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STATEMENT TO CITY COUNCIL ON TAXES AND CITY SPENDING

By Jack Sullivan
March 18, 2006

MR. MAYOR, MEMBERS OF COUNCIL:

MY NAME IS JACK SULLIVAN AND I CURRENTLY AM PRESIDENT OF THE SEMINARY HILL ASSN., ENCOMPASSING APPROXIMATELY 2,000 HOUSEHOLDS.

LAST YEAR THE ASSOCIATION FORMALLY ASKED THAT CITY BUDGET INCREASES BE KEPT TO 3% -- AND NO ONE PAID ANY ATTENTION.

THIS YEAR WE HAVE NOT TAKEN A FORMAL VOTE BUT I CAN ASSURE YOU OF A CONSENSUS THAT CITY SPENDING HAS BEEN OUT OF CONTROL FOR THE PAST SEVERAL YEARS -- AND THE MANAGER'S PROPOSED BUDGET DOES NOTHING TO REMEDY THE PROBLEM.

THAT IS DISAPPOINTING. WE HAD HEARD ASSURANCES THAT WHEN THE NEW CITY MANAGER TOOK CONTROL HE WOULD BRING SPENDING DOWN AND SPARE HOMEOWNERS DOUBLE-DIGIT PERCENTAGE INCREASES IN THEIR PROPERTY TAXES. THAT HAS NOT HAPPENED. NOW IT IS UP TO YOU, THE COUNCIL.

IT IS IN THE NATURE OF BUREAUCRACIES TO WANT TO EXPAND EXPONENTIALLY -- AND OURS HAS. THERE IS NOTHING ILLEGAL OR IMMORAL

IN THAT URGE -- BUT ELECTED OFFICIALS MUST RESIST IT. THE BUCK STOPS WITH YOU.

INFLATION IS RUNNING ABOUT 4% CURRENTLY. A 4% BUDGET INCREASE -- AFTER THE EXCESSES OF THE PAST -- WOULD BE IDEAL AND SEND A SIGNAL THAT UNBRIDLED SPENDING MUST STOP.

WHERE TO CUT THE MANAGER'S BUDGET? IT IS MY UNDERSTANDING THAT THE STAFF PREPARES EACH YEAR A WORST CASE SCENARIO BUDGET AT MINUS ONE PERCENT OF THE PREVIOUS YEAR. LOOK THERE FIRST. BETTER YET, RELEASE THAT BUDGET TO THE PUBLIC AND WE WILL HELP YOU LOOK.

I HAVE ONE QUICK SUGGESTION. CUT OUT ALL MERIT PAY. MY UNDERSTANDING IS THAT A LARGE MAJORITY OF CITY EMPLOYEES ENJOY THAT PERK -- WHEN IT ORIGINALLY WAS MEANT FOR A SMALL, VERY DESERVING FEW. THAT IS THE NATURAL HISTORY OF MERIT PAY IN BUREAUCRACIES. FOR THAT REASON I HAVE ALWAYS BEEN SKEPTICAL OF THE PRACTICE. THINK OUTSIDE THAT BOX: ABOLISH IT AND COUNT THE SAVINGS.

FINALLY, A WORD ABOUT "AFFORDABLE HOUSING." THAT MANTRA IS SOUNDED OVER AND OVER IN THIS TOWN. JUST REMEMBER THAT LANDLORDS DO NOT RAISE RENTS JUST BECAUSE THEIR PROPERTIES ARE

ASSESSED AS INCREASING IN VALUE. THEY DO IT WHEN THEIR TAXES GO UP
-- THUS PASSING THE "HURT" ON TO THEIR RENTERS.

IN EFFECT, YOU CAN DO MORE FOR AFFORDABLE HOUSING BY KEEPING TAX
INCREASES TO A MINIMUM THAN BY ANY FORMAL PROGRAM OF CITY
INTERVENTION.

THE TAXPAYERS OF SEMINARY HILL AND ELSEWHERE LOOK TO YOU, THE
COUNCIL, FOR HELP -- AND RELIEF.