

Sustainability Issues Facilitated Discussion

February 1, 2018

Assessment Changes

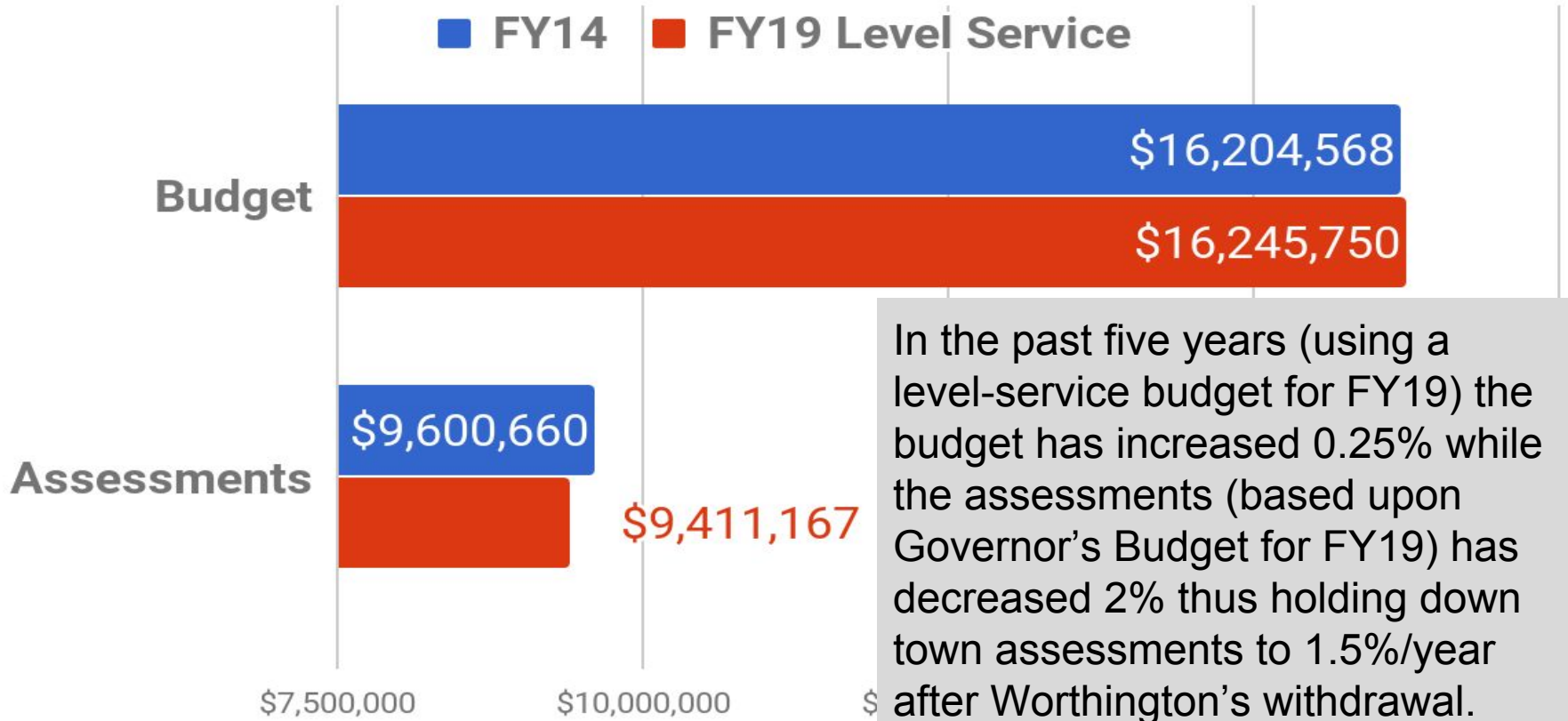
In FY'15 the district lost Worthington's contribution (it was \$1,022,773 in FY'14) yet the remaining towns' assessments have increased by only \$406,672 since FY'15, or roughly 1.5% per year (at level service for FY'19). The state provided 'mitigation' funding of \$630,000 but only for one year.

This means that the district absorbed the difference since FY'14 of \$616,101 in the loss of assessments as well as holding the budget essentially level despite increases in costs (insurance, utilities, etc.).

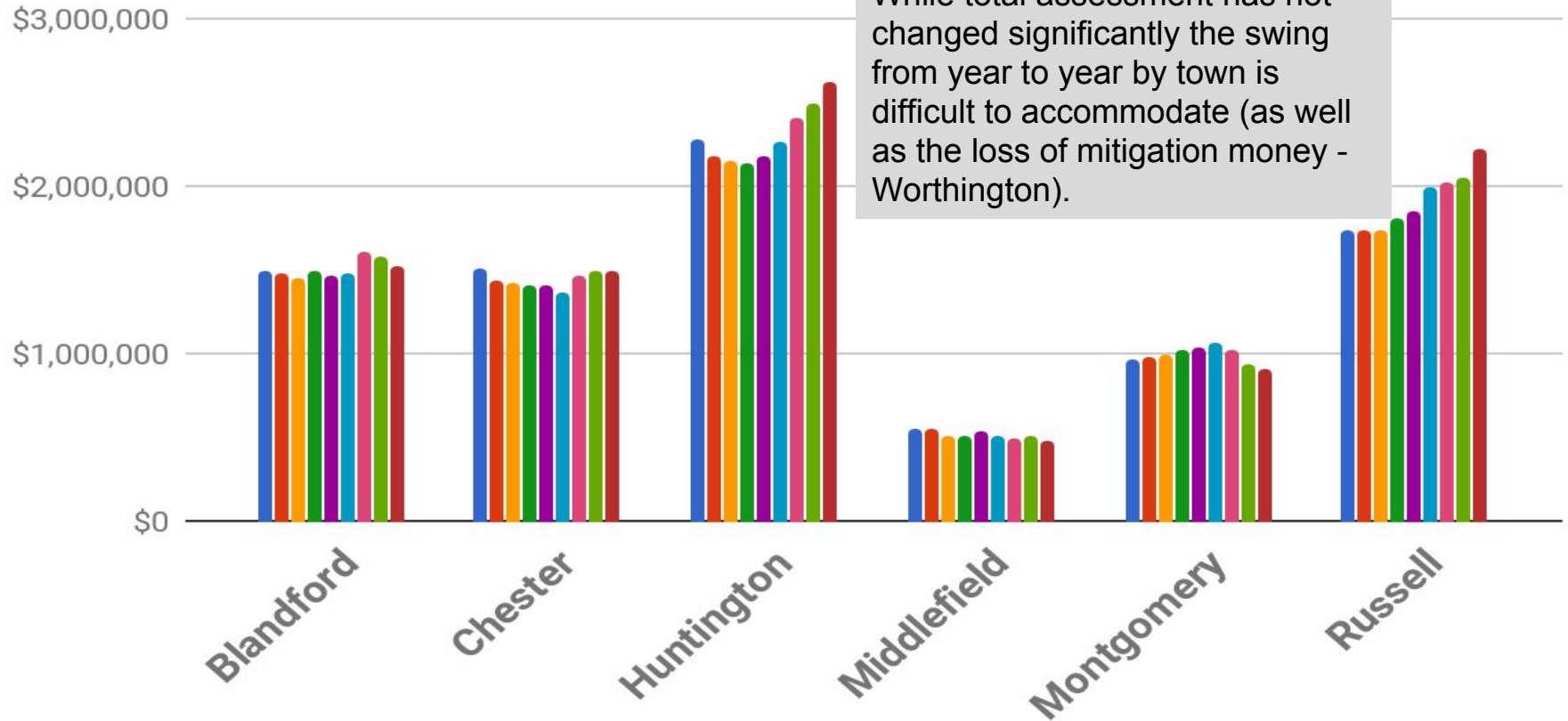
Some towns have seen decreases while others have seen increases due to changes in both Minimum Contributions and enrollment percentage. These dramatic swings make it difficult for towns to budget for assessments.

An ongoing recommendation is to level out these swings.

Budget and Assessments FY14 to FY19

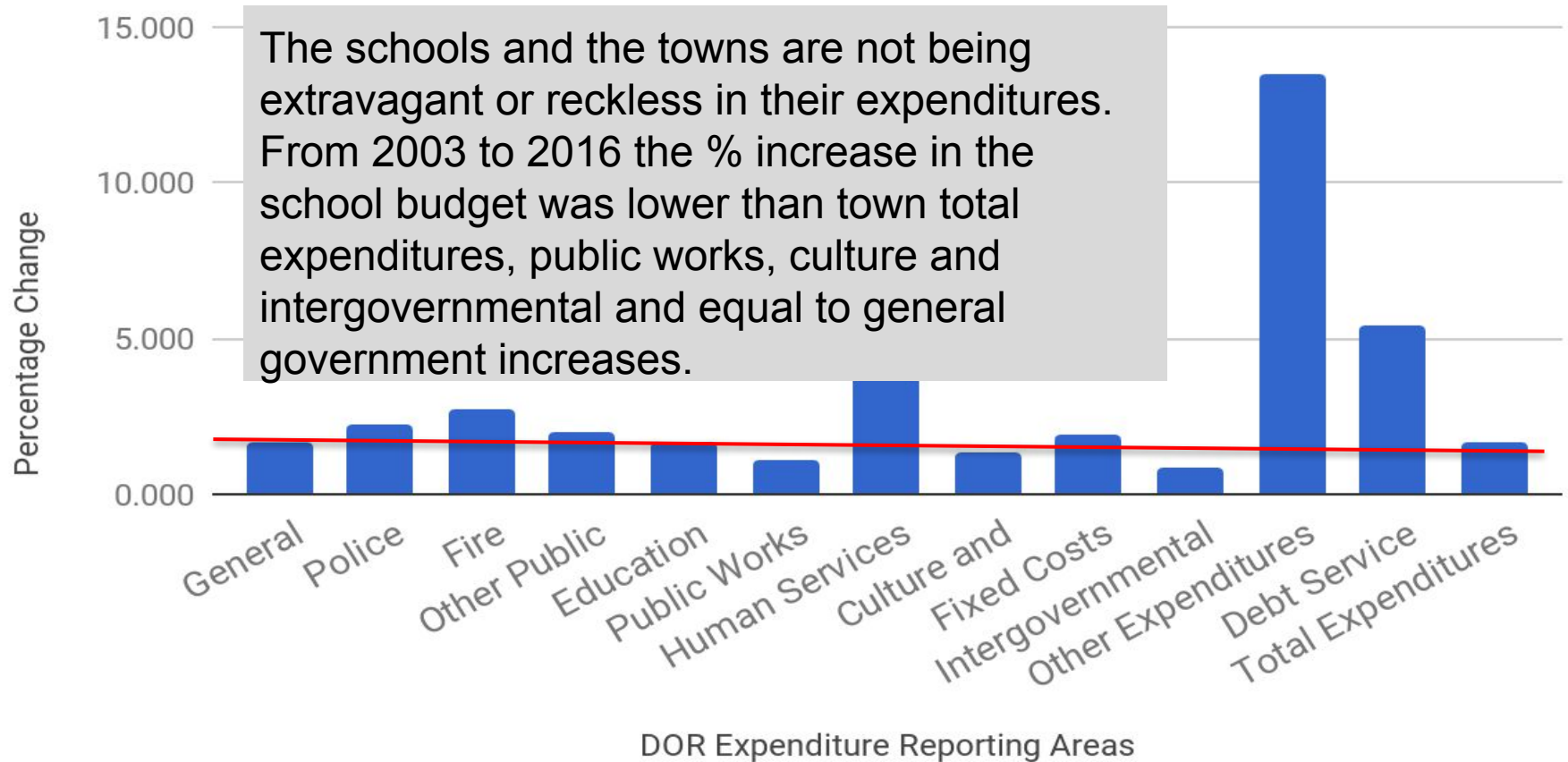


Town Assessments FY10 to FY18



While total assessment has not changed significantly the swing from year to year by town is difficult to accommodate (as well as the loss of mitigation money - Worthington).

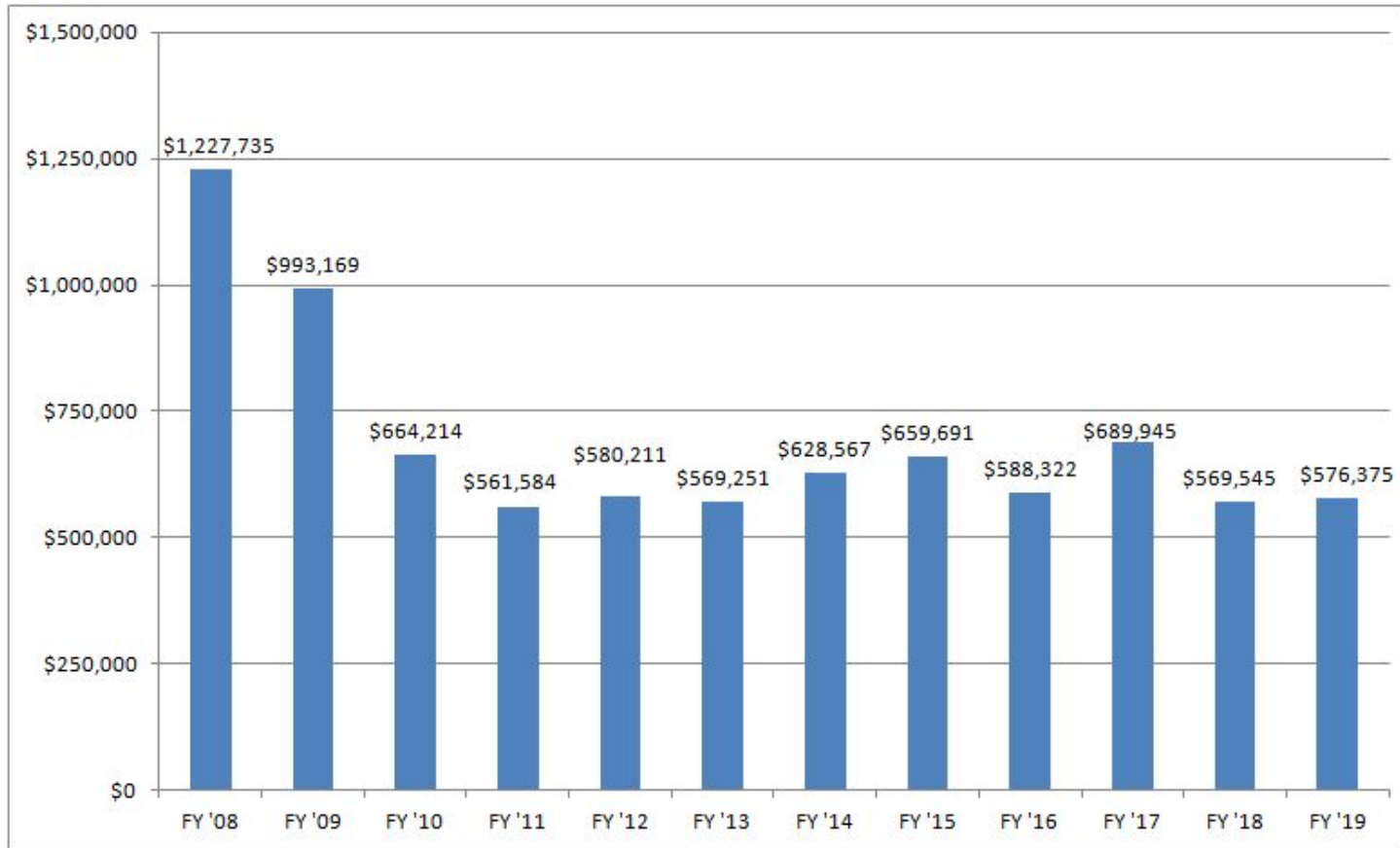
Percentage Change in Municipal Expenditures 2003 to 2016



Requests (not requiring appropriations)

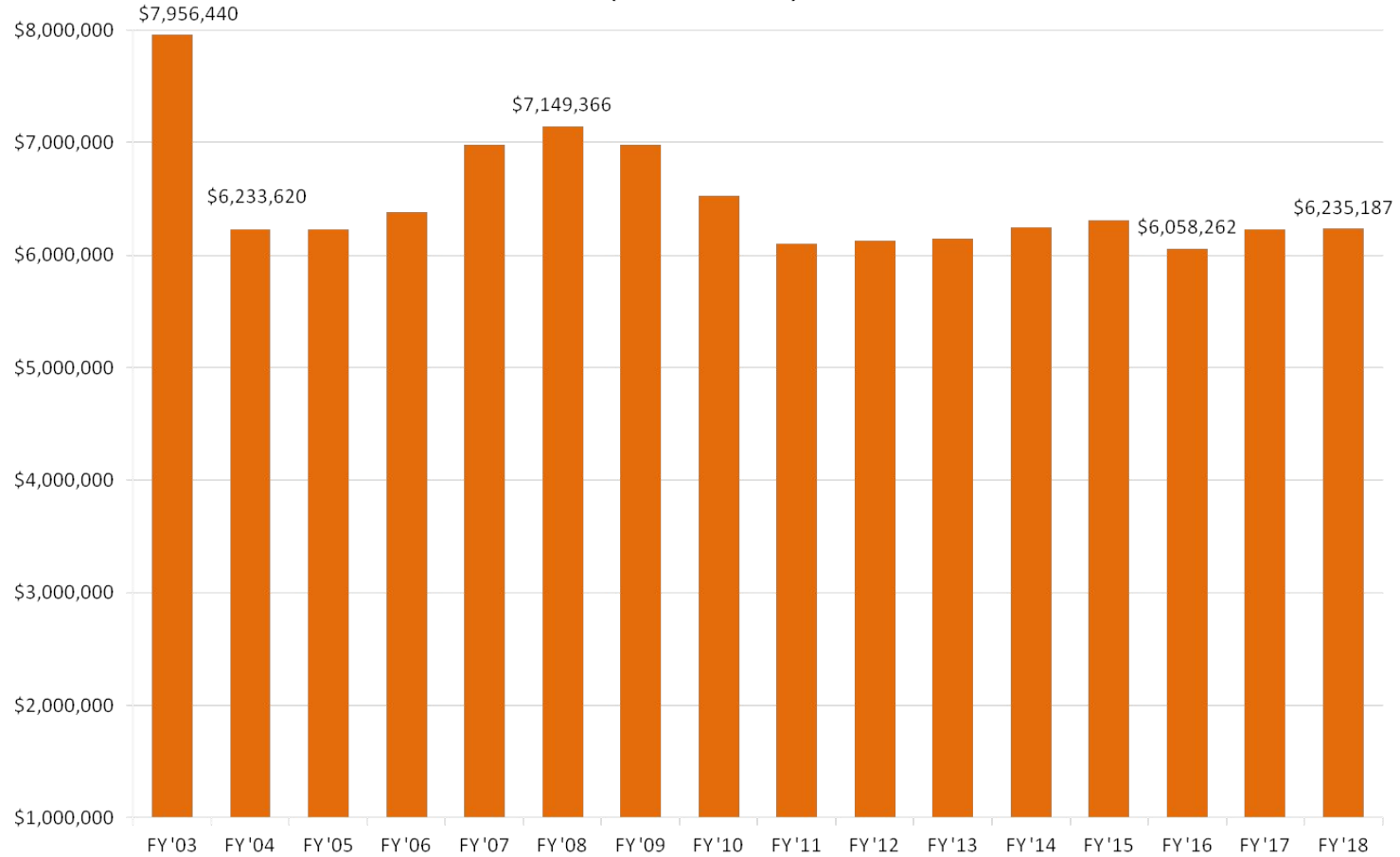
1. Special legislation to allow “Pilot Assessment Program” as recommended by Suzanne Bump and supported by Jeff Wulfson
2. Eliminate MSBA Repayment
 - a. 963 CMR Section 2:21 dealing with recapture from MSBA
 - i. (2) If the Authority determines that said facility that will be sold, leased or removed from service is an Assisted Facility or was an Assisted Facility that has received a payment from the Authority or the Commonwealth, but has not met the 50-year service requirement, the Authority **may** recapture a portion of the financial assistance that said Assisted Facility has received.
 - b. The buildings are being used for municipal purposes
3. Change parameters of ‘School Choice’
 - a. Have the same 2% of foundation enrollment - maximum choice out for individual school districts. Gateway = 851 foundation enrollment @ 2% = 17 students (presently have 96) – would save approx. \$395,000 at straight out \$5,000 per student calculation, which does not include special education increments. Those students who currently school choice out would be grandfathered and may still choice out with the district responsible for the costs. However, as students drop off that list by moving, graduating, returning to the district, etc. the choice numbers would be reduced until such time as they reached the 2% level. This would not apply to Level 4 school districts.
 - i. **In fiscal year 2018 and thereafter, outgoing school choice students shall not exceed two percent of the total foundation enrollment of students attending said public school and/or regional school district.**
 - b. Deadline for applications for choice and charter should be April 1 (matching the vocational and special education out-of-district placement deadline) – thus allowing school districts to budget accordingly. If a parent/guardian chooses to send their child out of district after that date and have not met the March 1 deadline, they still may choice out their child, but the parent would then have the responsibility of paying the costs to the receiving district for that school year, or the receiving district could waive the cost for that year.
 - i. **Applications for school choice admission must be filed by April 1 of the preceding year in which the student wishes to change schools.**

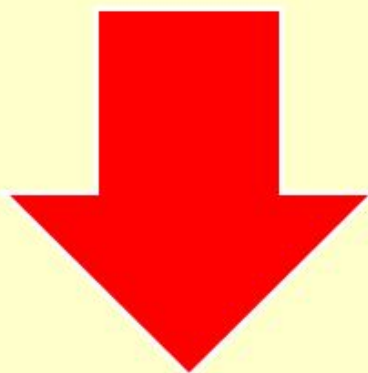
Transportation Reimbursement



Historical State Aid

(FY '18 Estimated)

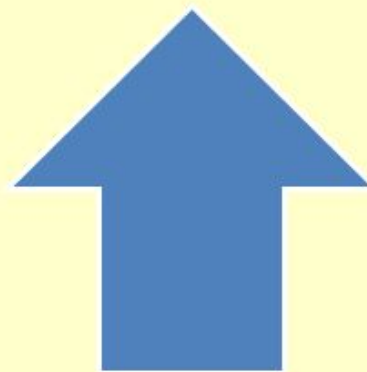




State Aid
Loss
\$1.75 million
since 2003



Assessment
Increase
\$1.79 million
since 2003



Financial Support Needed

Small and Rural schools are facing significant challenges in terms of sustainability - decreasing student populations, town economic stagnation, increasing numbers of seniors on fixed incomes - even if school budgets remain steady assessments are increasing due to state support not keeping pace with inflation given the set fixed costs of so many rural schools.

- Fully funding regional transportation reimbursement, or at least keeping % the same over time, would eliminate much of the swing issue
- Acknowledging differences and then funding Rural School Aid would put smaller/rural schools on a more equal footing with suburban schools
- Eliminating or funding mandates (and recognizing the staffing limitations of smaller schools) would help financially