

MINUTES
SPECIAL MEETING
WOONSOCKET SCHOOL COMMITTEE
WEDNESDAY, SEPTEMBER 17, 2008
5:30 PM – OPEN BUDGET WORK SESSION
Woonsocket Area Career & Technical Center
Multimedia Room 303

Roll Call:	Marc Dubois, Chairman	Present
	Michelle Williams, Vice Chairwoman	Present
	Linda Majewski	Present
	Anita McGuire-Forcier	Present
	Eleanor Nadeau	Present

Mr. Dubois announced that this work session was scheduled because the WSC was recently informed of a budget deficit. He is looking for ideas on how to close this gap.

Robert Strom, Business Manager, reported the actual numbers. When he came on board in June, he found that the school department had a deficit of \$2 million. Strom disclosed this information to Dr. Macera; but, being new, he wanted to make sure that all the “i”s were dotted and the “t”s were crossed. He reported that revenue that the WED was going to use for FY09 was used to offset the deficit down to \$400,000 for FY08. The expenditures that were more than expected were in transportation and special education costs. “They were significantly under-budgeted for FY08. It was originally thought that savings would be realized by reducing the number of buses, but some of them had to be called back. The number of runs was reduced, but the bussing fees went up significantly from FY07 to FY08 because of an ordinance that after twelve years, busses had to be retired. Fuel adjustment costs affected this expense also,” said Strom. In regards to the special education costs, savings from bringing back students into the district to reduce out-of-district tuition costs didn’t materialize. Now that all the figures are in, the shortfall for FY09 will be \$2 million because of using revenue from this year to offset the deficit from FY08. In Strom’s capacity working for the City of Woonsocket, he has never seen a deficit like this for the school department and was taken aback by it. Dr. Gerardi asked Atty. Ackerman for his input. Ackerman said that the WED has five days to submit an action plan. Gerardi’s immediate plan is to institute an immediate freeze on all non-essential spending and apply for waivers from the State. He has been in contact with the Mayor, City Council, WSC members, the Commissioner, etc. Mrs. Majewski thought that what contributed to the special education shortfall was the change in legislation pertaining to students who were 18 to 21 years old. Dubois asked what kind of waivers Gerardi was looking at applying for. He said he’s looking for waivers on any state mandates and special education classroom size. “In addition to the class size, there are concerns about what we are paying for overages,” said Majewski. She thanked Mr. Strom for taking so much time answering their questions and suggested looking at all the union contracts and the line items for temporary clerical help, sub-custodians, and summer overtime for custodians and maintenance. Strom explained that the overtime for the custodians is for the year—not just for the summer. The summer school line item is strictly for teachers’ salaries. He explained that the \$547,000 is what is paid for substitute teachers to cover when regular staff is out due to illness, personal days, school business, etc. Majewski also suggested looking at Advertising, In- & Out-of-City Travel, and Other Support Services. Strom reported that the rate for advertising has gone up. Travel In- and Out-of-City is for directors to go to conferences out of state. Majewski questioned a \$50,000 increase in the Cleaning & Housekeeping line. This increase was based on the actual numbers that came in for 07-08 Strom told her. Majewski asked why there is a decrease in the line items for Fuel and Light & Power when the costs have increased. Strom said that the FY09 projections were based on actual figures from last year. He believes we can tow the line with the contracts that we have in place for these items. Majewski hopes they can negotiate with the unions now that they have these figures. “85% of our budget is salaries and fringe benefits,” said Strom, adding that one of the issues he has with the state is that it has increased our pension contribution significantly.

Mr. Dubois asked about the line item for Legal Expenses, i.e. Promac. Strom noted that it was budgeted for \$155,389 last year, but we only spent \$44,000. Majewski asked if the current budget includes the salaries of the people who were brought back. “Yes, it does. I based my figures on the first thorough payroll and reduced it by whatever is grant-funded,” said Strom. Nadeau asked what the options were for bussing. “Can we drop bussing for high school students?” she asked. Dr. Gerardi believes that bussing is a contractual obligation that we have gotten into for this year. He mentioned that Jonathan Gallishaw found a software program that can redistrict schools and could save us significantly on bussing. Nadeau asked how we can get the unions to come back to the table to renegotiate their salary increase of 4%. Gerardi said we could tell them that other areas will be significantly impacted. Nadeau asked if a new contract is negotiated in December, if it could go into effect then. Atty. Ackerman told her that it could. She asked Ackerman about any mandates for providing bussing. “It’s only mandated if it would make it infeasible to attend school. If you are in a contract and have to break the contract, it may be less expensive than continuing with the contract,” he said. Nadeau stressed that she is only talking about dropping bussing for high

school students. She also discussed getting the teachers to renegotiate the union contract with Atty. Ackerman and whether or not any teachers can be terminated. He explained that we have to comply with the BEP and other requirements that aren't waived by the Commissioner. If there are teachers that aren't needed after those requirements are met, termination may be an option. Strom added that we might be able to consolidate some elementary classrooms. He and Dr. Gerardi believe it's cheaper to pay teachers for the overages in their classrooms than to open another classroom.

Mrs. Forcier asked about the under-funding of some line items for FY08 and why this took place. Mr. Strom didn't prepare that budget so he didn't know. Forcier referenced the directors' salaries being under-funded when the administration knew what they were going to be. "Why would you budget \$100,000 short? It doesn't make sense!" said Forcier. "When we enter into a contract in good faith, but then find that we can't fund it, what happens?" asked Majewski. Ackerman explained that they have to fulfill their contractual obligations. "The way out is to try to get the budget in balance and seek waivers, ask for more money and go to court and say we must order more money because we can't meet our contractual obligations," said Ackerman. "It's hard to negotiate a 3-year contract in this economic climate," said Majewski. Ackerman said it would probably be wise to not do that. "Now there is a property tax cap which we never had before," he noted. In regards to the Special Tuition line item, Ms. Williams asked what the case is with the Feinstein Learning Academy and if we are full at that school. Dr. Gerardi said that we have room. "We may have kids that move into town that have severe problems that have to go to out-of-district placements for \$100,000 per year," he added. Strom noted that some of these fees are astronomical. "In FY05, we paid just under \$3.2 million. In FY06, we paid \$3.4 million. It dropped to \$2.4 million in FY07 and then increased to \$3.8 million in FY08. We really need to look at this line item," stressed Strom. Gerardi said that this is one of those costs that you can't count on and depends on mobility of the population. Majewski noted that kids are being diagnosed with special needs at younger and younger ages also. "Are we looking at getting other districts to send their kids to our Feinstein Learning Academy and create another revenue stream? Obviously, our students come first," asked Dubois. Gerardi can look into that possibility.

Mrs. Nadeau mentioned that Carole Lerner said that we have prepaid slots at some of these out-of-district placements. She doesn't understand why it's necessary to do that. Williams thinks it's because we get a better deal if we prepay. Dubois asked Dr. Gerardi to look into this also. Mrs. Majewski asked if a formal letter is needed from the WSC requesting the union to re-open negotiations. Ackerman said "no" and that the superintendent could do it. Mr. Dubois and Mrs. Nadeau want to be present with Dr. Gerardi and Mr. Strom when they go through the budget line item by line item. Strom said that since he has been on board, he has been active with Group Health of RI and rates have dropped for both health care and dental. There's a possibility that there could be additional monies coming into the district by the end of this fiscal year. He also stated that the WED needs to be somewhat aggressive about getting whatever money the NRI Collaborative is holding be reimbursed to us. The state has level-funded us the last four years. He thinks it's of the utmost importance that we get all federal and state legislators involved in getting the fair funding formula on board. "We are now the only state that doesn't have it. We need something in place so that we get our fair share," said Strom. Nadeau asked if there's a way to print the budget in a format that's easier to follow. Strom will see if he can make it more user-friendly. Majewski suggested headings on each page and in a larger font. Strom showed them a computer printout he can get for them. Mrs. Forcier told the press that the fair funding formula wouldn't cost any more money. "It will just be redistributed for each child fairly," she said. Dubois thanked Dr. Gerardi and Mr. Strom, adding that nothing was hidden or swept under the rug. "It was certainly disappointing news. Another workshop will probably be scheduled in four- to six-weeks and that will also be open to the public.

Motion to adjourn at 6:45 p.m.: A. Forcier

2nd: M. Williams (Unanimously Approved)

Respectfully submitted,

Nancy G. Belisle, WSC Recording Secretary