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## **Introduction**

Provided is a list of Town Council Members and the Town Department Directors and Division Heads through March 2019.

## **Jamestown Town Council**

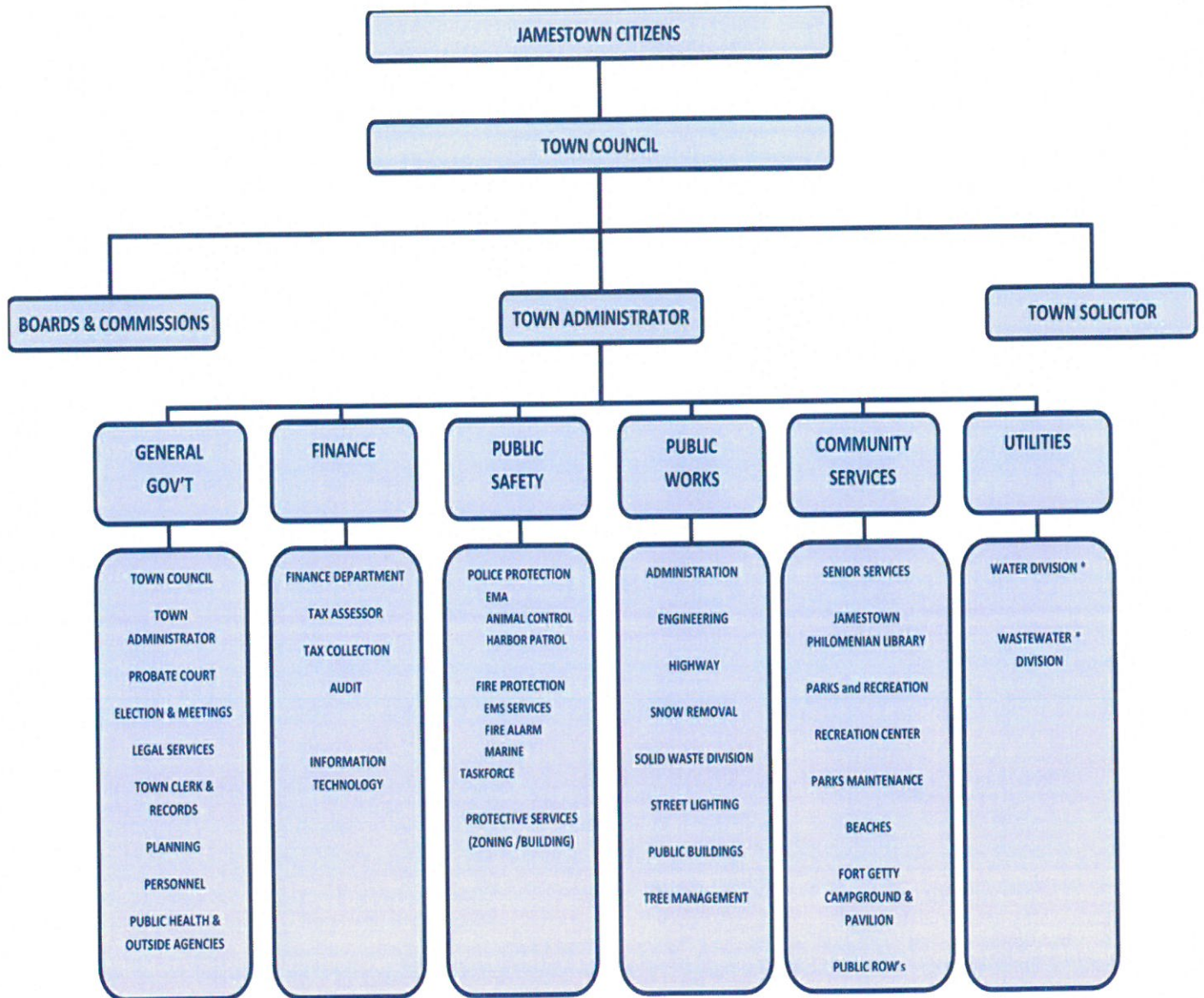
Town Council President	Michael G. White
Town Council Vice President	Mary E. Meagher
Council Member	Nancy A. Beye
Council Member	William J. Piva, Jr.
Council Member	Randall White

## **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 Director	Betsey Anderson
Library Director	Donna Fogarty



## Municipal Organizational Chart by Major Budget Component

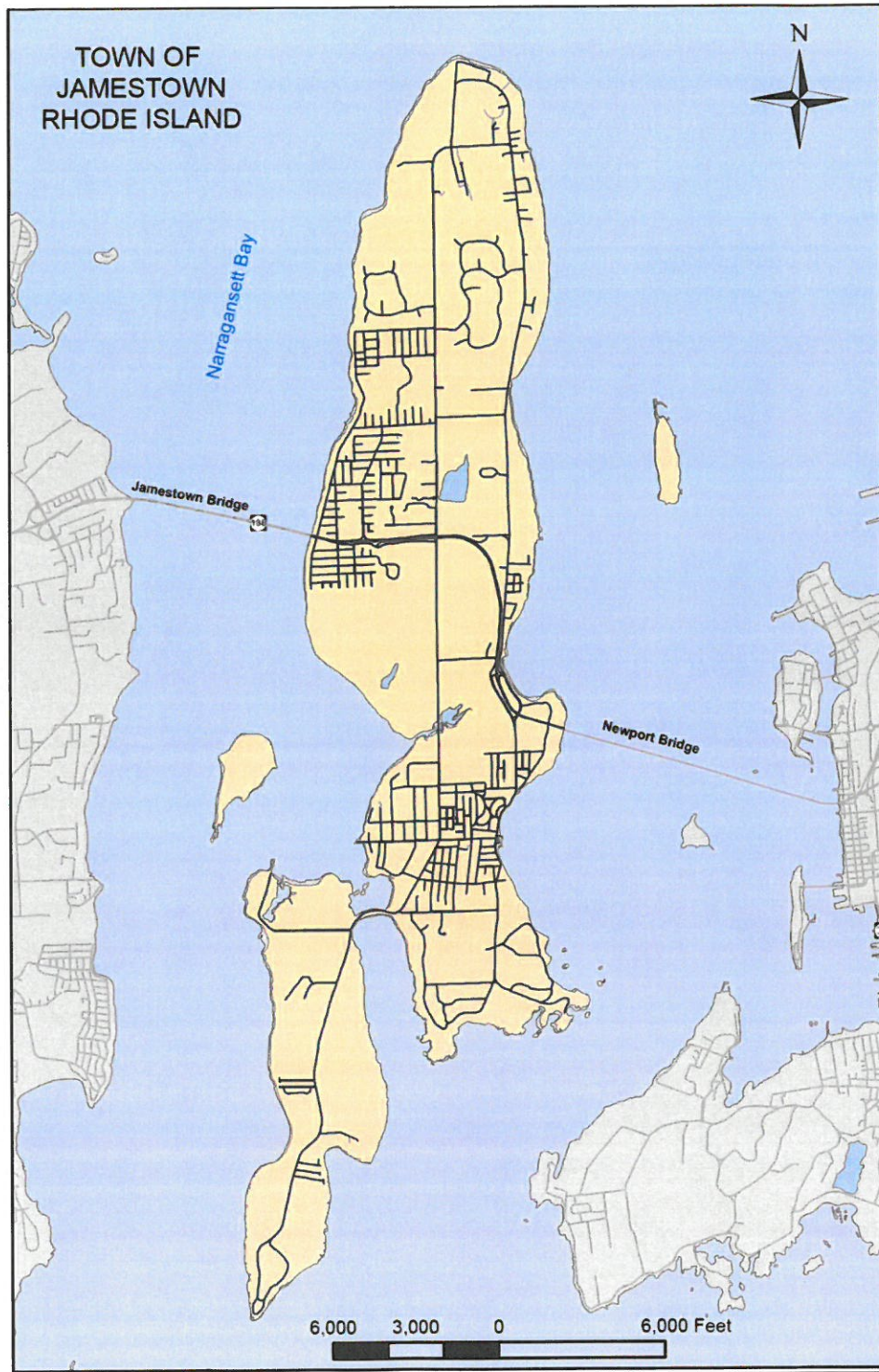


\*(EF) – Enterprise Fund – separate from General Fund Budget Program.

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.

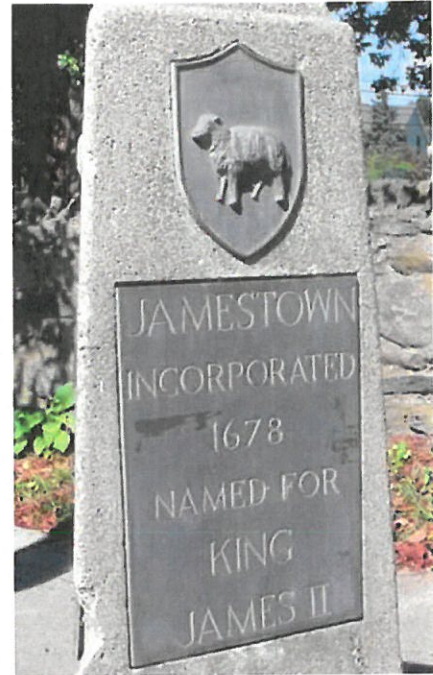
The first Quaker Meeting House was built in 1709 on the North Ferry Road grounds of the Old Friends Burial Ground. The Meeting House and the Windmill were the Town's earliest public buildings and are both listed on the National Register of Historic Places. The Beavertail Light, established in 1749 and 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 5,462, a decrease of 160 residents (2.93%), compared to the year 2010 census count of 5,622.

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 5,622 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 Saunderstown 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

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 1,063,096.

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 1,053,646 residents.

Since the end of the recession, Rhode Island has been gradually recovering. As of 2017, private job levels averaged 418,000, an increase of 30,200 (+7.8%) from the 2009 average and the unemployment rate is down 6.5 percentage points to 4.5 percent. The state's population has yet to regain residents lost during the recession, as the count stood at 1,059,639 in 2017, down 3,457 (-0.3%) from 2006. On a positive note, the population in 2017 increased over 2016 by 2,073 (+0.2%)

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

### Rhode Island City & Town Rankings

Employment Growth 2016-2017		Population Growth 2016-2017		Unemployment Rate 2017 Annual Average	
Rhode Island	0.8%	Rhode Island	0.2%	Rhode Island	4.5%
Hopkinton	5.9%	Burrillville	2.0%	Jamestown	2.9%
Little Compton	5.4%	West Greenwich	2.0%	Barrington	3.0%
Portsmouth	4.2%	Charlestown	0.8%	Narragansett	3.0%
Cumberland	4.1%	Glocester	0.8%	Richmond	3.1%
Newport	3.3%	Jamestown	0.7%	Little Compton	3.3%
Middletown	3.3%	Richmond	0.7%	North Kingstown	3.5%
Barrington	3.3%	North Smithfield	0.7%	Glocester	3.6%
Lincoln	3.2%	Cumberland	0.6%	North Smithfield	3.6%
East Greenwich	3.2%	Foster	0.5%	Cumberland	3.7%
North Kingstown	2.5%	Johnston	0.4%	Exeter	3.8%
New Shoreham	2.4%	Lincoln	0.4%	Newport	3.8%
North Providence	2.4%	Scituate	0.3%	West Greenwich	3.8%
Jamestown	2.3%	Woonsocket	0.3%	Lincoln	3.9%
West Greenwich	2.1%	North Kingstown	0.3%	Middletown	3.9%
Warren	1.8%	Bristol	0.3%	South Kingstown	3.9%
East Providence	1.7%	Providence	0.2%	Warwick	3.9%
Westerly	1.6%	South Kingstown	0.2%	East Greenwich	4.0%
Burrillville	1.6%	Portsmouth	0.2%	Portsmouth	4.0%
Johnston	1.4%	North Providence	0.2%	Smithfield	4.0%
Exeter	1.4%	East Providence	0.2%	Bristol	4.2%
West Warwick	1.1%	Pawtucket	0.2%	Coventry	4.2%
Glocester	1.1%	Coventry	0.2%	Cranston	4.3%
Cranston	0.9%	Cranston	0.2%	Foster	4.3%
Warwick	0.9%	East Greenwich	0.2%	Hopkinton	4.3%
Pawtucket	0.9%	Tiverton	0.2%	Scituate	4.3%
Narragansett	0.9%	Hopkinton	0.1%	Warren	4.3%
Scituate	0.8%	Little Compton	0.1%	Burrillville	4.4%
Providence	0.4%	Middletown	0.0%	North Providence	4.4%
South Kingstown	0.3%	Barrington	-0.1%	Johnston	4.6%
Tiverton	0.1%	Smithfield	-0.1%	Tiverton	4.6%
Smithfield	-0.2%	Warwick	-0.1%	Charlestown	4.7%
Charlestown	-0.3%	West Warwick	-0.2%	West Warwick	4.7%
Coventry	-0.8%	Westerly	-0.2%	East Providence	4.9%
North Smithfield	-1.0%	Warren	-0.2%	Pawtucket	5.1%
Central Falls	-1.4%	Exeter	-0.2%	Westerly	5.1%
Richmond	-2.4%	Narragansett	-0.3%	Providence	5.4%
Bristol	-3.1%	New Shoreham	-0.5%	Central Falls	5.6%
Foster	-3.2%	Newport	-0.5%	Woonsocket	6.0%
Woonsocket	-3.4%	Central Falls	-0.6%	New Shoreham	10.7%

### Other Findings

- Thirty of the state's thirty-nine cities and towns reported total employment growth between 2016-2017, with Hopkinton having the largest over-the-year increase (+5.9%). Woonsocket (-3.4%) posted the largest total employment decrease.
- Providence establishments employed the largest percentage (23.4%) of Rhode Island private sector workers, followed by Warwick (10.6%), Cranston (7.4%), Pawtucket (5.0%) and East Providence (4.9%).
- Rhode Island total annual average employment in 2017 (477,305) was the highest employment level since 2007 (480,232).
- The state experienced a 0.2 percent population increase between the 2016 and 2017 population estimate. Twenty-seven cities and towns gained residents, with Providence (+439), Burrillville (+331) and Cumberland (+202) adding the most people. Of the twelve cities and towns that lost residents, only Newport (-136) and Central Falls (-116) lost more than 100 residents.
- Rhode Island (4.5%) had the 22<sup>nd</sup> highest annual average unemployment rate in the country in 2017. Alaska (7.2%), New Mexico (6.2%) and District of Columbia (6.1%) had the highest rates in the country. The annual average unemployment rate for the United States as a whole in 2017 was 4.4 percent.

Source: Rhode Island Department of Labor and Training



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 2016-2017 fiscal year. The data reflects that several key indicators have been improving across the State. 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.

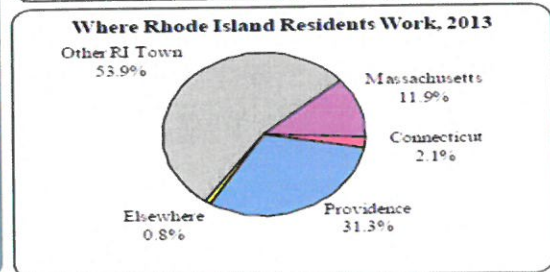
### Statewide Community Rankings Profile

	1990	2000	2016
<b>Population</b>			
Total Population	1,003,464	1,048,319	1,054,491
Male	481,496	503,635	511,297
Female	521,968	544,684	543,194
16 years +	801,625	827,797	868,361
21 years +	722,844	748,445	787,809
65 years +	150,547	152,402	166,517
White	917,375	891,191	854,026
Black/African American	38,861	46,908	68,886
American Indian & Alaskan Native	4,071	5,121	5,130
Asian & Pacific Islander	18,325	24,232	35,173
Some other race	24,832	52,616	61,218
Two or more races	-	28,251	30,058
Hispanic or Latino (of any race)	45,752	90,820	148,375
<b>Educational Attainment</b>			
<b>Population (Age 25+)</b>			
Less than 9th grade	11.1%	8.1%	5.8%
9th-12th, no diploma	16.9%	13.9%	7.3%
High School Graduate / GED	29.5%	27.8%	27.7%
Some College, no degree	15.0%	17.6%	18.3%
Associate Degree	6.3%	7.0%	8.5%
Bachelor Degree	13.5%	15.9%	19.4%
Graduate Professional Degree	7.8%	9.7%	13.1%
<b>Median Household Income</b>			
	\$32,181	\$42,090	\$58,387
<b>Annual Average Labor Force Estimates</b>			
	2006	2009	2017
Labor Force	572,601	567,280	554,658
Employment	544,357	504,951	529,867
Unemployment	28,244	62,329	24,791
Unemployment Rate	4.9%	11.0%	4.5%

- 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 2016, Rhode Island gained 6,172 (+0.6%) residents.
- Forty-one percent (41.0%) of Rhode Island residents 25 years and older had a college degree (Associate or higher) in 2016. The share of state residents without a high school diploma or GED decreased between 2000 and 2016, falling from 22.0 percent to 13.1 percent.
- Between 2009 and 2017, employment in Rhode Island increased by 28,830 (+6.4%) jobs. Private sector employers reported a gain of 30,137 (+7.8%) jobs, while public sector employment fell by 1,309 (-2.2%) jobs.
- Rhode Island's unemployment rate averaged 4.5 percent in 2017, a decrease of 6.5 percentage points from the 2009 average of 11.0 percent.
- In 2016, 95.1 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.

	2006	2009	2017
<b>Establishment Employment</b>			
Total Private & Government	490,589	448,475	477,305
Total Private Only	417,706	387,824	417,962
Health Care & Social Assistance	74,436	76,912	78,668
Government	62,883	60,652	59,343
Retail Trade	51,753	47,071	48,106
Accommodation & Food Services	42,561	41,329	47,604
Manufacturing	52,726	41,747	40,335
Administrative Support & Waste Management	25,388	22,207	28,646
Finance & Insurance	26,492	23,628	26,515
Professional & Technical Services	21,449	21,127	24,854
Educational Services	18,221	19,083	21,113
Construction	22,803	17,180	18,373
Other Services	18,117	17,780	17,915
Wholesale Trade	16,969	16,097	17,605
Management of Companies & Enterprises	9,311	9,208	12,865
Arts, Entertainment, & Recreation	7,692	7,637	10,939
Transportation & Warehousing	9,397	8,683	10,443
Information	10,997	10,112	6,674
Real Estate & Rental & Leasing	6,877	5,975	6,289
Utilities	1,144	1,119	1,093
Agriculture, Forestry, Fishing & Hunting	862	729	832
Mining	259	194	193

Language Population Age 18-64		2016
Percent of Population that Speak Only English or Another Language & English either 'well' or 'very well'		95.1%
Percent of Population that Speak English 'not well' or 'not at all'		4.9%
<b>Language Spoken:</b>		
Speak Spanish		3.7%
Speak Other Indo-European		0.6%
Speak Asian/Pacific Islander		0.5%
Speak Other Languages		0.1%



Source: Rhode Island Department of Labor and Training



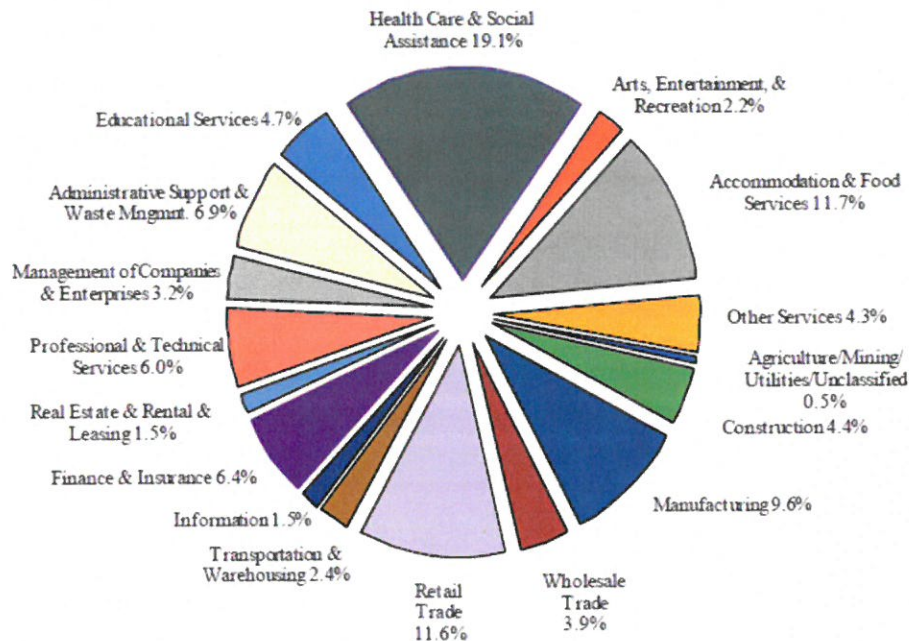
- The percentage of Rhode Islanders who spoke only English or spoke another language and English either well or very well increased from 94.7 percent in 2010 to 95.1 percent in 2016.
- The percentage of total residents aged 18 to 64 that spoke Spanish while speaking English either not well or not at all remained unchanged at 3.7 in 2016, representing 29.4 percent of all Spanish-speaking Rhode Islanders.

	ACS 2010	ACS 2016
Percent of Population that Speak Only English or Another Language & English either 'well' or 'very well'	94.7%	95.1%
Percent of Population that Speak English 'not well' or 'not at all'	5.3%	4.9%
<b>Language Spoken:</b>		
Speak Spanish	3.7%	3.7%
Speak Other Indo-European	0.9%	0.6%
Speak Asian/Pacific Islander	0.6%	0.5%
Speak Other Languages	0.1%	0.1%

- The Health Care & Social Assistance (19.1%) industry sector employs the largest percentage of private Rhode Island workers, followed by Accommodation & Food Services (11.7%) and Retail Trade (11.6%).
- Providence (97,659) had the largest number of private sector workers in the state, followed by Warwick (44,131) and Cranston (30,825). Foster (380) and Little Compton (645) had the fewest number of workers.

Language Spoken at Home by Ability to Speak English, 2016		
<b>18 to 64 years old</b>		
<b>Speak only English</b>	<b>523,610</b>	
% of age group	77.5%	
<b>Speak Spanish</b>	<b>84,216</b>	
% of age group	12.5%	
Speak English "very well"	44,408	52.7%
Speak English "well"	15,029	17.8%
Speak English "not well"	15,810	18.8%
Speak English "not at all"	8,969	10.6%
<b>Speak Other Indo-European</b>	<b>44,547</b>	
% of age group	6.6%	
Speak English "very well"	32,178	72.2%
Speak English "well"	8,023	18.0%
Speak English "not well"	3,188	7.2%
Speak English "not at all"	1,158	2.6%
<b>Speak Asian/Pacific Island</b>	<b>17,072</b>	
% of age group	2.5%	
Speak English "very well"	9,124	53.4%
Speak English "well"	4,670	27.4%
Speak English "not well"	2,493	14.6%
Speak English "not at all"	785	4.6%
<b>Speak other languages</b>	<b>6,123</b>	
% of age group	0.9%	
Speak English "very well"	4,283	69.9%
Speak English "well"	1,263	20.6%
Speak English "not well"	476	7.8%
Speak English "not at all"	101	1.6%

### Total Private Sector Employment in Rhode Island by Industry, 2017



Source: Rhode Island Department of Labor and Training



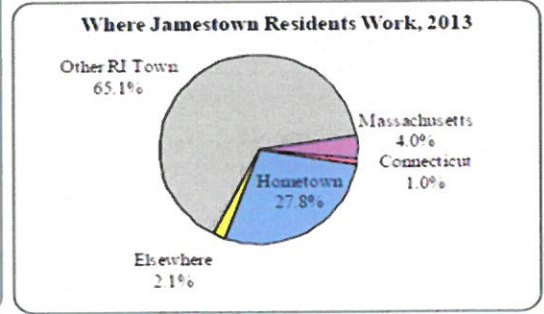
# Jamestown

<b>Population</b>	<b>1990</b>	<b>2000</b>	<b>2016</b>
Total Population	4,999	5,622	5,462
Male	2,460	2,733	2,691
Female	2,539	2,889	2,771
16 years +	3,962	4,551	4,571
21 years +	3,717	4,268	4,272
65 years +	650	828	1,189
White	4,938	5,484	4,980
Black/African American	32	44	10
American Indian & Alaskan Native	12	12	14
Asian & Pacific Islander	10	22	397
Some other race	7	13	0
Two or more races	-	47	61
Hispanic or Latino (of any race)	45	50	33
<b>Educational Attainment</b>	<b>1990</b>	<b>2000</b>	<b>2016</b>
<b>Population (Age 25+)</b>	<b>3,610</b>	<b>4,160</b>	<b>4,088</b>
Less than 9th grade	2.8%	2.7%	0.5%
9th-12th, no diploma	8.2%	4.1%	2.4%
High School Graduate / GED	23.9%	19.6%	13.7%
Some College, no degree	18.1%	21.4%	12.3%
Associate Degree	5.3%	6.5%	4.6%
Bachelor Degree	23.1%	26.4%	32.7%
Graduate/Professional Degree	18.6%	19.3%	33.7%
<b>Median Household Income</b>	<b>1990</b>	<b>2000</b>	<b>2016</b>
	\$41,518	\$63,073	\$101,448
<b>Annual Average Labor Force Estimates</b>	<b>2006</b>	<b>2009</b>	<b>2017</b>
Labor Force	3,192	3,084	3,206
Employment	3,079	2,860	3,112
Unemployment	113	224	94
Unemployment Rate	3.5%	7.3%	2.9%

- Jamestown's total population grew by 12.5 percent during the 1990's, with the addition of 623 people, however, between 2000 and 2016, Jamestown lost 160 (-2.8%) residents.
- Seventy-one percent of Jamestown residents 25 years and older had a college degree (Associate or higher) in 2016. The share of local residents without a high school diploma or GED decreased between 2000 and 2016, falling from 6.8 percent to 2.9 percent.
- Between 2009 and 2017, employment in Jamestown increased by 8 (+0.7%) jobs. Private sector employers reported a loss of 25 (-2.7%) jobs, while public sector employment grew by 33 (+11.3%). In comparison, statewide total employment grew by 28,830 (+6.4%) jobs.
- Jamestown's unemployment rate averaged 2.9 percent in 2017, the lowest rate in the state and well below the state average of 4.5 percent.
- In 2016, 99.0 percent of Jamestown residents age 18-64 spoke only English or spoke another language and English either well or very well, compared to 95.1 percent of RI residents.
- Over one-quarter (27.8%) of Jamestown residents work in Jamestown, while 7.1 percent work outside of RI.

<b>Establishment Employment</b>	<b>2006</b>	<b>2009</b>	<b>2017</b>
<b>Total Private &amp; Government</b>	<b>1,248</b>	<b>1,223</b>	<b>1,231</b>
<b>Total Private Only</b>	<b>985</b>	<b>930</b>	<b>905</b>
Government	263	293	326
Accommodation & Food Services	156	149	174
Arts, Entertainment, & Recreation	126	102	119
Professional & Technical Services	100	96	107
Health Care & Social Assistance	127	128	98
Retail Trade	88	97	98
Other Services	76	77	71
Administrative Support & Waste Management	57	54	67
Construction	112	83	53
Wholesale Trade	37	36	41
Real Estate & Rental & Leasing	52	33	24
Agriculture, Forestry, Fishing & Hunting	7	-	15
Information	-	12	10
Manufacturing	6	9	10
Finance & Insurance	19	24	9
Transportation & Warehousing	2	-	6
Management of Companies & Enterprises	-	-	-
Educational Services	-	-	-
Mining	0	0	0
Utilities	0	0	0

<b>Language Population Age 18-64</b>		<b>2016</b>
Percent of Population that Speak Only English or Another Language & English either 'well' or 'very well'		99.0%
Percent of Population that Speak English 'not well' or 'not at all'		1.0%
<b>Language Spoken:</b>		
Speak Spanish		0.0%
Speak Other Indo-European		0.0%
Speak Asian/Pacific Islander		1.0%
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. The Goals and Objectives for the 2018-2020 Term, have yet to be formulated by the Town Council, although a preliminary work session is being considered in the upcoming months.

### **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
7. Reduce Incidence of Tick-Borne Disease;



## Town Administrator's Budget Message

In accordance with the Town Charter provisions under Article III, Section 305, the Administration has prepared the FY 2019-2020 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 and as approved by the Town Council: Town Administration, Town Clerk, Planning Department, Building and Zoning Department, Public Works Department, Tax Assessor, Finance Department, Library, Parks and Recreation Department, Senior Services Department, Police Department and the Fire/EMS Department. With authorization of the Town Council on January 22, 2019, a dedicated Department of Senior Services was created and added to this list of core Town Services. 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 in the Towns Annual Financial Audit 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 development of the FY2019-2020 budget program has presented numerous challenges in providing for the continuation of a well-balanced community operating and capital program, adhering to the state 4% Tax Levy Statutory limit, supporting priority department requests and Town Council goals and in integrating long-term debt service obligations for several large-scale initiatives supported by the community. The details of the statutory tax levy limitation are included in Rhode Island General Laws Chapter 44-5-2 Levy and Assessment of Local Taxes (Maximum Levy). Having incurred a tax levy increase in FY2019 of more than \$573,000 and total budget program increase of 2.96%, it was not anticipated that a series of department operating recommendations would be requested that far exceeded this amount in FY2020. The initial Town/School Department requests approached a proposed increase of \$1.6 million in expenditures with a 7.47% levy impact and a 6.6% overall increase. The Administrators recommendation reflects an increase of \$1.1 in total expenditures with a 3.99% levy impact and a 4.7% overall program increase. As you work through the budget document and supplemental materials, you will recognize those areas where some of the departmental requests were either deemed necessary in terms of meeting new or existing community service needs or in fact were mandated educational requirements within the School Department. Other requests as proposed by the various departments were not completely dismissed from this review, although from my perspective focused on matters that could be transitioned into the municipal/school program over a longer timeline, some that were discretionary and prioritized by the department in their budget submittal, while others were broader and not yet actionable as they required further policy direction from the Town Council.

The Town Administrators professional responsibility in submitting a budget to the Town Council is mainly focused on assisting the Town Council in their deliberations in formulating a professional and well-balanced budget program. This practice specifically targets the evaluation and implementation of professional 'best practices' along with local 'historical practices' that are still favored in the community, in being able to establish and deliver a specific standard and compliment of services on a town-wide basis. The difference in the two processes, (department specific budget formulation versus Administrator Town-wide budget formulation) is that an individual department (large or small), focusses its attention on one part of the overall service delivery process and local need, while the Town Administrators proposed budget and the Town Council's final budget that is presented to the community at the Financial Town



meeting, is a comprehensive budget document serving and balancing all aspects of the Town/School Operating and Capital budget initiatives that ultimately support various operations throughout the entire community.

The following information represents a summary of key elements within the budget document for the 2019-2020 fiscal year.

## General Fund Overview

A detailed financial summary of the proposed FY 2019-2020 budget is depicted below. This summary view is segmented into the main budget categories of Operations, Capital and Debt Service for both the Town and School Programs. This information is formatted in the form of a five-year financial summary for the complete program.

For the 2019-2020 fiscal year, a total General Fund Program in the amount of \$25,455,830 is proposed. This funding proposal represents an increase of \$1,153,272 or 4.75% over the current year FY2019 appropriation of \$24,302,558. Town Operating Expenditures are proposed to increase by \$318,895 or 3.62%, Capital spending is proposed at \$761,920, decreasing by (\$209,280) or (21.55%), while Debt Service is \$1,131,451 increasing by \$180,054 or 18.93%. The proposed Municipal program will impact the Tax Levy in FY2020 by \$8,322,332 with an increase of \$30,741 or 0.37%.

The School Department General Fund operating program is proposed to increase by \$495,767 or 3.91% to \$13,174,127. This recommendation will require a General Fund Town appropriation increase of \$667,243 or 5.72%. The overall School Program including all funding sources equals \$14,019,714, an increase of \$715,303 or 5.38%. The proposed School program will impact the Tax Levy in FY2020 by \$12,267,264 with an increase of \$760,047 or 6.60%.

The School Departments Capital Improvement Program and Reserve for Technology Equipment is \$333,155, including a requested increase of \$166,330 or 99.70%. School Department Debt Service for the year is \$411,381, an increase of \$148,300 or 56.37%, while Grant Funds are estimated at \$346,282, an increase of \$17,706 or 5.39%. Nutrition Program requirements are anticipated at \$166,150, reflecting an increase of \$35,500 or 27.17% from the current fiscal year.

FY 2019-2020 Proposed Town and School Budget							
	2015-16 Adopted	2016-17 Adopted	2017-18 Adopted	2018-19 Adopted	2019-2020 Proposed	Inc/(Dec)	Change
<b>Town</b>							
Operations	\$8,225,375	\$8,341,040	\$8,581,899	\$8,812,469	\$9,131,364	\$318,895	3.62%
Capital	1,283,500	1,213,500	1,124,000	971,200	761,920	-\$209,280	-21.55%
Debt Service	915,172	818,995	949,260	951,397	1,131,451	\$180,054	18.93%
<b>subtotal</b>	<b>\$10,424,047</b>	<b>\$10,373,535</b>	<b>\$10,655,159</b>	<b>\$10,735,066</b>	<b>\$11,024,735</b>	<b>\$289,669</b>	<b>2.70%</b>
<b>Schools</b>							
Operations	\$11,652,671	\$11,860,021	\$12,140,553	\$12,678,360	\$13,174,127	\$495,767	3.91%
Capital	158,360	119,245	107,675	166,825	333,155	\$166,330	99.70%
Debt Service	258,605	262,647	262,920	263,081	411,381	\$148,300	56.37%
Grants	316,871	408,528	405,496	328,576	346,282	\$17,706	5.39%
Nutrition	139,950	145,450	145,450	130,650	166,150	\$35,500	27.17%
<b>subtotal</b>	<b>\$12,526,457</b>	<b>\$12,795,891</b>	<b>\$13,062,094</b>	<b>\$13,567,492</b>	<b>\$14,431,095</b>	<b>\$863,603</b>	<b>6.4%</b>
<b>Total</b>	<b>\$22,950,504</b>	<b>\$23,169,426</b>	<b>\$23,717,253</b>	<b>\$24,302,558</b>	<b>\$25,455,830</b>	<b>\$1,153,272</b>	<b>4.75%</b>



## General Fund Revenue Statement

### A. Property Tax Program

To support the FY 2019-2020 appropriation, a property tax rate of \$8.00 per thousand dollars of assessed valuation will be necessary. This includes a tax rate decrease of **(\$0.85)** cents from the FY2019 rate of \$8.85. The distribution of the rate for Municipal operations will require a decrease from \$3.71 in FY 2019 to the revised rate of \$3.23 in FY2020, a decrease of **(\$0.47)** or **-12.70%**. The School Department is proposed to realize a rate decrease from \$5.14 in FY 2019 to \$4.77 in FY 2020, a decrease of **(\$0.37)** or **-7.28%**.

Property Tax Levy Growth	Municipal Program	School Program	Total
<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>\$8,291,591</b>	<b>\$11,507,217</b>	<b>\$19,798,808</b>
FY 2018-2019 Tax Distribution Percentage	41.88%	58.12%	100.00%
<b>Proposed FY 2019-2020 Tax Levy</b>	<b>\$8,322,332</b>	<b>\$12,267,264</b>	<b>\$20,589,596</b>
FY 2019-2020 Tax Distribution Percentage	40.42%	59.58%	100.00%

The Property Tax Levy Growth Chart above indicates a Tax Levy breakdown of 59.58% School and 40.42% Town in FY 2020. This distribution reflects a shift of 1.46%, indicating growth in the School Program and a continuing decrease in the Municipal Program since FY 2018 of 2.20%.

It should be noted that the Town last completed a State mandated full revaluation in 2012 for FY 2013-2014 and conducted a statistical update in 2015 for FY 2016-2017. The Town is presently completing a statistical revaluation for year-ending 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. The discussion has included everything from a shift in the 3-year revaluation cycle to a 5-year cycle, alternating between a statistical and full revaluation, to the opposite extreme including the potential of a new system allowing for annual modifications in value, with a full revaluation every five or more years. There remains significant uncertainty surrounding the favored option of the legislature in this regard and the most efficient and equitable approach for this program in the future.

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 Levy History										
	Adopted FY2014-15	Adopted FY2015-16	Adopted FY2016-17	Adopted 2017-2018	Adopted 2018-2019	Proposed 2019-2020	Inc./ <i>(dec.)</i>	%	Average	
	\$18,483,757	\$18,483,757	\$18,686,186	\$18,847,145	\$19,225,608	\$19,798,808	\$20,589,596	\$790,788	3.99% <span style="color: green;">▲</span>	\$19,271,850
Inc/ <i>(dec.)</i>		\$0	\$202,429	\$160,959	\$378,463	\$573,200	\$790,788			\$350,973

The tax liability for the average residentially assessed property with an (unchanged) value of \$500,000, at the proposed rate of \$8.00 per thousand would result in a property tax bill of \$4,000 or a decrease of **(\$425.00)** from FY 2018-2019, as indicated in the below chart. Also indicated are additional examples of the overall tax impact for properties valued from \$500,000 to the \$2 million in assessed value. On the following page is an additional series of examples provided in a scaled fashion, based on a series of assessment increases of varied assessed value amounts.

Residential Property Tax Examples of Rate Impact	FY2014-15	FY2015-16	FY2016-17	FY2017-18	FY 2018-19	FY 2019-20	Change Inc./ <i>(Dec.)</i>
Residential Assessed Value	500,000	500,000	500,000	500,000	500,000	500,000	
Tax Levy Per Average Residential Parcel	\$4,375	\$4,390	\$4,290	\$4,330	\$4,425	\$4,000	<b>(\$425.00)</b>
Residential Assessed Value	750,000	750,000	750,000	750,000	750,000	750,000	
Tax Levy Per Average Residential Parcel	\$6,563	\$6,585	\$6,435	\$6,495	\$6,638	\$6,000	<b>(\$637.50)</b>
Residential Assessed Value	1,000,000	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	\$8,850	\$8,000	<b>(\$850.00)</b>
Residential Assessed Value	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	
Tax Levy Per Average Residential Parcel	\$13,125	\$13,170	\$12,870	\$12,990	\$13,275	\$12,000	<b>(\$1,275.00)</b>
Residential Assessed Value	2,000,000	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	\$17,700	\$16,000	<b>(\$1,700.00)</b>
Tax Rate Differential	<b>\$8.75</b>	<b>\$8.78</b>	<b>\$8.58</b>	<b>\$8.66</b>	<b>\$8.85</b>	<b>\$8.00</b>	<b>-\$0.85</b>

The estimated tax rate is presented based on the current year tax roll. It is anticipated that as of (March 4, 2019) the value of the taxable property role on the gross assessed value of Real and Tangible property will be \$2,611,444,296 billion. This figure represents an estimated increase in gross value during the year of approximately \$347,901,700 million having been added to the tax role. The corresponding net impact on the Tax Levy resulted in an increase of approximately \$548,420 to \$21,099,120 from the Certified Role Value in 2017 of \$20,550,700. Exemptions in Real Property and Motor Vehicles as of December 31, 2018 is reflected at a total of \$43,593,502 million. All figures presented above are estimates derived from the ongoing revaluation process, which has yet to be concluded. Changes should be anticipated in the overall role value, motor vehicle values and on the net tax levy impact in the coming months as this process progresses.

Property Tax Rate History	Adopted FY2014-15	Adopted FY2015-16	Adopted FY2016-17	Adopted FY2017-18	Adopted FY2018-19	Proposed FY2019-20	FY15-FY20 Rate Inc./ <i>(Dec.)</i>	Avg. Rate	
	\$8.75	\$8.75	\$8.78	\$8.58	\$8.66	\$8.85	\$8.00	<b>(\$0.85)</b> <span style="color: green;">▲</span>	\$8.60
		0.00%	0.34%	<b>-2.28%</b>	0.93%	2.19%	<b>-9.60%</b>		



The below examples provide for a different perspective of the possible cost impact(s) of an assessment increase in property value established during a revaluation period with a corresponding tax rate reduction, resulting from the overall growth in the tax role. Examples are provided at the value benchmarks of \$500,000 to \$2 million.

Residential Property Tax Examples of Rate Impact		Change FY 2019-20 Inc./((Dec.))		Change FY 2019-20 Inc./((Dec.))		Change FY 2019-20 Inc./((Dec.))	
Residential Assessed Value	500,000	600,000		700,000		800,000	
Tax Levy Per Average Residential Parcel	\$4,425	\$4,800	\$375.00	\$5,600	\$1,175.00	\$6,400	\$1,975.00
Residential Assessed Value	750,000	850,000		950,000		1,050,000	
Tax Levy Per Average Residential Parcel	\$6,638	\$6,800	\$162.50	\$7,600	\$962.50	\$8,400	\$1,762.50
Residential Assessed Value	1,000,000	1,200,000		1,400,000		1,600,000	
Tax Levy Per Average Residential Parcel	\$8,850	\$9,600	\$750.00	\$11,200	\$2,350.00	\$12,800	\$3,950.00
Residential Assessed Value	1,500,000	1,700,000		1,900,000		2,100,000	
Tax Levy Per Average Residential Parcel	\$13,275	\$13,600	\$325.00	\$15,200	\$1,925.00	\$16,800	\$3,525.00
Residential Assessed Value	2,000,000	2,300,000		2,600,000		2,900,000	
Tax Levy Per Average Residential Parcel	\$17,700	\$18,400	\$700.00	\$20,800	\$3,100.00	\$23,200	\$5,500.00
<b>Tax Rate Differential</b>	<b>\$8.85</b>	<b>\$8.00</b>	<b>-\$0.85</b>	<b>\$8.00</b>	<b>-\$0.85</b>	<b>\$8.00</b>	<b>-\$0.85</b>

The below Gross and Net Assessed values for Motor Vehicles 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, 2018. The Gross and Net Assessed Values on Real Property are outlined below with additional information on the following page.

Gross Assessed Value	Dec. 2018
Real Property Residential	\$2,543,404,009
Real Property - Comm/Ind./Mixed Use	\$67,651,700
Motor Vehicles (Max. Taxable Value)	\$63,652,919
Tangible Personal Property	\$14,720,317
<b>Gross Assessed Value Real &amp; Tangible Property</b>	<b>\$2,689,428,945</b>

Net Assessed Values	Dec. 2018
Real Property - Residential	\$2,529,360,414
Real Property - Commercial/Ind./ Mixed Use	67,363,565
Motor Vehicles	35,946,508
Tangible Personal Property	14,720,317
<b>Total Net Assessed Value Real &amp; Tangible</b>	<b>\$2,647,390,804</b>

Net Tax Levy	Dec. 2018
Real Property - Residential	\$20,154,880
Real Property - Commercial/Industrial	538,904
Motor Vehicles	287,568
Tangible Personal Property	117,760
<b>Total Net Tax Levy Real &amp; Tangible Property</b>	<b>\$21,099,112</b>



<i>Taxable Property List</i>	2015-2016 Taxable Property	2016-2017 Taxable Property	2017-2018 Taxable Property	2018-2019 Taxable Property	2019-2020 Taxable Property	2019-2020 Increase Over Prior Year
Taxable Land/Buildings	\$2,152,433,300	\$2,222,416,909	\$2,246,046,509	\$2,263,154,009	\$2,611,055,709	\$347,901,700
Tangible Property	\$14,572,872	\$13,840,474	\$15,129,931	\$14,720,317	\$14,720,317	\$0
<b>Total Taxable Property</b>	<b>\$2,167,006,172</b>	<b>\$2,236,257,383</b>	<b>\$2,261,176,440</b>	<b>\$2,277,874,326</b>	<b>\$2,625,776,026</b>	<b>\$347,901,700</b>
Less Exemptions	\$10,584,768	\$10,861,415	\$14,548,340	\$14,331,730	\$14,331,730	\$0
<b>Net Taxable Property</b>	<b>\$2,156,421,404</b>	<b>\$2,225,395,968</b>	<b>\$2,246,628,100</b>	<b>\$2,263,542,596</b>	<b>\$2,611,444,296</b>	<b>\$347,901,700</b>
<b>Taxable Property Growth - %</b>		3.20%	1.11%	0.74%	15.27%	
<b>Taxable Property Growth - \$</b>		\$69,251,211	\$24,919,057	\$16,697,886	\$347,901,700	\$331,203,814
Net Motor Vehicles - Roll	\$40,391,997	\$41,345,095	\$38,183,375	\$35,946,508	\$35,946,508	\$0
<b>Total Taxable Property</b>	<b>\$2,196,813,401</b>	<b>\$2,266,741,063</b>	<b>\$2,284,811,475</b>	<b>\$2,299,489,104</b>	<b>\$2,647,390,804</b>	<b>\$347,901,700</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;

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 is proposed to be fully eliminated.

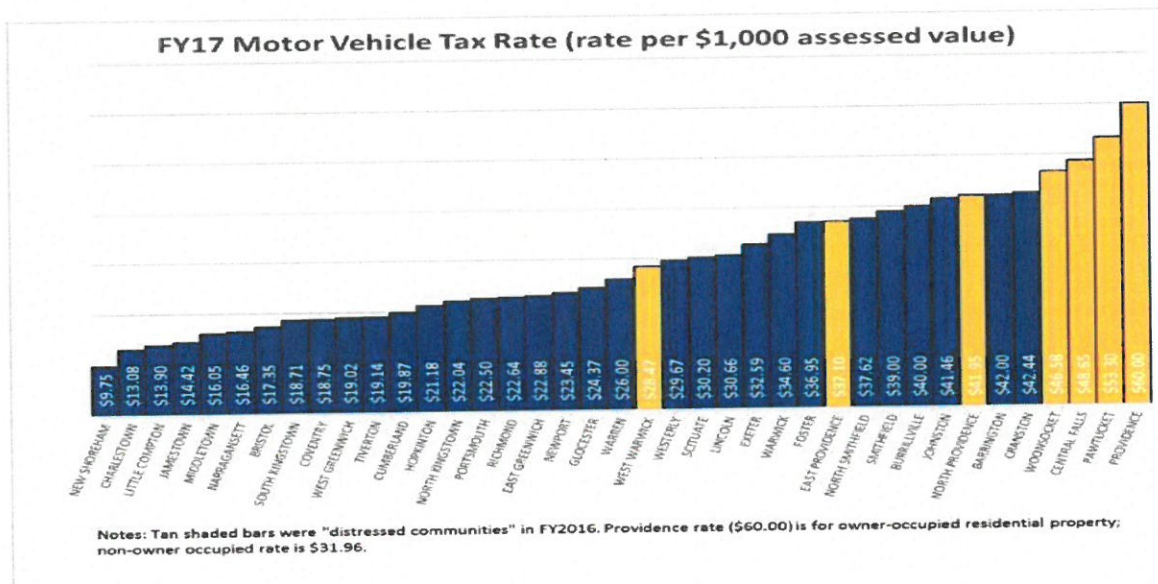
Fiscal Year	Assessment Ratio	Rate Cap	Exemption Floor	Drop After Age	Total Levy	Forgone Levy	Taxed Car Count	Cars Dropped from Role
FY2017	100%	N/A	\$500	25	\$220,611,139	\$0	746,965	
FY2018	95%	\$60	1,000	15	195,441,325	-25,169,814	594,445	152,520
FY2019	90%	50	2,000	15	170,426,882	-50,184,257	581,512	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



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.

### Understanding Rhode Island's Motor Vehicle Tax March 2017



## Capital Improvement Program

The Town's Capital Improvement Program for FY 2019-2020 includes construction, purchases, contractual programs and equipment replacements of a significant budgetary nature. The program is made up of investments made on a Pay-As-You-Go annual method and also with a longer-term perspective including funds borrowed for short and longer-term durations. 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 moving forward.

In FY 2019-2020, a municipal Pay-As-You-Go Capital program of \$761,920 is proposed, reflecting a decrease of **(\$209,280)** or **-21.55%** of the current year's fiscal year adopted capital program of \$971,200. The School Capital Program is proposed at \$333,155, an increase of \$166,330 from the FY2019 total of \$166,825. For the 2019-2020 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.



The annual Pay-As-You-Go Capital funding program does not include the detail or funding schedules for long-term debt funded programs. The funding for these long-term initiatives, some of which were recently approved in the November 2018 election, including large-scale School Construction Rehabilitation, the Golf Course Clubhouse Replacement, and the Library Rehabilitation initiative, with some other recent examples including public safety building development, park development and rehabilitation, and major waterfront improvements, along with other large-scale infrastructure and equipment acquisition initiatives which are all reflected in the towns debt service program. The financial impact of such projects and other long-term debt is outlined in the following section. Notable within the FY2020 are three main initiatives that are Capital in nature by definition, although require a funding program other than the above Pay-As-You-Go annual program. The Rhode Island Department of Education (RIDE) approved five-year School Construction Program supports improvements to both the Melrose Elementary and Lawn Avenue Middle School facilities representing the largest of such programs amounting to \$5.9 million in a non-taxable bond authorization and an additional \$935,710 in annual Pay-As-You-Go capital funding to be invested between FY2019 – FY2023, with the overall project totaling, \$6,835,710.

The second major FY2020 initiative involves the replacement of the aging Golf Course Clubhouse facility with a bond authorization of \$2.9 million in taxable bonds over a 20-year period. This issuance and project timing are anticipated to allow for one interest (only) payment in FY2020, amounting to approximately \$51,958.33 using a placeholder for a rate at 4.3% based on existing market conditions. For the remainder of the 20-year period, the annual debt service obligation fluctuates between \$214,000 - \$219,000, including principle and interest.

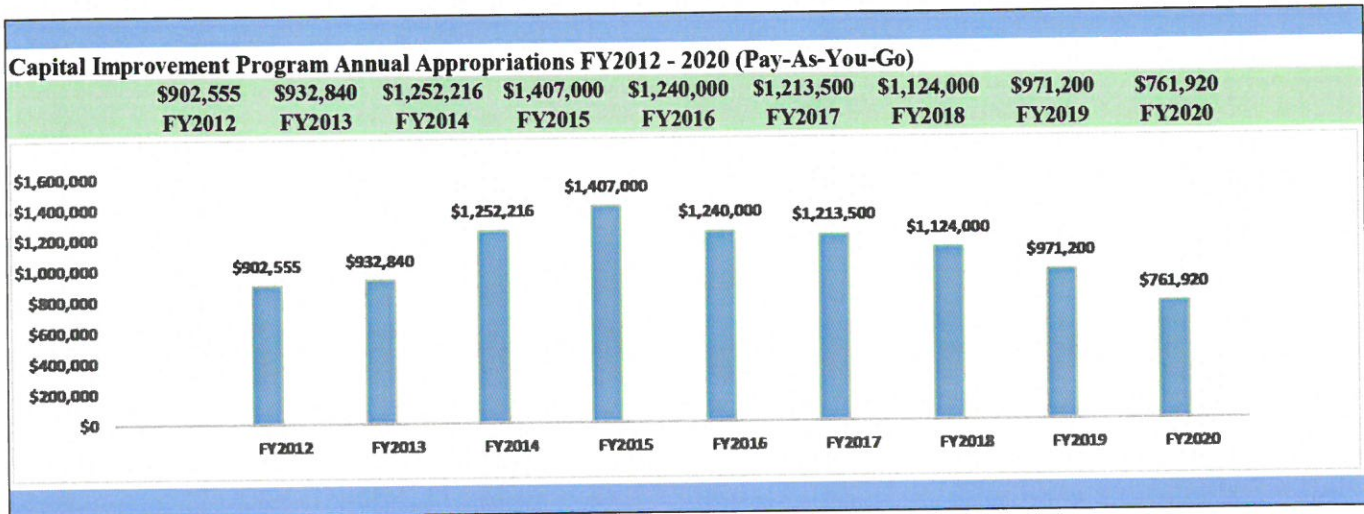
The third commitment includes funding to address heavy equipment replacement needs over a 7-year payback period, totaling \$925,000 in acquisition costs and an additional \$85,000 in interest costs, with annual expenditure totaling between, \$142,000 - \$147,000. This note will allow the town to acquire a, A) 3-5 ton roller, B) 410 Backhoe, C) Bucket Truck, D) (two) - Freight Dump Trucks (6-wheel) with Plows, E) 1-Ton dump truck with plow, F) Heavy Duty Pickup with Plow, G) Enclosed Building Maintenance and Project Trailer, and a H) new compactor trailer for the transfer station to haul waste to the Rhode Island Resource Recovery Facility in Johnston.

A summary of the FY 2019-2020 Capital Program provided below, reflects the main department areas involving annual capital outlays and combines the remaining departments in lesser need of annual capital funds into the category of General Municipal Programs. The totals in this summary separate the School Program from the Towns Municipal Program. The combined Town/School Capital Program is recommended to decline by **(\$42,950)** or **-3.77%** in providing for an overall Capital Program totaling \$1,095,075, a reduction from \$1,138,025 in the 2018-2019 fiscal year. As indicated in prior budget documents, the municipal program peaked in investment in FY2015 with funding of \$1,407,000 when the Town incurred less debt and has remained in slow decline since that time, as planned in concert with the Towns acquisition of long-term debt to address several large-scale projects.

Capital Program (Pay as You Go) Annual Program	2015-2016 Adopted	2016-2017 Adopted	2017-2018 Adopted	2018-2019 Adopted	2019-2020 Proposed	Increase/ (Decrease)
General Municipal Program	\$189,000	\$249,500	\$360,000	\$212,500	\$163,000	(\$49,500)
Public Safety (Police/Fire/EMS)	151,000	144,000	164,000	183,700	123,920	(\$59,780)
Public Works	770,000	685,000	440,000	475,000	365,000	(\$110,000)
Senior Services	25,000	20,000	15,000	20,000	20,000	\$0
Parks and Recreation	105,000	115,000	145,000	80,000	90,000	\$10,000
<b>Town Capital Program</b>	<b>\$1,240,000</b>	<b>\$1,213,500</b>	<b>\$1,124,000</b>	<b>\$971,200</b>	<b>\$761,920</b>	<b>(\$209,280)</b>
<b>School Capital Program</b>	<b>\$158,360</b>	<b>\$119,245</b>	<b>\$107,675</b>	<b>\$166,825</b>	<b>\$333,155</b>	<b>\$166,330</b>
<b>Total Capital Program</b>	<b>\$1,398,360</b>	<b>\$1,332,745</b>	<b>\$1,231,675</b>	<b>\$1,138,025</b>	<b>\$1,095,075</b>	<b>(\$42,950)</b>
		<b>-4.69%</b>	<b>-7.58%</b>	<b>-7.60%</b>	<b>-3.77%</b>	



The municipal program during the past several years has also relied heavily on State/Federal and private grant funds to offset capital need, where local funds were previously required. In the previous three years, the Town has secured approximately \$2 million in grant funding that has been utilized to off-set capital funding need in various projects throughout the community.



## B. Debt Service

The below list of long-term debt is inclusive of all Bond Issuances that remain outstanding as of June 30, 2018. As indicated, the remaining General Obligation Bonds Payable total, \$8,875,783, minus the Issuance Bond Premiums totaling \$525,583, leaving a Total Bonded Debt total of \$8,350,200.

Purpose	Date of Issuance	Date of Maturity	Authorized and Issued	Maturities During Year	Outstanding 30-Jun-18	Interest Paid
<b>General Obligation Bonds</b>						
General Obligation Bond	6/15/2008	6/15/2018	\$4,900,000	\$255,000	\$0	\$15,300
General Obligation Bond	11/3/2016	11/1/2036	\$2,500,000	\$140,000	\$2,360,000	\$55,550
Landfill Closure Bonds	8/15/2013	12/1/2023	\$1,000,000	\$100,000	\$600,002	\$16,590
Refunding Bonds	8/15/2013	12/1/2023	\$1,483,175	\$244,792	\$725,198	\$18,038
Refunding Bonds	5/5/2016	4/1/2033	\$4,830,000	\$165,000	\$4,665,000	\$133,050
Issuance Premiums on Bonds				\$17,398	\$525,583	
<b>Total General Obligation Bonds Payable</b>			<b>\$14,713,175</b>	<b>\$922,190</b>	<b>\$8,875,783</b>	<b>\$238,528</b>
Capital Lease	FY2017	FY2023		\$81,000	\$434,000	\$9,258
Municipal Solar Projects	FY2020	Non-Taxable	\$500,000	\$6,875	\$0	\$0
(New) Capital Lease FY2020	FY2020	Non-taxable	\$925,000	\$145,813	\$0	\$0
Golf Course FY2020	FY2020	Taxable	\$2,900,000	\$51,958	\$0	\$0
School Construction FY2020	FY2020	Non-taxable	\$5,600,000	\$163,000	\$0	\$0



The Town functions under a Legal Debt Margin of 3% of the total net taxable assessed value of \$2,328,404,977 billion at the conclusion of FY 2018, after exemption adjustments. This results in a Debt Limit of \$68,544,344, recognized Total Bonded Debt of \$8,350,200 and a Legal Debt Margin of \$60,194,144.

<b>Legal Debt Margin</b>	
Grossed Assessed Value	\$2,328,404,977
Less: exemptions and adjustments	\$43,593,502
<b>Total Net Taxable Assessed Value</b>	<b>\$2,284,811,475</b>
Debt Limit - 3 percent of total assessed value	\$68,544,344
<b>Total Bonded Debt minus premiums</b>	<b>\$8,350,200</b>
<b>Legal Debt Margin</b>	<b>\$60,194,144</b>

With voter approval in 2018 of the \$5.9 million in School Construction Bonds, \$2.9 million in taxable Golf Course Clubhouse Bonds and the \$1 million in Library Rehabilitation Bonds, it is anticipated that a greater percentage of the Towns total bonded debt will begin to increase with a partial issuance in FY2020. In addition to this total, is proposed a \$925,000 - 7-year borrowing, to acquire a series of replacement heavy equipment and a similar short-term Note for \$500,000 to install photovoltaic roof-top systems at four municipal buildings, that had been previously authorized by the Town Council. Another major influence on the Towns total indebtedness at any one time is the retirement of long-term debt. The last school bond to have been issued for the Melrose School is set to be retired and removed from the debt schedule in FY2020-2021, with an anticipated expense of \$238,140 in FY2021, a capital equipment lease being retired in FY2022-2023 of \$69,031, and debt service for the landfill closure being retired in FY2023-2024 amounting to \$101,500.

TOWN OF JAMESTOWN								Outstanding
SUMMARY DEBT SCHEDULE - PRINCIPAL								balance as of
	MATURES	2018/2019	2019/2020	2020/2021	2021/2022	2022/2023	2023/2024	6/30/2018
<b>SCHOOL BONDS- PRINCIPAL</b>								
\$3,355,000 refinanced	2021	249,900	240,100	235,200				\$969,992
Interest		13,818	8,281	2,940				
<b>TOTAL SCHOOL BONDS</b>		<b>\$263,718</b>	<b>\$248,381</b>	<b>\$238,140</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$995,031</b>
<b>GENERAL OBLIGATIONS- PRINCIPAL</b>								
Equipment Lease	2023	63,047	64,566	66,085	67,604	68,364		\$391,194
Interest		6,125	4,888	3,614	2,318	667		\$11,487
Landfill	2024	100,000	100,000	100,000	100,000	100,000	100,000	\$700,000
Interest		14,500	12,500	10,250	7,500	4,500	1,500	\$36,250
<b>TOTAL TOWN BONDS</b>		<b>\$183,672</b>	<b>\$181,954</b>	<b>\$179,949</b>	<b>\$177,423</b>	<b>\$173,531</b>	<b>\$101,500</b>	<b>\$1,159,556</b>
<b>RETIRED TOWN BONDS</b>				<b>\$238,140</b>		<b>\$69,031</b>	<b>\$101,500</b>	<b>\$408,671</b>



### C. Revenue Program

The Town has a limited commercial tax base consisting of approximately 2.52 % of the gross assessed Real Property tax base in the community. This includes 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 94.57% of the overall gross role value with Tangible Personal property and the Motor Vehicle tax making up the remaining balance of approximately 2.92%. The Town does receive revenue from pass-through sources, local revenues and state aid that fund a portion of municipal and school expenditures.

Gross Assessed Value	Dec. 2018	Percentage
Real Property Residential	\$2,543,404,009	94.57%
Real Property - Comm/Ind./Mixed Use	\$67,651,700	2.52%
Motor Vehicles (Max. Taxable Value)	\$63,652,919	2.37%
Tangible Personal Property	\$14,720,317	0.55%
<b>Gross Assessed Value Real &amp; Tangible Property</b>	<b>\$2,689,428,945</b>	<b>100.00%</b>
Net Assessed Value	Dec. 2018	Percentage
Real Property - Residential	\$2,529,360,414	95.54%
Real Property - Commercial/Ind./ Mixed Use	67,363,565	2.54%
Motor Vehicles	35,946,508	1.36%
Tangible Personal Property	14,720,317	0.56%
<b>Total Net Assessed Value Real &amp; Tangible</b>	<b>\$2,647,390,804</b>	<b>100.00%</b>
<i>rounding may distort totals</i>		

### State Aid Reimbursement Program

**State Library Aid:** It is anticipated that the State will provide approximately \$104,748 in general Library Aid in FY2020, a reduction of **(\$18,968)** from \$126,828 in FY2019. This general aid revenue source has been steadily increasing in recent years, although it had been determined by the Office of Library and Information Services (OLIS) that the aid calculation had been based on faulty information in recent years. The more significant adjustment being made in FY2020 is in direct relation to a corrective adjustment to the annual maintenance of effort and aid formulation. 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 (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 2019-2020, stable with the credit realized in FY2018-2019. The second year of the Phase-out realized a total of \$76,843, an increase of \$26,988 from the reimbursement of \$49,855 in FY2017-2018. The Third year of the phase-out is scheduled to increase by \$8,401 to the new total of \$85,244. It remains too early in the legislative session to project what the third year will generate as a total reimbursement as there are already questions being raised as to the States ability to remain on-schedule with this next phase of reimbursements.





State Revenues	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019	2019-2020	Increase/
	Actual	Adopted	Adopted	Adopted	Adopted	Proposed	(Decrease)
State Library Aid	\$87,697	\$87,697	\$87,697	\$126,828	\$123,716	\$104,748	(\$18,968)
Motor Vehicle Reimbursement	22,069	23,683	22,042	22,042	22,334	22,334	\$0
Public Serv. Corp. Tax	73,464	67,867	67,109	70,066	68,263	68,937	\$674
Hotel Tax	10,562	9,409	29,384	24,436	25,679	28,314	\$2,635
Meals and Beverage Tax	91,632	83,545	101,816	103,996	106,233	93,415	(\$12,818)
Municipal Incentive	25,703	0	0	0	0	0	\$0
<b>Subtotal - Aid to Town</b>	<b>\$311,127</b>	<b>\$272,201</b>	<b>\$308,048</b>	<b>\$347,368</b>	<b>\$346,225</b>	<b>\$317,748</b>	<b>(\$28,477)</b>
<b>Education Aid</b>	<b>\$499,120</b>	<b>\$489,535</b>	<b>\$543,376</b>	<b>\$540,644</b>	<b>\$561,626</b>	<b>\$515,998</b>	<b>(\$45,628)</b>
<b>Total State Aid</b>	<b>\$810,247</b>	<b>\$761,736</b>	<b>\$851,424</b>	<b>\$888,012</b>	<b>\$907,851</b>	<b>\$833,746</b>	<b>(\$74,105)</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 2019-2020 fiscal year, the Town is projecting funding in the amount of \$68,937, resulting in a slight increase of \$ 674 over the FY2019 total of \$68,263.

**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 remain stable or slightly decrease in FY2020, from \$29.7 million in FY2019. It is estimated that the Town will receive \$93,415 during FY2020, a decrease of (\$12,818) over the FY2019 total of \$106,233.

**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 2019-2020, \$11.2 million is estimated to be generated from this tax on a state-wide basis, an increase from \$10.9 million in FY2019. In a comparison between November 2018 and November 2017 collections, Jamestown realized a 24.8% increase in activity, resulting from a significant increase in Hosting Platform and Room Resellers increase in reporting. It is anticipated that the Town will receive \$28,314 in FY2020, an increase from FY2019 of \$2,635.

### D. Local Program Generated Revenues

Revenues from local sources that are non-property tax related are projected to generate \$2,225,000 or 8.74% of the total municipal budget. The sources of this funding are outlined in the below listing: The three areas of greatest impact as reflected in the above chart, indicate proposed increases in revenue in the Town Clerks office, Building Inspection, Transfer Station and unassigned fund balance transfer. This shift in revenue will provide for an additional



\$242,000 in support for general operations. Earlier in the budget process, a phase-out of the transfer of the remaining \$50,000 in revenue generated by the Golf Course annual lease had been planned. These funds had been scheduled to be redirected for the next several years to support necessary capital improvements on the course property, along with an additional \$100,000 that had already been transferred for this purpose. This work is planned to be performed in concert with improvements being provided by the Course Operator. For decades the normal operating procedure was to transfer the lease amount of \$150,000 into the General Fund as a revenue source to underwrite expenditures and limit tax exposure. Due to a higher than anticipated expenditure program in FY2020, it is now being recommended that the \$50,000 remain as a revenue source in the FY2020 budget program to support General Fund operations, for at least several more years. The other major influences on Town Revenue proposed in FY2020 reflects an increase in the Unassigned Fund Balance Transfer of \$100,000 for Capital Projects, increasing the overall transfer total from \$300,000 in FY 2019 to \$400,000 in FY 2020 and significant growth of \$85,000 in Building Inspections and \$35,000 in recording fees in the Town Clerks office due to the very active real estate market.

Town Revenue	2015-2016	2016-2017	2017-2018	2018-2019	2019-2020	Increase/
	Adopted	Adopted	Adopted	Adopted	Proposed	(Decrease)
Town Clerk	\$300,000	\$300,000	\$300,000	\$300,000	\$335,000	\$35,000
Building Inspection	150,000	150,000	150,000	150,000	235,000	\$85,000
Parks and Recreation	475,000	475,000	475,000	510,000	510,000	\$0
Dog Fines	5,000	5,000	5,000	5,000	5,000	\$0
Finance Revenues	85,000	85,000	85,000	85,000	85,000	\$0
Golf Course	150,000	150,000	150,000	50,000	50,000	\$0
Ambulance Receipts	186,000	186,000	186,000	185,000	185,000	\$0
Transfer Station Fees	125,000	125,000	150,000	150,000	170,000	\$20,000
Alarms - Residential Fire/Police Fees	8,000	8,000	8,000	8,000	10,000	\$2,000
RI Turnpike and Bridge Authority	29,000	29,500	30,000	30,000	30,000	\$0
RI Trust TOPS Dividend	15,550	16,000	25,000	25,000	25,000	\$0
Harbor Management - Yr. 3 seawall	60,000	61,805	0	0	0	\$0
Fund Balance Transfer	150,000	150,000	150,000	150,000	0	-\$150,000
Fund Balance Transfer for Projects	0	0	100,000	150,000	400,000	\$250,000
<b>Sub-total Town Revenue</b>	<b>\$1,738,550</b>	<b>\$1,741,305</b>	<b>\$1,814,000</b>	<b>\$1,798,000</b>	<b>\$2,040,000</b>	<b>\$242,000</b>

In General Revenue it is anticipated that with an improving market that interest rates will provide for the first sizable growth in investment income in some time, resulting in an increase of \$50,000 or 42.86% and the new projection of \$85,000 in FY2020, a significant increase from the prior balance of \$35,000 in FY2019. In Year 3 of the Motor Vehicle Phase-out Program and higher than anticipated revenues in FY2019, we feel confident that an increase of \$42,500 or total of \$495,657 can be achieved in FY2020.

General Revenue	2015-2016	2016-2017	2017-2018	2018-2019	2019-2020	Increase/
	Adopted	Adopted	Adopted	Adopted	Proposed	(Decrease)
Interest on Late Tax Payments	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$0
Investment Income	35,000	35,000	35,000	35,000	85,000	\$50,000
Motor Vehicle Phase out	490,000	515,000	530,000	453,157	495,657	\$42,500
<b>Sub-total General Revenue</b>	<b>\$625,000</b>	<b>\$650,000</b>	<b>\$665,000</b>	<b>\$588,157</b>	<b>\$680,657</b>	<b>\$92,500</b>
<b>Total Local Revenue</b>	<b>\$2,363,550</b>	<b>\$2,391,305</b>	<b>\$2,479,000</b>	<b>\$2,386,157</b>	<b>\$2,720,657</b>	<b>\$334,500</b>

Total Local Revenue in FY2020, is expected to generate \$2,720,657, a projected increase of \$334,500 or 14.02%



## School Department Revenue

The School Department is anticipating an increase in revenue of \$60,538 or 5.34% during the fiscal year. This increase can be mainly attributed to the School Departments decision to increase the transfer of reserve funds for capital program purposes of \$166,330 with slight increases in Grant Revenue and Nutrition Sales. Traditionally when funds were available in prior years, the School Department would transfer a portion of the Fund Balance Reserve to address OPEB and Capital Program expenses, although this year, the capital transfer has doubled in amount to \$333,155, thus prompting a reduction in the recommended OPEB transfer to \$100,000.

School Department Revenue	2015-2016 Adopted	2016-2017 Adopted	2017-2018 Adopted	2018-2019 Adopted	2019-2020 Proposed	Increase/ (Decrease)	Percentage Inc./Dec.
Preschool Tuition	\$43,200	\$45,000	\$50,000	\$55,000	\$55,000	\$0	-
Medicaid Reimbursement	100,000	100,000	125,000	130,000	130,000	\$0	-
Miscellaneous	0	0	0	1,000	1,000	\$0	-
Rental Income	2,000	1,000	1,000	0	0	\$0	-
Transportation Fees	2,500	0	0	0	0	\$0	-
Impact Aid	65,000	75,000	90,000	95,000	95,000	\$0	-
Grant Revenue	318,550	412,413	405,496	328,576	346,282	\$17,706	5.39%
Nutrition Sales and Reimbursements	139,950	145,450	145,450	130,650	166,150	\$35,500	27.17%
Transfer - Fund Balance To OPEB	272,769	240,957	200,000	225,848	100,000	(\$125,848)	-55.72%
Transfer - Fund Balance To Capital	111,200	93,000	91,700	150,000	289,105	\$139,105	92.74%
Transfer - Fund Balance To Equipment	27,160	20,000	15,975	16,825	44,050	\$27,225	161.81%
<b>Total Local Revenues</b>	<b>\$1,082,329</b>	<b>\$1,132,820</b>	<b>\$1,124,621</b>	<b>\$1,132,899</b>	<b>\$1,226,587</b>	<b>\$93,688</b>	

The chart below depicts the Town Contribution to the School Budget Program on a fiscal year basis since FY2005. The average transfer during this sixteen-year period was \$10,915,392 with the median at \$11,398,023 and reflects average increases of \$218,366 or 2.13% 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 Town contribution has averaged \$11,542,626 with an average increase of \$405,479 or 3.6%, which was similar to a prior four-year series spanning FY2006 – FY2009, that sustained annual average increases of \$526,589 or 5.38%.

## Town Transfer to School Department

Fiscal Year	Town Contribution	Inc./Dec.	% 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	11,665,624	469,259	4.19%
<b>FY2020</b>	<b>12,332,867</b>	<b>667,243</b>	<b>5.72%</b>
<b>Average</b>	<b>\$10,915,392</b>	<b>\$218,366</b>	<b>2.13%</b>



## E. 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, due to a favorable Unassigned Reserve, this amount was increased to \$250,000 and in FY 2018-2019 it was increased to \$300,000. In FY2019-2020 a transfer of \$400,000 is 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.

In establishing the level of unassigned fund balance in the general fund, the National Advisory Council on State and Local Budgeting recommends a community should consider a variety of factors, including:

- The predictability of its revenues and the volatility of its expenditures (i.e., higher levels of unrestricted fund balance may be needed if significant revenue sources are subject to unpredictable fluctuations or if operating expenditures are highly volatile);
- Its perceived exposure to significant one-time outlays (e.g. disasters, immediate capital needs, state aid fluctuations)

Determination of an appropriate fund balance is an important factor in Town financial planning and budgeting processes, as part of the budget process, fund balance utilization/preservation must be:

- An amount to be retained for working cash needs, recognizing that the working cash fund serves as district's contingency or "rainy day" fund.
- An amount to be used to fund expenditures of the next fiscal period (balance forward), recognizing that if used for recurring expenditures, future budget decisions will revolve around finding resources to continue funding these expenditures.

Ultimately, the Unassigned Fund is used in maintaining a prudent level of financial resources to protect against reducing service levels or raising taxes and fees because of temporary revenue shortfalls or unpredicted one-time expenditures.

An outline of the Town's Unassigned Fund Balance proposed transfers is provided below:

<b>Fund Balance Transfers</b>	<b>2015-2016</b>	<b>2016-2017</b>	<b>2017-2018</b>	<b>2018-2019</b>	<b>2019-2020</b>	<b>Increase/ (Decrease)</b>
	<b>Actual</b>	<b>Actual</b>	<b>Adopted</b>	<b>Adopted</b>	<b>Proposed</b>	
Fund Balance	\$150,000	\$150,000	\$150,000	\$150,000	\$0	(\$150,000)
Fund Balance Transfer for Projects	0	0	100,000	150,000	400,000	\$250,000
<b>Total Fund Balance Transfers</b>	<b>\$150,000</b>	<b>\$150,000</b>	<b>\$250,000</b>	<b>\$300,000</b>	<b>\$400,000</b>	<b>\$100,000</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 2017-2018 fiscal year, the audited general fund unassigned fund balance was \$5,149,353 which equaled 21.60% of the total general fund budgeted expenditures in FY2018-2019. The School Department does not recognize a balance of unassigned funds, although the total in the committed line for Educational Funds totaling \$288,443 and the \$325,000 remaining in the Post Employment Healthcare line which has not been transferred to the Irrevocable Trust remain available for allocation, if necessary. These figures of \$613,443 when combined with the Town balance of \$5,149,353 totals \$5,762,796 or 24.33%.

Figures verified in 2018 Audit									Change FY11-18	%
Fund Balance										
Town	6/30/2011	6/30/2012	6/30/2013	6/30/2014	6/30/2015	6/30/2016	6/30/2017	6/30/2018		
Reserved	\$940,646	\$650,979	\$902,273	\$712,566	\$724,248	\$879,317	\$1,061,280	\$1,116,362	\$175,716	18.68%
Unreserved	3,787,541	3,929,992	3,585,628	3,767,245	4,159,484	\$4,608,201	\$5,010,584	\$5,149,353	\$1,361,812	35.96%
<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>\$6,265,715</b>	<b>\$1,537,528</b>	<b>32.52%</b>
<b>Avg. Change in FB From Prior Year</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>\$193,851</b>		
				Avg. Inc./(dec.)					<b>\$219,647</b>	
School	6/30/2011	6/30/2012	6/30/2013	6/30/2014	6/30/2015	6/30/2016	6/30/2017	6/30/2018		
Reserved	\$496,453	\$399,611	\$1,822,729	\$2,331,702	\$2,288,195	\$2,280,595	\$1,905,083	\$1,656,565	\$1,160,112	233.68%
Unreserved	\$1,515,365	\$1,964,205	\$1,130,399	\$847,318	\$639,548	\$0	\$0	\$0	<b>(\$1,515,365)</b>	<b>-100.00%</b>
<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>\$1,656,565</b>	<b>(\$355,253)</b>	<b>-17.66%</b>
<b>Avg. Change in FB From Prior Year</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>(\$248,518)</b>		
				Avg. Inc./(dec.)					<b>(\$50,750)</b>	

FUND BALANCES As of June 30, 2018	General Fund	School Fund	Other GASB 54 Funds	Total Gov't Funds
<b><u>Nonspendable:</u></b>				
Inventories	\$18,091	\$0	\$0	\$18,091
Prepays	\$194,856	\$0	\$0	\$194,856
<b><u>Restricted for:</u></b>				
Educational Programs	\$0	\$288,443	\$0	\$288,443
<b><u>Committed for:</u></b>				
2018 budget operations	\$300,000	\$225,848	\$0	\$525,848
Capital Programs	\$0	\$166,825	\$0	\$166,825
(OPEB) Post Employment Healthcare	\$0	\$650,000	\$0	\$650,000
Compensated Absences	\$603,415	\$325,449	\$0	\$928,864
<b><u>Assigned for:</u></b>				
Public Safety	\$0	\$0	\$53,964	\$53,964
Public Works	\$0	\$0	\$4,794	\$4,794
Recreation	\$0	\$0	\$226,674	\$226,674
Public Welfare	\$0	\$0	\$74,268	\$74,268
<b><u>Unassigned:</u></b>	<b>\$5,149,353</b>	<b>\$0</b>	<b>(\$12,320)</b>	<b>\$5,137,033</b>
<b>Total Fund Balances</b>	<b>\$6,265,715</b>	<b>\$1,656,565</b>	<b>\$347,380</b>	<b>\$8,269,660</b>



The balance of the revenues necessary to support the Town's \$25.4 million budget is derived from local property and motor vehicle taxes. As reflected in the spreadsheet below, a tax levy of \$20,589,596 is proposed for FY 2019-2020.

Property Tax Levy History										
	Adopted FY2014-15	Adopted FY2015-16	Adopted FY2016-17	Adopted 2017-2018	Adopted 2018-2019	Proposed 2019-2020	Inc./(dec.)	%	Average	
	\$18,483,757	\$18,483,757	\$18,686,186	\$18,847,145	\$19,225,608	\$19,798,808	\$20,589,596	\$790,788	3.99%	\$19,271,850
Inc./(dec.)		\$0	\$202,429	\$160,959	\$378,463	\$573,200	\$790,788			\$350,973

As noted above, it is proposed that the property tax levy growth generated in FY 2019-2020 be limited to 3.99% or \$790,788 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 towns 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 requirements, the maximum tax levy increase the Town could have sought via an internal review of the current FY2019 levy totaled \$20,590,760 or an increase of \$791,952. The State of Rhode Island does afford Cities and Towns the ability to utilize the total amount noted on the Tax Role Certification in the calculation of the Tax Levy limit. In FY2019 for the 2017 Certified Tax Role, an amount equal to \$20,032,352 was recognized by the State in this calculation, allowing for a maximum Levy increase in FY2020 of \$801,294 or a total of \$20,833,646. The proposed Tax Levy for FY2020 in accordance with the Statutory Cap requirements reflects an increase \$790,788 totaling \$20,589,596 an amount \$244,050 below the statutory tax cap or an increase of 2.78%.

## F. General Fund Expenditure Statement

A summary of the proposed General Fund Expenditure Statement is provided below. This Functional Distribution impacting operations indicates a \$253,897 or 2.98% increase in Operating Program expenditures and a \$951,926 or 6.98% increase in other major cost centers for the 2019-2020 fiscal year. The total functional impact reflects a combined increase of \$1,205,823 or a 5.44% from the present 2019 fiscal year.

General Fund Functional Distribution	2015-2016	2016-2017	2017-2018	2018-2019	2019-2020	Increase Over	
	Actual	Actual	Adopted	Adopted	Proposed	(under) Adopted Budget	Inc./(Dec.) Percent
General Administration	\$2,821,163	\$2,917,201	\$2,943,169	\$3,120,617	\$3,187,893	\$67,276	2.29%
Police/Animal Control/EMA	1,612,840	1,728,746	1,741,823	1,819,860	1,871,804	\$51,944	2.98%
Fire/EMS	787,917	754,135	774,035	796,635	873,025	\$76,390	9.87%
Public Works	1,723,689	1,896,771	1,956,098	1,971,499	2,001,845	\$30,346	1.55%
Parks and Recreation	502,782	501,368	522,887	531,243	542,440	\$11,197	2.14%
Senior Services Program	71,882	73,493	73,644	102,620	136,978	\$34,358	46.65%
Library	407,382	432,018	473,256	483,495	465,881	(\$17,614)	-3.72%
Public Welfare/Health	20,464	16,500	31,500	31,500	31,500	\$0	0.00%
<b>Operating Program Total</b>	<b>\$7,948,119</b>	<b>\$8,320,232</b>	<b>\$8,516,412</b>	<b>\$8,857,469</b>	<b>\$9,111,366</b>	<b>\$253,897</b>	<b>2.98%</b>
Debt Service	863,637	818,995	949,260	951,397	1,131,450	\$180,053	18.97%
School Debt Service	258,605	262,647	262,920	263,081	411,381	\$148,300	56.40%
Capital Program	1,283,500	1,213,500	1,124,000	971,200	761,200	(\$210,000)	-18.68%
School Capital	158,360	119,245	107,675	166,825	333,155	\$166,330	154.47%
School Fund Transfer	10,710,950	10,975,649	11,196,365	11,665,624	12,332,867	\$667,243	5.96%
<b>Cost Center Total</b>	<b>\$13,275,052</b>	<b>\$13,390,036</b>	<b>\$13,640,220</b>	<b>\$14,018,127</b>	<b>\$14,970,053</b>	<b>\$951,926</b>	<b>6.98%</b>
<b>Functional Distribution Total</b>	<b>\$21,223,171</b>	<b>\$21,710,268</b>	<b>\$22,156,632</b>	<b>\$22,875,596</b>	<b>\$24,081,419</b>	<b>\$1,205,823</b>	<b>5.44%</b>



A detailed summary of the General Fund Operating Program is presented on the following pages. 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 School Department, Fire/EMS Program, Senior Services Department, and in scheduled Debt Service.

In the General Administration categories, the most significant increase is reflected in the Personnel line item. This expenditure line is maintained as a placeholder for various compensation adjustments that may be required in the coming year. It is anticipated that adjustments will be required based on the outcome of the negotiation of two collective bargaining agreements in the coming months, including NAGE 68 & NAGE 69, as well as any compensation-based adjustments extended to the non-union employees of the Town. The Police bargaining unit agreement remains in effect through the end of FY2020. The NAGE agreements expire on June 30, 2019 and preliminary communication has occurred regarding the scheduling of upcoming discussions on both agreements. A sizable reduction in the Finance Department of (\$45,500) is also reflected due to a repositioning of a portion of the Information Technology support in other areas within the budget program.

	2016-2017 Actual	2017-2018 Actual	2018-2019 Adopted	2019-2020 Proposed	Increase/ (decrease)
<b>General Administration</b>					
Town Council	\$15,925	\$13,850	\$15,800	\$15,800	\$0
Town Administrator	193,861	196,610	205,833	205,833	\$0
Probate Court	6,933	6,588	7,098	7,098	\$0
Election and Town Meetings	17,084	13,210	16,100	15,000	(\$1,100)
Legal Counsel	95,000	114,835	115,000	115,000	\$0
Clerk and Records	196,378	191,456	202,394	201,294	(\$1,100)
Planning Department	131,712	134,012	137,785	137,785	\$0
Zoning	8,700	7,976	9,500	11,500	\$2,000
Personnel	1,581,496	1,662,990	1,653,642	1,745,752	\$92,110
Finance	245,431	255,595	256,766	211,266	(\$45,500)
Tax Assessor	73,887	78,780	84,312	88,178	\$3,866
Town Audit	22,000	18,395	22,000	22,000	\$0
Information Technology	0	0	45,000	75,000	\$30,000
Protective Service/Building Inspections	281,738	285,406	287,187	294,187	\$7,000
<b>Total General Administration</b>	<b>\$2,870,145</b>	<b>\$2,979,703</b>	<b>\$3,058,417</b>	<b>\$3,145,693</b>	<b>\$87,276</b>
<i>rounding may distort totals</i>					

The Public Safety Program includes the full complement of life safety programs provided in the community. Programs are managed under the direction of the Police Chief and Jamestown Fire Department, Fire Chief and Deputy Chiefs.

Enhancements to the Public Safety Police Program in FY2020 include full staffing in the Police Department for the first time in several years and related contractual costs including compensation, benefits, pension, accrued leave and retirement benefit costs.



	2016-2017 Actual	2017-2018 Actual	2018-2019 Adopted	2019-2020 Proposed	Increase/ (decrease)
<b>Public Safety Program - Police Department</b>					
Police Protection	\$1,703,746	\$1,797,615	\$1,789,860	\$1,843,304	\$53,444
Emergency Management	5,000	6,189	7,500	7,500	\$0
Animal Control/Tick Task Force	20,000	14,918	22,500	21,000	(\$1,500)
<b>Total Public Safety Program - Police</b>	<b>\$1,728,746</b>	<b>\$1,818,722</b>	<b>\$1,819,860</b>	<b>\$1,871,804</b>	<b>\$51,944</b>
<i>rounding may distort totals</i>					

Enhancements to the Public Safety Fire/EMS Programs in FY2020 include a required status change for all compensated individuals within the department from that of a contractor with 1099 IRS status, to a part/full time employee. This change will require the addition of specific FICA and possibly other payroll related costs in the department. In addition, in the EMS Division due to the inability at times to secure a sufficient number of qualified volunteers to cover each shift, added funding has been allocated to provide the Division with the resources needed to adequately fill those shifts with paid ALS personnel, when needed. This funding will also support a recommended increase in hourly funding for per diem ALS personnel from \$22.00 hr. to \$24.00 hr. Other internal changes being considered for this department may add or subtract from the Departments overall administrative costs during the year.

	2016-2017 Actual	2017-2018 Actual	2018-2019 Adopted	2019-2020 Proposed	Increase/ (decrease)
<b>Public Safety Program - Fire Department</b>					
Fire Protection	356,665	377,451	383,140	405,866	\$22,726
Emergency Medical Services	398,130	396,759	413,495	467,159	\$53,664
<b>Total Public Safety Program - Fire</b>	<b>\$754,795</b>	<b>\$774,210</b>	<b>\$796,635</b>	<b>\$873,025</b>	<b>\$76,390</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 common public areas and parking 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 Actual	2017-2018 Actual	2018-2019 Adopted	2019-2020 Proposed	Increase/ (decrease)
<b>Public Works Program</b>					
Administration	\$54,645	\$53,210	\$56,839	\$56,839	\$0
Engineering	47,473	49,909	52,404	53,404	\$1,000
Highway	915,748	937,341	990,382	1,008,728	\$18,346
Snow Removal (roads and sidewalks)	77,000	76,174	77,000	77,000	\$0
Waste Removal	417,509	434,033	444,224	453,224	\$9,000
Street Lighting	81,000	66,764	67,500	67,500	\$0
Other Public Works	2,100	1,268	2,100	2,100	\$0
Public Buildings	265,500	239,435	247,000	247,000	\$0
Tree Management Program	31,400	34,335	34,050	36,050	\$2,000
<b>Total Public Works Program</b>	<b>\$1,892,375</b>	<b>\$1,892,469</b>	<b>\$1,971,499</b>	<b>\$2,001,845</b>	<b>\$30,346</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 for FY2020 relate specifically to adjustments in the line items for Information Technology, Books and Periodicals and Insurance. The reduction was prompted by a loss of state aid resulting from a review of annual budgetary data provided for use in the annual grant-in-aid calculation. In future years, this aid total should slowly increase, based on stability in the application of the state formula and the aid process.

	2016-2017 Actual	2017-2018 Actual	2018-2019 Adopted	2019-2020 Proposed	Increase/ (decrease)
<b>Library Program</b>					
Library Services Program	\$432,018	\$473,531	\$483,495	\$465,881	(\$17,614)
<b>Total Library Services Program</b>	\$432,018	\$473,531	\$483,495	\$465,881	(\$17,614)
<i>rounding may distort totals</i>					

The Parks, Beaches and Recreation Program includes all municipal elements in support of general recreation, community events for all ages, transportation, concerts, the Teen Center and support for select adult and senior age programming. This program also oversees all Parks, Beaches 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, East Ferry, Police Station and other miscellaneous properties.

	2016-2017 Actual	2017-2018 Actual	2018-2019 Adopted	2019-2020 Proposed	Increase/ (decrease)
<b>Parks, Beaches, Recreation Program</b>					
Parks, Beaches & Recreation Services Program	\$513,864	\$522,887	\$531,243	\$542,440	\$11,197
<b>Total Parks, Beaches, and Recreation</b>	\$513,864	\$522,887	\$531,243	\$542,440	\$11,197
<i>rounding may distort totals</i>					

The Senior Program has undergone significant change in recent years. The major budget changes recommended for this year reflect a further expansion of the Senior Program, including the Senior Coordinator position shifting from a thirty (30) hour role to a full-time forty (40) hour Director position with full benefits, and a commitment to expand needed senior specific programming, transportation, professional program oversight and additional facility enhancements.

	2016-2017 Actual	2017-2018 Actual	2018-2019 Adopted	2019-2020 Proposed	Increase/ (decrease)
<b>Senior Program</b>					
Senior Services Program	\$72,000	\$73,644	\$102,620	\$136,976	\$34,356
<b>Total Senior Services Program</b>	\$72,000	\$73,644	\$102,620	\$136,976	\$34,356
<i>rounding may distort totals</i>					



## G. 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, 2018, is outlined below:

Town General Employees (MERS)		Police Department Pension Plan	
Retirees and Beneficiaries	38	Active Members	13
Inactive, Nonretired Members	33	Vested Term	2
Active Members	82	Retired Members	14
<b>Total</b>	<b>153</b>	<b>Total</b>	<b>29</b>

Retirement Systems			State				
			Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability	Net Pension Liability	FY2018 Employer Contribution
June 30, 2018	Town Employees	(Discount Rate 7.50%)	\$16,475,506	(\$13,600,431)	<b>\$2,875,075</b>	N/A	\$422,427
June 30, 2017		(Discount Rate 7.50%)	\$14,940,711	(\$12,338,098)	<b>\$2,602,613</b>		\$422,427
June 30, 2018	School Department	(Discount Rate 7.50%)	\$12,679,577		<b>\$7,221,704</b>	\$5,457,873	\$543,890
June 30, 2017		(Discount Rate 7.50%)	\$12,672,006		<b>\$7,521,134</b>	\$5,150,872	\$535,382
June 30, 2018	Police Department	(Discount Rate 7.00%)	\$10,589,532	(\$10,469,099)	<b>\$120,433</b>	N/A	\$183,065
June 30, 2017	(Private System)	(Discount Rate 7.00%)	\$10,132,523	(\$10,221,257)	<b>(\$88,734)</b>		\$175,000

The following charts reflect 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. During fiscal year FY2018, the rate was changed to reflect a (6.00% / 7.00% / 8.00%) variations as compared to the (6.50% / 7.50% / 8.50%) utilized in FY2017. The Police Pension Plan has remained unchanged at (6.00% / 7.00% / 8.00%) in both years, as the Town had previously lowered the current rate to 7%, in advance of the States adjustment to the MERS system discount rate.

Sensitivity to Net Pension Liability/ Discount Rate Assumption				
FY2018		1.00% Decrease	Current Rate	1.00% Increase
PLAN		6.00%	7.00%	8.00%
June 30, 2018	Town - MERS	\$4,770,003	\$2,875,075	\$1,464,099
June 30, 2017	(6.50%/7.50%/8.50%)	\$4,170,563	\$2,602,613	\$1,319,361
June 30, 2018	School - MERS	\$9,075,957	\$7,221,704	\$5,840,581
June 30, 2017	(6.50%/7.50%/8.50%)	\$9,287,942	\$7,521,134	\$6,074,736
PLAN		6.00%	7.00%	8.00%
June 30, 2018	Police - Private	\$1,652,469	\$120,433	(\$1,113,631)
June 30, 2017		\$1,389,030	(\$88,734)	(\$1,277,759)



## H. Personnel - Collective Bargaining and Non-union Employees

The Town has actively negotiated collective bargaining employment agreements in prior years with the National Association of Government Employees NAGE Local 68 involving (Clerks and Dispatchers), NAGE Local 69 involving (Public Works and Utility Workers) and with the (IBPO), the International Brotherhood of Police Officers, Local 305. All remaining employees are categorized as non-union Town employees or work for another agency that the Town is engaged with, an example being the Jamestown Fire Department, a separate 501- c3 organization. Active negotiations are presently underway in regards to NAGE 68 and NAGE 69 as well as various compensation-based terms applicable in this budget cycle with the Non-Union employee population.

The below chart indicates scheduled salary adjustments as well as a health-benefit summary of employee co-shares through FY2020.

Municipal Program				
Salary Increases	NAGE 68	NAGE 69	POLICE	Non - ORGANIZED
2016-2017	3.00%	3.00%	2.00%	3.00%
2017-2018	2.50%	2.50%	3.00%	2.50%
2018-2019	2.50%	2.50%	2.75%	2.50%
2019-2020	TBD	TBD	2.50%	TBD
Municipal Program				
Health Care - Co-Share Summary	NAGE 68	NAGE 69	POLICE	Non - ORGANIZED
2016-2017	20.00%	20.00%	15/20%	20.00%
	14.92%	14.92%		14.92%
2017-2018	20.00%	20.00%	15/20%	20.00%
	14.92%	14.92%		14.92%
2018-2019	20.00%	20.00%	15/20%	20.00%
	14.92%	14.92%		14.92%
2019-2020	TBD	TBD	15/20%	TBD
	TBD	TBD		TBD

## I. Other Post-Employment Benefits

A summary of the Town and School Departments eligible participating membership are highlighted in the chart below.

Police Department	
Active Plan Members	11
Retirees	8
<b>Total</b>	<b>19</b>
School Department	
Active Plan Members	58
Retirees	26
<b>Total</b>	<b>84</b>



Included is a summary of the Town and Schools Net OPEB Liability. The Town as of June 30, 2018 has a Net OPEB Liability of \$3,962,306 while the Schools Net Liability is \$5,606,735. Both the Town and School have annually met the required (PAYG) obligation, in FY2018 amounting to \$183,065 (Town) and \$ 231,002 (School), respectively. In FY2019, the Town is scheduled to make a Retiree Benefit payment of \$208,159 with the School at \$225,848. This amount addresses retiree healthcare costs incurred for existing retirees.

	Police Department	School Department
Total OPEB Liability	\$4,109,409	\$6,741,590
Plan Fiduciary Net Position	(147,203)	(1,134,855)
<b>Net OPEB Liability</b>	<b>\$3,962,206</b>	<b>\$5,606,735</b>
<b>Employer Contribution</b>	<b>\$211,116</b>	<b>\$253,208</b>
Plan Fiduciary net position as a percentage of the Total OPEB Liability	3.58%	16.83%

As discussed extensively during the FY 2017-18 budget development process and remaining in place today, 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.

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 GASB 45 as an irrevocable exclusive benefit trust solely to fund retiree health care benefits. This funding program offers a low-cost fee structure based on a percentage of contributed assets.

<b>OPEB Trust Administration and Consulting Fees</b>		
<b>Provider</b>	<b>Plan Set up Fee</b>	<b>Ongoing Fee Structure</b>
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

### **Risk Tolerance and Investment Objective**

The Risk Tolerance of the Town focuses on maintaining a consistent investment strategy during all market conditions, in an effort to achieve long-term objectives. In a municipal environment as well as other, risk is best minimized not through market timing, but rather through broad diversification across specific asset groups over an extended time period. The Towns Asset Allocation is known as an integrated allocation strategy whereby capital market conditions and the Towns objectives and constraints are examined independently. These factors are later combined to establish an appropriate portfolio asset mix that offers best opportunity for meeting the Town needs.



Asset Class	Target Allocation	Long-term Expected Real Rate of Return
Large Cap Equity	37.10%	8.00%
Small/Mid Cap US Equity	8.00%	6.80%
International Equity	15.90%	8.60%
Intermediate to Long Bonds	34.20%	3.33%
Short-Term Bonds and Cash	4.80%	3.90%
	100%	
<b>Projected Rate of Return</b>		<b>6.21%</b>

*Rate of Return: Ending June 30, 2018, the money weighted rate of return on investments, net of expense, was 4.94% for the Police Department and 6.69% for the School Department. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts invested.*

The Towns Investment Objectives are tied to the Towns time horizon, risk tolerance and liquidity needs. The chosen Investment Objective at this time is based on Growth and Income including an Asset Allocation of a 50% - 70% investment in equities and a 30% - 50% investment in fixed income.

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

<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

As a Trust member in this program, OPEB Funded members receive assistance with audit requests and individual account reviews. Each year a Vanguard representative provides a market overview for members, typically in the March/April timeframe. The Town and School are one of 25 members participating in this program today, with member investments ranging from as little as \$300,000 to as much as \$16.5 million. The makeup of the members includes, Cities, Towns, School Departments, Water Districts and Waste Water Districts.



<b>Vanguard Portfolio Assets as of January 31, 2019</b>		
<b>Portfolio</b>	<b>Total Vanguard Portfolio Assets</b>	<b>Approximate RI Trust Member Assets</b>
Growth	\$49,840,673	\$47,404,268.83
Balanced	\$36,572,336	\$25,038,624.86
Conservative	\$146,642,342	\$2,481,304.05
Fixed Income	\$19,158,053	\$4,751,278.38
<b>Total</b>	<b>\$252,213,404</b>	<b>\$79,675,473.12</b>

The information below provides you with a glimpse at monthly investment reporting for the specific periods noted, including December 2017 and December 2018 and January 2019, for both the Town and School Irrevocable Trust Accounts. Significant shifts in Trust 'value' occurs routinely on a monthly basis, just as often as on an annual basis as reflected in this reporting. We routinely see gains and losses of significance occurring on a regular basis due to periodic economic volatility. Consistent growth has been realized on an annual basis in this Account since the inception of the Trust several years ago, with a recent combined value reported at the end of January 2019 of \$1,654,642.29.

**OPEB Account Summary - RI Interlocal Risk Management Trust - Retiree Healthcare Irrevocable Trust**

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>

Source	Beginning						Ending
	Balance 12/1/18	Contributions	Earnings	Expenses	Distributions	Transfers	Balance 12/31/18
Town	\$195,383.80	\$0.00	-\$8,551.71	\$40.71	\$0.00	\$0.00	\$186,791.38
School	\$1,441,253.54	\$0.00	-\$63,081.87	\$300.26	\$0.00	\$0.00	\$1,377,871.41
<b>Totals</b>	<b>\$1,636,637.34</b>	<b>\$0.00</b>	<b>-\$71,633.58</b>	<b>\$340.97</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$1,564,662.79</b>

Source	Beginning						Ending
	Balance 1/1/19	Contributions	Earnings	Expenses	Distributions	Transfers	Balance 1/31/19
Town	\$186,791.38	\$0.00	\$10,780.78	\$38.91	\$0.00	\$0.00	\$197,533.25
School	\$1,377,871.41	\$0.00	\$79,524.69	\$287.06	\$0.00	\$0.00	\$1,457,109.04
<b>Totals</b>	<b>\$1,564,662.79</b>	<b>\$0.00</b>	<b>\$90,305.47</b>	<b>\$325.97</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$1,654,642.29</b>



Additional supplemental budgetary information is provided in support of the Budget Message including the full School Departments proposed budget document, State reporting on pass-through state aid, education aid, local revenue, grants, pension, investments and OPEB projections. The Town and School Department's 6-year capital improvement program is also provided along with information on statutory tax levy limitations, and town comparative data on tax rates, tax levy by class of property and net assessed values by property class.

### **Acknowledgment**

This Town Administrator's budget was formulated with the professional dedication and commitment of the Town's senior staff and various Town and State agencies. Considerable effort has been spent since the budget process began back in November, 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 my senior management team for their due diligence and support throughout this process. I would especially like to thank Debbie Shea for her assistance in developing the Budget materials and the Town's Finance Director, Christina Collins for her significant contributions in managing the Town's finances along with many other responsibilities and her dedication in assisting me in delivering this budget to you in an efficient and timely manner. I would also like to note my appreciation to the School Administration and School Committee members for their professional cooperation and understanding throughout this challenging process.

It has been my pleasure to work with such a dedicated and committed professional team in providing the Town Council with the information needed in anticipation of this program review and the 2019 Financial Town meeting.