



Disclosure and Property Tax Cap Seminar

Presented by Peder Schaefer
Division of Municipal Finance Chief
Department of Revenue

September 19, 2008



RI Constitution

RI Constitution – Article XIII, Section 4

Section 4. Powers of general assembly over cities and towns. --

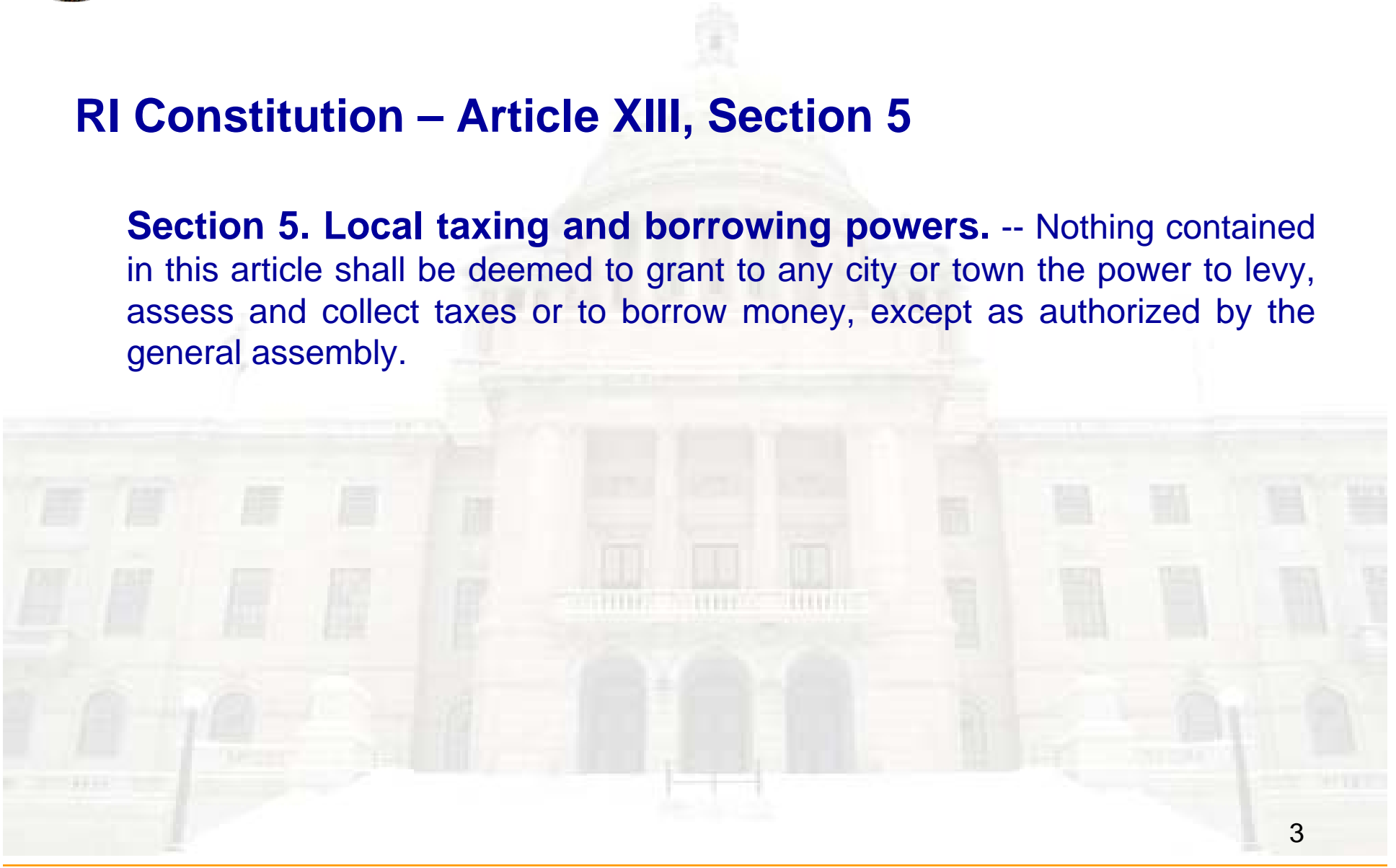
The general assembly shall have the power to act in relation to the property, affairs and government of any city or town by general laws which shall apply alike to all cities and towns, but which shall not affect the form of government of any city or town. The general assembly shall also have the power to act in relation to the property, affairs and government of a particular city or town provided that such legislative action shall become effective only upon approval by a majority of the qualified electors of the said city or town voting at a general or special election, except that in the case of acts involving the imposition of a tax or the expenditure of money by a town the same shall provide for the submission thereof to those electors in said town qualified to vote upon a proposition to impose a tax or for the expenditure of money.



RI Constitution

RI Constitution – Article XIII, Section 5

Section 5. Local taxing and borrowing powers. -- Nothing contained in this article shall be deemed to grant to any city or town the power to levy, assess and collect taxes or to borrow money, except as authorized by the general assembly.





Property Tax & Fiscal Disclosure - Municipal Budgets

RIGL § 44-35-4 Preparation of the "proposed property tax rate" and "adjusted current property tax rate".

The director of the department of administration (revenue) shall prepare and adopt by rule standards and procedures for town and cities to follow when preparing the "proposed property tax rate" and "adjusted current property tax rate." The director has the authority to waive the rule for any town or city, which the director deems to have established an acceptable method of preparation of the "proposed property tax rate" and "adjusted current property tax rate."



Property Tax & Fiscal Disclosure - Municipal Budgets

RIGL § 44-35-5 Full disclosure of property tax increases.

- (a) In addition to existing town and city charter provisions and the general and public laws of the state of Rhode Island pertaining to public hearings regarding town and city budget adoptions, each town and city shall provide for a public hearing and for full property tax disclosure procedures as set out in this chapter.
- (b) The chief elected official in each town and city shall cause to be published the "proposed property tax rate" and the "adjusted current property tax rate" as defined in § 44-35-3 for the town or city. No property tax levy in excess of that in the current fiscal year shall be levied until a public hearing has been held as outlined in §§ 44-35-6 – 44-35-8.



Property Tax & Fiscal Disclosure - Municipal Budgets

RIGL § 44-35-6 Publication of property tax rates.

At least ten (10) calendar days prior to the hearing for the purpose of adopting the town or city budget, the chief elected official in each town or city shall cause to be published a notice indicating the town's or city's intent to consider adopting a property tax levy. This notice shall be published in a newspaper of general circulation in the town or city. However, this notice may not be placed in that portion of the newspaper where legal notices and classified advertisements appear. This notice shall constitute notice of public hearing which may coincide with the hearing on the proposed budget and shall be by and in the following form:

Continued...



Property Tax & Fiscal Disclosure - Municipal Budgets

(CITY, TOWN) of (NAME)

NOTICE OF PROPOSED PROPERTY TAX RATE CHANGE

The (City, Town) proposes to increase (decrease) its property tax levy to _____ in the _____ budget year; the property tax levy this year is _____. THIS IS A PROPOSED INCREASE (DECREASE) OF ____ %.

It has been estimated that the proposed increase (decrease) in property tax revenues will result in a property tax rate of \$ _____ (proposed property tax rate) per \$1,000 of assessed valuation, as compared to the current property tax rate of \$ _____ per \$1,000 of assessed valuation.

A property tax rate of \$ _____ (adjusted current property tax rate) would be needed in the coming budget year to raise the maximum levy authorized by section 44-5-2 of the general laws.

The (City, Town) budget will be considered at (date, time, place).

The above property tax estimates have been computed in a manner approved by the Rhode Island Department of Administration (Revenue).

Chief Elected Official
(Town, or City)



Property Tax & Fiscal Disclosure - Municipal Budgets

RIGL § 44-35-7 Publication of town and city budget summary

Publication of town and city budget summary. – At least ten (10) calendar days prior to the financial town meeting or, for towns and cities without town meetings, the first hearing on the budget for the purpose of adopting the budget, the chief elected official in each town and city shall cause to be published a budget summary in a newspaper of general circulation in the town or city. The budget summary shall set out proposed expenditures by department or function and receipts by source for the proposed budget year, and comparisons of these with estimated expenditures and receipts for the current budget year.

The published budget summary shall be in the following form:

Continued...



Property Tax & Fiscal Disclosure – Municipal Budgets

(City, Town) of (Name)

REPORT TO TAXPAYERS ON CURRENT AND PROPOSED BUDGET

<u>Function or Purpose of Expenditures</u>	<u>Amounts Actually Budgeted for Current Year</u>		<u>Proposed Budget Year</u>	
	<u>Operating</u>	<u>Capital</u>	<u>Operating</u>	<u>Capital</u>
<u>Expenditures</u>				
1. Education				
2. General Financial Administration				
3. Public Works				
4. Police Protection				
5. Fire Protection				
6. Sewerage				
7. Other Sanitation				
8. Parks and Recreation				
9. Interest on General Debt				
10. Principal on General Debt				
11. All Other (Specify)				
TOTAL EXPENDITURES				
<u>Revenues</u>				
1. Local Property				
2. Local Non-Property				
3. Federal				
4. State				
5. All Other (Specify)				
TOTAL REVENUES				

Certification: This is to certify that the data contained in this report is accurate to the best of my knowledge.

Date: _____

Signature of Official



Standards & Procedures

STANDARDS AND PROCEDURES FOR PROPERTY TAX AND FISCAL DISCLOSURE FOR RHODE ISLAND CITIES AND TOWNS

Effective: February 15, 2007

General:

The purpose of full disclosure of property taxes is to provide a system whereby taxpayers will be given notice of proposed tax rate changes and the proposed municipal budget. Such disclosure is intended to afford taxpayers an opportunity to express their views on these major municipal financial decisions in a timely manner.

Chapter 298 of the Public Laws of 1979 directed the Department of Community Affairs (now Department of Administration and recently redesignated as part of the Department of Revenue) to adopt standards and procedures for the implementation of the full disclosure provisions. Various amendments since that time including the recent change in the property tax cap as enacted in Chapter 253 of the Public Laws of 2006 require an updating of those standards and procedures.

To view the Standards & Procedures for Property Tax & Fiscal Disclosure in its entirety please go to:

<http://www.muni-info.state.ri.us/documents/communications/Property%20Tax%20and%20Fiscal%20Disclosure.pdf>



Property Tax & Full Disclosure Dates

Estimated Timetable FY 2010

CITY/TOWN	COUNCIL OR TOWN MEETING*	PUBLICATION DEADLINE	DUE AT DOR
BARRINGTON	5/27/2009	5/17/2009	5/6/2009
BRISTOL	4/27/2009	4/17/2009	4/6/2009
BURRILLVILLE	5/21/2009	5/11/2009	4/30/2009
CENTRAL FALLS	6/22/2009	6/12/2009	6/1/2009
CHARLESTOWN	5/4/2009	4/24/2009	4/13/2009
COVENTRY	6/9/2009	5/30/2009	5/19/2009
CRANSTON	4/30/2009	4/20/2009	4/9/2009
CUMBERLAND	5/28/2009	5/18/2009	5/7/2009
EAST GREENWICH	6/9/2009	5/30/2009	5/19/2009
EAST PROVIDENCE	10/6/2009	9/26/2009	9/15/2009
EXETER	6/9/2009	5/30/2009	5/19/2009
FOSTER	5/5/2009	4/25/2009	4/14/2009
GLOCESTER	5/2/2009	4/22/2009	4/13/2009
HOPKINTON	5/5/2009	4/25/2009	4/14/2009
JAMESTOWN	6/1/2009	5/22/2009	5/11/2009
JOHNSTON	6/22/2009	6/12/2009	6/1/2009
LINCOLN	5/11/2009	5/1/2009	4/20/2009
LITTLE COMPTON	5/19/2009	5/9/2009	4/28/2009
MIDDLETOWN	5/21/2009	5/11/2009	4/30/2009
NARRAGANSETT	6/15/2009	6/5/2009	5/25/2009
NEWPORT	5/6/2009	4/26/2009	4/15/2009
NEW SHOREHAM	5/4/2009	4/24/2009	4/13/2009
NORTH KINGSTOWN	4/13/2009	4/3/2009	3/23/2009
NORTH PROVIDENCE	5/12/2009	5/2/2009	4/22/2009
NORTH SMITHFIELD	6/22/2009	6/12/2009	6/1/2009
PAWTUCKET	6/3/2009	5/24/2009	5/13/2009
PORTSMOUTH	6/10/2009	5/31/2009	5/20/2009
PROVIDENCE	7/15/2009	7/5/2009	6/24/2009
RICHMOND	6/9/2009	5/30/2009	5/19/2009
SCITUATE	4/7/2009	3/28/2009	3/17/2009
SMITHFIELD	5/14/2009	5/4/2009	4/28/2009
SOUTH KINGSTOWN	4/8/2009	3/29/2009	3/17/2009
TIVERTON	5/20/2009	5/10/2009	4/29/2009
WARREN	5/18/2009	5/8/2009	4/27/2009
WARWICK	5/28/2009	5/18/2009	5/7/2009
WESTERLY	3/26/2009	3/16/2009	3/5/2009
WEST GREENWICH	6/8/2009	5/29/2009	5/18/2009
WEST WARWICK	5/19/2009	5/9/2009	4/28/2009
WOONSOCKET	5/27/2009	5/17/2009	5/6/2009

* --- Financial Town Meeting or meeting to consider the budget.



RI Property Tax Overview

Process for Setting Tax Rate and Levying Property Tax

1. Assessor reviews value data including:
 - Real Estate
 - Personal Property
 - Motor Vehicles
2. Finance Director (FD) or Treasurer prepares budget with chief official and determines property tax levy necessary to support municipal budget.
3. FD or Treasurer estimates resulting rates.
4. FD or Treasurer prepares disclosure notice with assistance of state.
5. Council or Financial Town Meeting act on budget and tax levy after public hearings.



Sample Letter Approving Newspaper Ad

April 21, 2008

Steven A. Sette
Town Council President
Glocester Town Hall
1145 Putnam Pike
Chepachet, RI 02814-0702

Dear Mr. Sette:

The Department of Revenue has received your Notice of Proposed Property Tax Rate Change for fiscal year 2008-2009. The Department has reviewed the manner upon which the notice was computed and finds that it concurs with the Procedures and Standards for Property Tax and Fiscal Disclosure for Rhode Island Cities and Towns. Your notice is hereby approved, as amended.

I should remind you that the Notice of Proposed Property Tax Rate Change and the Report to Taxpayers on Current and Proposed Budget must appear in a newspaper of general circulation at least ten calendar days prior to the May 3rd Financial Town Meeting.

In addition, the notice indicates that the Town of Glocester intends to raise property taxes in excess of the maximum levy authorized by Section 44-5-2 of the General Laws. Upon review of your community's request to exceed the cap by this office, approval or denial will be forwarded in a separate letter.

Thank you for your cooperation.

Sincerely,

Peder A. Schaefer
Chief

PAS: emm
xc: Gary S. Sasse, Director of Revenue
Ernest A. Almonte, Auditor General
Thomas Mainville, Finance Director



Glocester's Newspaper Disclosure Ad FY 09

TOWN OF GLOCESTER NOTICE OF PROPOSED PROPERTY TAX RATE CHANGE

The Town of Glocester proposes to increase its property tax levy to **\$19,692,581** in the **2008-2009** budget year; the certified property tax levy this year is **\$18,134,592**. This is a proposed increase of **8.6%**.

Residential and commercial property assessments are being statistically revalued as of December 31, 2007. It has been estimated that the proposed increase in property tax revenues based on those values will result in a property tax rate of **\$17.03** (proposed property tax rate) per \$1,000 of assessed valuation for residential real estate, **\$19.35** per \$1,000 of assessed valuation for commercial/industrial/mixed use property and **\$33.91** per \$1,000 of assessed valuation for tangible personal property, as compared to the current property tax rate of **\$15.66** per \$1,000 of assessed valuation for residential real estate, **\$17.91** per \$1,000 of assessed valuation for commercial/industrial/mixed use property and **\$31.32** per \$1,000 of assessed valuation for tangible personal property.

The property tax levy for the **2008-2009** budget year also includes motor vehicles at a tax rate of **\$24.37** per \$1,000 of assessed valuation and retail/wholesale inventory has been phased out in accordance with state law.

A property tax rate of **\$16.43** (adjusted current property tax rate) for residential real estate, **\$18.68** for commercial/industrial/mixed use property and **\$32.85** for tangible personal property would be needed in the coming budget year to raise the maximum levy authorized by section 44-5-2 of the general laws.

The Town of Glocester Budget will be considered **May 3, 2008 at 1:00 P.M.** in the Ponaganset High School. The above property tax estimates have been computed in a manner approved by the Rhode Island Department of Administration (Revenue).

Continued....



Glocester's Newspaper Disclosure Ad FY 09

TOWN OF GLOCESTER REPORT TO TAXPAYERS ON CURRENT AND PROPOSED BUDGET

FUNCTION OR PURPOSE <u>EXPENDITURES</u>	CURRENT BUDGET FY 2008		PROPOSED BUDGET FY 2009	
	OPERATING	CAPITAL	OPERATING	CAPITAL
1. Central Administration	839,249		885,438	41,000
2. Financial Administration	645,846		641,930	
3. Public Safety	1,935,625	28,238	1,932,951	30,000
4. Department of Public Works	1,848,178	432,500	1,949,243	395,336
5. Recreation & Senior Center	214,496		214,149	5,000
6. Social Services	119,667		122,774	
7. Other Operational Expenses	487,702		516,736	
8. Aid Requests	368,781		378,516	
9. Education	17,762,390		19,434,415	
10. Capital Reserve	467,310		488,903	
11. Debt Service	949,415		927,848	
12. Abatements/Allowances for Uncollected Taxes	90,000		90,000	
TOTAL	\$25,728,659	\$460,738	\$27,582,903	\$471,336
 <u>REVENUES</u>	 OPERATING	 CAPITAL	 OPERATING	 CAPITAL
1. Property Tax	18,134,592		19,692,581	
2. Local Non-Property	1,861,275		1,853,250	
3. State Aid	5,482,792		5,557,072	
4. Transfer from Surplus	250,000		480,000	
5. Capital Reserve		460,738		471,336
TOTAL	\$25,728,659	\$460,738	\$27,582,903	\$471,336

CERTIFICATION: This is to certify that data contained in this report is accurate to the best of my knowledge.

Steven A. Sette, President, Town Council
Town of Glocester



Maximum Levy

RIGL § 44-5-2 Maximum Levy

(a) Through and including its fiscal year 2007, a city or town may levy a tax in an amount not more than five and one-half percent (5.5%) in excess of the amount levied and certified by that city or town for the prior year. Through and including its fiscal year 2007, but in no fiscal year thereafter, the amount levied by a city or town is deemed to be consistent with the five and one-half percent (5.5%) levy growth cap if the tax rate is not more than one hundred and five and one-half percent (105.5%) of the prior year's tax rate and the budget resolution or ordinance, as applicable, specifies that the tax rate is not increasing by more than five and one-half percent (5.5%) except as specified in subsection (c) of this section. In all years when a revaluation or update is not being implemented, a tax rate is deemed to be one hundred five and one-half percent (105.5%) or less of the prior year's tax rate if the tax on a parcel of real property, the value of which is unchanged for purpose of taxation, is no more than one hundred five and one-half percent (105.5%) of the prior year's tax on the same parcel of real property. In any year through and including fiscal year 2007 when a revaluation or update is being implemented, the tax rate is deemed to be one hundred five and one-half percent (105.5%) of the prior year's tax rate as certified by the division of local government assistance in the department of administration (revenue).

Continued...



Maximum Levy

RIGL § 44-5-2 Maximum Levy Continued...

(b) In its **fiscal year 2008**, a city or town may levy a tax in an amount not more than five and one-quarter percent (**5.25%**) in excess of the total amount levied and certified by that city or town for its fiscal year 2007. In its **fiscal year 2009**, a city or town may levy a tax in an amount not more than five percent (**5%**) in excess of the total amount levied and certified by that city or town for its fiscal year 2008. In its **fiscal year 2010**, a city or town may levy a tax in an amount not more than four and three-quarters percent (**4.75%**) in excess of the total amount levied and certified by that city or town in its fiscal year 2009. In its **fiscal year 2011**, a city or town may levy a tax in an amount not more than four and one-half percent (**4.5%**) in excess of the total amount levied and certified by that city or town in its fiscal year 2010. In its **fiscal year 2012**, a city or town may levy a tax in an amount not more than four and one-quarter percent (**4.25%**) in excess of the total amount levied and certified by that city or town in its fiscal year 2011. In its **fiscal year 2013** and in each fiscal year thereafter, a city or town may levy a tax in an amount not more than four percent (**4%**) in excess of the total amount levied and certified by that city or town for its previous fiscal year.

Continued...



Maximum Levy

RIGL § 44-5-2 Maximum Levy

- (c) The division of property valuation (and municipal finance) in the department of revenue shall monitor city and town compliance with this levy cap, issue periodic reports to the general assembly on compliance, and make recommendations on the continuation or modification of the levy cap on or before December 31, 1987, December 31, 1990, and December 31, every third year thereafter. The chief elected official in each city and town shall provide to the office of municipal affairs (division of municipal finance) within thirty (30) days of final action, in the form required, the adopted tax levy and rate and other pertinent information.
- (d) The amount levied by a city or town may exceed the percentage increase as specified in subsection (a) or (b) of this section if the city or town qualifies under one or more of the following provisions:
1. The city or town forecasts or experiences a loss in total non-property tax revenues and the loss is certified by the department of administration (revenue).

Continued...



Maximum Levy

RIGL § 44-5-2 Maximum Levy Continued...

2. The city or town experiences or anticipates an emergency situation, which causes or will cause the levy to exceed the percentage increase as specified in subsection (a) or (b) of this section. In the event of an emergency or an anticipated emergency, the city or town shall notify the auditor general who shall certify the existence or anticipated existence of the emergency. Without limiting the generality of the foregoing, an emergency shall be deemed to exist when the city or town experiences or anticipates health insurance costs, retirement contributions or utility expenditures which exceed the prior fiscal year's health insurance costs, retirement contributions or utility expenditures by a percentage greater than three (3) times the percentage increase as specified in subsection (a) or (b) of this section.
3. A city or town forecasts or experiences debt services expenditures which exceed the prior year's debt service expenditures by an amount greater than the percentage increase as specified in subsection (a) or (b) of this section and which are the result of bonded debt issued in a manner consistent with general law or a special act.

Continued...



Maximum Levy

RIGL § 44-5-2 Maximum Levy Continued...

In the event of the debt service increase, the city or town shall notify the department of administration (revenue) which shall certify the debt service increase above the percentage increase as specified in subsection (a) or (b) of this section of the prior year's debt service. No action approving or disapproving exceeding a levy cap under the provisions of this section affects the requirement to pay obligations as described in subsection (d) of this section.

4. The city or town experiences substantial growth in its tax base as the result of major new construction which necessitates either significant infrastructure or school housing expenditures by the city or town or a significant increase in the need for essential municipal services and such increase in expenditures or demand for services is certified by the department of administration (revenue).
- (e) Any levy pursuant to subsection (d) of this section in excess of the percentage increase specified in subsection (a) of this section shall be approved by the affirmative vote of at least four-fifths ($4/5$) of the full membership of the governing body of the city or town or in the case of a city or town having a financial town meeting, the majority of the electors present and voting at the town financial meeting shall also approve the excess levy.

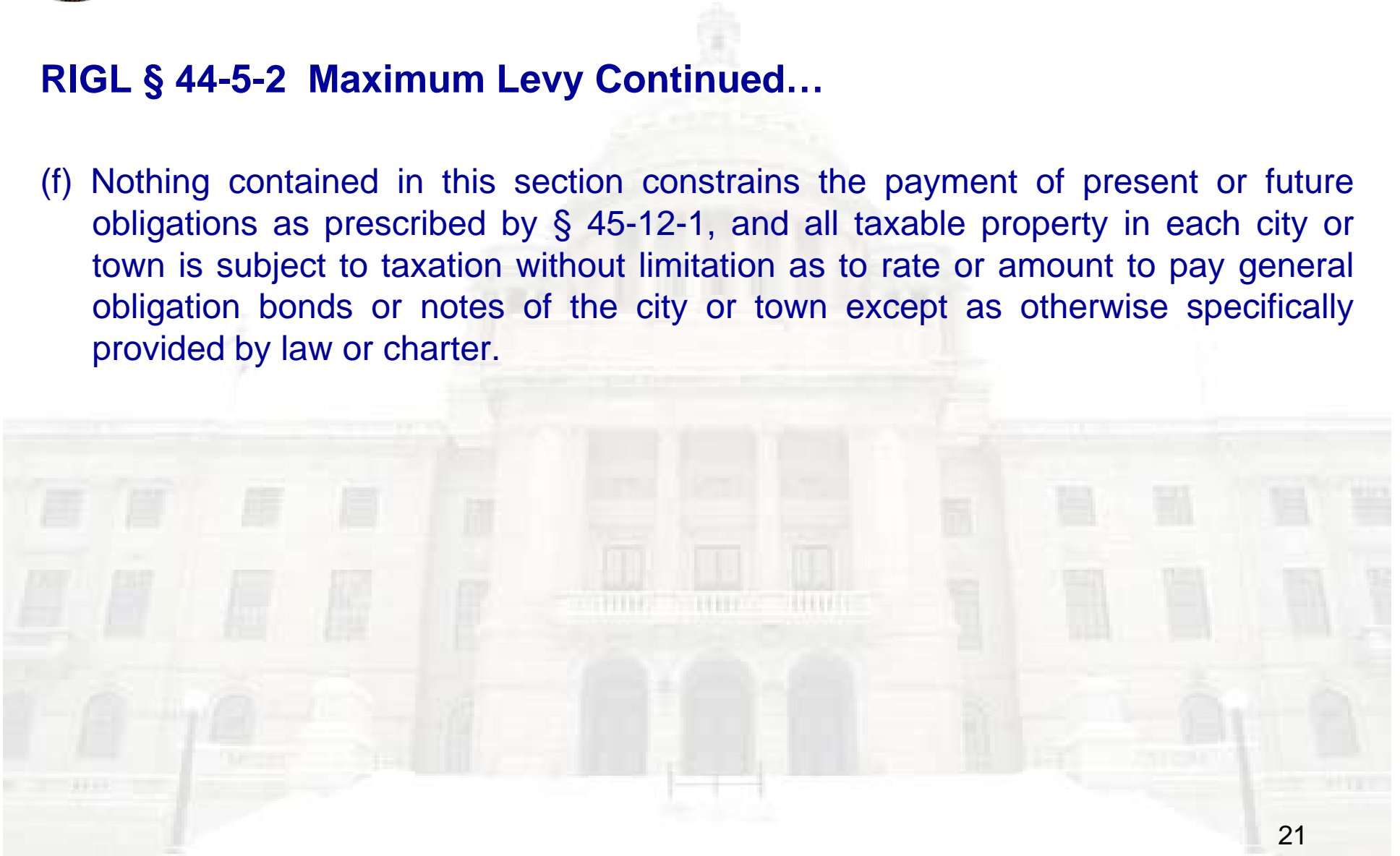
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Maximum Levy

RIGL § 44-5-2 Maximum Levy Continued...

- (f) Nothing contained in this section constrains the payment of present or future obligations as prescribed by § 45-12-1, and all taxable property in each city or town is subject to taxation without limitation as to rate or amount to pay general obligation bonds or notes of the city or town except as otherwise specifically provided by law or charter.





Maximum Levy FY 2010

Maximum Tax Levy FY 2010

Municipality	Net Tax Levy** FY 2009 Budget Certified Net Levy	Maximum Net Tax Levy*** FY 2010 Budget CAP at 4.75%	Maximum Allowable Tax Levy Increase
Barrington	\$49,602,859	\$51,958,995	\$2,356,136
Bristol	0	0	0
Burrillville	21,011,173	22,009,204	998,031
Central Falls	10,495,379	10,993,910	498,531
Charlestown	19,708,925	20,645,099	936,174
Coventry	59,106,603	61,914,167	2,807,564
Cranston	153,150,874	160,425,541	7,274,667
Cumberland *	52,957,872	55,473,371	2,515,499
East Greenwich	39,536,563	41,414,550	1,877,987
East Providence *	84,725,950	88,750,433	4,024,483
Exeter	11,672,749	12,227,204	554,456
Foster	9,879,531	10,348,809	469,278
Glocester	19,541,335	20,469,548	928,213
Hopkinton	15,651,281	16,394,717	743,436
Jamestown	17,562,744	18,396,974	834,230
Johnston	61,791,239	64,726,323	2,935,084
Lincoln	49,267,068	51,607,254	2,340,186
Little Compton	9,425,477	9,873,187	447,710
Middletown	0	0	0
Narragansett	40,209,538	42,119,491	1,909,953
Newport	58,945,707	61,745,628	2,799,921
New Shoreham	6,932,888	7,262,200	329,312
North Kingstown	62,565,154	65,536,999	2,971,845
North Providence	53,303,326	55,835,234	2,531,908
North Smithfield	24,190,127	25,339,158	1,149,031
Pawtucket	0	0	0
Portsmouth	40,361,114	42,278,267	1,917,153
Providence	0	0	0
Richmond	13,852,385	14,510,373	657,988
Scituate	23,459,585	24,573,915	1,114,330
Smithfield	44,064,149	46,157,196	2,093,047
South Kingstown	63,726,992	66,754,024	3,027,032
Tiverton	31,230,364	32,713,806	1,483,442
Warren	19,508,191	20,434,830	926,639
Warwick	195,989,706	205,299,217	9,309,511
Westerly	58,931,924	61,731,190	2,799,266
West Greenwich	16,092,264	16,856,647	764,383
West Warwick	49,395,487	51,741,773	2,346,286
Woonsocket	42,128,184	44,129,273	2,001,089
Statewide Totals	\$1,529,974,706	\$1,602,648,505	\$72,673,799

* FY 2009 levies for Cumberland & East Providence are estimates. Actual tax levies to be determined in the spring of 2009.

** Tax levies for FY 2009 Budgets based on assessments as of 12/31/07 except Cumberland & East Providence which will be as of 12/31/08.

*** Tax levies for FY 2010 Budgets to be based on assessments as of 12/31/08 except Cumberland & East Providence which will be as of 12/31/09.



Standards & Procedures for Property Tax Levy Cap

STANDARDS AND PROCEDURES FOR PROPERTY TAX LEVY CAP FOR RHODE ISLAND CITIES AND TOWNS – MAY 2007

GENERAL

The Omnibus Property Tax Relief and Replacement Act of 1985, as amended by Chapter 253 of the Public Laws of 2006 entitled “Relating to Taxation – Property Taxes”, amends several sections of the Rhode Island General Laws. In order to place an annual cap on local property tax levies, Chapter 253 amends RIGL Section 44-5-2 entitled “Maximum levy”. As a result of the enactment of Chapter 253, several implementation issues have been raised that need to be addressed.

In order to provide clarification of these issues, the Department of Administration (Department of Revenue), Office of Municipal Affairs (Division of Property Valuation), hereby adopts, in accordance with Chapter 253 of the Public Laws of 2006, the standards and procedures contained within.

To view the Standards & Procedures for Property Tax Levy Cap in its entirety please go to: <http://www.muni-info.state.ri.us/documents/communications/TaxLevyCapStandards-New2.pdf>



Sample Letter Approving Cap Exemption

March 21, 2008

Steven A. Sette, President
Glocester Town Council
Town Hall
1145 Putnam Pike
Chepachet, RI 02814-0702

Dear Mr. Sette:

The Department of Revenue, Division Municipal Finance, has reviewed the request from the Town of Glocester to exceed the property tax cap for an increase in debt service costs in excess of 5% of the prior year.

Based upon a review of the schedules provided, we hereby certify the following exclusion for bonded debt from the property tax cap for FY 2009 in accordance with Section 44-5-2(d)(3):

FY 2009 Debt Service Requirement	\$2,581,528
FY 2008 Expense at 5% increase	<u>1,826,295</u>
Total Certified Increase in Debt Service Costs	\$ 755,233

This amount is certified to the extent debt service payments proposed for FY 2009 are included in the final approved budget.

Therefore, based upon the current year's tax levy of \$18,134,554; this certification to exceed the 5% cap should result in a tax levy no greater than \$19,796,515 for FY 2009.

I should note that this excess levy, as authorized by the Department of Revenue, must be approved by an affirmative vote of at least four-fifths (4/5) of the full membership of the governing body and a majority of the electors at the financial town meeting. We would remind you that, since the cap is now based upon tax levy, your final tax resolution and tax rate would be restricted to the maximum levy previously referenced.

If you have any questions, please do not hesitate to call.

Sincerely,
Peder A. Schaefer
Chief

PAS: emm
xc: Gary S. Sasse, Director of Revenue
Ernest A. Almonte, Auditor General
Thomas Mainville, Finance Director



Sample of Cap Exemption Revision Letter

April 21, 2008

Steven A. Sette, President
Glocester Town Council
Town Hall
1145 Putnam Pike
Chepachet, RI 02814-0702

Dear Mr. Sette:

The Department of Revenue, Division Municipal Finance, has received the town's letter dated April 17th amending its request to exceed the property tax cap for an increase in debt service costs.

Based upon the revised schedules provided, we hereby certify a reduction in the exclusion for bonded debt service costs from \$755,233 to \$651,261 for FY 2009.

This amount is certified to the extent debt service payments proposed for FY 2009 are included in the final approved budget.

Therefore, based upon the current year's tax levy of \$18,134,554; this revised certification to exceed the 5% cap should result in a tax levy no greater than \$19,692,543 for FY 2009.

I should note that this excess levy, as authorized by the Department of Revenue, must be approved by an affirmative vote of at least four-fifths (4/5) of the full membership of the governing body and a majority of the electors at the financial town meeting. We would remind you that, since the cap is now based upon tax levy, your final tax resolution and tax rate would be restricted to the maximum levy previously referenced.

If you have any questions, please do not hesitate to call.

Sincerely,
Peder A. Schaefer
Chief

PAS: emm
xc: Gary S. Sasse, Director of Revenue
Ernest A. Almonte, Auditor General
Thomas Mainville, Finance Director



Notice of Property Tax Rate Change Support Sheet

Burrillville FY 2010

Calculation of Proposed Rates - No Classification

	Actual Assessment 12/31/2007	Estimated Increases (Decreases)	Estimated Assessment 12/31/2008	Actual Levy FY 2009	Proposed Levy FY 2010	% Incr (% Decr)	Actual Rates FY 2009	Proposed Rates FY 2010	% Incr (% Decr)
Variable									
Residential real estate	1,427,392,708		1,427,392,708	16,914,506	0	-100.00%	11.85		-100.00%
Commercial real estate	106,569,000		106,569,000	1,262,835	0	-100.00%	11.85	0.00	-100.00%
Personal property	42,919,069		42,919,069	508,560	0	-100.00%	11.85	0.00	-100.00%
Variable Total	1,576,880,777	0	1,576,880,777	18,685,901	0	-100.00%			
Fixed									
Frozen property			0			#DIV/0!			
Other			0			#DIV/0!			
Motor vehicles	58,140,041		58,140,041	2,325,272	2,325,602	0.01%	40.00	40.00	0.00%
Grand Total	1,635,020,818	0	1,635,020,818	21,011,173	2,325,602	-88.93%			
Assessment Increase			0.00%						
FY 2009 Levy @ 4.75%				21,011,173	22,009,204	4.75%			
Proposed Tax Levy									-100.00%
Amount Over Cap					(22,009,204)				
Levy subject to variable rates (grand total less fixed above)				18,685,901	(2,325,602)				
Levy check - grand total levy vs proposed levy - (must be zero or less)					2,325,602				
Amounts highlighted in bold blue are for placement in appropriate "Notice of Proposed Property Tax Rate Change"									



Notice of Property Tax Rate Change Support Sheet

North Smithfield FY 2010

Calculation of Proposed Rates - With Classification

	Actual Assessment 12/31/2007	Estimated Increases (Decreases)	Estimated Assessment 12/31/2008	Actual Levy FY 2009	Proposed Levy FY 2010	% Incr (% Decr)	Actual Rates FY 2009	Proposed Rates FY 2010	% Incr (% Decr)	Tax Class Max Rates
Variable										
Residential real estate	1,238,710,362		1,238,710,362	16,400,814	0	-100.00%	13.24		-100.00%	n/a
Commercial real estate	211,995,152		211,995,152	3,544,559	0	-100.00%	16.72		-100.00%	0.00
Personal property	49,867,500		49,867,500	2,044,568	0	-100.00%	41.00		-100.00%	0.00
Variable Total	1,500,573,014	0	1,500,573,014	21,989,940	0	-100.00%				
Fixed										
Frozen property	3,930,730		3,930,730	44,295		-100.00%				
Other			0			#DIV/0!				
Motor vehicles	57,315,032		57,315,032	2,155,892	2,156,192	0.01%	37.62	37.62	0.00%	
Grand Total	1,561,818,776	0	1,561,818,776	24,190,127	2,156,192	-91.09%				
Assessment Increase			0.00%							
FY 2009 Levy @ 4.75%				24,190,127	25,339,158	4.75%				
Proposed Tax Levy						-100.00%				
Amount Over Cap					(25,339,158)					
Levy subject to variable rates (grand total less fixed above)				21,989,940	(2,156,192)					
Levy check - grand total levy vs proposed levy - (must be zero or less)					2,156,192					
Amounts highlighted in bold blue are for placement in appropriate "Notice of Proposed Property Tax Rate Change"										



Adopted Budget

In accordance with Section 44-5-2(c) of the General Laws of Rhode Island, as amended, the following information shall be provided within thirty days of final action:

Name of Municipality _____		
Adopted Budget FY 2010		
Expenditures:	\$\$\$	Notes:
1 Education	_____	_____
2 Municipal Services (*) (* Provide details below)	_____	_____
Total General Fund:	_____	_____
Municipal Services (**)		
3 Public Works	_____	_____
4 Police Protection	_____	_____
5 Fire Protection	_____	_____
6 Debt Service	_____	_____
7 Employee Benefits	_____	_____
8 All Other	_____	_____
2 Total - Municipal Services	_____	_____
(**) Exclude employee benefits from department spending.		

Revenues:		
9 Local Property Taxes	_____	_____
10 Local Non-Property	_____	_____
11 Federal	_____	_____
12 State	_____	_____
Total Revenues:	_____	_____



Adopted Budget

The FY 2010 budget was adopted on _____, 2009

Estimated surplus 6/30/2009 _____

* Unrestricted undesignated fund balance

FY 2010 TAX INFORMATION

LEVIES

Real Estate - Residential * \$ _____
Real Estate - Commercial \$ _____
Tangibles \$ _____
Motor vehicles \$ _____
Other (specify) \$ _____

* Explain any homestead exemption:

TAX RATES

Real Estate - Residential * \$ _____ per \$1000
Real Estate - Commercial \$ _____ per \$1000
Tangibles \$ _____ per \$1000
Motor vehicles \$ _____ per \$1000
Other (specify) \$ _____ per \$1000

I hereby certify that the information contained in this report is accurate to the best of my knowledge.

Chief Elected or Appointed Official

Date

Prepared by: _____

Date

Title: _____



Adopted Budget

Employee Benefits FY 2010

	\$\$\$	Notes
1 FICA		
2 Medicare		
3 Medical insurance - Active Employees		
4 Medical Insurance - Retirees		
5 Dental Insurance - Active employees		
6 Dental Insurance - Retirees		
7 Life insurance		
8 Pension Contributions		
Municipal		
Fire		
Police		
Other		
8 Pension - Total		
9 Other		
Total Employee Benefits		

Personnel (FTE Count) *	#	Notes
1 Municipal		
2 Police		
3 Fire		
Total Personnel Count - General Fund		
Non General Fund Positions **		
Total Municipal Positions		

- * Do not include school positions.
- ** Not included in approved budget eg sewer, water