

TOWN COUNCIL WORK SESSION
2015 Fiscal Year Town Budget
April 7, 2014 – 6:00 p.m.
Coventry Town Hall Council Chambers

Present: President Cote, Vice-President McGee, Councilman Laboissonniere,
Councilwoman Carlson

Town Solicitor Frederick Tobin
Town Manager Thomas Hoover

Manager Hoover began presentation by explaining the purpose of the work session this evening is to review the town's side of the budget.

He advised that the finance director has provided multiple reports, as requested at a previous meeting, with regard to a comparison in salaries from all the departments between FY14 and the proposed FY15, a breakdown on interest and penalties revenue, a fees and charges report with regards to parks and recreation, a breakout of various accounts in that department, a report pertaining to the ordinance on impact fees, a breakdown over the last six years with the Town Solicitors' budget and also a statement on the Waterman Fiske Fund.

President Cote and Councilman Laboissonniere requested Manager Hoover to ask Department heads to look at what would have to be cut from each department in personnel and services if we were to present a 0% increase budget to the taxpayers.

Town Council

When asked about \$1,000 in council expenses, President Cote clarified that by Charter, in addition to salaries, there is an additional \$1,000 allowed for expenses.

Town Manager

Councilwoman Carlson questioned an increase in dues and membership. Manager Hoover explained that his membership to the International City/County Managers Association has increased and is part of his contract.

Information Technology

Councilwoman Carlson questioned the IT Director, Ed Warzycha, about \$25,000 that was spent in data processing last year and the possibility of videotaping meetings. Mr. Warzycha responded that it encompasses a lot of different fees such as lease payments on copiers, maintenance on software packages, hardware maintenance and hardware replacement. Councilwoman Carlson suggested we get a better sound system in the council chambers. Mr. Warzycha did have \$75,000 but that was taken out. The problem is, we don't have anything left over to do those things, and he was hoping to keep that \$75,000 because we also need to update the police department equipment. With regard to videotaping meetings, it is not a cheap proposition. There are servicers with a cost of about \$35,000 – \$40,000 per year. We did a one-time videotaping for the police department pension meeting a year or so ago, and that was \$5,000. The IT department does not take in any revenue.

Town Clerk

The Town Clerk confirmed that the \$4,000 increase in the town clerk's department was due to the contractual obligations in salaries and a need for an increase in advertising costs.

Board of Canvassers

A brief discussion ensued, especially because this is an election year, regarding the expenses for poll workers.

Town Solicitor

Councilwoman Carlson questioned how many solicitors we had in town and why the professional line item has gone down. Solicitor Tobin responded that there is one solicitor and eight assistant solicitors for zoning, planning and litigation. In addition, we have solicitors for negotiations, workers compensation, and the landfill case has one.

Solicitor Tobin explained that about 3½ years ago, when this administration took over, we reduced both the hourly rate and the size of the budget by about a third. The budget went from about \$650,000 down to about \$415,000. The only difference has been in negotiations over the last two years, as it had not been previously budgeted for 2½ - 3 years. This year I requested a line in the budget to cover that because we spent \$120,000 last year and we are up to around \$100,000 this year for the negotiation services. Part of the number that we have traditionally been including, which is the landfill case, is being put over to a landfill bond. The good thing about a contractual attorney is that you only pay them when you need them. The Schools have an in-house attorney, yet they farm out specialty items.

Municipal Court

Municipal Court brings in an average of approximately \$67,450. By Charter, Municipal Court must be self sustaining or the council can vote to dissolve it.

Probate Court

The four year revenue average in probate court shows \$49,292.

Town Treasurer

Councilman Laboissoniere asked about a large jump in group insurance. Mr. Thibeault advised that the former Finance Director opted out of health insurance from the town, whereas the current finance director does not.

Police Department

Councilwoman Carlson questioned whether the police department receives any grants or revenue. Chief Volpe responded that there is revenue taken in the form of VIN check payments and fees for detail cars being used on road details. There are fees for crash reports, copies of accident reports, all of which goes into the general fund. An annual federally funded grant, the Byrne Jag grant is \$15,000 per year. These funds were used for administrative vehicles the last two years. Two other legislative grants received a total about \$12,000.

Animal Control

Councilman McGee asked what line item "out of rank" meant. Chief Volpe told him that is when the Animal Control Officer is unavailable or on her days off, one of the other officers has to assume that role. The small amount of revenue generated along with the impound fees goes into the general fund. They do take donations.

Emergency Management

Councilman McGee stated that although Emergency Management is down \$4,000, it maintains a very good reputation in the state and is a role model. Manager Hoover acknowledged the town has been recognized by RI Emergency Management and by FEMA and that's all contributed to the chief who coordinates the many agencies that we work with, all the fire districts, the various town departments, and housing authorities.

Building Inspector

The building inspector's budget is down by \$16,000 due to the retirement of former building official, Bruce Zaloudek.

Roads and Bridges

Councilman McGee stated that our streets are in dire need of repair and yet there is \$22,000 less in the budget for repairing streets. Asphalt is reduced by \$15,000. The roads need to be repaired and we have done just about nothing in the last two years. Manager Hoover agreed there is a lot of resurfacing that needs to be done and we do depend on the state's TIP program though the federal funding is cut just about every year. We do have approximately \$34,000 in impact fees, which I know Mr. McGee is going to dedicate to road maintenance. Manager Hoover suggested a bond proposal for road improvements. There is not enough room within our cap to do it under property taxes on a yearly basis.

Councilman Labossioniere pointed out in this budget there is a line item to move a couple of people to foreman positions. He asked how the taxpayers are going to benefit from that. DPW Director McGee responded that there are actually three positions, two foremen and one vehicle maintenance. We have one person operating as a foreman, but not getting compensated for it. He believes this would result in a better flow within the department and more productivity. In addition, this foreman can do computer work looking on-line for grants. In addition, someone is needed to monitor the GIS System, which in turn would monitor the vehicles by looking at idle time and speed.

Building Maintenance

Councilwoman Carlson asked if, since we hired someone to cut grass, whether we made any revenue after passage of that ordinance. Manager Hoover stated that we haven't experienced a full season yet since adopting that ordinance and only cut three properties before the winter season. During the winter we still had these people in place and they did a lot of building maintenance work.

Refuse Collection

DPW Director McGee confirmed the new pilot program should begin the first week of May. He has met with a local promotions company to devise a plan to introduce the pilot program along with sending out a mailing to residents. Hopefully after the general election, we will get the entire town to agree to this refuse program.

Manager Hoover advised the council that in order to place this on the ballot in November, it will be necessary to send a resolution for approval to the General Assembly first. We will have had six months underway before the citizens vote.

Vehicle Maintenance

Councilman Labossioniere asked if it would be beneficial to separate out the roads and bridges, refuse collection and snowplowing to know how much each division was using for fuel. Ed Warzycha explained that the old system for monitoring this information needs to be replaced. The new system has electronic readers on all the vehicles. It's about a \$70,000 investment to replace the whole system, but with it we can control expenses and increase productivity.

Parks & Recreation

Councilwoman Carlson asked what the Special Revenue funds consisted of and Director Guy Lefebvre explained it as rental of the gymnasium at the annex, which is accessible to any group to rent. That fee is held in a reserve account for payment to individuals hired to supervise the activity, open the buildings, code the alarm and in reverse, turn everything off and see the group out. That revenue has always been a little different than the rest of miscellaneous revenue we take in. He retains some of the revenue to pay for busing and transportation and we keep a percentage because a reserve account was established to run a program that is not in the operating budget. In addition, it allows us to deal with programming and new things the public would like to see. None of which are reflected in the budget, so in those circumstances we would collect a fee and the use of that fee is to run the program. If we don't collect enough in fees we don't run the program. Most programs are bringing back fees and charges sufficient to cover staff wages and transportation. Only when a program concludes and there are funds in that reserve that won't be needed then there's a shift of that fund to the general fund. Surplus goes into general fund. Grants are mostly for capital improvement projects, like the bike path or the Sandy Bottom Road project. Grants cover those projects.

Human Services

Discussion ensued regarding the Washington Street house purchased in 2009 with the Community Development Block Grant funds. Human Services Director Pat Shurtleff advised they had hoped to make it an adolescent center, however, the building has extensive damage and will probably have to be demolished. We will have to meet with the state and see what our options are. In addition, we had a CDBG Grant to purchase two vans along with a Project Friend's Grant from the state, allowing us to have drivers to drive the van and do shopping runs. In addition, we get an annual grant from Electric Boat and Coventry Lumber sponsors a golf tournament.

Library

When the library applies for state aid they are allowed to include the cost of maintenance, electric bills, etc. In order to allow the library to receive its rightful allowance from the state, we have to show a direct cost so that we get reimbursed. Half of the two maintenance salaries, 45% of the electrical, gas and water cost will now be charged to the library. Fifty-five percent of fees collected go to the library and forty-five percent to the general fund. We collect about \$25,000 a year in fees and printing costs and that also goes to the general fund.

Planning Commission

Councilwoman Carlson asked for explanation of "professional" line item in their budget. Mr. Sprague indicated that it is for the use of the person who takes the minutes, and on occasion we need the services of a stenographer. The line item under commission/expenses of \$7,800 employs the members of the Planning Commission.

Zoning Board

Councilwoman Carlson questioned why the expenses on the board went up in secretarial services. As with Planning, a stenographer is needed occasionally.

Town General Fund

Finance Director Thibeault explained the major expenses that come out of this account are professional services, auditing services, insurance, equipment rentals, telephone services, municipal pension fund and the contingency fund. Basically, the expenses of the town. Our property and liability insurance premium is estimated around \$538,000, with Workers Comp insurance estimated to be around \$390,000. They are hitting us with an estimated 10% increase.

Debt Services

Councilman Laboissonniere referenced the breakout on the interest in penalties revenue. In the past you show \$200,000, \$200,000 & \$300,000 and this year we budgeted for \$492,000. Is there an expectation for more people to be delinquent?

Mr. Thibeault explained that in FY 2012 we took in \$584,000 and in FY13 \$427,000. We did receive a check in August of FY13 that kind of took that number we anticipated being \$500,427. So far year to date we received \$267,000, but March through June of prior years indicates that we have a very good collection rate.

Capital Improvement Budget

Manager Hoover is not recommending the capital improvement program, but wanted to show what the requests were. Of the \$14.7 million requested, over \$12 million is for a police station. The public works department has a big need for equipment, roads and bridges. So we are really talking about \$2.5 million dollars that we could use to move it along. The only way you are going to get this is by looking at a capital bond. Councilman McGee stated that no one is in favor of raising taxes. Maybe we can get a list from DPW as far as paving the streets, prioritize it and get a rough estimate, then put a question out to the taxpayers to see if they want to put out a bond to pave the roads.

Town Clerk