

The meeting was called to order at 6:30 PM by the Chair, Mrs. Perrotti.

MEMBERS PRESENT: Cynthia Perrotti, Chair; Marilyn King, Clerk; David Croston, Thomas Vadney, Angela Volpicelli, and Sylvia Wedge.

Also Present: Dr. Lusi, Asst. Supt. Jermain, Mark Dunham, Patti Cofield, and Madison Burns.

MEMBERS ABSENT: Jonathan Harris, Vice Chair.

A motion was made by Mr. Croston to adjourn to Executive Session pursuant to R.I. Law 42-46-5, Exceptions (a)(1) Job Performance/Personnel Matters, and (a)(2) Collective Bargaining and/or Litigation. Seconded by Mrs. King. So voted 6-0.

The Public Session recessed at 6:31 PM and resumed at 7:00 PM.

1. **CHAIRMAN'S REPORT:** Mrs. Perrotti reported on the following:

- An Executive Session was held prior to this meeting, and no votes were taken. A motion was made by Mrs. King and was seconded by Mr. Croston to seal the minutes of the Executive Session. So voted.
- Mr. Harris was away on travel.
- Little Compton selected Portsmouth High School to educate their students.
- The NEA Portsmouth Teachers' contract is still in mediation.
- The Superintendent Search Subcommittee will host a public forum on March 30th in the PMS Library, to obtain the public's input regarding qualities they would like to see in our next superintendent.

2. **SUPERINTENDENT'S REPORT:** Dr. Lusi reported on the following:

- An article written by Julia Steiny regarding Lisa Freeman teaching math at PMS was in Sunday's Providence Journal. The article highlighted excellent teaching and that excellent teachers are continuous learners themselves. Everyone in our district is engaged in ongoing training on how to improve student learning.
- Received an email from Ian Ridlon from the Rhode Island Interlocal Trust regarding a resolution supporting legislative amendments to protect Rhode Island's cities and towns and their public officials and employees. The proposed legislation will provide additional liability protection to all municipalities, elected officials, and employees. The resolution will be brought forward to the School Committee at the next meeting.
- The Uniform Chart of Accounts is scheduled for release on March 25th. Mr. Dunham and his staff, as well as their colleagues from around the state, have spent countless hours putting the financials into the UCOA and attending meetings.

- Congratulated our PHS Cheerleaders who, for the first time ever, won the New England Championship. They are also Division Champs in our state.
 - The new high school regulations will be sent out to the School Committee and will be uploaded to our website. There has been a lot of confusion about what they do and don't mean. The Department of Education has put out a chart that explains some of the differences. In the 2008 and 2011 regulations, they both reference partial proficiency in reading and math. Under the old regulations, partial proficiency was to be attained by 2012; the new regulations move it to 2014. In the prior regulations, you could not withhold diplomas based only on test scores. In the new system, partial proficiency is required, but there are also ways to demonstrate progress towards proficiency on NECAP scores. We will be operating under the 2008 regulations until 2014 when the new regulations go into effect. There was much highlighting of a tiered diploma system as the new regulations were discussed. There will ultimately be a Regents Commendation in the form of a seal available to districts on diplomas signifying proficiency in reading and math.
- a) Teaching and Learning: Assistant Superintendent Jermain reported on the following:
- PMS is running Career Day for each grade level this week. Mrs. Jermain thanked Fran Faria, Lisa Pita, Michelle Michno, and Lisa Mello for their efforts.
 - Met with Mr. Monahan and PHS Counselors. They are implementing a lot of the new high school regulations and are working on the objectives of the Strategic Plan, specifically the Individual Learning Plans, which all students in our district are required to have
 - Dana professional development training is ongoing this week in science for Grades K-12. By June 2011, we will have completed the two units of study and curriculum framework in science. Professional development will be offered during the summer for the science teachers; and an email was sent out today informing everyone.
 - Email accounts are now set up for School Committee members and will be available on our website.
- b) Finance and Operations: No report.
- c) High School Liaison: Madison Burns reported on the following:
- A Blood Drive will be held at PHS on March 25th. Ms. Burns encouraged everyone to donate blood. People can give blood at any donation site, and it will go to the PHS tally by giving the school code: 0794. A pint of blood saves three lives.
 - The Post Prom Party is a great thing for students. It keeps them in a safe environment where they are not likely to get into trouble. Almost every student attends. The Post Prom Committee will be asking for donations from the community. Ms. Burns encouraged everyone to consider donating.

3. **APPROVAL OF MINUTES**

A motion was made by Mrs. King to approve the minutes of the meeting held on March 8, 2011. Seconded by Mr. Croston. So voted 5-0-1. Mrs. Perrotti abstained because she left that meeting early.

4. **CONSENT AGENDA**

- a) **Approval of Request for Permission to Home School.** The Superintendent recommends adoption of the following resolution, “that the Committee approves the request to provide home schooling for the 2010-11 school year for students HS #26-3/11, as listed in the confidential memo dated March 15, 2011, in accordance with the provisions of R.I. Law 16-19-2.”

A motion was made by Mrs. King to approve the Consent Agenda as presented. Seconded by Mr. Croston. So voted 6-0.

5. **PUBLIC COMMENT:** Andrew Kelly, 33 Pine Street, thanked the School Committee and Administration for their diligence and success on the Little Compton contract.

6. **BUSINESS AGENDA**

- a) **Discussion/Approval – FY 2011-12 Budget Request.** A motion was made by Mrs. King to approve the FY2011-12 budget request. Seconded by Mr. Croston for discussion. Mr. Dunham stated that the budget is due to the Town Council on March 25th. He explained that this request contains a budget increase of \$698,698 or 1.9 percent. In addition, the State of Rhode Island has changed the requirements regarding what were previously called “state investment funds.” These funds were previously restricted to the areas of Early Childhood, Student Equity, Literacy, and Technology, but are now being categorized by the State as unrestricted State Aid. This means that an additional \$639,834 of revenue, as well as the accompanying expenditures, has been moved from our restricted to our operating budget. Mr. Dunham stated that this budget is built on the best information available to us at this time; however, it contains a number of assumptions. First, in the area of revenues, this budget assumes Governor Chafee’s proposed State Aid for Education allocations which could be changed substantially before being passed by the Rhode Island General Assembly. This budget also assumes an increase in local appropriations of 4.25% the S-3050 cap. Second, in the area of expenditures, this budget is built on a number of assumptions that are subject to negotiation with one or more of our employee unions. If the outcomes of negotiations differ from what has been assumed, the expenditure lines will need to change accordingly. Lastly, as in prior years, this budget request contains “reductions to be determined.” This year, those reductions amount to \$497,876. The School Department is obligated by Town Charter to transmit its budget request to the Town Council by March 25th; however, there is always substantial work on

the budget after that initial transmittal, ultimately resulting in the budget being voted by the Council sometime in June. Mr. Dunham stated that the School Committee is being asked to approve a bottom-line budget of \$37,296,252. Mr. Croston amended the motion and moved the approval of a budget request of \$37,296,252. Seconded by Ms. Wedge. Mr. Croston stated that the Finance Subcommittee had eight meetings, and no one except Jim Johnson from the *Newport Daily News* attended. At each meeting, the budget was reviewed line item by line item. He complimented the Administration for their hard work in preparing the budget information for each meeting. Mrs. Perrotti echoed Mr. Croston's compliments to the Administration. She stated that the Administration "peeled back the onion" on this. It is a total increase of \$698,000, and it assumes we would go to the cap and also assumes that our salary and benefits for employees matches what we are hoping to do in contract negotiations, which has not been done. Mr. Fitzmorris, 50 Kristen Court, stated that it is against the law for the School Committee to vote a budget when we are \$496,000 in the red. Mr. Dunham stated that the amount is \$497,876. Mr. Fitzmorris stated that this is the third or fourth budget that the School Committee is adopting in deficit, and the law is clear about adopting deficit budgets. He stated that a balanced budget should be presented to the Town Council. He hopes that by the time the Town Council formally votes on our budget, that it is balanced. The amended motion to approve a bottom line budget of \$37,296,252 passed 6-0. The main motion also passed 6-0.

- b) **Request for Donation to PHS Post Prom Party.** A motion was made by Mr. Croston and was seconded by Ms. Wedge to approve a \$1,000 donation out of the Gate Receipts account to the Post Prom Party. So voted 5-1. Mrs. Perrotti was opposed, explaining that she doesn't support using \$1,000 out of Gate Receipts because the School Department is tight on money, and she couldn't justify using the funds for a party.
- c) **Approval of STEM Resolution.** Mr. Croston made a motion to approve the STEM resolution. Seconded by Ms. Wedge. He explained that the STEM Academy is a math and science "school within a school" for Grades 9-12. He stated that it is the desire of the East Bay communities to form a STEM academy that will be placed within one of our high schools. It is done in other parts of the country and is needed on Aquidneck Island. So voted 6-0.

Discussion/Action – Resolution in Opposition of Legislation re Mandatory Binding Arbitration. A motion was made by Mrs. King and was seconded by Mr. Croston to approve the resolution in opposition of legislation regarding mandatory binding arbitration. Dr. Lusi explained that the School Committee approved this same resolution last year. Ms. Sue Hatch of NEA Portsmouth expressed her opposition to the resolution. Mr. Croston stated that it is critical for this School Committee and Town Council to have control of how our town affairs are managed, and the more things that go off to binding arbitration, the less control we have. So voted 6-0.

- e) **Approval – 2010-11 School Calendar.** This item was postponed to the next meeting.
- f) **Request for Authority to Create OPEB Trust.** Mrs. King made a motion to create an OPEB trust under the direction of Mr. Dunham. Seconded by Mr. Croston. Mr. Dunham explained that he is requesting permission to create an Other Post-Employment Benefit (OPEB) Trust Fund and to make a payment into the fund from the School Department's undesignated fund balance. The reason for the request is the School Department's unfunded OPEB liability of approximately \$4.5 million, as reported in the 2010 Financial Audit for the Town of Portsmouth. This liability is due to the underfunding of the medical insurance obligation for retirees. The first step in funding the liability is the establishment of a Trust Fund for this purpose and then depositing the annual required contribution (ARC) into the account on an annual basis. While it may not be financially possible to fully fund the ARC every year due to losses of revenue or rising costs, making regular deposits into the account will allow the fund to accumulate and be available to offset future liabilities, thereby reducing the total of the unfunded liability. The first deposit to the Trust Fund in the amount of \$169,200 will be transferred from the undesignated fund balance once the trust is created. This amount is suggested by the auditors and represents approximately one-thirtieth of the total unfunded liability. This amount, plus the budgeted payment in the 2011 budget, will allow the School Department to make its annual required contribution for the 2011 Fiscal Year. The Town has its Trust Account at Citizen's Bank, and the School Department plans to use the same bank. Mrs. Perrotti stated that she supports this concept. Mr. Larry Fitzmorris spoke in favor of the School Committee's actions and encouraged them to vote for it. So voted 6-0.
- g) **Approval of January Financials.** A motion was made by Mrs. King and was seconded by Mr. Croston to approve the January financials as presented. So voted 6-0.
- h) **Report on February Financials.** Mr. Dunham distributed the financials and explained that there are several months of information included in the report, which allows for a more meaningful analysis and provides more trend data than previous months. On the revenue side, the largest revenue sources, the Town Appropriation and State Aid to Education, are being received as projected. In addition to the small positive variance in tuition (\$3,000), there is also a positive variance being projected for Little Compton tuitions due to three more students than anticipated at this time. The negative variance in the Other Financing sources revenue line has increased to \$15,000, due to the potential loss of revenue due to down time of the wind turbine. On the expenditure side, expenditures are tracking according to budget appropriations with unremarkable budget line variances at this time. As we move forward into the year, the budget may still be impacted by the difficult financial climate and the outstanding unsettled labor agreement with the teachers. These conditions will be continuously monitored, and the budget will be managed accordingly. The most significant unknown which will have the largest effect on the budget is the expired agreement with the teachers. The manner in which

these and similar events occur and are resolved will have an impact on the end of the year result of the 2010-11 budget. Mr. Dunham stated that a small surplus of funds is being projected for year end (approximately \$110,000 in revenue and expenditures combined). This amount is less than one-third of one percent of the total budget. Last February 28th, the end of the year projection was a positive \$250,000.

7. **SUBCOMMITTEE AGENDA**

- a) **Alternative Revenue.** No report.
- b) **Aquidneck Island Study Group.** Mr. Vadney reported that the next meeting will be held on April 6th in Middletown.
- c) **Facilities.** Mr. Croston reported that a group met with RIDE to get a better clarification of Phase 2. It was a productive meeting, and the timeline was clarified. We do not need to present a referendum to the public next fall. It would be in 2012. We will be organizing a group of experts from the community to work on a more refined feasibility study that will get into finer detail and numbers. He will give an update next month.
- d) **Finance.** Mrs. Perrotti thanked the Finance Subcommittee for all their time. There are cuts that need to be determined.
- e) **Health and Wellness.** Ms. Volpicelli reported that the next meeting will be held on May 2nd.
- f) **Healthcare Commission.** Mrs. Perrotti stated that they met on the March 17th. Dr. Lusi stated that Mr. Harris scheduled a meeting on March 28th to finish reviewing the bids.
- g) **Negotiations.** Mrs. Perrotti stated that the subcommittee and administrators met with the mediator today, and they hope to meet with the union next week.
- h) **Policy.** Mrs. King is working on scheduling a meeting in the near future.
- i) **Special Education.** Mrs. King reported that the next meeting will be April 7th at 4:30 PM.

A motion was made by Mrs. King and was seconded by Mr. Croston to adjourn the meeting. So voted 6-0. Public Session adjourned at 8:18 PM.

Respectfully submitted:

Patti Cofield
Recording Secretary for:

Marilyn King, Clerk