Gateway Regional School District

Financial State of the District
December 2019
## Quick View of District

<table>
<thead>
<tr>
<th>Category</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY ‘20 District Budget</td>
<td>$16,412,389</td>
</tr>
<tr>
<td>District Free &amp; Reduced</td>
<td>49%</td>
</tr>
<tr>
<td>Students Enrolled</td>
<td>830</td>
</tr>
<tr>
<td>District Owned Buildings</td>
<td>3</td>
</tr>
<tr>
<td>Students on IEP’s</td>
<td>173 (21%)</td>
</tr>
<tr>
<td>2018 Graduation Rate</td>
<td>83%</td>
</tr>
<tr>
<td>Athletic Teams</td>
<td>18</td>
</tr>
<tr>
<td>Extracurricular Offerings</td>
<td>20</td>
</tr>
<tr>
<td>Students who speak a language other than English as their first language</td>
<td>30+</td>
</tr>
<tr>
<td>Languages Spoken</td>
<td>5</td>
</tr>
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</table>

IEP (Individualized Education Program)
## Staffing

<table>
<thead>
<tr>
<th>Category</th>
<th>Percentage</th>
<th>Notes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Administration</td>
<td>8</td>
<td>Regular Education Teachers</td>
</tr>
<tr>
<td>Custodial/Maintenance</td>
<td>8.6</td>
<td>Special Education Teachers</td>
</tr>
<tr>
<td>Food Service</td>
<td>10</td>
<td>Therapeutic Staff</td>
</tr>
<tr>
<td>Non-Union</td>
<td>3.6</td>
<td>Guidance/Adjustment Counselors</td>
</tr>
<tr>
<td>Paraprofessionals</td>
<td>37.5</td>
<td>Nursing Staff</td>
</tr>
<tr>
<td>Secretaries</td>
<td>5</td>
<td>English Language Learner Teachers</td>
</tr>
<tr>
<td>Security</td>
<td>1.65</td>
<td>Ch. 74 (Vocational) Teachers</td>
</tr>
<tr>
<td>Technology</td>
<td>3</td>
<td>Psychologist</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Media Specialist</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Behavior Teacher</td>
</tr>
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</table>

Total staff - 177
<table>
<thead>
<tr>
<th></th>
<th>Chester</th>
<th>Littleville</th>
<th>Total</th>
<th>Middle School</th>
<th>High School</th>
<th>Totals</th>
</tr>
</thead>
<tbody>
<tr>
<td>PreK</td>
<td>16</td>
<td>39</td>
<td>55</td>
<td>Gr. 6 66</td>
<td>Gr. 9 54</td>
<td>428</td>
</tr>
<tr>
<td>K</td>
<td>13</td>
<td>36</td>
<td>49</td>
<td>Gr. 7 62</td>
<td>Gr. 10 38</td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>21</td>
<td>35</td>
<td>56</td>
<td>Gr. 8 66</td>
<td>Gr. 11 60</td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>17</td>
<td>55</td>
<td>72</td>
<td></td>
<td>Gr. 12 48</td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>12</td>
<td>40</td>
<td>52</td>
<td></td>
<td>Gr. 13 6</td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>23</td>
<td>42</td>
<td>65</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5</td>
<td>18</td>
<td>61</td>
<td>79</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>120</td>
<td>308</td>
<td>428</td>
<td>Total 194</td>
<td>Total 206</td>
<td></td>
</tr>
</tbody>
</table>

**Average Teacher Staff Ratios**

- Chester (K-5) = 17.3:1
- Littleville (K-5) = 19.2:1
- Middle School (6-8) = 16.2:1
- High School (9-12) = 15.2:1
Transportation

14 Contracted buses providing daily transportation to 706 students.

8 Contracted vans providing special education transportation to 29 students
   27 are transported within the district and 2 are transported to out-of-district placements

3 District owned vans/activity bus used for special trips, special education transition program
A Responsible and Realistic Budget

The goal of the Gateway’s budget process is to produce a result that is both responsible and realistic. A responsible budget addresses the various needs of our students based on data and individual school and district goals.

In order to work with the towns on affordability, a realistic budget would meet student needs through the most efficient use of existing and, as necessary, additional resources.

We strive to achieve both of these goals with the budget proposal.
FUTURE BUDGET PLANNING

- Central office support/transportation support position/7D (van) drivers
- Continued literacy support
- Increase math support
- Continued support of Positive Behavior Interventions and Support Systems (PBIS)
- Chapter 74 preschool program - compliance updates
- Regional transportation bid - Current contract ends 6/30/2020
- Funding of OPEB, stabilization accounts
- Funding student work opportunities
FUTURE PLANNING FOR LIABILITIES

Funding OPEB (Other Post Employment Benefits) - Health Insurance & Retirement

Balance in OPEB account through PARS (Public Agency Retirement Services) - $141,740.37 (10/31/19)

Recommendation to transfer June 2020 balance from Insurance Revolving to fund OPEB.

Recommendation to budget annual amount to fund OPEB/Pension Liability

OPEB/Pension liability amount from FY ‘18 audit - $17,476,000
FUTURE FINANCIAL PLANNING

Funding Capital Stabilization Account

Current balance - $0

Need to prepare for capital needs

- Roof replacement
- Van replacement
- Telephone replacement
- Boiler replacement

Recommendation to include an annual amount in budget

For FY ‘22 budget - Recommend budgeting $50,000 in stabilization account

Work with towns on Green Community Grants (specifically boilers)
FUTURE FINANCIAL PLANNING

Funding Compensated Absences Account

Current balance - $400,033

Audit recommends fully funding compensated absence liability
FY ‘20 estimated liability - $439,204

Recommendation to include annual amount in budget to cover total liability
($10,000 budgeted in FY ‘20)

Recommendation to transfer any residual balances from employee separation costs account
to compensated absences reserve account at the conclusion of each year.
DEBT REMAINING- MSBA PAYBACK
(Massachusetts School Building Authority)

Obligation ends November 2023 (FY ’24 budget)

14 annual payments due to MSBA

FY ’11 - $327,655 - Year 1
FY ’12 - $327,655 - Year 2
FY ’13 - $327,655 - Year 3
FY ’14 - $327,655 - Year 4
FY ’15 - $327,655 - Year 5
FY ’16 - $85,100 - Year 6
FY ’17 - $85,100 - Year 7
FY ’18 - $85,100 - Year 8
FY ’19 - $222,995 - Year 9 BLD - $85,100  RUS - $137,895
FY ’20 - $222,995 - Year 10 BLD - $85,100  RUS - $137,895
FY ’21 - $222,995 - Year 11 BLD - $85,100  RUS - $137,895
FY ’22 - $222,995 - Year 12 BLD - $85,100  RUS - $137,895
FY ’23 - $222,995 - Year 13 BLD - $85,100  RUS - $137,895
FY ’24 - $222,995 - Year 14 BLD - $85,100  RUS - $137,895

Total - FY ’21 - FY ’24 - $891,980
<table>
<thead>
<tr>
<th>Year</th>
<th>Principal</th>
<th>Interest</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY '20</td>
<td>$475,000</td>
<td>$115,100</td>
<td>$590,100</td>
</tr>
<tr>
<td>FY '21</td>
<td><strong>$500,000</strong></td>
<td><strong>$95,600</strong></td>
<td><strong>$595,600</strong></td>
</tr>
<tr>
<td>FY '22</td>
<td>$510,000</td>
<td>$75,400</td>
<td>$585,400</td>
</tr>
<tr>
<td>FY '23</td>
<td>$525,000</td>
<td>$54,700</td>
<td>$579,700</td>
</tr>
<tr>
<td>FY '24</td>
<td>$545,000</td>
<td>$33,300</td>
<td>$578,300</td>
</tr>
<tr>
<td>FY '25</td>
<td>$560,000</td>
<td>$11,200</td>
<td>$571,200</td>
</tr>
<tr>
<td>Total</td>
<td><strong>$3,115,000</strong></td>
<td><strong>$385,300</strong></td>
<td><strong>$3,500,300</strong></td>
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</tbody>
</table>
ATHLETIC REVOLVING

Revenue of approximately $26,000 in user fees per year and $6,300 in gate receipts

Athletic revolving account offsets approximately 18% of all athletic program costs

Athletic fees and gate receipts cover athletic costs of:

- Transportation
- Athletic Dues
- Clock Operators
- Uniforms
- Game Officials
- Police Coverage
- Supplies
- Ticket Takers
- Conference Transportation
BUILDING USE REVOLVING

Building use fees fund the following:

- **Staff (as necessary) for event**
  - Custodial
  - Food Service
  - Technical

- **Upkeep of facilities and grounds**

- **Supplies and equipment for auditorium**
The balance from this fund is allowed to be carried for one year. This reimbursement fund allows the district to level transportation reimbursement from year to year to alleviate transportation funding issues that may arise during the fiscal year.
REGIONAL TRANSPORTATION REIMBURSEMENT

Based upon expenditures from previous year/end-of-the-year financial report
Riders that live less than 1.5 miles from school are not reimbursable
Currently Gateway has approximately 91% reimbursable ridership

$849,867 total regional transportation in FY ’19 @ 91% = $773,379
Projected State Reimbursement for FY ‘20 is 80% or $618,703

Budgeted $611,600 for reimbursement in FY ‘20
Cherry sheet figure for FY ’20 reimbursement = $647,511
SCHOOL CHOICE REVOLVING

School Choice Revenue in FY ‘19 was $295,570

The school choice account has been used to fund technology expenditures for:

- Technology staff
- MacBooks, Chromebooks, iPads, etc.
- Non-instructional building technology software
- Curriculum improvement software

Expenditures from the School Choice Account in the last five years have been between $207,000 and $263,000 per year.
CIRCUIT BREAKER REVOLVING

Circuit Breaker Balance FY ‘19 is $66,719.50 (This amount is required to be expended in FY ‘20) and will partially cover special education tuitions.

Circuit Breaker receipts for FY ‘20 anticipated amount = $162,690

Circuit Breaker base amount is set by the Department of Elementary and Secondary Education (DESE).

Base amount = 4X foundation amount ($11,448) = $45,792

Reimbursement is calculated on expenditures above the base amount. Reimbursement percentage should be 75% (subject to appropriation)

Reimbursement Example:

Special education services for a student = $50,000
$50,000 - $45,792 = $4,208 X 75% reimbursement = $3,156
Wrap around revolving receipts in FY '18 were $92,804 and expenditures were $70,217.

Wrap around revolving receipts in FY '19 were $115,953 and expenditures were $101,058.

Wrap around revolving funds the following:

- Wrap-Around Staff
- Summer Field Trips
- Custodial Time
- Secretarial Time
- Stipends for Mini-Course Staff
- Supplies
- Nursing Time
<table>
<thead>
<tr>
<th>Account</th>
<th>FY '18</th>
<th>FY '19</th>
</tr>
</thead>
<tbody>
<tr>
<td>Athletic Revolving</td>
<td>$75,986</td>
<td>$69,228</td>
</tr>
<tr>
<td>Building Use Revolving</td>
<td>$50,763</td>
<td>$43,926</td>
</tr>
<tr>
<td>Regional Transp. Reimbursement</td>
<td>$88,153</td>
<td>$64,807</td>
</tr>
<tr>
<td>School Choice Revolving</td>
<td>$674,279</td>
<td>$739,170</td>
</tr>
<tr>
<td>Circuit Breaker Revolving</td>
<td>$169,150</td>
<td>$66,719</td>
</tr>
<tr>
<td>Wrap Around Revolving</td>
<td>$171,109</td>
<td>$186,005</td>
</tr>
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### FY ‘20 GRANTS

Department of Elementary and Secondary Education (DESE) and Early Education and Care (EEC) Administered Grants

<table>
<thead>
<tr>
<th>Program</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>IDEA (Special Ed.)</td>
<td>$288,016</td>
</tr>
<tr>
<td>Title I</td>
<td>$147,666</td>
</tr>
<tr>
<td>Inclusive Preschool</td>
<td>$ 30,000</td>
</tr>
<tr>
<td>Title II</td>
<td>$ 28,211</td>
</tr>
<tr>
<td>Safe Schools Grant</td>
<td>$ 20,000</td>
</tr>
<tr>
<td>Special Ed. Preschool</td>
<td>$ 12,961</td>
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<tr>
<td>Title IV</td>
<td>$ 10,000</td>
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</table>

IDEA = Individuals with Disabilities Education Act
EXCESS & DEFICIENCY

Excess & Deficiency 6/30/18 = $797,400
Excess & Deficiency 6/30/19 = $765,650 (4.67%)
(Excess & Deficiency limit of 5% of current budget = $820,619)
E & D used to offset FY ‘20 budget = $421,000
Projected budget amount of E & D to offset FY ‘21 budget = $385,000
FY ‘21 INITIAL BUDGET PROJECTIONS

FY ‘20 Total Budget = $16,412,389

FY ‘21 Initial Budget = $16,828,114

Dollar Increase = $ 415,725

Percentage Increase = 2.53%
FY ‘21 MAIN BUDGET DRIVERS

Insurance costs - $145,000+

Special education tuition and related services - $90,000+

Transportation - $184,000+ (Homeless, Regional, Special Ed.)

Elimination of preschool grant - $30,000
FY’ 21 BUDGET CONCERNS

- Question of Rural School Aid continuing
- No savings from Blizzard Bags due to DESE ending this option
- Need to budget for OPEB, capital stabilization, special education stabilization
- Early childhood grant ends in FY ’20 (covered $30,000 of preschool teacher salary)
- Athletic user fees are not keeping pace with expenses
- Superintendent search costs
Gateway “The Great Way”

Offering the ONLY Chapter 74 Welding Program in the immediate area

Offering a new Chapter 74 Early Childhood Program

1:1 Chromebook distribution in grades 3 through 12

Full inclusion kindergarten through grade 8

Free high-quality early education learning opportunities offered for 3-4 year olds.

Chester and Littleville after school activities and wrap-around before and after school daycare program offered (K - 5). Additionally Littleville offers summer program (field trips included free of charge to all participants)

Small class sizes

18 athletic teams servicing grades 6-12, many of which have had successful tournament qualifications

Offering 20 extra curricular offerings

Implementation of Positive Behavioral Interventions and Supports (PBIS) at all schools

Free universal breakfast and lunch is offered to all students at Chester Elementary School

Best Buddies program at the high school level

Piloting program to hire high school students for various work opportunities within the district

School-based health center on site offering medical, dental, behavioral health, and optometry services