

SPECIAL MEETING of the Town Council held on Wednesday, June 29, 2005 at 7:20 o'clock P.M. in the Council Chamber, Town Building, Harrisville, for and within the Town of Burrillville.

MEMBERS PRESENT: Council President Wallace F. Lees; Councilors Jacqueline Zahn, William A. Andrews, Nancy F. Binns, Margaret L. Dudley, Ronald E. Faford and William E. Gonyea.

MEMBERS ABSENT: None

1. Council President Wallace F. Lees led those present in pledging allegiance to the flag.

2. Public Comment:

David Rossi of Harrisville quoted amendments to the Town Ordinances entitled Disabled Persons, §25-43(b)(1) adopted on June 22, 2005, suggesting that the word “or” may be a typographical error and asked that a Councilor open the matter for reconsideration of the language and substitute the word “and”. Mr. Rossi voiced concern that the means for determination might not be as strict as intended. Mr. Rossi also asked whether public record would reflect under which section of the ordinance disabled persons qualify for a tax credit. Mr. Rossi suggested that this information should be available.

3. General Good and Welfare of the Town of Burrillville.

Councilor Jacqueline Zahn said that the Relay for Life which took place on the previous Friday and Saturday at Branch River Park was a very nice event. She commented that Town Treasurer Mark A. Adams had participated, despite a broken leg and mentioned that other town employees and Councilors had walked.

4. Special Business:

05-229 VOTED to approve a certificate of commendation in honor of the 50th anniversary of the Echo Lake Campground.

Motion by Councilor William A. Andrews. Seconded by Councilor Ronald E. Faford. The motion was unanimous. Voting in favor of the motion were Council President Wallace F. Lees, Councilors Jacqueline Zahn, William A. Andrews, Nancy F. Binns, Margaret L. Dudley, Ronald E. Faford and William E. Gonyea.

6. Unfinished Business:

Note: Councilor Margaret L. Dudley recused from discussion of item #05-118.

05-118 VOTED to receive and open discussion of a resolution regarding a tax stabilization program for Crystal Lake Golf Course.

Motion by Councilor William A. Andrews. Seconded by Councilor Jacqueline Zahn. The motion carried, six in favor, one recusal. Voting in favor of the motion were Council President Wallace F. Lees, Councilors Jacqueline Zahn, William A. Andrews, Nancy F. Binns, Ronald E. Faford and William E. Gonyea. Councilor Margaret L. Dudley recused.

Discussion: Councilor William A. Andrews referenced correspondence received from James R. Drew, Assessor, which detailed the assessed value used for the proposed tax agreement (a copy of the correspondence is on file with the record of the meeting). Walter J. Kane, Town Solicitor, explained that, under the agreement, the assessed value would remain the same but that any increase in the tax rate would apply. This matter was reviewed and discussed.

Michael C. Wood, Town Manager, reviewed the two alternatives under discussion. This first alternative provided for a recapture of taxes if the property were sold; the second provided for recapture of taxes only if the property were sold and there was a change of use. Mr. Kane suggested that the second alternative made it more clear that Crystal Lake would be subject to any tax increase.

Walter J. Kane, Town Solicitor, asked that Mr. Bliss sign and agree to any resolution adopted by the Town Council.

VOTED to adopt a resolution regarding a tax stabilization program for Crystal Lake Golf Course, as follows:

RESOLUTION

Based on the information presented by the applicant that a grant of tax stabilization will result in the establishment of an additional business within the Town creating additional employment with Town residents given preference and based on the past performance of the applicant in creating employment opportunities, I move the following resolution:

That the Town Council finds granting tax stabilization to Crystal Lake Golf Course property (Map/Lot #'s - 266/006, 230/014, 248/003, 230/015) for use as a golf course, ancillary golf businesses and a function facility, will benefit the Town as follows:

- 1) The granting of the tax stabilization will result in a substantial investment by the applicant in the Town.**
- 2) The applicant will create additional employment opportunities.**
- 3) Preference will be given to Burrillville residents for all job opportunities.**
- 4) Each year a certification will be provided by the applicant showing the total number of employees, any increase over the prior year and the number of Town residents.**
- 5) The assessed value, for the purposes of this resolution will remain fixed at the value(s) stated herein.**

6) Real Estate taxes will be no less than \$32,835 for the period specified but could be higher should the tax rate increase during the period specified.

7) This stabilization program excludes any residential structures on the property.

8) The Town Assessor will determine the full assessed value for the property each year as though there were no tax agreement in place and keep a record in the files.

Therefore, I move that the aforementioned property (all associated map & lot numbers) be assessed as specified below, with the following limitation on taxes levied against the real estate.

Amount of Tax

Year (No Less Than) Assessed Value

1 \$32,962 \$2,525,800 FY2006

2 \$32,962 * \$2,525,800 FY2007

3 \$32,962 * \$2,525,800 FY2008

4 \$32,962 * \$2,525,800 FY2009

5 \$32,962 * \$2,525,800 FY2010

Thereafter Normal assessed value and taxes

***But subject to any tax rate increase.**

This tax stabilization resolution shall become null and void should the approved uses change or if the property transfers to a new owner who changes the use of the property. Should this tax stabilization

resolution become null and void, any tax breaks granted by the Town in prior years will be fully paid by Crystal Lake.

This resolution shall become effective upon passage.

Adopted this 29th day of June 2005.

Motion by Councilor Jacqueline Zahn. Seconded by Councilor William A. Andrews. The motion carried, six in favor, one recusal. Voting in favor of the motion were Council President Wallace F. Lees, Councilors Jacqueline Zahn, William A. Andrews, Nancy F. Binns, Ronald E. Faford and William E. Gonyea. Councilor Margaret L. Dudley recused.

05-198 VOTED to open consideration and action on final budget adjustments for FY2006; and/or consider scheduling of a special meeting to further consider and act on final budget adjustments.

Motion by Councilor William A. Andrews. Seconded by Councilor Ronald E. Faford. The motion carried, six in favor, one absent. Voting in favor of the motion were Council President Wallace F. Lees, Councilors William A. Andrews, Nancy F. Binns, Margaret L. Dudley, Ronald E. Faford and William E. Gonyea. Councilor Jacqueline Zahn was not present at the time of the vote.

Discussion: Councilor William A. Andrews asked the status of the

state budget. Michael C. Wood, Town Manager, voiced his opinion that the Town Council could move forward with the budget. Mr. Wood said that the only change in resolution presented for Town Council consideration related to the changes in the excise tax.

Michael C. Wood, Town Manager, said that, due to the changes in the state pension fund, the school department would have money available for use in other ways. Mr. Wood said that the amount had been reported as approximately \$281,000 and discussed the Town Council's options for the funds.

Michael C. Wood, Town Manager, referred to the matter of the School Department Capital Budget and related fire code issues. Mr. Wood asked the Town Council to consider whether they would appropriate additional money for the School Capital program.

Councilor William A. Andrews asked whether the pension fund changes would affect maintenance of effort. Michael C. Wood, Town Manager, said there was no change.

Michael C. Wood, Town Manager, said that the changes in excise tax would result in a reduction in taxes of \$20.00 per vehicle, thereby reducing the net impact of the 2006 tax increase to approximately \$70.00.

Walter J. Kane, Town Solicitor, advised that there be a motion to

reconsider the budget resolution previously passed and that, should the motion to reconsider pass, then there should be a motion to rescind the early motion and substitute therefore the amended resolution.

VOTED to reconsider the budget resolution adopted on June 8, 2005.

Motion by Councilor William A. Andrews. Seconded by Councilor Nancy F. Binns. The motion was unanimous. Voting in favor of the motion were Council President Wallace F. Lees, Councilors Jacqueline Zahn, William A. Andrews, Nancy F. Binns, Margaret L. Dudley, Ronald E. Faford and William E. Gonyea.

VOTED to rescind the previous resolution and substitute therefore the following:

BUDGET RESOLUTION – Fiscal Year Ending June 30, 2006

SECTION A.

That a resolution of the Town of Burrillville adopting the annual Town Budget for the 2005-2006 Fiscal Year be adopted.

Whereas, the Burrillville Town Charter provides in Article Ten for the budget process and specifically in Section 10.04 (F) for the final adoption of the Town Budget including School Operations.

And whereas, the final budget when adopted shall show a balance between authorized appropriation and anticipated receipts.

Now, therefore, be it resolved that the Town Council adopts a final budget for the 2005-2006 Fiscal Year of \$ 42,018,606. This total budget is divided into the following Sections: \$ 8,510,617 for Municipal Operations, \$ 5,108,962 for Debt Service, \$ 503,069 for Other Transfers, \$ 1,720,958 for Capital Improvements (See **NOTE 2), \$ 25,475,000 for School Operations (See **NOTE 1 & 3), and \$700,000 for the Overlay Variance.

The Total Appropriation of \$ 42,018,606 is broken down as follows:

- (1) Total Town Operating Appropriation: \$ 8,510,617**
- (2) Total Town Indebtedness and Interest Appropriation: \$ 5,108,962**
- (3) Total Other Transfers: \$ 503,069**
- (4) Total Town Capital Improvement Appropriation: \$ 1,720,958 **NOTE 2**
- (5) Total School Department Appropriation: \$ 25,475,000 **NOTE 1 &**
- (6) Overlay Variance Appropriation for Tax Abatements,
Refunds and Uncollected Taxes: \$ 700,000**

Total Appropriation: \$ 42,018,606

The Total Adopted Departmental Budgets as recommended by the

Town Manager, and amended by the Town Council, for the 2005-2006 Fiscal Year is attached and incorporated as part of this resolution.

****NOTE 1. The School Department Expenditure and Revenue Appropriation does not incorporate State Aid targeted for several programs including the following: Student Equity, Technology, Early Childhood, Language Investment, and Professional Development, which shall be received by the Finance Director/Town Treasurer and accounted for separately by the School Department.**

SECTION B.

That the Town Council hereby orders the assessment and collection of a tax on ratable real estate and tangible personal property in a sum not less than \$ 18,672,705 and not more than \$ 19,372,705, based upon current estimated assessed valuations.

The Total Revenues allocated for Town and School Expenditures are broken out as follows:

(1) Total Estimated School Department Revenues: \$ 12,120,016

****NOTE 1**

(2) Total Estimated Town Non-Property Tax Revenues: \$ 10,554,885

(3) Total Funding Other Sources – Spring Lake Fund: \$ 5,000

(4) Application of General Fund Balance: \$ 0 **NOTE 2

(5) Application of School General Fund Balance: \$ 125,000

****NOTE 3**

(6) Total Estimated Amount to be raised from Property Taxes:

Class I Real Estate and Tangible

Personal Property 88.30% \$ 16,970,490

Class II Motor Vehicles 11.70% 2,243,215

Subtotal Estimated Amount –

From Property Taxes \$ 19,213,705

Total Revenues \$ 42,018,606

Total Estimated Net Assessed Valuations:

Class I Real Estate and Tangible

Personal Property \$ 1,296,553,352

Class II Motor Vehicles \$ 56,069,500

Total Estimated Net Assessed Valuations \$ 1,352,622,852

The Estimated Percentage of the Tax Levy to be raised from:

Class I Property is Projected to be 88.30%

Class II Property is Projected to be 11.70%

The Total Tax Rates to raise the above percentages of the Tax Levy are to be no greater than:

Class I Real Estate & Tangible Personal Property \$13.05

Class II Motor Vehicle \$40.00

Any and all revenue/receipts (prior and current fiscal year ending 2006 shall be considered to be part of the general receipts of the Town and shall not supplement nor increase the amount appropriated to a specific department by the Town Council. This does not apply to direct reimbursements (e.g. insurance, grants, cancelled orders).

Subsequent to the adoption of this budget by the Town Council, should State Aid be higher than anticipated, the amount will be utilized to adjust the tax rate in lieu of increasing the related appropriations for Town and School Operations.

Municipal department expenses incurred during their normal operation that will result in the over expenditure of a given municipal department's appropriation for the given year shall be balanced through transfers from the General Fund Contingency line item by the Finance Director who shall notify the Town Council of any transfer at the next Town Council meeting.

Now, therefore, be it further resolved, that the tax levy WILL NOT exceed the five and one-half percent (5.5%) annual cap as imposed by the Omnibus Property Tax Relief and Replacement Act of 1985, Chapter 44-5-2 of the General Laws of the State of Rhode Island, as

amended.

Said Taxes are for ordinary expenses, the payment of Town interest and indebtedness in whole or in part, the payment of the Town's proportion of the State Tax, and for other purposes authorized by law.

The Tax Assessor having assessed and apportioned said tax on the ratable property of said Town as of the 31st day of December 2004 at Twelve o'clock midnight, according to law, and shall on completion of said assessment, date, certify and sign the same and deliver to and deposit the same in the office of the Town Clerk, on or before June 15, 2005.

The Town Clerk on receipt of said assessment, shall forthwith make a copy of the same and deliver it to the Town Treasurer/Finance Director who shall forthwith issue and affix to said copy, a warrant under his hand, directed to the Collector of Taxes of said Town, commanding him to proceed and collect said tax of the persons and estates liable therefore, said tax shall be due and payable on the 15th day of July, 2005.

Said tax may be paid in equal quarterly installments, the first installment of 25 per centum on or before the 1st day of August 2005 and the remaining installments as follows:

25 per centum on the 1st day of November 2005

25 per centum on the 1st day of February 2006

25 per centum on the 1st day of May 2006

Each installment of taxes if paid on or before the 1st day of each installment period successively and in order shall be free from any charges for interest.

If the first installment or any succeeding installment of taxes is not paid by the last day of the respective period or periods as they occur, then the whole tax or remaining unpaid balance of the tax as the case may be shall immediately become due and payable and shall carry until collected a penalty at the rate of Twelve (12) per centum per annum from August 1, 2005.

This Resolution adopting the Budget for Fiscal Year Ending June 30, 2006 will become effective July 1, 2005 unless amendments are made prior to July 1, 2005.

****NOTE 2.**

The Capital Portion of this budget, which does not include the use of Unreserved, Undesignated General Fund Balance, was adopted in accordance with the Town Charter Section 3.14 (j) at the Regular Council Meeting held on April 13, 2005. As such, the Capital Budget

as voted on April 13, 2005, is hereby incorporated into the overall budget for fiscal year ending June 30, 2006.

****NOTE 3.**

The Recommended School Department Appropriation includes an appropriation of \$25,350,000 and the use of \$125,000 of the School Department's Fund Balance [FYE June 30, 2004 and FYE June 30, 2005]. This brings the Total School Department General Operations Appropriation \$ 25,475,000

SUBJECT TO THE SCHOOL COMMITTEE REQUESTING COUNCIL USE OF THE SCHOOL DEPARTMENT'S FUND BALANCE IN THE AMOUNT OF \$125,000 FROM FYE 2004 AND FYE 2005.

Adopted this 29th day of June 2005

Motion by Councilor Jacqueline Zahn. Seconded by Councilor Ronald E. Faford.

Further Discussion: Councilor William A. Andrews requested that Barbara A. VonVillas remind the School Committee that they must request use of the school department fund balance in the amount of \$125,000 from FY2004 and FY2005.

Councilor William A. Andrews referred to correspondence from the Harrisville Fire Chief relative to fire code compliance at the schools.

Barbara A. VonVillas, Superintendent of Schools, described steps taken to address the Fire Chief's comments.

Councilor Margaret L. Dudley asked for clarification regarding the effect of the potential repeal of RIGL §45-13-13 on the tax rate. Michael C. Wood, Town Manager, indicated that there would be no information on the status of the state law before the tax bills are sent and there would be no adjustments afterwards.

The motion was unanimous. Voting in favor of the motion were Council President Wallace F. Lees, Councilors Jacqueline Zahn, William A. Andrews, Nancy F. Binns, Margaret L. Dudley, Ronald E. Faford and William E. Gonyea.

Further Discussion: Michael C. Wood, Town Manager, indicated that, although the Town Council and Administration had not received specific information or plans from the School Department, it would be in the Town's best interest to allocate funds specifically directed for those fire code issues identified by the state and local fire officials. Mr. Wood suggested that \$200,000 may be insufficient to complete all needed work but would indicate a good faith effort. Mr. Wood explained that the School Department could draw from these funds upon showing need. Councilor William A. Andrews spoke in favor of appropriating these funds, saying that since costs would rise annually it would be wise to begin the process immediately.

VOTED to appropriate the sum of two hundred thousand dollars (\$200,000) from the Major Capital Account to the Burrillville School Committee for the specific purpose of correcting fire code violations as required by state and local fire officials.

Motion by Councilor Nancy F. Binns. Seconded by Councilor William A. Andrews. The motion was unanimous. Voting in favor of the motion were Council President Wallace F. Lees, Councilors Jacqueline Zahn, William A. Andrews, Nancy F. Binns, Margaret L. Dudley, Ronald E. Faford and William E. Gonyea.

7. New Business:

05-230 VOTED to accept with regret the correspondence from Raymond D. George, Chairman, Burrillville Sewer Commission, regarding the resignation of John Cowles.

Motion by Councilor Nancy F. Binns. Seconded by Councilor William A. Andrews.

Discussion: It was noted that Mr. Cowles had died shortly after submitting his resignation. The clerk was instructed to convey the sympathy of the Town Council to Mr. Cowles family.

The motion was unanimous. Voting in favor of the motion were Council President Wallace F. Lees, Councilors Jacqueline Zahn,

William A. Andrews, Nancy F. Binns, Margaret L. Dudley, Ronald E. Faford and William E. Gonyea.

05-231 VOTED to open the review, discussion and action on legislation introduced during the 2005 session of the General Assembly.

Motion by Councilor Jacqueline Zahn. Seconded by Councilor William A. Andrews. The motion was unanimous. Voting in favor of the motion were Council President Wallace F. Lees, Councilors Jacqueline Zahn, William A. Andrews, Nancy F. Binns, Margaret L. Dudley, Ronald E. Faford and William E. Gonyea.

Michael C. Wood, Town Manager, explained that this general item had been included to review the 2005 legislative session. Mr. Wood said that it appeared that the Town's legislative agenda had been accomplished. He said that repealing §45-13-13 apparently was being addressed, recognized the efforts of the Town Council and administration through the years, and recommended that the Town Council consider adopting a resolution thanking the legislators and governor for their efforts. Councilor Jacqueline Zahn spoke of the good rapport between the Town and the legislators who represent the Town.

VOTED to receive and file.

Motion by Councilor Jacqueline Zahn. Seconded by Councilor Margaret L. Dudley. The motion was unanimous. Voting in favor of the motion were Council President Wallace F. Lees, Councilors Jacqueline Zahn, William A. Andrews, Nancy F. Binns, Margaret L. Dudley, Ronald E. Faford and William E. Gonyea.

05-232 VOTED that the Town Council approve abatements (uncollectible receivables) processed by the Tax Collector's Office between January 11, 2005 and April 30, 2005 in the amount of \$9,410.11.

Motion by Councilor William A. Andrews. Seconded by Councilor Ronald E. Faford. The motion was unanimous. Voting in favor of the motion were Council President Wallace F. Lees, Councilors Jacqueline Zahn, William A. Andrews, Nancy F. Binns, Margaret L. Dudley, Ronald E. Faford and William E. Gonyea.

VOTED that the Town Council approve abatements processed by the assessing office between January 11, 2005 and April 30, 2005 in the amount of \$8,139.84.

Motion by Councilor Nancy F. Binns. Seconded by Councilor William E. Gonyea. The motion was unanimous. Voting in favor of the motion were Council President Wallace F. Lees, Councilors Jacqueline Zahn, William A. Andrews, Nancy F. Binns, Margaret L. Dudley, Ronald E. Faford and William E. Gonyea.

8 Town Clerk/Communication:

05-233 VOTED to receive and open the Blue Cross & Blue Shield of RI/Town of Burrillville Contingent Premium Proposal effective July 1, 2005 through June 30, 2006.

Motion by Councilor William A. Andrews. Seconded by Councilor Ronald E. Faford. The motion was unanimous. Voting in favor of the motion were Council President Wallace F. Lees, Councilors Jacqueline Zahn, William A. Andrews, Nancy F. Binns, Margaret L. Dudley, Ronald E. Faford and William E. Gonyea.

Discussion: Councilor William A. Andrews inquired whether the Town would look into a second health plan or stay with the current program. Michael C. Wood, Town Manager, indicated that the administration was in the process of reviewing many options and that there might be long-term actions to alleviate the cost problems. Mr. Wood said that the current proposal would be an immediate action that the Town could take that might provide potential savings. Mr. Wood said that he and the Superintendent of Schools had signed the proposal, resulting in possible rebates if usage is lower than projected. Mr. Wood discussed this and other steps that would advance the Town Council's goal of reducing the cost of health insurance. Discussion ensued.

VOTED to authorize the Town Manager to sign the agreement with Blue Cross/Blue Shield.

Motion by Councilor William A. Andrews. Seconded by Councilor Margaret L. Dudley. The motion was unanimous. Voting in favor of the motion were Council President Wallace F. Lees, Councilors Jacqueline Zahn, William A. Andrews, Nancy F. Binns, Margaret L. Dudley, Ronald E. Faford and William E. Gonyea.

VOTED to adjourn.

Motion by Councilor Ronald E. Faford. Seconded by Councilor Margaret L. Dudley. The motion was unanimous. Voting in favor of the motion were Council President Wallace F. Lees, Councilors Jacqueline Zahn, William A. Andrews, Nancy F. Binns, Margaret L. Dudley, Ronald E. Faford and William E. Gonyea.

The meeting was taped. The tape is on file with the minutes.

Louise R. Phaneuf, Town Clerk