



# OFFICE OF MANAGEMENT & BUDGET

## State Budget Office

One Capitol Hill  
Providence, RI 02908-5890

Office: (401) 222-6300  
Fax: (401) 222-6410

*State Fiscal Note for Bill Number:*

**2025-S 0026**

**Date of State Budget Office Approval:** Friday, February 21, 2025

**Date Requested:** Thursday, January 23, 2025

**Date Due:** Saturday, February 15, 2025

<i>Impact on Expenditures</i>		<i>Impact on Revenues</i>	
FY 2025	N/A	FY 2025	N/A
FY 2026	\$5,070	FY 2026	N/A
FY 2027	\$5,205	FY 2027	N/A

### Explanation by State Budget Office:

The proposed legislation would require the Water Resources Board to allocate twenty percent (20%) of all rental fees collected from the Coventry Pines Golf Club to two municipal entities: Ten percent would be distributed to the town of Coventry, Rhode Island and ten percent would be distributed to the Central Coventry Fire District.

### Summary of Facts and Assumptions:

This bill would take effect upon passage; therefore, the effective date is assumed to be July 1, 2025. There is currently an existing lease between the Water Resources Board (WRB) and the Coventry Pines Golf Club, located at 1065 Harkney Hill Road, Coventry, RI 02816. The initial five-year term of the lease was signed in 2014 and the golf club exercised the option to renew the agreement for an additional five years. They have elected to renew in 2024 to extend the agreement through 2029.

At the present time, WRB pays ten percent (10%) as a Payment in Lieu of Taxes (PILOT) to the Town of Coventry, RI as stipulated in the Memorandum of Understanding (MOU) between WRB and the Town of Coventry. This payment is based on the Coventry Pines Golf Course's monthly rent from the previous calendar year. The payment for the prior calendar year is made in January. The monthly rent for the golf course from January 2025 through December 2025 totals \$50,696; of which, yielding a payment of \$5,070, or ten percent (10%) to be paid to the town of Coventry as PILOT in FY 2026.

If the bill is enacted, the payment will increase to \$10,139 for the same time period or twenty percent (20%). The payment to the Town would essentially stay the same at 10% of the monthly rental fee from the previous calendar year, but an equal additional payment would also be required and paid to the Central Coventry Fire District.

### Comments on Sources of Funds:

Payment in Lieu of Taxes or PILOT to the Town of Coventry is appropriated in the Water Resources Board's annual budget, which is financed by general revenues.





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### Summary of Fiscal Impact:

The effective date is assumed to be July 1, 2025 (FY 2026), as a result, there is not a projected fiscal impact in FY 2025. The Budget Office has calculated an estimate by assuming the 2025 annual lease (CY 2026 and FY 2027 PILOT) amount will increase according to the CY 2026 Consumer Price Index (CPI), or 2.4 percent, as adopted in the Consensus Economic Forecast at the November 2024 Revenue Estimating Conference. This yields an estimated annual rent of \$52,049 in CY 2026.

The FY 2026 payment to the Town, at 10% of the CY 2025 rental fee, would equal \$5,070, but under this Act an equal additional payment would also be required to be paid to the Central Coventry Fire District by the Water Resources Board. The FY 2026 estimate results in a total expenditure of \$10,139, with \$5,070 to be paid to the Town of Coventry and an equal additional payment also paid to the Central Coventry Fire District. The fiscal impact to general revenue expenditures, relative to the current MOU, would therefore be \$5,070 in FY 2026 and \$5,205 in FY 2027.

Budget Office Signature: \_\_\_\_\_

A handwritten signature in black ink, appearing to read "John M. Colangelo", written over a horizontal line.

Fiscal Advisor Signature: \_\_\_\_\_

A handwritten signature in blue ink, written over a horizontal line.

