



Portsmouth Concerned Citizens

NEWSLETTER

“Information is the currency of Democracy”

- Thomas Jefferson

Editor: Joe Robicheau

May 16, 2005
Volume I, Edition 2

From the President (*Larry Fitzmorris*) This is the second edition of our newsletter. It is the primary intent of this issue to inform our readers about the town budget process. We intend for this effort to help our members, and the citizens of the town, understand the elements of our town budget and the process that leads to the tax bill for the next year.

The Town budget process entails a number of steps and is intended to provide a reasoned and detailed approach to funding decisions. The process begins with a budget-funding request submitted by each town department to the Town Administrator. He, in turn submits the requests to the Council for adoption as the Temporary Budget. The School Committee, upon its approval of the School Department budget, submits its budget to the Town Administrator and, during a joint workshop, meets to discuss its proposal directly with the Council. In contrast with the other department budgets, the Council may not edit any detail in the school department budget, but is limited to adjusting the bottom line, only. The Council then reconsiders each of the non-school department budgets and adjusts each to produce the Provisional Budget. This is the principal effort in the process and most of the decisions made during this effort are reflected in the final budget.

The next step is presentation of the Provisional Budget to the voters. At a town financial meeting held at the Middle School, the Council and School Committee provide printed copies for voter comment. This year's presentation is scheduled for June 21.

Following the town financial meeting, the Council at its next meeting adopts the final budget. There are usually only a few, if any, changes to the budget at this meeting. The budget process ends with Council adoption of the Final Budget and setting of property tax rates. During the summer, the tax assessor mails new tax bills to Portsmouth property owners.

PCC Dues are Due

(*Larry Fitzmorris*) At our December 9 member's meeting the PCC approved a plan to begin charging dues. **I especially want to thank all those who have already paid.**

We are well into this process, but a large number of dues payments are still outstanding.

It is our intent to support the printing of the newsletter and sponsorship of special events, such as the Education Partnership appearance this month, with the funds we collect.

This is the first time that our organization has considered membership dues, which now will be collected annually. In the very near future you should be receiving a letter to remind you that the dues are payable, but I would like to ask all members that have not paid their dues for this year to please do so directly. If you chose to pay dues at the family rate please indicate the members of your family that are included.

Individual annual dues: \$20.00

Family annual dues: \$25.00

Please make your checks payable to "**Portsmouth Concerned Citizens,**" and send to the following address.

**Portsmouth Concerned Citizens
55 Wamsutta Lane
Portsmouth, RI 02871**

Teacher Contracts

NOTICE

The PCC will sponsor a public presentation of the following report on May 26 at the Portsmouth Senior Center. The presentation will start at 7:00 PM.

Robert Urciuoli, CEO Roger Williams Medical Center and Chairman of The Education Partnership and Valerie Forti, President, The Education Partnership wrote this piece. It is included in our newsletter for the information of our members.

The Education Partnership has published a report entitled, *Teacher Contracts: Restoring the Balance*. This report is the culmination of months of research into collective bargaining in education nationally as well as a detailed analysis of teacher contracts in 10 of Rhode Island's 36

school districts. (The Education Partnership's report can be viewed and downloaded online at www.edpartnership.org.)

(Robert Urciuoli and Valerie Forti) It is important to note upfront that this report is not anti-teacher nor is it anti-union. We recognize and respect the role that unions have in representing the economic interests of their membership. We also value and respect the unique contribution that teachers make to the education of our children. Teachers greatly deserve the public's support for all that they do. We must not confuse the content of these contracts with the quality and dedication of teachers. What the Partnership is suggesting in this report is that collective bargaining needs to be refocused on goals that are student-centered. Right now, that is not the case.

Why focus on teacher contracts? Because at a time when municipal budgets are shrinking, taxes are rising and people are demanding accountability for their tax dollars, these contracts are restricting the ability of education professionals – superintendents, principals and teachers – to provide the high quality education we all seek for our children. In fact, the contracts have been identified by virtually every local education professional and school committee member we have spoken to in recent years as the single largest barrier to improving the quality of public education in Rhode Island.

Current state law provides for a maximum property tax cap increase of 5.5%, yet the majority of school districts in Rhode Island may recommend increases for the coming year that would put their communities over that cap! On average, these contracts represent about 85% of each district's cost. With very little exception, the general public is unaware of the role that collective bargaining plays in education. We believe that the taxpaying public – which has heard repeatedly that more and more money is needed for schools – will only respond favorably to these requests when they are convinced that the delivery system for public education is working effectively.

Teacher contracts are not recast with each negotiation; districts typically just add onto the existing contract in each negotiating cycle. The result is that many contracts approach 100 pages and are filled with the micromanagement of teachers, limitations to instructional time, generous paid time off, incredible health and retirement packages, teacher transfer and assignment rights and limits to the evaluation of teachers. "Memorandums of Agreement" are side-deals that stipulate even more limitations and perks – and they are not always presented openly as part of the contract.

Our analysis examined contract language relating to management rights, grievance procedures, sick leave, union leave, professional development and working conditions. It also analyzed the four major elements of teacher contracts – teacher evaluation, salary, seniority and health insurance. The report draws three broad conclusions:

1. Teacher contracts, as they exist at present, restrict both flexibility and individual school autonomy.
2. Many of the clauses in the contracts drive up the cost of education without improving or even addressing education quality.
3. Teacher unions have used the bargaining process to entrench their role in the contracts, thereby weakening management rights.

We offer several recommendations to address these issues. The Partnership advocates for "thin" contracts that provide for major items such as salary, teacher work day/year, teacher evaluation and benefits to be decided at the state level, leaving to local school districts the negotiation of operational stipends and working conditions.

We also advocate for each school having the ability to make some decisions based on the specific needs of their students, with unions negotiating contracts that respect the teachers enough to believe that they will make responsible, educationally sound decisions.

The challenge of this report is to help change our collective bargaining practices. Citizens and local community groups now need to work together with their school committees to become the mechanism for change. The Education Partnership will continue to facilitate the conversation with additional reports and data; but we are only the catalyst. At this point, public-will needs to be created where these issues can be examined and discussed candidly and solved in a spirit of good will and common interest. While that may be difficult and even contentious, a vigorous and respectful public discussion of these issues serves the common good for the education and welfare of our children. We all want a quality education for our children, who will have to be globally competitive to succeed, and to achieve that, we need to restore the balance of our public education system in Rhode Island.

2005-2006 Budget & Taxes

(Art Carrellas and Larry Fitzmorris) The people of Portsmouth have enjoyed three years of low property tax increases, but that period is coming to an end. The development of this year's budget is still in progress, but the indications are strong that we will have a large budget increase. Budgets and taxes go hand-in-hand and, as a consequence, a near historic level tax increase is coming our way. Our Council is now engaged in an effort to keep the tax increase under the state mandated 5.5% limit, which they view as the upward limit. This is a fundamental change in budget philosophy from that employed by the previous Council. The majority on the Portsmouth Council has now adopted a 'go for broke' approach employed in so many of Rhode Island's cities and towns, and is pushing the budget to legal limits.

The core belief of the PCC is that property taxes are already too high in Portsmouth and at present levels are destructive to some and a burden to all. We believe that budgets should increase no more than the rate of inflation plus the growth in town population. Portsmouth is experiencing a windfall in property tax revenue as new, and expensive, properties come onto the tax rolls. This will add about one million dollars to tax revenue. We believe this new revenue should be used, at least in large part, to reduce the already burdensome weight of taxes as was done last year. We ask why our government must grow so rapidly when the population of Portsmouth students has begun to decline in 2005 and the population of our town has been static for the last ten years?

A budget increase of 6.65% and a tax increase of about 4.0% should be compared to an average increase in incomes nationwide of 3% and a rate of inflation near 2%. Those on fixed incomes typically have income increases slightly in excess of inflation. While our taxes are calculated against our property they are paid from our income, and when the growth in taxes exceeds the growth in income we have less to spend on life's necessities.

Following the revaluation, and the increase in the town budget, the current PCC estimate of the mil rate is about \$11.07 per thousand of assessed value. Even though the town experienced considerable growth in new construction of houses and business properties this year, the tax rate now looks to be an increase in the area of approximately 4.0%. A little historical perspective is in order. During the last three years property taxes increased a TOTAL of 3.66%, as illustrated in the table below.

Portsmouth Property Tax Increases

Typical House

Tax Year	Valuation	Mil Rate	Property Tax	Change
2001-2002	\$162,400	22.81	\$3,704.34	
2002-2003	\$237,000	16.12	\$3,820.44	3.13%
2003-2004	\$237,000	16.46	\$3,901.02	2.11%
2004-2005	\$237,000	16.20	\$3,839.40	-1.58%
			3 Year Total:	3.66%

The budget process is not complete, and some additions or reductions are possible. The trend, however, is clear for all to see – we are all entering a period of dramatic growth in both budgets and property taxes.

The High Price Of Paradise

West Bay Home owner finds a piece of heaven in
Common Fence Point

(Ron Galipeau) In 1995, after many boat trips to Common Fence Point from Warwick to visit friends, Ron and Cindy gave up boating for a beach house. Getting out of boating after 20 years was hard to do, but to find a beach house was the best way to go at the time. A love of the water, a 900 sq. ft. house with a view, lots of rotten boards and peeling paint and taxes at \$1300.00 still looked good when compared to the \$1400.00 fee for boat dockage. Ten years have come and gone. The rotten boards and the peeling paint are no longer. It's still a piece of heaven, but at a huge price. In just 10 years the little beach house with a view went from \$1300.00 a year to \$5300.00 in property taxes with NO TRASH PICK UP. Who would think a town would need to increase many properties by a whopping 400% in just 10 years. What used to be steaks on the grill are now cheeseburgers in paradise. Now in our mid 50's, what do we have to look forward to in our retirement years that keep getting pushed back by the cost of financing cities and towns in RI that mismanage citizens finances and continue to give away hard working taxpayer dollars to SPECIAL INTEREST police, fire, schools and teachers. Politicians stop the nonsense and restore the QUALITY OF LIFE that we ALL have earned.

The writer is a self-employed middle income fed--up Portsmouth and Cranston resident and a member of Portsmouth Concern Citizens (PCC), Operation Clean Government (OCG) and R.I. Shoreline Coalition (RISC).

Charter Amendments

(Larry Fitzmorris) I believe everyone remembers that last November Portsmouth voters considered a number of proposed amendments to the town charter.

For the last few weeks the PCC has been sparring with the new Council regarding these amendments. The local newspapers have printed two letters, one an official letter from the PCC and one from Jerry Cook, our vice president, both in opposition to the Council's actions. Otherwise, the story has not appeared in the newspapers, so a briefing is in order.

Background

There were twenty-four proposed amendments to the town charter on the ballot. The vote on one was close, but the voters of Portsmouth approved all.

The Council has dragged its heels for the last six months on their obligation to send the approved charter amendments to the State Assembly. The Council made no move until members of the PCC and other citizens of the town began to inquire about the delay. Under prodding, the Council voted late last month to send the charter amendments to the Assembly, but not as a single package. The Council voted to isolate the amendment that eliminated the Town Sergeant as an elected office and the one that provided for Council

ratification of the Teacher's contract after approval by the school committee. After a period of public comment by members of the PCC, the Council decided to submit all of the charter amendments together. At the following Council meeting, the Council voted to identify the two formerly isolated amendments, as legally problematic.

At the Monday, May 16 Council Meeting the Council received a request from Representative Amy Rice (Dist. 72) asking the Council to reissue its resolution to the Assembly and separate the two charter amendments from the other 22. The Council voted 4-2-1 to separate the amendments and resubmit the resolution. Mr. McIntyre and Mr. Honnen voted against the motion.

Discussion:

We in the PCC objected to the Council's decision to separate or otherwise identify the two charter amendments as legally problematic, as that step signaled members of the Assembly that the Council did not want the two passed. The scheme is to kill the two offending amendments in Committee. We very strongly believe that this Council does not have that authority. We believe that once the people have spoken, all that can be said, has been said. We believe that the Council is clearly signaling the members of the Assembly that they do not want two of the amendments enacted into law. This is contrary to prescribed procedure in our state Constitution and in direct opposition to the will of the people of Portsmouth. Once the Town Council votes to place the proposed amendments on the ballot, involvement of the Council ends. Council involvement ended when the previous Council voted to place the twenty-four proposed amendments on the ballot.

Simply put, this Council does not like the decision the people made last November and is trying to reverse the results of the election. Were it not for this Council's intervention, the State Assembly as a routine matter would have approved all 24 amendments.

We in the PCC most strongly object, and have moved to oppose the Council's action.

Gym Project

(Larry Fitzmorris) The gym project remains a complex issue and the newspapers are not covering the core issues of this project in depth. The School Committee has made a number of significant decisions that will affect the gym's design and construction effort. Members of the PCC have conducted very close observation of the gym meetings and have provided Cox Community Channel video of all the meetings. The PCC has also produced financial analyses of cost estimates produced for the project.

Where We Are Now

The project has returned to the cost estimate and concept design phase. In short, the School Committee has returned

to the beginning of the whole process, discarding all of the work that was done by the Gym Project subcommittee before the November election. The design approved by the voters in the election has also been discarded. The architect who developed the approved concept design has been dismissed. The Gym Project subcommittee that managed development of the original concept design and successfully obtained voter approval has been dismantled. The Buildings and Grounds subcommittee is now in charge of the project.

Cost Growth

On March 28 the B&G subcommittee received a cost estimate from A.M. Fogerty Associates of \$5.54 million. The bid was officially for the gym design approved by the people in November. This estimate was highly deceptive in that it contained a large number of features that were not part of the design produced by Robinson, Green & Bretta, and the building was 8.7% larger. RGB's cost estimate for their concept design was \$3.1 million. When the Fogerty additions are removed, and a more reasonable cost per square foot is used, the resulting price is much closer to the RGB estimate.

The gym is now at least six to seven months behind schedule, with unrecoverable growth in costs of about \$150,000 due to inflation in wages and materials.

After a number of moves in the B&G subcommittee to expand the gym, the subcommittee now seems to have settled upon a facility of approximately 27,000 sq. ft. The departure of Mr. Ingraham from the School Committee probably means that the impetus for a field house is now behind us. The gym design approved by the people was 29,160 sq. ft. The new concept eliminates most of the entry area, reduces the locker room/office area by more than half and increases the area dedicated to the ball courts by an amount equal to that taken from the locker rooms. A considerable amount of the style and exterior appearance has been sacrificed to reduce cost.

At our April membership meeting the PCC membership voted unanimously to withdraw support for the gym project. We did this for a number of reasons. The School Committee was in excess of the approved cost by about \$800,000, was substantially redesigning the gym, had increased the size of the facility by 8.7% and had fired the Gym Project subcommittee.

The PCC appeared before the Town Council April 11 and requested the Council withdraw funding support for the gym project and preserve the remaining funds for a future effort by the Council. The Council decided to take no action pending developments in the B&G subcommittee, which was meeting the next day. In other words, they punted. A number of members of the Council also maintained that the Council was not sending money to the School Committee and any expenditures made were coming out of the School Department budget. This is a fallacious argument. The School Committee has already signed a \$180,000 contract

with the new architect, and a plus up contract for \$20,000 a few days later. These contracts were signed by the Chairman on behalf of the town and are obligations of the town.

The Rhode Island Economy

(Larry Fitzmorris) We in Portsmouth are profoundly affected by our state's economy. Our local business and economic conditions are dominated by the state's business climate and it in turn is strongly affected by state government spending and regulation. There are a number of components of our state's economic climate that both restrict and suppress business activity. They include the relative level of our taxes and the effect of state and local regulation on business activity. When states compete with one another for new business, these factors are a critical part of the decision on where businesses locate or expand. The table below, produced by the Pacific Research Institute, compares the total effect of each state's tax and regulation policy upon its own economic activity. Rhode Island, rated at number 47, is one of the most restrictive states in the country.

We all pay the price of state tax and regulation policy due to the negative impact that the state's spending has upon the state's economy. The more restrictive the policy, the lower Rhode Island's economic growth rate, and the heavier the tax burden upon the state's citizens. Growing government spending, at either the state or local level, accelerates these negative effects on our economic system. This is the death spiral we must all learn to resist.

U.S. Economic Freedom Index

Pacific Research Institute ranks the 50 States.

1. Kan.	11. Ariz.	21. Mont.	31. Wash.	41. Mass.
2. Colo.	12. Nev.	22. Fla.	32. W.Va.	42. N.J.
3. Va.	13. S.C.	23. Ark.	33. Alaska	43. Ohio
4. Idaho	14. Ind.	24. N.C.	34. Mich.	44. Minn.
5. Utah	15. S.D.	25. Ala.	35. Hawaii	45. Penn.
6. Okla.	16. Iowa	26. Tenn.	36. Vt	46. Ill.
7. N.H.	17. Texas	27. Md.	37. N.M.	47. R.I.
8. Del.	18. N.D.	28. Miss.	38. Wisc.	48. Conn.
9. Wy.	19. Ga.	29. Ore.	39. Ky.	49. Calif.
10. Mo.	20. Neb.	30. Maine	40. La.	50. N.Y.

Source: Wall Street Journal

Upcoming Events

- The PCC is updating our member's e-mail addresses. If you have a new address or have recently established a new on-line service, you may e-mail your new address to LJFITZ45@aol.com or call Larry Fitzmorris at 683-6127
- Our membership meetings take place on the first Tuesday of each month, except January. We usually meet at the Anthony House across from the Town Hall and next to the School Headquarters. We meet at 7:00 PM and all members and their guests are always welcome.
- The PCC will sponsor a presentation by the Education Partnership at the Portsmouth Senior Center on May 26.



Portsmouth Concerned Citizens
50 Kristen Ct.
Portsmouth, Rhode Island 02871

**POSTAL
CUSTOMER**

**PORTSMOUTH CONCERNED CITIZENS
MEMBERSHIP FORM**

NAME _____ DATE _____

ADDRESS _____

CITY/TOWN _____

HOME PHONE _____ OFFICE PHONE _____ E-MAIL _____

ANNUAL DUES: \$20 (Single) \$25 (Family) \$_____ (Other)

Call: 683-6127, or mail this form and your contribution to: Portsmouth Concerned Citizens
50 Kristen Ct.
Portsmouth, RI 02871