

JAMESTOWN TOWN COUNCIL
Budget Work Session
March 13, 2007

A budget work session of the Jamestown Town Council was called to order at the Jamestown Philomenian Library, 26 North Road at 6:00 p.m. by Council President David J. Long. The following members were present:

Julio DiGiando, Vice President
William A. Kelly
Michael Schnack
Barbara A. Szepatowski

Also present were:

Bruce R. Keiser, Town Administrator
Christina Collins, Finance Director
Arlene D. Petit, Town Clerk
Thomas Tighe, Police Chief
James Bryer, Fire Chief
Steve Goslee, Director of Public Works
Michael Gray, Town Engineer
Frederick Brown, Building Official
Ken Gray, Tax Assessor
Lisa Bryer, Town Planner
William Piva, Interim Recreation Director
Judith Bell, Library Director

Council President Long asked that the Town Administrator present an overview of the FY 2007/2008 Annual Operating and Capital Budget to the Council for their review.

Town Administrator, Bruce Keiser stated that the budget as proposed would require total expenditures amounting to \$19,816,418, which is an increase of \$829,393.00 or 4.37% increase from last year's budget. The proposed budget allocates \$8,086,855 or 40.8% of the budget for municipal services and \$11,729,563 or 59.2% of the budget for local education.

Mr. Keiser further stated that the total proposed Town budget of \$8,086,885 is an increase of \$321,686 or 4.14% over the prior fiscal year. The operating budget component is proposed at \$6,632,314, an increase of \$267,203 or 4.20%. Capital budget expenditures amount to \$627,348, which is a decrease of \$288,112. Debt service requirements for the proposed budget are \$827,193, an increase of \$342,595.

Mr. Keiser reviewed the new legislation imposing limits on local government authority to increase property taxation. For the budget as proposed, the Town is limited to a maximum percent property tax levy increase of 5.25%. For the FY2009 budget it will be further reduced to 5%, succeeding years will continue to reduce by .25% per year. Mr. Keiser noted that the legislative changes impact the Town's revenue capacity by gradually lowering the ceiling on the amount of property tax that can be raised. It also changes the current formula which caps increases at 5.5% of the prior year's tax rate.

Mr. Keiser presented the proposed local revenues for the Town. Particularly mentioned were the Golf Course / Country Club Rental which has been increased from \$45,000 to \$140,000, and the Town investment income which has been increased by \$100,000. Local revenues indicate that there will be a \$25,000 decrease in ambulance receipts. The total local revenue being proposed is \$1,670,000.

A review of debt service shows a proposed increase of \$343,344. Included in the debt service are increases of \$318,450 for the new town hall, \$195,000 for farm protection and \$47,600 for the lease purchase of a fire tanker. The Council asked for a chart indicating the long-range plan for debt service.

Union contracts are up for renegotiation; therefore, the Town Administrator mentioned that he was not able to determine the final rate of increase, noting that it is dependent on the outcome of the collective bargaining process. Mr. Keiser also noted that the Department Head salaries are being reviewed and compared to comparable municipalities with similar duties and that he expects to have a recommendation to the Council prior to budget adoption.

Other comments are as follows:

Town Administrator

The 3.50% increase is contractual and retro-active to July of 2006.

Probate Court

Deleted from the Court budget is the funding of a Municipal Court. The Town Administrator explained that a review of a potential Municipal Court did not show a substantial increase in revenue.

Legal

The legal budget was broken down to include \$74,400 contracted legal services and \$20,000 as potential litigation.

Planning

There is a need for a clerical/para-professional planning assistant that could be included in the line item for salary adjustments.

Personnel

Blue Cross / Blue Shield of Rhode Island is expected to increase by 6.9% and Delta Dental is expected to increase 4.7%, for a total of additional expenditures in the amount of \$46,438. In addition, there is a \$17,837 increase in Worker's Compensation. These increases are required.

Tax Assessor

The Tax Assessor has requested additional hours for assistance in field inspections, as well as an increase in clerical hours to be available for an increased number of appeals.

Public Safety

The Town Administrator noted that there is a consultant on board with funds set aside for

the HVAC repairs and maintenance and the dispatch center. Lt. Donovan informed the Council that they are awaiting estimates on those repairs.

The Council discussed the overtime account for police protection. In particular, the Town Administrator was asked to comment on the overtime incurred by the police force in filling in for the dispatcher job. The Town Administrator stated that he would review union contracts to see if there was the possibility of hiring a part time dispatcher or floating dispatcher to fill in for sick time and vacation time; thereby reducing overtime costs caused by police officers being used to fill in for that position.

Fire Protection

The Council noted the reduction in the Fire Incentive Program. Fire Chief James Bryer stated that this reduction was based on trends of the last year. In addition, it was noted that the increase in gas, tires and oil was because of the actual costs incurred and again, a trend analysis of those costs.

Protective Service

The Town Administrator noted that the increase in costs for individual services provided by an Electrical Inspector, Plumbing Inspector, and Mechanical Inspector has been set at a flat fee rather than as a per inspection fee as previously budgeted. This will enable the Building Official to use these services for plan review without the added costs of additional staffing.

Highway

Councilor Kelly noted that the reduction in upkeep of equipment is due to the new equipment recently purchased. The Town Administrator noted that the funding for road oiling and sealing was moved to the capital account.

Waste Removal

The Town Administrator noted that there is a state-wide effort to increase recyclables to 40%. Presently the Town of Jamestown recycles at a rate of 21%. Councilor Kelly noted that he would expect to see a revenue stream from the new practice of selling recyclables.

Public Buildings

The Town Administrator noted that the custodial services provided to the Town are contracted on a month to month basis. The Town Administrator stated that he is exploring options to hire staff able to provide a wider range of services. The Town Administrator will provide a competitive analysis for the Council's consideration.

The Town Administrator noted that he is considering a reuse plan for the upstairs of the building at the golf course when the Town vacates it as the temporary town hall.

The increase in the landscape account is to cover the cost of landscaping the grounds at the new town hall.

Public Welfare

The Town Administrator noted that there is an additional \$500.00 being considered for New Visions.

General

The Town Administrator noted that the Senior Center shows an increase due to the higher cost of operation.

The increase in the Ambulance Incentive Program covers the \$10,000 stipend for the Director of the program. The increase also includes funds for cash in lieu payments.

Councilor DiGiando inquired about the shortfall in the ambulance insurance collection account. The Town Administrator stated that the method for billing and payment collection will be changing and it is expected that more individuals using the emergency medical services will be able to make payment.

Parks and Recreation

The Town Administrator informed the Council that the septic system at the Fort Getty guard station is failing and must be replaced. It is expected that the cost will be between \$20,000 and \$30,000. The increase in the waste water removal fund shows the result of additional pumping of that system.

It was the consensus of the Council that the request for a new septic system at Fort Getty be put on the next Town Council agenda.

Another area of concern was the van used by the Recreation Department to transport individuals to recreational activities. With only 33,000 miles on the vehicle, The Town Administrator was asked to arrange for the van to be reconditioned.

There was discussion on the need for additional hours at the Teen Center to provide off-school-grounds counseling. At this time, the funding for the additional hours would be from school funds as well as remaining grant funding.

Debt Service

The increases in debt service accounts .504 and .505 are the result of new debt service. It was also noted that the present debt service for the golf course in the amount of \$150,000 will be expiring this year.

The Town Administrator reported that it is expected that the Town will incur debt service for the \$3,000,000 new town hall approved at the 2006 Financial Town Meeting. In addition, there are proposed new projects to be financed through bonded debt which includes farmland protection through the purchase of development rights and a five-year lease/purchase for a \$190,000 tanker for the Fire Department. If voter approval is secured, the annual debt service cost will amount to \$195,000. In addition to bonds, the cost to acquire the development rights will be met through private fund-raising conducted by the Conanicut Island Land Trust, and grants from the USDS Farm and Ranch Land Protection Program, Rhode Island Agricultural Land Preservation Commission, and the Nature conservancy. Debt service payments for principal and interest for FY2007-2008 will amount to \$827,243.

It was the consensus of the Council to request that the Town Administrator provide a

chart listing the long-range plan for debt service, including any potential funds for a new highway facility and the landfill closure.

Members of the Fire Department presented plans for the replacement of two tanker trucks.

Police Lt. William Donovan reviewed plans for the new dispatch console at the police station.

The Town Administrator informed the Council that the road oil and sealing program funding has been moved to the capital improvement fund for road paving.

The Council discussed the open space program and whether there is a need for continued funding in that account.

The Town Administrator stated that the 3,300,000 bond for the new town hall contains the funding for the Warrant item previously adopted and unfunded. This would replace the \$300,000 used to cover the cost of the Warrant item from the undesignated fund and show the true cost of the town hall within the bond.

Council members questioned various line items and instructed the Town Administrator to provide additional information for the work session on Thursday, March 15.

There being no further discussion on the budget, the meeting was adjourned at 8:45 PM.

Attest:

Arlene D. Petit
Town Clerk

c: Town Council Members (5)
Town Administrator
Town Solicitor
Administrative Circulation