

TOWN COUNCIL/SCHOOL COMMITTEE
WORK SESSION ON FY 2012-2013 BUDGET

April 2, 2012

Present: President Gary Cote, Vice-President McGee, Councilman Jendzejec,
Councilman Mattson.

Town Manager Thomas Hoover
Town Solicitor Frederick Tobin

Absent: Councilman Spear

Superintendent Michael Convery and School Finance Director Robin Pelletier presented proposed school budget. (See full presentation in Town Council folder)

Ms. Pelletier explained that during the budget process last year, \$1.2 million was given to the school department, which has been reduced by \$600,000 this year as promised.

Budget highlights:

- Certified staff salary for 2012/2013 school year is 0% increase
- Certified staff step increase for 2012-2013 (0); step freeze in year (1) of contract
- Health and dental increase across the district projected at \$193,000
- Certified staff pension increase from 13.23% to 14.01% in FY 2013 (projected at \$270,000 increase), which is the biggest increase in the budget this year.
- Increase in the co-share for health insurance

There is a slight increase in request for salaries in FY 2013, but there has also been a change in the way the state presents a portion of our state aid to the schools, more specifically the RILDPA (Rhode Island Literacy Dropout Act) fund. It had been a restricted federal fund administered through the state but was not part of the school operating budget. This year it will be rolled into our general state aid number.

Additionally, there is an increase in pension costs of about \$270,000 for FY 2013 and with the incorporation of health care costs and benefits, the total is about \$485,587. There is a decrease in purchase services and supplies for next fiscal year. Therefore, in fiscal 2013, and including new RIDLPA rules, the net effect actually is about a \$100,000 decrease from the operating budget we requested last year.

At this point it appears as if we are asking for an increase of \$563,200, but we are actually asking for a \$406,667 increase over the request from the prior year.

Enrollment figures in total continue to go down; however, we have the second largest if not the largest middle school in the state, and second largest high school in RI.

Superintendent Convery reminded the Town Council of fire codes that have to be updated, a \$400,000 item. We are going out to bond and I know will be getting \$35,000 from the cell tower sale to bring the fire code project forward. With Chief Seltzer's intervention, we are hopeful that it will be enough to show the Fire Appeal Board that we are continuing with our

intention to get that project done. Then, in November if we get the bond we can finish the project next summer.

Next, a chart was presented, showing that since 1991 the School Department has only received 8% of capital funds requested, good data showing why we need capital improvements.

Finally Ms. Pelletier explained that in order for the school department to maintain the \$900,000 remaining from the Board of Regents, she requested that the Town Council specifically indicate that the \$35,000 from the cell tower be allocated to capital needs for the schools. This way the state will be satisfied and we will not be in danger of losing the 52% reimbursement.

With regard to maintaining the \$900,000 and applying \$35,000 to the capital budget, Manager Hoover suggested that Ms. Pelletier and Mr. Przybyla get together to figure that out. Ms. Pelletier again stated that this amount would have to be marked strictly as capital improvement funding. We need to give the state a plan by July 1, telling them what we are working on, then it keeps that \$900,000 reoccurring.

Councilman Jendzejec suggested again this year that the school department seek other revenue sources, such as fees for parking privileges at the high school, to put aside for projects.

In summary, Superintendent Convery remarked that overall, moving forward into next year, the school department is seeking no increase.

No further questions or comments, work session was adjourned.

Town Clerk