

Patricia Baltzley, Chair of the Board of Trustees, Gardiner School District, Gardiner, MT

### **Opening**

Thank you, Senator Daines, for the opportunity to testify today about Gardiner Schools and the challenges we are facing as we move forward.

To begin with, this has been a tough stretch for the school—arguably one of the most challenging in its history. However, there are some bright spots on the horizon that include a partnership with the newly created North Yellowstone Education Foundation, a rallying community support system, and connections with other partners and support systems. We are proud of our school district's commitment to excellence and to supporting a quality education for our students. Gardiner Schools has consistently been ranked as one of the top schools in the State of Montana. Recently, the US News and World Report once again rated Gardiner as the number one school in Montana.

This ranking is achieved by not only the high standards we hold for our students but also from the broad educational experiences we were once able to provide and hope to continue to be able to provide. Our Core Value as stated in our Strategic Plan is to provide world-class education experiences and opportunities for our students while maintaining the uniqueness and values of our small community. We want to hold to this core value as our community changes impact our school challenges.

While the school district understands and acknowledges that the past financial benefit received from Yellowstone National Park was unique to Gardiner, the change forced drastic changes to our educational programming.

### **Historical Overview of Budget**

Approximately four years ago, the school district funding mechanism changed creating circumstances linked to the budget to force the school's hand in making several changes to staffing and programming that none wanted to make. But, given the approximate \$400,000 general fund shortfall, were necessary to consider.

In the past, the school received money from the National Park Service (NPS) for its students who attended school in Gardiner while also receiving money from the state of Montana for those same students. This allowed the school to build up a significant cash reserve and to spend liberally on programs, staff and resources. The NPS no longer provides this funding and the state of Wyoming has picked up that responsibility for the students who reside inside the Park in Wyoming. Because another state is now providing money for these students, Montana now deducts that amount from the funding they provide to Gardiner Schools. The money from Wyoming goes into Gardiner School's general fund reducing local taxpayers funding obligation (mills) by nearly 50% while maintaining the General Fund's maximum budget allowed by the State.

These multiple sources of funding that it had from the state of Montana, directly from the National Park Service and other federal funds allowed the school to be considered "well off" for many years. In recent times, funding for the Mammoth students has been replaced with money from Wyoming ONLY—this means that the money for these students that came from Montana

and the NPS is gone, and if trends continue in the federal budget, some of these other funds may go away as well.

Furthermore, and of great concern, is that Gardiner School's enrollment is falling—169 students are enrolled (K-12) as of this fall. Enrollment during the last three years has been the first time the number of students has been below 200 in decades. Declining enrollment is a result of large-scale trends that face our community, including: housing shortages, escalating real-estate prices, transition of housing from family residences to vacation rentals and the changing hiring practices of the area's major employers. Less students equals less funding.

### **School Board Actions during 2017-2018 to balance general fund budget**

With our changed financial situation and with declining enrollment, major changes were needed to balance our general fund budget. The school board had to make many tough decisions over this past year to bring the budget in balance. The school district was using 97% of its General Fund budget for staffing costs—compared to 80-85% for most other schools in Montana. This prompted the school board to investigate options to stabilize the budget and ensure the long-term sustainability of the school. Most upsetting of all was having to make changes that affected the lives of our friends, families, students and fellow community members. While no decisions are perfect, all involved did their very best job to uphold the school's and the community's central values while making these needed cuts. Changes to the school are the roadmap for near-term functioning of the school and could change in the future as the school's options and opportunities continue to evolve.

The following is a synopsis of the decisions made by the school board last year with regards to balancing our budget:

- A reduction of the equivalent of 7.5 Full Time Employees (FTEs). The details of these actions are listed below.
  1. Elimination of the Industrial Technology teacher position (1.0). *(Though a job announcement was advertised, no applicants applied, and thus, the technology classes and electives have ceased.)*
  2. Reduction of front office staff member (1.0) *(Duties have been absorbed by the remaining front office staff member; transportation responsibilities have now been re-assigned to administration.)*
  3. Elimination of two educational aid positions (2.0),
  4. Reduction of the library aide (1.0)
  5. Elimination of the Business teaching position (1.0)
  6. Reduction of the Foreign Language position to part-time (0.25) *(The 0.75 position was advertised with no applicants; )*
  7. Reduction of Health Enhancement position to part-time (0.75). *(The 0.25 position was advertised with no applicants; the position was re-assigned to two teachers which resulted in a realignment of their current responsibilities affecting the Library Media Specialist's schedule as well as the Technology Coordinator's duties.)*
  8. Reduction of elementary staff position (0.5)
  9. Elimination of extra stipend days for FFA and Technology
  10. Elimination of Activities Director position - *job duties were re-assigned to*

### *administrators*

- The Technology Coordinator position was reduced to 0.665 FTE but brought back up to full time using Rural Education Achievement Program (REAP) funds from outside the General Fund. This position is perhaps the only one that touches everyone in the school as it deals with computer and other technology hardware and software, to keep everyone from students, faculty, staff and administration operating as desired
- Family and Consumer Science (FACS) and the World Language positions were both reduced from full-time, 1.0 FTE positions, down to 0.75 FTE positions.
- Core Class teachers (math, science, English and social studies) in the high school will now teach grades 7-12 to cover changes in the elementary/middle school

### **Aging School Issues: Infrastructure Update**

As with any aging infrastructure - one part of our building is over 50 years old with a newer section (build after a fire in the 1980's) at 30 years old - there is a need to ensure that our school environment is safe and healthy for our students. With this aging infrastructure and immediate maintenance concerns, the board has made some recent decisions with large financial impact.

Here is a summary of the school board's major recent infrastructure considerations:

- Roof—thanks to the Gardiner Resort Tax, a 1-to-1 matching grant of \$200,000 helped complete this for \$475,000 project. In this direction, a consultant was hired to handle the advertising, bidding, and hiring process to replace the roof over the foyer and west wing of the building with completion of the project in September 2018.
- Boilers—we have just begun a project to replace and repair our three aging boiler and infrastructure system. Only one is currently operating, our oldest 50-year-old boiler, with one of the other two no longer working at all and the other one in constant repair. They have reached the end of their lifespan. We have hired a consultant to thoroughly inspect our current system and make recommendations as to the process of replacing our system with an updated infrastructure. This will be done in phases to ensure that our school is heated this year with no interruptions. This project could cost the Gardiner School District close to \$650,000. An application has been made to the Gardiner Resort Tax board for \$250,000.

### **Housing as an Issue**

The lack of housing in our community is a challenge for our school district. Our real estate market is so fluid that properties within our school district are bought prior to listing. This means that families do not have the opportunity, or cannot afford, to purchase housing within the Gardiner community. More and more of our families are moving up the valley into the Emigrant area which gives them the choice to either continue in the Gardiner School District or to send their children to the Livingston School District.

The school district is working with the larger community to determine how as a community we can address the housing needs in a landlocked community surrounded by national and state land. Our school itself has part of its property on national park land. One of our questions is whether there is a possibility for exchange of national or state land to support the building of needed affordable housing in our community.

### **North Yellowstone Education Foundation (NYEF) Update**

To support our students and our educational program, a group of community members created the North Yellowstone Education Foundation last year. Their mission is to work with the community to build sustainable support and enhance innovative educational opportunities for students, teachers, and community members in partnership with Gardiner Public Schools. Their vision is to provide sustainable support for Gardiner Public Schools through fundraising, volunteerism, and community collaboration.

They are working to establish partnerships that will allow the school building, the staff, opportunities to continue functioning at an exceptional level, keeping our students and community engaged while sensibly dealing with present and forthcoming budget shortfalls. Tax dollars support state minimums, but don't always support the margin of excellence we've come to expect.

Some of their current initiatives are to:

- Procure grants such as a recent one from Mountain Sky for \$48,000 to support a new classroom grants program and the newly created Community Program Coordinator/Paraprofessional position. This program will build opportunities for students inside and outside the classroom for the next 2 years
- Facilitate volunteer programs such as the Bruin Buddies that matches community members with elementary students to read together.
- Host fundraising activities continue to build financial support for additional educational opportunities.

### **Political Advocacy:**

The school would like to take advantage of an opportunity through *The National Parks Restoration Act* (currently known as US Senate Bill 2509 or House of Representatives Bill 5210), or similar legislation, for federal assistance in such a way that does not impact funding options for the park itself. We are involving our community in political advocacy through awareness of Senate Bill 2509 and have circulated a petition to garner support for our position of support. We have gathered 840 signatures to this date in support of this bill.