

**PORTSMOUTH TOWN COUNCIL MEETING
JUNE 10, 2020 (Wednesday) MINUTES – BUDGET HEARING**

On June 10, 2020, the Portsmouth Town Council meeting at 7:00 PM was live streamed on the web and by phone dial-in using the Zoom remote meeting service due to Covid-19 and the Governor’s Executive order on social distancing and gatherings of no more than 15 people.

7:00 PM – Town Council Chambers, Portsmouth Town Hall, 2200 East Main Road

Time 7:00 PM

MEMBERS PRESENT: Kevin M. Aguiar, Emily Copeland, Thomas Kenworthy in Town Council Chambers

STAFF PRESENT: Richard Rainer, Lisa Mills, Jennifer West and Barbara Ripa

MEMBERS PRESENT BY ZOOM: Linda L. Ujifusa, J. Mark Ryan, Keith E. Hamilton, Leonard B. Katzman, Andrew V. Kelly and Daniela T. Abbott

SCHOOL COMMITTEE PRESENT BY ZOOM: Thomas Vadney and Juan Carlos Payero

PLEDGE OF ALLEGIANCE

SITTING AS THE PORTSMOUTH TOWN COUNCIL

1. Roll Call

BUDGET HEARING – The Full Budget is Available for Review on the Town’s Website at [FY 21 Town Administrators Budget](#)

**Town of Portsmouth, Rhode Island
Budget Hearing
Report to Taxpayers on the Current and Proposed Budget**

	Amounts Actually Budgeted for Current Year Operating/Capital FY2019-2020	Proposed Budget Year Operating/Capital FY2020-2021
<u>General Fund</u>		
<i>General Fund Expenses</i>		
Education	\$ 37,550,352	\$ 38,416,740
School Debt Service (funded by Town)	548,768	566,152
Town Council	12,366	11,366
Town Administrator	298,231	309,725
Administrative Services	4,591,777	4,717,463
Town Debt Service	2,101,464	2,029,404
Planning & Development	777,994	799,962
Public Safety	13,200,011	14,042,897
Public Works Department	3,026,848	3,092,610
Parks, Recreation & Community Services	1,196,072	1,258,787
Transfers out to other funds	1,574,360	1,362,865
<i>General Fund Expenses Total</i>	\$ 64,878,243	\$ 66,607,971
 <i>General Fund Revenues</i>		
Local Property Tax	\$ 55,815,421	\$ 57,495,015
Local Non-Property Tax	3,335,588	3,373,183
Federal	-	-
State	5,727,234	5,739,773
<i>General Fund Revenues Total</i>	\$ 64,878,243	\$ 66,607,971
 <u>Transfer Station Fund</u>		
<i>Transfer Station Expenses</i>		
Operations	\$ 801,772	\$ 715,963

Debt Service	22,101	22,101
<i>Transfer Station Expenses Total</i>	\$ 823,873	\$ 738,064

Transfer Station Income

Income	823,873	727,553
<i>Transfer Station Income Total</i>	\$ 823,873	\$ 727,553

The Town of Portsmouth Education expenditure for the 2020-2021 budget year is \$38,838,615. This is an increase of \$753,563. Below is a Comparison Summary For Educational Expenditures With Prior Year Budget and Current Proposed Budget.

	Amounts Actually Budgeted for Current Year Operating/Capital FY2019-2020	Proposed Budget Year Operating/Capital FY2020-2021	Increase (Decrease)
<u>Town of Portsmouth School Funding Summary</u>			
Local Appropriations	\$ 33,590,691	\$ 34,570,876	
Health Care Reduction	(96,565)	-	
Total Town Appropriation	\$ 33,494,126	\$ 34,570,876	\$ 1,076,750 3.21%
<u>State Aid</u>			
State Aid-General Funding	4,056,226	3,845,864	\$ (210,362) -5.19%
Total State Aid	\$ 4,056,226	\$ 3,845,864	
Total Appropriation Before Capital	\$ 37,550,352	\$ 38,416,740	
School Capital	534,700	421,875	\$ (112,825) -21.10%
Total School Capital	534,700	421,875	
Total Town and State Funding	\$ 38,085,052	\$ 38,838,615	\$ 753,563 1.98%

Copies of the Proposed 2020-2021 Budget will be available June 1, 2020 online and at the Portsmouth Town Hall, 2200 East Main Road, at the Town Clerk's Office Monday through Friday during Town Hall operation hours.

The public is welcome to attend any meeting of the Town's boards or its committees. If communication assistance (readers/ interpreters/ captions) is needed or any other accommodations to ensure equal participation, please contact the Town Clerk's Office at 401-683-2101 at least three (3) business days prior to the meeting. SUSPENDED per Governor's Executive Order.

This is to certify that the data contained in this report is correct to the best of my knowledge.

Kevin M Aguiar, Town Council President

Larry Fitzmorris, 50 Kristen Ct., on behalf of the Portsmouth Concerned Citizens (PCC), objects to the Zoom format being used for the budget hearing. The PCC believes it violates the Charter and discourages people from participating. They believe there could be other options such as holding it outside with a rain date. Mr. Fitzmorris asked if the Town is still intending to use surplus money from FY18-19 as revenue in this budget. If so then he believes there should have been a revenue line in the revenue summary and if it is a revenue event, it should be noted in the revenue that we are receiving monies from outside the operational budget and outside the taxing function.

Mr. Rainer said that they are using funds but there had been separate motions that needed to be made and the Council did do that to use surplus funds for capital expenses and establish a Covid-19 fund following the Gaspee standards and verified by the Auditor General and our auditors.

Mr. Fitzmorris disagrees with Mr. Rainer's response.

Mr. Fitzmorris believes that the tax levy is too high. Commented on the fact that the Commercial property decreased as the Residential increased. He feels that page 16 of the budget was done before the School Department withdrew their bond request and before the pandemic. He feels that the Town does not need to grow the tax base, as the State will not be able to afford any bonds toward the schools.

Mr. Hamilton made a motion to move \$231,875 from the school capital fund and place it in a contingency fund so that if needed either the town or school could use the funds if need be, seconded by Mr. Kelly. Mr. Hamilton asked the Superintendent what the cost of the phone system would be and the school finance director stated that it was actually \$200,000. Mr. Hamilton amended his motion to change the amount from \$231,875 to \$221,875, seconded by Mr. Kelly.

Mr. Fitzmorris commented that having a reserve taken now from the school capital fund gives more flexibility. Once the budget is approved, funds cannot be recalled from the school's budget by law.

Mr. Kelly asked if any of the current Capital Reserve in the amount \$890,000 was going to be used. Mr. DiIuro said that is the net amount, expenses had already been deducted. Mr. Kelly asked what the amount of the Rainy Day Fund is. It is currently \$593,000.

Ms. Ujifusa asked how much they had set aside for OPEB. Mr. DiIuro said that they have \$340,000 for OPEB.

Ms. Copeland and Mr. Vadney, from the School Committee, did not see a problem with school self-funding their capital fund for a year and having the Town holding the funds in a contingency account that could be used by either the Town or the School Department.

Motion made by Mr. Hamilton, seconded by Mr. Kelly to move \$221,875 from the School Department's Town Appropriation Capital Fund to the Town's contingency fund. Motion passed 7-0.

Nancy Grieb, 110 Thayer Drive, spoke on behalf of Nancy Howard, 16 Dianne Avenue. Ms. Howard believes that the proposed FY 2021 budget is unsustainable. She believes that the residents cannot afford a budget increase, either emotionally or financially. Ms. Howard believes that the town departments should be tasked to set priorities and scrutinize their budgets to see where costs could be reduced. She believes that there are many opportunities to reduce the budget. Ms. Grieb agrees with Ms. Howards sentiments.

FUTURE MEETINGS

June 22 7:00 PM - Town Council Meeting & Adoption of FY 2020-21 Budget

July 13 7:00 PM - Town Council Meeting

July 27 7:00 PM - Town Council Meeting

ADJOURN – Motion to adjourn made by Mr. Hamilton, seconded by Dr. Ryan. Motion passed 7-0.

Time: 8:24 PM

Jennifer M. West, Town Clerk