

**Special Meeting of the Pawtucket School Committee – Thursday,
September 10, 2015**

Meeting called to order 6:32am

**In attendance : Mr. Chabonneau, Mr. Knight, Ms. Bonollo, Ms. Dube,
Mr. Araujo**

No Public Participation

Recited the Pledge of Allegiance

Ms. DiCenso stated that Ms. Devine would walk the Committee through the application for the SBA Funding. She spoke about how Mr. DaSilva from RI Department of Education did a “walk” through of the various Pawtucket Schools in previous years and felt the District had needed many improvements. Mr. DaSilva also mentioned at a building committee meeting the need for the district to create a capital reserve fund to support the necessary projects

Ms. Devine explained the application process in detail from an example of the 17 draft applications that were intended for submission to the RI Department of Education. Included in the explanation was the application requirement of an assurance of a capital fund or a commitment for the creation of a capital fund. Some additional criteria that application includes is the housing aid share which is points based on the housing aid reimbursement rate per district. Points will also be awarded for enrollment.

Ms. Dube (in reference to the section of the application on Local Capital Reserve Fund) She states this is part of \$20M funding available and everyone is competing for this so a “Y” is better than an “N”

Mr Charbonneau asked why there was an “N” in project design.

Ms. Devine responded that she was waiting for approval dates of the designs from Colliers.

Mr. Knight asked Ms. Devine to explain the anticipated FY Surplus and how we arrived at the unaudited figure.

Ms. Bonollo asked why 17 applications instead of 1.

Ms. Devine explained that each building and project was required to be submitted separately.

Ms. Devine stated that as of March, the monthly financial report presented to the committee showed projected surplus of approximately \$400K through May and \$500k in June. By August, it was noted that Special Education tuitions were \$200K less than June tuition report. In addition, Medicaid revenue was higher than originally projected approximately \$200K.

Mr. Araujo asked when the audit would take place.

Ms. Devine stated that preliminary audit is complete and auditors are expected back 1st or 2nd week of October.

Ms Devine explained that she is working with special education department to enter tuitions into purchase orders by students rather than by school to allow more efficient tracking of students leaving and entering the district.

Mr. Araujo stated he could not remember a time when they could have the opportunity to have a capital reserve fund.

Mr. Knight asked where the rest of the surplus came from.

Ms. Devine explained that most of the surplus came from salary and fringes.

Ms. DiCenso stated that staff out of work on workers' compensation and FMLA without pay were significant this year. She mentioned that just 2 positions that are without pay for most of a year is close to \$200K.

Ms. Devine mentioned that it is not good practice to build such savings in a budget because you cannot depend on absences without pay.

Mr. Charbonneau asked if we could track absent employees at mid year.

Ms. Devine stated that we do track employees.

Mr. Knight requested if we could get a report, not names but counts.

Ms. Devine stated yes if that is what the committee wants.

Mr. Knight stated that the City Council is going to be upset. He would like to be notified when the next Ad Hoc meeting with the city is.

Mr. Araujo stated that it was next week.

Mr. Charbonneau said that people are going to look at a \$900K surplus as a bad thing.

Ms. Bonollo asked if we could create a report to show the historical deficit and how we are becoming efficient.

Ms. DiCenso says we are becoming efficient but we do not have everything. It takes time we don't have spelling books or a robust curriculum but are working to get there. As we continue to move forward, we are finding things that we are stopping and working to fix.

Mr. Knight said he wanted to make a motion but first wanted to say that he spoke to Joe DaSilva and he also knows what the City charter

allows. He stated that the City Charter does not allow us to have the cash.

Mr Knight motioned, seconded by Ms. Bonollo that the Pawtucket City Council to create a school building capital reserve of \$500K paid for by FY15 surplus.

Mr. Arajuo spoke with Mayor and City Solicitor about being within our prevue to take this surplus on our own. He stated, meaning no disrespect, that he doesn't think we need to give to City Council to manage.

Mr. Knight said if we do this and not the way I suggest, the City may take the money away from us.

Mr. Charbonneau asked if we were to just establish the fund and then when the numbers are final we request to put \$500K into the fund.

Ms. DiCenso agrees that we need to keep our communication open with City. She states we are open at these ad hoc meetings about projections. We also want to ensure that they know that the funding formula will be drying up.

Mr. Arajuo states that we are trying to get this fund established.

Ms. Bonollo talks about establishing the fund but what would happen if the the City Council says no?

Ms. Devine states that the City has to sign off on our application and provide assurance that the creation of an account is in place.

Ms. Dube moved to amend the motion to remove the \$500K. Seconded by Ms. Bonollo.

The amended motion is the creation of a school building capital reserve fund paid for by FY15 surplus.

VOTE: Mr. Charbonneau – Yes; Mr. Knight – Yes; Ms. Bonollo – Yes; Ms. Dube – Yes; Mr. Arajuo – Yes

Mr. Knight moved the motion as amended, Mr. Charbonneau seconded

VOTE: Mr. Charbonneau – Yes; Mr. Knight – Yes; Ms. Bonollo – Yes; Ms. Dube – Yes; Mr. Arajuo – Yes – Unanimous

Mr. Knight says that his suggestion as part of the previous motion is that we authorize the Ad Hoc committee enter discussions about how the surplus will be applied to the school building capital reserve fund.

Mr. Arajuo stated that we cannot make any decisions at the Ad Hoc meeting.

Mr. Knight said that we cannot make an offer at the Ad Hoc meeting and we cannot discuss it without authority.

Mr. Charbonneau agreed.

Ms. Dube doesn't feel comfortable voting on giving authority if it is not on the agenda.

Mr. Knight made a motion for the School Committee to authorize the Ad Hoc committee as part of the creation of the school capital reserve fund to enter into discussions without a commitment regarding how much of the surplus would be dedicating to the building reserve fund.

Mr. Charbonneau seconded the motion.

VOTE: Mr. Charbonneau – Yes; Mr. Knight – Yes; Ms. Bonollo – Yes; Ms. Dube – No; Mr. Arajuo – No –

Motion carries 3 in favor ; 2 against.

Mr. Knight Motion to adjourn, seconded by Ms. Bonollo

Unanimous.