

State of Rhode Island

County of Washington

In Hopkinton on the twenty second day of February 2023 A.D. a budget workshop was held in the Town Hall Meeting Room, 1 Town House Road, Hopkinton, RI 02833 to discuss the proposed FY 23/24 budget.

PRESENT: Michael Geary, Scott Bill Hirst, Stephen Moffitt, Jr., Sharon Davis and Robert Burns; Town Manager Brian Rosso and Town Clerk Marita Murray. Also present: Public Works Director David Caswell.

BUDGET REVIEW/OVERVIEW

Town Manager Brian Rosso provided an overview of the budget. He advised that in the municipal budget they were able to overcome payroll increases and other increases and level fund. The only increase seen in this budget on the overall total level is from Chariho in the amount of \$260,000. The contribution to Chariho increased by \$1,060,145 and State Aid increased by \$800,607; the net of those two figures is just under \$260,000, which will be the total increase on the town budget. All five of the union contracts have been renegotiated and there was a payroll increase of \$138,000, which includes workers compensation and payroll taxes. The payroll increase was able to be offset by a State determined decrease in pension rates which was an impact of just under \$45,000. Health insurance was also decreased due to the hiring of younger employees. Electricity has increased by approximately 47% which impacted the town by approximately \$17,000. All of these increases have been able to be offset by other decreases. There is a zero tax increase on the town budget; the only increase is the \$260,000 from Chariho's budget. Mr. Rosso explained the decrease in the tax levy of \$893,000 due to the elimination of the state motor vehicle excise tax. This is listed in the budget again as an increase called motor vehicle excise tax aid, which means that the state is paying us for the money that we lost by not being able to tax motor vehicles. He noted that they had just received the new health insurance rates which increased by 1.6% on health insurance and 8.9% on dental insurance. Lastly, Mr. Rosso wished to note that revaluations do not directly impact tax bills.

The town will never increase taxes based on reevaluations; the mill rate can only be increased through the budget process. The only exception to that would be if your house increased more than the average home which was 30% overall; then there would be a slight tax increase. Using that figure there would be a decrease in the mill rate from \$18.53 to \$14.43 to maintain the same tax levy. With the school budget there would be an increase to the town of twenty cents which would bring the mill rate to \$14.63.

DPW/LANDFILL

Mr. Rosso noted that the DPW union contract had been renegotiated and there was a base pay increase adjustment. The general road maintenance section has been level funded. Vehicle and equipment maintenance town-wide has increased slightly due to inflation. Under building and operations, electricity and heating costs have increased slightly. Councilor Burns asked about maintenance supplies and DPW Director David Caswell noted that this was for cleaning products and supplies. Regarding motor fuels, Mr. Rosso explained why there was only \$1 budgeted, noting that these were pass-through accounts; whatever they paid, they were reimbursed. He gave an example that the Ashaway Ambulance will get fuel and the town will bill them for that. For auditing purposes they have to track the actuals but there is no net cost to the town. Councilor Davis wished an explanation of repairs and maintenance townwide indicating that last year that money was earmarked for certain projects, and she wondered if those projects had been completed. Mr. Rosso noted that typically this money was not spent until the end of the fiscal year in case unforeseen problems occurred. Councilor Davis also asked if the money in the tree trimming restricted account had been spent and Mr. Caswell noted that it had not; they were waiting for National Grid to complete their work, which is ongoing. Lastly, Councilor Davis noted that the landfill expense line should be changed to Richmond fees rather than Westerly fees. Mr. Rosso hoped to have negotiations with Richmond and Westerly concerning the use of their transfer stations but noted that last year Westerly did not want to negotiate.

Regarding the CIP budget, Public Works is looking for the purchase of an excavator. They are going to go through Municipal Leasing and obtain quotes for

various lenders to get the best interest rates. This would be a three-year lease to own for \$30,309 in the current budget. The CIP is going to be funded by the excess fund balance from the previous year. This is a one time expense matched with one time revenue. Councilor Burns asked if DPW had equipment to haul the excavator and Mr. Caswell noted that they have a twenty-ton Hudson trailer. Mr. Rosso noted that the DPW garage doors have come to their end of life and are creating some safety concerns. They received a quote for \$36,500 for four large, insulated doors.

CLERK/PROBATE COURT/BOARDS & COMMISSIONS/ELECTIONS

Mr. Rosso advised once again that union contracts had been finalized and there was a slight increase in wages; other stipends remained the same. He noted that there were two changes to this budget, with the first being leased equipment due to contract changes and they have increased the revenue due to the current housing prices. Regarding elections, there was a decrease in election wages.

TOWN COUNCIL

Mr. Rosso advised that this budget has been level funded.

GENERAL GOVERNMENT

Mr. Rosso explained that general government includes a lot of different government activities; the revenue side is all determined by the state except for the town rent and tower rentals. Regarding expenses, there is an increase for electricity, heating and street lighting. The Trust advised that there will be a 7% increase in the property and casualty insurance because the town's assets have escalated in value. Mr. Rosso noted that revenue has gone up because the state is fully funding the motor vehicle excise tax.

CAPITAL IMPROVEMENT PROGRAM

Mr. Rosso advised that there is \$16,000 in the CIP for town-wide building repairs, noting that the police have requested to replace their carpet (\$5,000) and the mini split in the Town Clerk's Office is broken and needs to be replaced (\$11,000).

The workshop was closed at 7:00 p.m.

Marita Murray
Town Clerk

Sydney Fernandes
Deputy Town Clerk