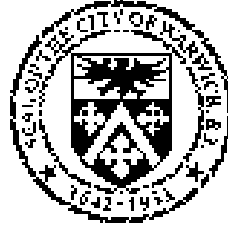


EXECUTIVE CHAMBER



CITY OF WARWICK
JOSEPH J. SOLOMON
MAYOR

August 6, 2018

Ms. Bethany A. Furtado, Chairperson
Warwick School Committee
69 Draper Avenue
Warwick, Rhode Island 02889

Re: FY2019 School Department Budget Appropriation

Dear Chairperson Furtado:

Following our meeting held on July 31, 2018, I have taken the time to review further the School Committee's original budget request to the Warwick City Council, the City Council's approved School Department budget contained in the City's FY 2019 Budget and the recent revised budget request provided to the City during our meeting this week.

As we continue our discussions relative to the School Department budget, I feel it is important to take a moment to outline the history and actions that have taken place to date as well as steps I am recommending to find a reasonable and practicable solution to close the budgetary gap going forward.

Background

As you know, the School Department's original budget request was for an additional \$8.1 million in local appropriation over last year's approved budgeted funding amount. During the course of the public hearing on the School Department's FY 2019 budget request, City Council members repeatedly inquired whether the School Department could reduce their budget request in light of the fact that the City could not fund the additional request as it exceeded the amount of tax dollars that could be obtained through a maximum property tax levy increase. On each occasion, the School Department representative stated they could not reduce the funding request to a more fiscally manageable amount.

Nevertheless, and without any cooperation or collaboration from the School Department representatives, the City Council authorized an increase of \$1.5 million in additional local appropriation funding to the School Department in their adopted FY 2019 Budget (the "Budget").

City Contribution

I would note that, in addition to this increased allocation by the City Council for FY19:

- The City's FY 2019 budget includes school principal and interest payments totaling \$5,926,562, representing 66 percent of the total general obligation debt service the City has budgeted in FY 2019.
- As Council President, I saw that the City Council appropriated in Fiscal Year 2018 an increase of \$3 million for education.
- The City Council supported and authorized a ballot question for Warwick School Department in the amount of a \$40 million building improvements bond set to be presented in this November's general election.

School Committee Action

Subsequent to the City Council's amendment to increase the school allocation by an additional \$1.5 million, the School Committee voted to make a number of budgetary cuts, in addition to seeking waivers from the RI Department of Education ("RIDE") in order to balance the City Council-approved FY2019 budget.

By a letter dated July 17, 2018, the School Committee and School Department jointly requested RIDE to waive certain "alternative and variances"; specifically:

- To charge a fee for student bus transportation
- To charge a fee for middle and high school sports
- To eliminate payments to out-of-district providers of student pathway programs
- To eliminate payments to charter schools, to eliminate payments for out-of-district transportation to eliminate school bus monitors on all school buses, and
- To transfer all School Department related debt service costs to the City of Warwick

In reply by letter dated July 27, 2018, the Commissioner of Education denied each and every waiver request by the School Committee and School Department.

As noted, apart from the aforementioned waiver requests, the School Committee made a number of budgetary cuts to the original FY2019-approved School Department budget. These included, but were not limited to:

- Elimination of all funding for the RI Mentoring Program, at a total of \$102,000

- Elimination of 15 existing filled custodial positions at modest salary rates, for a savings of approximately \$1M
- Elimination of two presently unfilled administrative positions, with salaries in excess of \$100,000 each, at a savings of \$250,000

I acknowledge that the School Committee and School Department are rightly frustrated, as am I, by the number and cost of certain so-called “unfunded state mandates,” as contained in your joint letter for “alternatives and variances” to the Commissioner of Education. However, arguing about the problem in a rhetorical context will not achieve a sustainable and fiscally-sound solution to the problem of School Department funding for FY 2019.

Proposed Solution to Close the Gap

Conversely, I am offering a proposed funding solution to move the dispute from being a problem to achieving a solution that is sustainable and fiscally sound.

In addition to the \$1.5 million already allocated to the School Department by the City Council to make up for lost State Aid funding, I am willing to encumber an additional \$1.75 million from the City side of the FY 2019 budget to cover debt service for the School Department for FY 2019.

These expense amounts are listed in Budget Codes #591100 – as \$1,150,000 in principal and \$600,000 in interest. In total, this additional expense offset, when coupled with the City Council’s authorized \$1.5 million in additional local appropriation, will provide the School Department with \$3.25 million in additional budgetary funding assistance.


My proposal provides the School Department over 40 percent of their requested increased funding. With this additional funding, the School Department can fully fund:

- **Restoration of the cuts to the RI Mentoring Partnership program**
- **Student bus transportation**
- **Middle and high school sports**
- **Payments to out-of-district providers of student pathway programs**
- **Payments to charter schools, payments for out-of-district transportation, and**
- **Retention of school bus monitors on all school buses**

I would also note that within the adopted Warwick School Department budget, it states Professional Management and Administrators are to be paid \$4.62 million to 42 full-time positions at an average rate of \$110,152.81. Also within the School Department budget documents, it states that salary costs have been reduced due to one position reclassification down. Given the costs associated with the 42 professional personnel of the School Department, additional cost savings could be realized through the restructuring of the Administrative Division, with the savings put back into the custodial and clerical positions, which contribute to the betterment of the students of the district and our facilities.

I look forward to a constructive public discussion of my proposal to solve this budget problem and to move forward with the educational mission of the School Department to provide a high-quality learning and human development opportunities for its students.

Sincerely,



Joseph J. Solomon
Mayor

Cc: The Honorable Members of the Warwick School Committee and City Council
William J. DePasquale, Jr., Chief of Staff/Planning Director
Superintendent Philip Thornton
Mr. Anthony Ferrucci, Finance Director, Warwick School Department
Brian Silvia, Finance Director, City of Warwick
Peter Ruggiero, Esq., City Solicitor