
**SUPERINTENDENT OF SCHOOLS
GATEWAY REGIONAL SCHOOL DISTRICT**

BLANDFORD CHESTER HUNTINGTON MIDDLEFIELD MONTGOMERY RUSSELL WORTHINGTON

TO: SCHOOL COMMITTEE
FROM: DR. HOPSON
SUBJECT: FY'16 AND FY'17 UPDATES
DATE: JANUARY 6, 2016
CC: LEADERSHIP TEAM

We have been working with DESE since just before the holiday vacation to implement DESE's FY'16 budget resolution. As everyone has access to the [DESE letter](#), I'd like to briefly summarize what we're doing and what changes have occurred due to the DESE setting the budget.

- DESE set the budget at \$16,362,662
 - This is a .25% reduction, approximately **\$44,000**
 - DESE requires engaging a consultant up to \$30,000
- Worked with DESE to reflect necessary changes - the revised FY'16 budget was approved verbally by DESE on January 6 and we'll send out town assessment letters when this is confirmed in writing
- Under regulations DESE now has the authority (rather than the school committee) to:
 - Adopt district budget for FY'16
 - Transfer money between line items
 - Encumber or expend money not in general budget
 - Approve borrowing
 - Execute new or amended collective bargaining agreements
 - Execute new contracts or amendments in excess of \$25,000
 - Change user fees
- The question from Blandford's finance committee regarding contractual obligations was answered that all existing obligations remain in place (question was specifically directed at administrative contracts)
- Working on an RFP for consultant and will seek DESE approval
- All day to day operations of the district continue as they did before (i.e., DESE does not make decisions regarding day to day operations, does not approve expenditures of funds within line items, and does not have a representative 'on-site')
- DESE will remain in 'fiscal control' until the towns approve a FY'17 budget or until the end of the fiscal year (whichever occurs last)

FY'17 Budget - Actions to Date:

- Overview of Budget process [video](#)
- Proposed [Budget Timeline](#) Developed
- Budget Choices [Video](#)
 - School Committee votes to adopt goal of adding 2.5% to FY'16 budget without mitigation funding
- [Memo](#) to School Committee outlining changes to meet School Committee Budget Goal
- FY'17 Working Draft Copy of Line Item Budget provided to school committee (January 6 meeting)
 - Draft incorporates items from December Meeting
 - Draft requires no layoffs of staff
 - Draft needs further work to meet expenditure goal

**Major Changes in Budget (DESE)
compared to SC adopted:**

- **1000 Acct - District Admin**
 - Increase in contracted services - Consultant \$30,000
 - Increase in school committee dues/expenses – MASC/MASS Conference Attendance \$988
 - Reduction central office expense **(\$706)**
 - Reduction central office secretary - resigned not replaced **(\$8,802)**
- **2000 Acct - Instructional Services**
 - PSV contracted services - additional student services \$36,153
 - Chief Academic Officer Expense **(\$476)**
 - Overall change in secretarial costs \$390
 - Change in teacher costs **(\$73,108)**
 - Change in adjustment counselor **(\$31,387)**
 - Tutor stipends **(\$7,800)**
 - Professional Development **(\$8,164)**
- **3000 Acct - Other School Services**
 - Nursing \$2,000 (Nurse substitute)
 - Regional Transportation \$175,002
 - Special Educ Transportation \$39,634
 - Homeless Transportation \$21,406
 - Security Subs \$29,214
 - Security Salary **(\$29,214)**
- **4000 Acct - Operation/Maintenance**
 - Electrical Costs **(\$40,392)**
 - Trash Service **(\$3,176)**
- **5000 Acct - Fixed Charges**
 - Health Insurance, active employees \$4,658
- **7000 Acct - Fixed Assets**
 - MSBA Payback **(\$242,555)**
- **9000 Acct - Programs with other schools**
 - Special Educ \$41,319
 - Tuition to Collaboratives \$20,935

Total Change

- \$16,406,639 to \$16,362,662 = **(\$43,977)**

2017 Budget

Major Changes from FY'16 to FY'17:

- **1000 Acct - District Admin**
 - Salaries 16,786
 - Contracted Services **(\$30,000)** (Consultant)
 - Misc. expense/travel **(\$8,001)**
- **2000 Acct - Instructional Services**
 - Administrative Salaries **(\$90,838)**
 - Secretarial Salaries **(\$20,765)**
 - Staffing not admin/secretary – **(\$78,816)**
 - PSV Contracted Services \$41,847
 - Misc. Expense/Travel **(\$650)**
 - Professional Development **(\$23,272)**
 - Instructional Supplies/Equip/Software \$1,199
 - High School Accreditation \$6,900
 - High School Textbooks **(\$9,080)**
- **3000 Acct - Other School Services**
 - Regional Transportation **(\$47,916)**
 - Co-Curricular **(\$16,421)**
- **4000 Acct - Operations/Maintenance**
 - Supplies/Maintenance **(\$2,513)**
 - Utilities **(\$26,692)**
 - Contracted Services/Inspections \$2,414
- **5000 Acct - Fixed Charges**
 - Retirement/403b/Workers Comp \$20,770
 - Insurance Health \$84,299
 - Insurance Other \$6,863
 - Medicaid Billing \$74
- **7000 Acct - Fixed Assets**
 - Improvement **(\$135,837)**
- **8000 Acct - Debt**
 - Debt Retirement/Service **(\$65,432)**
- **9000 Acct - Programs with Other Schools**
 - Programs with other Schools \$46,504
 - Tuition to Collaboratives- **(\$20,935)**

Total Change

- FY'16 as adopted by School Committee
 - \$16,406,639 - \$16,039,321 = **(\$367,318)**
- FY'16 as set by DESE
 - \$16,362,662 - \$16,039,321 = **(\$323,341)**