

Town of Lincoln

Budget Board Meeting

March 21, 2012

Present:

Linda Noble Richard Foster Mike Babbitt Carl Brunetti

Claudette Lussier Bob Turner Hagop Jawharjian Domenic Ricci

Paul DiDomenico

Absent:

William DiBiasio Maria Marcello

Call to Order

The meeting began at 7:33 pm with the Pledge of Allegiance.

Carl Brunetti made a motion, seconded by Richard Foster, to change the order of the meeting so that the School Funding Formula Presentation would be discussed before the Approval of Minutes and Correspondence.

School Funding Formula Presentation

Kristine Donabedian of the School Committee was present and distributed a copy of and presented information regarding the Rhode Island State Funding Formula for Education.

There are 4 key components to the State Funding Formula:

- 1) Core Instructional Amount**
- 2) Student Success Factor**
- 3) State Ratio Share**
- 4) Resident Average Daily Membership (RADM)**

Core Instructional Amount:

The Core Instructional Amount is costs associated with the basic level of academic and support functions, which aligns with Basic Education Program (BEP)

There are 4 states considered in the average of the Core Instructional Amounts including Rhode Island, Massachusetts, Connecticut and New Hampshire.

It includes the cost of Teachers, Teacher Aides, Guidance Counselors, Librarians, School Administration, District Administration, Administrative Support, a portion of benefits, Instructional Classroom and School Supplies, Textbooks and Equipment, and Pupil, Teacher and Program Supports.

It excludes Total Cost of Teacher Retirement, Expenditures funded by Group Home Aid, Food Service, Transportation, Safety, Building Upkeep, Utilities and Maintenance, Budgeted Contingencies, Debt Service, Capital Projects, Retiree Benefits, Out of District Tuitions and Transportation, Non-Public Textbooks.

The Average Core Instructional Amount actually comes to \$8,333 per pupil, which is not the amount actually funded by the state.

Student Success Factor:

The Student Success Factor allocates additional funding to support student needs beyond the core amount for students at risk, which is measured by enrollment in the Free and Reduced Priced Lunch Program.

An additional 40% of the Core Instructional Amount, or \$3,333 based upon the \$8,333, is funded for each at-risk student.

State Share Ratio:

The SSRC or State Share Ratio of Community is the ratio of local property values as a measure of local funding ability relative to the state as a whole.

Also compared is the percentage of students in the Free and Reduced Price Lunch Program relative to the rest of the state.

The Per Pupil Formula is constructed by taking the Gross Per Pupil Funding (Core Instructional Amount plus Student Success Factor which is 40% of the Core Instructional Amount) and multiplying by the State Share Ratio.

For example, Lincoln's Core Instructional Amount is \$8,333, Student Success Factor is \$3,333 and State Share Ratio is 36.3% which amounts to \$3,024 additionally per student, or \$4,234 per student enrolled in the Free and Reduced Price Lunch Program.

The Budget Board and Ms. Donabedian discussed that each child that is eligible to be enrolled in the Free and Reduced Price Lunch Program should receive it because, as evidenced, the Town receives about \$1,200 per pupil of additional funding for those students.

The Budget Board discussed how the students are made aware that

the program exists and ways that they could reach out to more eligible students.

Resident Average Daily Membership (RADM):

Based upon student data reports and including Pre-K through 12 (with half-days counted as .5) the RADM is submitted by the RI Department of Education.

In Lincoln the RADM is calculated as 3,316 students, with 893 on the Free and Reduced Price Lunch Plan and 2,423 who are not.

Based upon this information, it was noted that for 2012 State Funding, Lincoln's share would be \$11,099,976 which would be phased over the next 7 years.

The phasing would mean that in the first year, the Town would receive 1/7 of the amount, with the 2nd year being 2/7, etc.

Using the new formula, Lincoln would expect to receive an additional \$700,000 in the first year.

It was noted that the RADM does not include charter school students or state school students.

It was not clear whether out-of-Town tuition students were included, but it was believed that they would be included because the Town does pay for their tuition.

The Budget Board discussed how many students actually attend the charter schools, and that those numbers should be obtained to quantify the actual amount that charter school students cost the

Town.

Currently the cost per student to attend a charter school is \$9,000, which is not fully phased in yet and will actually be \$12,000.

The Budget Board discussed that there are other costs associated with the Town Schools that do not go away when students go to charter schools, and that in some cases the population that remains in the public schools may use more Special Education Services than the population that does attend the charter schools.

Public Comment

There was no public comment or questions at the time.

Minutes

The minutes of March 15th were distributed for review.

Mike Babbitt made a motion, seconded by Richard Foster, to approve the minutes of March 15th.

The Budget Board had a question regarding the Police Pension funding at 84%, which does not seem to be what was shown in the audit, and will ask the Town Administrator about the funding of the police pensions.

Also, the Budget Board would like a copy of any resolutions that the Town Administrator will be requesting to be put forth to the Financial Town Meeting.

The minutes were approved by a vote of 7-0 with Bob Turner and Domenic Ricci abstaining because they were not present on March 15th.

Correspondence

There was correspondence from the Town Council regarding their request for a resolution to add a canopy to the bocce court at the Senior Center.

The Budget Board discussed that the Town Council should submit more information regarding the specifications and cost that would occur for the project.

There was also correspondence as members of the Budget Board met with the Director of the Library.

The Budget Board had discussed and requested staffing at the Library, and that any positions that end up vacant should be justified before they are filled.

It was noted that a certified librarian must be present at all times that the library is open.

The Budget Board also requested that any grants received for the addition and renovation of the library should be written as a resolution to go before the Financial Town Meeting.

It was noted that in order to continue to receive state funding for the library, they do have to maintain the prior level of funding.

The Budget Board will request detail of other revenues that come in to the Library, such as fines, new cards, book sales, etc.

The Budget Board discussed whether the new addition of the library will meet all of the needs of the library, and it was noted that a consultant had recommended a larger addition.

Additionally, when the bid goes out for the addition, part of the work that was to be done to add a Teen Center area to the library will be requested only as an alternative plan if they can come up with the funding.

The Budget Board discussed hard copy books versus electronic reading and the preferences of the Library and what the preferences of the users of the Library seem to be.

Budget Review

Town Administrator's Proposed 2012-2013 Budget

School Committee's Proposed 2012-2013 Budget

School Capital Plan

School Technology Plan

The Budget Board discussed the Sewer Enterprise Fund, and how it was a loan from the Clean Water Act.

It is paid by the Sewer Department and not the taxpayers, and is certified by the auditors each year so the sewer rates would increase if needed.

The loan was taken for the replacement and repair of sewer equipment including pumping stations, but it was noted that the equipment is actually a capital asset of the municipality.

It was discussed whether it was in the Town Council's purview to take out such a loan for improvement by way of capital project of the Town's infrastructure without going to the Financial Town Meeting.

The Budget Board discussed putting information about this in the

Budget Board's Annual Message, and also discussed the issue of the sewer rate affecting all taxpayers versus only those tied into the sewer.

There was more discussion as to whether the Budget Board felt the loan was something that definitely should have gone before the Financial Town Meeting, in preparation of the Public Hearing of the Budget, and unanimously agreed that based upon reading the ordinances regarding the taking of loans, leases and bonds by the Town, that things of that nature should go through the Financial Town Meeting.

Also, they would like to meet with the Water Department regarding their budget as well because they are also an independent source.

It was noted unlike the sewer enterprise fund, the wording of the ordinances setting up the Water Department as an independent entity is very detailed.

Next week's meetings of the Budget Board will be Wednesday, March 28th and Thursday, March 29th when they will be meeting with Boards and Commissions, the School Department regarding their operating budget and proposed technology plan, and also will have the Public Hearing of the Town Administrator's Recommended Budget.

The Budget Board discussed the media center and the schools' capital surplus.

The answers provided to the Budget Board in response to their questions about the current technology were discussed, as the schools had said they would not be able to use any of their current equipment with the new system.

The Budget Board will ask for more details when they meet with the schools regarding the technology plan.

There were questions that the Budget Board still had for the Town Administrator including:

They would like a copy of the \$5 million bond referendum.

They wanted more information about the difference of police pensions in the audit and why the dates were for the previous fiscal year.

They would like a copy of all resolutions for capital expenditures that the Town Administrator will propose for the Financial Town Meeting.

They would like information for all revenues from the Library, such as fines, that do not appear as separate revenues.

From the Schools, the Budget Board also wanted details about any revenues coming in that are not shown in the budget.

The questions from the Budget Board regarding the purchase of a new truck were not yet answered.

Public Comment

There was no public comment or questions at the time.

Adjourn

Bob Turner made a motion, seconded by Domenic Ricci, to adjourn.

The meeting adjourned at 9:58 pm.