



FY'18 Budget Hearing

March 1, 2017

Welcome to the FY'18 budget hearing. While this presentation provides an overview of the budget, additional details including the line item budget, can be found online at the district's website or on the superintendent's blog. This budget process began with the school committee in September.

What does the budget provide?

Local Schools:

- Two preK-5 elementary schools
 - Small Class Size
 - Focussed on Individual Student Needs
 - Adjustment Counselors
 - Level One Schools
 - STEM program, Art, Music, PE
- A 6-8 Middle School
 - Small Class Size
 - Team approach to instruction
 - Guidance and Adjustment Counselors
 - Project Based Learning
 - Student Focussed
- A 9-12 High School
 - Diverse class offerings including online, blended, hands-on and dual enrollment options
 - A Level One School
 - Opportunities in athletics, clubs, leadership, citizenship, performing arts, internships
 - Guidance and Adjustment Counselors

What does the budget provide - Local Schools, which comes across as a very important factor in surveys of parents and students. As you know, we've moved to a three level system - a prek through 5th grade elementary, a 6 to 8 middle school, and the traditional 9-12 high school. We anticipate maintaining this arrangement moving forward. We also moved to a level 2 district with three of our four schools designated as level 1 schools and both Littleville and the High School have been recognized by the state as commended schools for making outstanding student progress. As you can see, each of our schools offer much to our students.

What does the budget offer students?

- Opportunities to grow academically, socially, emotionally and physically
- Support for 21st Century Skills - Collaboration, Communication, Creativity, Problem Solving
- Support to meet individual needs by focussing on the diverse learning needs of all students in a safe environment where their social emotional, mental and physical health and welfare are regarded and well cared for
- A dedicated staff that know each student and are appropriately certified
- Positive behavioral intervention enhancements
- Support of IEP and 504 Programming
- Art, music, theatre, STEM (Science, Technology, Engineering, Math)
- Support for a range of Advanced Placement (AP) Offerings
- Technology (1 to 1 computers/tablets, robotics, interactive boards, WiFi)
- Clean, safe, and updated facilities
- Transportation
- Preparation for both moving into the workforce and going to college
 - (College and Career Readiness Programming)
- Extracurricular programming throughout district
- Excellent nursing, clinical and professional therapist support for all

What does this budget offer to our students? A wide range of opportunities and supports that reflect our student needs and interests. Our entire staff thanks the school committee for supporting the idea of educating the whole child - social, emotional, academic, physical, civic as well as for providing ongoing support for the higher level skills such as communications, collaboration, creativity and problem solving. We are a small district that has caring, professional staff that are attuned to the needs of individual students and that provide a wide range of opportunities for all students that covers academics, student leadership, athletics and the arts.. We support students planning on going on to college as well as those joining the workforce or the military upon graduation.

What does the budget offer towns?

- Local schools controlled by locally elected school committee members
- An efficiently run district in terms of finances and overall costs
- Meeting specialized student needs to keep students in local schools
- Professional, highly motivated, highly qualified and caring staff
- Student acceptance in a range of schools & programs including some of the best colleges and universities
- Student success in post graduate work and studies
- Facilities and grounds that are well maintained and kept up to date
- Facilities and grounds for town and resident use
- Full spectrum of student services
- District goals aligned between school committee, administration and staff
- The ability to develop a continuum of programs and services to address the needs of specialized student populations in district thus continuing to reduce and prevent costly out-of-district programs

What does the budget offer the towns? An excellent school system managed by locally elected school committee members. The recent MARS report indicated that Gateway was a well run organization whose expenditures were very reasonable for Western Massachusetts. We not only have a good percentage of students who go on to college, but continue to have first generation college students each year, a testament to our staff as well as our communities. Despite a budget that is lower than 10 years ago, Gateway continues to offer a wide range of student opportunities and support for all levels of students that provides them with the skills and knowledge that need to be successful in life, not just to pass the state assessments.

Program Enhancements & District Goals

Student support

- Enhances/expands life skills programs
- Continues implementation of Chromebook 1to1 program
- Provides additional support for students on autism spectrum
- Provides programming for visually impaired students
- Implementing/Enhancing Project Based Learning

District/School Supports

- Begins transition to district bussing support
- Continues building & grounds improvement
- Provides for summer program

This budget provides for some important program expansion that allow us to better meet student needs thereby eliminating some out of district placements that could add hundreds of thousands of dollars to our costs. We also continue to expand our technology programs, maintain and improve our facilities, and maintain support for summer programming despite losing grant funding.

Considerations in Preparing Budget

Maintaining/Enhancing Student Services

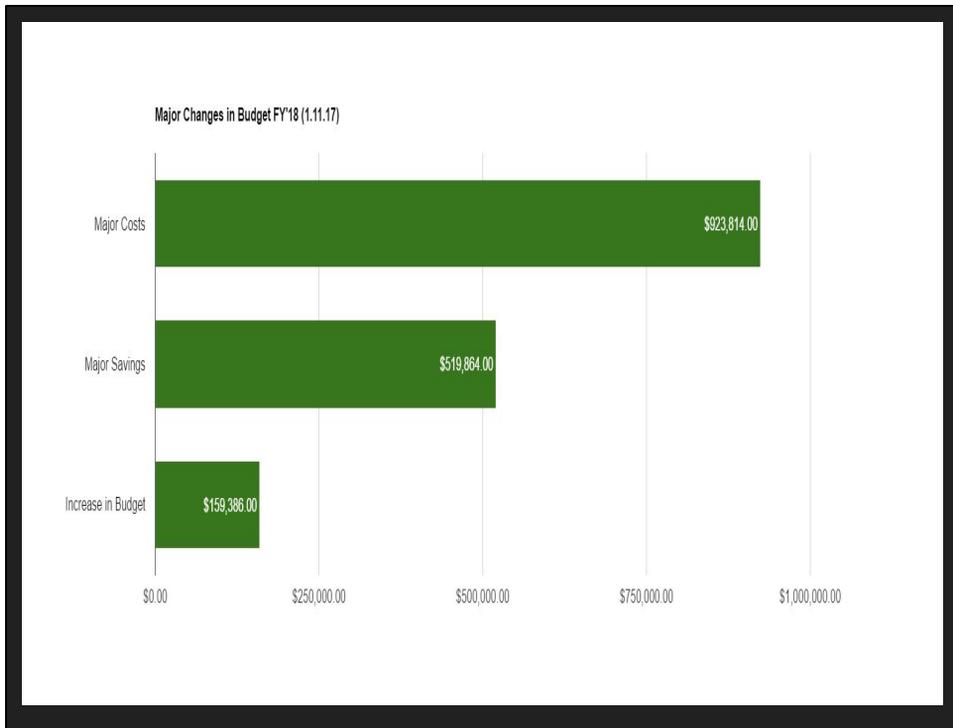
Concerns Over Affordability

- Major Cost Increases of \$923,814
- Does not include identified needs (\$450,000 to \$500,000)
- **Yet budget only increases 1% (\$159,386) and is \$1,787,006 under the FY'09 budget**

State Revenue (essentially flat)

No major operating changes

While our primary responsibility is to maintain and enhance student services, we are also cognizant of the financial situations in our towns. This year, despite increasing costs of almost a million dollars, the budget increase is only \$159,386 or 1%. To do this we expanded some program opportunities to bring students back into the district and did not add money into the budget to address many of the needs we've known about for several years, some of which were highlighted in the MARS report.



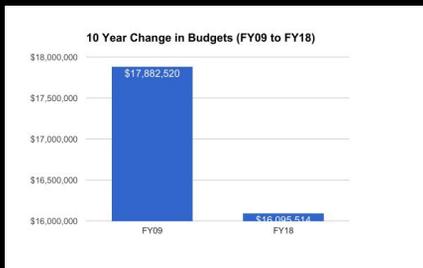
You can see that with major savings and the increase in the budget, we are still significantly short of meeting our increased major costs. In part this is due to continuing efforts by our staff to reduce wherever possible - turning off electrical appliances, finding items for the best price, locking in costs through the bidding process, replacing items with better energy efficient ones, and many other things on a daily things that help keep our costs down. Kudo's to all of our staff that have worked so diligently to help keep our costs down.

Affordability

BUDGET:

Overall Increase of **\$159,386 (1%)**

The proposed budget for next year is **\$1,787,006 less than for the 2008 -2009 school year.**



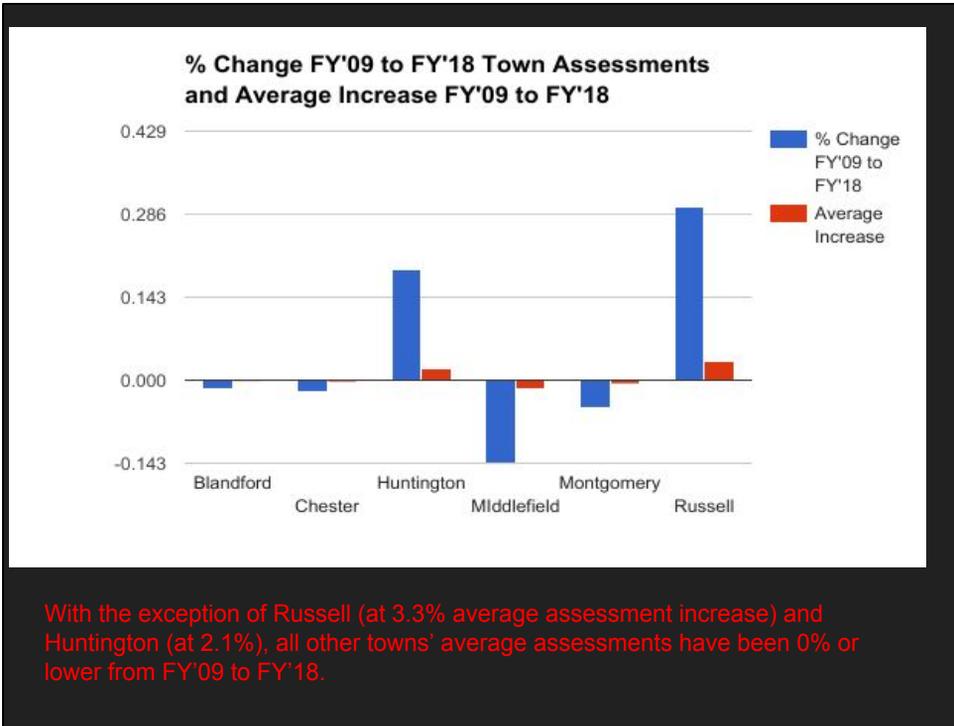
ASSESSMENTS:

Overall Assessment Increase of 2.71%

Assessments range from a **-5.94%** to **+9.51%** (due primarily to changes in student enrollment percentages)

Assessments are **\$1,068,347** under where they would be if they had grown at 2.5% per year since FY'09

As noted earlier, the FY'18 budget request is up only 1% and is nearly two million dollars under our FY'09 budget. Despite the fact that state aid is essentially flat, and that we are no longer counting on the additional funding that we believe Worthington owes the district, our overall assessments are up just 2.71%. However these assessment changes vary greatly by town given the changes in student percentages. If we grew overall assessments by 2.5% per year since 2009, assessments for next year would be over 1 million dollars higher than they are currently projected to be.



This chart shows that with the exception of Huntington and Russell, our other towns have actually seen a decrease in Gateway assessments from 2009 to 2018. On an average, only Russell has seen an increase over 2.5% and that is based upon both an increase in their minimum contribution and the more than 10% growth in their student census percentages. If we were to use the regional agreement method of calculating assessments, both Huntington and Russell's assessments would be significantly higher (to the order of hundreds of thousands of dollars). In fact, Russell and Huntington have the lowest per pupil assessment costs in the district.

Revenue Issues

State Revenue Issues:

Failure to continue mitigation funding

Failure of Governor's Budget to Address:

- Chapter 70 Foundation Review Recommendations
- Increase in costs of Regional Transportation
- Promise of 100% Regional Transportation Reimbursement

Action - 90% Regional Transportation Reimbursement would nearly negate increase in town assessments!

Total Revenue:

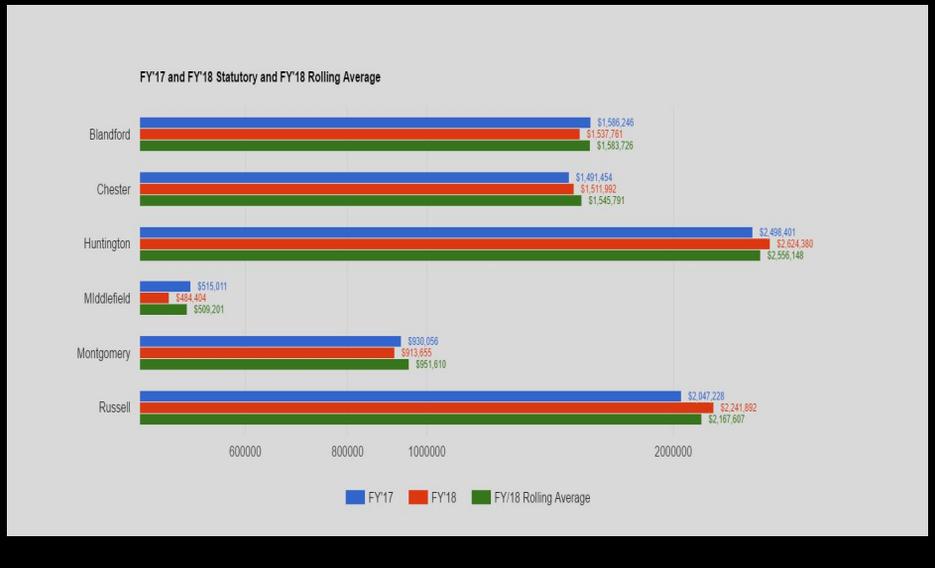
Revenue overall is down by **-\$86,302** with Governor's Budget and reduction in anticipated Worthington revenue.

Using additional funds to decrease town assessments would create a doubled impact the following year, i.e., using \$100,000 from E&D this year would eliminate the additional funding next year but the increased cost would still remain.

Need to Increase Overall Revenue - Action - Support Small & Rural Schools Initiative

We're in this situation in part due to changing town demographics in most of Massachusetts and the fact that the state, despite knowing that the foundation formula is severely flawed, has not addressed the educational funding issue (for example., the foundation formula underestimates our insurance costs by a million dollars). In addition, the state continues to underfund the promises made regarding regional transportation reimbursement and continues to fight against a fair settlement for allowing Worthington to withdraw from the district. The action required is not to vote down a reasonable Gateway budget but rather to petition the state to meet their promise regarding transportation reimbursement and to support the small and rural schools initiative as both the school committee and Blandford have done.

January 1st Census and Initial Assessments



This chart represents our initial assessment information based upon the January 1 census numbers. This will change with the March 1 census and we initially believe this will further reduce Blandford, Chester, Middlefield, and Montgomery assessments which are already either very low or lower than last year. We hope to have updated information for the March 8 school committee meeting. We also made available this evening a chart of assessments based upon using a five-year rolling average so that towns can see how using this method over the past five years would have impacted their yearly assessments. While the school committee most likely will provide the statutory assessments for annual town meetings, the towns could vote for an assessment amount using the five-year rolling average amounts which would allow us (if all six towns voted the amounts under the five-year average) to petition the DOR and DESE to allow the towns and district to use this method for FY'18. As with the regional agreement method, any one town that votes the lower amount representing the statutory method would eliminate the five-year rolling average method for all of the towns.

Questions and Next Steps

Next Steps:

- Final adjustment of assessments based upon March 1 Census
- School Committee adopts budget for town ratification
- House Budget Numbers (hopefully before first town meeting - adjustments will be made in assessments if state revenue to district is expected to increase)
- Senate Budget Numbers and Town Meetings
- State budget adopted
 - If state revenue decreases for Gateway and towns have not passed the budget, then the school committee must provide a 'new' budget.
 - If state revenue in Chapter 70 increases in state budget and towns have already passed the budget then town assessments must be reduced to account for increase in revenue
- **Questions regarding FY'18 Budget**

As always, town assessments will be changed to reflect additional state support as the budget numbers change during the House and Senate budget hearings leading to the final, approved state budget. Should the final budget provide less educational support, and the towns have not approved the budget, the district has the ability to submit a new budget with higher town assessments to make up for the loss of state revenue.