

**MINUTES**  
**WEST WARWICK SCHOOL COMMITTEE SPECIAL MEETING**  
**MARCH 27, 2013**  
**WEST WARWICK PUBLIC SCHOOLS**  
**ADMINISTRATION BUILDING**  
**10 Harris Avenue**  
**4:00 P.M.**

*This meeting was called to order by Sean M. Murphy, Chairman.*

**Members Present:**

Sean M. Murphy, Chairperson  
Elizabeth B. Brunero, Vice-Chairperson  
Christopher R. Messier, Clerk  
Joseph Florio, Jr.  
Stephen H. Lawton

**Administrators Present:**

Margaret Baker, Director of Financial Operations  
  
Michelle M. Colozzo

**Recording Secretary:**

**1. Open Session**

**Open Session**

Mr. Murphy opened the meeting at 4:00 P.M.

**2. Roll Call**

**Roll Call**

The following members were present:  
Mr. Murphy, Mrs. Brunero, Mr. Messier,  
Mr. Florio, and Mr. Lawton.

**3. Discussion: FY '14  
Budget Preparation**

**Discussion: FY '14 Budget Preparation**

Mr. Sheehan said he had asked Mr. Murphy if it were necessary or if it would be a good idea to have an additional meeting so that we can go through some of the ground rules and feel a little more comfortable going into the Town Council meeting today.

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Mr. Sheehan noted the following points:

1. The School Department budget is the School Committee's budget, not the Superintendent's or the Director of Finance's.
2. The budget in its presentation is really three months late. This meeting would have already taken place in years past, in December.
3. This is a draft meeting—Mrs. Baker has produced a draft copy of the 2013-14 budget. It is a working document, and this is the document Mr. Murphy will present tonight at the Town Council meeting. It is a living document and we are working in draft form until we have worked out all the bumps of this document—it can't be presented to the School Committee for an official vote until you have worked it out—you have not adopted this draft budget.

Mr. Florio asked if the number is \$29.1 or \$29.9. Mr. Sheehan said we are operating under a \$29.9 budget. Mr. Lawton said we are assuming the Town Council is going along with it because they haven't replied.

Mr. Sheehan said the \$29.9 is with an additional \$891,000 added to it that we are asking the town for, an additional appropriation which matches up to the number in the deficit reduction plan and preliminary numbers for 2013-14.

Mr. Messier said this doesn't take into consideration the \$466,000 that the town manager asked for, and Mr. Sheehan said no. Mr. Sheehan said we also had an additional \$550,000 ARC contribution and that is reflected in this budget.

Mr. Sheehan said people have heard that the school department has not made the pension contribution for 6-7 years, and that's not true—we had paid the contribution in that length of time, but when you go back to 2005-2006-2007, we had pension agreements

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made by Wolfgang Bauer, Town Manager, and Malcolm Moore to Mike Petrarca and Dan Burns, Chairman of the School Committee. They said don't include money towards the pension this year in your budget—we will take it and put it in for you so don't include it in your budget. That went on for a few years so the school department was assuming that Malcolm Moore and the other people were putting in \$800,000 on behalf of the school department. If they go back now, they are not so sure it ever happened, and Mike Petrarca had no document saying that.

Mr. Sheehan stated what you also need to know is this past July, the school department as part of the settlement offer, paid the first check of \$700,000 to the town for the pension for Council 94, followed two weeks later by \$1.7 million, and then we still have another payment of \$1 million to be paid towards the end of the year. Mr. Murphy asked how much we pay for classified, and Mrs. Baker said \$1.251 for Council 94 and for the teachers, \$2.9 for '14 and \$2.6 for this year's budget.

Mr. Sheehan said he wanted to put two thoughts into your heads:

1. What's not reflected is \$225,000 to purchase technology for students in West Warwick to take the PARCC assessment. Mr. Murphy asked what about the state saying they will provide \$20 million in grants to purchase computers? Mr. Sheehan said he hasn't heard anything; the answer from the commissioner, when asked the question by him, was that there was no money coming from R.I.D.E. in order to pay for this initiative.
2. The second thing is upgrades in security and safety for the buildings.

Mrs. Baker said we went to the town a couple of weeks ago, but we haven't sent over the revenue numbers before, and the state aid could change—it could go up or down based on enrollment numbers,

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Medicaid—we haven't found out but they could go down with the sequestration.

Mrs. Baker said that she provided a summary—the first three pages add up all the line items. She said she is using summary pages only—she probably should have worded it draft form. Based on revenues coming in and our expenses, we are short by \$647,149.

Mr. Sheehan said although you are in deficit of \$650,000, you have already cut \$600,000 in personnel alone—about \$588,000.

Mrs. Baker said she has added 10% to the working rate for health insurance and 5% for dental, but we don't really know what that will be—she went through every person to see if they are on family plan or individual plan. She said there was \$3.4 in the budget document at the end of last year for active employees. The number ended up being \$4.4 instead of \$3.4 to adjust to actual conditions. The number for FY 13 in the budget for active employees is \$4.3 million.

Mrs. Baker said she adjusted to actual conditions in the fall so we have actual numbers we agree upon. She said Mr. Petrarca did it one way and she does it a different way. Mr. Sheehan said with Mrs. Baker's numbers, there is going to be more factual information to the date than projected numbers later on.

Mrs. Baker said we budgeted for \$49 million, and it is balanced out. Mr. Sheehan said for the people who were here February 14<sup>th</sup>, the School Committee already cut \$1.7 in personnel---administrators, teachers, teacher assistants, etc. Unemployment compensation was going to be about \$540,000—we brought back some people along the way and probably would have saved another \$50,000. The budget had to be balanced and one way was to look at certain line items along the way. Mr. Petrarca chose to cut \$300,000 from unemployment to balance this budget—he needed to do that so we didn't start the year in the red. We will probably go over budget considerably with unemployment this year.

Mrs. Baker said every teacher we lay off comes out to about 1/3 of the cost.

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In looking at the Budget Forecast, Mrs. Baker said the numbers are from the uniform chart of accounts—51's are salaries and 52's are benefits.

Mr. Murphy said here's the problem as I see it—a major item is medical: \$1.19 million.

Mrs. Baker said after the budget is done, the figures will usually need to be adjusted when you have real solid numbers in the fall; that wasn't done on this document—she would bring that line item back to the School Committee.

Mr. Messier said if we approve \$51 million, what happens if 10 kids move in with IEP's—we have to take it from somewhere else in order to make the \$51 million? Mrs. Baker said that's right. Mr. Sheehan said you don't have the right to have any fluff areas. Mrs. Baker said say we had money left over, we could keep it as a fund surplus. Mrs. Baker said we should have capital improvements and we should have technology.

For medical, Mrs. Baker said she added 10% to the actual working rate. Because we are self-funded, normally you get the number from Blue Cross—we are claims based, but she is being told to add 10%. Mr. Messier asked about the co-pay for the teachers and Council 94. Mrs. Baker said they are at 20% of the working rate for their co-pays.

Mrs. Baker said \$4,334,800 is this year's medical for active employees. Mr. Lawton said for the line item that wasn't updated last year. Mrs. Baker said we do have stop loss insurance—we had someone with a premature baby and the bill went up to \$450,000, but we only pay \$150,000 because we have stop loss insurance.

Mrs. Baker said when we get to the end of June, 13 people will be off health insurance. Mr. Florio said if retirees are 65, they are on Medicare. Mrs. Baker said she would think they would have to join Medicare at

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65 and they also have secondary insurance. Mr. Florio asked why should be paying \$14-\$15,000 for the supplemental? Mr. Murphy asked at 65 would they come off our plan and pick up the supplemental and pay for it? Mrs. Baker said contractually, it was age 66. Mr. Lawton asked how many people are 65 or older, and Mrs. Baker said 150, and 50 of them pay 10-15%. Mr. Sheehan said that is one of the things that Rosemary Booth-Gallogly is encouraging everyone to look at—retiree benefits. Our employees have 20% co-pays and our retirees don't, but now the contract says, if you retire now, you would pay the same as the current teachers.

Mr. Sean Doyle said in answer to why do you pay for people up to age 66—because that's what you negotiated at the time, and neither the School Committee nor he have any legal authority to change the benefits for the retirees. He also said that it is currently a topic of conversation between the town and the retirees.

Mr. Florio said the town is negotiating with the teachers, but it comes out of our budget, so why shouldn't we be negotiating that? Mrs. Baker said they pay our claims and they reduce it off our allocation of \$29 million.

Mr. Sheehan said the questions came up with Rosemary Booth-Gallogly and Dennis Hoyle, and the bottom line is when we look at engaging in collective bargaining with the retirees that the town handle those negotiations to have it be fair and equitable to all employees. Mr. Florio said David Gosselin wanted the school department to negotiate with the teachers. Mr. Sheehan said but they don't keep consistency from what you are trying to obtain from the teachers and what the town is doing.

Mr. Doyle said there is no legal connection between the West Warwick School Committee and the West Warwick Public Schools and the retirees, and Rosemary Booth-Gallogly wanted consistency in the process.

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Mrs. Baker said there are about thirty 64-year olds, and all the 65's are coming off and going to Medicare—they can go on Plan 65, but they reimburse us. Mr. Doyle said he is sure at the time it was negotiated, it was in exchange for something else. There are some people that get Plan 65 paid for by the municipal side. Mr. Doyle said it's all been addressed in the last contract for new retirees. Mrs. Baker said anyone who retires now only goes to 65. She said the projections she has in there account for the people coming off.

Mr. Florio said he thinks we should negotiate. Mr. Sheehan said if they did theirs first and we had a baseline, fine, but if we did ours first, and they did nothing again?

Mr. Doyle said when the town negotiates, they pay the attorney and you realize the savings. He said he has no legal authority to represent retired employees. Mr. Doyle also noted that the first year's savings would probably be spent on lawyers.

Mr. Murphy asked before we go down item by item, what do you think the town wants from us tonight?

Mr. Sheehan said 1) We are presenting the budget as a draft form. 2) Wouldn't it be nice if the town gave you parameters by which to produce the budget—they have given you no parameters. He said we have been working from these numbers since September and the town has known we are coming here to ask for \$891,000. They have had the opportunity to respond for seven months and they haven't, so we are taking it as a real number. We have appropriated \$550,000 additional ARC money. We also this year will have given \$2.7 million towards the Council 94 pension, and \$1.251 is budgeted for next year.

We have assumed the responsibility they wanted us to with regard to the pension piece. Mr. Sheehan said let's say they gave you zero—do you think you can make a pension contribution, and Mr. Florio said no.

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Mr. Murphy said so we say to the Town Council, so you are telling us you don't want us to maintain the BEP, and Mr. Sheehan said you can ask law, regulation or contract—which are you telling us you want to violate?

Mr. Florio asked if there is anything in the budget that is not covered by the BEP. Mr. Sheehan said does the school department have to provide professional development for teachers, and the answer is no, but how are you supposed to implement Race to the Top without that? Mr. Sheehan said it will cost \$230,000 to upgrade safety and security which is not included here, and that may be law—it is being discussed right now.

Mr. Lawton noted that nurses went up 7%--did we hire another one? Mrs. Baker said we re-arranged it because someone was in the wrong spot—we have certified nurses and we have non-certified nurses also. Mr. Sheehan added that the uniform chart of accounts says where they have to be on separate line items.

The following items were discussed:

Item #1900 increase in coaches – Mr. Sheehan explained that item is for our academic coaches.

Item #25414 – assistant principals – how many are there? Mr. Sheehan answered there are two at the middle school, two at the high school, and one Dean of Students.

Item #42909 – Mrs. Baker said that's the change from Payroll Clerk to Accountant. Mr. Sheehan noted that the School Committee will see the reorganization of the Business Office at the April meeting.

Item #4510 – bus monitors went up a lot. Mrs. Baker explained that had been really underbudgeted—we have 15 bus monitors right now. Mr. Messier asked they are mandated by the state—why don't we get reimbursed? Mr. Sheehan answered the state says that

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it is reimbursed, by state aid. Mrs. Baker noted that there was a homeless child we had to transport from a shelter. Mr. Sheehan explained that if a child was here originally and lives somewhere else, our responsibility is to go wherever they are and pick them up—he said you don't have to have a bus—you could hire a taxi.

Mr. Murphy asked about going from 8 full-time teacher assistants to 16 part-time teacher assistants. Mrs. Baker said that the savings would be on the medical piece and FICA—the pension makes no difference. Mr. Sheehan said in the long run, the biggest savings is on health care—we also have reduced their hours, but the coverage in the classroom is better.

Item #4806 – Mr. Sheehan noted that we now have an Athletic Director with teaching responsibilities.

Mr. Sheehan said the School Committee's job in the next two or three months is to cut \$647,000, and you will be lucky to get the \$891,000 tonight.

Mr. Messier said that the \$558,000 that we were asking for additional town appropriation—they were supposed to give us anyway—supposed to give it in 2014-15 anyway. Mr. Sheehan said the original number was \$29.1, and we are asking for an additional \$891,484, when we deduct the payment of \$1.7 million, we had a deficit of \$334,000 and they would give you an additional town appropriation of \$558,000. He said the number was \$29.1 for FY 12-13 and for 13-14, we are asking for an additional \$891,000. Mr. Messier asked the agreement said that \$29.1 is the maintenance of effort number?

Mr. Sheehan responded we are asking for an additional \$891,000 and that becomes the new maintenance of effort number.

Mr. Sheehan spoke about that full-time teacher assistants accrue sick time up to 120 days, and when they retire, they get paid for 120 days of sick leave if they don't use it. He said part-timers accrue sick time as well, but if they don't use it that year, they get paid

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for it. He said what they get back is less than what we would have to pay for a sub. Mr. Messier asked when we lay off full-time teacher assistants, what happens to that? Mr. Sheehan said we currently have teacher assistants who have accumulated 60-70 days that they thought they would get paid for when they retired, and now they are going to lose that, so he met with the union and we will put the 65 days in a bank for them. They will not accumulate when working part-time, but if they return to full-time within 2-1/2 years, that would carry over to them. Mr. Messier asked if a full-time teacher assistant becomes a part-time teacher assistant, it could affect that? Mrs. Baker said she accounted for it, but we have some legal questions with that.

Item #54602 0000 leased equipment – Mr. Sheehan said we have some in the district in the production center which is now housed at the middle school, and they are to print materials for the classrooms.

Mr. Lawton asked about the uses of the mini bus. Mr. Sheehan said you may also have a custodian taking a child to Chariho.

Fuel costs – Mrs. Baker noted we can't turn the thermostats down until it's at least 40 degrees outside, so she doesn't want to underestimate fuel costs.

Item #51309 11100 – home educators – Mr. Sheehan noted that is for children who receive home tutoring services because they are debilitated because of operations and they can't get to school.

Mr. Sheehan said that the School Committee would have to make a decision about tonight's Town Council meeting, and he showed them the meeting notice that had been filed with the Secretary of State's office. Mr. Sheehan said there are a couple of issues—there is nothing here that says this is a joint meeting, so you can't have a quorum. The second problem is that it says 6 to 7 is Executive Session, and the agenda is presentation of the School Budget, and it says

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Executive Session—this has to be done in open session.

Mr. Sheehan said the Town Council should be aware—it should be no surprise because they have had the preliminary information—in September, it was provided to the Town Council through the Town Manager—it was in the Deficit Reduction Plan that we provided in September, so it should be no surprise. He said the \$891,000 is additional money being asked for and that amount was in the Deficit Reduction Plan that was requested by the Town Manager in September 2012.

Mr. Sheehan noted also not added into this budget is \$225,000 which is necessary to provide technology for students to take state assessments and \$230,000 for security and safety measures.

#### 4. Approval: FY '14 Budget

##### Approval: FY '14 Budget

**MOTION MADE BY CHRISTOPHER R. MESSIER THAT THE SCHOOL COMMITTEE TABLE THE FY '14 BUDGET AS IT IS STILL IN A DRAFT VERSION.** Motion seconded by Joseph Florio, Jr. The following members voted in the affirmative: Stephen H. Lawton, Elizabeth B. Brunero, Joseph Florio, Jr., Christopher R. Messier, and Sean M. Murphy. Motion to table unanimously passed.

#### 5. Adjournment

##### Adjournment

##### MOTION

**MOTION MADE BY JOSEPH FLORIO, JR. THAT THE SCHOOL COMMITTEE ADJOURN THE MEETING.** Motion seconded by Christopher R. Messier. The following members voted in the affirmative: Joseph Florio, Jr., Stephen H. Lawton, Elizabeth B. Brunero, Christopher R. Messier, and Sean M. Murphy. Motion unanimously passed.

Meeting adjourned at: 6:33 P.M.

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Respectfully submitted,

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Christopher R. Messier, Clerk

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Michelle M. Colozzo, Recorder