

TOWN COUNCIL SPECIAL MEETING - WEDNESDAY EVENING - MAY 6, 2009

PRESENT: Marshall, Cordeiro, Parella (arrived at 7:20 o'clock PM), Barboza, and Herreshoff

ALSO PRESENT: Town Treasurer Day

The Council met in special session on Wednesday evening, May 6, 2009, in the Town Hall, Council Chambers beginning at 7:10 o'clock PM, Council Chairman Marshall presiding:

Document(s) Received:

- Tax Assessor Spagnolo to Councilman Barboza in his capacity as Department Liaison re Tax Board of Review

Cordeiro/Barboza - Voted unanimously to suspend the published order of business and consider the interviews of Thomas Breslin and Fausto Anguilla - both candidates for the Charter Review Commission at this time.

Interviews:

Thomas Breslin - Charter Review Commission

Dr. Breslin informed the Council that he was a member of a Charter Review Commission during the 1970s. He also noted that he recently reread the Charter and was particularly interested in the section pertaining to appointments since some of the Town boards and commissions are unnecessarily exclusive.

Dr. Breslin noted that some boards and commissions should not include members who also serve on other boards and commissions but there are some cases where this exclusionary provision is pointless.

Council Chairman Marshall noted that Dr. Breslin is typically out of state during the winter months with Dr. Breslin noting his opinion that his travel outside of the state should not be problematic to his service as a member of the Charter Review Commission.

Councilman Herreshoff noted that Harry S. Truman carried a copy of the United States Constitution in his pocket at all times.

All Council members agreed that they were already aware of Dr. Breslin's credentials.

Dr. Breslin informed the Council that he was confident that its honorable body will "put together an adequate" Charter Review Commission and that he was hopeful that he would be part of same.

Fausto Anguilla - Charter Review Commission

Mr. Anguilla stated that he was interested in serving on the Charter Review Commission since he "would love the opportunity" to work along with someone of the caliber of Dr. Breslin.

Mr. Anguilla also stated that he had a "background" in charters having worked upon these professionally but that his interest in the Charter Review Commission was that of a citizen and not as an attorney at law.

Mr. Anguilla informed the Council that he was interested in a "minimalist" approach to government and that he was not generally in favor of change for no good reason. He further explained his opinion was that the Charter was a more long-lasting document as compared to ordinances found in the Town Code; these being more likely subject to amendment.

Mr. Anguilla stated that the provisions of the Town Charter "should last for a long time if not forever."

Council Chairman Marshall stated that he was aware of Mr. Anguilla's "parliamentary experience" and that this experience would be a valuable asset for the Charter Review Commission.

Both Council Chairman Marshall and Councilman Herreshoff stated that they were aware that the Charter was a "broad document" that might be in need of some "housekeeping" adjustment.

Councilman Herreshoff stated that he found the fact that the Council "does not bump heads" with the Charter was "impressive."

Mr. Anguilla stated that he was aware that other communities have specific problems with their charters and that he, too, was aware that the Town Charter was not generally controversial. He explained his opinion that the purpose of the Charter was to "allow the elected officials and the department heads to do their jobs and to also protect the (interests) of the townsfolk."

TOWN COUNCIL SPECIAL MEETING - WEDNESDAY EVENING - MAY 6, 2009

Councilman Herreshoff noted his opinion that the current Council is "serious and responsible" concerning the Town's business and that this was not always the case and also may not always be the case in the future hence the need for a strong governing document. He congratulated Mr. Anguilla for his "distinguished career" while representing the Town as a member of the General Assembly with Councilman Barboza echoing a similar sentiment.

At this point in the agenda, Councilman Barboza read correspondence from Tax Assessor Spagnolo indicating that the various members of the Board of Tax Assessment Review informed her that they are not available to attend this evenings meeting as earlier arranged. Barboza suggested that the matter relating to the Board should be postponed until members may attend.

Herreshoff/Barboza - Voted unanimously to postpone discussion regarding the Board of Tax Assessment Review until which time all members may be present.

Prior to the vote taken, it was agreed that the Clerk, acting in concurrence with the Chairman, will reschedule this agenda item at a more convenient time.

Councilwoman Parella arrived at this point in the meeting 7:20 o'clock PM.

Resumption of the Public Hearing on the Provisional Budget
(continued from April 27, 2009).

Council Chairman Marshall noted that the Public Hearing on the Provisional Budget was held over since the Council's decisions regarding same were difficult. He noted that the Council was endeavoring to pass a budget that would not result with "a \$ multi-million deficit" nor with the need to look for supplemental tax revenues; this being the case in some other Rhode Island communities.

Councilman Cordeiro credited the Town's fiscal strength to the efforts of Town Treasurer Day with Councilwoman Parella and Councilman Barboza in agreement.

Council Chairman Marshall noted that the year will be particularly difficult and that the problems are a combination of "town fault and union fault." He further noted that citizens are fortunate to live in Bristol where the "impact" will be minimal. He also noted that some of the Town's department heads

TOWN COUNCIL SPECIAL MEETING - WEDNESDAY EVENING - MAY 6, 2009

agreed to a "pay freeze." He also noted that most department budgets "went down."

Council Chairman Marshall reminded those present that the "vast majority" of the increase in expenditures was attributed to a population shift in the school district - this explained in detail at earlier meetings concerning the budget. He noted that the Town has cut its municipal budget to support education.

Council Chairman Marshall also explained that the revenues from various sources remained ambiguous but that he is informed that the motor vehicle revenues will be substantially lower than in the recent past and also there appears to be "no growth" in the real estate base. Council Chairman Marshall further explained that the true figures for these revenues will not be known for some time.

Council Chairman Marshall stated that the Council's goal is to combine revenues and expenses and attempt to get to a zero percent increase in the tax rate. He noted that he is uncertain if this will be possible.

Councilman Herreshoff stated he was in agreement with this goal and that he was aware of those individuals who were unemployed or on fixed incomes and unable to pay their taxes. Councilman Herreshoff also stated that he is of the opinion that the Council should look at the needs of the taxpayers and provide the necessary services only. He also stated that projects, etc., should be considered during "times of affluence."

Councilman Herreshoff also informed the Council that he was reluctant to "raid the surplus" since he is concerned that such an action will result in damage to the Town's bond rating and that this move would be costly in consideration of future budgets. He suggested that the Council might trim \$.24 from the tax rate through a "rearrangement."

Councilman Cordeiro repeated his earlier comment that his goal was to allow senior citizens to remain in their homes and to keep Bristol affordable for young persons.

Councilman Barboza agreed with the previous comments regarding affordability and reminded those present that the budget, as presented, was the result of an "arduous" process and also that it did not jeopardize the health and well-being of the Town's citizens and their expected services. Councilman Barboza suggested that the Council should approach its ideas regarding

TOWN COUNCIL SPECIAL MEETING - WEDNESDAY EVENING - MAY 6, 2009

the reduction in the Town surplus fund cautiously lest this might impact future financial well being. He also stated that he did not support cutting the budget solely for the sake of cutting lest the move will "haunt us next year."

Councilman Barboza stated that the Council might consider a "manageable" proposal to trim the budget but that a \$.24 cut may not be possible.

Councilman Barboza repeated that the budget was "lean" and reminded the Council that some of the line items in last year's budget are already in deficit.

Councilwoman Parella agreed with Councilman Barboza that a good deal of effort was already invested in the budget as presented and that although she, too, hoped for a zero increase; a \$25 - \$30 per year increase for the owner of a \$300,000 house did not appear to be unreasonable in order to keep Town services at a "decent level."

Councilwoman Parella questioned the need for a capital account in the amount of \$500,000 and suggested that this amount might be lowered.

Council Chairman Marshall reminded those present that the Council trimmed the budget extensively during its workshops concerning same. He specifically noted the reduction to the "Human Services" budget; explaining that the Council trimmed \$73,000 from this line and that the action was "heart wrenching."

Town Treasurer Day reminded the Council that revenue sharing from the State to the Town was reduced by \$900,000 and also of the quandary related to the lack of new automobile registrations.

Town Treasurer Day did note, however, that he was recently informed that the Town's cost for health insurance will be less than earlier anticipated and that the Council could comfortably cut \$100,000 from the provisional budget for this item.

Councilwoman Parella asked if the idea of union concessions was "still on the table" with Town Treasurer Day responding affirmatively. He also explained that the budget as presented requires approximately \$300,000 in cuts from employees.

TOWN COUNCIL SPECIAL MEETING - WEDNESDAY EVENING - MAY 6, 2009

Councilman Herreshoff stated that he hoped that the unions would agree to concessions lest the Town will be faced with the eventuality of layoffs.

Council Chairman Marshall informed those present that State law allows the Town to increase its spending for this year in an amount equal to 4.75% and yet the Provisional Budget calls only for an increase of 1.4%.

A discussion ensued concerning the State regulations for spending increases with Town Treasurer Day reminding those present that the rules stipulate an overall reduction in the levy rate by .25% per year until it levels-off at 4%.

Juliette N. Gross of Poppasquash Road informed the Council that her property taxes have quadrupled during the last fifteen years and that she now spends most of her income on same and has been forced to take money from her IRA and sell her silver tea service and oriental rugs.

Ms. Gross further stated that she was in support of regionalization within the state "so long as Bristol runs it."

Ms. Gross also stated that although she generally supported programs such as wrestling for children, she suggested that these were limited insofar as the number of children served and that those with specific interest in same should perhaps replace Town support with fundraising projects.

Councilman Barboza noted that many of the organizations provided support through the "Human Resources" budget were informed last year that the funding might be reduced or eliminated. He explained that most of the individual grants were reduced dramatically this year and that the Council did its best to make reductions without "pulling the rug out from under" the various agencies.

Ms. Gross stated that she did not wish to be critical about the Council's work on the budget but was interested in bringing her concerns forward. She thanked the Council for its effort.

Henry Ellesworth of 81 Wood Street informed the Council that he appreciated Councilman Cordeiro's concern for those on fixed incomes and reminded those present that there were some persons with a less than guaranteed "fixed income." He asked the Council to keep the tax rate steady with a zero increase.

TOWN COUNCIL SPECIAL MEETING - WEDNESDAY EVENING - MAY 6, 2009

Judy Anderson of 117 Constitution Street stated that she was present to "vent" regarding Town-funded employee benefits that she deemed an "extravagant luxury." She also explained that she is self-employed and pays \$870 per month for her health insurance and all of her co-pays, 100% of her Social Security taxes.

Ms. Anderson also informed the Council that her property tax valuation rose from \$114,900 in 2001 to \$400,580 three years later. She suggested that the Town should "get tougher" in its negotiations with the Town unions.

Ms. Anderson also informed the Council that she attempted to have her friends attend this hearing but was informed by them that they were of the opinion that such an appearance was "hopeless."

Councilman Herreshoff stated that he was pleased to see Ms. Anderson in the audience and to hear from her and that her appearance was indeed not "hopeless" since the Council is most willing to listen to the public and take its advice. Councilman Herreshoff commented that the several persons in the audience were the most he can remember as compared to past public hearings on the budget.

Councilman Barboza noted for the record that all of the employee benefits are part of negotiated union contracts and that Town Administrator Mederos has worked to increase employee participation in the costs of these benefits. He illustrated the changes negotiated during the past several years where new employees are required to pay a percentage of the cost of health benefits versus the previous methods of no participation or a per-pay period amount. He also explained that police department employees now pay 20% of the cost of health insurance when in the past they paid nothing.

Councilman Barboza noted that this trend was "indicative of the change" being brought about through the Town Administrator's negotiations with the unions.

Councilwoman Parella stated that benefit reform in the State was discouraging since the General Assembly "doesn't want to hear it" and that the members of the Assembly do not generally support the Governor's proposals regarding same.

Councilwoman Parella further stated that the local property tax was "repressive" yet the State's budget cuts seem to rely solely

TOWN COUNCIL SPECIAL MEETING - WEDNESDAY EVENING - MAY 6, 2009

upon a local solution this being only available through the property tax.

Councilwoman Parella also stated that the Town's budget is not without the various unknowns and that this year's snow storms occurred mostly on week-ends - this leading to increases in the cost of snow removal due to overtime pay, etc.

Councilwoman Parella suggested that Ms. Anderson and others should contact their legislators and to make certain demands upon them for changes in State law regarding employee benefits, etc.

Council Chairman Marshall reminded those present that the Town was already "picking up the State's work" in road and sidewalk repairs and that employee hiring has been "frozen." He also noted that four (4) positions have not been filled that were funded in last year's budget.

Councilman Barboza stated that the Town may be receiving Federal stimulus funds but that he did not support "plugging the (budget's) holes" with stimulus dollars.

Councilwoman Parella agreed with Councilman Barboza stating that the State practice has been to find one-time "magic money" and use same to counter deficits rather than budgeting properly and using unanticipated funds for infrastructure repairs or saving for future expenses.

William Grapentine of 10 Monterey Drive asked why "Human Resources" lines were cut when salary lines retained their increases with Councilman Barboza explaining that the "Human Resources" grants are funded through a limited trust fund and that the salary line items were contractual.

Mr. Grapentine encouraged those members of the public to "use their power" and write letters to the local newspaper encouraging the State to reign-in spending.

Council Chairman Marshall stated that all of the salary lines were "in flux" due to the budgetary requirement to trim \$300,000. He also noted that Town Administrator Mederos was working on the various contracts.

Councilwoman Parella stated that she finds it upsetting that the Council's action on the Human Resources budget looks like a major cut when the largest portion of the support provided to

TOWN COUNCIL SPECIAL MEETING - WEDNESDAY EVENING - MAY 6, 2009

athletic programs is found in the cost of maintaining the playing fields, etc. She noted that this cost is quite high and that the various athletic programs have exclusive use of Town property during their playing seasons; this property is provided at no cost and great expense for maintenance and capital improvements.

Councilwoman Parella also noted that the Town's cash support of the Fourth of July and Christmas Festival was minimal as compared to the cost of police and public works support that is necessary due to the scope of the celebrations. She suggested that anyone looking at any one portion of the Town budget should examine "the whole picture."

Councilman Cordeiro stated that the Town does support the various athletic programs with cash grants because he "hates to see kids with cups in their hands." He also stated that he supports the youth programs "1000%."

Council Chairman Marshall informed those present that the "Human Resources" endowment fund has produced as much as \$125,000 annually but that this year's income is anticipated to be much lower due to the stock market.

Councilman Cordeiro also stated that the Town has provided funds to the wrestling program since the School District requires that employees must be paid to supervise matches and that these funds are used to pay these employees. Councilwoman Parella noted that this duty was undertaken by unpaid volunteers in the past and that paying for the same process was "crazy."

Councilman Herreshoff stated that he was in support of summer programs for youth, etc. since these were a "depth of life" benefits and that they represent the "characteristics of the Town."

Mr. Grapentine, again, suggested that those present should "lean" on the members of the General Assembly.

Councilwoman Parella stated that as a former legislator she was concerned that there was no "loyal opposition" in the Statehouse since there was basically only one political party. She agreed with Mr. Grapentine concerning the need of the public to contact their legislators and that this should be completed in person and not through a "telephone tree."

TOWN COUNCIL SPECIAL MEETING - WEDNESDAY EVENING - MAY 6, 2009

Alan Otis of 481 Metacom Avenue repeated some of the comments he made at the portion of the Public Hearing held on April 27. He expressed concern that the previous session revealed a tax rate increase of \$.12 while this one seems to have revealed a higher increase of \$.24. Mr. Otis stated that he was of the opinion that the Town unions "do not feel threatened." He, again, suggested that the Town should "get tough."

Councilman Barboza repeated the earlier comment that a refusal on the part of the unions for concessions will lead to layoffs or furloughs.

Mr. Otis asked if there was any news regarding the Town's negotiations with its unions with Town Treasurer Day reporting that the various unions met with Town Administrator Mederos today and that the talks were ongoing.

Councilwoman Parella stated that it would be important for Town Administrator Mederos to "put out information" that there will be furloughs or layoffs if there are no union concessions.

Councilwoman Parella also stated that the number of persons who attend the Public Hearing did not necessarily mean that citizens were disinterested in the budget since some chose to rather contact her personally regarding same.

Barboza/Cordeiro - Voted unanimously to close the Public Hearing.

Adoption of 2009-2010 Budget

Councilman Cordeiro stated that Councilman Barboza has a proposal for budget reductions and asked him to speak to the matter with Councilman Barboza noting the reduction in health insurance and suggested that the Council adjust the line accordingly. He also stated that the Council should consider trimming \$50,000 each from the pension and debt service lines and also to adjust the surplus to 8% of the budget - this allowing for \$380,000 in additional revenue.

Councilman Barboza made a motion to consider the above. There was no second.

Councilman Herreshoff suggested that the Council also consider reducing the Capital Budget by \$150,000 and that this would prevent the completion of the work on 9 Court Street. Councilman Herreshoff stated that the work on this building,

TOWN COUNCIL SPECIAL MEETING - WEDNESDAY EVENING - MAY 6, 2009

although eventually necessary, was not immediately so and that the building could be "locked up and completed later."

Councilman Barboza stated that the capital budget did not necessarily include the work on 9 Court Street since it would be up to the Council to prioritize capital programs next year.

Councilwoman Parella stated that she did not object to the Council trimming from the capital budget and explained to those present that the Provisional Budget "pools" capital funds in a break from the tradition of having these allocated to the various departments.

Councilman Herreshoff asked if Town Administrator Mederos plans to ask for the funds to finish 9 Court Street with Town Treasurer Day stating that he was of the opinion that this was the case.

Barboza/Parella - Voted to reduce the Blue Cross line item by \$100,000, reduce the Pension and Debt Service line items each by \$50,000, to reduce the Capital Budget line by \$100,000 and to modify the surplus to allow for an 8% surplus and to otherwise adopt the 2009-2010 budget as prepared and presented. Voting in favor of the motion were Council members Marshall, Cordeiro, Barboza and Parella; voting opposed was Councilman Herreshoff.

After the vote taken, Councilman Herreshoff stated that he was of the opinion that the Council should trim more from the Capital Budget.

Council Chairman Marshall stated that he was concerned that an underfunded capital budget was problematic since the Town must consider the repair of a failed storm line at Silver Creek.

Herreshoff/Barboza - Voted unanimously to consider a First Reading of an ordinance amendment to modify the Surplus to 8% at the regular meeting scheduled for May 13, 2009.

TOWN COUNCIL SPECIAL MEETING - WEDNESDAY EVENING - MAY 6, 2009

There being no further business, upon a motion by Councilman Barboza, seconded by Councilwoman Parella and unanimously voted, the Chairman declared this meeting to be adjourned at 8:55 o'clock PM.

Louis P. Cirillo, CMC, Council Clerk