

The State of the Town 2020



TOWN OF WARREN, RHODE ISLAND
Authored by: KATE MICHAUD, TOWN MANAGER



The State of the Town

2020

As required by the Warren Town Charter, I hereby submit the annual “State of the Town” report to the distinguished members of the Warren Town Council. In summary, the State of the Town is resilient. In 2020 the Town of Warren faced unprecedented conditions and every department has risen to the challenge. While government offices may have been closed to the public at times, operations continued every single day with town staff reporting. It is truly an honor and a privilege to serve this Town. Please note that Boards and Commissions each produce their own annual report. These reports are available through the Office of the Town Clerk.

Elected Officials & Department Heads

December 31, 2020

Town Council

Keri M. Cronin, President

John W. Hanley, Vice President

Steven P. Calenda

Joseph A. DePasquale

P. Brandt Heckert

Department Heads

Roy Borges, Police Chief

Ed Cabral, Harbormaster

Tony Carvalho, Building & Zoning Official

Fung Chan, Finance Director

Julie Coelho, Town Clerk

Betty Hoague, Senior Center Director

Kristopher Leadem, Tax Assessor

Jan Malik, Director of Public Works

Kate Michaud, Town Manager

Ann Marie Roy, Social Services Director

Bob Rulli, Director of Planning & Community Development

James Sousa, Fire Chief

Tara Thibaudeau, Director of Parks & Recreation

General Economic Indicators

It comes as no surprise that 2020 did not follow the expected projections. All assumptions were rendered null and void as the world battled through a pandemic of historic proportions. The overall economic condition of the Town of Warren had been experiencing a trend of steady improvement, both in terms of municipal finances and economic growth. That economic growth has been temporarily slowed, and in some cases reversed, as we slowly begin the process of recovery.

Snapshot Employment Trends¹:

	% Unemployment	Total Workforce	Total Employed
November, 2020	6.9%	5,594	5,156
November, 2019	3.0%	5,720	5,551
November, 2018	3.3%	5,743	5,552
November, 2017	4.0%	5,716	5,485
November, 2016	4.4%	5,681	5,430
November, 2015	5.2%	5,689	5,392

Warren Labor Force Statistics²

Not Seasonally Adjusted

Month	Year	Labor Force	Employed	Unemployed	Unemployment Rate
December	2020	5,594	5,098	496	8.9
November	2020	5,541	5,156	385	6.9
October	2020	5,520	5,166	354	6.4
September	2020	5,643	5,131	512	9.1
August	2020	5,487	4,831	656	12.0
July	2020	5,697	5,075	622	10.9
June	2020	5,588	4,955	633	11.3
May	2020	5,232	4,438	794	15.2
April	2020	5,365	4,388	977	18.2
March	2020	5,728	5,426	302	5.3
February	2020	5,685	5,460	225	4.0
January	2020	5,684	5,429	255	4.5
Annual Average	2019	5,650	5,451	199	3.5

¹ Source: RI Department of Labor and Training

² Source: RI Department of Labor and Training

As was the case in 2019, Warren’s largest employment sector is manufacturing. In 2020, Health Care & Social Assistance ranked as the second largest employment sector ahead of Accommodations & Food Services, which fell to third. This is not surprising given the economic climate and the significant impacts to food service businesses cause by the pandemic. In the food services sector, both the total number employed (↓32%) and total wages paid (↓37%) declined significantly year-over-year.

Employment Leaders³ 2nd Quarter 2020⁴:

	Number Employed	Total Units	Total Wages
Manufacturing	741	34	\$9,229,227
Health Care & Social Assistance	414	38	\$4,795,041
Accommodations & Food Services	330	45	\$1,520,245

Despite the restrictions and closures caused by the pandemic, meals and beverage tax collections continued to trend upward in 2020, with the most recent statistics capturing peak summer sales. A year over year comparison indicates a 15.6% increase in revenues from 2019 to 2020.

*Meals and Beverage Tax Collection (Local 1%) – Rhode Island Department of Revenue
Fiscal Year to Date: July through September*

	July – Sept: 2020	July – Sept: 2019	July – Sept: 2018
Total Receipts	\$107,994	\$93,389	\$87,630

Taxation and Budgets

Overall assessed valuations also continue to trend upward⁵. The exception is motor vehicle assessments, which continues to decline as the motor vehicle tax phase out continues.

Gross Assessed Values

TAX ROLL YEAR	2020	2019	2018
RESIDENTIAL	\$1,161,489,693	\$1,002,620,948	\$999,106,644
COMMERCIAL/INDUSTRIAL/MIXED USE	\$189,816,237	\$178,640,300	\$170,979,194
MOTOR VEHICLE	\$73,470,784	\$75,505,752	\$76,395,880
TANGIBLE	\$34,488,530	\$31,400,282	\$29,745,834

³ Source: RI Department of Labor and Training; <http://www.dlt.ri.gov/lmi/data.htm>

⁴ Most recent statistics available

⁵ Source: Assessors Statement of Assessed Valuations and Tax Levy,

The property tax rate decreased in Fiscal Year 2021 from \$19.11 / \$1,000 to \$17.36 / \$1,000; a decrease of 9.2%. The primary driver of the decrease was the required revaluation of property, which increased the total value of property thereby reducing the rate. The total tax levy increased by 3.99%, which included a 4.41% increase in the Town's contribution to the Bristol Warren Regional School District. Debt service continues to be a major driver of municipal operating expenses, representing approximately 21% of the total municipal operating budget. Overall town expenditures were reduced by 1.67% due to a decrease in the amount of capital spending budgeted for Fiscal Year 2021. Capital in Fiscal Year 2021 was again funded through a drawdown from the Town's unrestricted reserves.

The pandemic caused, and continues to cause, unexpected changes to revenue (including state aid) and expenses (including PPE and cleaning supplies). Certain COVID-related expenses are eligible for partial reimbursement through the Federal Emergency Management Agency (FEMA). Since March 2020, town staff have maintained meticulous records of COVID-related expenses and, through the hard work of the Finance Department, have applied for a 75% reimbursement. Unfortunately, FEMA's eligibility criteria changed in September 2020, leaving many of the expenditures with no reimbursement potential. The Town has successfully applied for grants to offset some additional costs, such as the additional expenses related to the mail ballots and early in-person voting for the November 2020 election. All departments have been working cooperatively to offset additional expenses with savings and efficiencies in operations.

The State's budget for Fiscal Year 2021 was greatly delayed this year, with final approvals not happening until December 2020. Municipal aid, including school aid and motor vehicle tax phaseout reimbursement, was maintained at the expected levels, with the State using COVID-relief funds (CARES Act) to fill the gap in available funds. The State's budget for fiscal Year 2022 will also be delayed, as the Governor's budget is not due to the Legislature until March 11, 2021. (It is usually submitted in January.)

Summary

In summary, 2020 was the year of the unprecedented. Conditions changed quickly and staff learned to pivot to meet new challenges in creative and innovative ways. Everyone became an expert in navigating Zoom. DPW employees became experts in fabricating Plexiglas dividers. The Senior Center Director hosted virtual fitness classes and started a YouTube channel. Many town offices shifted to an online presence with a greatly expanded capability to complete transactions without ever visiting town hall. New partnerships were made and existing partnerships were strengthened as the public and private sectors collaborated to meet the needs of the homebound, the elderly and the unemployed and underemployed. Many of the lessons learned will carry through and strengthen the town's response to future emergencies and also to the challenges that will arise through the normal course of business. All we know for sure is that the future will not look like the past. Stay safe!



The COVID-19 pandemic has affected, and continues to affect, the lives of people around the world. There has been no population untouched, and so many have lost friends and loved ones before their time. Unfortunately, this includes 35 residents of Warren whose deaths have been attributed to COVID-19. We remember them and send our deepest sympathies to their families.