

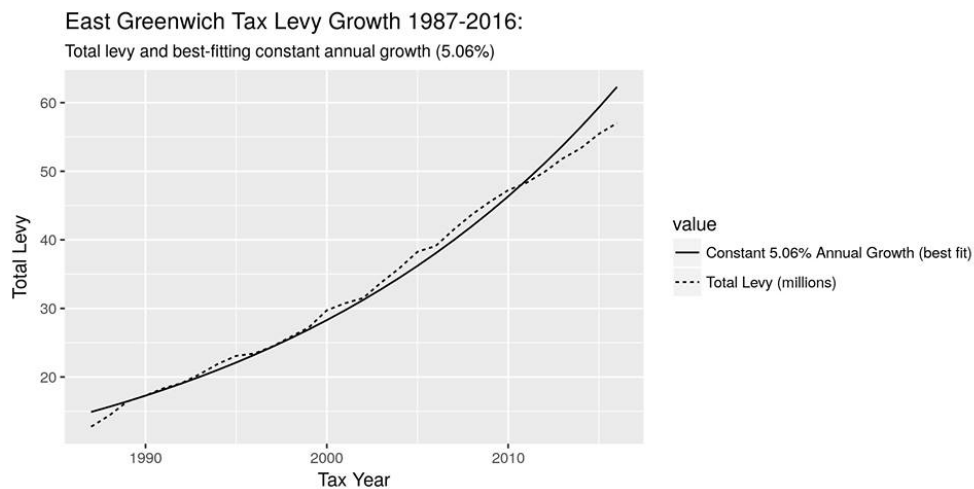
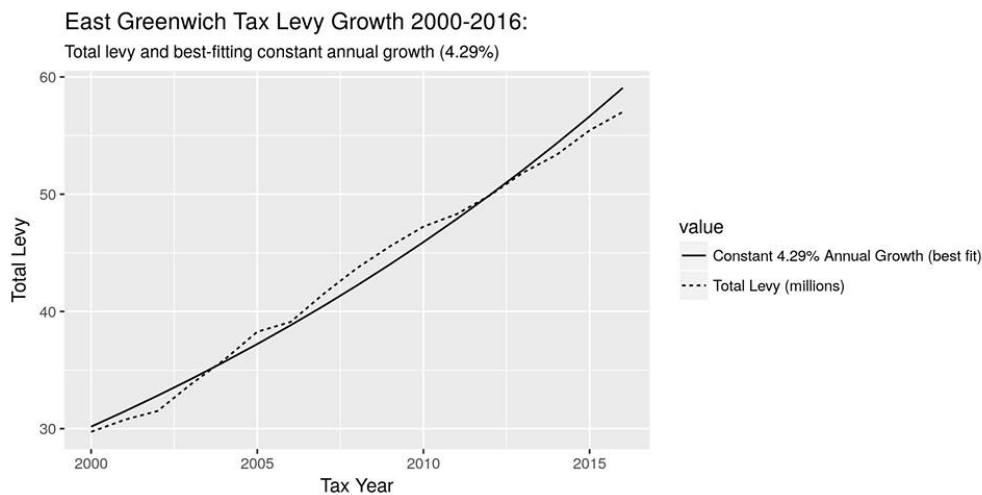
PART I IN A SERIES OF OUR RESPONSE TO TOWN COUNCIL PRESIDENT SUE CIENKI'S STATEMENT DATED 11/17/2017

In a letter dated 11/17/2017, Town Council President Sue Cienki asserted that "From 2000-2015 East Greenwich had a 1.3% population increase – merely 166 residents – yet, the tax levy imposed on its residents has increased 87% from \$29.7 million to \$55.4 million."

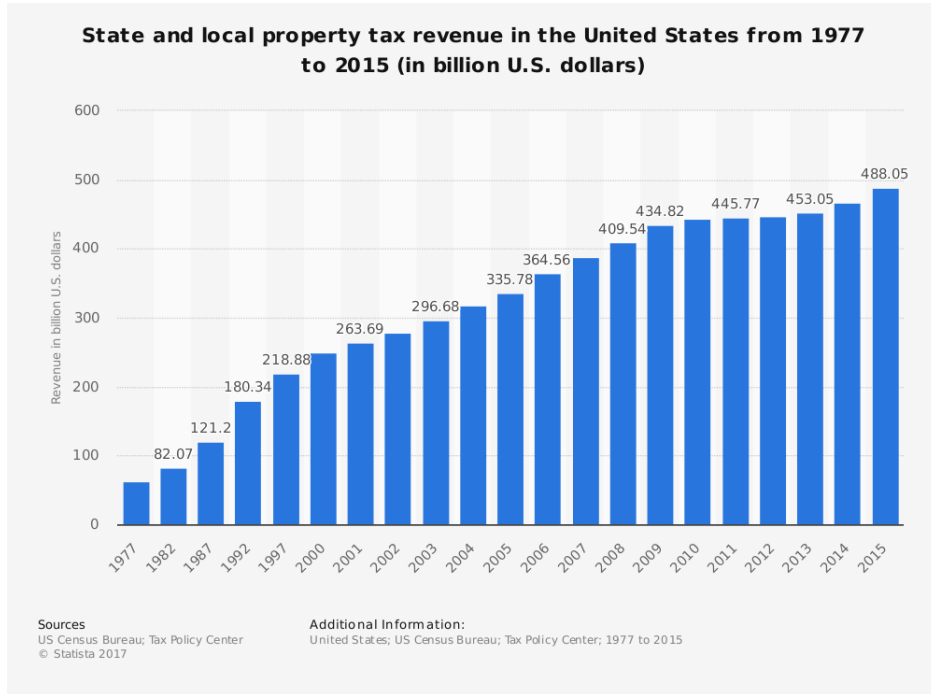
The implication is that property taxes have been increasing at an unusual and unsustainable rate. If that were so, the dotted line representing the actual levy in the 2 charts below should be above the solid line which is what the historical average growth rate produces, but it is below it. The rate of growth of the tax levy since 2010 has been below the historical averages whether you look at 1987 or 2000.

As you can see in the charts below, it is not as simple as our Town Council President has made it seem. Two important points of clarification:

1.) Using the data provided, if we compare the growth rate in the tax levy in recent years to the longer term historical average growth rate in the tax levy, we see that the growth in the tax levy since 2010 has actually been lower than the historical average growth rates of 4.28% (for the years 2000-2016) and 5.06% (for the years 1987-2016).



2.) In addition, we are on target with the national trend. State and local taxes increase annually; this is partly because of the decline in federal tax rates, which results in less money being funneled to the states.



Stay tuned for more analysis on this subject.