



Town of East Greenwich

Town Council Minutes

March 19, 2012

Location and Time: Town Hall, 125 Main Street, East Greenwich, RI 02818, 7:00pm

Council Members: Michael B. Isaacs, President
Henry V. Boezi, Vice President
Jeffrey B. Cianciolo, Councilor
Mark Watkins Gee, Councilor
Michael S. Kiernan, Councilor (absent)

Staff Members: William Sequino, Jr., Town Manager
Kathy Raposa, Finance Director
Leigh Botello, Town Clerk
Wendy Schmidle, IT Director
Erin McAndrew, Senior and Human Services Director
Joseph Duarte, Public Works Director

Others: School Committee Members: Gifford, Green, Sommer
Maryanne Crawford, Director of Administration, School Department
Dr. Victor Mercurio, Superintendent, School Department
Paul Dansereau, Baxter Dansereau & Associates, LLP
Bill Baxter, Baxter Dansereau & Associates, LLP

7:00pm CALL TO ORDER BY PRESIDENT ISAACS

1) REVIEW OF FY 2011 AUDIT

Introductions are made around the table. Mr. Dansereau explains that an extension was granted due to the new GASB 54 restrictions from the state which has to do with fund balance reporting. He speaks briefly on several pages of the report such as the statement of net assets, statement of activities and balance sheet. A discussion follows on the \$2,278,668 surplus on the school side. Per some research done by Mr. Dansereau, GFOA's best practices indicate that a good number for the unrestricted general fund balance should be no less than two months (16.6%) of expenses. The total fund balance for the year ending June 30, 2011 was \$9,530,606 with \$2,278,668 being restricted for educational purposes. He continues on to explain the statement of revenues, expenditures and changes in fund balance, the reconciliation statement and the statement of net assets for proprietary funds (sewer funds). The final statement is the statement of net assets for agency funds. In the Notes portion of the report, OPEB (other post-employment benefits) and MERS (municipal employees' retirement system) are addressed. Mr. Dansereau explains the figure for the total OPEB obligation for end of year 2011 and future reporting figures. The town has \$123K for their OPEB liability waiting for a trust account to be setup. The school does not have any funds set aside for their OPEB liability; they pay-as-you-go and record it as an operating expense. The town has been pay-as-you-go in the past, too. A discussion follows on the MERS schedule of funding



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progress. Mr. Sequino adds that the funded ratio for the Town is 120% and the Police are now at 80%. Town employees pay an extra 1% for COLA. COLA's can only increase after 5 years of good investment returns or 7.5 % or better per year. The Town received a Certificate of Achievement for Excellence in Financial Reporting for the fiscal year ended June 30, 2010. The Town also received an unqualified opinion on the audit and no deficiencies were found. The audit is complete except for the final UCOA review. The Town's bond rating is expected to stay the same.

2) **SCHOOL BUDGET**

President Isaacs notes this meeting was to have the School Committee members present in case anyone had any questions regarding the preliminary district budget they submitted. There is no discussion. A Public Hearing is required prior to April 15th. There will be a joint meeting on April 9th with School Committee to discuss budgets, followed by a tentative Public Hearing on April 12th at Swift Community Center.

3) **EXECUTIVE SESSION** per RIGL §42-46-5 (a) (2) to discuss collective bargaining.

There is no motion for an Executive Session.

Councilor Cianciolo moves to adjourn at 8:00pm, seconded by Councilor Gee. Council votes all in favor and the motion carries 4-0.

Respectfully submitted,

Leigh

Leigh A. Botello
Town Clerk

APPROVED BY TOWN COUNCIL MARCH 26, 2012