

THE CITY OF PROVIDENCE
STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

RESOLUTION OF THE CITY COUNCIL

No. 482

Approved August 8, 1963

RESOLVED,

THAT in noting the election of Harry Goldstein, first assistant City Solicitor, as chairman of the Judicial Council, the City Council extends its congratulations and wish for him continued sage legal counsel.

IN CITY COUNCIL

AUG 8 - 1963

READ and PASSED

John P. Brock
.....
President
Robert H. Whelan
.....
Clerk

APPROVED

AUG 8 1963

Walter H. Reynolds
.....
MAYOR

RESOLUTION
OF THE
CITY COUNCIL

Resolved, That...

[Faint, illegible text, likely the body of the resolution]

[Faint, illegible text, possibly a signature or date]

THE CITY OF PROVIDENCE
STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

RESOLUTION OF THE CITY COUNCIL

No. 483

Approved August 8, 1963

WHEREAS, our personable and esteemed associate, Councilman Anthony B. Sciarretta and the charming Etta Sciarretta were recently delivered of a little stranger, who, after appropriate and proper introduction, was named Karen Marie, all of which has the qualified approval of Steven A. Sciarretta, and

WHEREAS, with baby Karen Marie, and proud parents Etta and Tony, doing very nicely, Mayor Walter H. Reynolds and the members of the Council express their approval of the "population explosion" in the Sciarretta domain and hopefully anticipate future opportunities to deliberate over official matters in the vein of this Resolution as it concerns the prolific Etta and Anthony Sciarretta.

IN CITY COUNCIL

AUG 8 - 1963

READ and PASSED

John P. Bunk
President
Robert Whelan
Clerk

APPROVED

AUG 8 1963

Walter H. Reynolds
MAYOR

THE CITY OF PROVIDENCE
STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

RESOLUTION OF THE CITY COUNCIL

No. 484

Approved August 8, 1963

WHEREAS, the ever busy stork, mindful of his duties, found time to again visit Councilman and Mrs. Charles A. Pisaturo and leave a baby girl, who was named Lisa.

NOW THEREFORE BE IT RESOLVED, that to our respected colleague and his devoted wife, the well wishes of His Honor the Mayor and the City Council are hereby extended.

IN CITY COUNCIL

AUG 8 - 1963

READ and PASSED

John P. Bank
.....
President
Robert T. Whelan
.....
Clerk

APPROVED

AUG 8 1963

Walter H. Reppel
.....
MAYOR

To The Honorable The City Council
of the City of Providence

Gentlemen:

In accordance with Section 108 of the Charter of the City of Providence, I am presenting herewith a budget for the fiscal year 1963-1964. This budget documents a number of problems in fiscal management in the City of Providence which have been plain to us for some time. Examination of these problems collectively in the course of the budget process emphasizes their serious portent. I think that this will become quite obvious as the picture unfolds itself for you.

Anticipated revenues total \$44,567,668. Proposed expenditures amount to \$44,468,244 leaving a net planned surplus of \$99,424. Compared with the present fiscal year the proposed budget recommends increases in expenditures of \$1,133,576 and provides for an increase in receipts of \$1,174,855, or in terms of percentages an increase in both expenditures and receipts of less than 3%.

Receipts for fiscal 1963-1964 are forecast substantially as follows:

Approximately 66% of the city's income will be derived from the tax upon real and personal property.

Although this is 2% less than the city's dependence upon the same sources during the current year, the change is not significant since the difference in revenues represented by the difference in percentage must be made up from surplus funds from the current year. Thus we continue to depend very heavily upon the real and personal property tax as a major source of income. While property taxes collected in the next fiscal year are expected to increase by \$115,000, this cannot - and should not- be construed as evidence of a growing strength in this resource. During the past several years condemnations for public purposes have removed approximately \$20,000,000 from Providence valuations. During the past year condemnations including both the state highway system and our own urban renewal program have resulted in a net loss of \$1,330,593 in the real property tax base in Providence. The gross loss was considerably in excess of this figure. We must count ourselves fortunate that new construction including industrial development in West River Industrial Park and other construction amounting to nearly \$6,000,000 has minimized our losses in assessed real values. Happily, Detroit has experienced the best year in car manufacture since 1955, and the fact that we may emerge next year with a small increase of less than 4/10 of 1% is principally attributable to increases in assessments upon personal property including the assessment upon automobiles domiciled in the City of Providence.

In looking forward it appears likely that we may expect a reasonably stable property tax base with no significant net losses, but also without any really appreciable gains. The removal of the Brown & Sharpe Manufacturing Company, one of our principal taxpayers, and the decline of core area values will be somewhat more than off-set by increments to our tax base from private investments anticipated in Lippitt Hill, the Central-Classical Project, Mashapaug Industrial Park and Weybosset Hill.

As has been the general trend in recent years, state-shared taxes made available to Providence will continue to decline. In fiscal 1963-1964 this decline is estimated at \$57,000 or approximately $2\frac{1}{2}\%$. The reason for this is very simply that proportional tax valuations and tax levies upon which distribution of these taxes is based continue to increase more rapidly in communities outside Providence than in the central city. It is unfortunate - indeed almost ironic - that the formulae for distribution of these funds, for all practical purposes, insure a continued shrinkage of payments to the central city at the same time that the central city is encumbered with increasing expenditures for services of strictly metropolitan character.

Both Business and Non-Business Licenses and Special Assessments are expected to provide reduced receipts. Licenses primarily as a result of a declining number of liquor licenses will be off 2% or \$8,500.

Sewer assessments will be down \$2,000 reflecting a somewhat smaller program of sewer construction. This latter loss involving only \$5,000 is more apparent than real since such assessments cover 25% or less of the city's cost of sewer construction. Fines, Forfeits, and Escheats will return approximately the same sum as for the current year.

Grants-in-Aid from the State of Rhode Island will be increased by 10% amounting to \$489,000. The reasons for this are several: First, the School Department will receive \$244,000 over and above the figure presented in last year's budget. While this additional assistance to the Public Schools is most welcome we are all aware that the Bosland Report has indicated that the public school's requirements for salaries, supplies and maintenance cannot be satisfied at less than \$900,000 in new appropriations. Secondly, we will receive \$133,000 from the State in lieu of payment of taxes by the bankrupt New York, New Haven and Hartford Railroad. In the current year's budget \$125,000 from this source was included under a different heading. In present circumstances of course we are happy to receive \$133,000, but it is necessary to remember that this represents only a 25% payment of the more than one half million dollars formerly received from the Railroad in real and personal property taxes, and far from being a gain, this represents instead a partial reduction and a serious and apparently continuing loss of revenue.

Third, this category is increased \$94,000 by necessary allowances for an increased public relief load. Obviously, if the relief burden is to increase as expected it will assist in meeting our obligations for this purpose, but our own 30% of these expenditures will likewise be increased. Therefore, the net effect in fiscal terms will be a negative one.

Donations and Rents and Interest will show increased receipts as investments in Trust Funds producing a higher yield will provide some increased income. The amount of this increase for the former is nominal, being presently estimated at \$2,300. A somewhat larger volume of return will be derived from General Fund Investments - a constructive program commenced by this administration in 1952. Income from this source will be up by approximately \$20,000 making a total of \$70,000. Revenues from General Departments will increase by 4% or approximately \$75,000 from a variety of sources including a substantial increase in estimated income from the Municipal Wharf, one of the few such installations in the United States which has customarily and consistently paid its own way and returned a profit. Revenues from Sewer Rentals will remain approximately the same as in the current year, as will also the revenues to the Water Fund.

As you have gathered from the foregoing recital, the combined picture of receipts which are stable in some cases, or merely increased receipts to meet increased responsibilities, or in significant instances actually declining, present serious difficulties in achieving a balanced budget.

As in prior years it will be necessary to revert to the Reserve For Extraordinary Expenditures in order to provide adequate receipts. As you are aware this Reserve consists of unexpended balances of appropriations and unappropriated revenues in excess of requirements for operations of the current year. For fiscal 1963-1964 we are obliged to appropriate from this source the sum of \$1,100,000, or one half million dollars in excess of the amount so appropriated this year. I do not propose this as good budget practice, but I must recommend it as a necessity. It is good that prudent management over the present year has permitted us to have this sum available. It is definitely not good that we are required in this year or in any other fiscal year, because of an imbalance of expenditures over current revenue, to expend moneys which might otherwise be used for a better purpose, for example, to reduce indebtedness or to make salary improvements in those instances where municipal salaries are lagging behind similar salaries in private industry.

Recommended expenditures for the fiscal year 1963-1964 are submitted as follows:

Legislative, Judicial and General Administrative Activities are increased by roughly 4% or approximately \$36,000. This is a biennial increase reflecting the forthcoming election year as well as the necessity to up date the ten year records in the Board of Canvassers as required by State Statute. Offsetting and minimal increases and decreases in the several financial operations will result in substantially the same requirements for Finance Administration as in the current year.

Public Safety is increased by 2% or in round figures \$140,000. Increases in the salary item for firemen based upon agreements reached in December of 1962 are the principal reason. Salary increases for policemen are also included, but this and other items in the police budget will be more than offset by a reduction of thirty-five patrolmen in the authorized strength of the Department. This is an economy in keeping with improved police procedures and a smaller municipal population.

Public Works is increased by somewhat over 1% or approximately \$73,000. This is a net increase which is consistent with good management since it results from the inclusion in this budget an addition of \$100,000 to be appropriated for snow removal operations, costs of which might otherwise need to be met by supplementary appropriations at a later date. Also included in this budget is the appropriation of \$125,000 for sewer construction, an item financed in this manner without attendant interest costs as well as \$100,000 for repairs to the garbage incinerator. The net figure of \$73,000 by which this function is increased is achieved by a number of carefully planned decreases including a reduction of \$28,000 in Street Cleaning, as well as the absence of \$260,000 in non-recurring construction projects included in the budget for fiscal 1962-1963.

Health Activities are up by \$105,000 resulting from operation of the Chapin Hospital where new minimum wage and salary provisions provided under State Statute will go into effect shortly. It is necessary also to provide the Chapin Hospital with an additional \$65,000 in order to commence a five year program to completely overhaul the institution's electrical system, the ultimate cost of which is presently estimated at \$300,000.

Despite additional assistance to Chapin Hospital received from the state four years ago, and despite the fact that the services of this facility are state-wide in nature, it continues to be a costly service for Providence taxpayers.

Welfare Activities for fiscal 1963-1964 will require an additional \$134,000 or an increase of approximately 7% in order to provide for a growing relief load which is currently increasing more rapidly than was anticipated a year ago. Population and housing studies in this and in other cities indicate that the center of metropolitan areas will continue to gain disproportionate numbers of needy and problem families with consequent increases in the costs of welfare services. It does not appear to me that we can anticipate anything other than rising expenditures in this matter within the near future.

Recreation Activities including parks are budgeted for 1963-1964 very similarly to the current year, with a general holding of the line on these expenditures with the exception of a sum of \$35,000 required for building repairs in Roger Williams Park. Educational activities are increased \$391,000 or about 3% over the budget for the present fiscal year. Of this total increase \$151,500 will come from city revenue and the balance of the increment from State Aid to Education including \$163,000 which the School Department received during the present year but which was not included in the budget for fiscal 1962-1963 since its availability post-dated the adoption of that budget.

Grants-in-Aid to outside agencies and institutions are increased by some \$30,000 or about 5%. This is accounted for entirely by increased contributions to library services including an additional \$38,000 to the Providence Public Library and an additional \$2,500 to the Elmwood Library. The gross increase is partially offset by the fact that an appropriation of \$10,000 for an ambulance for the Rhode Island Hospital will not be required in the next fiscal year. In connection with the Providence Public Library which is essentially a privately endowed institution rendering a valuable public service to the City of Providence and surrounding communities, it is worth observing that the city's total appropriation to this institution, including debt retirement for library purposes, has grown steadily over recent years and is now in excess of one half million dollars annually.

Pensions will be increased but by the relatively small figure of \$17,000 or less than 1%. The increase is primarily to provide allowances for the recently Elected Officials Retirement System. Debt service will rise by \$207,000. Included in the rise, however, is \$275,000 for the retirement of floating debt, an increase of \$75,000 over floating debt payments provided in the budget for the present year. Floating debt, I am happy to report, can - if funds are available - be completely retired in fiscal 1964-1965 with the final payment of approximately the same amount as that recommended for the forthcoming year.

Miscellaneous Activities are decreased by about \$80,000 or some 8%.

I do not present this as a saving since comparison with the current expenditure demonstrates that the net effort results from the non-recurrence of an item in the budget of fiscal 1962-1963 of \$120,000 for constructing the Westminster Street Mall. Increases recommended in other elements comprising this category of expenditures partially offset the potential budget difference, the largest of these being a new recommended appropriation of \$24,175 for the Bi-Racial Providence Human Relations Commission.

The Water Fund expenditures recommended are approximately the same in total as those of the current year and are, of course, self-servicing so far as revenue requirements are concerned.

In summary I wish to make the following observations concerning the financial problems raised by the budget which I have described and by the context within which this municipal budget was necessarily prepared:

(1) We can expect in the next and following years to do only a little better than "break even" in taxes upon real and personal property which constitute $\frac{2}{3}$ of the income of the City of Providence. I am not recommending to you, and I do not anticipate recommending to you, any general increase in either the assessment or the rate of taxation upon real and personal property. We must avoid approaching that point of diminishing returns in which further increases could well be counter-balanced by new losses in assessed values should Providence become economically uncompetitive for new investment.

(2) We cannot look forward to another year in which the Reserve For Extraordinary Expenditures from which we are currently taking \$1,100,000 will yield sufficient moneys to correct a potential overbalance in expenditures.

(3) Since we should not expect to depend upon this reserve, it is imperative, as I mentioned in my Inaugural Address to you gentlemen in January, that we make every dollar "do double duty". I call upon every department head in this municipality to continue to analyze the functions and the processes under his direction to determine what further economies can be instituted by a stringent program of consolidation involving savings in material and personnel.

(4) Next year our annual debt requirements will reach a peak in excess of \$5,000,000. From the balance unappropriated in this budget for Reserve For Extraordinary Expenditures, I shall request you to transfer by resolution \$300,000 to a reserve for retirement of debt during fiscal 1964-1965. This will have the effect of reducing the peak of that year to approximately the same level as that of 1963-1964.

(5) Continued close attention to the impact of borrowing for capital purposes is essential. As the situation becomes tighter it appears inevitable that essential projects will have to be scheduled over a longer period of time to preserve control of indebtedness.

(6) Recognizing that certain departments despite the preceding request, will by force of circumstances find their obligations increasing rather than decreasing, as is likely in the case of welfare, we will be obliged to scrutinize with extreme care other areas of expenditure in which to date we have made a maximum effort. I have mentioned our contribution to the Providence Public Library. Our recommended appropriation for school purposes with the additional sum designated for the next fiscal year will place our total appropriation at \$903,988 over and above the Strayer Law entitlement, excluding the servicing of debt for school construction and modernization. In these and in other areas, such as highway reconstruction to mention another, it is difficult to foresee how long and to what extent we can continue to maintain present levels of municipal service.

(7) Unless costs are substantially reduced or new funds become available, it is difficult indeed to foresee any means to provide salary or wage increases to municipal workers either in the city service or in the School Department. Insofar as police and fire are concerned, even though these agencies have obtained the right to bargain, and the city has agreed to enter into this procedure, it is obvious we cannot undertake to do so in good faith so long as we lack the resources to meet demands, however modest such demands may be.

(8) In previous budget messages I have called to your attention the necessity to obtain new and additional revenue outside of and beyond the tax upon real and personal property.

Others have been likewise concerned, and various studies have from time to time explored alternatives for providing such revenues both at the local and the state level. Regretfully none of these has resulted in any improvement of a worsening situation financially speaking. The most recent study completed in 1962 by Dr. Merton P. Stoltz, Chairman of the Economics Department at Brown University, showed us that with the exception of Connecticut, Providence has been receiving less assistance from the state than any of the comparable cities included in the study.

In the fiscal year just past Providence received approximately \$35 per capita from all sources of state aid. As long ago as 1957 the median state aid to similar cities studied by Dr. Stoltz was \$50, a figure which has no doubt been increased. If, however, the City of Providence were to receive from the State of Rhode Island sufficient additional aid to make up the differential existing six years ago, this would provide us with some \$3,000,000 in new funds. Were this to occur the School Department employees and our own personnel could look forward to achieving more adequate compensation.

We are, as the traditional phrase has it, "a creature of the state" and our financial problems are entwined and entangled with the problems inherent in an antiquated state-wide revenue system. Until such time as political leaders of both parties obtain at the state level the meeting of minds necessary for a creative solution to this situation, we shall continue to experience severe and distressing fiscal problems.

Gentlemen, I thank you for your attention and I will appreciate your constructive assistance in these matters which are your problems no less than they are mine.

Respectfully submitted,



CITY OF PROVIDENCE - RHODE ISLAND - Walter H. Reynolds, Mayor

The Public Service Engineer

Peter J. Hicks, Jr.
Public Service Engineer

112 Union St., Providence 3, R. I.

August 5, 1963

Mr. D. Everett Whelan
City Clerk
City Hall
Providence, Rhode Island

Dear Mr. Whelan:

I enclosed herewith the bill of the Narragansett Electric Company for the month of July, 1963, for the street lighting of the City of Providence.

The total net amount of the bill is \$41,692.03.

Very truly yours,

Peter J. Hicks, Jr.
PUBLIC SERVICE ENGINEER

Enc:
PJH, JR:ed

IN CITY COUNCIL

AUG 8 1963

APPROVED:

D. Everett Whelan
CLERK

Received of City Clerk's Office
August 9, 1963



Sent to City Controller 8/9/63

City of Providence
DEPARTMENT OF MILK INSPECTION
C. V. Chapin Hospital
153 Eaton Street, Providence, R.I.

August 1, 1963

To the Honorable, The City Council of the City of Providence, Gentlemen:

The following list of individuals, firms, companies, corporations, etc., with the approval of the Inspector of Milk, respectfully request licenses to sell milk, cream, and skimmed milk in the City of Providence.

IN CITY COUNCIL

AUG 8 1963

READ AND GRANTED

D. Everett Whelan
CLERK

Respectfully submitted,

Richard S. McKenzie
Richard S. McKenzie,
Deputy Inspector of Milk

- | | | | |
|-----|---|-----|--|
| 016 | KELMORE DINER 339 BROAD STREET PROVIDENCE, R.I. | 023 | JOSEPH L. McDONALD & SON INC. 416 Lloyd Avenue Providence, R.I. |
| 017 | JIMMY'S PIZZERIA 286 Brook Street Providence, R.I. | 024 | NORTON'S COFFEE SHOP 51 NORTH MAIN STREET PROVIDENCE, R.I. |
| 018 | ALFRED GIULIANO 393-395 Charles St. Providence, R. I. | 025 | BOARS HEAD MARKET 73 OLIVE STREET PROVIDENCE, R.I. |
| 019 | GEORGE'S NEW YORK SYSTEM 170 DELAINE STREET PROVIDENCE, R.I. | 026 | OBIE'S VARIETY 77 PLEASANT STREET PROVIDENCE, R.I. |
| 020 | ADRIATIC FOOD STORES, INC. 59 DE PASQUALE AVENUE PROVIDENCE, R.I. | 027 | ALFREDO'S RESTAURANT 280 THAYER STREET PROVIDENCE, R.I. |
| 021 | LINDA'S SANDWICH SHOPPE 222 DEXTER STREET PROVIDENCE, R.I. | 028 | TOM'S CAFETERIA N. THOMAS LARKIN 20 Washington Place Providence, R.I. |
| 022 | RICKY'S VARIETY 21 KILLINGLY STREET PROVIDENCE, R.I. | 029 | TOM'S RESTAURANT 865 WESTMINSTER STREET PROVIDENCE, R.I. |
| 030 | FIRST NATIONAL STORES 167 PITMAN STREET PROVIDENCE, R.I. | 031 | THEODORE DANAKAS 603 PLAINFIELD STREET PROVIDENCE, R.I. |