



LITTLE COMPTON TAXPAYERS ASSOCIATION

• • NEWSLETTER • •

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May 11, 2005, Vol. VIII, No. 3

Officers

Chairman: Bob Hayden

Vice Chairman: Roy Bonner

Secretary: George Crowell

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In Our Opinion...

The budget submitted to the voters seeks a 10.4% hike in spending at a time when the taxpayers are strapped to make ends meet. The Budget Committee put in a monumental effort in analyzing the requests and has made a recommendation on budget reductions that would result in a 5% increase. The Taxpayers Association fully supports the recommendations of the Budget Committee as they were made with intelligence and insight. We cannot say enough on the fine work done by the Budget Committee.

Here's how we see things...

#7: Eastern RI Coop. Ext. Service - \$2,000; #8: East Bay Community Action Program - \$8,000; #9: Visiting Nurses - \$1,000; #10: Samaritans - \$500; #11: Newport Mental Health - \$2,500. We do not believe that levying a tax on private property to pay for these grants is fair to all of the taxpayers. Not all the taxpayers use, or want these services. These grants do not rise to the level of importance to be paid for with property tax dollars. These programs should be funded through private contributions. **The Budget Committee has recommended \$0 for these items and so do we.**

#12. Substance Abuse Grant - \$22,000: This is a program that is run by a semi-private entity which conducts its business in the School. The purpose is to provide guidance to any youngster that may be having substance abuse or psychological problems. The Budget Committee asked for statistics about how many persons were served by this program and what the results were when the program was funded in past years. The people promoting this program had no specific answers. It seems to us that this is the job of the Guidance Counselor, Nurse, and Health Teacher. With a restored police staff next year, let's get the DARE program back into the School. That's better than a private company controlled by out-of-town people and would at least address the substance abuse part of this issue. Students get to know and trust OUR police, and the police get to know OUR students better. That's a WIN/WIN situation for all. **The Budget Committee has recommended \$0 for this item and so do we.**

#14. Police Department - \$604,216: The Budget Committee recommends \$637,302. Huh? Actually, the Budget

Committee is proposing a \$10,000 cut to the requested amount, and moving the \$43,086 request for a Patrol Officer from the Drug Forfeiture funds (Stroke #15) to the regular budget funded by taxpayer funds. We've been hitting the drug money pretty hard lately! We support this recommendation and, we're told, so does the acting Police Chief. He is expected to make a motion at the Financial Town Meeting (FTM) to do exactly this.

#19. Fire Department - \$557,316: The Budget Committee recommends a cut of \$24,565 bringing the total budget to \$532,751. We're told that the Fire Chief agrees with this cut and is expected to make a motion at the FTM to accept the Budget Committee's recommendation.

#22. Alfred Texciera - \$1,000: This stroke appears every year in accordance with an agreement that was made between the Town and Mr. Texciera at the time of his retirement. It always gets voted down. The Town is obligated to put this stroke in, but is not obligated to pay it. **The Budget Committee has recommended \$0 for this item and so do we.**

#24. Leonard Corrao - \$34,031.52: This strokes contractually pays for a disability. We often question why this person could not do something useful for the Town to earn his salary and benefits. The Budget Committee has recommended \$32,343.53, a slight reduction from the requested because of savings on the health plans. **We recommend that you support the Budget Committee's recommendation.**

#26. The School - \$5,978,848: In its March 1st submission, the School originally asked for a budget increase that is 11.25% over last year. Although this number will appear in the warrant that we will be voting on at the FTM, the School Committee working with the Budget Committee found ways to trim the original request to \$5,755,970. The Budget Committee has recommended an additional cut of \$77,290 bringing the number to \$5,678,680. Keeping in mind that the Consumer Price Index (CPI) during 2005 has been approximately 2.7%, the Budget Committee's recommended budget for the School is still a 5.66% increase over last year's appropriation. The rationale for the additional \$77,290 cut is a significantly reduced increase of Health Insurance (from 7% down to 1.8%); an opportunity to include a teacher co-pay in the

new contract that is to be negotiated this summer; and, the correction of several accounting errors. In addition to this, the Taxpayers Association feels that the School Committee budget could have produced a smaller budget had it not been for several votes defeating sound proposals within the School Committee for further cuts. They included:

- Reduce teacher unemployment contributions - \$8,000
- Eliminate teacher assistant unemployment - \$4,000
- Do not replace 1 retiring teacher assistant - \$13,000
- Do not replace 1 retiring teacher - \$80,000

That said, the Taxpayers Association believes that a reduction including the Budget Committee's proposal could easily be an additional \$150,000 (reduce staff by attrition and outsource student transportation).

#38. Business Manager - \$40,000: This request is from a group of people who have a solution looking for a problem, pure and simple. They would have you believe that Little Compton is on the edge of a collapse and that the various Town organizations can't live another day without the Business Manager. Have you heard any of the Town organizations say this? We haven't. Although we do not agree with some of the budget requests from several of the Town's departments, we believe that they are reasonably well managed and do not need the assistance of a Business Manager. And the \$40K request will soon grow by the requestors' own admission. It represents a half-time position that will soon grow into a full time position adding another employee in Town and adding to the burden on the pension and health insurance programs. We do not need another layer of administrative government. **The Budget Committee has recommended \$0 for this item and so do we. REJECT THIS SOUNDLY!**

SCHOOL COMMITTEE IGNORES THE BUDGET COMMITTEE'S RECOMMENDATIONS

In a rather surprising evolution at its May 10th meeting, the School Committee voted to ignore the Budget Committee's recommendation to "cut the School budget" (it's really lowering the increase, not cutting) and will expect some other Town department or organization to further cut its budget instead. The amount is \$77,290. Our new Town Moderator will expect those who want to raise their budget to declare which other budget should be cut in order to stay within the 5.5% tax cap which he said he will enforce. It will be interesting to see whose budget the School Committee singles out to cut in order to preserve its own budget.

A motion was made by Committeeman Joe Quinn to accept the Budget Committee's recommended budget in the spirit of cooperation with the taxpayers and to try to do some bridge building with the other Town organizations. Nobody seconded the motion! This is disturbing since a list of items in the budget where the cuts could be made was read and it showed that the Budget Committee's recommended budget could be achieved without adverse effects.

Instead, another motion was made by Committeeman Paul Desilets to ignore the Budget Committee's recommendation and stick by the proposed budget. The motion was seconded. Discussion by both the School Committee and the audience could only be described as bitter. The vote to ignore the Budget Committee (Yes) was as follows:

- | | |
|----------------------|-------------------------|
| Darrell Harvey - Yes | Joe Quinn - No |
| Paul Desilets - Yes | |
| Ian Scott - Yes | Cheryl Cady - Abstained |

#48. Health Benefits - \$457,979: The Budget Committee recommends a reduction of \$10,230 dollars based upon the smaller rate hike from Blue Cross Blue Shield. This comes from the fine efforts of the Town Council and School Committee which worked with other cities and towns in conjunctions with the Government Health Group of Rhode Island, Inc. By joining forces with that organization, our small segment of less than 100 employees with its own separate rate grew to a combined 4,500, which put pressure on Blue Cross Blue Shield to reduce rates. **This is a "no brainer" that everybody should support.**

#54. Harbor Commission - \$15,000: The Budget Committee recommends a reduction to \$0 and to fund the Harbor Master from fees collected for moor-ings, boat launches, mooring inspection fees, and fines. The funds would be controlled by the Town Council. **The Taxpayers Association supports this measure.**

#67. Adamsville Lights - \$10,000: This is a request for the repair and upkeep of the colonial style lights in the Adamsville area. **The Budget Committee recommends cutting this request to \$0 on the basis of it being an unnecessary burden on the taxpayers and we agree.**

A disturbing aspect of this budget is that it once again exceeds inflation (i.e., CPI) and was constructed with the attitude that it is OK to go to the 5.5% cap. If this is allowed every year, the tax rate will double in 13 years. The \$10 Million budget will become a \$20 Million budget and you will pay twice the amount of taxes that you now pay. Think of those who are on fixed or very low income. How are they expected to afford this and have any kind of quality of life at all? And as we have pointed out in the past, most of the budget increases go to salary and benefits, not additional or improved services.

DO NOT ACCEPT THIS! Your own financial health and your future are being picked away by those who can easily afford the increase and who go to the Financial Town Meeting with an acute case of TUNNEL VISION. When confronted with the question of affordability, these people look at you with a blank stare and have nothing to say. They act in an unconscionable manner and have no problem putting you in the poor house to accomplish their own ends.

MAKE SURE YOU ATTEND THE FINANCIAL TOWN MEETING ON MAY 17th, TUESDAY NIGHT, 7:00 pm AT THE WILBUR SCHOOL GYM. THERE ARE MANY OPPOSING FORCES PLANNING TO OUT VOTE YOU! DON'T LET IT HAPPEN. SUPPORT THE BUDGET COMMITTEE'S RECOMMENDATIONS AND DO IT WITH A CLEAR CONSCIENCE.

The 5.5% Tax Cap: As we approach this year's Financial Town Meeting (FTM), talk about the 5.5% tax cap has once again begun. The Rhode Island law that sets the cap is RI 44-5-2 entitled "Levy and Assessment of Local Taxes." The law states that a Town may not increase its tax levy by more than 5.5% over the previous year unless there is an emergency, a loss of external money (e.g., federal funds), or a debt service that has gone up unexpectedly. Should any of these conditions exist, the Town Council MUST obtain permission from the State's Auditor General and concurrence from the Department of Administration to exceed the cap.

There are those that say that the law is ambiguous and allows the voters at the FTM to vote whatever it wants to. **WRONG!** The law is clear - it is illegal for Town to adopt a budget causing the tax levy to increase by more than 5.5% unless it has been pre-approved by the Department of Administration and the Auditor General.

The Town Council HAS NOT requested such an increase for this year's FTM. The Town, therefore, is constrained to a 5.5% maximum increase in the tax levy. The Town Moderator has publicly stated that he intends to enforce this at the FTM.

We wholeheartedly agree with the Town Moderator's approach. The Budget Committee has recommended a budget that stays within the constraints. We fully support that budget and strongly urge the voters to do so also.

The Financial Town Meeting Rules: Our new Town Moderator, Joe Hagan, has developed operating procedures aimed at controlling the Financial Town Meeting such that, unlike the past several meetings, it does not turn into a lengthy, acrimonious gathering replete with name calling, filibusters, and bad behavior.

At the May 10th meeting of the School Committee, Mr. Hagan discussed his approach. He will restrict people to

3-minute discussions about any stroke or amendment. Amendments will only go one deep to avoid the confusion experienced in previous years where we had "amendments to the amendments to the amendments" which were very difficult to follow. People who try to increase a budget or exceed the Budget Committee's recommended amount must state what other stroke must be reduced in order to accommodate the requested increase. The 5.5% tax cap will be observed. This is an excellent approach.

How We Can Improve Our Fire Rating: One policy effort of the Little Compton Taxpayers Association is the improvement of efficiency in the delivery of services. Readers of this newsletter have been aware of our efforts since 1990. These efforts for improvements are a direct benefit to the citizens of Little Compton.

One of our members, Kevin Healey, a retired Air Force firefighter, called our attention to a new fire suppression system called "Compressed Air Foam System" (CAFS) that can improve the effectiveness of our volunteer and paid firefighters in their efforts to put out fires. The system is presently in the process of being evaluated for application to our town. It has been viewed upon by those responsible for fire fighting efforts as worthy of a serious evaluation and study.

The benefit for the citizens of Little Compton could be a direct one -- a measurable reduction of all our fire insurance premiums. Our fire district rating by the Insurance Service Organization (ISO) is a nine on a scale of ten (ten being the worst). It has been at that level for many, many years. However this new technology could improve that rating by a significant amount given its demonstrated effectiveness in other cities and towns that use CAFS.

The ISO rating system is based largely on the availability of water from pressurized fire hydrants. There is virtually no likelihood of pressurized fire hydrants in Little Compton! This new technology gets around that shortcoming.

There are other factors influencing the ISO rating such as equipment, manpower, and training; however, water supply trumps them all. The proposed system could significantly reduce the dependency on large amounts of water for a fire resulting in a better ISO rating for the Town. That is the perceived strength of the system.

We will follow this effort and keep you informed.

IF YOU WANT TO KEEP A LID ON SPENDING, MAKE IT A POINT TO ATTEND THE FINANCIAL TOWN MEETING ON MAY 17th AND SUPPORT THE BUDGET RECOMMENDED BY THE BUDGET COMMITTEE. YOU HAVE A LOT AT STAKE!

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SUGGESTED CONTRIBUTION: \$10 (Single) \$15 (Family) \$ _____ (Other)

Mail this form and your contribution to: Little Compton Taxpayers Association
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