

Cape Elizabeth Tax Cap Task Force  
July 6, 2004

1. Task Force (TF) members approved the minutes from the last meeting. Everyone received detailed handouts from the School Department which revised earlier estimates of the impact of budget cuts on staff reductions including a summary sheet for all possible staff cuts, a summary of possible budget reductions under consideration, and a copy of State regulations on student-teacher ratios in the classroom.

2. Elaine Maloney introduced Robert Lyman as Interim School Superintendent. Recently "retired", he has served with great distinction as Superintendent of the Freeport Schools for many years. She requested that an extended discussion of the material presented be deferred until the next meeting to give her an opportunity to brief Bob on details and background. However a brief discussion ensued as follows:

- Allied arts offered at a reduced level, possibly during "released time" at the end of the school day.
- Questions arose about the contractual obligations of teacher preparatory time during the school day and how the possible cuts might affect such time. Bob will check on this for the next meeting.
- Connie Goldman commented that advice and legal guidance from the Department of Education will be needed given the complexity of issues affecting school budgets.
- All contracts (school and town) will have to be examined if the tax cap passes.
- Learning results will be affected by any cuts.
- Health benefits for employees could be affected in schools and town and Bob and Michael will look at possible impact.

3. Regarding the imposition of fees, i.e., non-property tax revenues, to offset reductions in tax revenue, Michael noted that they would have to be in place by January 7, 2005, to be unaffected by the provisions of the referendum. For this to happen they should be enacted during the first 2 weeks of December.

- This is true for both town and school fees, e.g., for co-curricular activities and athletics.
- We don't know how the courts will interpret the issue of fees.
- Do we need a sub-committee to work on the issue of fees. Michael and Bob willing to work with the "Non-property tax revenue" committees for both town side and school side.
- Have these sub-committees working in September and October.
- Schools might want to impose varying fees on different sports reflecting the real differences in the cost of the sports.
- The fee issue is further confused by having the two referendums (June and November) in play.
- Still need to plan for the "worst case".
- Bob and Michael will get their fees figured out with the help of a few advisors: School = Bob, Beth and Ann; Town = Michael, Mary Ann, Ann, Priscilla, Elaine, and Bob Crane.
- We can't make a "profit" on any program - merely insure coverage of costs.
- Palesky referendum raises all sorts of issues about fundamental school services and municipal services as well.

- Where does revenue from the various "tickets" handed out by the police go? Traffic ticket revenue goes to the State and parking tickets go to the town.
- We need to consider whether it will even be appropriate to impose fees to replace lost revenue if the tax cap passes in the town. If it fails in the town but passes in the state, that's a different matter.
- In lieu of a full Task Force meeting on July 20, over the course of the next month, the various committees and sub-committees will be given a chance to meet at their convenience.

4. Are we interested in a charter revision as South Portland is exploring?

- What would the process be for such a revision here?
- Town Council workshop for a start.
- Who else in the state is considering it?
- Would a charter revision force us to cut taxes or impose a cap if the referendum failed in the state but passed here?
  - Would Cape be singled out in the state and get less state revenue if it had tax cap override authority,
  - We shouldn't suggest that the Palesky proposal is being devalued.
  - Local option can't be a panacea or it would have been done elsewhere by now.

5. The Communications Committee has been considering several issues.

- Beth Currier passed out a draft of a possible Q & A bulletin and asked TF members to get back to her with suggestions and possible revisions.
- The committee is considering letters to the editors, op ed pieces, posters, paid advertisements from local citizens, and a web page among other possible communications methods.
- Three main focal areas: Local control or community governance; the California experience; and the probable Cape experience.
- It's not clear to many citizens exactly what the town provides for them with their tax dollars.
- Could have posters indicating just how much the town pays for a given service, e.g. transfer station.

A final hand out from the communications committee was a "publications" time line for Sept -Nov2. The TF members appreciated the Q & A draft and the time line.

6. Is the TF going to publish some sort of summary report or white paper. Yes! said TF Co-Chair Steve Simonds - a 3-4 pp summary with attachments, bulleted lists.

Any comments on the Q & A draft for the next meeting (or other drafts in future meetings) should use MS Word's tool of colored print to track changes (see the Format [Fonts] or Tools menus for colored text or tracking changes).

Notes submitted by Frank Miles. The next meeting of the task Force will be Tuesday, Aug 3 at 7:00 PM in the Council chambers.

