

City of East Providence Budget Commission

City Hall

145 Taunton Avenue

East Providence, RI 02914

(401) 435-7500

Meeting Minutes

January 10, 2012, 10:00 AM

Members:

Michael O'Keefe – present

Steve Bannon – present

Diane Brennan – present

City Manager, Peter Graczykowski – present

Mayor Bruce Rogers – present

Other Attendees:

Ellen Eggeman – City Finance Director

Mary King – School District Finance Director

Edward Daft – Interim Superintendent

Christy Healey, Budget Commission Fiscal Advisor

David Eaton, Budget Commission Fiscal Advisor

Charles Tsonos, School Committee Chair

Chrissy Rossi, School Committee

Steven Furtado, School Committee

Luisa Abbatecola, School Committee

Ryan Tellier, School Committee

Bob Silva, School Committee Legal Counsel

Suzanne Greschner, Office of Municipal Finance

Members of the Public

The meeting commenced at 10:03 am. Michael O’Keefe began by thanking the School

Committee for coming to the meeting and for their willingness to work with the Budget

Commission. He thanked the School District and City staff for working diligently and

putting in extra hours. He also thanked the Director of Revenue for dedicating two staff, as

well as assistance from the Division of Municipal Finance. He noted that all Department

heads should look at their budgets, because starting on February 1, 2012 the Commission will

be looking for 5 to 8 percent savings.

Following introductions of the School Committee and the Budget Commission and staff, the

meeting moved to a presentation by Tom Sweeney, of B&E Consulting. Mr. Sweeney began

by stating that one of the goals of the B&E report was to present a

long term

recommendation section with options for action that would not ordinarily be reviewed under

normal circumstances. The report is divided into two sections.

Section one provides the

calculation and explanation regarding the budget adjustments for FYE Oct. 31, 2012 School

District budget. Section two is a review of the education programs and identifies areas in the

budget that can be addressed to save funds in the future.

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Mr. Sweeney first discussed the recommendation that the School District update its policy

manual. He noted that many of the School Districts statewide had out of date policy manuals

that were not in sequence. The East Providence policies were last updated in 2001, however

most of the updates consisted of a date change, and not a policy change. The policies are

probably about 20 years old. He recommended that the School District look for third party

assistance to update the manual because it is a time consuming process, and the District lacks

the resources to perform the update in-house. He noted that the policies were lacking in the finance area, specifically expenditure monitoring, transferring funds, and audit response policies. Without policies, the administration and Committee are forced to operate day to day without basis for decision making. He noted that it was a state law that all School Committee policies must be up to date since they are used to govern the school system.

Mr. O'Keefe questioned the resources that would be required to update the policies. Mr. Sweeney stated that there are a number of groups that work on School Committee policy manuals, for example the National School Board puts out a two volume book. While the RI Department of Education requires the policies, they do not develop or review them. Certain policies are required, such as anti-bullying. Mr. Sweeney noted that the City should budget between \$10,000 and \$25,000 to fully update and reference the policy manual. Steven Bannon asked if there was any grant funding available for this type of project. Mr. Sweeney stated that he was not aware of any grants. Mayor Rogers questioned

if the current School

District staff could gather other Districts' policies and use them to update the East

Providence policies. Mr. Sweeney stated that it was a very time consuming process and the

School District does not have the staff resources to dedicate to the project. He noted that the

School Committee would also need to dedicate a sub-committee to the process. Mr. O'Keefe

questioned if the City had a policy manual or handbook. Peter Graczykowski stated that the

City was working on updating its policies as well, and had hired a consultant for \$5,000 to

complete the project. Mr. O'Keefe asked the Commission members if they agreed that it was

important to dedicate funds in the 2013 budget proposal. The Commissioners agreed that the

item should be included in the FY 2013 budget, and Mr. Graczykowski noted that the fiscal

policies are of particular importance. Mr. Sweeney stated that it would take approximately 3

to 5 months to fully update the policies.

Mr. Sweeney next addressed the enrollment efficiency recommendations. He noted that the

elementary schools are operating at 90 percent or better efficiency. In

this review, it consisted of 25 students at the elementary level and 28 students at secondary level. For the middle schools, B&E had done an evaluation in 2009 and recommended that the School District explore moving all middle school students to Martin. The School Committee decided to change the district lines to assign equal numbers of students to each middle school. There are now 2 teams for each grade level. To reach 90 percent efficiency, there would need to be approximately 25 students per classroom. The average class size at Martin is 23.6 students and the average at Riverside is 22.2 students for English. Mr. O'Keefe asked what the schools could do to achieve 90 percent efficiency. Mr. Sweeney stated that the district lines would have to be changed, and then sections would need to be reduced. He noted that this would take a lot of scheduling work to achieve. It would need to be done by March 1st to achieve savings for 2013, or the district would have to lay off sufficient teachers in anticipation of the changes and recall as necessary. The change has to be completed by the beginning of the school year. March 1st is the layoff date by contract

if teachers will not be

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recalled for the next year. Mr. O’Keefe stated that this was not a high option because it was not one of the easier things in the list to accomplish and the savings was only \$360,000.

Edward Daft noted that Martin used to have 3 teams and now has 2 for each grade, and that the district continuously evaluates scheduling. The 5th grade coming up is larger than previous classes, which needs to be taken into consideration. Mr. Daft noted the difficulty families would endure changing district lines including transportation costs and long term implications. With regard to the high school, Mr. Sweeney again noted that the district should plan for the upcoming changes in class size and lay off any teachers that would not be required. They could then be brought back on a part-time schedule.

Mr. O’Keefe requested that the School Committee comment on the recommendations during the presentation because the Commission was looking for input. Mr.

Daft noted that the district reviewed enrollment every year, however there were special classes, such as advanced placement, at the high school level that could skew the efficiency data. For example, a typical advanced placement class might have 12 students but a typical regular classroom would have 25. Also some classes at the Vocational school are kept small because of safety requirements. Mr. Sweeney noted that these examples illustrated the importance of having policies for class size. Mr. Graczykowski asked if the district looked at changing the curriculum. Mr. Daft noted that the district looked at curriculum annually, but that the district was trying to compete with other high schools. He noted that the students' class choice was getting more limited by the state's graduation requirements. Mr. O'Keefe noted that many times policy decisions are made without fiscal notes or review of the fiscal impact, and that both factors should be considered. Stephen Furtado noted that the School District did in fact evaluate enrollment decisions, and noted that the Vocational School eliminated its' landscape program this year because of decreased enrollment.

Mayor Rogers asked for comments from the School Committee, but Ms. King noted that the Committee had not met since the B&E report was finalized and that Mr. Sweeney was presenting to the School Committee at the meeting scheduled for later in the day. Mr. Sweeney stated that if the School Committee took action on the efficiency issue, they could put employees on a layoff list to allow flexibility. Mr. O'Keefe stated that while contractually that was an option, the human aspect of that tactic needed to be considered, as well as the effect on the morale of the teaching staff. The City of Providence did conduct a massive layoff recently, but it was very difficult for an employee to be uncertain of their job status from March to September. Chrissy Rossi noted that passing out pink slips could result in a loss of good teachers and asked if it was worth losing good teachers to save 1 to 2 students per class. Mr. Sweeney stated that the teachers would need to be recalled by June

30th

, or the City would have to pay the unemployment insurance costs. Mr. Daft stated that the typical last-in first out concept no longer applies because layoffs are now based on evaluations.

The next topic was all-day Kindergarten. Mr. Sweeney stated that he was not against all-day K, and that he supported it in many instances. It is not required in the state by law, contract or regulation. If a community has all-day K but can't meet its budget, then it is a program to review. He stated that elimination of all-day K could save \$430,000 net of \$50,000 in bussing costs. Ms. King stated that the transportation director believed the cost of bussing was actually \$100,000. Mr. Sweeney stated that the City decided to move to City-wide all day K without enough money to fund the program. Mr. Tellier stated that the School District

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made cuts in other areas to finance the cost of moving to all-day K city-wide. Mr. Daft stated

that there were 5 to 6 schools with all-day K funded through Title I, but that the City had then moved to city-wide full-day K so Title I funding was no longer optional. Mr. O'Keefe stated that this was an example of why a 5 year projection was so important. Mr. Tellier noted that the City had a significant special education population and that there was research indicating that it takes 3 years for students in ½ day K to catch up to all-day K students. Mr. O'Keefe requested to see the data that would show the savings in the special education budget in the out-years. Now that the City was funding all-day K without Title I funds, it was impossible to revert to funding certain classrooms using Title I. Ms. Rossi stated that the School Committee had made cuts to fund the all-day K program. Mr. O'Keefe noted that there was a cumulative deficit in the District's budget, so even if cuts were made, the District had still overspent. The commission requested a comparison of other municipalities and their funding of this program for comparison. While the city residents stated that they wanted full-day K, were they willing to pay for it because the end of the process is a decision on the tax levy.

Mayor Rogers asked if the Budget Commission had the authority to amend the District's budget by line item, because the City Council did not. Mr. O'Keefe stated that there is the authority to review the budget by line item, and that there is a state requirement to submit a 5 year plan. He noted that the Commission did not enact an out-year budget, but that the 5 year plan lays out the consequences of a current year budget. Only the current year budget was actually enacted.

The next topic was interscholastic school sports. Mr. Sweeney stated that for middle school, interscholastic sports were not required and many school districts have decreased their programs because the school sports were duplicative to those already provided by community, church, and other groups. He noted that booster clubs could support those programs that the district decided to offer. He stated that the School District did not have an accurate account of what the sports actually cost and that a thorough review of all sports including the number of students participating, with all expenses

should be conducted.

Specifically, non-league games should be evaluated for necessity and cost. Additionally, identifying game receipts and costs of umpires.

With regard to the Organization Structure review, Mr. Sweeney stated that the current administrative staffing level was not appropriate to staff the School District. There is no permanent Superintendent, no Assistant Superintendent for Curriculum, no Human Resources Director, and the Director of Pupil Personnel has been serving on an interim basis for 2 years. Mr. O'Keefe noted that this was a good reason to research the consolidation of overhead functions. The City and School District could have one Human Resources office, one finance department, one purchasing department, etc. because they are all back room functions. He noted that Information Technology and Maintenance had already been consolidated. Mayor Rogers noted that the City Council and School Committee has been discussing further consolidations. Mr. O'Keefe stated that this would not be savings item because both the City and School District were operating at minimal

staffing.

The Commission next reviewed the B&E recommendations regarding the pre-kindergarten program. The classes are all at Meadowcrest school and are required for children with an IEP. The number of IEP students is consistent with other districts of similar size. Mr. Sweeney suggested the City consider an integrated pre-K program, similar to Cranston and

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North Providence. Parents of non-IEP students would pay to have their children in the program, which would expand the number of students in the classroom, without adding any additional costs. Currently there are 27 students in the am class and 30 students in the pm class, with 6 classrooms per session. Mr. Sweeney noted that the enrollment could be doubled by adding non-IEP students.

With regard to the facility fees recommendation, Mr. Sweeney stated that the School District

needed to adopt a policy to cover the use of the buildings. Mr. Tellier stated that the School Committee was already working on this recommendation and the first reading of the new regulations was scheduled for tonight's meeting.

The Commission discussed the meeting time, and based on the Commissioner's schedules, it was decided that beginning on January 17, 2012 , the meeting time would be changed to 2:00 PM. Because of time constraints, the B&E presentation was continued to January 17th . The B&E presentation will continue on section H. of the report, "Response to Intervention (RTI) and Special Education.

The meeting adjourned at 12:00 P.M.

EPBC/ceh

Approved by Commission on January 17, 2012