

MINUTES
WOONSOCKET SCHOOL COMMITTEE
THURSDAY, MAY 3, 2012
4:00 PM – OPEN SESSION
Woonsocket Middle School @ Hamlet
60 Florence Drive, Woonsocket, RI 02895

Call to Order by Anita McGuire-Forcier

Roll Call:	Anita McGuire-Forcier, Chairwoman	Present
	Vimala Phongsavanh	Present
	John Donlon	Present
	Christopher Roberts	Present
	Eleanor Nadeau	Absent

Anita McGuire-Forcier announced that the Committee will be taking New Business on the agenda out of order.

#3. Personnel Recommendations – Rescission of Non-Renewal/Termination – A. McGuire-Forcier, V. Phongsavanh, E. Nadeau, J. Donlon, C. Roberts.

G. Donoyan read her memo to the School Committee regarding Rescission of Non-Renewal/Terminations. G. Donoyan also said that we need to make sure we have as many teachers as possible so we can minimize chaotic job fair for next year. G. Donoyan seeks approval for this rescission of teachers. C. Roberts asked that under hourly, stipend, and extracurricular positions, the translator for a community meeting, is this person still needed? G. Donoyan said yes and that position is grant funded.

Motion to approve: Vimala Phongsavanh 2nd: Anita McGuire-Forcier
Roll Call Vote: 4 Yes

#1. Discussion of Grade/School Configuration and Financial Implications – A. McGuire-Forcier, V. Phongsavanh, E. Nadeau, J. Donlon, C. Roberts

G. Donoyan read her memo to the School Committee regarding FY 2013 Budget and submitted compilations projected and annual expenses for the 2011 school year for review. C. Roberts had a question about the second column, school budget 2012 and asked G. Donoyan to clarify how we got the \$3.4 Million difference in the school budget and he is interpreting that B&E feels that we were budgeted the \$62.7 and Dina Dutremble feels that we were budgeted at \$59.3? G. Donoyan said that is absolutely right. C. Roberts asked if we could come to an agreement on that. G. Donoyan said no, B&E has indicated to me the \$62,784,402 was the actual budget and no cuts were made to that budget and there is no data to support that the cuts were made to that budget. Therefore, as the CEO of the School Department, I am looking at two in creditable qualified experts and their information. Now I think people could understand why it is difficult to make an informed decision when the numbers don't add up. So it is my recommendation to be extremely conservative and to follow what B&E consultants has indicated. They have also performed a performance audit of the school department, everyone agrees that D. Dutremble and B&E are experts but I feel at this point that we have to go with B&E numbers.

C. Roberts suggested that we schedule a finance sub committee meeting so we can sort through the paperwork and I would like G. Donoyan to know from my point of view that your model of change is not off the table, we need to give the City Council and the State the budget to work with so status quo is obviously the worse case scenario so we are presenting the worse case budget. I would be truly disappointed if we don't continue to have this discussion on the academy layout because there are still some possibilities for success educationally and financially. You have my support in continuing to do this. G. Donoyan thanked C. Roberts and said that the directors, administrators and teachers also feel a lot of comfort with all the work that they did. J. Donlon concurred with C. Roberts and also thinks we need to look further into this rather just going with status quo. G. Donoyan thanked J. Donlon. V. Phongsavanh said to reiterate from both the other School Committee members I will be in support of this. We need change and I will support any discussion to bring back full day K and to restructure and reorganize and try new efficiencies. I think with more timing and work, we could have got there and I am disappointed that we have to go with the status quo budget. V. Phongsavanh asked that according to B&E, they are saying closer to an \$8M deficit for this year and that Dina said we have a \$7.3M deficit so how do you take this data, what are the real numbers at this point? G. Donoyan said that has been her dilemma all along. We need to make sure that our baseline is solid; we want to make sure our numbers are as accurate as possible so they don't come back. We, as a community, have all been hurt and very sensitive to this. I am very skeptical when numbers are so different. I know I will place reliance, going forward, on a conservative basis on B&E. V. Phongsavanh said that instead of looking at a \$10M deficit, and if B&E are accurate, it be closer to a \$13M deficit. G. Donoyan said that it could be and also wanted to thank her on behalf of the teachers, administrators and the children for supporting the need for educational changes. C. Roberts asked if this is going to be formatted; the last column on here which is the 2013 budget school is blank. Is someone going to be carrying this over for an actual proposal to the council?

T. Sweeney from B&E answered yes, you will have a full budget in that column. We are working on that now, these are still worksheets. This is a difference between our summation and what Dina's schedule was which is about \$655,000. We had to take Dina's schedule and reconfigured it to make a budget. We are searching through and will be able to identify what the differences are and bring it back to much closer to what Dina's actual schedule of some \$3M deficit. The problem is that last year you submitted a budget of \$62,784,402 which was submitted to City Council and they reduced it to \$59,348,142. The problem is it never came back to the committee to reduce from \$62M to \$59M. Once the council appropriates the amount of money you receive, you have 30 days to put it back into balance. That process never took place and there is no document that this ever took place. A. McGuire-Forcier said it was documented and in the minutes and there were cuts presented which was to eliminate every TA, however there were three of us that went with a different idea and we voted on it. However, Stacey did not take the information and put it in the paperwork. T. Sweeney said that if you go straight forward with no change, more than likely, the base budget is relatively close to \$70M. He said we need more data but WED doesn't have anyone capable to run the expense sheets though April. If we had this, we would know specifically what has been spent and what the projections would be. We make projections in January and we have four months less information now which might change some of those projections, especially in health care. We have also asked for claims made but no one can give us that figure. These are major, critical situations so the sooner you get a finance director or even a controller the better we will be. You need a comptroller because that person will take all those adjustments that haven't been touched since July 1st and put them into the ledger and from there, draw the expense sheet results. A. McGuire-Forcier said that since Gerardi left the work never got done and we had a interim superintendent and it didn't get done, and in September we had Dr. Donoyan and we were led to believe that work was being done and it wasn't. T. Sweeney said they are operating on projections. Dina's projections are our base. T. Sweeney said they are doing their best with all the figures, they will come up with a budget, and then they will have a separate piece for adjustments. Example for adjustments, someone retiring at top salary, you can replace this position with a 1st, 2nd, or 3rd year teacher and then we can budget that teacher not at top step salary but at a 1st, 2nd, or 3rd step salary. Another adjustment is pension which we don't have that information. We have what the rate is so we will figure it in the salary sheets; the major one is fringe benefits. B&E will have a base budget ready on May 11th. After that, the next step is to put the adjustments based upon the decisions you make. I understand that you have made some with staying with status quo which means you will add some money back in that was not going to be there.

A. McGuire-Forcier said that in front of us tonight is not the actual 2013 budget. T. Sweeney said you have worksheets that they are still working on. A. McGuire-Forcier said that for the May 9th School Committee meeting, the budget won't be ready, May 23rd her and G. Donoyan will be in Ohio, so we will have to have another special meeting. A. McGuire-Forcier said that when she attended the Council meeting, the Mayor stated we had until May 11th. T. Sweeney said the draft will be ready for the 11th. Based on the information we have, that based budget is going to round about \$70M not including federal funds, it's the operating budget. At the present time, your projected expenditures this year are going to \$70,266,000. A. McGuire-Forcier asked if we will be asking the city for about \$10M to \$11M more than they have given us in the past? T. Sweeney said that without any major changes to take place and keep the status quo, that's what the committee will have to do. A. McGuire-Forcier said that Blue Cross will be going up by 8 percent. T. Sweeney said that we really need to stop and look what the claims are, the rates are based upon the working rates, you budget the working rates and if you get the record for claims made this year, it might show we don't need that much money. The revenues might change a little with some of the things that we suggested. For example, you have some that pay a share of Blue Cross, 20% for teachers, so we have to see this as a revenue that will offset some of the costs so your costs will be reduced by that amount.

C. Roberts asked T. Sweeney if he would be available to meet with the Finance Sub Committee on Tuesday night to answer questions because he does not agree that we need another \$10M from the city. Sweeney said yes and will discuss everything he has. A. McGuire-Forcier said you get a status quo budget, look at it, and say that there is no way that the city could come up with \$10-\$11M, then the Superintendent says if we do this, it could save us that so it is a working budget, however, under the circumstances that WED has been under, we are several months behind. T. Sweeney said 2011 actual budget was \$66.8M.

R. Ackerman said it's not hard to project that \$70M will be a shock so I want to ask this question, under the status of the law today, someone will ask can you cut any more from this budget and comply with all the mandates, the laws, and the collective bargaining agreement. As you know, we must balance a budget and not create a debt. R. Ackerman asked B&E if they would in a position to get up in court and say to the judge that this is the minimal required to satisfy the requirements of the BEP. Otherwise, I see some tension back again between municipality and WED that shouldn't exist. T. Sweeney said he thinks that they would be able to defend every penny in the budget we give, so yes. T. Sweeney said that the BEP document talks about results and it is almost impossible to define what the results are. R. Ackerman said that your saying that it is your expectation that the draft budget you present on May 11th to the committee is one that you can say to the public at large, particularly the City Council, that this is the minimum required to educated the kids in Woonsocket and comply with all the federal and state mandates. T. Sweeney said that the way it stands right now, and committee votes to no changes, we can say yes and defend it. R. Ackerman said that when we were in court last time, we were mandated to reduce the budget to \$59M because that was the reduced appropriation the City Council voted mid way through the course of the year. T. Sweeney said we do not have the latest data in regard to expenditures, so once we see that we will know where we are.

Under the law, you have 30 days from the day your appropriation is given to reduce your budget. You do the reductions you think you can do, you have to bring it back by law to the amount appropriate then you can go caruolo and show that you can't meet all regulations of contract. R. Ackerman asked when the council appropriates less than the budget, less than the minimum you say is required, and you, T. Sweeney, will say it is required and the law says you have to reduce the budget within 30 days, where do you make that 30 day adjustment to align expenditures with revenues? T. Sweeney said there are number of ways of doing this, look at out of district placements, transportation, etc and there is also another part of the law where you have to have a corrective action plan within 5 days. R. Ackerman asked if the academic route is the way to save more money. T. Sweeney said yes. A. McGuire-Forcier said everything is on the table but status quo budget is a good place to start at this time. G. Donoyan said that one reason why we could not present a detailed analysis of the cost savings for those options is because we don't have those actual expenses available. We are trying to build the capacity to give you numbers so you can say the status quo cost \$70M, option A will cost \$68M, option B will cost \$69M. Right now we don't have the accounting capability to give you a cost benefit analysis. T. Sweeney said that one problem with status quo is that we most likely can't restore full day K because our Title I will extend to the middle school. A. McGuire-Forcier said that if you could get us the numbers for all options by May 11th and show us how the academies could save us money. She also added it would be irresponsible for the committee to vote on something without numbers. T. Sweeney said they are going to work on the base budget then once those options are put into place we will have a separate column, show the adjustments coming right out of the line and a separate page that will explain what each of the options you have adopted saved or costs. A. McGuire-Forcier suggested having a special meeting on May 14th. T. Sweeney said the draft budget will be ready on May 11th. A. McGuire-Forcier will relay this information to the Mayor and City Council regarding the dates.

Councilman Dan Gendron asked if they could only vote on the budget during a regular meeting or can they vote at a special meeting. A. McGuire-Forcier said it didn't matter. D. Gendron said that input he received from people in the city concerned with option 1, 2, and 3 were not all comments that they were against this, my personal opinion was that no one could tell us what that cost would be to these options. I want to make it clear that we don't want to just drop them but it's unfair to put us in a position to say this a good idea when we have no idea if this could cost us \$110M, which we can't afford. Another question is state aid and hopefully there is acceleration in the funding formula which we agree is not fair. I appreciate that the committee is working on getting us a budget but understand how critical it is for us, we can't move forward with our portion so if you can have the weekend to review it and vote on it and get it to us by May 15th, at least then the city can begin working on it. C. Roberts asked if there is a City Council meeting on the 14th. D. Gendron said the 21st. J. Donlon asked T. Sweeney that in the \$70M projected for next year, is that taking into consideration the federal grants which will be lower than what we received this year and the unemployment compensation from last year? T. Sweeney said this is the basic operating budget and will not have grants in it, they will be as a separate category and we think there might be some saving in the unemployment. C. Roberts asked G. Donovan if we are still paying Cayer Caccia? G. Donoyan said no, they found it difficult to reconcile bank statements because the general ledger was not updated. She said there is one other thing related to fiscal impact, everyone knows I have been in constant communication with RIDE and we are extremely grateful for every bit of help they extended to us to the point that the Commissioner and her staff recognize that they are going to share the finance director that they placed at Central Falls. His name is Ralph Malafronte who is a former superintendent of Barrington and has worked as a business finance manager in several districts. G. Donoyan's recommendation is that during the last School Committee meeting you allocated \$10,000 to pay Dina Dutremble and I request that you allow me to transfer that money from her to pay him. C. Roberts says there is nothing on the agenda to cover this vote and will have to go on the next agenda. A. McGuire-Forcier said that RIDE is willing to share but we pay and the UCOA people, did we pay for them or did they? G. Donoyan said they allowed us a grant not only for training but they also sent two experts to help rectify the situation with UCOA. A. McGuire-Forcier stated that we had 1 person from Cayer Caccia which no longer exists, RIDE sent 2 with a grant, Dina from the city who is leaving, and now we are getting the interim business director until we are able to hire our own business director. G. Donoyan said that is correct.

#2. Resolution Requesting a Budget for all Three WED Design Options – A. McGuire-Forcier, V. Phongsavanh, E. Nadeau, J. Donlon, C. Roberts

C. Robert and A. McGuire-Forcier agreed that agenda item has been covered during the meeting. A. McGuire-Forcier said the Committee is still interested in knowing the options. However we will work on the status quo budget. It would take a miracle for the city to come up with another \$10M so we will have to look at every option to see what is the best for all children. G. Donoyan said to A. McGuire-Forcier that you and I agreed that we want to make sure that everyone recognizes that this is the most distressed situation ever and all we want to do is make it better. G. Donoyan's recommendation is that we talk about the different options, but most importantly, get the budget to the City Council. On May 11th we will have a good draft and we can work from there. Going forward, we can, as one huge community (children, state, feds, etc), go forward and look at the options. We are extremely sympathetic to help heal this community. I don't want to come back next year and say we have a \$3M deficit. We should take a very conservative look and plan for the future.

Motion to Adjourn at 5:14: John Donlon

2nd: Chris Roberts (unanimously approved).

Respectfully Submitted:

Kimberly Blais, WSC Recording Secretary