

**FINANCIAL TOWN MEETING**  
**June 3, 2019**

**Call to Order**

Moderator John Murphy calls the Annual Financial Town Meeting to order at 7:18 p.m. in the Lawn Avenue School Gymnasium, 55 Lawn Avenue, Jamestown, and led the Pledge of Allegiance. A moment of silence was observed for Jamestown residents who passed away since our last Financial Town Meeting.

Town Council members present:

Michael G. White, President  
Mary E. Meagher, Vice President  
Nancy A. Beye  
Randall White  
William J. Piva, Jr.

Also in attendance:

John A. Murphy, Town Moderator  
Andrew E. Nota, Town Administrator  
Christina D. Collins, Finance Director  
Lisa W. Bryer, Town Planner  
Donna J. Fogarty, Library Director  
Edward A. Mello, Police Chief  
Fred F. Pease, Town Sergeant  
James R. Byer, Fire Chief  
Howard Tighe, Deputy Fire Chief  
Steven Teixeira, Deputy Fire Chief  
Andrew J. Wade, Parks and Recreation Director  
Peter D. Ruggiero, Town Solicitor  
Cheryl A. Fernstrom, Town Clerk

School Committee members present:

Keith J. Roberts, Chair  
Sheila M. Reilly, Vice Chair  
Sally Schott  
Agnes C. Filkins  
Kristine A. Lapierre

Also in attendance:

Kenneth Duva, Superintendent  
Jane Littlefield, Director of Finance  
Peter Anderson, Director of Buildings and Grounds  
Carole Peterson, Melrose School Principal  
Nate Edmunds, Lawn School Principal

Erika Dickson, Director of Student Services  
Samira Hakki, Director of Technology

### **Budget Process, Meeting Procedures and Voting Overview**

Town Moderator Murphy thanked the School Department, the Custodial Staff, and the Jamestown Fire Department volunteers for setting up a safe and convenient place to meet. Moderator Murphy alerted those in attendance to the location of all the exits and which exit to use in case of an emergency. This FTM operates under State law and Town Charter. Our objective is to have a safe, efficient and fair open meeting. In making comments, please treat others the way you would like to be treated.

Moderator Murphy stated when voting state “yes” or “no”, you don’t have to yell. The Town Council President will describe the General Town Budget, and the School Committee Chair will describe the School Committee Budget, and then you will be asked to consider each and whether or not to adopt it. Voters seated in the main body of this room should have a green wristband, which they may be asked to show when they vote. Voters who wish to speak should use the microphone in the center of the room. People seated in the bleachers are non-voters and have purple wristbands.

### **Town Council President Michael White**

Moderator Murphy introduced President White, who thanked Moderator Murphy and addressed the assembled voters.

Welcome, welcome to all.

As most of you know, this is not my first Financial Town Meeting, but it my first time as the President of the Town Council. It has been my honor to serve you and Jamestown for the last twelve years. On behalf of the Town Council and the School Committee, I would like to thank you all for joining us this evening.

Our town meeting is unique. A **town meeting** is one of the purest forms of Democracy, used primarily in portions of and throughout our country– principally in New England – since the 17th century, in which many, or most, or all the members of a community come together to legislate policies and budgets for local government. This is a good gathering tonight.

Our town meeting has a more focused charge, to approve the budget for the next fiscal year.

Before the direct democracy takes place, the process of approving the budget includes our representative democracy, myself and the other four elected Town Councilors. We review the budget created by Andy Nota and his staff, designed, whatever words you want to use, by the administration.

Like good businesses, Andy asks his department heads what is needed, a form of brainstorming. They give him their requests and he negotiates and separates the needs from the wants and accepts, or decreases, or rarely, increases the funding requested.

Budget work is a year-round process in Jamestown, beginning in the fall and continuing until, well, today.

When the budget comes to us, the Town Council, it becomes a public process, and we have meetings after meetings, after meetings.....most folks count them, and if you're interested in the exact count, talk to someone else, I lose count every year....and that's a lot.

The vetting process, if you will, is exhausting. Some things are cut, some things are reduced, some things, for good reason, are increased. Things like Senior Services, and the Fire Department, School Expenses....

Some things require bonds, like those you approved at the election in November, like:

- services and repairs for the library
- replacements for the long-needed roofs for the schools...
- a new multi-use building at our golf course, and
- these bonds are loans, so funds need to be available for repayment.

This year especially, many things that have been waiting for inclusion, have come to the fore. Other things like road repair, and town vehicles, and building maintenance continue. Much of the everyday stuff for the next fiscal year was not increased, but funding is necessary to continue.

When I arrived in Jamestown in 1990, I came in to the state on a rainy day. I zigzagged my way from 95....by the time I passed by URI, I had started a line of traffic by driving the speed limit on 138, as one person told me no one drives the speed limit on 138....and then wondered if I should really drive over that old bridge with the grate on the top. And, remember, it was raining. Then I turned after having stopped at the light on North Road. Most of that is now gone. Now we have a highway through the Island, and North Road will finally have drainage for the runoff from storms, and the North Road project will be completed shortly. And we'll have smooth pavement, and a bike path.....and protected open space both north and south within the year.

Like a well-run live theater production or a beautiful church service, the things that makes and keeps the Town of Jamestown what it is doesn't happen by accident. While for theater and church, most preparations happen behind the scenes.....not so with town projects.... they are planned for, fleshed out, and they require.....well, funding....budgeting.... money....moolah.

The Town and School combined Budget Program in FY2020 is dedicated to a continued commitment to the implementation, maintenance, and completion of:

- Senior programs – with a significant increase in Senior programs and services;
- Maintaining the highest level of Police, Fire and EMS services for the safety of our citizens;
- Capital programs for the community’s infrastructure through one-time investments in the Town’s roads, sidewalks, drainage systems, and buildings;
- Renewable energy sources including solar that will pay for themselves in the future;
- Shared Pedestrian/Bicycle Path from West Passage to the North Reservoir;
- Fort Getty improvements;
- Support for Affordable Housing Funding initiatives;
- Information Technology, including expanded fiber network and further work on the viability of a North End Cell Tower Installation;
- Parks and Recreation – and what about our new playground!!!
- Top rated Schools. (Applause)

To quote my predecessor, former Town Council President Kristine Trocki, in which I agree wholeheartedly:

“It is with great confidence that I can state that our Community’s Educational System is sound, well managed, and provides leadership, both inside and outside of Jamestown. Jamestown is a prime example of what a successful public education program should be.”  
(Applause)

We sometimes take for granted the fact that Jamestown is renowned for its leadership in many areas including:

- Environmental Stewardship
- Sustainability
- Agricultural Pursuits
- the Arts
- Marine Services

With all of these challenges, Jamestown continues to offer its residents one of the lowest residential, commercial and motor vehicle tax rates in Rhode Island – while maintaining high quality municipal services and an amazing community-based quality of life. Our town’s Aa1 Bond Rating remains a significant achievement in a town of our size.

Since 2016, the tax rate has decreased from \$8.58 to \$8.04 per thousand...this year alone it went from \$8.85 down to \$8.04.

And almost finally, I wish to say something about the Schools. I have been in all my years as a Town Councilor the Town Council liaison to the School Committee. I will attest to their care in sculpting a budget with careful financial responsibility while never failing to fulfill their prime directive, which is to educate the future of our community. Their budget, like ours, focuses on the needs of their school department and its mission.

The clock is ticking, and the moment draws closer. This budget that is presented to you has been seen as a financially responsible budget that meets the needs of our town and our schools, without frills, one of *NEEDS NOT WANTS* and **UNANIMOUSLY APPROVED** by **ALL 5 of your Elected Town Councilors**. On behalf of the Town Council, I respectfully request your support for the **Fiscal Year 2019-2020 Budget AS IT IS PRESENTED**. **Thank you.** (Applause)

**School Committee Chair Keith J. Roberts**

Moderator Murphy introduced Chairman Roberts, who thanked Moderator Murphy and addressed the assembled voters:

Thank you all for coming tonight. I am hopeful that we will approve the budget that is being proposed to the voters of Jamestown.

As a member of the Jamestown School Committee, I am hoping to gain your support for the school's financial request to the town, as it represents almost 60% of the total town budget at over \$14.4 million.

I don't think it would be new information for anyone in this room that our schools rank very high amongst the Rhode Island school districts. While I look forward to seeing how we performed on this year's RICAS, it will be one data point of many. Whether its test scores, robotics competitions, music auditions or performances, history competitions, or science competitions - Jamestown students perform at a high level. Our schools have received recognition from both the state and federal levels. RIDE rated Melrose School as a 5-star school, and Lawn School received 4 stars; missing 5 stars by one point. Melrose received the Blue Ribbon award at the end of last school year, and it was a Jamestown teacher, Charlene Tuttle, that won the RI Teacher of the Year at the end of last year.

The district has been using zero-based budgeting for almost 10 years. It's a great practice. It is certainly time consuming, and resource intensive, but we end up with a budget that is based on the upcoming year's needs. Zero-based budgeting means that we start the planning process at \$0, and build it up based on the anticipated student population. We don't have a budget that is built by taking last year's number, applying a multiplier, and establishing next year's budget. Our budget is based on student needs.

In prior years the budget increases were partially, or entirely, funded with the school's reserve fund. The request to the town fluctuated between no increases, reductions, or relatively modest sub 3% increases. Last year and this year are different; as expenses continue to rise, the reserves have diminished, and now we plan to use the balance of the reserve to fund expenses associated with the capital improvement projects that were approved by 80% of the voters at the November election. The financial policy and management is pragmatic. However, without the reserves to fund increasing costs we will need the town to fund the increases, as the surplus reserves have been leveraged.

I want to be clear; increases have been consistent over time. This is not a new phenomenon. What's changing is how we fund the increases. The previous administration, school committee, and town council worked to insulate the residents from the increases. By leveraging the reserves it didn't hit our property taxes as hard during those years. I think the hope was that the school population would adjust over time, and the costs would come down.

The rising costs are out of our control; healthcare went up 3.47% this year (originally we were planning for a 10% increase), special education now represents 22% of the budget, transportation, fuel, out-of-district placements, and compliance with contracts and legislation are the drivers behind the budget increases. It is not a result of mismanagement or adding discretionary programs. Reducing expenses will ultimately increase the pressure on the kids 'in the middle'. The top performing students are less affected by increasing ratios or removing supports. The students with IEPs are ultimately protected. What about the majority of the students that represent the middle? By removing supports around the teachers and increasing ratios there is a higher probability that there will be an increase in IEPs. An increase in IEPs would mean further increases in special education costs. It benefits the students and the taxpayer to invest in a level of prevention.

As the budget stands right now, 94% of our expenses are required by legislation, contractual obligations, or policy. The administration is working hard to maintain the excellence that has been developed in Jamestown as fiscally responsible as possible. I hope that we can all agree that it would be tremendously challenging to maintain the level of quality, while at the same time reducing headcount in the administration or teaching staff, without a plan to mitigate those risks, making investments to validate there is excess that can be removed, or by introducing best practices that come with a lower cost.

I want to be clear on what the next steps are in the event the town budget is not approved. We would need to make hard cuts across all areas that will require reductions in classroom teachers, teacher assistants, administrative staff, sports, after-school activities, and other resources for the classrooms. It's safe to say it would be draconian in nature. Instead, I would like to propose that we come together as part of the upcoming strategic planning process, or another collaborative venue over the next 34 weeks, to build consensus around a strategy and associated budget. I don't think anyone is opposed to saving money, and we all worked to be as transparent as possible with the various constituents in the community during this recent budget process. I believe the issue is that we don't know how to provide the same level of quality for less money. We don't believe it's feasible. I don't believe the best path forward is to reject the budget that allows our town to continue to move forward. It is our responsibility to educate the children in Jamestown, and it is our responsibility to give them the education they deserve. The negative consequences for not approving the budget fall squarely on our students. That doesn't seem like a win-win solution.

Over the last few weeks there have been letters written suggesting that the budget is too high, specifically administrative costs. Are we outside of a typical ratio for administrative expenses as compared to the total budget? Based on the data I've reviewed we are right in line with other districts in the state, 10% of our budget is comprised of administrative expenses.

How many schools in the state of RI are run by someone other than a principal, or that share a principal? None. Do we want to be the first district to make that attempt?

Administrative costs are necessary. The responsibilities that fall on administration are real. Our administration is right-sized for Jamestown. While we have a Superintendent, a Principal for each building, a Director of Student Services, a Financial Director, Technology Director, and Director of Building and Grounds, we don't have an Assistant Superintendent or Curriculum Director, a Human Resources Director, Assistant Principal, or Transportation Director. Our team wears multiple hats to fulfill requirements while controlling expenses.

I agree that there is a major problem with how education is funded. It's unfortunate that the burden falls on property owners. It's unfortunate that unlike our neighbor, Massachusetts, Rhode Island doesn't accept responsibility for our children's education. Less than 5% (I believe 3.5%) of our budget is funded by the state, and with the state's funding formula that number isn't going up. Best case, it will stay consistent. Roughly \$500k is the state's contribution to educate our kids; that represents about \$830 per student. It is the responsibility of each school district to educate their students. Until the State of Rhode Island addresses its fiscal policy and falling revenues, we are left with the system we have.

What is the goal for savings? 100k? 300k? 500k? Is there a number that would satisfy those that are not in favor of the proposed budget? I do want to stress that financial physics is a real thing. What bets and trades are we willing to make? Reductions in spending that aren't supported with research and analysis will result in lower quality. If the grocery store reduces the number of cashiers to save money, it will likely lose revenue, as people will shop where there is less waiting. If the grocery store invests in self-service at the registers, then they can remove the labor expense as a yield to the technology investment. We don't have an R&D budget, but we need to perform some research and analysis before making big structural decisions. That's where we are; we've already taken away from the athletic budget, the music budget, and reduced professional development. That's already been removed. Further meaningful reductions would have to be funded by reducing headcount.

Let's break that down to what it means to you and me. Every 100K in expense results in \$4 per 100k of the property's assessed value. For the purposes of an example, if we take the risk and eliminate a position, and if your property is worth \$500k, you will save roughly \$25 on the \$4000 tax bill. Is that what we are trying to achieve? Why aren't we discussing the investments we could make that would allow us to yield future return on that investment? Ideally benefiting the student and the taxpayer.

Budgets are value statements. They represent what is truly important to all of us. By removing financial support for an initiative it is, at a minimum, de-prioritized; more likely eliminated. Budgets should be balanced, align with goals and objectives, and include investments that allow for future budget optimization. Voting 'No' would make it clear that Jamestown's priorities no longer include providing the type of education we have become known to provide; reducing the tax levy becomes the top priority. That doesn't seem to align with the 80% of voters that approved our School bond, or the vast majority of people I've talked with over the past year while serving on the School Committee. What good is it to invest in buildings only to diminish the quality of the education experience?

I'm respectfully encouraging you to approve the budget as proposed. It's worth noting that the school budget was unanimously approved by the School Committee, and the town budget was unanimously approved by the Town Council. We have an excellent program that is comprised of some of the best administrators and teachers in the world. I ask that you allow them to continue their mission, maintain forward progress, and continue to provide our students with the education they deserve. Let's work together over the upcoming 8 - 9 months to build a consensus around the future of Jamestown schools.

Thank you for your time and attention. (Applause)

### **Voting on the Budget**

Moderator Murphy stated in a moment I will call for motions on the two budgets, the general budget and school committee budget. First, I would like to explain a little about the voting. The general approach first is to have a voice vote, and if the voice vote is decisive in my judgment, that resolves the matter. If the voice vote is not decisive, then we will call for a standing vote, that is, you will stand showing your green wristbands, and we count. If, however, 20% of you, which is 69 voters, based on the number of voters present, which is 346 voters, we will have a paper ballot, which takes some time. If 20% of the voters request it, we are prepared to have a paper ballot.

At this time I call for a motion on the general budget.

**A motion was made by Town Council Vice President Mary Meagher with second by Eugene Mihaly to approve the Town Budget for \$11,063,235.**

Moderator Murphy asked if there is any discussion. (no discussion). Moderator Murphy called for all those in favor of the motion to signify by saying yes. **"Yes."** All those opposed say no. (no response). **It passes unanimously.** (Applause)

Moderator Murphy calls for a vote on the school committee budget. (no discussion)

**A motion was made by School Committee Member Sally Schott with second by a voter in attendance to approve the school budget in the amount of \$14,431,095.**

**A motion was made by Linda Jamison of Ocean Avenue with second by a voter in attendance to go to a paper ballot for the vote on the school budget. (no discussion)**

Moderator Murphy asks all those in favor of a paper ballot please stand and show your green wristbands and asks the Board of Canvassers to do the count. The Board of Canvassers reports there were 30 votes. Moderator Murphy reports the required number of voters for 20% was 69. **That motion for a paper ballot fails. (Applause)**

Moderator Murphy calls for all those in favor of the motion that was made and seconded to pass and adopt the school committee budget please signify by saying yes. **“Yes.”** All those opposed please signify by saying no. **“No.” The ayes have it. That budget is passed. (Applause)**

### **Voting on the Resolutions**

Moderator Murphy states we have three housekeeping Resolutions:

- **Resolution Number 1 – Sewer Line Frontage Tax Rate**
- **Resolution Number 2 – Borrowing in Anticipation of Taxes**
- **Resolution Number 3 – Disposition of Collected Back Taxes**

Moderator Murphy asks if there is a motion to approve those Resolutions. (no discussion)

**A motion was made by Town Council Vice President Mary Meagher with second by a voter in attendance to approve those Resolutions and also to waive the reading of them in their entirety.**

Moderator Murphy called for all those in favor of that motion to signify by saying yes. **“Yes.”** All those opposed say no. (no response). **The motion passes unanimously.**

### **Resolution Number 4 – Setting the Tax Rate**

Moderator Murphy announced we will now set the tax rate.

**A motion was made by Town Council Vice President Mary Meagher with second by a voter in attendance to set the Tax Rate and hereby order the assessment and collection of a tax rate on ratable real estate and tangible personal property in the sum of not less than \$8.04 nor more than \$8.09 per \$1,000.00 of assessed valuation. (no discussion)**

Moderator Murphy called for all those in favor to signify by saying yes. **“Yes”.** All those opposed signify by saying no. (no response) **The motion passes unanimously.**

### **Adjournment**

Moderator Murphy calls for a motion to adjourn.

**A motion was made by Town Council President Michael White with second by a voter in attendance to adjourn. (no discussion)**

Moderator Murphy called for all those in favor to say yes. **“Yes”**. All those opposed say no. (no response). **Motion passes unanimously.**

The Financial Town Meeting was adjourned at 7:53 p.m.

Attest:

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Cheryl A. Fernstrom, CMC, Town Clerk

Copies to:     Town Council  
                  Town Administrator  
                  Finance Director  
                  Town Solicitors  
                  Town Moderator