

INSIDE today's news

LOCAL



LOCAL MUSICIAN
Dick Lupino releases
first CD. A3

SPORTS

TENNIS HALL OF
FAME in Newport
looking for a piece of
'The Match.' B1

WEATHER

62 **Tonight**
Partly cloudy. Low
around 62.

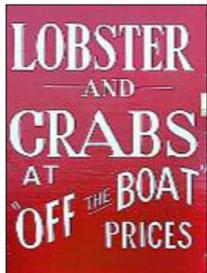
79 **Saturday**
Partly cloudy. High
near 79.

Details, A8

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WEEKEND



LOBSTERMEN
selling their catch
directly to the public
at state pier.



NEWPORT ROLLS
OUT red carpet for
America's Cup visit.



USA WEEKEND names
its 'Most Caring
Athlete.'



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'How do you do what's right for kids when the money isn't there?'

Jo Eva Gaines, Newport School Committee chairwoman

New education funding formula concerns island's school officials

By Joe Baker
Daily News staff

Life officially changed for children in Rhode Island on Wednesday at 2:06 p.m.

That's when Gov. Donald L. Carcieri signed into law the state's first education funding formula in more than 15 years, ridding Rhode Island of the ignominious label of being the only state in the country without a formula. The ceremony, which took place at the Providence office of The Rhode Island Foundation, was a festive affair where there was no dispute that having a school aid formula is a good thing.

No longer will municipal officials have to go through an annual budget guessing game, trying to predict how much state aid they will get. No longer will school aid be doled out based on a lawmaker's power to shape the distribution. As Sen. Hanna M. Gallo, D-Cranston, said during Wednesday's fanfare: a formula strips politics from the process.

Several speakers hailed the formula for its predictability and fairness. Area school officials do not quibble with the predictability factor, but fairness obviously is in the eye of the beholder.

"It's predictable. Unfortunately

we lose money," said Newport School Committee Chairwoman Jo Eva Gaines.

Newport is not alone. Every community in Newport County is on the list of "losers" in the redistribution of state aid. The state tried to minimize the impact by spreading the cut over 10 years, but it does not lessen the pain for cities and towns already facing budget crunches.

Portsmouth, for instance, stands to lose 37 percent of the \$5.6 million it got this year in state school aid. That amounts to \$207,000 a year for 10 consecutive years, starting in fis-

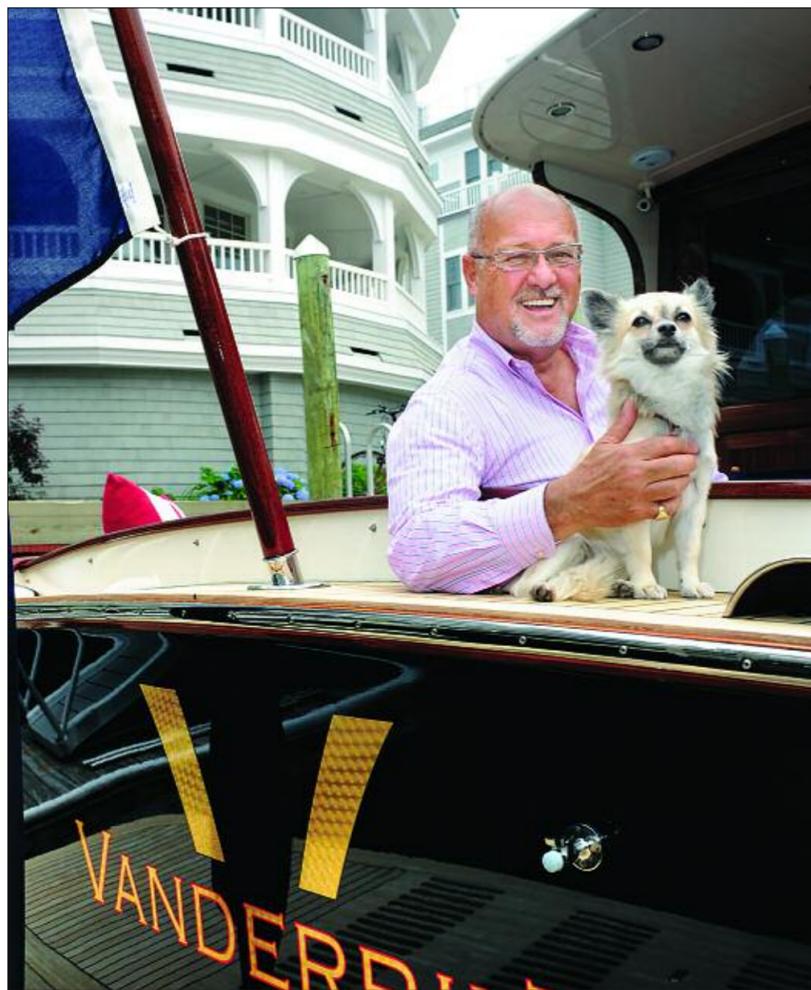
STATE SCHOOL AID

	2009-10	2020-21*
Jamestown	\$425,041	\$205,291
Little Compton	\$314,780	\$126,870
Middletown	\$9,568,957	\$6,844,917
Newport	\$10,848,080	\$9,186,000
Portsmouth	\$5,637,346	\$3,562,456
Tiverton	\$5,563,394	\$4,423,514

*Loss in aid spread equally over 10 years beginning in the 2011-12 fiscal year

SOURCE: RHODE ISLAND DEPARTMENT OF SECONDARY AND ELEMENTARY EDUCATION

FORMULA A8



David Hansen ♦ Daily News staff photos

Peter de Savary sits in the back of his yacht Vanderbilt with his dog Monty, the namesake for Monty's Bar in de Savary's Vanderbilt Hotel. In the back are the Vanderbilt Residences at Brown and Howard Wharf in Newport, also owned by de Savary.

PRIME MOVER

Entrepreneur Peter de Savary employs his recipe for success in local condo sales

By Sean Flynn
Daily News staff

NEWPORT — When entrepreneur Peter de Savary took over a 50 percent share in the 16-unit multi-million-dollar condominium development on Brown & Howard Wharf in Newport last spring, sales had languished since 2007, when the first condos were put on the market.

He had a recipe for change. "We are not just selling real estate," de Savary said. "We are selling a lifestyle."

He has transformed the property into the Vanderbilt Residences at Brown and Howard Wharf, and was personally involved in the furnishing and decorating of the seven condominiums still for sale. Residents become members of the Vanderbilt Hall Club with spa and dining privileges at Vanderbilt Hotel, which de Savary also has transformed since buying it last November.

De Savary said he has invested up to \$18 million in the acquisition, renovation and upgrading of the properties in the past few months. He now is ready to showcase the transformation of Brown & Howard Wharf to about 200 invited guests on Saturday,



Peter de Savary owns a 50 percent share of the Vanderbilt Residences at Brown and Howard Wharf. He was personally involved in the furnishing of the seven units that remain for sale in the 16-unit complex.

with a private viewing of residences there from 1-4 p.m. and a "Yacht Hop" cocktail party from 5-7 p.m. on the classic yachts, superyachts and megayachts that will be docked at the Brown & Howard Marina.

While the "Yacht Hop" is by invitation only and includes a \$150-per-couple donation to the International Yacht Restoration School, anyone who walks down to the end of Brown & Howard Wharf can see the extensive new landscaping. The trees, flowers and wrought

iron gates around the property have made it a quiet, exclusive enclave on the waterfront.

De Savary, a British businessman, developed Carnegie Abbey in Portsmouth and has owned other properties in Newport, but this commercial investment in downtown Newport is a new phase for him. Besides the acquisition of the condominium complex and hotel, he has launched Vanderbilt International Properties, Ltd., also known as VIP-New-

MOVER A8

NEWPORT

Committee not ready to deal with budget cuts

The City Council's decision to cut the school budget caught the School Committee off guard.

By Sean Flynn
Daily News staff

The Newport School Committee took no action Thursday night on the school budget for the fiscal year that begins July 1 in order to give School Superintendent John H. Ambrogio time to make adjustments since the City Council unexpectedly cut the budget by \$578,568 on Wednesday.

The committee has scheduled a meeting for Monday at 7 p.m. at Thompson Middle School to discuss possible cuts.

"Even if we use all of our available fund balance, we will still be in the hole \$100,000," Ambrogio said. "And if we use all of our fund balance, we face a \$3 million deficit next year."

Recall notices were to be sent this week to teachers who received layoff notices in the spring. Those notices have been put on hold, and he has postponed a job fair for School Department openings, Ambrogio said.

"If it is not an instructional position, I won't recommend filling it," he said.

He will review the budget, looking for cuts in order to build a fund balance for the end of fiscal 2011. The School Department

'The City Council has given us our own personal Pearl Harbor.'

JOHN H. AMBROGIO

Newport school superintendent

has a \$1.48 million fund balance that will be needed to balance the budget for upcoming fiscal year, he said. But it will not have that fund balance the next fiscal year. Also, in fiscal 2012, Newport schools will lose \$1.01 million in federal stimulus money, face annual cuts of \$166,208 in state education aid for the next 10 years, and begin paying \$319,377 in tuition for the 29 Newport students now at the Paul W. Crowley East Bay Met School, he said.

School Committee member Robert J. Leary questioned the wisdom of making significant cuts now in order to build a fund balance again next year. "I see the City Council not wanting us to have a fund balance at the end of the fiscal year," he said. "It goes up their spine and we get penalized for it."

Ambrogio said he had been hoping to concentrate on improving academic performance in the schools with reading and math intervention instructors, for example, but now finances remain at the forefront.

"The City Council has given us our own personal Pearl Harbor," he said.

BUDGET A8

GULF OIL SPILL

Florida beach closed as oil slick spreads

Associated Press

More dirty evidence of the massive oil spill washed ashore along the Gulf Coast for residents who don't need any more reminders of their frustration over failed efforts to stop the crude gushing from a blown-out undersea well.

In Florida, officials on Thursday closed a quarter-mile stretch of Pensacola Beach not far from the Alabama line when thick pools of oil washed up, the first time a beach in the state has been shut because of the spill. A large patch of oil oozed into Mississippi Sound, the fertile waters between the barrier islands and mainland of a state that has mostly been spared.

The news came as a cap collecting oil from the well was

back in place after a deep-sea robot bumped it and engineers concerned about escaping gas removed it for about 10 hours Wednesday.

Even before that latest setback, the government's worst-case estimates suggested the cap and other equipment were capturing less than half of the oil leaking from the seafloor. And in recent days, the "spill-cam" video continued to show gas and oil billowing from the well.

BP's pronouncements that it would soon be able to collect more spewing oil have "absolutely no credibility," Jefferson Parish Councilman John Young said. The latest problem shows "they really are not up to

BEACH A8