



# Portsmouth Concerned Citizens

## NEWSLETTER

“Information is the currency of Democracy”

- Thomas Jefferson

Editor: Joe Robicheau

September 15, 2006

Volume II, Edition 3

### *From the President -- Larry Fitzmorris*

**The Portsmouth Town Meeting** – The people of Portsmouth have much to be pleased about. The August 19 Town Meeting at the Glen was a watershed event. The majority of electors present voted to reduce the property tax rate from 9.1% to 4%. The PCC proudly led this event, with the able assistance of a number of other citizens from our community. It was a day in which the citizens of Portsmouth made it clear that the judgment of their government on the tax rate was not acceptable. This issue is dedicated to this momentous event.

**The November Elections** – In this issue we present the local candidate slate. We in the PCC recognize that the people in our elected offices are critical to the town and its future. These individuals make many of the decisions that shape our future. Our next issue will address the elections in depth.

### *In This Issue:*

**Victory Under the Tent** – A discussion of what was achieved and how.

**World Class Standards** – Tom Wigand of Middletown writes to congratulate the PCC on the Town Meeting, and to make a point on whom our education systems are really competing against. Tom is a RISC Board member and attorney specializing in municipal labor law.

**Smoke and Mirrors** – Paul Kesson addresses the new method of accounting used in the Portsmouth Town budget, and why it masks the real size of budget increases.

**What Can You Do?** – Ellen Vadney suggests ways that residents can contribute to the well being of Portsmouth.

**The Real Budget Numbers** – Put aside the hype! There isn't a funding disaster in Portsmouth: the real numbers are discussed.

**The Citizens Foundation Of Rhode Island** – Joe Robicheau Explains the CFRI mission and reform approach to changing the R.I. Assembly.

**Candidates for Local Office** – A list of people running for the Portsmouth Council, School Committee and Town Clerk is provided.

## Common Sense Prevails

*(Larry Fitzmorris)* The August 19 Town Meeting was the most significant accomplishment in the eight year history of PCC. We faced the combined opposition of the majority on the Council, the teachers union, the school administration, the School Committee itself and the Save Our Schools organization. In the tent we also faced the opposition of those who would preserve the spending levels in the Town's other departments. In the end, the majority of the town's citizens in attendance just said “No” to higher property taxes.

This was a tax revolt, pure and simple. The people of Portsmouth reduced their property tax increase from 9.1% to 4%. For those in Rhode Island who have maintained that the Education Establishment is too strong to fight, the people of Portsmouth present this shining achievement. It is hard work, but it can be done.

**Why we took this course of action.** The decision that put the whole Town Meeting process in motion was the Council's passage of the budget. Had they adopted a budget under the cap, even at 5.5%, there would have been no Town Meeting.

The PCC's approach to Property taxes is basic and well known. We have a fundamental belief that property taxes are already too high and that any increase should not exceed the rate of inflation. The tax increase of 9.1% adopted by the Council was a direct challenge to the principles of our organization. We had no choice.

By May of this year, the position of the Council's majority on the budget was obvious. They approved a budget resulting in a 14.2% tax increase. A review by two state agencies reduced this budget, resulting in a state authorized 9.1% property tax increase. At our May meeting, members of PCC voted to launch a campaign to petition for a Town Meeting.

Our approach. While support from outside the PCC was necessary, the Leadership of PCC was critical. The PCC provided an effective organization with established and experienced people to lead the charge. Political skills and judgment are indispensable assets in these events, and we provided them.

The Assessment at Green Valley. While the PCC is a strong organization, we considered it necessary to assess the level of support within the community for a Petition and Town

Meeting. We conducted a public meeting to do just that. The public meeting turned out to be an excellent idea and the response was very good. Two hundred supporters attended the meeting, many from outside the PCC. It was from the people who attended that we built the team to manage and staff the petition drive and the campaign to get our supporters to the Tent. In contrast with our opponents, our team of volunteers was comprised of people with no ties to special interests.

The Petition Campaign. Over 26 days, we collected 2,206 signatures, of which the Registrar certified 1,935. This was the largest number of petition signatures ever collected in Portsmouth. Led by Joe Lorenz, it was a masterful effort by a determined team including approximately 55 volunteers. Signatures were collected at three principal sites around town, as well as door-to-door in most Portsmouth neighborhoods. Our efficiency provided us the opportunity, before all signatures were collected, to inform the Council on June 26 (when it adopted the final budget) that we had sufficient signatures to petition for a Town Meeting. Our comments were met with silence and we proceeded to continue the signature drive.

The Turnout Campaign. Our principal goal was to have both a quorum on our side and sufficient supporters to out-vote our opponents under the Tent. We mailed letters and called our supporters using the people involved in the petition campaign. We knew from the beginning that we would be outspent in this contest, and we were. Our opponents spent at least seven times more money than we did. During the calling process we asked those who had signed the petition what tax rate they wanted to adopt. We used this information to forge an agreement among the campaign managers for the tax rate we proposed in the tent.

Actions in the Tent. At least 2,470 Portsmouth electors attended the meeting. In our letter to those who signed the petition we asked our followers to support the motions we made. This they did. Among those who attended, 1,288 supported our motions. We stuck together for three and a half hours and won the day.

Much has been made of the fact that we skipped the motion to reduce the Town Departments' budget. Well, the motion on the School Budget was made at about 10:20 and finally voted on at one o'clock. Repeated motions by our opposition continued to erode people's patience and prolong the meeting. State law requires a final motion for the total budget and setting the tax rate. If the Town Meeting had not passed this final motion, all prior motions would have been nullified. It was our intention to address School and Town budgets individually, but had our opponents been given the chance to delay further, we may have lost the quorum and all prior meeting successes would have been in vain. It was not essential to vote on the Town Budget separately, so we moved, immediately, to the motion for the total budget.

The results demonstrated that while the Council has a good deal of budgetary flexibility, it does not have unlimited power. We have a system of town government that combines the legislative and executive branches. With such concentration of power it is necessary to have limits on the Council's authority. In this case, the Council attempted to force a tax increase

substantially above any historical level. In the end we told them "No."

## World Class Standards

*(Tom Wigand)* Congratulations to Portsmouth Concerned Citizens for successfully firing "the vote heard 'round the State" – their defeat of special interests marks the first victory for the taxpayer revolt now astir in Rhode Island.

That said, SOS acolytes take solace: the new budget increase will not "eviscerate" the system – though the teachers' union contract drives the budget, the budget does not drive quality.

To divert attention from the real issues - the contract and teachers' performance - the union (and it's sycophants) deployed a favored tactic of bureaucracies, the "Washington Monument Defense" (or "WMD"). The WMD threatens to "cut" what will prompt the greatest public outcry (e.g., threatening weekend closures of the Washington Monument), thereby prodding support for "restoration of the budget."

A concurrent assertion was that the budget is critical to maintaining a "high quality" school system. This "quality" is a myth propagated by the union to rationalize ever-more exorbitant compensation packages (when one examines the *totality* of compensation, including pensions, one realizes that teachers make the equivalent of \$150,000 a year or more)!

Comparisons of states' school performance rank Rhode Island below average (in the 30's). Though the teachers' unions claim that the demographic challenges of "urban cores" drag down the averages, after compensating for poverty rates Rhode Island *still* ranks only in the 30's (this though our teachers are among the world's highest paid).

Portsmouth's students are competing not with their peers from Swansea, but Shanghai – though Portsmouth may be competitive domestically, U.S. schools are ranked only in the 20's internationally, according to the *Organization for Economic Co-operation and Development*. Therefore to truly be "high quality," Portsmouth's schools must offer world-class performance – being a first-string player in a team ranked #24 isn't competitive.

This performance deficit is unsurprising; under the union model teachers aren't professionals distinguished by their individual accomplishments, but fungible units within a "collective," distinguished only by seniority – thus there is little *qualitative* difference between teachers in Portsmouth and elsewhere. And while the unions attribute urban districts' poor performance to demographics, they are mute in crediting demographics for the performance of districts like Portsmouth. Though there are some excellent individual teachers, "collectively" unionized teachers are essentially coasting atop each community's predominant demographics: in urban districts they aren't overcoming the challenges presented by disadvantageous demographics; and in Portsmouth they aren't leveraging advantageous demographics into world-class achievement.

Portsmouth's citizens - PCC and SOS adherents alike - should demand that the School Committee do what it should already have been doing: *benchmark against world-class performance and contractually align teachers' total compensation with their actual performance against that benchmark. The mantra should be: "world-class pay - but only in return for world-class performance!"*

## Smoke and Mirrors

**(Paul Kesson)** At the recent Newport County Forum, representatives of Portsmouth government and SOS contended that their numbers do not compare with PCC numbers and therefore the PCC is in error. This is nothing more than a smoke screen on their part as was their very weak defense of a 9.1% increase in our property taxes. I think they found it impossible to justify such a huge increase resulting from a dysfunctional school committee, a disconnected town council and extremely poor contractual negotiations (and they remain poor) and finally, questionable financial management procedures.

What our opponents did in preparation for the program was to coordinate their attack along the lines that we are using our own numbers to evaluate the budget. This is true. Our numbers for the rate of increase in the budgets are different from the official figures put out by the town, but all our numbers were accurately taken from official town budget documents.

The disparity arose because we are using the same system the town has used for a very long time - year over year calculations. In other words, from one approved budget to the next approved budget. Our data uses this accepted method, which is identical to Federal and State governments and public corporations.

In the last two budgets, the town of Portsmouth has adopted the use of 'Current' numbers (a departure from the previous method) to calculate budget increases in the Town's Formal budget. It is a nice trick and is intended to reduce the apparent size of the budget increase. In the budget adopted by the Council their number, using the 'Current' approach for the total budget increase, is 6.24%. Our method yields a 10.16% increase. For a property tax rate increase of 9.1%, the real budget increase has to be in the area of 10.16%.

So, when the school department had an illegal deficit (04 - 05) and the Council provided unbudgeted money from savings in the 05 - 06 year to cover it, they added it to the 05 - 06 school department budget base. Although it is doubtful the Council understood the consequence of their action at the time, Dr. Lusi did. It was she who insisted on adding all new mid-year funding to the base of the current year. This approach in effect rewards the school department for mismanagement of its budget.

It must be stated that this approach also rewards the Town for deficit spending, which it did in the 05 - 06 year. The more money that is removed from savings and spent on items that do not appear in the approved operational budget, the lower the apparent budget increase in the following year. So, if

during execution of the 05 - 06 budget the town spent \$6 million of reserves on unbudgeted expenses, the budget increase this year would be about 0%!

Fortunately, this new creative accounting method cannot be used to hide tax rate increases. The increases in our tax bills are crystal clear in all years in which we do not have a revaluation. Smoke and mirrors cannot conceal the growth in our property taxes.

## What You Can Do

**(Ellen Vadney)** What happens when the PCC is not having a tent meeting? What do other members do? What can I do?

Plenty. There are many different ways you can help yourself and your neighbors as a PCC member:

1. Keep informed on local issues that will impact our taxes and the well-being of the town.
2. Write letters to the editor of the newspaper. Submit the same letter to all three papers. Never written a letter to the editor before, or don't feel confident in your writing ability? We have a number of people who can assist you in writing a letter, but we need as many different people writing letters as possible.
3. Attend meetings of the School Committee and Town Council, and ASK QUESTIONS. Those questions keep the politicians on their toes because they know people are paying attention to what they do. No one can attend all of the meetings, but try to attend the bigger ones.
4. Pick a topic and learn everything you can about it through research, and follow it through the town politics. Keep the rest of the PCC membership informed. Any topic that interests you and will cost taxpayers money, is good. Some topic choices would include sewer systems, O'Neill property development, and special education.
5. Assist with videotaping Town Council and School Committee meetings, and with producing "Inside Portsmouth", the PCC's cable TV program. No experience is required, and it is quite fun. Training is provided by Cox Communications prior to taping.
6. Talk with your friends and neighbors about the issues facing the taxpayers of Portsmouth. If they sound interested, invite them to join the PCC.

## The Real Budget Numbers

**(Larry Fitzmorris)** Following the Portsmouth Town Meeting there has been a good deal of hysteria regarding the school department budget. It is time to make a point: after reductions made at the Town Meeting, the school budget will still increase at a rate that is higher than most systems in Rhode Island. The school department budget will increase 7.4% over last year's approved budget. The real question should be why can't the school department manage its affairs with this level of increase, not how much was cut from their bloated request.

With all of the posturing by members of the Council's majority and the School Committee following the Town Meeting, a simple truth has been lost. The Town Meeting did not reduce either school or town department funding when compared to funding provided in last year's approved budget. This may come as a surprise to most people in view of all that has passed in the newspapers.

The rhetoric from those who have supported the Council's approved budget, huge though it was, has hidden the realities. These are the numbers, taken from page 'b' of the June 26 Council Approved Budget, with the levels adjusted by the Town Meeting added:

	05-06 Council Budget	05-06 Current Budget	06-07 Council Budget
School Dept.	\$29,190,575	\$29,939,467	\$32,461,335
Town Depts.	\$17,194,567	\$18,164,941	\$18,638,710
<b>Total</b>	<b>\$46,385,142</b>	<b>\$48,104,408</b>	<b>\$51,100,045</b>

  

	Town Meeting Budget	Annual % Increase	% Increase from Current
School Dept.	\$31,359,015	7.43%	4.74%
Town Depts.	\$18,005,913	4.72%	-0.88%
<b>Total</b>	<b>\$49,364,927</b>	<b>6.42%</b>	<b>2.62%</b>

The simple fact is that the Council's new method of calculating increases from the Current budget masks the real rate of increase in the town's spending. This is, of course, intentional. The table above illustrates the Council's new method of calculating budget increases compared to the method used by previous Councils. The Current budget reflects additional spending added by the Council after approval of the annual budget. It should be pointed out that this additional spending is from savings, as the Council lacks the authority to raise taxes at midyear. We in the PCC have often been accused of using false numbers when we refer to town spending. We present the above so that everyone can make their own judgment.

## Citizens' Foundation Of Rhode Island

*(Joe Robicheau)* The Citizens Foundation of Rhode Island (CFRI) recently called on business-minded Democrats and Republicans to declare their candidacy for the General Assembly.

Rhode Island is a wonderful state. But, years of faulty leadership and bad policies from General Assembly special-interest agendas and poorly directed state spending have resulted in weak state services, financially overburdened municipalities and taxpayers, and failing educational systems.

Doug Mancosh, Chairman of CFRI PAC and President of Fiber Composites LLC and BB&S Treated Lumber, Inc. is determined to correct the course for this state by supporting

General Assembly candidates who understand that the status quo is destroying the very things that make Rhode Island a great place to live, work and raise a family.

CFRI was established in support of four cornerstone issues: support for voter initiative, state and local tax expenditure limits, public education reform, and ethical government. To this end CFRI has contacted both state Democrat and Republican party chairs requesting them to furnish candidates for CFRI support who meet the CFRI 'litmus test.'

The Foundation, a nonpartisan, nonprofit, political corporation affiliated with a number of policy and reform groups, has been established to encourage wider citizen participation in state government. The Foundation has identified qualified citizens who subscribe to the same values as the Foundation, encouraged them to run for office, and is providing substantial support in that effort.

Goals of the new Foundation include: a constitutional amendment for Tax Expenditure Limitation at state and local levels, together with efforts to afford property tax relief; efforts to reform public education to emphasize and assure student academic success; open, transparent government; and a constitutional amendment to provide for voter initiative.

CFRI has undertaken a multi-year, multi-election approach to creating significant change in Rhode Island's legislature over the next few election cycles. It provides an opportunity for Rhode Island's business people and citizens to join together in a common effort to elect worthy legislators.

CFRI's efforts focus upon a select group of races where change is urgently needed. The Foundation looks to Rhode Island citizens and the business community to support candidates for such seats, as they are identified. CFRI will also support existing legislators who have demonstrated ethical and fiscal leadership. Candidates selected for support are interviewed by the Foundation and must agree in writing to support the Foundation's core goals.

The CFRI is a vehicle for Rhode Island's citizens' groups who seek better government and its business community to achieve common goals. The Foundation intends to promote legislative change by removing state senators and representatives who do not demonstrate fiscal and ethical responsibility. If Rhode Island is to be a place where families can afford to live, educate their children, gain employment, and build successful lives, the people of the state must take back control of the General Assembly.

It is time to reverse Rhode Island's decline and the Citizens' Foundation of Rhode Island intends to help accomplish this goal. Those interested in joining and contributing to CFRI, as well as candidates interested in sharing their vision with the Foundation, are directed to: [www.citizensfoundationri.com](http://www.citizensfoundationri.com).

## Local Candidates

Our Town's course is greatly affected by the individuals we select to manage Portsmouth. The following individuals have submitted their names for the November Ballot. The PCC will sponsor a 'Candidates Night' in mid October, so that the

electorate can meet and question the people who want to serve us in our Town Government.

### Council

<u>Democrat</u>	<u>Independent</u>	<u>Republican</u>
Dennis M. Canario	Karen J. Gleason	Jason Dunlea
Marian J. Loffredo	Eugene J. Love	Hurbert E. Little
Mark J. Katzman		Peter J. McIntyre
Leonard B. Katzman		Joseph A. Matais
James A. Seveney		Albert D. Buddemeyer
William West		Ronald R. Dupont Phyllis C. Cloutier

### School Committee

<u>Democrats</u>	<u>Independent</u>	<u>Republicans</u>
E. Richard Carpender	John Handfield	Michael Buddemeyer
David Croston		Thomas D. Smith
Marjorie Levesque		Jamie B. Heaney
Nancy J. Zitka		Melinda A. Dupont

### Town Clerk

Kathy Viera Beaudoin (R)



## A Lot is at RISC...A Membership Plea

As Portsmouth Concerned Citizens have learned, much can be accomplished by a group of people united in purpose. RISC is proud of its affiliate, PCC, for a great victory at the August tent meeting.

But, the fight is not over. Much is yet to be done to accomplish real change in the Ocean State. RISC's activities are financed by *individual memberships*. If it is to continue its efforts on behalf of Rhode Island taxpayers, more individuals and families must join. If you have found RISC a valuable resource and its email communications beneficial, please consider membership.

[www.risc-ri.org](http://www.risc-ri.org) 401-213-6316

## WE MAKE A DIFFERENCE!

JOIN  
PORTSMOUTH CONCERNED  
CITIZENS

**HELP US HELP YOU**

**Call Drena Robicheau at 847-1098  
Or use the membership form in this  
Newsletter**



## Upcoming Events

- PCC holds its membership meetings on the first Tuesday of each month. We meet at 7:00 PM at the Anthony House, 51 Middle Rd. Our next meeting will be on October 3. All members are encouraged to attend and guests are always welcome.
- The PCC will conduct its second 'Meet the Candidates Night' in mid-October. Details to follow.
- 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](mailto:LJFITZ45@aol.com) or call Larry Fitzmorris at 683-6127.

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

**PORTSMOUTH CONCERNED CITIZENS  
MEMBERSHIP FORM**

NAME \_\_\_\_\_ DATE \_\_\_\_\_

ADDRESS \_\_\_\_\_

CITY/TOWN \_\_\_\_\_

HOME PHONE \_\_\_\_\_ OFFICE PHONE \_\_\_\_\_ E-MAIL \_\_\_\_\_

ANNUAL DUES:        \$20 (Single)        \$25 (Family)        \$100+ (Founder's Club)

Call: 683-6127, or mail this form and your contribution to:    Portsmouth Concerned Citizens  
499 Wapping Rd.  
Portsmouth, RI 02871