

# **TOWN ADMINISTRATOR PROPOSED**

**FY 2018-2019**

## **Municipal Budget Program**



**MARCH 2018**

### **Town Council**

Kristine S. Trocki, President  
Michael G. White, Vice President  
Blake A. Dickinson  
Mary E. Meagher  
Eugene B. Mihaly

### **Town Administrator**

Andrew E. Nota



## TABLE OF CONTENTS

<b>Introduction.....</b>	<b>1</b>
Jamestown Town Council .....	1
Municipal Department Directors and Department Heads .....	1
<b>Municipal Organizational Chart .....</b>	<b>2</b>
<b>Community Map .....</b>	<b>3</b>
<b>Community Profile.....</b>	<b>4</b>
History of Jamestown.....	4
Community Statistical Profile/Population.....	5
Geography .....	6
Protected Land.....	6
Circulation.....	6
<b>State of Rhode Island Profile .....</b>	<b>7</b>
<b>Statewide Community Rankings Profile.....</b>	<b>8</b>
<b>Town of Jamestown Profile.....</b>	<b>9</b>
<b>Town Council Goals and Objectives .....</b>	<b>10</b>
<b>Town Administrator’s Budget Message.....</b>	<b>11</b>
<b>General Fund Overview .....</b>	<b>11</b>
<b>General Fund Revenue Statement.....</b>	<b>12</b>
Property Tax Program .....	12
<b>Motor Vehicle Excise Tax .....</b>	<b>14</b>
<b>Capital Improvement Program .....</b>	<b>15</b>
<b>Debt Service Program.....</b>	<b>17</b>
<b>Revenue Program.....</b>	<b>18</b>
<b>State Aid Reimbursement Program .....</b>	<b>19</b>
State Library Aid.....	19
Motor Vehicle Excise Tax.....	19



## TABLE OF CONTENTS, continued

<b>Pass Through Aid Programs.....</b>	<b>19</b>
Public Service Corporation Tax .....	19
Meals and Beverage Tax .....	19
Hotel Tax.....	20
<b>Local Program Generated Revenues .....</b>	<b>20</b>
<b>School Department Revenue.....</b>	<b>21</b>
<b>Fund Balance Revenue Transfers.....</b>	<b>22</b>
<b>Unassigned Fund Balance Comparison Property Taxation.....</b>	<b>23</b>
<b>General Fund Expenditure Statement .....</b>	<b>24</b>
<b>Employee Retirement Systems.....</b>	<b>27</b>
<b>Other Post-Employment Benefit .....</b>	<b>27</b>
<b>Acknowledgement .....</b>	<b>29</b>



## **Introduction**

Provided is a list of Town Council Members and the Town Department Directors and Division Heads through March 2018.

## **Jamestown Town Council**

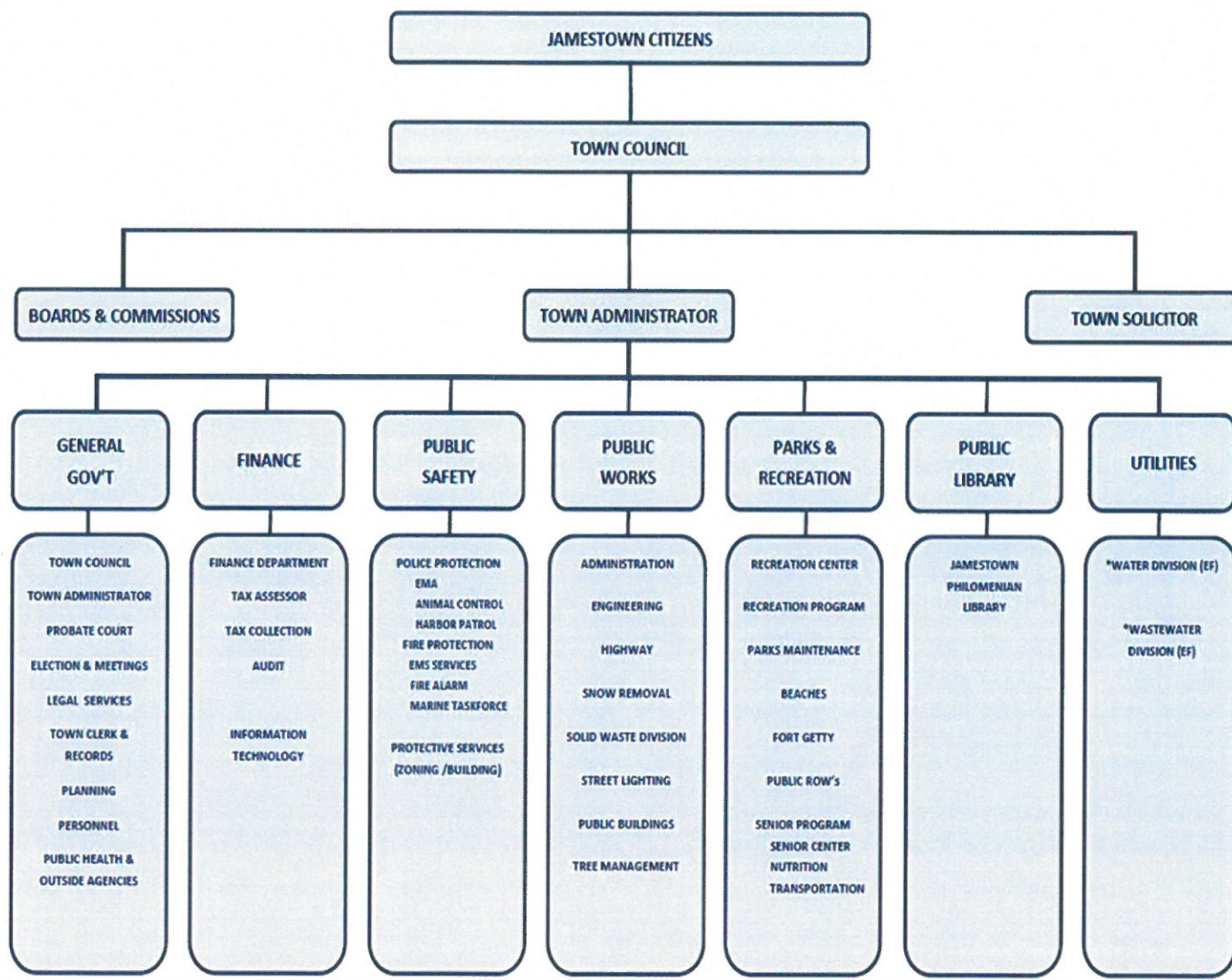
Town Council President	Kristine S. Trocki
Town Council Vice President	Michael G. White
Council Member	Blake A. Dickinson
Council Member	Mary E. Meagher
Council Member	Eugene B. Mihaly

## **Municipal Department Directors and Division Heads**

Town Administrator	Andrew E. Nota
Town Solicitor	Peter Ruggiero
Town Clerk	Cheryl Fernstrom
Deputy Town Clerk	Karen Montoya
Finance Director	Christina D. Collins
Deputy Tax Collector	Jean Gabriele
Information Technology	Michael Glier
Tax Assessor	Christine Brochu
Planning Director	Lisa Bryer
Building/Zoning Official	Christopher Costa
Chief of Police	Edward Mello
Police Lieutenant	Angela Deneault
Harbor Master	Mark Campbell
Fire Chief	James Bryer
Public Works Director	Michael Gray
Environmental Engineer	Jean Lambert
Highway Superintendent	Kevin Deacon
Highway Foreman	Steve Bonner
Water Superintendent	Paul White
Wastewater Superintendent	Doug Ouellette
Parks and Recreation Director	Andrew Wade
Recreation Program Supervisor	Deborah Haige
Parks Department Foreman	Ron Parfitt
Senior Services Coordinator	Betsey Anderson
Library Director	Donna Fogarty



## Municipal Organizational Chart by Major Budget Component

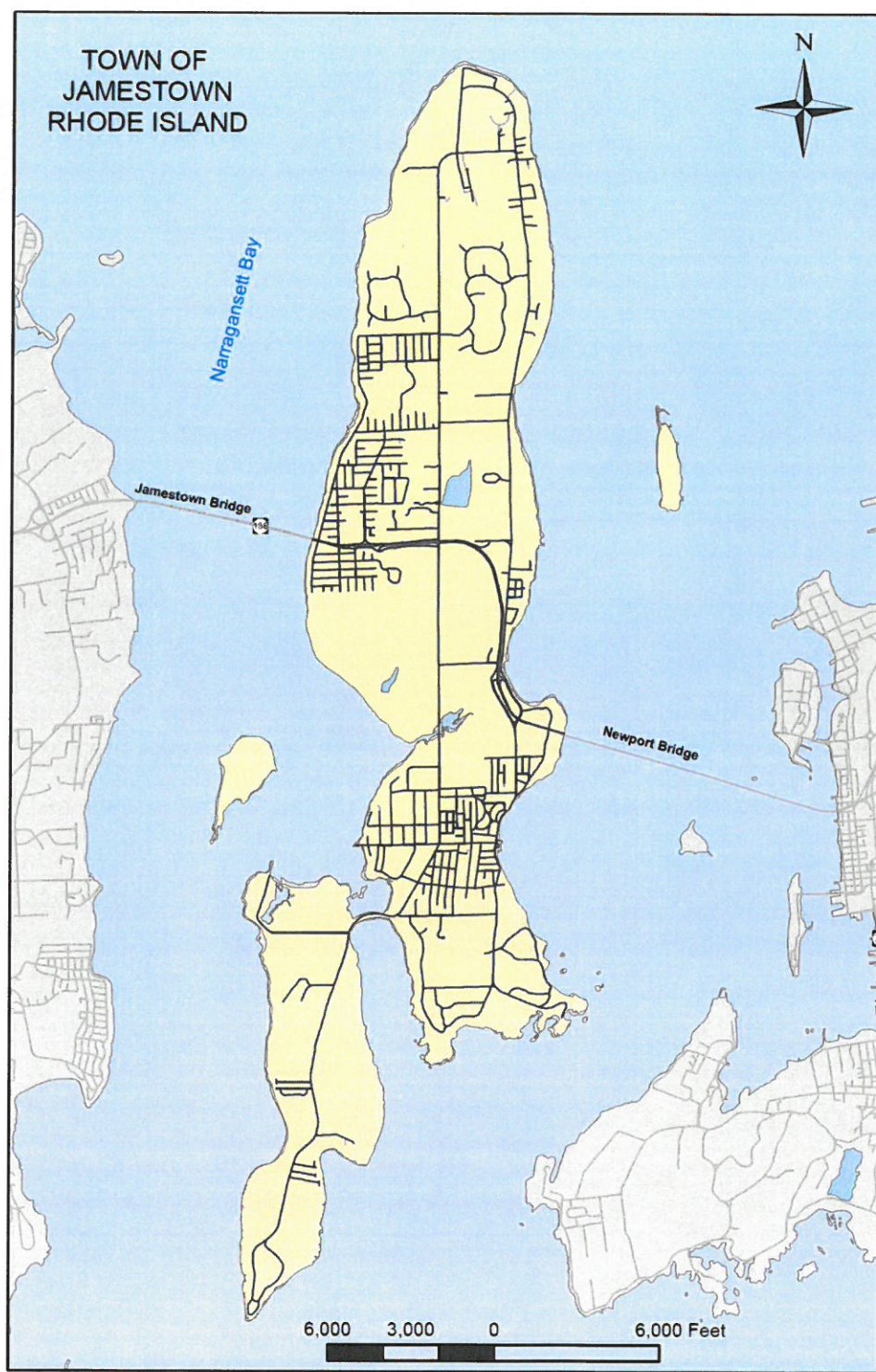


\*(EF) – Enterprise Fund – separate from General Fund Budget Program.

The above Chart does not indicate reporting authority lines as the Fire/EMS Department and Library would be indicated in an alternate fashion due to State Law and Legislative/Charter implications. This Chart is structured based on budget component units within this budget document.



**Community Map**





## **Community Profile**

### **History of Jamestown**

Jamestown is located on Conanicut Island in lower Narragansett Bay, 26 miles south of Providence and two miles west of Newport. Recognized by Aquidneck settlers in 1636 for its good grazing grass, the Island was purchased from Native Americans in 1657. Jamestown was incorporated as an independent Town in 1678. Within Jamestown's jurisdiction are the smaller islands of Dutch, Gould and the dumplings.

The first Town Hall was located on the North Main Road just south of North Ferry Road. In 1728, the Town ordered a windmill for grinding grain built near the northern crossroads, situated so as to utilize the prevalent ocean sea breeze. In 1741, a schoolhouse was built, also in the northern district.

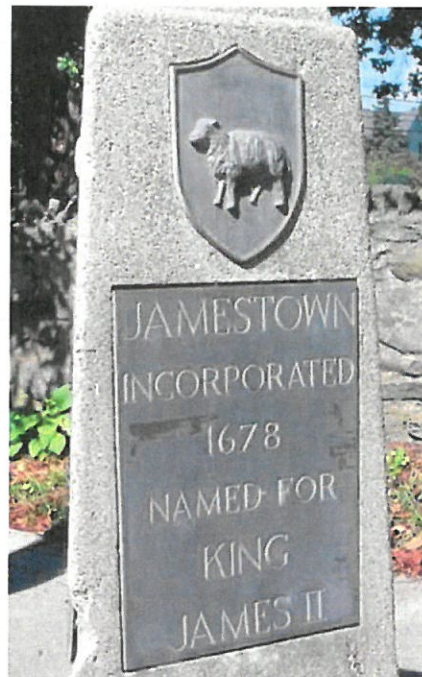
The first Quaker Meeting House was built in 1709 on the North Ferry Road grounds of the Old Friends Burial Ground. The Meeting House and the Windmill were the Town's earliest public buildings and are both listed on the National Register of Historic Places. The Beavertail Light, established in 1749 and was the third lighthouse built on the Atlantic Coast. Destroyed and rebuilt in 1754, Beavertail Light was burned by the British in 1779; rebuilt soon thereafter, and replaced by the present granite structure in 1856.

Military action had an impact on the history and development of Conanicut and the adjacent islands. In 1775, British and Hessian soldiers seized the Island and subsequently occupied it for almost three years. During this time they maintained the Conanicut Battery located on Prospect Hill on Beaver Neck Road. Fort Dumpling, located on a promontory along the southern Dumplings, was constructed about 1800 on the site of an earlier British battery. Fort Dumpling was demolished in 1898 to make way for the construction of Fort Wetherill, and is now a state park.

Four Corners, at the intersection of the old Ferry Road (Narragansett Avenue), North Main Road and Southwest Avenue, continued its modest development as a center of civic activity. Already the site of the Artillery Lot, both the Central Baptist and Protestant Episcopal Churches were located here in 1879. A new, simple Town Hall was also erected here in 1884. The earliest Jamestown Post Office was in a residence on the north side of Narragansett Avenue, just west of North Road.

The Spanish-American War and World War I saw the extensive fortification of Jamestown property – Fort Wetherill along Highland Drive in the Dumplings, Fort Getty at Beaver Head, and Fort Greble on Dutch Island. Meanwhile, a torpedo repair facility and testing station was erected on Gould Island and together with the operations on Goat Island in Newport Harbor, produced 80% of the torpedoes used during World War II.

Access to Jamestown, long by ferry, is now almost exclusively by highway bridges. The Jamestown Bridge, opened in 1940, by orienting Jamestown to South County and the Quonset Naval Air Station, significantly altered the social ecology of the Island. In particular, Jamestown Shores, a post-war cottage development at the bridge landing, had introduced the first alteration of the residential pattern of Jamestown since the turn of the century. With the abandonment of Naval owned properties in the 1970s, the Island's population changed again.





The Newport Bridge, completed in 1969, attached Jamestown more securely with Newport, placing it on what eventually became a major regional highway route. The four-lane Jamestown Verrazzano Bridge replaced the two-lane Jamestown Bridge in 1992. In 1994, the upgraded highway connector, named the John Eldred Parkway, was completed between the Jamestown and Newport bridges.

Jamestown has, in the past several decades, faced assimilation into the burgeoning suburban spread moving down along the coast from Providence. Construction of new and improved roads has made Jamestown a more desirable place to live for those employed elsewhere in the State. Subdivisions and in-fill housing development have further changed Jamestown into a more suburban town, although the Town still has many village characteristics. There are still several properties actively farmed on the Island. Historic properties, including lighthouses, windmills and military fortifications, remain unchanged and old neighborhoods are still intact and thriving.

While land uses and populations have changed over time, Jamestowners have maintained their traditional spirit of community involvement and volunteerism. This community spirit is a quality that has protected hundreds of acres of farmland and open space, improved recreation programs and facilities, and provided public safety with an all-volunteer fire department and ambulance association. The dedication of the people of Jamestown to maintaining the Island's quality of life has been demonstrated many times over; the future of Jamestown depends on our ability to face many more challenges with this same determination and commitment.

### **Community Statistical Profile/Population**

According to the US Census Bureau's American Community Survey (ACS), the Town's population in 2016 is 5,423, an increase of 18 residents (.3%), compared to the year 2010 census count of 5,405.

This is a sharp decline from the 2000 census where Jamestown recorded 5,622 year round residents. In the 2000 Census there were 1,322 Jamestowners under the age of 19 and in 2010 there were 1043 Jamestowners under the age of 18. Based on these figures, it can be estimated that there was a decline of approximately 210 persons under the age of 18 over the last decade, which would account for almost the entire decline in population for Jamestown.

The Comprehensive Plan indicates that the 2010 population estimate of 5,405 does not include the Island's seasonal population, which is difficult to estimate. The 2010 Census notes that 21% of the housing units are vacant and the local Tax Assessor's records show that 27% of the tax bills are mailed out of town. If all the vacant units are occupied in the summer and the occupying families are on average the same size as the families of the winter population, it was estimated that our total population in the summer was about 6,800-6,900, which is 1,400-1,500 more people or a 27% increase over the year-round population. There is also an increase in the summer population from the Fort Getty Campground, the Wyndham Bay Voyage hotel and the Wyndham Time Share on Bay View Dr.

Jamestown represents .5% of the estimated total State of Rhode Island population in 2016 (1,055,607) and 6.5% of the population count for Newport County (82,714).

Per capita income for Town residents during 2012-2016 is estimated by the ACS at \$55,263, with median household income for the same period at \$101,448 and median family income at \$110,056, as compared to the State of Rhode Island per capita income of \$31,904, median household income of \$58,387 and median family income of \$75,655 respectively.





## **Geography**

Conanicut Island, approximately 8.7 miles long in its entirety and varying from 1 to 1.6 miles in width, is itself virtually divided into three separate landmasses. The largest, occupying the northern half of Conanicut, rises to an elevation of 140 feet in its center, commanding impressive views of the mid-Bay region. The site of Jamestown's most arable land, it was the location of the first intensive farming development on the Island, taking as its own cross axis the North Main Road and Eldred Avenue. Gould Island itself a landed farm, lay off shore to the east of the community.

Separated from the northern section by extensive salt marshes and a tidal creek, the center landmass supports the village center of Jamestown located along Narragansett Avenue. Legendarily an old Native American trail, Narragansett Avenue later became part of the Newport to New York Post Road, traversing the Island between the Newport Ferry and the Saundertown Ferry, and for years was known simply as Ferry Road. Ferry Meadow was the name given to the tract of land, overlooking the Bay eastward to Newport and Fort Adams, on which much of the village was built. The non-arable rock outcropping of the Dumplings areas, south of the village, remained in an essentially natural state until developed as a summer resort area. Capitalizing on its extraordinary vistas, it was popularly known as the Ocean Highlands. It is here, too, that Fort Wetherill, the most extensive military fortification on the Island proper, was located.

To the southwest lies the third major section of Conanicut, Beaver Neck, extending into the Atlantic Ocean and connected to the main body of Conanicut by the sand spit of Mackerel Cove beach. Northwest of Beaver Neck lies Dutch Island, enclosing the body of water immediately west of Dutch Harbor. The first real development of Conanicut Island hinged upon the establishment of a ferry to Newport and its market exchange. By at least 1675, a successful ferry ran to the northern community of the Island. In 1678, Conanicut was incorporated as a Town and retained the Native American name of Conanicut.

## **Protected Land**

A significant portion of the island is permanently protected open space. Approximately 70% of the watershed area is permanently protected. Approximately 20% of the watershed consists of Watson Farm and is permanently protected by deed.

Of the Island's total of 606 acres of farmland, 97% is permanently protected from development. This protected land is owned by, various groups, including the USDA, the State of Rhode Island, the Town of Jamestown and by private land preservation organizations, such as Historic New England, The Conanicut Island Land Trust, the Audubon Society and The Nature Conservancy. The purchase of development rights and conservation easements has commonly been used to help in retaining active farmland. In addition to the permanently protected land, 916 more acres of undeveloped privately owned land are temporarily protected under the Farm, Forest, and Open Space Act that encourages the maintenance of Rhode Island's agricultural and forested land. The Farm, Forest and Open Space Act has eased the tax burden of farmers by providing a tax reduction to those farms that qualify based upon size and production.

## **Circulation**

There are approximately 74.47 miles of road on Jamestown. The State of Rhode Island has jurisdiction over 23.1 miles, The Town owns approximately 46.62 miles, and the remaining 4.75 miles are privately owned roads with platted rights of way. Of the 46.62 miles of Town roads, 42.40 miles are paved. The town is responsible to provide routine maintenance, including plowing, sanding, sweeping and patching, capital improvements, and storm water/drainage management on town roads.



## State of Rhode Island Profile

<u>Population</u>	<u>1990</u>	<u>2000</u>	<u>2015</u>
Total Population	1,003,464	1,048,319	1,053,661
Male	481,496	503,635	510,388
Female	521,968	544,684	543,273
16 years +	801,625	827,797	865,174
21 years +	722,844	748,445	783,722
65 years +	150,547	152,402	162,289
White	917,375	891,191	854,859
Black/African American	38,861	46,908	68,243
American Indian & Alaskan Native	4,071	5,121	5,106
Asian & Pacific Islander	18,325	24,232	34,586
Some other race	24,832	52,616	61,085
Two or more races	-	28,251	29,782
Hispanic or Latino (of any race)	45,752	90,820	143,788
<u>Educational Attainment</u>	<u>1990</u>	<u>2000</u>	<u>2015</u>
<b>Population (Age 25+)</b>	<b>658,956</b>	<b>694,573</b>	<b>720,641</b>
Less than 9th grade	11.1%	8.1%	6.0%
9th-12th, no diploma	16.9%	13.9%	7.8%
High School Graduate / GED	29.5%	27.8%	27.3%
Some College, no degree	15.0%	17.6%	18.5%
Associate Degree	6.3%	7.0%	8.5%
Bachelor Degree	13.5%	15.9%	19.1%
Graduate/Professional Degree	7.8%	9.7%	12.8%
<u>Median Household Income</u>	<u>1990</u>	<u>2000</u>	<u>2015</u>
	\$32,181	\$42,090	\$56,852
<u>Annual Average Labor Force Estimates</u>	<u>2006</u>	<u>2009</u>	<u>2016</u>
Labor Force	572,601	567,280	552,219
Employment	544,357	504,951	522,812
Unemployment	28,244	62,329	29,407
Unemployment Rate	4.9%	11.0%	5.3%

Source: Rhode Island Department of Labor and Training

- ◆ Rhode Island's total population increased by 4.5 percent during the 1990's, with the gain of 44,855 people, while between 2000 and 2015, Rhode Island gained 5,342 (+0.5%) residents.
- ◆ Over 40 percent (40.4%) of Rhode Island residents 25 years and older had a college degree (Associate or higher) in 2015. The share of state residents without a high school diploma or GED decreased between 2000 and 2015, falling from 22.0 percent to 13.8 percent.
- ◆ Between 2009 and 2016, employment in Rhode Island increased by 25,026 (+5.6%) jobs. Private sector employers reported a gain of 26,677 (+6.9%) jobs, while public sector employment fell by 1,653 (-2.7%) jobs.
- ◆ Rhode Island's unemployment rate averaged 5.3 percent in 2016, a decrease of 5.7 percentage points from the 2009 average of 11.0 percent.
- ◆ In 2015, 95.2 percent of Rhode Island residents age 18-64 spoke only English or spoke another language and English either well or very well.
- ◆ Nearly a third (31.3%) of Rhode Island residents work in Providence, while 14.8 percent work outside of Rhode Island.

The information provided on the following page focusses on a town by town comparison and ranking based on Employment Growth, Population Growth and Unemployment as economic indicators in the 2015-2016 fiscal year. The data reflects that several key indicators have been improving across the State, although the improvements have remained slow since the recession. Employment opportunity has increased in a majority of the Cities and towns, population growth was realized although not fully recovered since 2008 and unemployment is improving.



## Statewide Community Rankings Profile

Rhode Island reached peak private employment levels in 2006 with an average of 417,700 private sector jobs within the state. The annual average unemployment rate for the year was 4.9 percent and the state's population stood at 1,060,196.

Rhode Island's economic momentum began to change the following year, and the state entered into a recessionary period months earlier than the official National Recession. By 2009, the height of the recession in Rhode Island, the number of private jobs averaged 387,800, the annual average unemployment rate was 11.0 percent, and the state's population had shrank to 1,053,209 residents.

Since the end of the recession, Rhode Island has been gradually recovering. As of 2016, private job levels averaged 414,501, an increase of 26,677 (+6.9%) from the 2009 average and the unemployment rate is down 5.7 percentage points to 5.3 percent. The state's population has yet to regain residents lost during the recession, as the count stood at 1,056,426 in 2016, down 3,770 (-0.4%) from 2006. On a positive note, the population in 2016 increased over 2015 by 819 (+0.1%)

residents, the fifth consecutive over-the-year increase in population.

Rhode Island City & Town Rankings					
Employment Growth 2015-2016		Population Growth 2015-2016		Unemployment Rate 2016 Annual Average	
<b>Rhode Island</b>	0.8%	<b>Rhode Island</b>	0.1%	<b>Rhode Island</b>	5.3%
Little Compton	9.6%	Smithfield	0.8%	Richmond	3.4%
Burrillville	6.3%	Cumberland	0.7%	Jamestown	3.6%
Warren	5.9%	Glocester	0.6%	Little Compton	3.6%
East Providence	5.8%	North Smithfield	0.5%	Narragansett	3.6%
Foster	5.3%	Foster	0.5%	Barrington	3.7%
Narragansett	3.9%	Burrillville	0.4%	Glocester	4.1%
Tiverton	3.9%	Central Falls	0.4%	North Kingstown	4.2%
Coventry	3.8%	West Greenwich	0.4%	Cumberland	4.3%
Lincoln	3.3%	Lincoln	0.4%	Exeter	4.3%
North Smithfield	3.2%	Scituate	0.4%	Lincoln	4.4%
Johnston	3.1%	Hopkinton	0.2%	Warwick	4.5%
Exeter	2.4%	Coventry	0.2%	North Smithfield	4.6%
Cumberland	2.0%	North Providence	0.2%	East Greenwich	4.7%
Cranston	1.6%	Charlestown	0.2%	Foster	4.7%
West Greenwich	1.3%	Johnston	0.1%	Newport	4.7%
Middletown	1.3%	Providence	0.1%	Smithfield	4.7%
North Providence	1.0%	Portsmouth	0.1%	Middletown	4.8%
Richmond	0.9%	East Greenwich	0.1%	Portsmouth	4.8%
Charlestown	0.7%	East Providence	0.0%	West Greenwich	4.8%
Warwick	0.7%	Cranston	0.0%	Bristol	4.9%
Barrington	0.6%	Woonsocket	0.0%	Hopkinton	4.9%
Providence	0.4%	South Kingstown	0.0%	South Kingstown	4.9%
South Kingstown	0.3%	New Shoreham	0.0%	Coventry	5.0%
West Warwick	0.3%	Westerly	0.0%	Scituate	5.0%
Glocester	0.2%	Pawtucket	0.0%	Tiverton	5.1%
Newport	0.1%	Tiverton	-0.1%	Burrillville	5.2%
North Kingstown	-0.2%	North Kingstown	-0.1%	Cranston	5.2%
Westerly	-0.2%	West Warwick	-0.1%	North Providence	5.3%
Scituate	-0.5%	Warwick	-0.1%	Warren	5.3%
New Shoreham	-0.9%	Narragansett	-0.1%	West Warwick	5.5%
East Greenwich	-1.3%	Richmond	-0.1%	Charlestown	5.6%
Jamestown	-1.5%	Barrington	-0.2%	Johnston	5.6%
Hopkinton	-1.8%	Jamestown	-0.2%	East Providence	5.7%
Bristol	-1.9%	Little Compton	-0.2%	Pawtucket	6.0%
Woonsocket	-1.9%	Middletown	-0.3%	Westerly	6.3%
Pawtucket	-2.1%	Newport	-0.3%	Providence	6.5%
Central Falls	-2.2%	Exeter	-0.3%	Central Falls	6.7%
Portsmouth	-2.3%	Warren	-0.4%	Woonsocket	7.3%
Smithfield	-2.8%	Bristol	-0.6%	New Shoreham	11.3%

### Other Findings

- Twenty-six of the state's thirty-nine cities and towns reported total employment growth between 2015-2016, with Little Compton having the largest over-the-year increase (+9.6%). Smithfield (-2.8%) posted the largest total employment decrease.
- Providence establishments employed the largest percentage (23.5%) of Rhode Island private sector workers, followed by Warwick (10.5%), Cranston (7.4%), Pawtucket (5.0%) and East Providence (4.9%).
- Rhode Island total annual average employment in 2016 (473,501) was the highest employment level since 2007 (480,232).
- The state experienced a 0.1 percent population increase between the 2015 and 2016 population estimate. Twenty-two cities and towns gained residents, with Cumberland (+237), Providence (+217) and Smithfield (+179) adding the most people. Of the sixteen towns that lost residents, only Bristol (-129) lost more than 100 residents.
- Rhode Island (5.3%) was tied for the 14<sup>th</sup> highest annual average unemployment rate in the country in 2016. New Mexico (6.7%), Alaska (6.6%) and Louisiana (6.1%) had the highest rates in the country. The annual average unemployment rate for the United States as a whole in 2016 was 4.9 percent.

Source: Rhode Island Department of Labor and Training



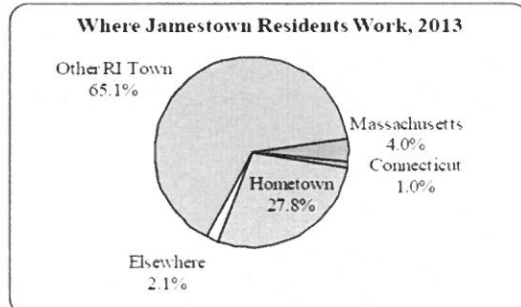
## Town of Jamestown Profile

<b>Population</b>	<b>1990</b>	<b>2000</b>	<b>2015</b>
Total Population	4,999	5,622	5,464
Male	2,460	2,733	2,836
Female	2,539	2,889	2,628
16 years +	3,962	4,551	4,683
21 years +	3,717	4,268	4,279
65 years +	650	828	1,043
White	4,938	5,484	5,223
Black/African American	32	44	0
American Indian & Alaskan Native	12	12	17
Asian & Pacific Islander	10	22	144
Some other race	7	13	0
Two or more races	-	47	80
Hispanic or Latino (of any race)	45	50	61
<b>Educational Attainment</b>	<b>1990</b>	<b>2000</b>	<b>2015</b>
<b>Population (Age 25+)</b>	<b>3,610</b>	<b>4,160</b>	<b>4,084</b>
Less than 9th grade	2.8%	2.7%	0.0%
9th-12th, no diploma	8.2%	4.1%	2.0%
High School Graduate / GED	23.9%	19.6%	14.2%
Some College, no degree	18.1%	21.4%	15.4%
Associate Degree	5.3%	6.5%	4.2%
Bachelor Degree	23.1%	26.4%	29.4%
Graduate/Professional Degree	18.6%	19.3%	34.8%
<b>Median Household Income</b>	<b>1990</b>	<b>2000</b>	<b>2015</b>
	\$41,518	\$63,073	\$95,175
<b>Annual Average Labor Force Estimates</b>	<b>2006</b>	<b>2009</b>	<b>2016</b>
Labor Force	3,192	3,084	3,199
Employment	3,079	2,860	3,085
Unemployment	113	224	114
Unemployment Rate	3.5%	7.3%	3.6%

<b>Establishment Employment</b>	<b>2006</b>	<b>2009</b>	<b>2016</b>
<b>Total Private &amp; Government</b>	<b>1,248</b>	<b>1,223</b>	<b>1,203</b>
<b>Total Private Only</b>	<b>985</b>	<b>930</b>	<b>881</b>
Government	263	293	322
Accommodation & Food Services	156	149	180
Arts, Entertainment, & Recreation	126	102	113
Health Care & Social Assistance	127	128	109
Retail Trade	88	97	94
Professional & Technical Services	100	96	79
Construction	112	83	70
Administrative Support & Waste Management	57	54	66
Other Services	76	77	63
Wholesale Trade	37	36	39
Finance & Insurance	19	24	9
Manufacturing	6	9	8
Information	*	12	6
Real Estate & Rental & Leasing	52	33	*
Agriculture, Forestry, Fishing & Hunting	7	*	*
Transportation & Warehousing	2	*	*
Management of Companies & Enterprises	*	*	*
Educational Services	*	*	0
Mining	0	0	0
Utilities	0	0	0

- Jamestown's total population grew by 12.5 percent during the 1990's, with the addition of 623 people, however, between 2000 and 2015, Jamestown lost 158 (-2.8%) residents.
- Over 68 percent of Jamestown residents 25 years and older had a college degree (Associate or higher) in 2015. The share of local residents without a high school diploma or GED decreased between 2000 and 2015, falling from 6.8 percent to 2.0 percent.
- Between 2009 and 2016, employment in Jamestown decreased by 20 (-1.6%) jobs. Private sector employers reported a loss of 49 (-5.3%) jobs, while public sector employment grew by 29 (+9.9%). In comparison, statewide total employment grew by 25,026 (+5.6%) jobs.
- Jamestown's unemployment rate averaged 3.6 percent in 2016, tied for the 2nd lowest in the state and well below the state average of 5.3 percent.
- In 2015, 100.0 percent of Jamestown residents age 18-64 spoke only English or spoke another language and English either well or very well, compared to 95.2 percent of RI residents.
- Over one-quarter (27.8%) of Jamestown residents work in Jamestown, while 7.1 percent work outside of RI.

<b>Language</b>	
<b>Population Age 18-64</b>	
	<b>2015</b>
Percent of Population that Speak Only English or Another Language & English either 'well' or 'very well'	100.0%
Percent of Population that Speak English 'not well' or 'not at all'	0.0%
<b>Language Spoken:</b>	
Speak Spanish	0.0%
Speak Other Indo-European	0.0%
Speak Asian Pacific Islander	0.0%
Speak Other Languages	0.0%



Source: Rhode Island Department of Labor and Training



## **Town Council Goals and Objectives**

The Town Council's Goals and Objectives for the 2016-2018 Term, are organized and depicted within *three* main Goals and a broad series of *nineteen* Objectives, as identified below.

### **Goal One: To Promote Quality of Life in the Community**

#### *Objectives:*

1. Maintain Jamestown's "Rural Character";
2. Protect Natural Resources;
3. Promote Public Access to the Water, Water-based Activities and Use of Jamestown's Natural Resources;
4. Recognize the Importance of the Village as the Town Center, the Focal Point for Most Community Activities;
5. Support Cultural, Civic and Recreational Opportunities that Promote a Sense of Community;
6. Promote a Sustainable Jamestown;
7. Ensure Housing Affordability and Provide a Range of Housing Choices for Residents;
8. Senior Citizen Programming and Services;

### **Goal Two: Ensure Effective and Accountable Town Government**

#### *Objectives:*

1. Improve access to *Local Government*;
2. Maintain the Town's Remarkable Sense of Fiscal Responsibility;
3. Maintain and Improve Town Infrastructure;
4. Pursue Effective Local, State and Regional Partnerships;

### **Goal Three: Ensure Public Health and Safety**

#### *Objectives:*

1. Maintain an Effective and responsive Community Policing Program;
2. Maintain a Safe and Secure Environment for Residents of all Ages;
3. Continue to Support Volunteer Fire Department and EMS Modernization and Improvements;
4. Support Water System Improvements;
5. Support Continued Wastewater System Improvements;
6. Maintain and Improve Town Roads and Facilities Used by the Public Maintain and Improve Town Roads and Facilities Used by the Public;
7. Reduce Incidence of Tick Borne Disease;



## Town Administrator's Budget Message

In accordance with the Town Charter provisions under Article III, Section 305, we have prepared the FY 2018-2019 Proposed Town Budget Program for the Town Council's consideration. The budget document represents the Town Administrator's plan for the continuation of municipal services and support for public facilities and is of a zero-based nature with cost presentation by specific service areas. This budget proposal broadly includes information specific to the Town Governmental Activities of the following Town Departments as noted in the Town Charter: Town Administration, Town Clerk, Planning, Building and Zoning, Public Works, Tax Assessor, Finance, Library, Parks and Recreation, Police Department and the Fire/EMS Department. The financial support provided to the Towns many Boards and Commissions is also included in this document within the affiliated Town Department section.

All Business-Type Activities are not included in the Towns General Fund program, although are delineated in the Towns Annual Audit and maintain separate budget programs, including the Harbor Management Fund, Water Fund, On-site Wastewater Fund and the Sewer Fund, while the Waterfront Reserve Fund is noted in the Capital Improvement Program as a separately funded element. Other areas of local government involvement are categorized as component units of the Town, with some being referenced and financed in the General Fund program that include, the School Department, Jamestown Fire Department and the Jamestown Housing Authority.

The following information represents a summary of key elements of the budget document for the 2018-2019 fiscal year.

### General Fund Overview

For the 2018-2019 fiscal year, a total General Fund Program in the amount of \$24,428,764 is proposed. This funding proposal represents an increase of \$711,511, or 3.00% over the current year appropriation of \$23,717,253. Town Operating Expenditures are proposed to increase by \$230,570 or 2.69%, Capital spending is proposed at \$996,200, decreasing by (\$127,800) or -11.37%, while Debt Service is \$951,397 increasing slightly by \$2,137 or .23%.

A breakdown of the proposed FY2018-2019 budget is depicted on the following page. This summary view is segmented into the main budget categories of Operations, Capital and Debt Service for both the Town and School Programs. Provided is a three-year financial summary review of this complete budget program.

The School Department General Fund operating program is proposed to increase by \$639,013 or 5.26% to \$12,779,566. This recommendation will require a General Fund Town appropriation increase of \$570,465 or 5.10%.

The School Departments Capital Improvement Program and Reserve for Technology Equipment includes a requested increase of \$59,150 or 54.93%. School Department Debt Service for the year is \$263,081, an increase of \$161 or 0.06%, while Grant Funds are estimated at \$328,576, a decrease of (\$76,920) or -18.97% and Nutrition Program requirements are anticipated at \$130,650, reflecting a reduction of (\$14,800) or -10.18% from the present fiscal year.



<b>FY 2018-2019 Proposed Town and School Budget</b>						
	2015-16 Adopted	2016-17 Adopted	2017-18 Adopted	2018-19 Proposed	Inc/(Dec)	Change
<b>Town</b>						
Operations	\$8,225,375	\$8,341,040	\$8,581,899	\$8,812,469	\$230,570	2.69%
Capital	1,283,500	1,213,500	1,124,000	996,200	(\$127,800)	-11.37%
Debt Service	915,172	818,995	949,260	951,397	\$2,137	0.23%
<b>subtotal</b>	<b>\$10,424,047</b>	<b>\$10,373,535</b>	<b>\$10,655,159</b>	<b>\$10,760,066</b>	<b>\$104,907</b>	<b>0.98%</b>
<b>Schools</b>						
Operations	\$11,652,671	\$11,860,021	\$12,140,553	\$12,779,566	\$639,013	5.26%
Capital	158,360	119,245	107,675	166,825	\$59,150	54.93%
Debt Service	258,605	262,647	262,920	263,081	\$161	0.06%
Grants	316,871	408,528	405,496	328,576	(\$76,920)	-18.97%
Nutrition	139,950	145,450	145,450	130,650	(\$14,800)	-10.18%
<b>subtotal</b>	<b>\$12,526,457</b>	<b>\$12,795,891</b>	<b>\$13,062,094</b>	<b>\$13,668,698</b>	<b>\$606,604</b>	<b>4.64%</b>
<b>Total</b>	<b>\$22,950,504</b>	<b>\$23,169,426</b>	<b>\$23,717,253</b>	<b>\$24,428,764</b>	<b>\$711,511</b>	<b>3.00%</b>

## General Fund Revenue Statement

### A. Property Tax Program

To support the 2018-2019 fiscal year appropriation, a property tax rate of \$8.95 per thousand dollars of assessed valuation will be necessary. This includes a tax rate increase of \$0.29 cents from the FY2018 fiscal rate of \$8.66. The distribution of the rate for Municipal operations will require an increase from \$3.69 in FY 2018 to the revised rate of \$3.75 or an increase of \$0.05 or 1.49%. The School Department is proposed to realize a rate increase from \$4.97 in FY 2018 to \$5.21 in FY 2019 or an increase of \$0.24 or 4.79%.

	<b>Municipal Program</b>	<b>School Program</b>	<b>Total</b>
<b>Adopted FY 2014-2015 Tax Levy</b>	<b>\$7,973,411</b>	<b>\$10,510,346</b>	<b>\$18,483,757</b>
FY 2014-2015 Tax Distribution Percentage	43.14%	56.86%	100.00%
<b>Adopted FY 2015-2016 Tax Levy</b>	<b>\$8,132,046</b>	<b>\$10,554,140</b>	<b>\$18,686,186</b>
FY 2015-2016 Tax Distribution Percentage	43.52%	56.48%	100.00%
<b>Adopted FY 2016-2017 Tax Levy</b>	<b>\$8,031,182</b>	<b>\$10,815,963</b>	<b>\$18,847,145</b>
FY 2016-2017 Tax Distribution Percentage	42.61%	57.39%	100.00%
<b>Adopted FY 2017-2018 Tax Levy</b>	<b>\$8,194,531</b>	<b>\$11,031,077</b>	<b>\$19,225,608</b>
FY 2017-2018 Tax Distribution Percentage	42.62%	57.38%	100.00%
<b>Adopted FY 2018-2019 Tax Levy</b>	<b>\$8,351,591</b>	<b>\$11,608,423</b>	<b>\$19,960,014</b>
FY 2017-2018 Tax Distribution Percentage	41.84%	58.16%	100.00%



The Property Tax Levy Growth Chart on the prior page indicates a Tax Levy breakdown of 58.16% School and 41.84% Town in FY 2019. This distribution reflects a shift of 1.30%, indicating growth in the School Program and a slight decrease in the Municipal Program since FY 2015.

It should be noted that the Town last engaged in a State mandated full revaluation in 2012 for FY 2013-14 and conducting a statistical update in 2015 for FY 2016-17. The next statistical revaluation will be held in 2018 for FY 2019-2020, with the next full revaluation scheduled to be held in 2021 for FY 2022-23. With ongoing discussions continuing before the Legislature on this issue, there remains a high probability that revisions will be made to the mandatory revaluation schedule in the coming years. This proposed change has mainly focused on a shift from a 3-year revaluation cycle to a 5-year cycle.

During a revaluation or statistical update, variables such as land value, cost tables, property improvements, comparable property sales and cost of reconstruction are analyzed to establish the full, fair market value of each property.

Property Tax Rate History								FY12-FY19 Rate	
FY2011-12	FY2012-2013	FY2013-14	FY2014-15	FY2015-16	FY2016-17	FY2017-2018	FY2018-2019	Inc./Dec.	Avg. Rate
\$9.21	\$9.35	\$8.75	\$8.75	\$8.78	\$8.58	\$8.66	\$8.95	(\$0.26)	\$8.88
1.10%	1.52%	-6.42%	0.00%	0.34%	-2.28%	0.93%	3.35%		

The tax liability for the average residentially assessed property with a value of \$500,000, at the proposed rate of \$8.95 would be \$4,475 or an increase of \$145.00 from FY 2017-2018, as indicated in the below chart. Also indicated are additional examples of the overall tax impact at the \$1 million and \$2 million dollar assessed value levels.

Residential Property Tax Examples of Rate Impact	FY2014-15	FY2015-16	FY2016-17	FY2017-18	Proposed FY2018-19	Change Inc./Dec.
Residential Assessed Value	500,000	500,000	500,000	500,000	500,000	
Tax Levy Per Average Residential Parcel	\$4,375	\$4,390	\$4,290	\$4,330	\$4,475	\$145.00
Residential Assessed Value	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	
Tax Levy Per Average Residential Parcel	\$8,750	\$8,780	\$8,580	\$8,660	\$8,950	\$290.00
Residential Assessed Value	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	
Tax Levy Per Average Residential Parcel	\$17,500	\$17,560	\$17,160	\$17,320	\$17,900	\$580.00
<b>Tax Rate Differential</b>	<b>\$8.75</b>	<b>\$8.78</b>	<b>\$8.58</b>	<b>\$8.66</b>	<b>\$8.95</b>	<b>\$0.29</b>

The estimated tax rate is presented based on the current year tax roll. It is anticipated that the value of the taxable property role on the gross assessed value of Real and Tangible property will be \$2,337,035,297 billion. This figure represents an estimated increase in gross value during the year of approximately \$8,630,320 million having been added to the Tax role with a corresponding net impact on the Tax Levy of approximately \$74,739. Exemptions in





Real Property and Motor Vehicles as of December 31, 2017 is reflected at a total of \$43,593,502 million. This figure represents a placeholder based on last year's total, as it remains too early in the budget process to determine a more accurate estimate based on the information received from the State for December 31, 2017. The Gross and Net Assessed Values are outlined below with additional information on the following page.

Gross Assessed Value	Dec. 2017
Real Property Residential	\$2,183,378,709
Real Property - Comm/Ind./Mixed Use	\$68,867,000
Motor Vehicles (Max. Taxable Value)	\$67,228,537
Tangible Personal Property	\$15,129,931
<b>Gross Assessed Value Real &amp; Tangible Property</b>	<b>\$2,334,604,177</b>

Net Assessed Values	Dec. 2017
Real Property - Residential	\$2,169,124,826
Real Property - Commercial/Ind./ Mixed Use	68,572,543
Motor Vehicles	38,183,375
Tangible Personal Property	15,129,931
<b>Total Net Assessed Value Real &amp; Tangible</b>	<b>\$2,291,010,675</b>

Net Tax Levy	Dec. 2017
Real Property - Residential	\$18,784,621
Real Property - Commercial/Industrial	593,838
Motor Vehicles	550,604
Tangible Personal Property	131,025
<b>Total Net Tax Levy Real &amp; Tangible Property</b>	<b>\$20,060,088</b>

Taxable Property List	ESTIMATED						
	2013-2014 Taxable Property	2014-2015 Taxable Property	2015-2016 Taxable Property	2016-2017 Taxable Property	2017-2018 Taxable Property	2018-2019 Taxable Property	2018-2019 Increase Over Prior Year
Taxable Land/Buildings	\$2,127,607,800	\$2,139,192,600	\$2,152,433,300	\$2,222,416,909	\$2,246,046,509	\$2,254,676,829	\$8,630,320
Tangible Property	\$11,231,871	\$11,331,538	\$14,572,872	\$13,840,474	\$15,129,931	\$15,129,931	\$0
<b>Total Taxable Property</b>	<b>\$2,138,839,671</b>	<b>\$2,150,524,138</b>	<b>\$2,167,006,172</b>	<b>\$2,236,257,383</b>	<b>\$2,261,176,440</b>	<b>\$2,269,806,760</b>	<b>\$8,630,320</b>
Less Exemptions	\$11,252,530	\$10,989,150	\$10,584,768	\$10,861,415	\$14,548,340	\$14,548,340	\$0
<b>Net Taxable Property</b>	<b>\$2,127,587,141</b>	<b>\$2,139,534,988</b>	<b>\$2,156,421,404</b>	<b>\$2,225,395,968</b>	<b>\$2,246,628,100</b>	<b>\$2,255,258,420</b>	<b>\$8,630,320</b>
<b>Taxable Property Growth - %</b>		0.55%	0.77%	3.20%	1.11%	0.38%	
<b>Taxable Property Growth - \$</b>		\$11,684,467	\$16,482,034	\$69,251,211	\$24,919,057	\$8,630,320	<b>(\$16,288,737)</b>
Net Motor Vehicles - Roll	\$37,753,697	\$39,582,039	\$40,391,997	\$41,345,095	\$38,183,375	\$38,183,375	\$0
<b>Total Taxable Property</b>	<b>\$2,165,340,838</b>	<b>\$2,179,117,027</b>	<b>\$2,196,813,401</b>	<b>\$2,266,741,063</b>	<b>\$2,284,811,475</b>	<b>\$2,293,441,795</b>	<b>\$8,630,320</b>

## Motor Vehicle Excise Tax

The 2017 General Assembly enacted legislation to phase-out the motor vehicle tax. The tax is scheduled to be fully repealed in FY2024. This plan calls for Cities and Towns to be reimbursed for lost revenues during the phase-out



period. The base reimbursement for each municipality is its share of the \$10 million of aggregate reimbursement aid as appropriated in FY2017. The legislation decreases the motor vehicle excise tax each year from FY2018 through FY2023, fully eliminating the tax in FY2024. The major changes to the previous Article include:

- Tax rate caps are reduced each year through FY2023;
- Assessment ratios are reduced 5.0 percentage points each year through FY2023;
- Exemption floors are raised each year through FY2023;
- Exemptions are expanded to all cars more than 15 years old from FY2018;

Fiscal Year	Assessment Ratio	Rate Cap	Exemption Floor	Drop After Age	Total Levy	Forgone Levy	Taxed Car Count	Cars Dropped from Role
FY2017	100%	N/A	\$500	25	\$220,611,139	\$0	746,965	
FY2018	95%	\$60	1,000	15	195,441,325	-25,169,814	594,445	152,520
FY2019	90%	50	2,000	15	170,426,882	-50,184,257	581,512	165,454
FY2020	85%	35	3,000	15	136,701,951	-83,909,188	543,391	203,574
FY2021	80%	35	4,000	15	104,600,455	-116,010,684	483,393	263,573
FY2022	75%	30	5,000	15	75,327,058	-145,284,081	409,317	337,649
FY2023	70%	20	6,000	15	43,407,790	-177,203,349	339,844	407,121
FY2024	N/A	N/A	N/A	N/A		-220,611,139	N/A	N/A

Source: Department of Revenue

According to the Department of Revenue, the motor vehicle excise tax totaled \$220.6 million (based on 12/31/15 certifications), or about 9.0 percent of total local tax revenues in FY2017. The proposed Article will lead to an estimated reduction of motor vehicle excise tax of \$25.2 million in FY2018, increasing to a total of \$220.6 million in FY2024, when the tax will be fully eliminated.

Under this Article, municipal motor vehicle tax rates may not increase above FY2017 rates or above the new rate schedule set forth in the Article. Currently, motor vehicle tax rates per thousand dollars of assessed value range by municipality from a low of \$9.75 per thousand in New Shoreham to a high of \$60.00 per thousand in Providence. Article 11 caps the maximum tax rate at \$60 in FY2018, and then lowers in steps down to \$20 in FY2023. Current law permits municipalities to set motor vehicle ratios of assessment equal to or less than the ratio of assessment used in FY2011, but no higher. Under this Article, presumptive value is reduced from 100.0 percent of clean retail value as reported by the NADA, to 95.0 percent of clean retail value in FY2018, decreasing by 5.0 percent each following year, down to 70.0 percent in FY2023. In FY2024, the tax will be eliminated. This provision of the Article impacts all motor vehicle excise taxpayers.

## B. Capital Improvement Program

The Town's Capital Improvement Program for FY 2018-2019 includes construction, purchases, contractual programs and equipment replacements of a significant budgetary nature. The purpose of this program is to develop



a schedule and coordinated financial plan to address the improvements needed within the community. The programs intent is to determine community needs, assist in setting priorities, and analyze the Town's ability to pay for these new improvements.

In FY 2018-2019, a Municipal Capital Program of \$996,200 is proposed, reflecting a decrease of **(\$127,800.00)** or **-11.37%** of the current year's fiscal year adopted capital program of \$1,124,000. The FY 2018-2019 School Capital Program is proposed at \$166,825, an increase of \$59,150 from the FY2018 total of \$107,675. For the 2018-2019 fiscal year, a comprehensive capital program is offered to address a wide array of important community initiatives designed to address existing needs, infrastructure deficiencies, technology upgrades, professional services and equipment replacement/new acquisitions within the community.

A summary of the FY 2018-2019 Capital Program is presented in the below spreadsheet. This summary reflects the main department areas involving annual capital outlays and combines the remaining departments traditionally in lesser need of capital funds into the category of General Municipal Programs. The totals in this summary separate the School Program from the Municipal Program. The combined Town/School Capital Program is recommended to decrease by **(\$68,650)** or **-5.57%** in providing for an overall Capital Program totaling \$1,163,025, a reduction from \$1,231,675 in the 2017-2018 fiscal year.

<b>Capital Program (Pay as You Go) Annual Program</b>	<b>2014-2015 Adopted</b>	<b>2015-2016 Adopted</b>	<b>2016-2017 Adopted</b>	<b>2017-2018 Adopted</b>	<b>2018-2019 Proposed</b>	<b>Increase/ (Decrease)</b>
General Municipal Program	\$155,000	\$189,000	\$249,500	\$360,000	\$212,500	<b>(\$147,500)</b>
Public Safety (Police/Fire/EMS)	220,000	151,000	144,000	164,000	183,700	\$19,700
Public Works	1,022,000	813,500	685,000	515,000	550,000	\$35,000
Parks and Recreation	10,000	130,000	135,000	85,000	50,000	<b>(\$35,000)</b>
<b>Town Capital Program</b>	<b>\$1,407,000</b>	<b>\$1,283,500</b>	<b>\$1,213,500</b>	<b>\$1,124,000</b>	<b>\$996,200</b>	<b>(\$127,800)</b>
<b>School Capital Program</b>	<b>\$120,000</b>	<b>\$158,360</b>	<b>\$119,245</b>	<b>\$107,675</b>	<b>\$166,825</b>	<b>\$59,150</b>
<b>Total Capital Program</b>	<b>\$1,527,000</b>	<b>\$1,441,860</b>	<b>\$1,332,745</b>	<b>\$1,231,675</b>	<b>\$1,163,025</b>	<b>(\$68,650)</b>

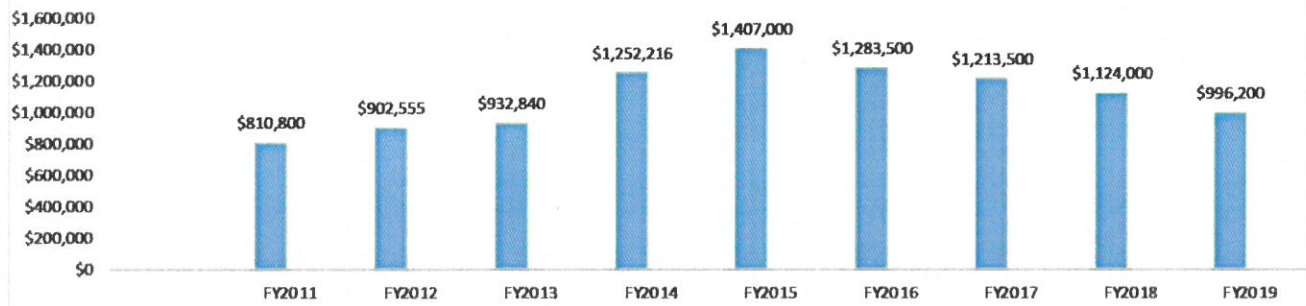
The proposed Capital Program in FY 2019 reflects a slight shift in focus to address increased infrastructure and repair needs within the the School Program at the Melrose and Lawn Avenue facilities. As indicated below, the municipal program peaked in investment in FY2015 with funding in the amount of \$1,407,000 and has remained in slow decline since that time. The municipal program during the past several years has relied more heavily on State/Federal and private grant funds to offset capital need, where local funds were previsouly required. In the previous two years, the Town has secured in excess of \$1 million in grant funding that has been utilized to off-set capital funding need.

The annual pay-as-you-go capital funding program does not include the detail or funding schedules on long-term debt funded programs. The funding for these long-term initiatives, examples of which would include school construction, public safety building development, golf course clubhouse, library renovations, major waterfront improvements and other large-scale projects are reflected in the town debt service program.



**Capital Improvement Program Appropriations FY2009 - 2018**

**\$810,800 \$902,555 \$932,840 \$1,252,216 \$1,407,000 \$1,283,500 \$1,213,500 \$1,124,000 \$996,200**  
**FY2011 FY2012 FY2013 FY2014 FY2015 FY2016 FY2017 FY2018 FY2019**



**C. Debt Service**

The below list of long-term debt is inclusive of all Bond Issuances that remain outstanding as of June 30, 2017. As indicated, the remaining General Obligation Bonds Payable total, \$9,797,973, minus the Issuance Bond Premiums totaling \$542,981, leaving a Total Bonded Debt total of \$9,254,992.

Purpose	Date of Issuance	Date of Maturity	Authorized and Issued	Maturities During Year	Outstanding July 1, 2017	Interest Paid
<b>General Obligation Bonds</b>						
General Obligation Bond	6/15/2008	6/15/2018	\$4,900,000	\$255,000	\$255,000	\$15,300
General Obligation Bond	11/3/2016	11/1/2036	\$2,500,000		\$2,500,000	\$28,159
Town Hall Bond	4/1/2007	4/1/2017	\$3,300,000	\$165,000	\$0	\$6,600
Landfill Closure Bonds	8/15/2013	12/1/2023	\$1,000,000	\$100,000	\$700,002	\$18,500
Refunding Bonds	8/15/2013	12/1/2023	\$1,483,175	\$239,674	\$969,990	\$22,973
Refunding Bonds	5/5/2016	4/1/2033	\$4,830,000		\$4,830,000	\$120,484
Issuance Premiums on Bonds				\$15,620	\$542,981	
<b>Total General Obligation Bonds Payable</b>			<b>\$18,013,175</b>	<b>\$775,294</b>	<b>\$9,797,973</b>	<b>\$212,016</b>

The Town functions under a Legal Debt Margin of 3% of the total net taxable assessed value of \$2,266,741,063 billion at the conclusion of FY 2017, after exemption adjustments. This results in a Debt Limit of \$68,002,232, recognized Total Bonded Debt of \$9,254,992 and a Legal Debt Margin of \$58,747,240. With numerous large-scale projects under consideration at this time, all that would require future bond authorization, it is anticipated that a greater percentage of the Towns total bonded debt will increase in the next several years. Another influence on this total is the retirement of long-term debt. The last school bond to have been issued is set to be retired and removed from the debt schedule in FY2020-2021, at the total annual expense of \$238,140 in that fiscal year.



<b>SUMMARY DEBT SCHEDULE</b>					
	<b>Matures</b>	<b>2017/2018</b>	<b>2018/2019</b>	<b>2019/2020</b>	<b>2020/2021</b>
<b>School Bonds - Principal</b>					
\$3,355,000 refinanced	2021	244,792	249,900	240,100	235,200
<b>School Bonds - Interest</b>					
\$3,355,000 refinanced		18,128	13,181	8,281	2,940
<b>TOTAL SCHOOL BONDS</b>		<b>262,920</b>	<b>263,081</b>	<b>248,381</b>	<b>238,140</b>

<b>Legal Debt Margin</b>	
Grossed Assessed Value	\$2,310,201,839
Less: exemptions and adjustments	\$43,460,776
<b>Total Net Taxable Assessed Value</b>	<b>\$2,266,741,063</b>
<b>Debt Limit - 3 percent of total assessed value</b>	<b>\$68,002,232</b>
<b>Total Bonded Debt minus premiums</b>	<b>\$9,254,992</b>
<b>Legal Debt Margin</b>	<b>\$58,747,240</b>

#### D. Revenue Program

The Town has a limited commercial tax base consisting of approximately 2.95 % of the gross assessed tax base in the community. This included all real and tangible property and with the general stabilization of state aid and alternate revenues, the Town has continued to rely heavily on the residential property tax to meet its revenue objectives in support of the operating budget and capital program funding requirements. The residential base is anticipated to make up a little more than 93.5% of the overall gross role value with Tangible Personal property and the Motor Vehicle tax making up the remaining balance of approximately 3.5%. The Town does receive revenue from pass-through sources, local revenues and state aid that fund a portion of municipal and school expenditures.

<b>Gross Assessed Value</b>	<b>Dec. 2017</b>	<b>Percentage</b>
Real Property Residential	\$2,183,378,709	93.52%
Real Property - Comm/Ind./Mixed Use	\$68,867,000	2.95%
Motor Vehicles (Max. Taxable Value)	\$67,228,537	2.88%
Tangible Personal Property	\$15,129,931	0.65%
<b>Gross Assessed Value Real &amp; Tangible Property</b>	<b>\$2,334,604,177</b>	<b>100.00%</b>
<b>Net Assessed Value</b>	<b>Dec. 2017</b>	<b>Percentage</b>
Real Property - Residential	\$2,169,124,826	94.68%
Real Property - Commercial/Ind./ Mixed Use	68,572,543	2.99%
Motor Vehicles	38,183,375	1.67%
Tangible Personal Property	15,129,931	0.66%
<b>Total Net Assessed Value Real &amp; Tangible</b>	<b>2,291,010,675</b>	<b>100.00%</b>



## State Aid Reimbursement Program

**State Library Aid:** It is anticipated that the State will provide approximately \$123,716 in general Library Aid in FY 2018-2019, a slight reduction of **(\$3,112)**. This general aid revenue source has increased over the prior two years, although it remains early in the budget process and these figures are subject to change. The municipality has the discretion to distribute funds to the library or libraries it designates as the provider of library services in that community in accordance with the municipality's application for Grant-in Aid (GIA). A municipality to be eligible for GIA Funds must at a minimum, "level fund" their library at an amount equal to or greater than the preceding year and comply with the "Minimum Standards for Rhode Island Public Libraries", as set forth in regulations by the Office of Library and Information Services (OLIS).

**Motor Vehicle Excise Tax Phase-Out:** As previously noted, the General Assembly instituted a \$500 per vehicle value credit in the FY2012-2013 adopted budget. Funding of \$22,334 is anticipated in FY 2018-2019, stable with the credit realized in FY2017-2018. The second year of the Motor Vehicle Excise Tax Phase-out will realize a total of \$76,843, an increase of \$26,988 from the reimbursement of \$49,855 in FY2017-2018.

State Revenues	2016-2017 Adopted	2017-2018 Adopted	2018-2019 Proposed	Increase/ (Decrease)
State Library Aid	\$87,697	\$126,828	\$123,716	<b>(\$3,112)</b>
Motor Vehicle Reimbursement	22,042	22,334	22,334	\$0
Motor Vehicle Phase-out Reim	0	49,855	76,843	\$26,988
Public Serv. Corp. Tax	67,109	68,263	68,263	\$0
Hotel Tax	29,384	24,805	25,679	\$874
Meals and Beverage Tax	101,816	99,338	106,223	\$6,885
<b>Subtotal - Aid to Town</b>	<b>\$308,048</b>	<b>\$391,423</b>	<b>\$423,058</b>	<b>\$31,635</b>
<b>Education Aid</b>	<b>\$543,376</b>	<b>\$540,646</b>	<b>\$561,626</b>	<b>\$20,980</b>
<b>Total State Aid</b>	<b>\$851,424</b>	<b>\$932,069</b>	<b>\$984,684</b>	<b>\$52,615</b>

## Pass-Through Aid Programs

**Public Service Corporations Tax:** The tangible personal property of cable, telegraph, and telecommunications corporations are exempted from local taxation, although not from taxation from the State. Funds collected from the State from this tax are distributed to cities and towns on the basis of a ratio of the town population to the population of the state as a whole. For the FY 2018-2019 fiscal year, the Town is projecting funding in the amount of \$68,263, reflecting revenue stability with the same figure in FY2017-2018.

**Meals and Beverage Tax:** The State meal tax by the General Assembly in 2003 when it was increased by 1% on the sale of all prepared foods and meals served by any food service provider. Receipts from this 1% tax are collected by the State Division of Taxation and transferred back to the municipality in which the meals and beverages were delivered. This tax is projected to exceed \$29.7 million dollars in FY2019, an increase from \$27.8 million in FY2018. It is estimated that the Town will receive \$106,223 during the 2018-2019 fiscal year, an increase of \$6,896 over the FY2018 total of \$99,338.



**Hotel Tax:** In 1986 the General Assembly enacted the Hotel Tax, a five-percent (5%) tax upon the total charge for occupancy of any space furnished by any hotel of the state. Twenty-five percent (25%) of the revenues generated from the five-percent (5%) tax are distributed to the municipalities where the individual hotels are located. In 2004, the General Assembly enacted a one-percent (1%) gross receipts tax on the total occupancy charge. The taxes are collected by the Division of Taxation and distributed at least quarterly to the city or town where the hotel is located.

In FY 2018-2019, \$10.9 million is estimated to be generated from this tax on a state-wide basis, an increase from \$9.9 million in FY2018. It is anticipated that the Town will receive \$25,679 in FY 2018-2019, an increase from FY 2017-2018 of \$874.

### E. Local Program Generated Revenues

Revenues from local sources that are non-property tax related are projected to generate \$2,351,157 or 21.85% of the total municipal budget. The sources of this funding is outlined in the below listing:

Town Revenue	2016-2017 Adopted	2017-2018 Adopted	2018-2019 Proposed	Increase/ (Decrease)
Town Clerk	\$300,000	\$300,000	\$300,000	\$0
Building Inspection	150,000	150,000	150,000	0
Parks and Recreation	475,000	475,000	475,000	0
Dog Fines	5,000	5,000	5,000	0
Finance Revenues	85,000	85,000	85,000	0
Golf Course / County Club Rental	150,000	150,000	50,000	(100,000)
Ambulance Receipts	186,000	186,000	185,000	(1,000)
Transfer Station Fees	125,000	150,000	150,000	0
Alarms - Residential Fire/Police Fees	8,000	8,000	8,000	0
RI Turnpike and Bridge Authority	29,500	30,000	30,000	0
RI Trust TOPS Dividend	16,000	25,000	25,000	0
Harbor Management - Yr. 3 seawall	61,805	0	0	0
Fund Balance Transfer	150,000	150,000	150,000	0
Fund Balance Transfer for Projects	0	100,000	150,000	50,000
<b>Sub-total Town Revenue</b>	<b>\$1,741,305</b>	<b>\$1,814,000</b>	<b>\$1,763,000</b>	<b>(\$51,000)</b>

The two major impacts as reflected in the above chart, indicate a **(\$100,000)** decrease in revenue from the Golf Course operation. This shift in revenue will provide for \$125,000 of the \$175,000 annual lease amount to be placed in the Golf Course account or an increase of \$100,000 in the total amount transferred. This change will also provide for a decrease in revenue to the General Fund from \$150,000 in FY2018 to \$50,000 in FY2019. The funds in the Golf Course account are used to address Town expenses at this property and for improvements to the building and site. The other major influence on Town Revenue proposed in FY2019 reflects an increase in the Fund Balance Transfer for Projects totaling \$50,000, increasing the overall transfer total from \$250,000 in FY 2018 to \$300,000 in FY 2019.



<b>General Revenue</b>	<b>2016-2017 Adopted</b>	<b>2017-2018 Adopted</b>	<b>2018-2019 Proposed</b>	<b>Increase/ (Decrease)</b>
Interest on Late Tax Payments	\$100,000	\$100,000	\$100,000	\$0
Investment Income	35,000	35,000	35,000	\$0
Motor Vehicle Phase out	515,000	480,145	453,157	(\$26,988)
<b>Sub-total General Revenue</b>	<b>\$650,000</b>	<b>\$615,145</b>	<b>\$588,157</b>	<b>(\$26,988)</b>
<b>Total Local Revenue</b>	<b>\$2,391,305</b>	<b>\$2,429,145</b>	<b>\$2,351,157</b>	<b>(\$77,988)</b>

### School Department Revenue

The School Department is anticipating an increase in revenue of \$8,278 or .74% during the fiscal year. This increase can be mainly attributed to a projected increase in Fund Balance Transfers for OPEB and Capital and lesser increases in Preschool Tuition, Medicaid Reimbursement and Impact Aid. As reflected in the below spreadsheet, the noted revenue increases will offset more significant reductions in the Grant Revenue and Nutrition Sales and Reimbursement line items.

<b>School Department Revenue</b>	<b>2016-2017 Adopted</b>	<b>2017-2018 Adopted</b>	<b>2018-2019 Proposed</b>	<b>Increase/ (Decrease)</b>
Preschool Tuition	\$45,000	\$50,000	\$55,000	\$5,000
Medicaid Reimbursement	100,000	125,000	130,000	5,000
Miscellaneous	0	0	0	0
Rental Income	1,000	1,000	1,000	0
Transportation Fees	0	0	0	0
Impact Aid	75,000	90,000	95,000	5,000
Grant Revenue	408,528	405,496	328,576	(76,920)
Nutrition Sales and Reimbursements	145,450	145,450	130,650	(14,800)
Transfer - Fund Balance To OPEB	204,829	200,000	225,848	25,848
Transfer - Fund Balance To Capital	93,000	91,700	150,000	58,300
Transfer - Fund Balance To Equipment	20,000	15,975	16,825	850
<b>Total Local Revenues</b>	<b>\$1,092,807</b>	<b>\$1,124,621</b>	<b>\$1,132,899</b>	<b>\$8,278</b>

The below chart depicts the Town Contribution to the School Budget Program on a fiscal year basis since FY2005. The average transfer during this fifteen year period was \$11,601,044 and reflects average increases of \$180,631 or 1.93% during this period. During the seven year period beginning in FY2010 and ending in FY2016, this contribution averaged \$11,098,243 and reflected average decreases of (\$64,682). Since FY2017, the contribution has averaged \$11,312,948 with an average increase of \$351,960.





Fiscal Year	Town Contribution	Increase/ (decrease)	% Inc./ (dec)
FY2005	\$9,057,371		
FY2006	9,765,866	708,495	7.82%
FY2007	10,156,528	390,662	4.00%
FY2008	10,644,577	488,049	4.81%
FY2009	11,163,727	519,150	4.88%
FY2010	11,264,373	100,646	0.90%
FY2011	11,176,034	(88,339)	-0.78%
FY2012	11,398,023	221,989	1.99%
FY2013	11,398,023	0	0.00%
FY2014	11,080,987	(317,036)	-2.78%
FY2015	10,659,308	(421,679)	-3.81%
FY2016	10,710,950	51,642	0.48%
FY2017	10,975,649	264,699	2.47%
FY2018	11,196,365	220,716	2.01%
FY2019	11,766,830	570,465	5.10%
<b>Average</b>	<b>\$11,601,044</b>	<b>\$180,631</b>	<b>1.93%</b>

## F. Fund Balance Revenue Transfers

For several years the Town has allocated a \$150,000 transfer from the Unassigned Fund Balance in offsetting a portion of one-time capital expenditures. In FY 2013-2014 the Town utilized the larger amount of \$212,697 from its Fund Balance to address specific project needs. In the 2017-2018 fiscal year, this amount was increased to \$250,000 and in FY 2018-2019 a transfer of \$300,000 is being recommended.

Unassigned funds forwarded to the General Fund are targeted either to meet one-time capital costs or to reduce the need for property tax support of the general fund operating program. Funding used to meet operating expenses is considered a base revenue since it must be provided on an annual basis or the property tax need in the following year will have to increase in direct proportion to the reduction in unassigned funding support. Funding of one-time capital projects does not have the same effect since there are no recurring program expenses. An outline of the Town's Unassigned Fund Balance proposed transfers is outlined below:

Fund Balance Transfers	2015-2016 Adopted	2016-2017 Adopted	2017-2018 Adopted	2018-2019 Proposed	Increase/ (Decrease)
Fund Balance	\$150,000	\$150,000	\$150,000	\$150,000	\$0
Fund Balance Transfer for Projects	0	0	100,000	150,000	\$50,000
<b>Total Fund Balance Transfers</b>	<b>\$150,000</b>	<b>\$150,000</b>	<b>\$250,000</b>	<b>\$300,000</b>	<b>\$50,000</b>



## Unassigned Fund Balance Comparison Property Taxation

In 2009, the Governmental Finance Officers Association issued a new guideline regarding the appropriate level of Unrestricted Fund Balance in the General Fund that is recommended generally for a municipality. In this recommendation, a minimum total was cited that a community should maintain for general government purposes, regardless of community size to be maintained in an unrestricted reserve in the general fund. This unrestricted reserve should amount to, no less than two months of regular general fund operating revenues or general fund operating expenditures of 16.67%. At the end of the 2016-2017 fiscal year, the audited general fund unassigned fund balance was \$5,010,584 which equaled 21.63% of the total general fund expenditures in FY2017-2018. The School Department does not recognize a balance of unassigned funds, although the total in the committed line for Educational Funds totaling \$625,610 when combined with the Town balance of \$5,010,584 totals \$5,636,194 or 24.33%.

Fund Balance								Change	
								FY11-17	%
Town	6/30/2011	6/30/2012	6/30/2013	6/30/2014	6/30/2015	6/30/2016	6/30/2017		
Reserved	\$940,646	\$650,979	\$902,273	\$712,566	\$724,248	\$879,317	\$1,061,280	\$120,634	12.82%
Unreserved	3,787,541	3,929,992	3,585,628	3,767,245	4,159,484	\$4,608,201	\$5,010,584	\$1,223,043	32.29%
<b>Subtotal Town</b>	<b>\$4,728,187</b>	<b>\$4,580,971</b>	<b>\$4,487,901</b>	<b>\$4,479,811</b>	<b>\$4,883,732</b>	<b>\$5,487,518</b>	<b>\$6,071,864</b>	<b>\$1,343,677</b>	<b>28.42%</b>
<b>Avg. Change in FB</b>		<b>(\$147,216)</b>	<b>(\$93,070)</b>	<b>(\$8,090)</b>	<b>\$403,921</b>	<b>\$603,786</b>	<b>\$584,346</b>		
<b>From Prior Year</b>					<b>Avg. Inc./(dec.)</b>			<b>\$223,946</b>	
School	6/30/2011	6/30/2012	6/30/2013	6/30/2014	6/30/2015	6/30/2016	6/30/2017		
Reserved	\$496,453	\$399,611	\$1,822,729	\$2,331,702	\$2,288,195	\$2,280,595	\$1,905,083	\$1,408,630	283.74%
Unreserved	\$1,515,365	\$1,964,205	\$1,130,399	\$847,318	\$639,548	\$0	\$0	(\$1,515,365)	-100.00%
<b>Subtotal Schools</b>	<b>\$2,011,818</b>	<b>\$2,363,816</b>	<b>\$2,953,128</b>	<b>\$3,179,020</b>	<b>\$2,927,743</b>	<b>\$2,280,595</b>	<b>\$1,905,083</b>	<b>\$268,777</b>	<b>-5.31%</b>
<b>Avg. Change in FB</b>		<b>\$351,998</b>	<b>\$589,312</b>	<b>\$225,892</b>	<b>(\$251,277)</b>	<b>(\$647,148)</b>	<b>(\$375,512)</b>		
<b>From Prior Year</b>					<b>Avg. Inc./(dec.)</b>			<b>(\$17,789)</b>	

The balance of the revenues necessary to support the Town's \$24.4 million dollar budget is derived from local property and motor vehicle taxes. As reflected in the spreadsheet below, a tax levy \$19,960,014 is proposed for the 2018-2019 fiscal year.

Property Tax Levy						Proposed			
FY2012-2013	FY2013-14	FY2014-15	FY2015-16	FY2016-17	2017-2018	2018-2019	Inc./(dec.)	%	Average
\$18,349,874	\$18,349,874	\$18,483,757	\$18,686,186	\$18,847,145	\$19,225,608	\$19,960,014	\$734,406	3.82%	\$18,843,208
	<b>Inc./(dec.)</b>	<b>\$0</b>	<b>\$133,883</b>	<b>\$202,429</b>	<b>\$160,959</b>	<b>\$378,463</b>	<b>\$734,406</b>		<b>\$268,357</b>

As noted above, it is proposed that the property tax levy growth generated in FY 2018-2019 be limited to 3.82 % \$734,406 more than the current year levy. The states enactment of the 2006 Senate Bill – 3050 Sub A, resulted in a reduction from the prior 5.5% cap on annual property tax growth in all cities and town's to a limit of 4%. These



amendments revised the tax cap to apply only to the prior year levy beginning in FY 2007-2008 and reduced the cap to a maximum 4% annual levy increase in FY 2012-2013, by lowering the cap in .25% increments. Under the 4% cap requirement, the maximum tax levy increase the Town could have sought under the existing limit totaled \$19,994,632 or an increase of \$769,024. The proposed budget reflects an increase \$734,406, an amount \$34,618 below the statutory tax cap.

## G. General Fund Expenditure Statement

A summary of the proposed General Fund Expenditure Statement is provided below. This Functional Distribution impacting operations indicates a \$227,633 or 2.67% increase in Operating Program expenditures and a \$504,113 or 3.70% increase in other major cost centers for the 2018-2019 fiscal year.

General Fund Functional Distribution	2016-2017	2017-2018	2018-2019	Increase Over	
	Adopted	Adopted	Proposed	(under) Adopted Budget	Inc./(Dec.) Percent
General Administration	\$2,917,201	\$2,943,169	\$3,010,480	\$67,311	2.29%
Police/Animal Control/EMA	1,728,746	1,741,823	1,819,860	\$78,037	4.48%
Fire/EMS	754,135	774,035	796,635	\$22,600	2.92%
Public Works	1,896,771	1,956,098	1,971,499	\$15,401	0.79%
Parks and Recreation/Senior Program	585,865	599,818	633,863	\$34,045	5.68%
Library	432,018	473,256	483,495	\$10,239	2.16%
Public Welfare/Health	16,500	31,500	31,500	\$0	0.00%
<b>Operating Program Total</b>	<b>\$8,331,236</b>	<b>\$8,519,699</b>	<b>\$8,747,332</b>	<b>\$227,633</b>	<b>2.67%</b>
Debt Service	818,995	949,260	951,397	\$2,137	0.23%
School Debt Service	262,647	262,920	263,081	\$161	0.06%
Capital Program	1,213,500	1,124,000	996,200	(\$127,800)	-11.37%
School Capital	119,245	107,675	166,825	\$59,150	54.93%
School Fund Transfer	10,975,649	11,196,365	11,766,830	\$570,465	5.10%
<b>Cost Center Total</b>	<b>\$13,390,036</b>	<b>\$13,640,220</b>	<b>\$14,144,333</b>	<b>\$504,113</b>	<b>3.70%</b>
<b>Functional Distribution Total</b>	<b>\$21,721,272</b>	<b>\$22,159,919</b>	<b>\$22,891,665</b>	<b>\$731,746</b>	<b>3.30%</b>

A detailed summary of the General Fund Operating Program is presented below. The General Administration cost element identifies all budget program costs associated with the General Management of the overall municipal program, Planning, Zoning, Personnel, Finance, Policy Development, Legal Services, Elections, Meetings and Referendums. The major cost drivers in the coming year include proposed adjustments to the Legal Counsel, Personnel and Tax Assessor line items.

The Legal Services area is traditionally reviewed upon the change in Town Council every two years. In a recent internal Administrative review, it has become evident that the Legal services the Town is receiving is funded at a level well below the market rate for such services. The proposed increase of \$20,000 represents a placeholder to provide for the potential of an adjustment in this line item in the second half of FY2019 upon the Council's review of this matter and after the appointment of the next Town Council. The proposed increase in Personnel can be attributed to anticipated increases in workers' compensation and insurance costs. The increase in the Tax Assessor's Office is a result of this being the first full year that the Tax Assessor position will be back to a five-day schedule, an adjustment that was required stemming from the retirement and work schedule of the former Assessor.



	2016-2017 Adopted	2017-2018 Adopted	2018-2019 Proposed	Increase/ (decrease)	% Inc./((dec.))
<b>General Administration</b>					
Town Council	\$15,925	\$16,050	\$15,800	(\$250)	-1.56%
Town Administrator	193,861	195,471	202,896	7,425	3.80%
Probate Court	6,933	6,964	7,098	134	1.92%
Election and Town Meetings	17,084	16,215	16,100	(115)	-0.71%
Legal Counsel	95,000	95,000	115,000	20,000	21.05%
Clerk and Records	196,378	198,747	202,394	3,647	1.83%
Planning Department	131,712	134,581	137,785	3,204	2.38%
Zoning	8,700	8,700	9,500	800	9.20%
Personnel	1,628,551	1,641,496	1,653,642	12,146	0.74%
Finance	245,431	250,660	256,766	6,106	2.44%
Tax Assessor	73,887	72,850	84,312	11,462	15.73%
Town Audit	22,000	22,000	22,000	0	0.00%
Protective Service/Building Inspections	281,738	283,983	287,187	3,204	1.13%
<b>Total General Administration</b>	<b>\$2,917,200</b>	<b>\$2,942,717</b>	<b>\$3,010,480</b>	<b>\$67,763</b>	<b>2.30%</b>
<i>rounding may distort totals</i>					

The Public Safety Program includes all life safety programs. Programs are managed under the direction of the Police Chief and Jamestown Fire Department, Fire Chief and Deputy Chiefs. Enhancements to the Public Safety program include full staffing in the Police Department for the first time in several years and the related contractual and benefit costs.

	2016-2017 Adopted	2017-2018 Adopted	2018-2019 Proposed	Increase/ (decrease)	% Inc./((dec.))
<b>Public Safety Program</b>					
Police Protection	\$1,703,746	\$1,716,823	\$1,789,860	\$73,037	4.25%
Emergency Management	5,000	5,000	7,500	2,500	50.00%
Fire Protection	356,665	371,222	383,140	11,918	3.21%
Emergency Medical Services	398,130	402,813	413,495	10,682	2.65%
Animal Control/Tick Task Force	20,000	20,000	22,500	2,500	12.50%
<b>Total Works Program</b>	<b>\$2,483,541</b>	<b>\$2,515,858</b>	<b>\$2,616,495</b>	<b>\$100,637</b>	<b>4.00%</b>
<i>rounding may distort totals</i>					

The Public Works Program as outlined on the following page and includes all costs associated with the operation and maintenance of all Town infrastructure including roads, sidewalks, drains, dams, street lighting, waste removal, engineering services, snow removal, public buildings and maintenance, East & West Ferry marina and waterfront, tree management and general support for various other municipal functions. The one consistent cost driver in this department relates to contractual matters pertaining to department personnel.



	2016-2017 Adopted	2017-2018 Adopted	2018-2019 Proposed	Increase/ (decrease)	% Inc./.(dec.)
<b>Public Works Program</b>					
Administration	\$54,645	\$55,727	\$56,839	\$1,112	2.00%
Engineering	51,370	52,374	52,404	30	0.06%
Highway	915,748	962,098	990,382	28,284	2.94%
Snow Removal (roads and sidewalks)	77,000	77,000	77,000	0	0.00%
Waste Removal	418,009	443,249	444,224	975	0.22%
Street Lighting	81,000	67,500	67,500	0	0.00%
Other Public Works	2,100	2,100	2,100	0	0.00%
Public Buildings	265,500	262,000	247,000	(15,000)	-5.73%
Tree Management Program	31,400	34,050	34,050	0	0.00%
<b>Total Works Program</b>	<b>\$1,896,772</b>	<b>\$1,956,098</b>	<b>\$1,971,499</b>	<b>\$15,401</b>	<b>0.79%</b>
<i>rounding may distort totals</i>					

The Town operates one municipal free Public Library. The Jamestown Philomenian Library is the location of all general management and Library support services and is located on North Main Road in the Village. The two areas impacting the proposed Library budget request relate specifically to anticipated increases in personnel and insurance costs.

	2016-2017 Adopted	2017-2018 Adopted	2018-2019 Proposed	Increase/ (decrease)	% Inc./.(dec.)
<b>Library Program</b>					
Library Services Program	\$432,018	\$473,256	\$483,495	\$10,239	2.16%
<b>Total Library Services Program</b>	<b>\$432,018</b>	<b>\$473,256</b>	<b>\$483,495</b>	<b>\$10,239</b>	<b>2.16%</b>
<i>rounding may distort totals</i>					

The Parks, Beaches and Recreation Program includes all recreation programming including General Recreation and events for all ages, concerts, the Teen Center and the Senior Program. The major budget change this year reflects further expansion of the Senior Program, including the expansion of the Senior Coordinator position, and a commitment to expand needed senior specific programming, transportation and professional program oversight.

This program also includes all Parks and Public ROW management, including Fort Getty, Mackerel Cove, Heads Beach, Lawn Avenue Recreation Complex, Eldred Avenue Playfields, the Jamestown Playground, Park Dock and many smaller landscaped sites throughout the community. These areas include the Town Hall, Library, Recreation Center, Cemetery, Veterans Square, Police Station and other miscellaneous properties.

	2016-2017 Adopted	2017-2018 Adopted	2018-2019 Proposed	Increase/ (decrease)	% Inc./.(dec.)
<b>Parks, Beaches, Recreation &amp; Senior Program</b>					
Parks, Beaches & Recreation Services Program	\$513,864	\$526,465	\$531,243	\$4,778	0.91%
Senior Services Program	72,000	73,353	102,620	\$29,267	39.90%
<b>Parks, Beaches, Recreation &amp; Senior Program</b>	<b>\$585,864</b>	<b>\$599,818</b>	<b>\$633,863</b>	<b>\$34,045</b>	<b>5.68%</b>
<i>rounding may distort totals</i>					



## H. Employee Retirement Systems

A summary of the Town and School Departments Municipal Employee Retirement Systems (MERS) and the Towns Police Department Retirement system as of June 30, 2017, is outlined below:

Retirement Systems	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability	Net Pension Liability	FY2017-18 Employer Contribution
<b>Town Employees</b> (Discount Rate 7.50%)	\$14,940,711	(\$12,338,098)	<b>\$2,602,613</b> (Town)	N/A	\$413,347
<b>School Department</b> (Discount Rate 7.50%)	\$12,672,006		<b>\$7,521,134</b> (School)	\$5,150,872 (State)	\$554,507
<b>Police Department</b> (Discount Rate 7.00%) (Private System)	\$10,132,523	(\$10,221,257)	<b>(\$88,734)</b> (Town)	N/A	\$261,836

The following charts reflects the net pension liability and its sensitivity to variations in the discount rate. The adjustment indicates what the change in the employers' net pension liability would be if calculated using a discount rate varied by an increase or decrease of (1%) - percentage point.

Sensitivity Of Net Pension Liability to Discount Rate Assumption			
	1.00% Decrease	Current Rate	1.00% Increase
PLAN	6.50%	7.50%	8.50%
<b>Town - MERS</b>	\$4,170,563	\$2,602,613	\$1,319,361
<b>School - ERS</b>	\$9,287,942	\$7,521,134	\$6,074,736
PLAN	6.00%	7.00%	8.00%
<b>Police - Private</b>	\$1,389,030	(\$88,734)	(\$1,277,759)

## I. Other Post-Employment Benefits

A summary of the Town and School Departments OPEB obligations are highlighted in the chart below. The Town as of June 30, 2017 has a Net OPEB Obligation (NOO) of \$1,215,950 an increase of \$140,899 from June 30, 2016. The School Department's (NOO) totals \$712, a reduction of (\$287,121) since June 30, 2016. Both the Town and School have annually met the required (PAYG) obligation, in 2017 amounting to \$296,239 – Town and \$269,922 – School, respectively. This amount addresses retiree healthcare costs incurred for existing retirees. As discussed extensively during the FY 2017-18 budget development process, the Town and School have made a commitment to address this long-term annual liability, by implementing a plan to meet the annual required contribution (ARC) payments over time, and by making managing these investments in an Irrevocable Trust that is dedicated to specifically fund retiree healthcare benefits.



<b>OPEB SUMMARY</b>						
Fiscal Year	Annual OPEB Cost	Employer PAYG Contributions	Annual Required Contribution	Increase in Net Obligation	Net OPEB Obligation	Actuarial Accrued Liability
<b>Town - Police</b>						
6/30/2017	\$437,138	\$234,280	\$456,306	\$140,899	\$1,215,950	
6/30/2016	\$439,124	\$260,118	\$456,306	\$111,417	\$1,075,051	
6/30/2015	\$323,090	\$114,861	\$337,683	\$145,145	\$963,634	\$3,986,577
6/30/2014	\$325,938	\$105,262	\$337,683	\$159,774	\$818,489	
6/30/2013	\$324,826	\$97,803	\$333,454	\$174,809	\$658,715	\$2,672,493
<b>School Department</b>						
6/30/2017	\$482,801	\$722,904	\$500,624	(\$287,121)	\$712,483	
6/30/2016	\$476,222	\$759,210	\$500,624	(\$368,969)	\$999,604	
6/30/2015	\$441,045	\$269,409	\$463,684	\$98,854	\$1,368,573	\$6,078,910
6/30/2014	\$442,021	\$304,142	\$463,684	\$54,722	\$1,269,719	
6/30/2013	\$468,123	\$283,620	\$487,820	\$110,271	\$1,214,997	\$5,933,378

The Trust OPEB Funding Program functions in partnership with the Public Agency Retirement Services (PARS). Each member maintains their own separate accounts providing full discretion regarding contribution amounts and timing. The program is structured as a Section 115 under the IRS Code and complies with BASB 45 as an irrevocable exclusive benefit trust solely to fund retiree health care benefits. This funding program offer a low cost fee structure based on a percentage of assets.

<b>OPEB Trust Administration and Consulting Fees</b>		
Provider	Plan Set up Fee	Ongoing Fee Structure
PARS	None	0.25% for assets \$ 0 - \$10 million 0.20% for assets \$10 - \$15 million 0.15% for assets \$15 - \$50 million 0.10% for assets over \$50 million

Each member benefits from the economies of scale that develop over time as more members participate in the program. The Trustee/Investment Management fees will lessen overtime as cumulative member investments increase per the below chart:

<b>OPEB Account Summary - RI Intercoal Risk Managemnt Trust - Retiree Healthcare Irrevocable Trust</b>							
Source	Beginning						Ending
	Balance 12/1/17	Contributions	Earnings	Expenses	Distributions	Transfers	Balance 12/31/17
Town	\$145,586.25	\$0.00	\$1,308.90	\$0.00	\$0.00	\$0.00	\$146,895.15
School	\$1,122,388.26	\$0.00	\$10,090.89	\$0.00	\$0.00	\$0.00	\$1,132,479.15
<b>Totals</b>	<b>\$1,267,974.51</b>	<b>\$0.00</b>	<b>\$11,399.79</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$1,279,374.30</b>



<b>Trustee/Investment Management Fees</b>		
<b>Provider</b>	<b>Trustee Fees</b>	<b>Investment Management Fees</b>
U.S.Bank/Vanguard	0.05% on first 25 million	0.07% for assets under \$50 million
	0.04% on next 25 million	0.04% for assets \$50 - \$150 million
	0.03% over 50 million	0.03% for assets \$150 - \$250 million
		0.01% for assets \$250 - \$500 million
		0.005% for assets over \$500 million

### **Acknowledgment**

This Town Administrator's budget was formulated with the professional dedication and commitment of the Town's senior staff and various community agencies. Considerable effort has been spent since the budget process began back in December, with a comprehensive assessment of the Town's various programs and services under the direction of each of the Town's individual Departments.

I would like to personally thank each member of the senior management team for their due diligence and support throughout this process and I would especially like to thank the Town's Finance Director, Christina Collins for her significant contributions and dedication in assisting me in delivering this budget to you in an efficient and timely manner. It has been my pleasure to work with such a dedicated and committed team Town employees in providing the Town Council with the information needed in anticipation of this review and the 2018 Financial Town meeting.