

Chariho School Committee Special Virtual Meeting/ Budget Workshop  
January 5, 2021

Committee Members Present: Chair Linda Lyall, Vice Chair Catherine Giusti, Ryan Callahan, Donna Chambers, William Day, Sheila Grover, Gary Liguori, Craig Louzon, Lisa Macaruso, Linda McAllister and David Stall. Absent: George Abbott.

Administrators/Others in Attendance: Superintendent Gina Picard, Assistant Superintendent Jane Daly, Director of Administration and Finance Ned Draper, Assistant Director of Administration and Finance Gail Wilcox, Retired Director of Administration and Finance Susan Rogers, Administrative Assistant to the Assistant Superintendent Nancy Pirnie, Charlestown Town Council President Deb Carney, Hopkinton Town Council Vice President Sharon Davis, Richmond Town Councilor Jim Palmisciano, NEA ESP President Thomas Pirnie, Robin Woodmansee, Dana Palmisciano, Michael Waterman and other community members.

I. Meeting Call to Order/Pledge of Allegiance/Silent Meditation

Chair Linda Lyall called the meeting of the Chariho School Committee, which was held virtually, to order at 6:00 PM. The Pledge of Allegiance was followed by a moment of silent meditation.

II. Budget Workshop

Chair Lyall welcomed and wished all a Happy 2021. She then reviewed upcoming meetings. She thanked the Superintendent and staff for all their work on the budget. She turned the meeting over to Superintendent Picard who thanked the entire team who helped put the budget together with a special thanks to Sue Rogers who has assisted her and Ned as this was their first time going through the budget process. They have worked real hard to leave no stone unturned. She began her PowerPoint by presenting general considerations which included the major differences from the 2021 budget to the 2022 budget, the impact of COVID-19 on this budget, the new bussing contract (bidding process closes on January 12), preparation of a new 5-year Capital Improvement Plan, staffing changes, enrollment shifts, State Legislation mandates for Curriculum and the continued reduction by the State of CTC Grant money. She noted that the creation of the Development Officer position has been crucial to securing new grant money for the District. She pointed out that those looking to compare the budget to last year will find it difficult to do so because of the pandemic. She suggested they compare this budget to the one prepared for 2019-2020. We are expecting a 26% increase in Statewide transportation this year and are looking to go in-house with this but the State may reduce our categorical aid if we go this route. We should know about the cost of transportation after the bid closes on January 12<sup>th</sup>. She does, however, expect an increase as bus companies are trying to recoup money lost last year. The plan is to use \$1.5 million that was earmarked for COVID, for Capital Improvements. Section 6 of the budget packet provides an overview. The Capital Improvement Plan is not set yet as the Committee will be discussing newer, fewer options at its meeting on January 12<sup>th</sup>. Some of the projects listed in the plan can be removed if the Committee decides to go with a newer, fewer option. State Legislation is mandating a change to ELA and Math curricula and we will be required to implement this by 2023. The FY22 budget development process was reviewed along with a timeline. The Superintendent then discussed major factors impacting the bottom line which included enrollment and staffing changes, fund balance, special education services, Transportation Categorical Aid and health insurance increase. She noted that we have had a significant increase in home school requests and it is unknown how many of these students will return after the pandemic. We are planning for half of them to come back. Also, some families held their K students and it is expected these students will start school this fall. Enrollment is expected to increase by 2% which will be even to FY20 levels. We have had increases in out-of-district tuitions and transportation which are expected to be about \$500,000. The fund balance is currently at 2.5%; she cautioned going any lower because of the unknowns. Administration has

cut \$412,766 prior to presenting the proposed budget. The general fund increase is 3.04% and capital's increase is 2.5%. The member towns' increase without debt service is 3.62%; with debt service it is 3.58%, with individual town increases as follows: Charlestown 2.72% (after state aid is applied 3.5%); Richmond 3.9% (after state aid is applied 2.4%); Hopkinton 3.66% (after state aid is applied 3.5%). Ned was asked to review the budget and it was noted that if there are any questions, please provide the line item number for reference. Ned began with a review of the FY22 Budget Summary with the Fund Balance and Debt Service page. David questioned how the State Aid formula is determined to which Ned replied that he could not say specifically what goes into their calculations. He believes that some of it has to do with enrollment. He had a conversation with the Town Treasurers and they are seeing an increase in low income housing in Richmond; this could have something to do with it as well. We will know more when the Governor makes her recommendation. Ryan asked, from a structure standpoint, was the budget based on 100% in-person or some distance learning. Gina responded that they would still be offering concurrent learning based on the executive orders that have been put out. Ryan questioned if there is a shift to 100% in-person, how will that impact the budget to which Gina replied that overall it could increase it (i.e., if mandates remain in place and we go 100% in-person, we will need to adhere to the lower number of students on busses which would result in a need for more busses, social distancing, etc.). This is definitely an unknown. Sharon Davis noted that the towns are in similar situations – unknown tax revenue due to COVID. She knows the District is being conservative but asked if the fund balance would be dropped to 2.0% and give it to the towns. As there were no other questions or comments, Chair Lyall was open to suggestions on how the Committee wanted to proceed. She knows in the past they have gone through the budget line-by-line. Sheila stated that she would like to know what it would cost to return elementary foreign language to two days per week. This was cut last year and she would like to put the program back to where it was. Robin Woodmansee noted the large increase in home-schoolers and asked how these affect the budget (how does it differ from those who leave for Charter Schools). Gina stated that it depends. Our policy allows home-schoolers to take a course so if that happens, we get the allocation but if they don't take a course, it affects our allocation. Ned noted that it could also impact CTC if a student is from a sending school. Linda suggested they review the next 8 pages and then continue with a review by section if time permits. Ned commented that health insurance is projected to increase 4.1% with a slight decrease in Workers' Compensation and retirement benefits. Ned then explained pages 1-8 in Section 3. Linda McAllister questioned line 5355. If the Committee returns to in-person meetings plus zoom meetings, will that impact the number in this line. Ned did not think it would significantly impact it but there would be an increase. Sharon Davis questioned line 5391. If the District hasn't spent money before in this line item, why is there \$2,350 here. Ned noted that when they do the initial budget, they place numbers where UCOA says they have to place them. He may then have to move them to another line; a reclassification of expense because of the Chart of Accounts. Ned agreed with Gina that it will be really difficult for someone to compare this budget to last year's because we closed down in March and this impacted line items like transportation. Sharon Davis commented that they just received the budget on Friday so she would like to have a chance to go through it. She asked where they should send questions or comments to which the Superintendent replied that anyone could email her or Ned. Please reference the line item and they will respond with an answer. Ryan wondered if the District could provide the budget in an Excel file like they did last year for the towns. He feels it is much easier to run the numbers when it is in this format. Linda responded that the District could provide the budget in Excel format. Ned stated that the 8 pages is a summary of the full 40 page document. The 40 pages are more specific on what the spending is on. Ryan noted a question he had on page 5 of 8, lines 5777 and 5781 – transportation out-of-district and transportation non-public – what is this? Ned replied that we currently utilize statewide transportation for things like special ed out-of-district students, private schools, Meadowbrook, etc. Statewide is planning a 26% increase next year as the providers the State was using have left after their contracts were done. The new ones are trying to make up money they lost. He is not sure what the bid responses will be for the new transportation contract for the District. He anticipates there will be an increase. Ryan wondered if they will have the numbers in time to

refine the budget to which Ned responded that it is his feeling they should have everything set by mid-February. Ned continued. Section 5 reflects anticipated revenue which, too, is an unsure thing right now. He plugged in what he expects. He took the Town appropriations as noted in Section 1 and plugged them in. He is anticipating an increase in rates for preschool tuition but does not anticipate an increase in revenue because we do not know what the impact of COVID will be. This year we have seen fewer students. A significant contributor are CTC tuitions. What is budgeted is based on actual students plus what we normally see for incoming freshmen. There is an anticipated decrease in Medicaid; he is not sure how the reimbursement will work out for next year. Craig questioned the number of students paying tuition to CALA; Ned thought there were about 12. Section 6 is a draft of the Capital Improvement Plan. At the next School Committee meeting, they will be looking at the newer/fewer concept or do we maintain the existing facilities we have and invest in them. He then provided a review of the Capital Plan. Last year the Committee authorized \$1.5 million be set aside for COVID. It is his plan to reassign the \$1,461,000 to capital improvements. This is a draft which lays out a fiscally-responsible plan in line with RGB work that has been done so far. He has anticipated what the cost for each year will be over five years. The District gets 61% reimbursed from the State. We have spent \$1 million this year so we should see a reimbursement of @ \$610,000. David questioned if the nearly \$1 million that is 'on hold' in the budget and we don't know if newer/fewer is going to happen this year, when and how would we make the adjustment. Ned provided an example related to the elevator at Ashaway School. This would be an investment toward ADA compliance but if a high needs student comes there and the equipment isn't working, we would have to make the investment. If we know we are going with newer/fewer and can make do knowing that it will be taken care of, we can wait. David wondered if money is set aside for a project and not used, where would this go to which Ned replied that money will be needed for plan design and development, land purchase and costs associated with the project. Gina added that if an improvement is not included in the plan and we need to do one, RIDE will not reimburse us. It has to be in the plan. Sharon Davis requested an explanation of newer/fewer. Ned explained that the newer/fewer concept is a state plan for districts to invest in newer and fewer buildings to decrease the number of schools and make them more efficient. There could be incentives for this in the 80-90% range for reimbursement rates. Gina provided an update on what North Providence just did with its schools. A review of their schools with the highest need was done. Current infrastructure required about \$2 million a year for the next five years. The federal government is looking at investing in things like newer/fewer and they got an 82% reimbursement rate which resulted in an overall decrease to taxpayer dollars. There has to be a willingness to look at what newer/fewer will do. Sharon wondered why the District would want to spend money if enrollment is going down to which Gina explained that even if the District had fifty fewer students, they don't all come from the same classroom so you are still paying the same. Craig requested a quick overview of what the Necessity for Construction Committee has done. Gina noted that Craig, Ryan and Catherine are members of the Committee plus some administration and community members. They have been working with RGB and are putting together options to be discussed at the next School Committee meeting on Tuesday night. Craig added they have looked at six or seven different proposals. Less students – why do we need to invest – some don't see the correlation. Hope Valley School is old and needs a lot of work as do the other elementary buildings. Ned provided an example. Say you built a new elementary school for \$20 million and the existing elementary schools need \$4 million of work over the next five years. The District gets 80% back which results in a new school for \$4 million or we have an old school for \$4 million and we are still paying a large amount of money each year to continue to maintain it. We also may be able to eliminate busses if we go with newer/fewer. Sharon commented that as long as you can show them as it is still a \$4 million investment. Ned moved to Tab 7 – Enrollment. Ryan asked if enrollment was lower due to home schooling to which Ned replied that they are figuring home school returns at about the 75 range. We haven't been decreasing over five years; we have remained stable. Demographic studies show us that we will remain stable or have a slight increase over the next five years. Tab 8 – Staffing – is based on budgeted positions. The notable difference is that we had to move four positions from grants to the operating budget and

a decrease in positions because of enrollment. Sharon questioned why the District needed to move people from grant funding. Gina explained that IDEA federal funding has to support what we do. The grant provides a supplement. If we get too close, it looks like we are trying to supplant and this is not acceptable. Craig stated that he noticed a pattern in regards to State Aid to Education – Richmond is up 11%; Hopkinton is up 7% and Charlestown decreased 19%. Do we anticipate this to continue in Charlestown – are they going to take it on the chin? Ned responded that it is tough to say. He can't say where the demographics will trend but there is more vacation ownership in Charlestown that may impact this. Craig stated that he had this conversation with Ned but he wanted all to be aware how State Aid impacts each town. Bill stated that he has been around a long time and makes the same statement each year which he knows offends others. Looking at Richmond's enrollment of 395 students and Hopkinton, which has the luxury of two elementary schools with enrollment in both almost the same as Richmond's one school, this is why newer/fewer would be more beneficial. He would hope the citizens of Hopkinton will take this into consideration when the other two towns are paying to benefit one town. Same amount of administrators in each building so by closing one, money can be saved. He hopes they stop criticizing the Committee like they do every year. As there were no other questions or comments, Chair Lyall thank everyone for their time

Craig Louzon made a motion, seconded by Ryan Callahan and it was  
VOTED: To adjourn at 7:47 PM. In favor: Unanimous.

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Donna J. Sieczkiewicz, Clerk