

REGULAR SESSION

APRIL 15, 2010

At a REGULAR SESSION of the Town Council of the Town of South Kingstown, County of Washington, in the State of Rhode Island, convened at the Town Hall, in and for said Town on the 15th day of April 2010 at 7:00 PM.

PRESENT: **TOWN COUNCIL**

Kathleen A. Fogarty, President
Mary S. Eddy, Vice President
Carol Hagan McEntee
James W. O'Neill
Ella M. Whaley

The Pledge of Allegiance to the Flag is given.

Roll Call is taken and all members are present.

The following members of the School Committee are present: Dr. Anthony Mega, Chairman, Kevin Jackson, Vice Chairman, Richard Angeli, Maureen E. Cotter, and Elizabeth Morris.

Also present: Stephen A. Alfred, Town Manager, Alan Lord, Finance Director, Dr. Kristen Stringfellow, Superintendent and John Ritchotte, Business Manager, School Department.

Notice having been duly given a Public Hearing with School Committee participation is held relative to the Town Council's Preliminary Budget for FY2010-2011 as adopted on March 22, 2010. This Public Hearing addresses both the General Fund and the School Fund.

The Town Manager discusses the state of the 2010 supplemental budget. Several things have changed since last evening. As reported at the meeting last evening the 2010 supplemental budget adopted by the House of Representatives two days ago went to the Senate yesterday. Last night the Senate rejected the House adopted budget. This means that the budget will have to go back to the House for redrafting. The major point of contention is related to the pension reform components of the House adopted bill. The Senate has indicated that they will not support the proposal to provide for re-amortization of the state and teacher retirement system unfunded liability. The concern expressed is that \$190,000,000 in savings over a four year period did not justify the \$2.2 billion added expenditure. The estimated revenues for the FY 2009-2010 are directly associated with a 2% reduction in pension costs on teacher retirement which would have been garnered by the re-amortization process or would have been available had the House approved the proposal as submitted in the Governor's supplemental budget which would have called for the deletion of COLA for future retirees. The House adopted version would have provided the savings of the 2% by means of the reduced cost over the next four years under the re-amortization versus the total value of the

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unfunded liability being reduced by removing the COLA in general. How the settlement is made between the House and Senate and how that relates to the Governor's approval or override remains to be seen.

Each of the Chambers have indicated that all options are back on the table meaning that municipal tools that have been suggested in the Governor's budget would be back for reconsideration or at least discussion.

The Town Council with invitations to the School Committee has scheduled a meeting with the local legislative delegation on Monday, May 17, 2010. Hopefully more information will be available by that date. Obviously not only the revenue stream as far as state aid and ARRA funds are at issue but also the proposed school funding formula which would provide substantially less dollars to South Kingstown.

The Town operates under eight funds including: the General Fund, School Fund, Water Fund, Wastewater Fund, Solid Waste Fund, Peace Dale Office Building, Neighborhood Guild and Senior Services Program. For budgetary purposes the only two that are influenced by property taxes are the General Fund and the School Fund. The overall budget program net of the inter-fund transfers for FY 2010-2011 is proposed at \$89,665,282. It is \$1.6 million below the adopted budget for FY 2009-2010 or 1.76% below.

The proposed tax rate for the FY 2011 is \$14.10; of that amount \$3.14 is attributed to the Town operations and \$10.96 is attributed to School operations. In addition to that individuals will pick up approximately \$112 per motor vehicle. The overall property tax levy increase is \$995,283 or a 1.54% increase.

We are showing a \$667,000 reduction in the General Fund. Much of the reduction comes from personnel as well as substantial reductions in the capital programming. The revenue statement shows that we will be losing state revenue sources of approximately \$1,948,000.

The following members of the public are present and comment:

Raissa Mosher – reaching out to URI – Middle School Model – Team Common Planning Time;

Rosemary Galiani – Manager, Alternative Food Cooperative – Main Street - supported by the Wakefield School Community – Representative Wakefield Merchants – files petition from the merchants opposing the potential closing of Wakefield School;

Jonathan Daly-LaBelle – What are your thoughts on the budget;

Todd Corayer – protect developmental years – opposes potential closing of Wakefield School.

The members of the Town Council and the School Superintendent comment relative to the school budget.

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The remaining funds included in the budget and the reserve fund resolutions are reviewed.

Adjourn at 8:30 PM.

ADJOURNED,

Dale S. Holberton, CMC
Town Clerk