

SPECIAL MEETING of the Burrillville Town Council held Wednesday, June 29, 2011 at 7:00 P.M. in the Town Council Chambers, 105 Harrisville Main St., Harrisville for and within the Town of Burrillville.

PRESENT: Council President Nancy F. Binns, Councilors Wallace F. Lees, Edward J. Blanchard, Margaret L. Dudley, Kevin D. Heitke, David J. Place and Stephen N. Rawson

MEMBERS ABSENT: None

1. VOTED to grant the request for executive session from Michael C. Wood, Town Manager, pursuant to Rhode Island Open Meeting Law: [§42-46-5(a)(2)] review and discussion potential litigation relative to TransCanada.

Motion by Councilor Wallace F. Lees. Seconded by Councilor Margaret L. Dudley. The vote was unanimous. Voting in favor of the motion were Council President Nancy F. Binns and Councilors Wallace F. Lees, Edward J. Blanchard, Margaret L. Dudley, Kevin D. Heitke, David J. Place and Stephen N. Rawson.

The Council returned to open session at 7:11 P.M.

VOTED to seal the minutes of executive session, noting that no votes had been taken.

Motion by Councilor Margaret L. Dudley. Seconded by Councilor Wallace F. Lees. The vote was unanimous. Voting in favor of the motion were Council President Nancy F. Binns and Councilors Wallace F. Lees, Edward J. Blanchard, Margaret L. Dudley, Kevin D. Heitke, David J. Place and Stephen N. Rawson.

2. Special Meeting relative to consideration and action on FY2012 budget matters

11-175 VOTED to open consideration and action on:

- a) final budget adjustments for FYE June 30, 2012 budget and/or**
- b) adoption of a revision of the FY2012 budget resolution; and/or**
- c) consider scheduling a special meeting to further consider and act on final budget adjustments.**

Note: The Town Council vote may result in exceeding the tax cap levy pursuant to the provisions of RIGL 44-5-2(e).

Motion by Councilor Wallace F. Lees. Seconded by Councilor Edward J. Blanchard. The vote was unanimous. Voting in favor of the motion were Council President Nancy F. Binns and Councilors Wallace F. Lees, Edward J. Blanchard, Margaret L. Dudley, Kevin D. Heitke, David J. Place and Stephen N. Rawson.

Discussion: Michael C. Wood, Town Manager, indicated that the proposed revision of the resolution incorporated state aid, as included in the State FY2012 budget. Also added was state grant

money awarded to the School Department, which in prior years was not reflected in the operating budget. The required change in presentation was reviewed.

The maintenance of effort for the School Department budget was reviewed. There was discussion of retaining the \$16.16 tax rate adopted on June 13, 2011. The amount of funds and potential use of the funds resulting from the difference between the proposed resolution and the \$16.16 was reviewed.

MOTION to leave the tax rate at \$16.16 as approved on June 13th.

Motion by Councilor Margaret L. Dudley. Seconded by Councilor Kevin D. Heitke.

AMENDED MOTION to leave the tax rate at \$16.16 as approved on June 13th, (with the) additional \$16,000 to be added to the contingency line item.

Motion by Councilor Margaret L. Dudley. There was no second to the amended motion.

There was a recess at 7:25 P.M.

Councilor Margaret L. Dudley withdrew the motion and the amendment. Councilor Kevin D. Heitke withdrew the second on the

original motion.

MOTION that the tax rate of \$16.16 approved on June 13th remain, with the additional fund of \$25,000 to be added to the general fund contingency line item to cover oil, if need be, and salaries or pay stipends.

Motion by Councilor Margaret L. Dudley.

Discussion: There was discussion of the specificity of the motion. Possible salary stipends were discussed. The option of adding funds to the contingency line items without earmarking the use was reviewed.

AMENDED MOTION that the tax rate of \$16.16 approved on June 13th remain, with the additional fund of \$25,000 to be added to the general fund contingency line item.

Motion by Councilor Margaret L. Dudley. Seconded by Councilor Edward J. Blanchard.

Discussion: There was discussion of the property tax rate.

The motion carried, five in favor, two opposed. Voting in favor of the motion were Council President Nancy F. Binns and Councilors Wallace F. Lees, Edward J. Blanchard, Margaret L. Dudley and Kevin

D. Heitke. Councilors David J. Place and Stephen N. Rawson voted in opposition.

There was a recess at 7:40 P.M.

Discussion: Timothy F. Kane, Town Solicitor, suggested the possibility of reconsideration.

VOTED to reconsider of the motion.

Motion by Council President Nancy F. Binns. Seconded by Councilor Wallace F. Lees. The motion carried, four in favor, three opposed. Voting in favor of the motion were Council President Nancy F. Binns and Councilors Wallace F. Lees, David J. Place and Stephen N. Rawson. Councilors Edward J. Blanchard, Margaret L. Dudley and Kevin D. Heitke voted in opposition.

Discussion: The charter requirement for an affirmative vote of six members of the Town Council was reviewed. There was discussion of budget adjustments that might lower the tax rate to \$16.15, including transferring a smaller amount to the general fund contingency line item. It was noted that the June 13, 2011 budget set a tax rate of \$16.16, which had appeared acceptable to the Town Council as a whole at that time. Potential savings through alternative funding for oil and salary stipends, eliminating funding for the American Legion Hall and the Parks & Recreation Office Building, and reducing special

appropriations were reviewed.

MOTION to adopt the budget resolution, (which is) the proposed revision, fiscal year ending June 30, 2012, that is dated June 29, 2011 at the bottom, as written.

Motion by Councilor Margaret L. Dudley. Seconded by Councilor Stephen N. Rawson.

The motion failed, five in favor, two opposed. Voting in favor of the motion were Council President Nancy F. Binns and Councilors Wallace F. Lees, Margaret L. Dudley, Kevin D. Heitke and Stephen N. Rawson. Councilors Edward J. Blanchard and David J. Place voted in opposition.

MOTION to move to a future workshop.

Motion by Councilor Stephen N. Rawson. There was no second to the motion.

Discussion: There was discussion of the need to adopt a budget and send out tax bills. Councilors Blanchard and Place declined a request to clarify their positions. Councilor Blanchard indicated that he would rescind his nay vote.

VOTED to reconsider.

Motion by Councilor Edward J. Blanchard. Seconded by Councilor Stephen N. Rawson. The vote was unanimous. Voting in favor of the motion were Council President Nancy F. Binns and Councilors Wallace F. Lees, Edward J. Blanchard, Margaret L. Dudley, Kevin D. Heitke, David J. Place and Stephen N. Rawson.

VOTED to adopt the budget resolution for fiscal year ending June 30, 2012, dated at the bottom 6/29/2011 (as follows):

Budget Resolution

Fiscal Year Ending June 30, 2012

SECTION A.

That a resolution of the Town of Burrillville adopting the annual Town Budget for the 2011-2012 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 2011-2012 Fiscal Year of \$ 44,837,948. This total budget is divided into the following Sections:

(1) Total Town Operating Appropriation: \$ 9,517,893

(2) Total Town Indebtedness and Interest Appropriation: \$ 3,732,884

****NOTE 1**

(3) Total Other Transfers: \$ 5,000

(4) Total Town Capital Improvement Appropriation: \$ 2,518,567 **NOTE 2

(5) Total School Department Appropriation: \$28,333,604 **NOTE 3

(6) Overlay Variance Appropriation for Tax Abatements, Refunds and Uncollected Taxes:

\$ 730,000

Total Appropriation: \$44,837,948

The Total Adopted Departmental Budgets as recommended by the Town Manager, and amended by the Town Council, for the 2011-2012 Fiscal Year is attached and incorporated as part of this resolution.

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 \$25,963,769 and not more than \$26,693,471, 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: \$ 13,258,772 **NOTE 3

(2) Total Estimated Town Non-Property Tax Revenues: \$ 4,494,061

(3) Total Funding Other Sources:

a. Spring Lake Fund

- b. Burrillville Extended Care**
- c. Health Benefit Fund**
- d. Wastewater Treatment Fund**
- e. BPAC**

\$ 38,322

33,322

50,000

265,000

5,000 **NOTE 1

Subtotal Other Funding Sources \$ 391,644

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

(5) Application of School General Fund Balance: \$ -0- _____

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

Class I Real Estate and Tangible

Personal Property 84.20%

Class II Motor Vehicles 15.80%

\$22,475,903

4,217,568

Subtotal Estimated Amount –From Property Taxes \$26,693,471

Total Revenues: \$44,837,948

Total Estimated Net Assessed Valuations:

Class I Real Estate and Tangible Personal Property \$1,391,469,887

Class II Motor Vehicles \$ 105,377,574

Total Estimated Net Assessed Valuations \$1,496,847,461

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

Class I Property is Projected to be 84.20%

Class II Property is Projected to be 15.80%

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 \$16.15

Class II Motor Vehicle \$40.00

An exemption in the valuation amount of \$ 1,500 shall be applied to all motor vehicles and trailers subject to an excise tax as provided in RIGL 44-34.1.

Any and all revenue/receipts (prior and current fiscal year ending 2011 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 EXCEED the four and one-quarter percent (4.25%) annual cap as imposed by Rhode Island General Laws Chapter 44-5-2, 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 2010 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 July 1, 2011.

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, 2011.

Said tax may be paid in equal quarterly installments, the first installment of 25 per centum on or before the 1st day of August 2011 and the remaining installments as follows:

25 per centum on the 1st day of November 2011

25 per centum on the 1st day of February 2012

25 per centum on the 1st day of May 2012

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, 2011.

This Resolution adopting the Budget for Fiscal Year Ending June 30, 2012 will become effective July 1, 2011 unless amendments are made prior to July 1, 2011.

****NOTE 1.** This budget does not include utilizing funds from the Town's Debt Reduction Fund for the purpose of funding a portion of outstanding annual debt obligation associated with the Callahan School Bond issue as provided in Section 2-113 [d] 4 of the Town Ordinances.

****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 a Public Hearing held on March 30, 2011. As such, the Capital Budget as voted on March 30, 2011, is hereby incorporated into the overall budget for fiscal year ending June 30, 2012.

****NOTE 3.** 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.

****NOTE 4.** The Operation Portion of this budget does not include the use of Unreserved, Undesignated General Fund Balance. The transfer of these funds would require the affirmative vote of six (6) Council members due to the appropriation of funds from the Unreserved Undesignated General Fund Balance [Town Charter 3.14

(j)].

Adopted as a resolution this 29th day of June 2011

Motion by Councilor Margaret L. Dudley. Seconded by Councilor Wallace F. Lees. The motion carried, six in favor, one opposed. Voting in favor of the motion were Council President Nancy F. Binns and Councilors Wallace F. Lees, Edward J. Blanchard, Margaret L. Dudley, Kevin D. Heitke and Stephen N. Rawson. Councilor David J. Place voted in opposition.

3. Request for executive session from Michael C. Wood, Town Manager, pursuant to Rhode Island Open Meeting Law: [§42-46-5(a)(2)] review and discussion potential litigation against the State of Rhode Island; and the request for executive session from Council President Nancy F. Binns, pursuant to Rhode Island Open Meeting Law: [§42-46-5(a)(1)] for consideration and action related to compensation.

NOTE: The affected person was notified of this request for executive session and has been informed of the right to request an open meeting for this purpose.

Discussion: Michael C. Wood, Town Manager, withdrew his request. Mr. Wood asked to be excused from the second item requested for executive session.

VOTED to grant the request for executive session from Council President Nancy F. Binns, pursuant to Rhode Island Open Meeting Law: [§42-46-5(a)(1)] for consideration and action related to compensation.

Motion by Councilor Wallace F. Lees. Seconded by Councilor Margaret L. Dudley. The vote was unanimous. Voting in favor of the motion were Council President Nancy F. Binns and Councilors Wallace F. Lees, Edward J. Blanchard, Margaret L. Dudley, Kevin D. Heitke, David J. Place and Stephen N. Rawson.

There was a recess before executive session.

The Town Council returned to open session at 8:17 P.M.

VOTED to seal the minutes of executive session, noting that no votes had been taken.

Motion by Councilor Margaret L. Dudley. Seconded by Councilor Wallace F. Lees. The vote was unanimous. Voting in favor of the motion were Council President Nancy F. Binns and Councilors Wallace F. Lees, Edward J. Blanchard, Margaret L. Dudley, Kevin D. Heitke, David J. Place and Stephen N. Rawson.

VOTED to adjourn at 8:17 P.M.

Motion by Councilor Margaret L. Dudley. Seconded by Councilor Wallace F. Lees. The vote was unanimous. Voting in favor of the motion were Council President Nancy F. Binns and Councilors Wallace F. Lees, Edward J. Blanchard, Margaret L. Dudley, Kevin D. Heitke, David J. Place and Stephen N. Rawson.

The meeting was recorded.

Louise R. Phaneuf, Town Clerk