

At a Financial Town Meeting holden within and for the Town of Scituate, on April 4, 2006 in the High School Auditorium in said Scituate, pursuant to the Warrant issued and to law, being for the purpose of hearing official reports, making appropriations, ordering a tax and transacting any other business that may lawfully come before said meeting.

After pledging allegiance to the flag of our country, the meeting was called to order at 8:10 P.M. by David D'Agostino, Town Moderator. Mr. D'Agostino welcomed everyone to the 275th Financial Town Meeting, noting that the first meeting was held on March 18, 1731. Mr. D'Agostino introduced the Town Council, School Committee, Superintendent of Schools, Town Clerk, Town Treasurer and Town Solicitor who were all sitting on the stage. He noted the budget totals \$29,031,227, an increase of \$1,058,022 over last year, which the administration deems necessary to continue existing services. This budget includes increased spending for education, public safety, highway improvements, libraries, recreational programs, social services, town properties and cultural services. He noted that if all appropriations and resolutions are adopted without change, the tax rate will not exceed \$24.57 per thousand for residential real estate, \$30.89 per thousand for commercial, industrial, mixed use real estate, and \$36.79 per thousand for tangible personal property. This represents a rate increase of \$1.28 per thousand for residential tax payers (5.5% rate increase).

The warrant, the posted notice and return of service was read by Town Clerk, Margaret M. Long.

Town Moderator, David D'Agostino, advised the audience of the rules and regulations of the meeting. He mentioned that visitors are all seated in the front rows to his right and explained the procedures, which would be followed for voting by registered voters. He advised that his role as Town Moderator is to preside and regulate these proceedings, to decide questions of order and to declare votes. This meeting will be conducted according to the following rules: The Statutes of the State of Rhode Island pertaining to Financial Town Meetings will apply and will prevail.

Mr. D'Agostino ruled that all motions from the floor must be in writing (forms are available if needed), signed, and presented to him immediately after making the motion public. Once the motion has been made and seconded, he will then open the floor for discussion on that motion. He kindly asked that anyone making remarks, observations and comments keep them brief and to the point of the motion at hand. By law, every elector does have the right to speak once on each motion. Mr. D'Agostino noted that anyone wishing to speak should utilize the microphones at the front of the auditorium and please state their name and address. The comments or questions will be then addressed by the most appropriate person available. Each line item shown on the appropriations budget will be read individually and then voted upon. The decision of the majority of electors present qualified to vote will be accepted as the decision of this assembly. Voting is accomplished by a voice vote. A vote in the affirmative is "aye," and a vote in the negative is "no." If the voice vote is close, I may call for a standing vote; indicate your support for the motion or for the point before the assembly by standing, those opposed remain seated.

In the event that a paper ballot is called for or requested, then it will require at least 20 percent or one-fifth (1/5) of those qualified to vote to second that motion. If the motion is seconded by 20 percent of those qualified to vote and then passed, the Board of Canvassers will conduct the paper ballot. Discussions tonight will be concerned with and limited to items listed on and pertaining to the call of this meeting; specifically, the appropriation of monies, expenditure of monies and the imposition of taxes. If anyone's comments or motions are outside the scope of this meeting, Mr. D'Agostino will let them know that and try to bring themselves back to the point at hand.

Moderator D'Agostino advised that the Board of Canvassers has indicated the total number of electors present is 279. There are also 9 guests in attendance.

Town Treasurer, Theodore Przybyla, read a summary of receipts of \$26,806,000 and disbursements of \$26,423,000 for the year ending

March 31, 2006, leaving an ending cash balance of \$383,000.

Motion made by Councilman Marchant, seconded by Councilman Marcello and others and voted without discussion to accept the Treasurer's Report as read.

Item 110 was moved by Town Clerk Long, seconded by Councilman Marchant and others and voted without discussion. Town Moderator declared the motion carried.

Item 210 was moved by Town Clerk Long, seconded by Councilman Marchant and others and questioned by George Kuzmowycz, 37 Esek Hopkins Road. Mr. Kuzmowycz stated he is making a motion to reduce the amount budgeted for Item 210 by \$44,974., representing the School Department's portion of the cost of the Police Resource Officer. This was a position that was introduced approximately five years ago under what he feels was a misleading pretense in that it was grant-funded for the first three years at no cost to the taxpayers with the understanding that the necessity of that position would be seriously reviewed thereafter. Mr. Kuzmowycz stated he cannot believe that the serious review of this position has taken place. He believes that having an armed, uniformed officer in our schools sends the wrong message to our children, and is unnecessary. The motion was seconded by Council Vice President Budway. Moderator D'Agostino asked if there was any discussion? Superintendent Paul Lescault stated that the School Committee and School Department feel very strongly that the School Resource Officer greatly enhances safety in the schools for both students and staff. In a post-Columbine world, we cannot compromise safety. Regardless of fiscal condition, we feel that eliminating this position, would be compromising safety of our students and our staff. Therefore, we would ask that you continue to support this position.

Moderator D'Agostino stated there is a motion that has been seconded to amend line item #210 to reduce the amount appropriated in the budget to \$44,974 and called for a vote. With no further discussion, Moderator D'Agostino declared the motion is denied.

Vincent Ciunci, 195 Howard Avenue, introduced himself as being

the second highest taxpayer in Scituate. He stated he has run a school in Scituate over the years (Sunrise Academy) that has saved the Town thousands of dollars. Mr. Ciunci stated he is acknowledging all of the Council's hard work and the incredible job they do of keeping taxes down. Mr. Ciunci stated that the taxes on his home in Scituate are \$5,000., and would be \$25,000 in Cranston.

Mr. Ciunci stated that the Town Treasurer has many responsibilities, but asked why he is not on the School Budget Committee? Mr. Ciunci stated that he feels that the School Department using the reserves of \$952,000 is very risky. Why is it used? Mr. Ciunci asked if the School Committee goes to bid for utility costs? Mr. Ciunci also asked how many Assistant Superintendents we actually have? Mr. Ciunci stated he also has major concerns about building a middle school, with the problem with the Water Board hanging over our head. He stated the Superintendent in Providence has an idea to go back to the "old school idea" of eliminating the middle school concept. Mr. Ciunci said he is also concerned about the pension debt. When are we going to handle that debt?

School Superintendent Lescault responded to Mr. Ciunci's questions. He stated we use a certain amount of our surplus each year. The goal is to replenish that as much as possible. Using fund balance is a practice that we have long engaged in and it would be difficult to stop that process. It would create a huge hole. We do bid all large items. We have one Assistant Superintendent, that is down from two. Earlier this evening, the Scituate School Committee voted to accept the necessity for construction application with the Dept. of Education tomorrow morning for the Regent's approval in April, which will ask permission from the State to renovate and expand the high school building. This would replace the need to build a middle school.

In response to Mr. Ciunci's pension debt question, Town Treasurer Przybyla stated if you look at the line items, the current strategy is to amortize the current liability over the next 20 to 25 years, and putting an extra quarter of a million dollars

into the budget. The last actuarial report showed an unfunded liability of 2.5 million. Councilman Marcello noted that the last actuarial report showed a police pension unfunded liability of 4.2 million, not 2.5 million. Mr. Przybyla stated that we are also exploring the possibility of moving the current police department into the State Retirement System. Mr. Ciunci stated he was referring to the School pension, not the Police pension.

Superintendent Lescault stated the school pension is fully funded. This year it increased by 9.2% to 11.62%.

With no further discussion on line item #210 Support of Public Education, Moderator D'Agostino stated a motion was made and seconded and called for a vote. Motion carried.

Item 210, School Committee, was moved by Town Clerk Long, seconded by Councilman Marchant and others and voted without discussion. Town Moderator declared the motion carried.

Items 220, 310, 320, and 330 were moved by Town Clerk Long, seconded by Councilman Marchant and others and voted without discussion. Town Moderator declared the motions carried.

Item 340 was moved by Town Clerk Long, seconded by Councilman Marchant and others, and questioned by Ralph Johnson of 10 Midway Street. Mr. Johnson asked why we are paying this, even though it's such a small amount, when we are already sending such a valuable resource to them? He stated these small amounts have a way of turning into a monster if they are not watched closely. Council President Richard responded by saying the reason this item was not in the budget last year and previous years was because the Council was not satisfied with the accounting practices and what was going on at the Pawtuxet River Authority. It is a state law that the neighboring towns along the Pawtuxet River must support the Authority. We have no choice; however, we felt there was misappropriation of funds, and we were told by our members on the Authority not to fund this until the matter got straightened out. The Authority did have an audit conducted this year, and they have straightened things out. Therefore, by state law, we are funding this.

With no further discussion on Item 340, Town Moderator D'Agostino called for a vote, and declared the motion passed.

Items 350, 380, 390, 410, 420, 430, 440, 450, 510, 520, 530, 540, 610, 620, 710, 720, 730, 740, and 750 were moved by Town Clerk Long, seconded by Councilman Marchant and others and voted without discussion. Town Moderator declared the motions carried.

Item 760 was moved by Town Clerk Long, seconded by Councilman Marchant and others and questioned by George Kuzmowycz. Mr. Kuzmowycz stated he noticed that the Zoning Board salaries and expenses have more than doubled and wanted to know why? Building Official David Provonsil explained that the zoning board salaries and expenses have increased by \$6,600. The salaries have remained identical to what they were in the past. The increase represents the cost of certified letters to the abutters. In the past, this cost would run as a deficit until it was reimbursed by the applicant; however, the auditors advised that we cannot allow this and has to be put in the budget and then reimbursed to the General Fund to no additional expense to this line item in the budget. With no further discussion, Moderator D'Agostino called for a vote and declared the motion carried.

Items 770, 780, 810, 820 and 830 were moved by Town Clerk Long, seconded by Councilman Marchant and others and voted with no discussion. Moderator declared motions carried.

Motion made by Town Clerk Long, seconded by President Richard and others and voted with no discussion to close appropriations.

The following Resolutions were presented by Town Clerk Long, seconded by Councilman Richard and others (copies attached hereto and made a part hereof):

Resolution No. 1: Tax Anticipation Notes \$2,000,000.

Vincent Ciunci asked for an explanation of this resolution. Town Treasurer Theodore Przybyla explained this is an annual appropriation that is a one year note for borrowing for current expenses while we are waiting for tax collections. Mr. Ciunci asked what is the interest rate? Mr. Przybyla stated it is a little over 5%. With no further discussion, Moderator D'Agostino

declared the resolution passed.

Resolution No. 2: Authorizing the issuance of \$261,000 in notes for the purchase of Public Safety and Highway Equipment.

John Napolitano, 15 Huntinghouse Lane, questioned what is the amortization of this note, and what is the term of the useful life of the assets that we are going to buy? Town Treasurer Przybyla stated the amortization on one is 2 years, on the other is 5 years, and Richard Iverson, Public Works Director responded to the question regarding life expectancy of the equipment. Mr. Iverson stated the life expectancy is 10 years; however, the piece we are replacing lasted 17 years.

Ralph Johnson of 10 Midway Street asked why are we issuing notes for equipment rather than putting them in the budget as a line item? Council President Richard explained that at one time both the Police Dept. and the Public Works Dept. had line items for equipment. We have to replace police cars on a rotational basis every few years because they are on the road 365 days a year. We also have to replace public works equipment every two years. However, the Council decided to take this out of the budget because of the favorable interest rates in the past, and to be able to meet the 5.5% increase cap. This was also done with the school budget in order to meet the 5.5% increase cap. With no further discussion, Moderator D'Agostino called for a vote, and declared the Resolution passed.

Resolution No. 3: Authorizing the Issuance of \$200,000 in notes for maintenance and repairs of school buildings and grounds.

Resolution was voted with no discussion, Moderator D'Agostino declared the resolution passed.

Resolution No. 4: Authorizing the Issuance of notes not to exceed \$400,000 in anticipation of possible adjustment to the tax assessment and/or rates applicable to certain real property assessed to the Providence Water Supply Board and counsel fees and expenses pertaining to the judicial review of said assessments and rates.

John Tessitore, 6 White Birch Circle, stated we were all

expecting the passage of a bond issue for the building of a new school, and some considerable tax dollars were spent to study this.

It is no secret that the way to go was the building of a new school, and we were all expecting that we would be discussing that at some point. However, the lack of agreement with the Providence Water Supply Board has enormous ramifications. This is going to affect the nature of our education system. How did we get to this point? Despite repeated assurances that we would not find ourselves in litigation, (Mr. Tessitore quoted several articles from the Providence Journal) we have found ourselves in precisely that situation. Mr. Tessitore stated that one year ago he addressed the Town Council (it is on the record of the Financial Town Meeting) and asked how can you expect the Water Supply Board to pay \$5.2 million which we were then assessing, when in fact, they were unhappy paying \$4.8 million the year before? In 2003, when there was a revaluation, they only wanted to pay \$3.9 million.

The Town created a dual tax base, and applied the commercial rate to the Water Supply Board, bringing them back to \$4.8. Now you have a very unhappy #1 taxpayer. Mr. Tessitore stated that he was told at \$5.2 million (again, on the record of this meeting) that the Providence Water Supply Board always paid what they are assessed, and we can expect they would do so. Mr. Tessitore stated he thinks it's sadly ironic that the amount of money that we insisted on raising in terms of the Water Supply Board's taxes last year, from \$4.8 million to \$5.2 million, is \$400,000, exactly the sum that we now find ourselves having to borrow and pay interest on, which means the cost will be even more than \$400,000.

Town Treasurer Theodore Przybyla stated that we could have increased taxes, but we are appealing it, so he advised the Council rather than to take the money from the taxpayers, to seek approval to fund it through a note and then include it in the next year's budget. This is just a method of deferring to take taxpayer's money unless we need it. This is contingent upon the appeal.

Town Council President Richard stated that if all we were interested in was getting an agreement with the City of Providence,

he could have done that six years ago. He stated he could reach an agreement tomorrow morning; however, no one would like the agreement. He stated that the City of Providence started out five years ago by introducing legislation to declare themselves tax exempt. Their ultimate goal was not to pay the Town of Scituate a dime. That is where we started. At one time, they paid 50% of our budget. They currently pay 18.79%. The burden on the taxpayers has risen consistently over the years, and their contribution to our budget has gone down consistently over the years. All we are proposing is something that is fair and equitable. As far as the farm, forest and open space going to court, that is only one small part of this whole big mess. We were \$100 million off from our assessment and what our appraiser said and what they came up with.

We were willing to split it down the middle to try to avoid going to court. He and Rep. Carol Mumford thought they had an agreement two years ago; however, they rejected this an hour later. This will have a profound effect on the Town of Scituate for the rest of the life of the Town. They control 83% of the land, and the other 43% is in the watershed. We must fight for what is right and fair.

We are not asking them to contribute any more than they should. We think our appraisal is fair and correct. Mr. Richard stated he will continue to do this as long as the people in this Town support him. If we can't have a school right away, we have to deal with that. We have to think five, ten or twenty years down the road. Any agreement for the sake of an agreement could cripple this Town for the foreseeable future. Mr. Richard stated he will not be part of that. He will only bring to the Town what is fair and equitable.

If it goes to court, we will hope and pray that we have a court system that will see the wisdom of what is fair and just to the people of Scituate, who has 83% of their land controlled by the City of Providence. Mr. Richard quoted John Gorham as saying "Only 1% of the Town is zoned business and commercial, and that is purposely done to protect the precious water that no one here uses." Now some 70 years later, they want to change the game. Mr. Richard stated he does not want to change the game. We have to

fight and do everything we can. We've hired another appraiser and a great appellant attorney that is costing us money. The Council is supporting that. We will continue to fight until the Town of Scituate's taxpayers get what is only fair and equitable for the sacrifice this Town has made for 80 years.

With no further discussion, Moderator D'Agostino called for a vote and declared that Resolution No. 4 passed.

The following Tax Resolution was presented by Town Clerk Long, seconded by Councilman Marchant and others and voted with no discussion:

RESOLVED: That the electors of the Town of Scituate qualified to vote on any proposition to impose a tax in town meeting legally assembled, on the 4thth day of April, A.D., 2006 hereby ordered the levy ad collection of a tax on the ratable real estate and ratable personal property in a sum of not less than \$20,086,630., not more than \$21,422,626., plus the average of the last three (3) years of abated taxes (estimated at \$51,803.07.), said tax is for the ordinary expenses and charges, for the payment of interest and indebtedness in whole or in part of said Town and for the other purposes authorized by law.

The Tax Assessor shall apportion said tax on the inhabitants and ratable property of said Town as of the 31st day of December A.D., 2005 at twelve o'clock, according to law, and shall on completion of said levy, date, certify and sign the same; deliver to and deposit the same in the office of the Town Clerk on or before the 15th day of June A.D., 2006.

The Town Clerk, on receipt of said assessment and levy, shall forthwith make a copy of the same and deliver it to the Town Treasurer who shall forthwith issue and affix to said copy a warrant under his hand directed to the Collector of Taxes of said Town, commanding her to proceed and collect said tax on the persons and estates liable therefore.

Said tax shall be due and payable on and between the 1st day of July A.D., 2006 and the 1st day of August A.D., 2006, and all taxes remaining unpaid on the 1st day of August A.D., 2006 shall carry until collected a penalty at the rate of

twelve (12) per centum per annum upon such unpaid tax from July 1st A.D., 2006.

Said tax may be paid in four (4) installments, the first installment of 25% on or before the 1st day of August A.D., 2006, and the remaining installments as follows: 25% on or before the 1st day of October A.D., 2006; 25% on or before the 1st day of January A.D., 2007 and 25% on or before the 1st day of April A.D. 2007.

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

If the first installment or any succeeding installment of taxes is not paid by the last date of the respective installment period or periods as they occur, then the whole tax or remaining 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 aforesaid.

At 9:25 P.M. a motion was made by Town Clerk, Margaret M. Long to adjourn, seconded by Councilman Salisbury and others and voted without discussion.

Refer to electronic tape for complete discussion and testimonies given.

Witness:

Margaret M. Long, Town Clerk