

PUBLIC HEARING NORTH SMITHFIELD TOWN COUNCIL

JUNE

11, 2007

NORTH SMITHFIELD ELEMENTARY SCHOOL

7:00

P.M.

The meeting was called to order at 7:00 P.M. and began with the prayer and the pledge to the flag. Council members present were Mr. Keeley, Mr. Leclerc, Mr. Lovett, Mr. Zwolenski and Mrs. Thibault. Town Administrator Lowe was attending the North Smithfield High School graduation ceremonies and arrived later in the evening. Town Solicitor Hadden arrived at 7:06 P.M.

PROPOSED BUDGET FOR FISCAL YEAR 2007/2008

Finance Director Jill Gemma provided the Administration's budget for 2007/2008. Under provision S3050 of the Rhode Island General Laws, a town may levy a tax in an amount not more than 5.25% in excess of the

June 11, 2007

total amount levied and certified by that town for its fiscal year 2007. The cap on the levy drops incrementally each year, down to 4% in 2013. The maximum allowed levy increase for North Smithfield for 2008 is \$1,065,989.

OPERATING EXPENSES

Town Council

\$14,505.00 - No discussion.

Probate Court Expense

\$4,290.00 - No discussion.

Town Solicitor

\$133,457.00 - No discussion.

Administration Office

\$168,081.00 - No discussion.

Town Clerk's Office

\$171,260.00 - No discussion.

Planning Division

\$139,701.00 - No discussion.

Board of Canvassers

\$8,599.00 - No discussion.

Finance Department

\$266,910.00 - No discussion.

Tax Assessor's Department

\$104,304.00 - No discussion.

Tax Collector's Office

\$113,726.00 - No discussion.

Board of Tax Review

\$1.00 - No discussion.

Audits and Computer Service

\$103,445.00 - No discussion.

Zoning Board Expense

\$9,650.00 - No discussion.

Personnel Board

\$1.00 - No discussion.

Conservation Commission

\$1.00 - Commission Chairman Donald Gagnon noted that members have attended seminars expending their own funds. He requested \$750.00 in funding.

Historic District Commission

\$1.00 - No discussion.

Housing Authority

\$1.00 - No discussion.

Regional Industrial Development

\$9,200.00 - No discussion.

Public Safety Commission

\$1.00 - No discussion.

Budget Committee

\$1.00 – No discussion.

Juvenile Hearing Board

\$3,550.00 – No discussion.

Town Hall

\$6,750.00 – No discussion.

June 11, 2007

Plant Operations

\$10,500.00 – No discussion.

Printing and Advertising

\$19,000.00 – No discussion

Contingency Fund

\$60,500.00 – No discussion

Scouters' Hall

\$3,496.00 – No discussion.

NS Public Library

\$320,290.00 – No discussion

Police Department

\$2,364,905.00 – Chief Reynolds asked the Council members to take a hard look at two items: Elimination of one police officer and accreditation. The department had done a report on the impact that Dowling Village will have on public safety issues. It showed more staffing would be necessary. Although the Chief is not asking for more manpower, he believes that the 22 officers currently employed are necessary.

As far as accreditation, the community should be proud of it. Some of the largest departments in the state are accredited and Providence, Pawtucket and Cranston are in the process.

Cumberland Police Department Captain Christine Crocker, who is also the Vice President of the Rhode Island Accreditation Coalition, spoke of incidents that had occurred throughout the state and the poor outcomes that resulted because police departments did not have written policies in place. Policies are continually evolving and they minimize exposure to liability.

Mr. William Cavanaugh commented that accreditation makes a

department more effective. The North Smithfield department has bettered itself over the last ten years and is considered one of the best in the state. He urged the Council not to compromise safety.

In addition, twelve North Smithfield residents, including former Town Council members and police officers, also spoke in favor of keeping accreditation and a full complement of officers.

Animal Control

\$69,182.00 – No discussion.

Civil Defense

\$5,717.00 – No discussion.

North Smithfield Fire/Rescue Service

\$2,255,244.00 – Mr. Michael Rapko suggested that with a budget of this size, more explanation of line items should be available.

Hydrant Rental

\$45,350.00 – No discussion.

Inspection Division

\$156,471.00 - No discussion.

Highway Department

\$860,238.00 – Mr. Michael Rapko thinks it is a mistake to keep cutting

the Consultant/Engineer line item. This department is crucial to the town.

Parks and Recreation

\$163,011.00 – No discussion.

Tree Warden

\$4,862.00 – No discussion.

Street Lights

\$155,000.00 – No discussion.

June 11, 2007

Rubbish Disposal

\$629,500.00 – No discussion.

Sealer of Weights

\$1.00 – No discussion.

Debt Service – Principal

\$1,065,053.00 – No discussion.

Debt Service – Interest

\$569,766.00 – Mr. Edward Yazbak suggested that Mrs. Gemma check Line Item #850. He doesn't think the figure is correct.

Medical and Retirement Expense

\$201,997.00 – No discussion.

Insurance

\$223,273.00 – No discussion.

School Department

\$19,835,139.00 – Mr. Michael Rapko once again suggested that there be more explanation of line items with a budget of this size. He was told that the School Department does submit a notebook of information that would be available to him if he wished to see it.

Grants and Contributions

\$53,726.00 – No discussion.

(Mr. Lowe arrived.)

CAPITAL EXPENSES

Highway Department

\$105,000.00 – No discussion.

North Smithfield Fire & Rescue Service

\$0.00 – No discussion.

Parks and Recreation

\$75,000.00 – Parks & Recreation Director Raymond Pendergast

begged the Council to keep his request for \$75,000.00 for Pacheco Park expansion in the budget. With a matching state grant, he believes the town can secure a new entrance and some parking.

Police Department

\$64,000.00 – Chief Reynolds asked where in the operating budget the Ballistic Shields, the Batons/bags and the Vests were located.

Animal Control

\$12,000.00 – No discussion.

Library

\$5,000.00 – No discussion.

Administration

\$41,300.00 – No discussion.

School Department

\$42,630.00 – No discussion.

MOTION by Mr. Zwolenski, seconded by Mr. Keeley, and voted unanimously on an aye vote at 8:47 P.M. to continue this meeting to June 13, 2007 at 7:00 P.M. at the North Smithfield Elementary School.

Respectfully submitted,

Debra A. Todd, Town Clerk

SPECIAL MEETING NORTH SMITHFIELD TOWN COUNCIL

JUNE 11, 2007

NS ELEMENTARY SCHOOL

IMMEDIATELY FOLLOWING

PUBLIC HEARING

The meeting began at 8:55 P.M. The prayer and the pledge to the flag were waived. Council members present were Mr. Keeley, Mr. Leclerc,

June 11, 2007

Mr. Lovett, Mr. Zwolenski and Mrs. Thibault. Town Administrator Lowe and Town Solicitor Hadden were also present.

BUILDER'S RISK INSURANCE

MOTION by Mr. Lovett, seconded by Mr. Leclerc, and voted unanimously on a roll call vote to approve the quote of the Interlocal Risk Management Trust in the amount of \$10,363.00 based upon the recommendation of the School Building Committee.

MIDDLE SCHOOL ALTERNATE BID RECOMMENDATIONS

Alternates #4, 4A, 4B, 8, 10, 13 and 15

MOTION by Mr. Lovett, seconded by Mr. Leclerc, and voted unanimously on a roll call vote to reject Alternate #4 Baseball Field, Alternate #4A Baseball Field, Alternate #4B Softball Field, Alternate #8

Building – Integrated Photovoltaic Panes, Alternate #10 Speech Amplification, Alternate #13 Delete Acid Waste & Vent System and Alternate #15 Well Piping from Well “C” to Middle School based upon the recommendations of the School Building Committee.

Alternates #1, 11 and 17

MOTION by Mr. Leclerc, seconded by Mr. Lovett, and voted unanimously on a roll call vote to approve Alternate #1 Concrete Walks in Lieu of Bituminous Walks in the amount of \$54,100.00, Alternate #11 Pre-cast Curbs in Lieu of Full-Depth Extruded Curbs in the amount of \$35,028.00 and Alternate #17 HVAC System Commissioning in an amount not to exceed \$15,000.00 based upon the recommendations of the School Building Committee.

Mr. Yazbak noted that Alternates #1 and #17 are partial bids and the School Building Committee will return before the Council.

Change Orders for Leach Field Investigation

MOTION by Mr. Lovett, seconded by Mr. Leclerc, and voted unanimously on a roll call vote to approve the following change orders based upon the recommendations of the School Building Committee: review as-built drawings - \$324.00; test holes - \$2,005.00; pump the tank - \$5,160.00; and cut-off trench - \$7,650.00 for a total of \$15,189.00.

Alternates #3A and #3B

MOTION by Mr. Leclerc, seconded by Mr. Lovett, and voted unanimously on a roll call vote to approve Alternate #3A Football Field in the amount of \$1,277,995.00 and Alternate #3B 6-Lane Running Track in the amount of \$307,079.00 based upon the recommendation of the School Building Committee. Alternative funding of \$1.1 million will come from the 1999 school bond and the School Building Committee will return to the Council at a later date for the remainder of the funds.

RESOLUTION RE: TAX CLASSIFICATION

MOTION by Mr. Lovett, seconded by Mr. Leclerc and Mr. Keeley, and voted unanimously on an aye vote to move this item up on the agenda.

MOTION by Mr. Leclerc and seconded by Mr. Lovett to approve the following resolution: “WHEREAS, the Town Council wishes to enact a system of tax classification for all ratable property in the town; WHEREAS, the Town Council wishes to create four classes of ratable property, generally, to wit: Class 1: Residential real estate; Class 2: Industrial and commercial real estate; Class 3; Tangible personal property; Class 4: Motor vehicles and trailers; WHEREAS, legislation is currently pending in the general assembly for the purpose of authorizing this system of tax classification; WHEREAS, the Town Council has posted and has pending an ordinance creating new sections 6-6 and 6-7 to the code of ordinances for the purpose of enacting such a system of tax classification to go into effect upon

authorization of enabling legislation from the general assembly; IT IS HEREBY RESOLVED: 1. The Town Council petitions the General Assembly to pass legislation (currently designated in draft form as LC03225) that will authorize the passage of town ordinance(s) that will put into effect the above system of tax classification.”

Mr. Leclerc stated that currently residential and commercial properties have the same rate of \$15.03 per thousand of assessed valuation. Unless a change is made this year, based on the revised valuations, the new tax rate will be \$12.56 per thousand of assessed
June 11, 2007

valuation. This will equate to a minimum \$150 - \$300 average increase for any homes valued at approximately \$300,000 or less. This increase is not acceptable considering a large amount of citizens are on fixed incomes. On the other hand, nearly all of the commercial properties in our town will see a net decrease in their taxes due to inequities in decreased assessed valuations.

Mr. Leclerc provided tax information on five businesses in town. He noted that four out of the five will be paying less than they did in 2003 unless the two-tier proposal is adopted. Mr. Leclerc is not looking for businesses to solely carry the tax burden but he is looking to correct the inequitable ratios that currently exist.

Mr. John Gregory, president of the Northern RI Chamber of

Commerce, said that revaluation is what is supposed to be what determines fairness. Costs such as health care premiums, utilities and gas have gone up for businesses. Mr. Gregory questioned how a two-tier tax system could attract new businesses. Based on the 2006 figures of taxes paid, he stated that he was hard pressed to find any business whose taxes will be going down. Mr. Gregory noted that two-thirds of the communities in Rhode Island do not have a two-tier tax system. He argued that the town will not be able to persuade firms such as Fidelity to come to North Smithfield with this type of system.

Mr. Raymond Auclair stated that businesses do not have the luxury of increasing property values as residences do. He believed this system could have dangerous implications in the future. Mr. Auclair urged the Council to reconsider for the benefit of the town.

Mr. Edward Yazbak commented that when he was a member of the Council a couple of years ago, he heard the discussion that the business taxes for a number of years were too high. The residential real estate market values seem to move up and down whereas commercial values don't fluctuate as much. Business owners pay for many of their own services such as snowplowing, trash removal and sweeping of parking areas. Mr. Yazbak felt it was very difficult to justify a two-tier. The crux of the situation is that the town never gets enough school funding.

Mr. Alex Biliouris felt that fundamentally there was a problem with the appraisal process. Commercial property values are income driven.

Mr. James Cournoyer stated the town is treating the symptoms rather than the root cause. The problem is in the way Vision Appraisal comes up with the valuations.

Mr. Lowe reiterated that a mistake had been made in 2003. If this adjustment is not made this year, homeowners' taxes could go up an additional \$300.00. The cost of services for businesses has gone up 28 percent. No business will be paying more taxes than they paid in 2003 with the two-tier tax.

Mr. Lovett supported the two-tier tax plan. Residential values increased 24 to 32 percent. Commercial values increased 12 to 18 percent. State law allows for the commercial rate to be set at a value 50 percent higher than residential. Based on the 2006/2007 municipal rates, 19 cities and towns in Rhode Island have a commercial tax rate greater than \$15.37, which is what North Smithfield is proposing to charge.

MOTION by Mr. Zwolenski, seconded by Mr. Lovett, and voted unanimously on an aye vote at 10:32 P.M. to extend the meeting.

Mr. Donald Gagnon stated the businesses have valid arguments. However, no one has spoken about the residents. He is on a fixed

income. Heating costs go up. Homeowners can handle only so much of the burden.

On a roll call vote the MOTION passed unanimously.

**1ST READING ORDINANCE AMENDMENT RE: TAX CLASSIFICATION
MOTION by Mr. Leclerc, seconded by Mr. Keeley, and voted unanimously on a roll call vote to approve this document. The second reading will be on June 18, 2007.**

June 11, 2007

AGREEMENT FOR TAX SALE SERVICES

MOTION by Mr. Lovett, seconded by Mr. Keeley, and voted unanimously on an aye vote to approve the agreement between the Town of North Smithfield and Sjoberg & Votta Law Offices for the purpose of real estate tax collection. This is at no cost to the town.

RESOLUTION RE: ELECTION DATE FOR SEWER BOND

MOTION by Mr. Lovett, seconded by Mr. Keeley, and voted unanimously on an aye vote to adopt the following resolution:

“WHEREAS, The Town of North Smithfield has previously resolved that the General Assembly enact legislation authorizing the Town to issue bonds and/or notes, with approval of the qualified electors of the Town (“the election”), in an amount not to exceed \$21,000,000 for the purpose of financing the construction and extension of sewers and sewer lines and the acquisition, construction and installation of

pumping stations and related facilities and equipment through the issuance of its general obligation bonds or notes including but not limited to any bonds or notes issued pursuant to financing agreements with the Rhode Island Clean Water Finance Agency in the town; and WHEREAS, The referenced legislation as approved by this council is pending at the General Assembly. THE NORTH SMITHFIELD TOWN COUNCIL HEREBY RESOLVES: Upon final passage and approval by the General Assembly of the above legislation, an election shall be conducted for the issuance of bonds and/or notes for the purpose of financing the construction and extension of sewers and sewer lines and the acquisition, construction and installation of pumping stations and related facilities and equipment through the issuance of its general obligation bonds or notes including but not limited to any bonds or notes issued pursuant to financing agreements with the Rhode Island Clean Water Finance Agency in the town, which election shall be held on October 16, 2007.”

RESOLUTION RE: ELECTION DATE FOR LIBRARY BOND

MOTION by Mr. Leclerc, seconded by Mr. Lovett, and voted unanimously on an aye vote to approve the following resolution: “WHEREAS, The Town of North Smithfield has previously resolved that the General Assembly enact legislation authorizing the Town to issue bonds and/or notes, with approval of the qualified electors of the Town (“the election”), in an amount not to exceed \$12,000,000 for the purpose of financing the acquisition of land and/or interests in

land for a new municipal public library and library facilities and the reconstruction and rehabilitation of existing buildings and construction of new buildings or new additions to existing buildings for, and the equipping of, a new municipal public library and library facilities in the town; and WHEREAS, The referenced legislation as approved by this council is pending at the General Assembly. THE NORTH SMITHFIELD TOWN COUNCIL HEREBY RESOLVES: Upon final passage and approval by the General Assembly of the above legislation, an election shall be conducted for the issuance of bonds and/or notes for the purpose of financing the acquisition of land and/or interests in land for a new municipal public library and library facilities and the reconstruction and rehabilitation of existing buildings and construction of new buildings or new additions to existing buildings for, and the equipping of, a new municipal public library and library facilities in the town, which election shall be held on October 16, 2007.”

RESOLUTION RE: REAL PROPERTY EXEMPTIONS FOR DISABLED PERSONS AND PERSONS AGED SIXTY-FIVE AND OVER

MOTION by Mr. Lovett, seconded by Mr. Keeley and Mr. Zwolenski, and voted unanimously on an aye vote to adopt the following resolution: “WHEREAS, The Town Council wishes to increase the real property tax exemption under Ord. Sec 6-3A for persons aged sixty-five and older to five hundred dollars (\$500.00); WHEREAS, the Town Council wishes to increase the real property tax exemption under Ord. Sec 6-3B for disabled persons to five hundred dollars

(\$500.00); WHEREAS, legislation is currently pending in the general assembly for the purpose of authorizing these exemptions; IT IS HEREBY RESOLVED: 1. The Town Council petitions the General Assembly to pass legislation (currently designated in draft form as LC03229) that will authorize the passage of town ordinances that will put into effect the above exemptions.”

June 11, 2007

1ST READING ORDINANCE AMENDMENT RE: TAX EXEMPTION FOR DISABLED PERSONS THAT ARE PROPERTY OWNERS

MOTION by Mr. Leclerc, seconded by Mr. Lovett, and voted unanimously to approve this ordinance as a first reading. The second reading will be on June 18, 2007.

1ST READING ORDINANCE AMENDMENT RE: TAX EXEMPTION FOR PROPERTY OWNERS AGED SIXTY-FIVE AND OLDER

MOTION by Mr. Keeley, seconded by Mr. Leclerc, and voted unanimously on an aye vote to approve this ordinance as a first reading. The second reading will be on June 18, 2007.

MOTION by Mr. Lovett, seconded by Mr. Leclerc, and voted unanimously on an aye vote to adjourn at 10:58 P.M.

Respectfully submitted,

Debra A. Todd, Town Clerk