



Executive Chamber, City of Providence, Rhode Island

JOSEPH R. PAOLINO, JR.
MAYOR

25 April 1990

The Honorable Rose Mendonca
City Clerk
Providence City Hall
Providence, RI 02903

Dear Madam Clerk:

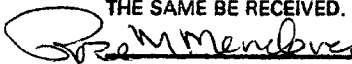
Pursuant to Section 406 of the Providence Home Rule Charter of 1980, I am this day requesting a special meeting of the Providence City Council to be held on Tuesday, May 1, 1990, at 7:30 P.M. in the City Council Chamber to consider the following ordinances.

- (A) Budget Message and appropriation ordinance setting forth in detail estimates for the fiscal period beginning July 1, 1990 and ending June 30, 1991.
- (B) An ordinance establishing the classes of positions, the maximum number of employees, and the number of employees in certain classes in the City Departments and repealing ordinance Chapter 1989-14, approved June 22, 1989
- (C) An ordinance establishing a compensation Plan for the City of Providence and repealing ordinance Chapter 1989-13 approved June 22, 1989.

IN CITY COUNCIL

MAY 1 1990

READ
WHEREUPON IT IS ORDERED THAT
THE SAME BE RECEIVED.

 CLERK

The Honorable Rose M. Mendonca
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25 April 1990

- (D) An ordinance providing for the assessment and collection of 1990 taxes, being based on one hundred percent (100%) of the 1990-1991 fiscal year tax collection.

Your assistance in this matter is greatly appreciated.

Sincerely,

A handwritten signature in dark ink, appearing to read "J. R. Paolino, Jr.", written in a cursive style.

JOSEPH R. PAOLINO, JR.
Mayor of Providence

FILED

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DEPT. OF CITY CLERK
PROVIDENCE, R. I.

CITY OF PROVIDENCE, RHODE ISLAND . MAYOR JOSEPH R. PAOLINO, JR.

Rose M. Mendonca
City Clerk

Clerk of Council

Clerk of Committees



Michael R. Clement
First Deputy

Jean M. Angelone
Second Deputy

DEPARTMENT OF CITY CLERK
CITY HALL

TO RALPH GUGLIELMINO, CITY SERGEANT:

WHEREAS, His Honor, Joseph R. Paolino, Jr., Mayor of the City of Providence has, pursuant to Section 406 of the Providence Home Rule Charter of 1980, requested the City Clerk, in writing, to Call A Special Meeting of the City Council to be held on the 1st day of May A.D., 1990, at 7:30 o'clock P.M. (E.D.T.) for the Purpose of Enacting the Following:

Budget Message and Appropriation Ordinance, setting forth in detail estimates for the Fiscal Period beginning July 1, 1990, and ending June 30, 1991.

An Ordinance Making an Appropriation for the Fiscal Year ending June 30, 1991.

An Ordinance Establishing the Classes of Positions, the Maximum Number of Employees and the Number of Employees in Certain Classes in the City Departments and repealing Ordinance Chapter 1989-14, Approved June 22, 1989.

An Ordinance Establishing a Compensation Plan for the City of Providence and repealing Ordinance Chapter 1989-13, approved June 22, 1989.

An Ordinance Providing for the Assessment and Collection of 1990 Taxes, being based on One Hundred Percent (100%) of the 1990-1991 Fiscal Year Tax Collection.

You are therefore, hereby commanded and required to summon each Member of the City Council to that Special Meeting, as Called.

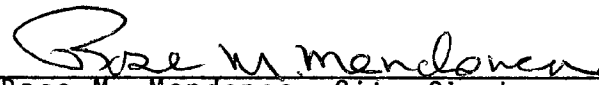
HEREOF, Fail Not, and make true return of this Warrant, with your doings thereon.

Given under my hand and Official Seal of the City of Providence, State of Rhode Island and Providence Plantations, this 26th day of April A.D., 1990.

IN CITY COUNCIL
MAY 1 1990

READ
WHEREUPON IT IS ORDERED THAT
THE SAME BE RECEIVED.

CLERK


Rose M. Mendonca, City Clerk

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS
THE CITY OF PROVIDENCE, Sc.

APRIL 26, 1990

I, Ralph Guglielmino, City Sergeant, do hereby certify that I have notified each Member of the City Council of the Special Meeting scheduled to be held on Tuesday, May 1, 1990 at 7:30 o'clock P. M. (E.D.T.) in the Chamber of the City Council, City Hall, Providence, in accordance with the subject Warrant by delivering to each Member a copy thereof.

Ralph P. Guglielmino
CITY SERGEANT 4/27/90



Executive Chamber, City of Providence, Rhode Island

JOSEPH R. PAOLINO, JR.
MAYOR

May 1, 1990

The Honorable Members of the City Council
Providence City Hall
25 Dorrance Street
Providence, RI 02903

Dear Council Members:

Tonight I propose to you a very tightly balanced budget that makes up for a devastating \$20 million problem--\$13 million in state aid cuts, and \$7 million in fixed cost increases. To make up \$20 million dollars, Providence--like every other Rhode Island community--has to make difficult choices to manage the state's mismanagement. Every community will probably have to raise property taxes this year.

The Governor had a choice. He could have managed his budget better, or he could have passed his mismanagement on to home owners. The Governor's choice was to pass his mismanagement on to home owners. The Governor broke his promises to every city and town, and now he's balancing his budget on the backs of every hard working Rhode Island family.

Let's not forget that home ownership is still the dream of many young couples starting out in life--of couples trying to send their children to college. And it's the dream of every Rhode Island senior citizen to hold on to the home where they raised their family and built so many memories. That dream is under attack by the Governor, and he says he's not raising taxes. Make no mistake. He's raising property taxes for everyone in Rhode Island.

Tonight I pledge publicly that if state aid is restored, we will reduce taxes, dollar for dollar, in Providence.

Honorable Members of the City Council

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We've worked hard to keep taxes down, cut spending, and restore people's confidence in the ability of government to manage its budget, provide a good education for our children, a police department that works hard to arrest drug dealers and keep them off our streets, and a professional fire department that's there when you need them. What the Governor has done to cities and towns across Rhode Island was a turning point for me. It's one of the things that made me realize that a mayor can only do so much, but a governor has the ability to fight for change and reform, to work hard for what's right, and to pursue what's best for our future. It requires strong leadership to make the right choices.

In Providence, we know what it takes to lead. Six years ago Providence was a city under siege. Taxes were out of control and we faced corruption, mismanagement, and fiscal crisis. We fought hard to turn things around. We can't turn back the clock. We balanced six budgets, and tonight I propose our seventh balanced budget. We rebuilt parks and schools, raised our bond rating, and wiped out a \$6 million deficit. But the Governor's cuts threaten the progress we've made.

The budget I'm proposing is responsible. It's fair and it's tight. It cuts programs and personnel, trims government, and economizes. It provides a 9 percent increase for education from \$100,588,000 to \$110,000,000; and I can report tonight that--on the city side--this proposed budget is not one dime higher than it was last year, and that's good management.

The City budget last year was \$132,452,000, and the proposed budget this year is \$132,437,000. We've held down city spending in spite of \$7 million in increased fixed costs like a \$3 million increase in contractual wage obligations, a \$400,000 increase in workers' compensation costs, a \$750,000 increase in pension costs, \$1 million in increases like FICA, Bay Commission payments, and tipping fees, and a \$1.8 million increase in Blue Cross. We've had long discussions with Blue Cross, and they are unable to reduce their rates further, so tonight I am putting Blue Cross on notice that without further reductions we will actively seek alternative coverage. Do you know that the City can't challenge group rate increases under existing Department of Business Regulation rules? I think that's wrong, and we should change it.

But let me add a word of warning: This budget is tightly balanced. There's no margin for error, and it must be very closely and professionally managed through the remainder of this administration, and into the next administration.

Honorable Members of the City Council
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Let me tell you something: If the state had honored its commitment and gave us what they promised, I would have presented a no tax increase budget tonight. But that didn't happen. The State reneged, and we have to cut government and add \$2.12 to the tax rate to responsibly balance this year's budget. This new tax rate of \$26.00 is unavoidable; not to seek it would be irresponsible and governmentally wrong. Make no mistake. The Governor's mismanagement has trickled down to every home owner.

To balance this budget, we made some hard personnel choices and we cut spending. These cuts include a four-point program to reduce personnel costs by \$2 million. First, we defunded 23 city positions. Second, we're instituting an early retirement program. Third, if that early retirement program doesn't bring enough savings, we're prepared to lay off up to 60 employees. And fourth, we are delaying the 4 1/2 percent wage increase for middle management for three months.

And we're forced to make two painful cuts in neighborhood programs. We're cutting libraries by \$250,000, but we're asking the Library Board to look to charging card holders an annual fee to make up for that cut. I'm also forced to announce tonight that, because the Governor has failed to manage his budget, we have to eliminate the \$2 million planned for the Neighborhood Trust Fund to repair streets and sidewalks. These are painful cuts we have to make.

Deeper cuts would mean the end of the urban collaborative, the elimination of street sweeping, garbage pickup, and snow plowing. It would mean dirty parks, and overgrown ballfields--layoffs of police, no recreational programs this summer--empty pools and closed community centers.

Some have advised me to simply say, "read my lips" and to accomplish a political goal by slashing basic city services, but I have decided that would be wrong. We must stand up for kids who want to stay away from drugs, kids who use those pools and recreation facilities in the hot summer months. We must stand up for senior citizens who call for help in a time of need. We must stand up for kids who are fighting the odds and are staying in school, because if we don't, no one will. City government is the last rung on the ladder of government, and we must accept the responsibility of leadership and not resort to expediency of simple sound bites.

Honorable Members of the City Council

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May 1, 1990

Friends, the budget is tight, and will require strong, professional management. But we're not afraid to accept the challenge. It's the challenge of leadership. We know how to lead. We know how to manage what we have. We've done it before, and we'll do it again together.

Sincerely,

A handwritten signature in dark ink, appearing to read "Joe R. Paolino Jr.", written in a cursive style.

JOSEPH R. PAOLINO, JR.
Mayor of Providence