

Warwick School Committee Minutes
 Meeting of April 16, 2014
 Open Session

The Warwick School Committee met in Open Session at Toll Gate High School on Wednesday, April 16, 2014. Ms. Furtado called the meeting to order at 6:00 p.m. with the following in attendance:

COMMITTEE

Bethany A. Furtado, Chair
 M. Terri Medeiros, Vice Chair
 Jennifer Ahearn, Clerk
 Eugene A. Nadeau
 Karen Bachus [present at 6:25 p.m.]

ADMINISTRATION

Rosemary Healey, Esq., Director of Compliance & Human Resources

MOTION 2014-108: Moved by Mr. Nadeau, and seconded by Ms. Ahearn, to go into closed session for discussion and/or action regarding those items of business exempt from open meetings under General Laws of Rhode Island 42-46-5(a)(1) and (a)(2).

MOTION PASSES (3-0)

Bethany A. Furtado – Aye M. Terri Medeiros – [not present for vote]
 Eugene A. Nadeau – Aye Karen Bachus – [not present for vote]
 Jennifer Ahearn – Aye

Open Meeting reconvened at 6:35 p.m.

Richard D’Agostino, Superintendent
 Dennis Mullen, Director of Secondary Education
 Rosemary Healey, Esq., Director of Compliance & Human Resources
 Anthony Ferrucci, Chief Budget Officer
 John Gannon, Interim Director of Special Services
 David LaPlante, Director of Buildings & Grounds

Mr. Ferrucci: presented the 2014-2015 School Budget Proposed

Budget Presentation FY2015
 [as of April 8, 2014]

[Note: the following is a 10 column table; with the first 5 columns appearing on page 1 and the following 5 columns on page 2]

	FY12 Actual	FY13 Revised March 13	FY13 Actual	FY14 Committee Original 7/1/13	FY14 School Committee Revised 7/16/13
Personnel	96,605,093.00	97,519,496.00	95,878,132.00	96,687,346.00	97,878,864.00
Employee Bene	37,156,611.00	35,741,941.00	35,538,437.00	35,694,863.00	35,783,479.00
Subtotal Staff	133,761,704.00	133,261,437.00	131,416,569.00	132,382,277.00	133,662,343.00
Secondary Ed	887,685.51	1,101,998.00	1,007,080.00	1,056,569.00	1,056,569.00
Elementary Ed	666,383.57	822,991.00	699,013.00	598,672.00	598,672.00
Special Services	5,646,968.83	6,351,447.00	5,304,288.00	6,519,765.00	6,669,765.00
Human Resources	150,376.93	263,542.00	143,219.00	242,740.00	242,740.00
Maintenance	3,952,169.69	5,126,126.00	4,462,694.00	4,544,458.00	5,009,458.00
Superintendent	149,545.25	122,700.00	112,780.00	137,450.00	137,450.00
Curriculum	388,866.82	1,006,423.00	1,210,602.00	446,860.00	511,860.00
Federal Programs	1,079.00	151,710.00	147,248.00	1,650.00	1,650.00
Info Services	1,050,989.94	1,160,242.00	1,141,271.00	1,273,604.00	1,323,604.00
Educator Effectiveness	6,972.08	11,000.00	4,299.00	0.00	0.00
Facility Projects	23,435.95	66,000.00	195,030.00	0.00	0.00
Business Affairs	8,205,048.69	9,800,246.00	9,358,299.00	10,011,056.00	10,211,056.00
	21,129,522.26	25,984,425.73	23,787,796.00	24,842,824.00	25,762,824.00
Total Budget	154,891,226.26	159,245,862.73	155,202,365.00	157,225,051.00	159,425,167.00

Continuation of figures for above tables follow below:

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[columns 6-10 continued below:]

	FY14 SC Revised 3/11/14	FY15 Budget Mgrs Req. Budget	Our Cuts	FY15 Superintendent Recommended 4/814	Variance FY15 Super vs. FY14
Personnel	96,532,816.00	95,207,532.980	(100,000.00)	95,107,532.98	(1,425,283.02)
Employee Bene	36,428,950.00	38,107,713.14		38,107,713.14	1,678,763.14
Subtotal Staff	132,961,766.00	133,315,246.12	(100,000.00)	133,215,246.12	253,480.12
Secondary Ed	1,011,957.00	1,100,338.00		1,100,338.00	83,381.00
Elementary Ed	573,472.00	440,793.00		440,793.00	(132,679.00)
Special Services	6,531,299.00	6,508,635.00		6,508,635.00	(22,664.00)
Human Resources	297,313.00	292,840.00		292,840.00	(4,473.00)
Maintenance	5,809,040.00	4,425,947.00	(90,000.00)	4,335,947.00	(1,473,093.00)
Superintendent	272,017.00	138,150.00		138,150.00	(133,867.00)
Curriculum	386,766.82	801,548.00	(80,000.00)	721,548.00	334,831.00
Federal Programs	10,174.00	3,050.00		3,050.00	(7,124.00)
Info Services	1,361,804.00	2,011,261.00	(700,000.00)	1,311,261.00	(50,543.00)0
Educator Effectiveness	814.00	0.00		0.00	(814.00)
Facility Projects	48,758.00	0.00		0.00	(48,758.00)
Business Affairs	10,503,807.00	11,600,515.00		11,600,515.00	1,096,708.00
	26,807,172.00	27,323,077.00	(870,000.00)	26,453,077.00	(354,095.00)
Total Budget	159,768,938.00	160,638,323.12	(970,000.00)	159,668,323.12	(100,614.88)

Overall, the budget as compared to the School Committee's most recently Approved Revised budget of \$159,768,939 is projected to decrease by less than one tenth of one percent, (0.06%) for a total budget reduction of <\$100,615.>

While we are able to reduce the overall budget, the net effect of losing carryover funds of \$2.230 million against increase revenues of \$1.034 puts us in a position where we need additional revenue of \$1,196,068 to maintain a balanced budget for Fy2015.

This shortfall in revenue puts Warwick Public Schools in the unfortunate position of needing to seek additional funds from the City in order to maintain the current level of buildings, programs and services.

Outlined below are the most significant factors that have impacted this Budget. At the upcoming public School Committee meeting we will be prepared to address any and all of the issues noted as well as answer any questions regarding the School's Budget and the programs it supports.

REVENUE

- State Aid: Includes the Governor's Recommended Allocation for Warwick less an adjustment for declining enrollment. (The Governor's budget uses enrollment figures from October 2013.) Historically, the final allocations the school department receives are reduced based on enrollments determined in March. Even with reduced enrollments, we anticipate receiving an additional \$986,941 in state aid for Fy2015.
- Minor adjustments were made to each revenue line based on actual trends. This net impact is a positive \$46,991.
- Loss of Carryover Funds <\$2,230,000>.

EXPENSES

Outlined below are notable items that Warwick Public Schools has done over the past few years which have dramatically reduced costs in the schools operating budget.

- Elementary Schools have been closed, thereby reducing staffing and utility costs.
- Warwick School employees have agreed to pay 20% towards their medical premiums, saving the school department millions of dollars annually.
- Outsourcing in house transportation, thereby leading to the reduction of 64 staff positions and saving hundreds of thousands of dollars annually.
- Including the proposed Fy2015 Recommended Budget, over the past 8 years in addition to the 64 staff noted above, an additional 216.5 FTEs of staff have been cut from the school's operating budgets.

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In comparing the Adopted Revised Budget of 3-11-14 to the FY2015 Recommended Budget we are proposing a cost reduction of <\$100,615.> Achieving this reduction is quite a tribute to the staff of Warwick Public Schools given these following notable cost impacts:

State Pension 8.9% increase	+\$ 981,256
Medical Cost Increase 7%	+\$1,020,488
Workers Compensation Premium Increase 20%	+\$ 125,301
Transportation Cost Increase 4.6%	+\$ 273,324
Tuitions-Career & Tech & Charter Schools Increase 38%	+\$ 458,473
Supplies and Materials Increase 4.5%	+\$ 295,735
Debt Service Increase 25%	+\$ 226,643
<p>Unlike other public schools, Warwick Schools is committed to pay bond principal and interest from operating funds. With this increase in FY2015, our total debt service in the operating budget is \$1,126,500.</p>	
TOTAL NON-NEGOTIABLE COST INCREASES:	+\$3,381,220

Mr. Ferrucci said the recommended FY2015 Budget of \$159,768,939 is <\$100,615> less than the Adopted Revised Budget for FY2014.

The committee responded to the presentation: Mr. Nadeau asked when the budget was prepared and presented did you both [Dr. D'Agostino and Mr. Ferrucci] agree the budget for David LaPlante would be at \$40,000? The answer was yes. He asked how is that possible run repairs for 24 schools on \$40,000? Mr. Ferrucci responded that the buildings and grounds budget is \$4 million and \$40,000 is for capital improvements, such as an emergency replacement of a boiler. Mr. Nadeau also commented that our budget depends upon us funding \$2.2 million to repair Vets roof – why are we taking on responsibility of the roof which the city owns and then asking for \$2 million in return.

Ms. Ahearn asked how many staff are on level 10; and Ms. Healey responded from memory, but she would follow up and send her figures, it was 70% at the 10th step. She also asked about substitutes in our classrooms for professional development. I do not see professional development for our staff to get to the next level. It will be needed with Common Core – not sure that is the way we should be headed.

Ms. Bachus had concerns about the \$40,000 in the budget for capital expenses to fix boilers, etc. it should be much more at least \$10,000 per building. She said we should be hiring an HR professional so our attorney can focus on her job and not do double duty and for some reason that didn't make it in. HR director more important/needed than an IT director position, think we can forgo the IT person. Dr. D'Agostino disagreed, saying we decided IT director was very important in moving forward. We have met with Lee Rabbitt, who gave us a presentation on the system we have recently. She advised that we need an IT director to oversee technology. This was voted on by all directors unanimously. Ms. Ahearn said we do need an IT professional. The staff said they can't keep up with everything that's coming down the pike. I do agree that we need support in HR too. Ms. Furtado said she agreed we should have both, but we will have to cut something somewhere else if we add the positions in. HR and legal became one in 2004; 10 years ago. Should we desire to add that position in, we will have to cut somewhere else. We have been accused of adding to administration, but we have reduced since I have been on the committee. Ms. Medeiros commented as much as I respect Rosemary and the work she has to deal with, I think we need to focus on technology and what's coming down the road. Ms. Healey then remarked, as much as I appreciate the effort, if you are going to add a HR position, you have to deal with staff as well. There is no room in the administration building for me to relocate.

Ms. Ahearn commented on professional development. Ms. Healey commented we have had teachers out of class 18 and 19 days – puzzling that you think professional development isn't happening – it's going on every single day. Dr. D'Agostino said departments are doing so much professional development during the day that it is running out of subs to cover classrooms. Mr. Bushell said teachers have had more professional development this year than I can ever remember. Mr. Nadeau asked how they teach their subject when taken away for development. He also commented that Rose has been

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handling two jobs and she asked for assistance last January and we agreed. Handling legal counsel and HR is a conflict of interest and she should not be put in that position. Ms. Healey responded she takes gross offense when somebody accuses me that I have a conflict of interest. This is absolutely not true. I uphold an oath as an attorney – I'm not violating the code I subscribe to.

Ms. Ahearn said there is nothing in budget to elevate the math and science programs to a higher level, district is still struggling, and she requested the addition of three math coaches at the secondary level. Ms. Healy cautioned very expensive. We have to pay them more than teachers as we are looking for people with a lot of experience because we would be hiring them to teach how to teach.

MOTIONS to AMEND:

MOTION 2014-109: Moved by Mr. Nadeau to increase the budget for David LaPlante to \$100,000 capital improvement, Ms. Furtado seconded said motion.

[Note this motion was later withdrawn by Mr. Nadeau]

MOTION 2014-110: Ms. Bachus moved to increase capital improvement line item by \$230,000, bring the total for capital improvements to \$270,000; seconded by Ms. Furtado.

MOTION PASSES (3 ayes 2 nays)

Bethany A. Furtado – Aye M. Terri Medeiros – Nay
Eugene A. Nadeau - Aye Karen Bachus - Aye
Jennifer Ahearn - Nay

MOTION 2014-111: Moved by Mr. Nadeau to restore \$55,000 for music, art supplies and equipment, seconded by Ms. Bachus.

MOTION PASSES (3 ayes 2 nays)

Bethany A. Furtado – Nay M. Terri Medeiros – Nay
Eugene A. Nadeau - Aye Karen Bachus - Aye
Jennifer Ahearn - Aye

MOTION 2014-112: Moved by Ms. Ahearn to amend the budget by adding 3 math coach positions at the secondary level.

MOTION PASSES (4 ayes 1 nay)

Bethany A. Furtado – Aye M. Terri Medeiros – Nay
Eugene A. Nadeau - Aye Karen Bachus - Aye
Jennifer Ahearn - Aye

Mr. Ferrucci commented he would need a dollar value for the math coaches, and Ms. Healey said we have a history on that data/ratio and will provide you with that tomorrow. We will pay more than a teacher and we cannot hire retirees. Mr. Ferrucci warned the committee they could add as much as they wanted – but if we don't get it from the city the committee will have to revisit the budget and make cuts, which could be as much as \$2 million.

MOTION 2014-113: Moved by Ms. Bachus to allocate \$250,000 to the budget to hire a full time HR director and the necessary staff for our attorney, seconded by Mr. Nadeau.

MOTION PASSES (3 ayes 2 nays)

Bethany A. Furtado – Nay M. Terri Medeiros – Nay
Eugene A. Nadeau - Aye Karen Bachus - Aye
Jennifer Ahearn - Aye

The chair called for any further amendments; there being none, the following vote was taken.

MOTION 2014-114: Moved by Ms. Furtado, seconded by Ms. Bachus **accept the Superintendent's Budget as amended.**

MOTION PASSES (4 ayes 1 nay)

Bethany A. Furtado – Aye M. Terri Medeiros – Nay
Eugene A. Nadeau - Aye Karen Bachus - Aye
Jennifer Ahearn - Aye

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Reconsideration of Vets Roof bid award: Ms. Furtado called for a motion to reconsider the Veterans roof bid award, saying this had to be made by someone who voted against this. Ms. Bachus said she had questions and concerns at the last meeting but after doing research and talking to people, she learned how bad the current roof is and became concerned because parts of it are not useable. It's time to develop a cooperative relationship with the city. We are charged and responsible for these buildings; best repair as they can be. I hope that my colleagues put the new roof on Vets forthwith so that it can be completed by time school starts in September. Ms. Mederios stated for the record I did vote for it. Ms. Ahearn said she still has concerns and that \$1.7 million could reseed some items on the list for the next year, like \$700,000 for technology. We should take the roof money out of the bond. Mr. Nadeau said the school department should not be responsible for the principal and interest payments on bond money approved by voters. No other school district in the state is responsible for such payments, and feels measure was forced upon schools when city refused to release the bonds unless the school department agreed to pay the principal and interest. Ms. Furtado said she stood in favor of this from the outset. She also favored consolidation, which we could have done, but we did not and we have not. Disagree with Mr. Nadeau's assessment that this was forced on us is grossly inaccurate. The school department would have incurred fees of tens of thousands of dollars per building per day if we didn't take action with the fire code upgrades. I'm not prepared to tell parents/staff that the school building or a diploma is not accepted because it isn't accredited. I won't do that.

MOTION 2014-115: Moved by Ms. Bachus, seconded by Ms. Furtado, to revisit reconsideration of the bid award for the Veterans roof.

MOTION PASSES (4 ayes 1 nay)

Bethany A. Furtado – Aye M. Terri Medeiros – Aye
Eugene A. Nadeau - Aye Karen Bachus - Aye
Jennifer Ahearn - Nay

MOTION 2014-116: Moved by Ms. Bachus, seconded by Ms. Furtado, to accept the bid award for re-roofing Veterans Memorial High School in the amount of \$2,209,000 from Commercial Roofing and Construction.

MOTION PASSES (4 ayes 1 nay)

Bethany A. Furtado – Aye M. Terri Medeiros – Aye
Eugene A. Nadeau - Aye Karen Bachus - Aye
Jennifer Ahearn - Nay

Chair: this will conclude the Open Session – we will be returning to executive session for discussion. If there are any votes taken, we will return to Open Session to announce the vote; otherwise the Open Session is concluded. Ms. Healey noted if the School Committee takes a vote we will come back and announce that vote – legally obligated – The directors need not attend.)

MOTION 2014-117: Moved by Ms. Bachus, seconded by Ms. Ahearn, to suspend Open Session at this time and resume executive session.

MOTION PASSES (5-0)

Bethany A. Furtado – Aye M. Terri Medeiros – Aye
Eugene A. Nadeau - Aye Karen Bachus - Aye
Jennifer Ahearn - Aye

At approximately 9:00 p.m. four committee members returned to Open Session to announce the vote taken in Executive Session. Two matters were before the executive session; one matter failed two in favor and three opposed (Mr. Nadeau and Ms. Ahearn in favor; Ms. Furtado, Ms. Bachus and Ms. Medeiros opposed) and the other matter was unanimously passed with all 5 in favor.

MOTION 2014-118: Moved by Mr. Nadeau, seconded by Ms. Bachus, to adjourn the meeting

MOTION PASSES (4-0)

Bethany A. Furtado – Aye M. Terri Medeiros – Aye
Eugene A. Nadeau - Aye Karen Bachus - Aye
Jennifer Ahearn – not present for vote

Meeting adjourned 9:00 p.m.