on expenditures that the town has spent. This includes all spending that is in benefit of the school department. Spending in this category includes health insurance, retirement assessment, regional school assessment, debt service (example: Arlington High School project expenses), and both direct and indirect costs from other town departments for services rendered. The total expenditures in this funding category was \$48,961,993. This was an increase of \$17,759,513 or 52.04% over prior year expenditures. The majority of this increase is from increase in debt retirement/school construction, Arlington High School related expenses, and Regional School assessment.

Below are the town's actual expenditures reported for FY2019 to FY2021.

<i>Town Expenses</i>	<i>Fiscal Year</i>		
<i>Description</i>	FY19	FY20	FY21
Administration	546,104	595,158	554,295
Instructional Materials, Equipment & Technology	70,350	72,750	62,465
Other Instruction	101,248	101,734	101,243
Pupil Services	97,167	84,655	87,444
Operations and Maintenance	619,841	942,986	736,931
Employee Benefits	13,949,841	15,650,586	16,109,792
Fixed Charges	6,614,755	8,991,298	25,825,986
Regional School Assessment and Charter Schools	5,130,583	5,188,441	6,483,837
Grand Total	27,129,889	31,627,608	49,961,993

Grant Funds

Grant spending is in the next two columns for State and Federal grants. The total spending in these funding categories was \$4,044,262. This is a year over year increase in spending of \$1,574,281 or 63.74%. Grant reporting, like other expenditures in this report, is reported from July to June like the fiscal year. Some grants are awarded from September to August, and therefore not all expenditures will be captured in this snapshot. The expenditures that occur after July, will be reported in FY2022 unlike how we budget in the School Committee approved budget.

Below are the grant funded expenditures reported for FY2019 to FY2021.

<i>Grant Expenditures</i>	<i>Fiscal Year</i>		
<i>Description</i>	FY19	FY20	FY21
01. Administration	0	6,000	16,116

02. Instruction Leadership	148,390	177,649	164,278
03. Classroom & Specialist Teachers	269,425	151,745	841,765
04. Professional Development	95,447	191,588	419,051
05. Instructional Materials, Equipment & Technology	167,707	80,098	114,328
06. Other Instruction	901,152	1,114,920	1,232,720
07. Guidance & Psychological Services	310,167	431,821	472,117
08. Pupil Services	0	11,398	37,756
09. Transportation	210,635	179,525	196,308
12. Operations and Maintenance	0	0	306,872
13. Employee Benefits	121,838	122,751	171,834
14. Fixed Charges	0	0	65,504
15. Other Costs	0	2,487	5,613
Grand Total	2,224,761	2,469,982	4,044,262

Revolving and Special Funds

The revolving and special funds spending columns are all of the remaining columns (5 through 10) The total expenditures in these categories was \$7,484,004. These expenditures were a year over year decrease of \$1,517,040 or -16.85% over prior expenditures. Revolving and special fund spending is unique in that this includes expenditures on activities such as the Menotomy Preschool, Community Education, and School Lunch, which are not included in the School Committee’s district approved budget.

Below is a list of types of accounts that for the expenditures in this category on the All Expenditures Summary Page - FY21:

Column 5 – Circuit Breaker

Column 6 – Gifts & Donations at each school, Private Grants (example: AEF)

Column 7 – Tuition and User Fees (Menotomy Preschool, Music Lessons, Daycare, Foreign Exchange Tuition)

Column 8 – Athletics

Column 9 – School Lunch

Column 10 – Other Receipts (Community Education, Building Rentals)

Below are the expenditures for Revolving and Special Funds reported for FY2019 to FY2021.

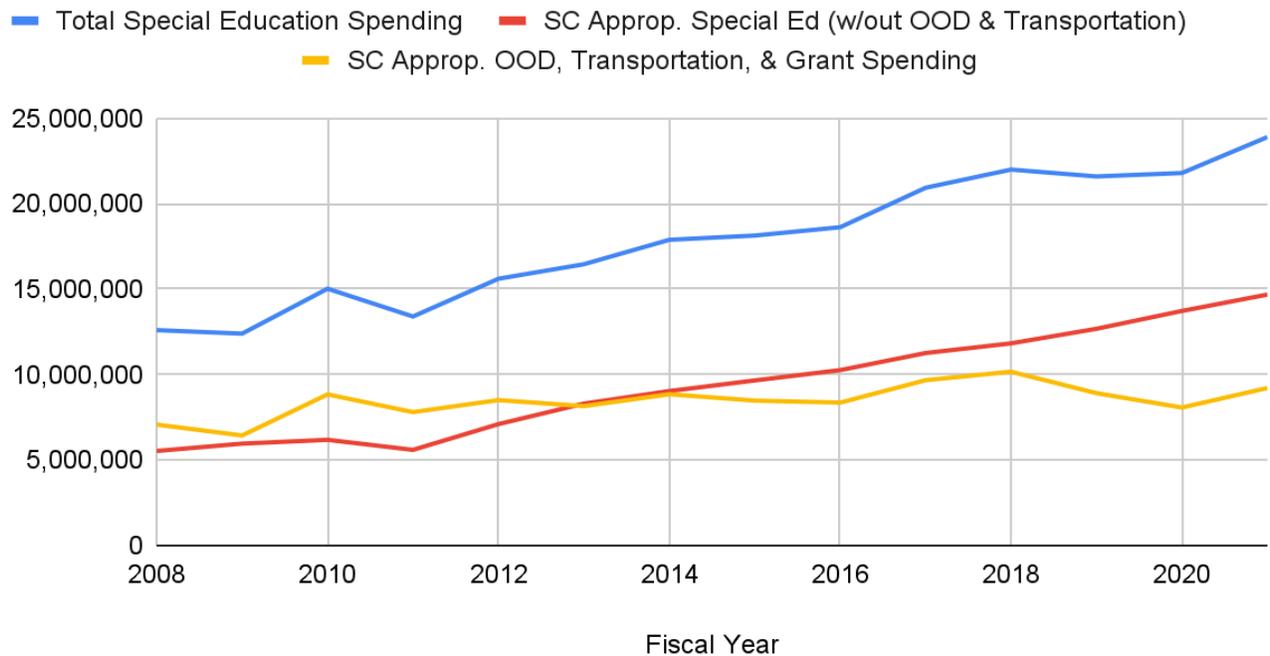
<i>Revolving Expenditures</i>	<i>Fiscal Year</i>		
<i>Description</i>	<i>FY19</i>	<i>FY20</i>	<i>FY21</i>
Administration	3,000	4,876	26,756
Instruction Leadership	32,007	55,044	76,610

Classroom & Specialist Teachers	584,373	388,629	327,153
Professional Development	73,058	88,120	255,390
Instructional Materials, Equipment & Technology	32,130	34,233	34,486
Other Instruction	40,998	31,226	25,065
Pupil Services	2,686,278	2,823,920	1,024,056
Food Services	1,454,579	1,288,518	1,561,279
Athletics	324,682	274,686	376,544
Operations and Maintenance	190,192	119,947	72,550
Employee Benefits	5,638	3,803	650
Fixed Charges	0	0	42,163
Other Costs	1,339,950	1,205,182	1,344,264
Special Education Tuition	2,084,857	2,682,349	2,317,039
Grand Total	8,851,742	9,000,533	7,484,005

Special Education Spending Analysis

Also included is a report of special education spending reported to DESE for FY2008 to FY2021. All data from FY2008 to FY2020 was pulled from the DESE special education spending comparison located online. FY2021 data has been pulled from the FY2021 end of year report that has been submitted to DESE. The chart below is a visual representation of the data.

Total Special Education Spending Chart



The blue spending line in the chart above is the total special education spending reported to DESE from FY2008 to FY2021.

The red spending line in the chart above is the total special education spending reported to DESE from the School Committee appropriation from FY2008 to FY2021 excluding any out-of-district tuition and related transportation, in addition to any grants or circuit breaker spending.

The yellow spending line in the chart above is the total special education spending reported to DESE related to out-of-district tuition and related transportation expenditures as well as any special education spending from grants or circuit breaker spending.

If you have any questions, please feel free to contact the Business Office.