

**TOWN COUNCIL PUBLIC HEARING - MONDAY EVENING - APRIL 27, 2009**

PRESENT: Marshall, Cordeiro, Barboza (arrived at 7:25 o'clock PM) and Herreshoff

ALSO PRESENT: Diane C. Mederos, Town Administrator  
John M. Day, Town Treasurer

ABSENT: Parella

Documents Received:

- Printed copy of the Provisional Budget
- Town Treasurer Day memorandum re 2009-2010 Budget and Tax Rate
- (Town Treasurer Day re) Rate Calculations

The Council held a Public Hearing pursuant to Section 405 of the Town Charter on Monday evening, April 27, 2009 in the Town Hall, Council Chambers beginning at 7:20 o'clock PM, Council Chairman Marshall presiding:

Council Chairman Marshall opened the public hearing with the Pledge of Allegiance to the Flag and noted that the Town's budget situation was in a "state of flux" since many issues relating to State funding, etc., remained yet unresolved.

Council Chairman Marshall noted that many budget requests were "zeroed-out" and despite same, the Town was likely facing a tax increase this being attributable to the anticipated reduction/elimination of State funding, a shift in school population toward Bristol, etc.

Council Chairman Marshall noted that Town Administrator Mederos and the Council "chopped quite a bit" and he expressed his concern that the Town's infrastructure would suffer due to these proposed budget cuts.

Councilman Barboza arrived at this point in the hearing (7:25 o'clock PM)

Responding to a question posed by Councilman Herreshoff, Town Treasurer Day explained that the current provisional budget utilizes \$250,000 from unallocated surplus. Town Treasurer Day also explained that he does not expect the surplus to increase during the next fiscal year. He also stated that the surplus might actually decrease in the upcoming fiscal year.

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It was also noted for the record that some of the various department revenues are not meeting the adopted budget for FY 2008-2009.

Councilman Herreshoff asked to know what the impact upon the tax rate would be by modifying the tax collection rate from the current 96.25% to 97% with Town Treasurer Day responding that this change would reduce the proposed tax rate by \$.08.

The Clerk reminded the Council that the purpose of this evening's session was that of a public hearing and that the public should be afforded the opportunity to bring its questions and comments to the attention of the Council.

Council Chairman Marshall recited the headings of the individual department budgets as follows:

**Town Council**

John D. Sylvester of 80 Mt. Hope Avenue suggested that each Town Council member's salary should be reduced by \$1,000 with Town Administrator Mederos noting that a reduction of that amount would be nearly 20%.

Councilman Herreshoff asked the Clerk if the Docket/Scanning budget might be reduced with the Clerk responding that the line item is used to preserve the Council's record and a reduction in same would be at the Council's discretion.

No other remonstrance was presented in consideration of this department's budget.

**Town Administrator**

Mr. Sylvester asked if the proposed Capital Budget was under the control of the Town Administrator with Councilman Herreshoff noting his understanding that the Capital Budget would be allocated based upon priorities as agreed by the Council. Town Administrator Mederos stated that she was in agreement with the practice as noted by Councilman Herreshoff.

Mr. Sylvester suggested that the Town should have no Capital Budget whatsoever and it should rather allocate capital needs from the unallocated surplus.

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Mr. Sylvester stated that he was informed that the budget for 9 Court Street was \$200,000 and that these funds were to come from the \$500,000 in the Provisional Capital Budget.

Town Administrator Mederos stated that most of the work on 9 Court Street to date was accomplished through the existing labor force with a small amount of funds made available from an existing capital fund for supplies and materials.

Robert Ziegler of 343 Thames Street questioned the funding proposed in the Town Administrator's budget for contract negotiations and suggested that the Town should terminate its lawyers since he was of the opinion that labor contract negotiations have been "irresponsible" relating to the amount allowed for employee benefits.

Town Administrator Mederos stated that she disagreed with Mr. Zeigler and that the firm representing the Town for labor contract negotiations was successful in establishing an agreement to have employee contributions to post-retirement benefits. Town Administrator Mederos also stated that she would investigate another labor attorney should the Council so choose.

Councilman Herreshoff asked to know when the existing contracts will expire with Town Administrator Mederos responding that negotiations would take place during the next two years.

Council Chairman Marshall asked to know if Town Administrator Mederos was in need of help with labor contract negotiations with Town Administrator Mederos responding that the process may require additional funding since one attorney had offered his services in the past on a pro bono basis.

Councilman Herreshoff asked to know the amount needed to satisfy the anticipated reductions in personnel in order to balance the budget with Town Administrator Mederos responding that the current provisional budget requires a savings overall of \$300,000.

Councilman Herreshoff asked to know who was representing the Town in the negotiations with Town Administrator Mederos responding that the Town Solicitor's firm has been retained to do this with Scott Ritch, Esq., as the primary negotiator with Town Solicitor Ursillo also providing his expertise in this regard.

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Councilman Herreshoff asked to know if any of the Town's union employees had agreed to concessions with Town Administrator Mederos responding "not yet."

Alan Otis of 481 Metacom Avenue reminded the various Council members of their campaign platform issues concerning the raising of taxes rather choosing to increase economic development to increase the tax base, etc.

Mr. Otis stated that he was concerned that the Town did not "fight" the unions aggressively enough and that he was laid-off from his position at a mortgage company and has difficulty paying his tax obligations.

Mr. Otis suggested that the Town might cut services rather than paying for same and that he would prefer to have the Town workers strike rather than accepting their insistence for salaries and benefits.

Mr. Otis credited the Town for its work on the tax rate and noted that in Cranston and Johnston "the unions run the town."

Council Chairman Marshall noted that the Town officials in Bristol have "injected" surplus funds into the budget in order to offset tax increases but that this was done judiciously so as to protect the Town's financial stability.

Council Chairman Marshall stated that the tone of the recent newspaper articles concerning the tax rate was "premature" due to the nature of the budget process and the aforementioned issues regarding the "unknowns" concerning the levy and any State aid.

Council Chairman Marshall stated that he appreciated the "passion" of those presenting before the Council this evening and also noted that the Council has a difficult position in balancing the citizens' desire for services with the cost of these services.

Council Chairman Marshall also stated that the Town was fortunate to have "rainy day" funds and that many other communities have depleted these and must look at substantial tax rate increases in order to maintain services.

Mr. Otis credited the Town officials for its "tremendous job" in bringing in businesses but must consider cutting employee benefits and increasing benefit co-pays.

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Councilman Barboza stated that the Council's overall goal in the budget process was to maintain the level of services.

Mr. Otis stated that he has lived in the Town since 1992 and that the Town is "beautiful" and "one of the best" and that he would not consider living elsewhere.

Mr. Otis called the general lack of public participation at this public hearing an "embarrassment."

Councilman Herreshoff stated that the phenomenon of empty seats at the Public Hearing on the Budget was not unusual and that he was pleased to hear from the various members of the public present this evening.

Mr. Ziegler stated that he was informed that the benefits for public employees rose disproportionately in recent years although he admitted that he was uncertain if Bristol's benefit costs were also disproportionately high.

Town Administrator Mederos stated that the Town has negotiated successfully toward employee participation in paying for benefits and that recent contracts have made inroads into this issue. Town Administrator Mederos also stated that the long standing practices will take time to resolve but that she was thus far seeing progress.

Michael Cabral of 7 Ursula Drive informed the Council that he took "umbrage" to the statement that the process of changing union agreements for benefits takes time and that he was concerned that the unions are "choking" the State. Mr. Cabral called the situation an embarrassment and suggested that the government officials might "steal" union lawyers since these appear to do a better job than those representing the government.

Mr. Cabral suggested that the Council is "chasing a runaway cart downhill" and that it should be more proactive in order to "get a jump" on future contract negotiations.

Council Chairman Marshall stated that there are other costly issues facing the communities these stemming from misguided legislation emitting from the General Assembly. He noted the problematic Caroulo Act which allows school districts to sue their various municipalities for additional funding. Council Chairman Marshall explained that the Town of Portsmouth recently

lost a Caroulo suit and that he was hopeful that the Act would be repealed.

Mr. Otis noted that the problem of costs also includes the School Department with Council Chairman Marshall responding that the School Department handed out a large number of "pink slips" due to budget concerns.

Council Chairman Marshall also explained that the shift in school population for various reasons has resulted in the Town's need to "level fund" the School District with an additional \$300,000.

Councilman Barboza stated that breaking the existing union contracts would likely result in a legal battle and that sometimes the cost of these conflicts can outweigh the benefit.

Councilman Herreshoff noted that a potential cost saving might be derived from the town's declaration of "furlough days" but that he was uncertain as to whether or not this would be possible.

Mr. Otis stated that he was concerned that the Town might be "paralyzed" due to a fear of legal battles. He also questioned the "validity" of unions representing public-sector employees and that he was generally anti-union.

Town Administrator Mederos stated that she noted Mr. Otis' concerns.

Council Chairman Marshall stated that his company "got rid" of its union since the union did not support the company and "did not care" when the company was in financial trouble.

Council Chairman Marshall also stated that he was "paying attention" and knew that town administrators and employees do more than what is required and "go beyond their job descriptions." He explained that town employees worked on 9 Court Street and also that sewer employees provide direct aid to those who have sewer line problems - this service is typically provided by private contractors elsewhere for a fee. He also noted that the employee's efforts "outside of their job scope" save Town revenues.

**Town Clerk**

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Councilman Herreshoff asked if this department could afford a reduction in budget with the Clerk responding that any reduction would result in a reduction in services provided for citizens and that the Council should determine if it wishes to reduce Town services.

No other remonstrance was presented in consideration of this department's budget.

**Town Solicitor**

No remonstrance was presented in consideration of this department's budget.

**Boards and Commissions**

No remonstrance was presented in consideration of this department's budget.

**Board of Canvassers**

No remonstrance was presented in consideration of this department's budget.

**Municipal Court**

No remonstrance was presented in consideration of this department's budget.

**Finance**

Town Treasurer Day explained that the salary increase in this budget is intended to fund a "trainee" for the Treasurer's position since he intends to retire. Town Treasurer Day also noted that one position was eliminated from the department.

No remonstrance was presented in consideration of this department's budget.

**Fixed Charges**

Council Chairman Marshall stated that the Town is "ahead of the curve" with this in that it is investing in a post retirement benefits trust and that Town employees were contributing a portion of their salaries to same.

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Mr. Ziegler asked to know if the pension program changes decided at the State level will impact local employees with Councilman Herreshoff responding affirmatively.

Mr. Ziegler questioned the overall 10% increase in the health insurance budget and also asked if health insurance companies are selected via competitive bidding with Town Treasurer Day responding that the Town belongs to a healthcare purchasing consortium along with other Rhode Island communities and school districts. He further noted that Bristol was in the second year of a three year contract and that last year's premiums were reduced by 12% and this year's premiums are expected to rise 8.9%.

Council Chairman Marshall commented that this consortium is one of many "collaboration" efforts.

Councilman Herreshoff asked to know the probable savings to the budget were an employee making \$40,000 per year laid off with Town Treasurer Day responding that the savings would be approximately \$30,000 per year.

Councilman Herreshoff stated that layoffs are "not as promising as one might expect" and that attrition was a more cost-efficient practice.

Council Chairman Marshall noted that the Town has vacant positions that have not been filled thus these have been "eliminated" through attrition with a cost savings of 100%.

No further remonstrance was presented in consideration of this department's budget.

**Town Hall Complex**

Mr. Sylvester asked why the Town Hall Complex has a salary line with Town Treasurer Day responding that this salary line is used to pay the telephone operator/receptionists.

**Capital Budget**

Mr. Sylvester suggested that the Capital Budget should be "zeroed" and that the Town should rather take the capital requirements from unallocated surplus. Mr. Sylvester asked how much might be saved on the tax rate were this to be done with Town Treasurer Day responding that the savings would be approximately \$.12.

Councilman Herreshoff suggested that the project at 9 Court Street should be postponed for fifteen (15) months with Town Administrator Mederos noting that the completion date of the project is "not in stone" and that it would be up to the Council to decide when and if the project will be funded.

Mr. Sylvester questioned as to whether or not any existing capital funds were available for the project and again suggested that necessary capital funds should be taken from surplus and not budgeted in the tax rate.

Councilman Cordeiro stated that the bond rating was dependent upon the Town's fiscal responsibility and that one of the indicators of same was the amount of surplus.

Town Treasurer Day stated that the Town Ordinance calls for a surplus of 10% and that this surplus is now approximately 9%.

Town Treasurer Day reported that the Town's bond rating improved and its cost to borrow was reduced based upon its "financial strength." He further stated that a savings of approximately \$400,000 during the past recent years was attributable to the favorable bond rating. He speculated that a reduction in surplus and its associated financial strength may cost more in the long-run.

Town Treasurer Day stated that although a tax increase was difficult, he was of the opinion that the increase would offer the best long term financial situation.

No other remonstrance was presented in consideration of this department's budget.

#### **Community Development**

No remonstrance was presented in consideration of this department's budget.

#### **Inspection**

No remonstrance was presented in consideration of this department's budget.

#### **Public Works**

Mr. Zeigler questioned the increase in salaries with Council Chairman Marshall responding that these increases are contractual.

Mr. Otis stated that the condition of the national economy should lead to a salary freeze with Council Chairman Marshall noting that this matter is the subject of ongoing discussions.

Mr. Otis suggested that any salary increase might be postponed. He also expressed concern that he observed a television operating in the Public Works Director's office while no persons were present watching same. He further stated that he did not believe that a television should be kept in the Director's office.

Mr. Otis asked Town Administrator Mederos to "fight" for the taxpayers and that a tax increase was untimely. He further explained that he might lose his residence due to the economy.

Town Administrator Mederos stated that she appreciated hearing from Mr. Otis regarding this matter.

No further remonstrance was presented in consideration of this department's budget.

### **Civic Services**

No remonstrance was presented in consideration of this department's budget.

### **Police Department**

Richard A. Lavey of 38 Beachmount Avenue asked to know the status of a vehicle confiscated during a drug raid. He expressed concern that this vehicle might have been sold and was not and that its value has diminished while standing at the police parking lot.

Town Treasurer Day responded that the Police Department has a "confidential" account used for undercover work, etc. He stated that the matter of the confiscated vehicle may need investigating.

Mr. Lavey stated that this was a 2004 or 2005 Ford diesel truck worth approximately \$20,000. He stated that he was told that the truck was set-aside for former Chief Serpa and that this was part of the former Chief's retirement benefits.

Mr. Lavey stated that the vehicle is "not on the books" and that during the time it has been at the Police Station it has devalued approximately \$5,000.

Mr. Lavey also stated that he was informed by Bristol Phoenix Editor Scott Pickering that the Town has "stealth" vehicles.

Councilman Herreshoff suggested that the matter might be investigated by Town Administrator Mederos and that the Council might receive a report regarding same.

No further remonstrance was presented in consideration of this department's budget.

#### **Animal Control**

Mr. Lavey questioned the approval of the voters of a \$2 million-plus animal shelter and noted that during a recent trip to the current animal shelter he noted the presence of only five (5) dogs. Mr. Lavey further stated that he did not find the necessity for a new shelter and also that he "did not think that there were that many 'dumb' people (in Bristol)."

Councilman Cordeiro noted that the Council presented the issue to the voters so that they might make the decision to build an animal shelter with Mr. Lavey repeating that he "cannot believe there are that many 'dumb' people."

No further remonstrance was presented in consideration of this department's budget.

#### **Harbor Patrol**

Mr. Lavey questioned as to why the Harbor Master drives a truck costing \$32,000 with the Council noting that the purpose of this evening's public hearing is to hear matters relative to this year's published budget.

No further remonstrance was presented in consideration of this department's budget.

#### **Fire Department**

Mr. Sylvester stated that "we are lucky to have this department - let this one go."

No further remonstrance was presented in consideration of this department's budget.

**Human Services**

No remonstrance was presented in consideration of this department's budget.

**Rogers Free Library**

No remonstrance was presented in consideration of this department's budget.

**Parks and Recreation**

Mr. Sylvester suggested that the salaries for the Community Center supervisors should be cut and the duties transferred to the Director and Assistant Director. He also referred to the salary of the Assistant Tennis person as "pork barrel."

Mr. Sylvester also questioned why the Little League was cut with Councilman Barboza responding that certain budgets were cut voluntarily by the various agencies this being one of these.

Mr. Sylvester suggested that the music and dance coordinator's positions were also unnecessary.

Mr. Sylvester questioned why the senior dance required the service of an orchestra at \$1000 when a less-expensive disc jockey would suffice. Mr. Sylvester suggested that all of the senior programs within the Recreation Department should be cut and the funds rather provided to Rita Ayres-Gaulin at the Senior Center.

Mr. Zeigler informed the Council that it should be "firm" with the labor unions.

Mr. Sylvester complained that a contractor has been hired to spread wood chips at playgrounds and that this service was previously taken care of by town employees.

Councilman Herreshoff asked if Mr. Sylvester was of the opinion that this department could survive a 3% overall cut with Mr. Sylvester responding affirmatively.

Mr. Lavey stated that he had no problem with the budgets proposed for Public Works and Parks and Recreation but rather

that his "problem is with mismanagement." Mr. Lavey suggested that Recreation Director Burke is "not competent to manage a budget" and complained that Recreation Director Burke spent "\$3500 on a \$500 car" which came from the Police Department.

Council Chairman Marshall noted that the Recreation Department no longer has use of the vehicle.

Mr. Lavey alleged that Recreation Director Burke has proved in his nine (9) years as Director that he cannot manage a budget.

Mr. Lavey also alleged that Recreation Director Burke spent \$100 on pens and \$1000 on a camcorder purchased to take movies of Mr. Sylvester and asked the Council to investigate same. Mr. Lavey stated that Recreation Director Burke "spends money like a drunken sailor."

No additional remonstrance was presented in consideration of this department's budget.

#### **Human Resources**

Mr. Sylvester asked where a capital budget might be for Mt. Hope Farm with Council members responding that there was no proposed budget for Mt. Hope Farm.

No additional remonstrance was presented in consideration of this department's budget.

#### **Municipal Observances**

No remonstrance was presented in consideration of this department's budget.

#### **Senior Center**

No remonstrance was presented in consideration of this department's budget.

#### **Bristol Warren Regional School District**

No remonstrance was presented in consideration of this department's budget.

Councilman Herreshoff stated that he has a plan to save \$.24 on the tax rate as follows:

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1. Increase collection rate to 97% = \$.08
2. Cut 2.5% from all departments = \$.08
3. Reduce Capital Budget to \$200,000 = \$.08

Councilman Barboza stated that he did not think the proposal was practicable since the provisional budget was "bare bones."

Councilman Herreshoff stated that he was of the opinion that he presented a workable plan and that he was concerned that the information available since the conclusion of the budget deliberations is "not as rosy" as before.

Council Chairman Marshall stated that he would like to continue this discussion and suggested that the Public Hearing might be continued so as to possibly delay final adoption.

The Clerk explained that the Town Charter was specific in its requirements for budget adoption in that the final adoption must take place within two weeks of the conclusion of the Public Hearing. He agreed to contact Town Solicitor Ursillo concerning this matter to determine if a decision to continue the Public Hearing was problematic.

A discussion ensued regarding the figures for the overall tax assessment with Town Treasurer Day responding that Tax Assessor Spagnolo was working on this and that it appeared to be near completion.

Councilman Herreshoff stated that he would like to receive information from Tax Assessor Spagnolo on the matter of the tax assessment.

Herreshoff/Cordeiro - Voted unanimously to continue this Public Hearing until Wednesday, May 6, 2009 at 7:00 o'clock PM.

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Louis P. Cirillo, CMC, Council Clerk