

THE CITY OF NEWPORT

RESOLUTION

OF THE

COUNCIL

No.2026-86

WHEREAS: The City of Newport has been asked to take certain action in support of the Newport Public Schools (NPS) Strategic Fiscal Recovery and Structural Realignment Plan for Fiscal Years 2026, 2027 and 2028,

NOW THEREFORE BE IT

RESOLVED: With respect to the NPS projected further funding needs for Fiscal Year 2027 projected to be approximately \$2,691,523, the City is authorized to provide further appropriations and take the following action in addition to the 4% maintenance of effort increase adopted in the City's budget for Fiscal Year 2027 which totals approximately \$1,196,232:

1. The City may provide up to a \$1,191,523 loan from the City's unassigned fund balance which would be without interest and which would be reimbursed by the receipt of future housing aid revenues expected in Fiscal Year 2028 or thereafter, conditional upon:

- a. Restoration of Educational Staffing. The Newport School Committee and the Superintendent of Schools shall certify in writing to the City Council and the City Administration that any additional City funding for FY2027 and FY2028 shall be used to reinstate and rehire teachers laid off as a result of the School Department's fiscal shortfall. They shall further certify that such funding will maintain continuity of instruction and minimize adverse impacts on students and educational services.
- b. Implementation of a Financial Oversight and Reporting Structure. The Newport Public Schools Finance Director shall report directly to the City Director of Finance on matters involving City appropriations, budget administration, financial reporting, forecasting, and fiscal controls during Fiscal Years 2027 and 2028. This reporting structure shall continue in Fiscal Year 2029 and thereafter if NPS requires supplemental City assistance,

stabilization funding, or other extraordinary municipal support beyond the annual 4% maintenance-of-effort increase; and

2. The City may establish up to a \$1,500,000 restricted reserve fund from the City's unassigned fund balance to be used to offset potential overruns associated with the NPS (Tuition to Private Sources) Special Education Account by way of a transfer to a restricted account for that purpose approved by the City with any amount not used to be transferred back to the City of Newport. Any reserve funds expended to offset such overruns would also be reimbursed through future housing aid revenues in Fiscal Year 2028 or thereafter.

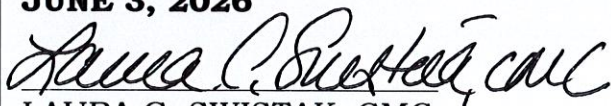
RESOLVED: The above appropriations shall be conditional on the appropriations not being used in the computation of the maintenance of effort requirements established by G.L.R.I. §16-7-23 and made at a time when such appropriations would not be used in such computation, and be further conditioned on the approval of the Commissioner of Education, if required.

RESOLVED: As NPS advances its Fiscal Recovery Strategy for Fiscal Year 2028 and thereafter, the City Council expects future maintenance of effort requests to reflect measurable cost-saving initiatives and structural efficiencies including but not limited to:

1. Independent operational and staffing audits;
2. Infrastructure and facility consolidation opportunities; and
3. Continued evaluation of enrollment trends and program alignment.

RESOLVED: The City encourages continued collaboration between the City and NPS throughout this process and supports a data-driven approach to achieving long term fiscal stability while maintaining educational quality.

IN COUNCIL
READ AND PASSED
JUNE 3, 2026


LAURA C. SWISTAK, CMC
CITY CLERK