



# Portsmouth, RI

Joint Town Council & School Committee Meeting  
January 24, 2022



# FY23 Budget Drivers



Revenue

Expenditures

Capital

Initiatives



# Revenue



## Town

### Car Tax Reduction:

- Decrease in number of taxable vehicles (up to 15 to 20%)
- Tax Levy could decrease up to \$438,000 (29%)
- Current State legislation provides for reimbursement

### New housing and building construction:

- New housing construction continues to level off but renovations, additions, and reconstructions are still increasing.

### American Rescue Plan Act:

- Obligate in 2024 and expend no later than 2026.
- Public Safety Capital Plan / Ambulance Revenue

## Schools

### State Aid

- Preliminary FY23 State Aid Projections show a reduction of over \$1 million (-37%)
- Funding Formula is being distorted due to COVID impact to the formula's poverty indicator (F/R Lunch numbers) and requires legislative fix

### Tuitions

- Expect LC increase of \$300K due to negotiation of 1 year extension of existing Tuition Agreement
- FY23 will be last year of LC agreement unless new agreement signed



# Expenditures



## Town

Salaries – Three Union contracts expire June 30, 2022. Inflation is at a 40 year high – will work to keep salary growth between 2.0% - 2.5% (including raises, step movement and staffing changes).

Health – We project flat to small increase in premiums due to favorable utilization trends.

Retiree Health (OPEB) – Currently a pay as you go expense which is projected to slightly increase as the number of future retirees increase. Finance working to incorporate greater liability funding.

Retirement – Decrease in actuarially determined contribution (ARC payment) based on Segal Actuary Report.

Transfer Station – Contract price is tied to the CPI-U for Garbage and Trash Collection (currently 4.8%).

## Schools

Salaries – NEA and Council 94 contracts expire at the end of this year. Negotiations ongoing.

Health - Premiums expected to be flat to small increase due to favorable utilization trends.

Retirement – ERSRI pension contribution rate for teachers will increase by 1.76%. Town Pension ARC will decrease by (\$168K)

Transportation – Increase in busing costs tied to calendar 2021 CPI-U of 4.9%



# Expenditures



## Debt Service

Bond Debt Service for Town and School: \$2,003,632 (7.68% decrease)

Capital Lease Service for the Town: \$293,087



## NET DEBT SERVICE

Aggregate GO 2020  
Aggregate GO Debt 2020

Period Ending	Principal	Coupon	Interest	Total Debt Service	Net Debt Service
06/30/2021	2,019,000	** %	645,221.00	2,664,221.00	2,664,221.00
06/30/2022	1,584,000	** %	586,303.80	2,170,303.80	2,170,303.80
06/30/2023	1,474,000	** %	529,632.40	2,003,632.40	2,003,632.40
06/30/2024	1,364,000	** %	475,989.00	1,839,989.00	1,839,989.00
06/30/2025	1,294,000	** %	428,795.60	1,722,795.60	1,722,795.60
06/30/2026	1,050,000	** %	386,902.20	1,436,902.20	1,436,902.20
06/30/2027	875,000	** %	345,682.50	1,220,682.50	1,220,682.50
06/30/2028	895,000	** %	307,660.00	1,202,660.00	1,202,660.00
06/30/2029	810,000	3.000%	281,137.50	1,091,137.50	1,091,137.50
06/30/2030	830,000	** %	256,837.50	1,086,837.50	1,086,837.50
06/30/2031	850,000	** %	227,362.50	1,077,362.50	1,077,362.50
06/30/2032	875,000	** %	196,862.50	1,071,862.50	1,071,862.50
06/30/2033	895,000	** %	170,062.50	1,065,062.50	1,065,062.50
06/30/2034	920,000	** %	142,387.50	1,062,387.50	1,062,387.50
06/30/2035	945,000	** %	112,812.50	1,057,812.50	1,057,812.50
06/30/2036	970,000	** %	81,550.00	1,051,550.00	1,051,550.00
06/30/2037	775,000	3.375%	53,325.00	828,325.00	828,325.00
06/30/2038	805,000	3.375%	27,168.76	832,168.76	832,168.76
	19,230,000		5,255,692.76	24,485,692.76	24,485,692.76



# Expenditures



## Other

### Labor Contracts:

- PMEA, FIRE, and Dispatcher contracts expire June 30, 2022
- School/NEA teacher contract extension will expire June 30, 2022
- School/Council 94 contract will expire August 31, 2022

### Continue Town/School Collaboration/Efficiencies:

- Shared outsourced facilities management resource (Aramark)
- Shared Technology Department
- SROs



# Capital



## Town

### **Administration**

- Furniture Replacement Program
- Slope and Flat Roof Repair
- LED Street Light Conversion

### **DPW**

- Road paving increase \$50,000
- Fleet improvement program
- Glen Stable Roof Repairs
- Glen Stable Cupola
- Riverside Street Storm Ware Injection System
- Founders Brook Drainage Dredging
- Weaver Cove Boat Ramp

### **Fire**

- Public Safety Capital Plan
- EMA Vehicle
- First Floor Renovations
- Bay Lighting
- Garage Doors
- Training Tower Renovations
- Hog Island Firefighting

### **Police**

- Fleet improvement program

### **IT**

- PC Replacement program
- EOC IT Backup
- Town Hall to Police Station Server Relocation

### **Recreation**

- Pavilion Expansion
- Parks and Playgrounds

### **Town wide**

- Facility Condition Assessment Priorities





# Capital



## Schools

### **Stage II 5 Year Capital Plan - \$21.44M**

- Plan approved by RIDE
- Owner's Project Manager Selected
- Architect to be Selected through RFQ in Process
- Sequence and scheduling of projects in planning phase

### **Athletic Facilities - Future Needs**

- Tennis Courts
- Stadium Lights
- Turf Field
- Booster Shack/Locker Rooms/Restrooms

\*We would be requesting the use of Impact Fees to support these projects which will benefit community use of these facilities



# Initiatives



## Town

- Year three of PC Replacement Program
- WEB Site Revamp
- EMA Upgrades
- Recreation Employee
- Internship Program
- LED Streetlights
- Budget Line for Grant Match requirements
- Dot GOV domain transition
- Funding Increase for OPEB Liability
- ARPA priorities

## Schools

- ARPA/ESSER II Funds (\$882,020) - Funds available until 9/30/23 to combat learning loss
- ARPA/ESSER III Funds (\$1,994,992) - Funds available until 9/30/24 to combat learning loss and improve air quality in PHS and PMS libraries (capital)