

Introduction

This matter concerns a request by the Exeter-West Greenwich Regional School Committee that the Commissioner determine the sufficiency of its appropriation for fiscal year 1995.¹

For the reasons set forth below, we find that the School Committee must be provided with an additional \$607,098 in funding for fiscal year 1995.

Background

The record compiled at the hearing in this matter shows the following:

On March 22, 1994, the School Committee adopted an operating budget of \$12,776,976 for fiscal year 1995. The adopted budget included a projected state aid allocation of \$4,945,658.

On April 11, 1994, the voters participating in the Exeter-West Greenwich financial district meeting reduced the local contribution to the School Committee's fiscal year 1995 budget by \$500,000.

Subsequent to the financial district meeting, the legislature enacted the state's fiscal year 1995 budget containing a state aid allocation of \$4,810,796 for the regional school district. This allocation is \$134,862 less than the projected state aid payment relied upon by the School Committee.

Following the School Committee's adoption of a budget, the regional school district realized a \$20,000 savings in vocational education tuitions, a \$5,000 savings from modifications in its

1 This request was referred to the undersigned hearing officer. A hearing was conducted on June 28, 1994. Neither town participated in the hearing. Following a recess in the hearing, each town provided notice that it did not wish to participate in this proceeding. The record in this matter closed on August 5, 1994.

collective-bargaining agreement with noncertified personnel, an \$1,855 savings in health insurance coverage, and a \$409 savings due to a reduction in the treasurer's salary. The adopted budget includes a \$500 expenditure for life insurance policies for members of the School Committee.

With the exception of the life insurance expenditure, the entire School Committee operating budget is related to contractual requirements and to the provision of educational programs and services mandated by law.²

Contentions of the Parties

The School Committee contends that it needs \$607,098 in addition to the \$12,276,976 appropriated by the financial district meeting in order to operate the district's public schools consistent with the Rhode Island Supreme Court's decision in Exeter West-Greenwich Regional School District v. Exeter-West Greenwich Teachers' Association et al., 489 A.2d 1010 (1985).³ It asserts that the district's exhaustive budgeting process has ensured that every expenditure in the operating budget is justified, and that the district has taken steps to secure additional savings following the adoption of the budget. The School Committee therefore requests that the Commissioner rectify the current budget shortfall by ordering additional funding in the amount of \$607,098 for school operations

2 In Pawtucket School Committee vs. City of Pawtucket (Commissioner's decision, March 25, 1994), we found that life insurance benefits for school committee members are not a mandated service and therefore need not be funded by the appropriating authority.

3 The \$607,098 shortfall consists of the \$500,000 reduction at the financial district meeting and the \$134,862 loss in state aid, offset by the \$27,264 in total savings and the \$500 life insurance expense.

in fiscal year 1995.

As previously noted, the towns of Exeter and West Greenwich chose not to participate in this proceeding.

Discussion

In the 1985 Exeter-West Greenwich case, the Rhode Island Supreme Court held that

a city or town is bound by and must fund the valid collective-bargaining agreements entered into by its school committee as well as other obligations incurred in the providing of services mandated by law. 489 A.2d at 1010.

The Court recently affirmed this holding in the case of West Warwick School Committee v. Souliere, 626 A.2d at 1283 (1993).

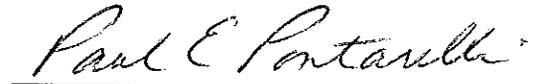
The uncontradicted evidence in this proceeding shows that the School Committee requires an operating budget of \$12,884,074 for fiscal year 1995 in order to meet its contractual obligations and to provide the educational programs and services required by law. A \$607,098 shortfall in funding currently exists. In accordance with the Supreme Court decisions cited above, the School Committee's current deficit must be funded. We therefore order that additional funding in the amount of \$607,098 be appropriated or otherwise made available to the School Committee for fiscal year 1995.

Conclusion

The Regional School Committee's 1994-1995 operating budget,

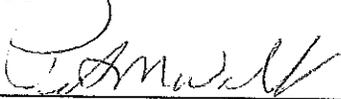
4 On July 1, 1994, the Department of Education issued the final fiscal year 1995 education aid entitlements for all local educational agencies. According to the memorandum, the state aid allocation for the Exeter-West Greenwich regional school district is \$4,826,494. We note that this amount differs from that entered into evidence at the June 28, 1994 hearing. We therefore grant the parties leave to verify the state aid figure and adjust the amount to be funded herein, if necessary.

including its current deficit of \$607,098, consists of expenditures arising from contractual obligations and mandated programs and services. The deficit of \$607,098 must be funded by the towns of Exeter and West Greenwich.



Paul E. Pontarelli
Hearing Officer

Approved:



Peter McWalters
Commissioner of Education

Date: August 11, 1994