

# **Budget Hearing/Workshop of the Pawtucket School Committee**

**Tuesday, March 29, 2011**

**6:00 PM Media Center**

**Jenks/JMW Complex for the Performing and Visual Arts**

**350 Division Street, Pawtucket, Rhode Island 02860**

**I. Meeting will come to order: roll call:**

**The Deputy Chairperson called the meeting to order at 6:08 PM.**

**Mr. Araujo- here; Ms. Bonollo-here; Mr. Coughlin-here; Mr. Noonan-here; Ms. Nordquist-here; Mr. Tenreiro-here**

**Mr. Spooner left due to illness.**

**Also in attendance was Mrs. Deborah Cylke, Superintendent of Schools; Mr. Thomas Conlon, Business Administrator; Mrs. Maggie Baker, Assistant Business Administrator.**

**II. Pledge of Allegiance:**

**The Deputy Chairperson led the audience in the Pledge of Allegiance.**

**III. Public Participation:**

**None**

**IV. FY12 Budget Public Hearing Workshop:**

**Public Input: None**

**School Committee Workshop:**

**Mrs. Cylke: What I hope to do as an introduction to the public is give a good overview. I want to reiterate that transparency and access is our goal. The budget is on our website, it is a public document and we have a summary here this evening and there are copies available.**

**We also have the Uniform Charter of Accounts provided by the Rhode**

**Island Department of Education available on our website and links for that.**

**In a nutshell expenditures are up and revenues are down. The major reasons for the expenditures to be up are the typical ones: increases for the retirement; step increases. Revenues are down as we are all aware the Governor enacted the Funding Formula but backed out the Education Jobs Monies. The City has not restored the FY11 cut of \$2.9 million; \$1.5 million was allowed by statute where statute allowed for that year municipalities to fund at 95% maintenance of effort. The other \$1.4 million was due to a drop in enrollment in 2008 and I don't see how that argument can be used to further reduce revenue this year because enrollment was up in 2009 and again in 2010. We have a statutory requirement that we must meet the Basic Education Plan and the expectations within it. This budget that we're presenting this evening does not reflect what I feel is necessary to meet the academic goals in the Pawtucket Department. We will be targeting very clearly next year Mathematics, Reading and Writing; Science; Technology is really nonexistent especially for our elementary schools teachers. We haven't bought textbooks in years, we are behind and there are new high school graduation requirements which we must be responsive too. In order to do this you really need better data and data systems. I'm not complaining, I'm just saying what is and this budget does not reflect any of those things I'm saying we need to do for next year. The Pawtucket School Department teachers are in the bottom thirty for the salary schedule of the State. I was very pleased when I arrived to see that this year and next year there**

would be a salary increase because my goal would be that Pawtucket School Teachers would be at the medium in that list so that we can continue to attract great teachers and retain those great teachers.

Non certified and administrators have not had increases in two and three years respectively. There have been cuts prior to me arriving that I am aware of—the music program; the gifted and talented for elementary; counselors in elementary schools and if Ms. Mercer were here I'm sure she could cite many more. We have uncertainty in the weeks ahead. The legislature is in session and we're not quite sure what they'll do in the end. I worry most about any retroactive cuts for FY11. We want to provide a summary and in your notebooks section two and three are the backup deal of what's in section one. We want to provide a summarization of the increases and decreases in revenue. I'm going to turn this over to Maggie and Tom and anytime you have a question, please feel free.

Mr. Conlon: The slide titled "major summary" is the entire budget in a nutshell and there is nothing that could simplify it more than that. As always, we start off with last year's budget and we want to know what all the increases are. As far as the expenditures are concerned, there are two major categories of increases. Those that are required by contract—\$3,700,000 and those that are not required by contract, but they occur anyways—increases in utilities, transportation and they total \$5,400,000 and it represents an increase of 5.67%. The gross expenditure budget as of right now is \$100,429,143. From that we subtract the known revenues as they exist right now based on the Governor's proposed budget and based on the appropriation that the

City says it will give us. If you subtract the \$91,000,000 we know we are going to get from the \$100,000,000 in expenditures, we have an initial shortfall of \$9,000,000. However, as has always been the case we do show the projected teacher retirements and also an item called unidentified cuts which there are some new people on the committee, but basically they're unpaid leaves. Chiefly maternity leaves, so those are the savings we enjoy during the year by teachers but not necessarily restricted to teachers who take unpaid time off and we replace them with an \$85 dollar a day substitute with no benefits. It has reached that number for the last couple of years.

Mr. Coughlin: On what are we estimating ten teachers retiring?

Mr. Conlon: It is very low relative to what it has been in the last five, ten years. It's always been in the 27-34 range. Every year it gets down a little more. There are very many fewer teachers eligible for retirement. When they changed the teacher retirement eligibility in 2009, a lot of them that could have possibly retired at a certain point, had to stay on for a longer period of time. I take the number of teachers who have 28 years of service and also those with more than that and based on experience the number of teachers who have retired from January to June it comes out to a certain number of teachers.

Mr. Coughlin: The number stays pretty constant all of the time?

Mr. Conlon: No it's been declining over the years because we have more and more teachers retiring and being replaced by lower step teachers. We have many fewer higher step teachers eligible for retirement.

**Mr. Coughlin: Does the percentage of teachers retiring stay the same?**

**Mr. Conlon: Yes. I think last year my number was 27 and it came in at 24. Having said that you may go back to 2009 when there was a major change in the teacher contract and that caused almost 40 FTE's to retire unexpectedly.**

**Mr. Coughlin: You save on the retirement less than what the teacher cost?**

**Mr. Conlon: That's correct. For the retirees we do supply them with health benefits until they are eligible for Medicare.**

**If we take the estimated retirements, that brings the estimated \$9,000,000 shortfall down to a projected \$7,300,000 shortfall. The contractual increases total \$3,700,000 are made up of two categories: certified and non certified. The first shows the certified contractual requirements. The major one is the 3% salary increase of \$1,900,000. We are required by the State to increase our contributions to the pension system for both certified and non certified and that's another \$967,000 for the certified. There is an increase in the health costs of \$154,000 offset by the contractually mandated co-pay from 6% to 9% on the teachers' health insurance. Those contractual increases cost us \$24,000,000. On the non certified there are not as many, but there is an increase mainly on the pension side for \$184,000 and \$56,000 in the health benefits. Combined they equal the \$3,700,000 contractually mandated increases.**

**The second category is non contractual and it is \$1,700,000. That's all other increases not required by a contract. There is a major item**

in there called non recurring FY11 stabilization funds. It can be a very confusing issue. We've asked Maggie to explain this.

**Ms. Baker:** Back in 2009 when President Obama came out with his ARRA stabilization and stimulus funds, that's where we began the stabilization funds. During that same year the state decided they were going to reduce the state aid by what we received so it was basically a net effect on us. We received \$3,500,000 in stabilization funds and then the state took away \$3,500,000 in state aid. What we had to do is move the local expenses to the stabilization funds so it was a zero offset. The same thing occurred from 2009, 2010 and 2011. They gave it and took it away. So the same thing happened, local budget revenue was decreased and we moved all those expenses from local to the stabilization fund. So now we come to FY12 and that ends the stabilization fund. It is over. The State increased the State Aid in FY11 by \$1,500,000 but they are taking back the stabilization money of \$1,500,000. We need to move the stabilization expenses back to the local budget and its offset by the increase in the state aid by \$1,500,000 and that's the effect on the local budget.

**Mr. Conlon:** When we received the federal monies, the state cut us. Now we're not getting the money the Governor put us back in and that means the expenses for last year are being paid instead of from the stabilization funds but have to be put back into the budget for next year to be paid from the local budget. Of the total \$1,700,000 in other expenses, \$1,600,000 are these stabilization fund expenses. One category happens to be out of district special education out

placement costs. There are only certain categories we could expense using federal stabilization funds and that was a major one for us to use. All the detail is in sections two and three of the binder.

Mr. Coughlin: The Governor's budget this year before he takes away the jobs monies, the \$1,500,000 stabilization funds, and about \$2,000,000 from the funding formula equals \$3,500,000; are we saying that in FY13 we won't expect to see that column on stabilization funds?

Ms. Baker: Yes.

Mr. Conlon: Last year we received money from the federal government and so he reduced state aid by that amount. This year we are not receiving money from the federal government, so he is putting it back otherwise we'd be short.

Mr. Coughlin: That line will disappear though?

Ms. Baker: It will.

Mr. Araujo: So regarding this \$1,600,000 from the stabilization, is that part of the \$91,000,000 in the revenues?

Mr. Conlon: Yes absolutely.

On the revenue side of it there are really only four items. One being that state aid number and I want to emphasize that is the Governor's proposed budget. Anything could happen once the legislature gets a hold of it. The net effect of the Governor's proposed budget is a \$536,000 increase to us. That's a combination of putting back in the stabilization monies, \$2,000,000 in the funding formula and for taking away \$2,900,000 in the federal jobs funds. The net effect of all of that is an increase of \$536,000 to us.

District revenue is Medicare revenue, building rentals, the money we get from employees for jury duty, premium on cobra payments; all kinds of district raised revenue. The \$180,000 state has deemed to increase the Medicaid reimbursements this year and it's non recurring. The City appropriation has been increased by \$717,000 and that is a result of maintenance of effort from prior years' deficit reduction plan. I believe it's the last payment from 2006 and there are small ones from 2007, 2008 and 2009. In the last year they have made these deficit installments and as a result, we get maintenance of effort this year and that totals \$717,000. That has nothing to do with the \$2,900,000 that they cut us in FY11 and that we're looking hopefully that they will restore.

Mr. Tenreiro: Does the Committee have any questions before we go any further on what has been presented so far? Obviously I know we have to budget just for known revenue and I was trying to figure out what that \$717,000 figure was so I'm glad you just explained that. At what point do we know from the City?

Mr. Conlon: This is the number that Ron Wunschel was putting in the budget.

Mr. Tenreiro: So that does not include returning to the 2009 level of maintenance of effort?

Ms. Baker: No.

Mr. Tenreiro: It's dangerous us for us to assume that. If the City can listen to a Commissioner's memo that allows them to take the money away.

Mr. Conlon: That was actually legislation.

**Mr. Tenreiro:** But it also required a waiver by the Commissioner of Education?

**Mr. Conlon:** No. The Commissioner has issued a memo saying it's her interpretation of the law that allowed them to do it. It is her interpretation of that law that is now saying they are required to put it back.

**Mr. Tenreiro:** Have you read that original legislation and does it include returning to that level at some point?

**Mr. Conlon:** No they're silent on that. It doesn't say whether they have to or not. Most likely there is going to be some city or town that is going to challenge that interpretation.

Lincoln filed a complaint to get their \$800,000 maintenance of effort restored and they ended up reaching a compromise and it was not restored and it turned out that the Lincoln School Department had a surplus some place that they could replace it with and they decided not to incur legal fees and go to the Commissioner with it.

**Ms. Nordquist:** Regardless of the \$2,900,000 it should at least be the \$1,400,000 that goes back in because the enrollment has gone up. So at the very least was it our intention that we should go back to the full maintenance of effort? Their explanation of reducing it to \$1,400,000 because our numbers have gone down when in fact they have gone up shows that it can't work both ways.

**Mr. Coughlin:** Isn't there an opinion from the Commissioner that says if the district can't meet its regulatory statute BEP requirements than that 95% law notwithstanding, they have to fund the budget as it is?

**Mr. Conlon:** I think there have been Commissioner Rulings along that

line. I don't know if that refers specifically to 95%.

**Mr. Coughlin:** Alan was bringing up the idea of a waiver and I think somebody could have pushed if they wanted to but the Commissioner has ruled if we can't fund the education of this district with a contribution of 95% than the City is going to have to operate in a deficit.

**Mr. Conlon:** To play the devil's advocate, the City would argue that you received that \$2,900,000 in Federal Jobs money and you're ending up with a \$480,000 deficit.

**Mr. Tenreiro:** They allowed it for two years but I can't imagine that they would again. I think it's an unintended consequence that it is gone and you're not going to get it back. That's \$3,000,000. It's something I want to fight for.

**Mr. Noonan:** Did I hear you say the money is not adequate to meet the Basic Education Plan? If that's the case, what are we going to need to do that?

**Mrs. Cylke:** We have to meet the basic education plan. We use some federal funds to do so and RIDE is aware of that. Ms. Mercer has to have everything approved before it is submitted. When I met with Ms. Mercer she said we're really at that edge. We can't dip into federal funds to meet the BEP. We are funding some things that are not required by the BEP.

**Mr. Noonan:** How much are we going to need to meet the Basic Education Plan? Do we have a number or an estimate? I don't want to cut anything out, like school sports or things like that. I won't do it.

**Mrs. Cylke:** Each year there are new regulations added. This year the regents changed the high school graduation requirements and if you don't score professionally proficient in mathematics you can go all through high school, pass your classes and you're not going to get a diploma. We're backtracking to grade seven and we're going to find those kids and we're already asking ourselves what are we going to do to make sure these kids can graduate and have the instruction they need? I've been working with our team to come up with a math plan and to finance that plan and it has a price tag. Yes, I think those funds are needed to meet the BEP and the new high school regulations.

**Mr. Noonan:** I was looking through the City Charter and they have a fund for textbooks set aside supposedly. Have we looked into that? It's in the City Charter or ordinance somewhere. The City is supposed to keep a fund for textbooks.

**Mr. Tenreiro:** Going back to the revenue picture the question for the Committee because as much as we put the State revenue into the budget the Governor's budget figure, it's really tentative and not known because the legislature still can make a movement. If we can come out and balance the budget but assume that \$2,900,000 and I know it's dangerous but there has been that interpretation that we have to go back to that level and it's something we have to have a conversation about. Whether we raise that level figure to the \$2,900,000 and make that argument because then it becomes a question of how much are you going to take again. This is a serious amount within this deficit picture.

**The unidentified cuts in personnel, is there another line item for unidentified cuts at all in the budget anywhere?**

**Mr. Conlon: No.**

**Mr. Tenreiro: The actual unidentified number back to actual each year back to five years has always been that number?**

**Mr. Conlon: It's been \$1,300,000. Last year it was \$1,537,000. You have to exclude all this stabilization numbers and pension reform numbers as well. It says if last year our increase was 2%, why should this year be any different because we shouldn't have any new programs. Two percent added to last year's actual is this added to this has made it that much higher because cuts should dictate where it should be. It's worked, it's there it's not necessarily going to happen, but it's worked since 2006. It was always there and always resulted in a surplus. That surplus was there every year before 2006. Once we started to need the money we started to identify the unidentified cuts.**

**Mr. Tenreiro: It's a sad thing to say it's a budget that doesn't meet our educational priorities.**

**Mr. Conlon: The City will not accept the unidentified cuts or even the teacher estimated retirements. They will only put into their budget our portion of the City's budget known revenue and that's the Governor's proposal and what they say they are going to put in and what we say we're going to get from Medicaid and building rentals.**

**Mr. Tenreiro: The figure for co-pay increase from six to nine percent in premiums, it's somewhere around \$75,000?**

**Mr. Conlon: No, it's \$247,000.**

**Mr. Tenreiro:** But that's per percent so we're talking somewhere around \$90,000?

**Mr. Conlon:** More like \$75,000 per single percent.

**Mr. Coughlin:** Going back to the FY12 deficit notes, the second bullet funding doesn't reflect that we are academically underfunded to meet our goals. Are we being too conservative with this budget? Are we insufficiently underfunding ourselves at this level? It looks like even now we're not going to get to where we need to go. What would be the budget to achieve the goal? How much additional funding would it take to get us there?

**Mrs. Cylke:** We're in a process right now of penciling out. On Friday we have a presentation by a group of math experts regarding resources for Algebra success for high school students. Our middle school math because our textbooks are very old and not well aligned with the standards. We need to provide professional development for our teachers and provide our students with the tools they need to achieve success. We need to update our materials for our math teachers and our students. Also for science, our science NECAP scores are among the lowest. Our teachers don't have adequate science kits, textbooks, professional development. Ms. Mercer and I have been looking at our federal money to see how we can achieve those goals by using federal funds. Those federal funds are truly above and beyond because you are truly serving a significant number of low income students in Pawtucket. What we're trying to present is minimally taking what we're doing this year and moving it forward and even then we are short \$7,300,000.

**Ms. Nordquist:** When you're talking about the budget not meeting what you think is necessary to achieve academic goals, do you include in that the change in the high school schedule? I know we probably have different views about this but those of us who have taken courses in education know that there is some research that says shorter time in the class in that one period especially in something like math could have some consequences. Was that one of the things, I'm curious to know?

**Mrs. Cylke:** Yes. That's a cost savings to change the schedule.

**Ms. Nordquist:** Right, but is that one of the things that doesn't reflect your educational...

**Mrs. Cylke:** Right if we were to continue with the schedule we have, it would put us deeper than \$7,300,000.

**Mr. Conlon:** The state average per pupil is now \$15,000 and ours is \$13,000.

**Mrs. Cylke:** The point there is if Pawtucket was funded at the level of Tiverton, Bristol/Warren, West Warwick, North Providence, Lincoln, Chariho; we would have \$2,000 more per student. What would you do with \$16,000,000? With \$16,000,000 we would be doing exactly what I know we can do to improve academic achievement. I know and I have improved academic achievement in a large number of schools and I know what it takes and it takes an investment in people. Teachers want to be successful and when you give them resources, professional development and the supports they need they get the job done. We have to be realistic with the economic climate in the state and in the nation. The budget that we are presenting to you is

truly at the bare minimum.

**Mr. Tenreiro:** Could we move to the slides now?

**Ms. Nordquist:** Just to clarify, I can read the budget. I know what the saving is for the high school schedule. I just don't think that saving \$1,300,000 is where we need to save money, but I'm still not convinced that it's the best thing to do.

**Mrs. Cylke:** How might we address the deficit? This is a proposal and shows what is not required by the BEP and where there is opportunity and I would agree with Deputy Chair, Mr. Tenreiro that we need to be very aggressive in having the City restore funding in the school department at the 2009 level. That would be the \$2,900,000. The \$1,500,000 representing the Maintenance of Effort or the 5% cut and the \$1,400,000 because of student enrollment being down.

If we streamline the middle and high school schedules we can save potentially \$1,300,000. I would certainly not imply that we would put more than 28 students in a class. We have a balanced masters' schedule and move into a five by five schedule and get away from a four by four schedule. There are many positive aspects to that schedule. I would agree with Ms. Nordquist about the current schedule, but it does have a price tag attached to it.

**Ms. Nordquist:** The \$1,300,000 of that savings, how many positions does that eliminate?

**Mrs. Cylke:** I would average that at thirteen.

The School Committee is currently in negotiations with employee groups and there are furlough days; co-pay increases that could potentially impact the deficit. We provide some student support

services that I think are absolutely essentially and critical and not required by the BEP, so they are on the list. Athletics are not required by the BEP, so that is on the list. I've asked our departments at how they might further reduce the budgets by five percent and there are some cost savings there. We have a plan to return minimally four units of special education students to Pawtucket. It costs us \$960,000 to have these students educated elsewhere. If we bring them back it will cost approximately \$600,000 for us to serve them, so that's a \$300,000 savings. There may be more, but a lot depends on space.

None of the others on the list are desirable, not one; but we do have to look at them and take them seriously. This is not a proposal to solve the deficit. I just want to show examples of where those cost savings may be.

Mr. Noonan: Mrs. Cylke, you said you asked the department heads for five percent in budget cuts, have you gotten any feedback on that yet?

Mrs. Cylke: Yes they have been turning those into Maggie and Tom.

Mr. Noonan: Thank you.

Mr. Tenreiro: Any questions on that information?

Mr. Araujo: When you say athletics, is that all of athletics or part of athletics when you are looking at a reduction?

Mrs. Cylke: It's all of them. I didn't want to put that on there but it came up with our presentation with our Union Leaders and it's a good point. It's not in the BEP and we need to put those things that are not in the BEP in there.

**Mr. Noonan: Did we ever find out how many students participate in student athletics?**

**Mrs. Cylke: I don't have that off the top of my head but I can get that.**

**Mr. Noonan: Thank you.**

**Mr. Coughlin: Can you get from UCOA a ranking by district the percent that the City contributes?**

**Mr. Conlon: 29%; Woonsocket is lower than us.**

**Mr. Coughlin: Pawtucket is part of the top five lowest but it sounds as if Pawtucket is the third lowest.**

**Mr. Conlon: Pawtucket is at 29% and Woonsocket is at 24%.**

**Mr. Coughlin: So if Pawtucket were to step up comparable to other districts in the state?**

**Mr. Conlon: The state average is 57%.**

**Mr. Coughlin: Are we saying the City would double its contribution to get to that?**

**Mr. Conlon: Yes.**

**Mrs. Cylke: I think it's a really good question and our next step is after another public hearing this budget has to be presented to the City Council and I think the Mayor is aware of how low it is. The real question becomes is where do they get the additional funding and what cuts do they make so that the School Department can be adequately funded? I had thoroughly read the Woonsocket performance audit and that was one place they had looked at was the high school scheduling. I think that in potentially preparing for a legal action and I don't think anyone wants to go down that road we need to be in a place where we've said we've looked at all efficiencies**

**and that's why I have the high school schedules on there.**

**Ms. Nordquist: The student support services that you included and the \$400,000 that's the aides for the students?**

**Mrs. Cylke: No those are the social workers and they are essential.**

**Mr. Tenreiro: I agree with that. When my son comes home he speaks about some of the role playing things that he does with the social worker and I think the lessons learned there are extremely preventative as students get older and as we move forward. I think it's a vital service.**

**Mr. Conlon: These potential savings are not in there. This is just a way to possibly get to reduce the deficit.**

**Mrs. Cylke: One of my favorite social workers is here tonight and he's always here. This is the first district I've worked in that doesn't have counselors in the elementary levels and I know we cannot allocate for that and that is why we have the social workers. I just want to be straight forward and tell you that there are nine required BEP items in our budget that we can look at but none of these are things we would want to do.**

**Mr. Araujo: Going back to the student support services, we had some federal funding for that before, right?**

**Mrs. Cylke: Yes.**

**Mr. Araujo: Are we looking to try to procure more federal funding for that?**

**Mrs. Cylke: I wish Ms. Mercer were here as she explained it to me that initially the social workers were funded in the local budget and as the budget got tight, she was able to pay for the social workers**

through the federal budget using ARRA funds and now the ARRA funds have sunsetted. All fourteen have been pink slipped and we have some wonderful social workers in this system.

Mr. Conlon: This \$400,000 is what we're told not able to be paid under the ARRA funds so it remains in the local budget.

Mr. Tenreiro: We were going to use the medical reserve account to take care of anything leftover in FY10 and FY11.

Mr. Conlon: Correct.

Mr. Tenreiro: Did we do that? Are we going to have to do that?

Mr. Conlon: We won't do it until May and June.

Mr. Tenreiro: So is there more of a carry over?

Mr. Conlon: No. We're at about that \$900,000 level. It stayed where it needs to be for this year.

Mr. Tenreiro: So there is nothing structurally that we need to put in place?

Mr. Conlon: No not unless something happens within the next couple of months.

Mr. Tenreiro: One other thing I'd like to point out is it says on page 13, section one. I see UCOA and how we get there when you go to adaptive physical education I see how that gets backed out so it gets detailed. Above that the teacher assistant transition program and above that pre-school are those also backed out of that figure or not?

Mr. Conlon: This all has to do with the conversions to UCOA. What it did, is the system put it all in the first account it went to initially until halfway back through the year the software people were able to do the cyber space translation and translated all of our numbers to

**UCOA numbers into the City's numbers.**

**Mr. Tenreiro: I wanted more information on the tuition out coordinator, especially in light of the fact that there is a director and two assistants. Also evaluation team members, how does that process happen and who those people are because the people listed above are those people on that evaluation team so that's a \$687,000 figure and I'd like further detail on that.**

**Mr. Conlon: With UCOA there's a much more discreet number of line items that you specifically identify. That would be a question for the Special Education Director.**

**Mr. Tenreiro: I'm just interested to see how that whole process works and on the next page there seems to be an increase in reading specialists.**

**Mr. Conlon: The increase by the way is based on how we stand now.**

**Mr. Tenreiro: I know it's a small thing, but I see travel and mileage. Is travel and mileage in anyone's contract?**

**Mrs. Cylke: My understanding is for the school social workers and psychologists they travel and it is in their contract. And just to let you know it is in my contract and I have kept track of my mileage for meetings I've had to attend and I have not submitted one reimbursement and I do not intend to.**

**Mr. Tenreiro: The expenses for City trash and snow plowing and if we are the City that's working together and there are charge backs to seriously plow the parking lots and to get the trash from school is that every City and School Department?**

**Mr. Conlon: No, not necessarily.**

**Mr. Tenreiro: How many cities and school departments do that?**

**Mr. Conlon: Prior to 1993, the formula for state aid was that the more you spent, the more you received in state aid. What you spent this year, in two years from now you would get in state aid. With the knowledge of the Department of Education, John Calista said why don't we charge the school department for certain services and these were some of them. They charged us for a portion of the Finance Director's salary and they charged us to park the school buses on city property. In total they charged us about \$750,000 a year. They also gave us \$750,000 a year in increased revenue so it was a wash. Then all of a sudden a new Mayor arrives and a new Finance Director and they charged us, but they didn't give us the money to pay for it, so we challenged them in court and it took two years and the judge said you can't do that, the only thing you can charge the school department for are the things they would have to do themselves or subcontract out to someone else; snowplowing; ice scrapping; athletic fields. Everything else is out.**

**Mr. Tenreiro: These increases are based on what?**

**Mr. Conlon: Based on the increases we've had so far this year. When I do the budget in January, we've already had two quarters of what they have charged us. They haven't hit us for all the snow plowing yet.**

**Mr. Tenreiro: This is cheaper than privatizing it?**

**Mr. Conlon: It's something we can look into.**

**Mr. Tenreiro: There's an increase of tuition in vocational students?**

**Could you just explain that?**

**Mr. Conlon:** We're going to have to start paying tuition for Davies students as part of the funding formula and it's a phase in of over five years. This is year one.

**Mr. Tenreiro:** So state aid increases by \$500,000 and then they charge us so really we're down to \$250,000.

**Mr. Conlon:** They're also increasing the amount we have to pay for each charter school student as part of the funding formula. Davies went up \$256,000 and the charter schools went up \$111,000 and that is based on what RIDE told us would happen in December. The funding formula is actually being reduced by the increase in expenses.

**Mr. Tenreiro:** What's the plan for kindergarten teachers?

**Mrs. Cylke:** We have full day kindergarten and half is funded through the general budget which is our obligation and the other half is funded through the federal budget to make it full day. We had to make an adjustment this year to half general and half federal to fund it.

**Mr. Tenreiro:** Are there any new positions for next year funded either under the general or federal budget?

**Mrs. Cylke:** What I will present to the Committee is a reorganization plan that is cost neutral so using our current federal funds; staffing ourselves a bit differently to meet the goals that we have for next year. I've been working on this with Ms. Mercer on this plan and it's a matter of using current federal funds differently. Some of it's based on the audit recommendations from Dr. Schiller. We need someone

in human resources and we can't fund that through federal funds. I think that is something in the long term that could save us money. I think something that could eventually save us money is a grant writer position.

Mr. Tenreiro: So the restructuring plan will be presented in April also?

Mrs. Cylke: Yes.

Mr. Tenreiro: The thing I'd like to say about any new positions is that we have a process and to be sure that the Committee passes the job description for any of those new positions, preferably prior to any type of interviews. We do want to see federal positions that we do want to continue.

Ms. Nordquist: Do we still have that grant that we had when we hired the grant writer with the grant? Do you remember?

Mr. Conlon: We never really had a grant writer.

Ms. Nordquist: Janet Carroll.

Mr. Conlon: She's not a grant writer. She works with title one funds.

Ms. Nordquist: The position we might have to add is; has the kindergarten registration started and is there a possibility that we might have to add more kindergarten teachers? We don't have that included in here, right?

Mrs. Cylke: We have slush fund for extra kindergarten teachers. It would be smart to do that because this year we had one hundred and eighty two new students show up and they weren't all kindergarteners but it would be prudent to set that aside.

Mr. Tenreiro: Going back to the restructuring you were talking about.

**The cost neutralizing it is very difficult for me to talk about adding any new administrators just because of the climate we are in. Where we go with that ultimately is a conversation for another time. Grant writer and a human resource person might be something that can be shared services through a collaborative method with the city side. Does the City have a human resource director by the way?**

**Ms. Baker: Yes they do, they have a staff of three.**

**Mr. Conlon: We've already looked that several times and it's not feasible.**

**Mr. Tenreiro: It's a conversation for another time in our position to move forward.**

**V. Adjournment:**

**Mr. Coughlin moved to adjourn. Mr. Noonan seconded.**

**Roll call:**

**Mr. Araujo-yes; Ms. Bonollo-yes; Mr. Coughlin-yes; Mr. Noonan-yes; Ms. Nordquist-yes; Mr. Tenreiro-yes**

**Motion carried unanimously.**

**The Deputy Chairperson adjourned the budget hearing/workshop of the Pawtucket School Committee on March 29, 2011 at 7:18 PM.**

**Respectfully submitted**

**Clerk**

**Approved May 10, 2011**