

State of Rhode Island

County of Washington

In Hopkinton on the second day of May 2017 A.D. the said Financial Town Assembly was called to order at 7:30 P.M. in the Town Hall Meeting Room, 1 Town House Rd., Hopkinton, RI 02832.

PRESENT: Frank Landolfi, Thomas Buck, Barbara Capalbo, David Husband Sylvia Thompson,; Town Moderator Scott Bill Hirst; Town Clerk Elizabeth Cook-Martin; Town Manager William McGarry; Finance Director Brian Rosso.  
Also in attendance: Joshua Bedoya and Heather Victoria.

Town Moderator Scott Bill Hirst called the meeting to order with a moment of silent meditation and salute to the Flag. He introduced the Town Council members. Moderator Hirst read the rules of procedure: There will be no votes taken as there are no conflicting warrant items or petitions filed by electors, making the requirements of a quorum unnecessary; Sufficient copies of the budget have been prepared for public distribution; On May 8, 2017 at 6:30 PM the Town Council will make final revisions to the budget/warrants and adopt the same for placement on the ballot for the all-day Referendum; The electors of the Town will vote on the budget at the Financial Referendum scheduled for June 13, 2017 at the Town Hall. Polls will be open from 7:00 AM to 9:00 PM. The vote will be an approval or rejection of the municipal budget for FY 2017/2018 including the most recently approved Chariho budget, and warrant items - there are two proposed warrant items. In addition, the Town Charter requires the publication of an alternate budget comprised of the most recently approved Chariho School budget and the previous year's approved municipal budget and all approved warrant items. There is no ability to approve or reject individual budget line items. The deadline for receiving objections to individual line item(s) was by April 13, 2017 via the filing of a petition signed by 200 of the Town's electors submitted to the Town Clerk. None were received.

Town Council President Frank Landolfi read an introductory budget summary statement regarding the proposed Budget for Fiscal Year 2017-2018as follows:

The Town's FY 2017/18 overall budget is \$24,716,372. This is an increase of \$336,991 or 1.4% from last fiscal year's budget.

Municipal expenses are budgeted at \$6,264,020. This is an increase of \$107,231 or 1.7% from the last fiscal year's budget.

Education expenses are budgeted at \$18,340,317. This is an increase of \$185,078, or 1.0%, from the last fiscal year's budget.

Education revenue from State Aid is budgeted at \$5,290,965. This is a decrease of (\$92,653), or -1.7%, from the last fiscal year's budget.

As required by the State, the Town underwent a mandatory, full property revaluation as of 12/31/2016, resulting in an increase in the Town's net assessed property value of approximately \$52 million. As a result, the FY 2017/18 property tax rate is projected to be \$20.07, per thousand, compared to the FY 2016/17 property tax rate of \$20.64, a decrease of \$0.57, per thousand.

This proposed budget incorporates some of the following items of interest:

- 1) In FY17/18 the Town intends on drastically reducing the amount of Fund Balance needed to fund the Operating Budget and eliminate the structural deficit that has existed over the last few years. An amount of \$1,640 will be used from Fund Balance to supplement the tax revenue needed to fund the Operating Budget.
- 2) The FY17/18 Operating Budget is basically a level-funded budget: with a slight increase of one and four-tenths percent, which is primarily driven by contract negotiation by the Town's unions.
- 3) An increase of \$44,682 for capital projects. Funding now stands at \$112,035. Major projects include funding for two new police cruisers, a new Freightliner for DPW and improvements to the Crandall Field playground.

Tax math example:

FY 2016/17 – A typical home valued at \$300,000, at the current tax rate of \$20.64, per thousand, results in a total tax bill of \$6,192 ( $300 \times \$20.64$ );

FY 2017/18 – that same home, assuming the average increase in assessed value, would be valued at \$315,000 [ $\$300,000 \times (1 + 5.0\%)$ ] for FY 17/18. The total tax bill for that same home at next year's tax rate of \$20.07, per thousand, would be \$6,322 ( $315 \times \$20.07$ ), an increase of \$130 from \$6,192 to \$6,322.

Education expenses represent 74% of the total FY 2017/18 budget.  
Municipal expenses represent 26% of the total FY 2017/18 budget.

Moderator Hirst asked if there were any questions on the proposed budget or proposed Capital Improvement Plan (CIP). Councilor Thompson questioned the CIP Project RC1 - Recreation Crandall Field Improvements funded at \$20,000.00, relative to the existing playground as she had not been present for the workshops. She felt that she would have preferred to have received a recommendation from the Recreation Department. She noted The Trust had assessed the playground which required the replacement of some of the pieces. Mr. McGarry noted it had not been in his proposed budget; it had been added at the request of Councilor Capalbo. Councilor Capalbo explained that parents at the field using the

playground and Recreation Director Mary Sawyer has brought this issue up previously. She reported the wood on the playground structure was coming apart; the swings taken down had not been replaced; the slide that had been removed was eventually replaced. She stated the field was safe, the equipment was not; the bark mulch had been replaced but because the field is wet, the mulch is moldy. The public works department fixes the playground in small doses, but it was falling apart underneath. The funding would be for engineering and then the Recreation Director can begin pulling together grants. She supported addressing the playground as it was over twenty years old now. Councilor Thompson would still like to hear from Town staff. Councilor Buck stated the recreation department has a number of books with playground equipment and costs and it will be expensive to deal with. The swings had come down because they were a hazard because of the chains or the bolts that affix the chains. He supports keeping the money in the CIP. Many of the pieces are similar to what had been installed at Hope Valley E.S. He explained playground is made of white pine, which when it weathers over time, causes it to separate and splinter even though it is pressure treated and shellac applied. Council President Landolfi noted that he had not initially had supported setting aside funds, but he now feels it probably needs to be done. He added that the Town would have to first find out the cost; whether it is a repair or a replacement, the latter of which would be expensive. He always thought it was eligible for grants because it was low-moderate income but the reason the Town received a grant for chimney repair is because it is a senior center. Councilor Buck noted the longer it takes, the more it will cost; it may take hundreds of thousands. Councilor Thompson would also like more information on cost. Councilor Capalbo noted the engineering would have to be done first as the playground is in a wet area and it was rotting from below; swings had been removed and never replaced. Councilor Thompson stressed the importance of the involvement of the Recreation Director. Councilor Capalbo stated the Recreation Director has asked to have this playground addressed previously. She noted the playground has been fixed by removing pieces of it, which did not find acceptable; she noted the playground is over 20 years old now; the public works department has done the best they can to keep it up, but it was time to start

dealing with it. She pointed out the price for the Langworthy Playground project is \$800,000.00. She suggested \$100,000.00 to address the needs of this playground would allow those who are babies now to have a playground to play on in the future. Councilor Husband asked about the Ashaway E.S. playground and was told it was swings and slides. He suggested addressing the playground in increments, adding to it over time; starting with a core element and expanding out. He would like the Town to begin to develop a plan during the upcoming year. Councilor Thompson favored proceeding cautiously and would like the Recreation Director and Recreation Commission involvement.

Councilor Thompson addressed the Town Council budget under Council Contingency. She suggested that if the Town was going to proceed with solar project on Town land, funding would have to be placed into the budget, estimating that amount to be \$20,000.00, the cost of a National Grid (NG) audit for the 19 acres behind the Town Hall and Thayer House. She noted NG only performs so many audits per year and once the audit was completed, they would identify costs. The Town would then go out to bid and the successful bidder would repay the Town the cost of the audit. She was not certain how long this would take and whether the Town would be able to consider a solar project at the 60 acre landfill site. She acknowledged that this may not be feasible if the RIDEM does not allow it. Councilor Husband noted there must be a benefit to the Town. Councilor Thompson indicated there would be, the value was estimated at upwards of \$12,000.00 per acre per year. Councilor Capalbo noted the property to the rear of the Town Hall would have to be clear cut, and it is wet. Councilor Thompson indicated this was very preliminary at this point. She referenced information received from Engineer Tony Delvecchario indicating the 19 acres could be used for solar. Councilor Capalbo questioned what the audit would entail; did it involve street lights or what we pay for electricity. Councilor Thompson explained that the National Grid audit would provide information to the successful bidder about what would be needed at a particular site; the electrical needs such as if a transformer was required or a dedicated line, etc. Councilor Buck further explained the audit would disclose how they would get

the power from here to there. Council President Landolfi asked what if no one bid on it. Councilor Thompson did not feel that would happen. She stated this was one step in the process and if the Town had no funds in the budget to begin, there would be no solar project for the Town. Council President Landolfi noted there was one more budgetary session on May 8, 2017 where the Council could consider additional funding. Councilor Capalbo asked if there were plans available. Councilor Thompson indicated there were, in the Planners Office. Mr. McGarry noted the wetlands had also been mapped. Council President Landolfi suggested he provide the material to the Council for Monday. Mr. Rosso reported there was a grant match restricted account funding at \$18,000.00, a revolving fund used for grants that was established many years ago which is spent and reimbursed upon receipt of a grant. Council President Landolfi indicated the Town could consider adding \$2,000.00 to the fund.

Councilor Thompson questioned the Grants & Contributions budget relative to the Community 2000 \$500.00 donation which she was not in favor of funding as it is a private group and it is more appropriate for donations by individuals. Council President Landolfi noted the original request had been for much more and he explained that this organization gives \$2,000.00 per year grants to students over the course of their four years in college and he felt it was a good cause. He pointed out what the Town gives to the other private organizations and he felt this was a small token amount. Councilor Capalbo felt it was a nice gesture but agreed with Councilor Thompson; usually the grants were given to Hopkinton-based organizations who work with hundreds of Town citizens. She expressed concern it would start a trend and other organizations would want donations, though she feels they are a worthy charity; she is impressed that over the years the Town has kept to only five organizations. Council President Landolfi felt \$500.00 was a drop in the bucket as compared with the other agencies. Councilor Thompson noted that Council President Landolfi had sent out letters to the families of the students who received the grant from Community 2000. Councilor Buck suggested that was placing the cart before the horse. Councilor Husband also felt the amount to be small as it compared to the other agencies. He commented he did

not know how the Town of North Kingston was able to fund their library at only \$7,000.00 or \$8,000.00; we give much more. Councilor Thompson added that some Towns have town-owned ambulance corps or libraries that they support entirely; Hopkinton supports these private ambulance corps and libraries by way of a grant. Councilor Capalbo added that the Town doesn't have to pay for pensions, salaries or benefits and was glad the Town did not have to pay for fire services. Councilor Buck felt sending the letter out was wrong and premature. He indicated he would support it this year not next, it needs to come out. Councilor Capalbo noted another option was that each Councilor could pony up \$100.00 each. Council President Landolfi agreed he should not have sent the letter.

Langworthy Librarian Margaret Victoria was present and wanted to correct some misinformation. She reported she had gone onto the website Office of RI Library services relative to Town funding; the State match is based on Hopkinton's \$130,000.00/\$65,000.00 for each library and North Kingstown's contribution from the State is based on \$1.2 million from North Kingstown to the North Kingstown Public Library and two other smaller libraries, so \$266,000.00 was allotted to them by the State.

Moderator Hirst reported there were two proposed warrant items for the June 13, 2017 Budget Referendum Ballot.

1. To restrict the unspent balance of the Salt & Sand Budget Line Item #5350-6000 and Overtime Pay Budget Line Item #4060-6000 in the 2016/2017 Fiscal Year Public Works Department Budget to be placed into the Public Works Emergency Winter Operations/Snow Removal Restricted Account and to change the name of the Restricted Account to Public Works Emergency Winter Operations.

Mr. Rosso explained that instead of placing a higher amount in next year's budget, the idea is to restrict unspent amounts in the current year budget and this way the Town would have a resource to cover any unexpected winter related costs by adding it to the existing restricted fund. Councilor Husband asked whether it would be capped at a certain amount, suggesting \$20,000.00. Mr. Rosso noted winters are volatile, that line items like salt and sand have been overrun in the past; keeping a reserved amount allows the town to have a safety net. This year was a mild winter; salt and sand was overspent, but OT was underspent by \$4,600.00, so it would not be a large amount that would be added to the restricted

account but it will also allow the Town to keep the budget a bit more conservative. Councilor Husband asked how much was in the restricted account. Mr. Rosso indicated \$23,000.00. Councilor Husband felt it went against the interest of the public for the fund to get too large. Mr. Rosso agreed but did not think what was in there presently was too high; but that \$30,000.00 or \$40,000.00 would not be too high an amount. He added that other Town's had gotten into a jam with unanticipated winter storm expenses. Councilor Thompson commented the past winter had been milder with rain but temperatures dropped and public works had to go out and sand because of ice. The practice of setting aside unspent funds had been done for many years and has helped the Town. Councilor Capalbo agreed that it was a good practice. Mr. McGarry supported the changing the name of the account as it would give the Town more flexibility. He agreed with having a cap; \$40,000.00-\$50,000.00 is reasonable. He noted wouldn't take long to burn right through that amount with overtime costs in an extreme winter if the crew had to work overtime on Saturdays and double time on Sundays. He added that the practice stabilized the Town's operating budget and gives consistency. Councilor Buck commented that it doesn't affect the tax rate as it is unused funds in the previous budget. Councilor Husband suggested that if the fund went as high at \$60,000.00, that the Town should take \$10,000.00 of that to apply to the next years' budget. All agreed.

2. To rename the Contract Negotiations/Arbitration Restricted Account to Legal Fees Restricted Account.

Mr. Rosso explained that the name change would allow the Town to use the fund for emergency legal matters such as litigation.

The Order of Business included information explaining the following resolutions will be adopted by the Hopkinton Town Council on June 19, 2017 in accordance with Section 2380 of the Town Charter:

- 1.) A resolution authorizing the Town Finance Director to credit to appropriations and to receive monies which apply to the General Fund, as well as to credit to appropriations and to receive monies which apply to Funds other than the General Fund.
- 2.) A resolution that appropriations be expended and all monies be disbursed under the direction and supervision of the Town Council, except those pertaining

to public schools, invoices payable, and interest which shall be disbursed by the Town Finance Director.

3.) A resolution that the Town Finance Director of the Town of Hopkinton be and is hereby authorized and empowered to borrow upon the credit of the Town as the same may be necessary during the present Fiscal Year such sum or sums as may be required to meet the expenses and obligations of the Town, provided however, that such loans shall not at any time exceed the sum of one million five hundred thousand dollars (\$1,500,000.00).

4.) A resolution that the over-expenditures in the 2016-2017 Fiscal Year Budget, identified by the Town Finance Director, are hereby approved and.

5.) A resolution setting the tax levy.

#### **ADJOURNMENT**

Moderator Hirst declared the Financial Town Assembly adjourned at 8:30 PM.

Elizabeth J. Cook-Martin

Town Clerk