Established November 10, 2014



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June 16, 2015

We understand that many taxpayers have had questions. In an effort to respond to everyone we have prepared the attached "FAQ".

All though some of the questions were anticipated and answered either at the public hearings or in the Valley Breeze. There were some that were not anticipated and we thank you for bringing those to our attention.

We will continue field questions and post as they are answered.

Thank you very much.

Bruce Lemois Chairman Cumberland Fire District

CUMBERLAND FIRE DISTRICT TAX BILLS

FREQUENTLY ASKED QUESTIONS

1. Why did my due date change from October to July if I live in North Cumberland?

The information given to the Committee was that there was in fact a grace period. The Committee now understands that that it was simply a due date. This later due date was possible as North Cumberland used surplus to fund the district from July through October. In the 2014-2015 tax year, North Cumberland used the surplus to give a substantial discount to its taxpayers. The cash that would be needed is not available to do the same for the whole town.

2. Why did my due date change from October to July if I live in Cumberland Hill?

Cumberland Hill's year ran from November 1 to October 31. However, their tax bills were sent out in June, prior to the new fiscal year, and a due date of July 15 has been in place since 2006.

3. Why did my tax bill increase this year if I live in Cumberland Hill?

Last year, in the final year of the four-district model, the bills in Cumberland Hill were for an eight (8) month budget covering from November 1 to June 30. This was done to align them with the other three district's fiscal years. The larger increase in Cumberland Hill is only when comparing the 2015-16 twelve (12) month bill to the 2014-15 eight (8) month bill.

4. Why did my tax bill increase this year if I live in North Cumberland?

The first part of the increase was due to the artificially lowering of the 2014-15 tax rate by use of surplus funds. See Question No. 1.

Also the town of Cumberland's Fire service has been virtually consolidated by operation for fifteen (15) plus years. Operationally, the whole town has been receiving the same services from the Fire Department, just as we all receive the same service from the Police, Recreation, trash pickup, snow plowing, etc.

We all pay the same per thousand rate for those town services. The consolidation now aligns payment in a fair and equitable way as with the town taxes.

5. Why aren't my fire district taxes included in my town bill?

The original plan was to have the town collect the fire tax. After more review it was decided to wait on that process.

6. Should I receive a credit if I live in North Cumberland because I'm paying sooner this year?

See Question 1. The North Cumberland ran from July 1 to June 30, though they allowed a grace period until October. There isn't any overlap.

7. Why can't I escrow my taxes with my mortgage company?

We had requested to receive RI Legislation approval to have the power to lien homes. We didn't get that this year. The banks generally will not escrow the fire tax bill unless they see that in place. Some will and I guess that depends on the bank and how their customer handle that issue.

8. Why is the CFD charging a 3% convenience charge for credit card payments?

This is a charge paid directly to the company managing the credit card payments. CFD sees no return from that fee.

9. Can I receive a discount because I do not have a fire hydrant near my home?

The town water department controls the hydrants in town. The fire districts pays about \$300,000 to the Town each year as a usage fee, but we are equipped and ready to handle the need for water where there are not hydrants available.

June 17, 2015