

TOWN COUNCIL MEETING

May 7, 2012

Present: President Gary Cote, Vice-President McGee, Councilman Jendzejec,  
Councilman Mattson

Town Manager Thomas Hoover  
Town Solicitor Frederick Tobin

Absent: Councilman Spear

Review of Emergency Evacuation Plan

Work Session on Municipal Budget

Manager Hoover explained that there have been essentially three changes to the budget, the first being \$1.2 million to be taken from the fund balance toward police and municipal pension liabilities. Secondly, there is an increase of approximately \$15,000 in expenditure (which will be compensated on the revenue side) having to do with the Parks and Recreation summer camp program, allowing an increase in the amount of summer camp weeks from five to seven, and operating five days a week. Finally there is an allocation of \$35,000 to School Capital and this amount comes from Cox's discontinuation of the leases on cell towers and will be used for safety improvements at the high school. This represents all the changes we made throughout our work sessions and budget hearings over the past couple of months.

President Cote asked for confirmation that we will be back on track to make the same ARC payment as last year and Finance Director Ted Przybyla responded yes, \$1.2 million will go toward the accrued liability, which will result in savings of \$80,000 in subsequent years on the ARC payment.

Manager Hoover added that the State of RI is currently in the middle of implementing legislation whereby independent plans such as we have, are required to report with an action plan by November to correct the liabilities in the pension fund and improve on the ARC payments within five years.

Vice-President McGee replied that while he likes giving the public no tax increase, he remains concerned about meeting the ARC payment.

Manager Hoover stated that he and Mr. Przybyla have attended recent pension commission meetings. Initially the thought was to have a five year plan, but at today's meeting several actuaries were talking about 30 year amortization. We'll know more as these meetings continue. It is an ever changing issue, with no strict requirement for solving it in five years. Both of our plans, police and municipal, are in the crisis category.

Councilman Mattson asked if the \$1.2 million going into the pension is part of the fund balance allocated in the revenue section and Mr. Przybyla responded that it is.

Vice-President McGee asked if the additional \$15,000 increase in the summer camp program would be self-sufficient and Manager Hoover replied that yes, fees will be raised in order to continue with the extra days of camp.

Recreation Director Guy Lefebvre explained that the program will be lengthened by two weeks and operate five days a week at an increased cost of \$30.00. We have received very positive feedback.

Mr. Lefebvre also explained a pilot program where admission to programs will be offered to non-residents if there are vacancies available to fill the spaces. We would charge higher fees to non-residents, not just for summer programs but for other seasons of the year as well.

He further stated that they are interviewing and making their final selections for summer employees. Many are returning from last year with some new people coming in. He expects a camp enrollment of maybe around 500; registration is June 9.

Resolution adopting revised actuarial assumptions as noted in the 2011 Experience Study and recommended by the Police and Municipal Pension Committees

Motion was made by Councilman Jendzejec seconded by Vice-President McGee to approve resolution. All voted aye.

Public Comment

Helen Quinn, 72 Hunter's Crossing, expressed concern that Parks and Recreation Director Guy Lefebvre would hire non-residents to work at Parks and Recreation and feels that would be totally inappropriate as there are plenty of people who need work in this town.

Mr. Lefebvre pointed out that he does hire Coventry residents, unless he should have to go out of town to find someone with a certification, for example a lifeguard, if no one from Coventry has that particular certification. Most vacancies are filled with college and high school students and we make every effort to hire from within the community.

President Cote added that when Mr. Lefebvre referred to vacancies for non-residents, he was speaking of filling vacant/extra slots for summer camp and various programs, at a higher "non-resident" fee.

Ms. Quinn also feels that people do not attend Council meetings because they are disgusted with Coventry and have given up. President Cote's opinion of why public attendance is low is due to the public's satisfaction of the job the Town Council is doing. Ms. Quinn disagrees.

Nick Gorham, 7042 Flat River Road, expressed concern with regard to the \$24 million pension obligation for non-teaching school employees. He inquired whether the responsibility lies with the School Department or the Town Council, and asked what the Council is going to do about this. He would like to see the pension documents and feels that taxpayers should know more about this.

Manager Hoover responded that the responsibility lies with the trustees of the plan. All sides now have legal counsel, but our position is that it is not the town's responsibility. There has been no agreement yet on responsibility.

President Cote added that the town has never administered that plan. It was first administered by the teacher's union, then the school department and now by the trustees. That's the way I understand it to this point. The Town maintains that the Board of Trustees is responsible as this was entered into between the school committee and the non-certified staff.

Solicitor Tobin advised Mr. Gorham to file a public records request for documents.

Mr. Gorham commented on the cost of living increase negotiated in the last police contract. President Cote responded that we felt it was the best deal we could get, short of going to arbitration. He also noted that the pension liability increased by \$1.1 million, not \$11 million.

Motion made by Councilman Mattson seconded by Councilman Jendzejec to adjourn meeting. All voted aye.

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Town Clerk