



INFORMAL MEETING OF MAY 6, 2019

Informal Meeting of the City Council was held in the City Council Chamber, Room 219, City Hall, on Monday, May 6, 2019.

CALL TO ORDER

Council President Scott Joseph Graves called the meeting to order at 6:30 o'clock p.m.

ATTENDANCE

Ten (10) Councillors were present including President Scott Joseph Graves and Councillors Nathan Boudreau, James Boone, Ronald Cormier, Edward Gravel, Karen Hardern, Christine Johnson, James Johnson, Elizabeth Kazinskas, and James Walsh. Councillor Craig Cormier was absent.

Superintendent Mark Pellegrino presented a Power Point, attached hereto.

❖ **Developing a Budget (Definitions)**

- Restorations and Adjustments.
- Additions.
- (Reductions)
- Level Services Budget
- Expected Funding
- Funding Gap

❖ **Budget Restorations & Adjustments**

- | | |
|---|-----------------|
| ○ Replace 1 Para with an RBT at GMS | \$ 6,000 |
| ○ Replace 1 Para with an RBT at Elm Street School | \$ 6,000 |
| ○ Nurse (Replace 0.5 FTE Grant Funding) at GALT | <u>\$26,289</u> |
| Total Budget Restorations & Adjustments | <u>\$38,289</u> |

2 Paraprofessionals are now registered as Registered Behavioral Technicians, resulting in salary adjustments for each.

Grant funding no longer allowed to pay for Nurse at GALT.

❖ **Budget Additions**

- | | |
|------------------------------|----------|
| ○ School Psychologist at WSS | \$65,000 |
|------------------------------|----------|

School Psychologist needed at WSS due to behavioral issues in the classrooms. Currently, there is only 1 School Psychologist between Elm Street and Waterford Street Schools. The School Psychologist performs testing and behavioral programming. School Counselors work with individuals at each school and the need has increased dramatically.



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❖ **Budget Reductions**

- Retirement Savings (\$55,000)

Savings due to hiring replacement staff at lower salaries (i.e. entry level).

❖ Total Net Adjustments/Additions/(Reductions)	FY19	FY20	
○ Total Budget Adjustments	\$117,318	\$ 38,289	
○ Total Budget Additions	\$ 92,829	\$ 65,000	
○ Total Budget Reductions	(\$96,100)	(\$55,000)	
Net Budget Impact	\$114,048	\$ 48,289	

❖ Salaries FY20	<u>FY19</u>	<u>FY20</u>	<u>Diff.</u>	<u>%</u>
○ Regular Education Instr.	\$8,681,561	\$8,976,128	\$294,567	3.4%
○ SPED Instruction	\$4,309,891	\$4,602,347	\$292,456	6.8%
○ Support Services	\$1,973,036	\$2,060,586	\$ 87,550	4.4%
○ School Administration	\$1,714,032	\$1,752,265	\$ 38,233	2.2%
○ Central Administration	\$ 571,719	\$ 572,385	\$ 667	0.1%
○ Information Services	\$ 206,114	\$ 212,260	\$ 6,146	3.0%
○ Facilities	\$ 200,857	\$ 211,230	\$ 10,373	5.2%
○ Substitutes	\$ 212,000	\$ 212,000	\$ -0-	0.0%
Total Payroll	\$17,869,211	\$18,599,201	\$729,991	4.1%

**Increase in salaries includes 2% COLA, step and lane changes, FY19 hires at higher steps than FY2018.*

Experienced SPED Teachers are hired at higher salaries.

Substitutes are paid \$70 to \$80 per day. Shortage of Substitutes is problematic.

Councillor Walsh questioned whether Employee Step increases are advantageous.

Superintendent Pellegrino stated that Step increases are good for staff retention.

Longevity payments are also included in the contracts.

❖ Expenses FY20	<u>FY19</u>	<u>FY20</u>	<u>Diff.</u>	<u>%</u>
○ Regular Education Instruction	\$ 166,163	\$ 164,726	(\$ 1,437)	(0.9%)
○ SPED Instruction	\$ 159,310	\$ 171,206	\$ 11,896	7.5%
○ Support Services	\$ 99,105	\$ 115,546	\$ 16,441	16.6%
○ Program/Staff Development	\$ 56,316	\$ 51,629	(\$ 4,687)	(8.3%)
○ Other Programs (OOD)	\$ 987,267	\$1,182,464	\$195,197	19.8%
○ School Administration	\$ 172,773	\$ 165,218	(\$ 7,555)	(4.4%)



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○ Central Administration	\$ 253,217	\$ 230,465	(\$ 22,752)	(9.0%)
○ Information Services	\$ 345,145	\$ 281,087	(\$ 64,058)	(18.6%)
○ Facilities	\$1,136,554	\$1,236,040	\$ 99,486	8.8%
○ Transportation	\$1,496,763	\$1,603,311	\$106,548	7.1%
○ Utilities	\$ 511,517	\$ 513,474	\$ 1,957	0.4%
○ Other Oper./Control Accts	\$ 363,390	\$ 372,502	\$ 9,112	2.5%
Total Expenses	\$5,747,520	\$6,087,668	\$340,148	5.9%

\$195,000 or 19.8% increase in expenses for Out-of-District (“OOD”) Placements. School District pays for two students to attend school in Springfield.

Transportation expenses up 7.1% due to increase in regular and homeless students (e.g. DCF custody) transportation. Regular Transportation Busing Contract in second and final year.

Councillor Christine Johnson questioned whether anyone has presented the concept of eliminating school busing for students in Grades 7 through 12.

Mayor Hawke responded, saying that parents are unable to afford an additional \$40 per month for bus transportation.

Information Services decreased by 18% due to Mr. O’Keefe’s efforts to streamline.

❖ **Circuit Breaker Revolving Fund**

FY20 Out-of-District Total Tuition	MINUS FY19 Circuit Breaker Revenue	Equals FY20 OOD Tuition Funded by General Budget
\$1,606,792	\$424,328	\$1,182,464

❖ **Costs that do NOT Apply to Net School Spending**

○ Category	FY19	FY20	Diff.	%
○ Regular Transportation	\$708,120	\$729,360	\$21,240	3.0%
○ McKinney Vento Transp.	\$170,944	\$185,000	\$14,056	8.2%
○ SPED Transportation	\$617,699	\$688,951	\$71,252	11.5%
○ Crossing Guard Expense	\$ 500	\$ 600	\$ 100	20.0%
○ Crossing Guards	\$ 56,000	\$ 58,000	\$ 2,000	3.6%
○ Bus Monitors	\$ 45,000	\$ 51,500	\$ 6,500	14.4%
Total	\$1,598,263	\$1,713,411	\$115,148	7.2%



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❖ Revenue Projection	FY19	FY20	Diff.	%
○ State Funding (Ch. 70)	\$19,725,204	\$20,546,704	\$ 821,500	4.16%
○ Required City Funding for NSS	\$9,085,400	\$9,407,061	\$ 321,661	3.54%
○ City Funding over NSS	<u>\$1,442,400</u>	<u>\$1,070,794</u>	<u>(\$371,606)</u>	<u>(25.76%)</u>
Total Revenue	\$30,253,004	\$31,024,559	\$771,555	2.55%
❖ Funding Gap	FY19	FY20	Diff.	%
○ Total Funding	\$30,253,004	\$31,024,559	\$771,555	2.55%
○ Total School Budget	\$23,616,731	\$24,735,158	\$1,118,428	4.74%
○ Budgeted Costs that do not apply to NSS	(\$1,598,263)	(\$1,713,411)	(\$115,148)	7.20%
○ City Budgeted Indirect Costs	\$8,238,481	\$8,398,073	\$159,592	1.94%
○ Total NSS Expense	\$30,256,949	\$31,419,820	\$1,162,872	3.84%
		(\$395,261)	Budget Gap	
❖ The Bottom Line				
○ Funding Gap after H.2 Budget Release, April 11, 2019 =			(\$395,261).	
❖ Closing the Budget Gap				
○ Budget Gap as of 3/11/2019		(\$642,296)		
○ Additional Funding Above NSS		\$154,859		
○ ESS Increase in Supplies		(\$ 6,331)		
○ Decrease in MIS & Software		\$ 38,790		
○ Additional State Fund (H2)		\$ 59,717		
○ Budget Gap as of 4/11/2019		(\$395,261)		
○ District (Academic) Coaches		\$127,608.50		
○ Reclassify Choice		<u>\$267,652.50</u>		
		\$395,261.00		
Close the Gap		\$ 0.00		

The District will not have to cut any staff positions beyond the 2 District Academic Coaches. Vice-Principals also serve as (building) Academic Coaches – coaching teachers.

- ❖ What causes tension between Gardner taxpayers and Gardner Public Schools?

Facts:

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- Every year, the foundation formula calculates the minimum required spending increase for the schools based on our population.
- Until three years ago, GPS always operated on the minimum budget allowable by the State.
- The City of Gardner has increased the local contribution to almost \$1 Million above their minimum required contribution.

Question: How can this still not be enough for our schools?

Cause:

- The foundation formula worked well from 1993 to 2002; however, it is now antiquated and underfunds schools throughout the Commonwealth.
 - Districts are required to spend more than the foundation formula dictates because of unfunded mandates and necessary supports for our students.
- ❖ Funding Progress in Massachusetts has eroded.
 - ❖ Foundation Budget Undercounts Critical Costs by \$2.63 Billion
 - ❖ Foundation Budget is Substantially Less than What All Districts Need, Wealthier Communities Can Spend More to Compensate.
 - ❖ Chapter 70 Funding for Two Sample Districts – 4 Steps. (slide)
 - ❖ Lowest Wealth Districts Spend Nearly 30% Less than Foundation on Regular Ed. Teachers.

Gardner is in the lowest 20% of wealth in the state.

- ❖ Legislative Charge of Foundation Budget Review Commission (slide)
- ❖ Findings and Recommendations
- ❖ Clinton Public Schools – Gardner Public Schools – Webster Public Schools
- ❖ Health Insurance

Foundation Budget states that Gardner should spend \$2.6M for Health Insurance, while actually spending \$5.9M.

- ❖ Special Education

Foundation Budget states that Gardner should spend \$2.7M for SPED, while actually spending \$5.2M.

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❖ Foundation Budget Gaps: Gardner Analysis

Slide analysis identified gaps between the Foundation and Actual School District spending. Comparisons include Operations & Maintenance, Teacher Prof. Development, Instructional Materials, and Staffing (SPED Aides and teachers and Non-SPED Aides and Teachers).

❖ Other Areas of the FBRC.

- Low Income
- ELL Increment

❖ Impact on Our Districts.

Chapter 70 Increased by 70% + Minimum Aid Guarantee – 2 models.

❖ The times are changing. Hopefully... (slide)

❖ Budget Adjustment Process (slide)

❖ Minimum Required Spending History (slide)

❖ Remember these Success Highlights.

- More students are staying in Gardner.
- Fewer School Choice-out numbers (first time since 2011)
- Better supports for everyone resulted in the first reduction in the percentage of students with disabilities since 2003.
- Restructuring of substantially separate programs resulted in NO students leaving the District for placements in the last two years.
- Early College programming is taking off!!

State Accountability Improves:

- No school is designated as requiring assistance.

The meeting concluded at 7:27 p.m.

Accepted by the City Council: