



Joint East Greenwich School Committee - Town Council Meeting and School Committee Meeting & Budget Hearing

Tuesday, February 7, 2023

Hybrid Meeting: Cole Middle School & Via Zoom

Minutes

Those in attendance for Joint Meeting and School Committee Meeting - Budget Hearing

School Committee: Ms. Alyson Powell, Chair; Ms. Nicole Bucka, Vice-Chair; Ms. Clare Cecil-Karb; Mr. William Hangan; Mr. Kevin Murphy; Mr. Tim Munoz; Dr. Eugene Quinn

Additional Attendees: Dr. Brian G. Ricca, Superintendent; Mr. Michael Podraza, Assistant Superintendent; Mr. Neil Marcaccio, Director of Student Services; Mrs. Maggie Baker, Director of Administration; Mrs. Amy Healey, Confidential Administrative Assistant

Those in attendance for Joint School-Town Meeting

Town Council: Mr. Michael Donegan, Vice President; Ms. Caryn Corenthal; Mr. Michael Zarella

Additional Attendees: Mr. Andrew Nota, Town Manager; Ms Leigh Carney, Town Clerk; Ms. Trish Sunderland, Town Finance Director

Absent: Mr. Mark Schwager, President; Ms. Renu Englehart

I. 6:00 pm - Call to Order and Pledge of Allegiance

At 6:04 pm Ms. Powell called the School Committee meeting to order. Mr. Donegan called the Town Council meeting to order.

II. Joint Meeting with Town Council

A. FY 22 Audit Presentation

Nikoleta McTigue and Stephen Gross of Clifton Larson Allen presented the audit's findings.

Agenda

- Terms of Engagement
- Executive Summary
 - Financial Highlights
 - Federal Single Audit

- Governance Communication
- Management Advisory Letter
- Upcoming GASB Pronouncement

Financial Statements

- Unmodified Opinion
- Emphasis of Matter paragraph - GASB 87 Leases
- Internal Controls over Financial Reporting

Financial Highlights

- Governmental Activities
- Governmental Funds
- General Fund
- General Fund Budget
 - Fund Balance \$13.4M
 - Non-spendable \$580K
 - Committed for Education \$3.7 M
 - Assigned for Encumbrances \$29K
 - Unassigned \$9.2M
- OPEB Trust Fund
- OPEB
 - OPEB Plan - Town
 - OPEB Plan - School
- Pension Plans

Federal Single Audit

- Total Federal Awards expended - \$3.7 M
- Major Programs: Child Nutrition Cluster; COVID-19 Emergency Connectivity Fund
- Unmodified Opinion On major programs compliance
- No findings on internal controls over major federal programs

Auditors' Communication

- New Standards adopted - GASB 87 Leases
- Significant Estimates
- No disagreements with management
- Management did not consult with other accountants
- No difficulties encountered in performing the audit
- Uncorrected misstatements
- No independence issues

Management Advisory Letter

- Policies and Procedures: manual has not been updated in many years
- Capital Assets: Town should consider using a capital asset software

- Fraud Tip Line
- Fraud Risk Assessment
- Uniform Guidance Procurement Standards

GASB Standards

- Implementation year 2023

Ms. Corenthal asked whether the auditors make a judgment of whether the Town's finances are going in the right direction. Ms. McTighe replied that the audit says that the numbers presented are good. Both the school and town have made huge improvements in being prepared for the audit.

Ms. Corenthal asked about the discrepancy with the fund balance noted in the audit and those in the audit presentation. Ms. McTighe replied that the numbers in the audit represent a combined general fund for the town and school.

Mr. Donegan inquired about the material dollar amount of corrections (OPEB). He asked why the school department employees are not well represented in the organizational chart. Ms. McTighe replied that the organizational chart is supplied by the Town and it can be updated next year.

Ms. Bucka said that this year's audit is an improvement over last year's reflection of the school department. She noted the audit's inclusion of salaries and step increases of the school employees and asked where the comparable information about the Town is in the report. Ms. McTighe explained that the Town determined what details were included in the report and it does not include the town's employees.

Ms. Powell inquired about policies that guide procedurement in compliance with statutes and regulations. Ms. McTighe responded that the organization needs to have a guiding policy.

IT Director Dr. Steve Arnoff called in via Zoom to explain that information is available for "Statement 96 - Subscription-Based Information Technology Arrangements".

Mr. Nota explained that there are always improvements that can be made in the audit and the management letter.

B. Public Comments (related to Item II. A.)

C. Pre-budget meeting between School Committee and Town Council; Council to present estimate of revenues FY 23 and School to present estimate of

total expenditures, projected enrollments, with resultant staff and facility requirements and any necessary or mandated changes in school programs or operations per RIGL 16-2-21.

Town of East Greenwich - Town Manager Andrew Nota

Mr. Nota said that the Governor's proposed budget will have bearings on EG's town and school budget. Major state-wide initiatives include education and housing. Mr. Nota explained that the Town is working on many projects including comprehensive plan, community services master plan, comprehensive in town parking study, harbor plan, hazardous plans, electricity contracts, street lighting, American Rescue Plan funding, pay go capital improvement program.

2023 Budgetary Projections

- Revenue
 - Levy Trend 2023 v 2022
 - Projecting 98% rate - Established Goal
 - 2022 Audited - 97.92%
- Estimate Budgetary Surplus \$535 K

2023 Expenditure Projections

- Expenditures
 - As of January 2023
 - 2022 Audited GAAP Surplus - \$397,707 includes transfers to capital reserve of \$590,000.
 - At this stage, we are not anticipating any additional surplus dollars to be transferred to capital reserves, rather the budgetary surplus will supplant the use of fund balance in the FY 2023 budget

FY 2024 - Intergovernmental Aid

- State Aid to Education \$5,741,912 - an increase of \$1,039,516 over the current year
- Municipal State Aid - approximately \$125,000 increase over the current year
- School Construction Aid \$1,365,864, an increase of \$26m over the current year

Statistical Profile - Tax Growth

Existing Municipal Debt Level

Debt Service Required - Property Tax Need

2023 Six Year Capital Improvement Program

Projected Bonding Projects

Mr. Nota spoke of the state education aid formula. Ms. Powell asked whether a District such as East Greenwich, who has increased enrollment, would be subject to an increase in education aid.

Dr. Quinn pointed out that the 100 year tax growth trends show an average growth of 7-8% in the tax levy per year. The 4% cap limits the ability to fully fund the town and schools.

Mr. Nota said that the Town is seeking outside sources of revenue such as grants, state and federal funding.

Mr. Munoz noted that last year marks the 10 years of the state education funding formula. He urged an appeal to RIDE for changes to the formula. He also noted that there's no incentives for districts who perform well. RIPEC supports incentivizing districts to perform well.

Dr. Quinn agreed that RIDE needs to examine the funding formula. If additional funding is given for poverty, additional funding should be given for special needs.

Ms. Bucka said that the RI Senate produced a study on the funding formula. She offered that it may be the Board of Education, rather than RIDE, who can change the funding formula. Only students in poverty - not multilingual learners and special needs students - receive additional funding. There are no guaranteed funds for special education students.

Ms. Bucka asked whether American Rescue Plan funds going towards sidewalks will reduce transportation costs for the school department. Mr. Nota replied that it has not been evaluated in that context.

Ms. Corenthal said that while the school department wants more money, the Town has big needs such as the existing debt, road bonding, the DPW garage and sewer system improvements. She stated that she would not support fully funding the school department's operating budget request and also support a bond referendum.

Mr. Donergan spoke of the capital needs of the Town.

Ms. Bucka agreed that there are many needs and it is important to keep taxes reasonable. Over the last ten years, the District's per pupil spending has decreased and local dollars have decreased. State mandated costs include expensive high quality curriculum. There are unrealistic expectations of how we can operate the schools.

East Greenwich Public School - Superintendent Dr. Brian Ricca

Agenda

- EGPS Budget Process
- Key variables in the development of EGPS budget
 - Collective Bargaining Agreements
 - Health Insurance Costs
 - State Aid to Education
 - Federal Grant/Programs
 - Student Enrollment
 - Special Education Costs
 - Charter and Career & Tech School Costs

- Transportation Costs
- Unfunded Legislative Mandates
- Aging Infrastructure
- Fund Balance
- Town Revenues
- EGPS FY 23 Budget Projections
- EGPS FY 24 Governor Proposed State Aid
- EGPS Strategic Plan
 - Excellence in Learning
 - Distinguished Teaching & Talented Staff
 - Efficient and Innovative Systems
 - Engaged Community
- EGPS FY 24 Considerations
 - Enrollment
 - Career and Technical Education
 - Decrease in ESSER Funds
 - Social-Emotional Learning (Students & Adults)
 - Student Support Services Audit
- East Greenwich Public Schools Budgeted Revenue FY 23
- East Greenwich Public School Enrollment
- Factors that Influence Enrollment and Budget Planning
Home School, Career & Tech and Carter School Students

Dr. Quinn spoke of the Town's history of managing the building of and payment of assets.

Ms. Bucka said that RIPEC asserts that towns are responsible for rising municipal costs.

Ms. Corenthal raised the question of private school tuition for special needs EG students and asserted that those students should be able to be serviced in the District. She urged the examination of these high costs.

Ms. Corenthal spoke of the \$35,000 surplus and asked what the policy is on year-end spending. Mrs. Baker responded that costs are usually cut off around March 1st in preparation for unexpected year end costs.

Ms. Bucka clarified that there is a difference between students attending private schools and out of district placements for students whose needs can not be met by the District. Students who attend private schools still cost the district money with transportation, special education services, no savings in the number of classrooms and expenses and loss of the student in the state funding formula dollars. School choice increases transportation costs tremendously.

Mr. Zarella asked about transportation paid for private school students.

Dr. Ricca said that extraordinary circumstances would be needed in order to place a student out of district.

D. Public Comments (related to Item II. C.)

III. Adjourn Joint Meeting

At 8:04 pm, on a motion by Ms. Bucka, seconded by Dr. Quinn, the Committee voted 7-0 to adjourn the Joint Meeting.

At 8:05 pm, on a motion by Mr. Zarella, seconded by Ms. Corenthal, the Council voted 3-0 to adjourn the Joint Meeting.

IV. Convene School Committee Meeting & Budget Hearing

The meeting resumed at 8:22 pm.

V. Superintendent & Staff Report

A. Update on EGHS 2023-2024 Program of Studies

Dr. Ricca explained that the agenda packet includes an update on the EGHS 2023-2024 Program of Studies and the work going on to best meet the needs of special education students.

Ms. Bucka thanked everyone for the work done on expanding the Program of Studies for special needs students and asked whether any funds have been earmarked for these pathways. Mr. Podraza said that some funds will be allocated to get this work done for the next academic year.

VI. Budget Hearing

A. Elementary and Secondary

East Greenwich Early Elementary FY '24

Frenchtown Principal Maryann Crudale and Meadowbrook Principal Dom Giusti

Primary Schools

- FY 23 Success
- EG Primary Schools Strategic Plan Alignment
- FY 24 Considerations
- Meadowbrook Farms Elementary General Fund Actual & Budgeted by Object FYs 19-23
- Frenchtown Elementary General Fund Actual & Budgeted by Object FYs 19-23

East Greenwich Upper Elementary FY '24

Hanaford Principal Beth Cauley

Eldredge

- Successes in FY 23
- Strategic Plan Alignment
- Considerations for FY 24
- Eldredge Elementary General Fund Actual & Budgeted by Object FYs 19-23

Hanaford

- Successes in FY 23
- Strategic Plan Alignment
- Considerations for FY 24
- Hanaford Elementary General Fund Actual & Budgeted by Object FYs 19-23

Ms. Bucka expressed her appreciation for the inclusion of furniture replacement in the elementary budgets. She inquired about the inclusion of special education students in PTG activities and events.

Ms. Powell spoke about how small the discretionary budget is for each school and that the budgets encompass the most basic supplies. She too spoke in favor of furniture being added into the budget and noted as the principals did, that \$3-5,000 will only buy furniture for 1 or 1 ½ classrooms.

Mrs. Crudale pointed out that the increasing enrollment will necessitate setting up a new classroom with furniture and materials.

Ms. Cecil-Karb spoke about the flexibility of the teachers as classrooms are used alternating for music and art classes.

Archie R. Cole Middle School FY '24

Interim Principal Melissa Centracchio

- Successes in FY 23
- Strategic Plan Alignment
- Considerations for FY 24
- Cole Middle School General Fund Actual & Budgeted by Object FYs 19-23

East Greenwich High School FY '24

Interim Principal Pat Page

- EGHS Snapshot
- 2022-2023 Academic Year Annual Report Management Discussion
- Alignment of Operating Budget and Program of Work to District Strategic Priorities
- EGHS General Fund Actual & Budgeted by Object FYs 19-23

B. Athletics

East Greenwich Athletics FY '24

Athletic Director Casie Rhodes

- Successes in FY 23
- Considerations for FY 24
- Athletics Department General Fund Actual & Budgeted by Object FYs 2019-2023

C. Teaching and Learning

Office of Teaching & Learning FY 24

Assistant Superintendent Michael Podraza

- Fiscal Year 2023 Successes
- FY 24 Considerations
- Teaching & Learning General Fund Actual & Budgeted by Object FYs 19-23

Ms. Bucka inquired about the elementary curriculum. She raised concerns about the budget impact of the changes to the high school graduation requirements, essentially additional unfunded mandates.

Ms. Cecil-Karb asked about the cost of onboarding new staff; the cost of lack of employee retention. Dr. Ricca said that information can be captured.

Dr. Quinn said that it is important to convey the District's needs to the Town Council and the public. Our reports don't capture items, previously funded by ESSER funds, that now will be part of the operating budget. This is critical information to share with the public.

VII. Adjournment

On a motion by Mr. Munoz, seconded by Ms. Cecil-Karb, the Committee voted 7-0 to adjourn the meeting at 9:58 pm.

Respectfully submitted,

Amy J. Healey, School Committee Clerk

Approved 3-20-23