

GENERAL OPERATING

The General Operating group of accounts contains the budget line items used to conduct operations for the whole Town government, which are not broken down to specific departments.

General Operating - Termination Allowance Within this category is the account used for funding the payment of termination pay to retiring employees. Under collective bargaining agreements and the personnel rules and regulations, the Town is required to pay those employees who retire from service with the Town their accumulated vacation and sick leave and to pay health insurance for retirees.

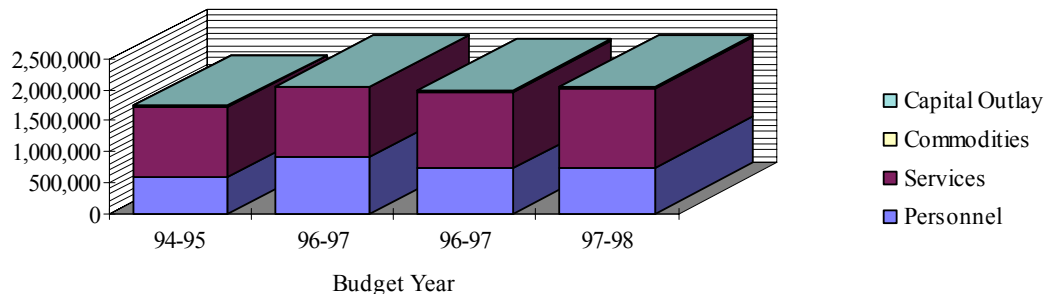
General Operating - Insurance The unemployment reimbursement and insurance costs of the Town are paid from this account. The unemployment reimbursement is paid for those employees who are laid off or terminated by the Town. The Town is required to reimburse the State of Rhode Island for those expenses. The general insurance account includes payment for insurance coverage such as: general liability and package policy on Town property, flood and earthquake, automobile, boiler, marine, public officials, police professional, fire and rescue. The Town's contribution to the self-insurance workers compensation and self-insurance vehicle collision funds is also funded within this account.

General Operating - Utilities All costs for telephone, electricity, natural gas, heating fuel, water and street lighting for Town operations are allocated within this account.

General Operating - Other The accounts funded within this category are postage, town-wide copy machines lease payments, and service contracts and supplies. The general Town stationery is purchased from this account. A conference and meetings account is used to fund Town personnel attendance at conferences and seminars relating to the function of their respective departments.

	Expenditures Last Yr 99-00	Expenditures thru 6/30/01 preclose 00-01	Adopted Budget Curr Yr 00-01	Final Budget Next Yr 01-02	Budget Increase Decrease	Percent Changed Curr/Next	Projected Budget Following Yr 2002-2003
General Operating							
Personnel Services	\$582,094	\$676,121	\$915,125	\$721,584	(\$193,541)	-21.15%	\$743,232
Commodities	\$7,737	\$6,599	\$12,500	\$12,500	\$0	0.00%	\$12,875
Capital Outlay	\$0	\$128	\$0	\$0	\$0	0.00%	\$0
Total	\$1,741,630	\$1,743,551	\$2,068,163	\$1,990,947	(\$77,216)	-3.73%	\$2,050,675

GENERAL OPERATING
Budget Trends



The decrease in the General Operating cost center include a reduction in funding for Health Insurance Reserve Fund as well as increased health care costs for retirees of approximately 7%. Funding of a 12% increase in the Town's General Insurance program in anticipation of a change in insurance market conditions has been included. Reduced funding for the Termination Reserve Fund has been proposed. It is anticipated that termination pay for approximately 3 Police, 2 Municipal and 8 Fire employees who have indicated that they will retire in fiscal year 2002 in the amount of approximately \$400,000 could be required from the Reserve Fund. Increases based on historical and current pricing in communications, street lighting, electricity and fuel oil have been proposed for a total increase of approximately 12%. Also included are increases in the communication costs due to police mobile, public works maintenance facility, remote fire stations and increased capacity for the Town Hall phone/fax lines.

General Debt and Interest (Short-Term Financing) the accounts funded within this category are for the payment of principal and interest relating to the repayment of short-term financing of equipment.

	Expenditures Last Yr 99-00	Expenditures thru 6/30/01 preclose 00-01	Adopted Budget Curr Yr 00-01	Final Budget Next Yr 01-02	Budget Increase Decrease (\$835)	Percent Changed Curr/Next -0.47%	Projected Budget Following Yr 2002-2003 \$352,304
General Debt & Interest							
Purchased Services	<u>\$176,360</u>	<u>\$176,449</u>	<u>\$176,670</u>	<u>\$175,835</u>	<u>(\$835)</u>	<u>-0.47%</u>	<u>\$352,304</u>
Total	\$176,360	\$176,449	\$176,670	\$175,835	(\$835)	-0.47%	\$352,304

The annual payment of principal and interest for short term financing of technology and office equipment is proposed. A further breakdown of this short-term debt can be found in the Capital, Debt Service and Major Projects Section of this report.

