

# City of Providence

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

## CHAPTER 1991 - 1

No. 1

**AN ORDINANCE** An Ordinance in amendment of Chapter 1990-13 of the Ordinances of the City of Providence approved July 3, 1990, entitled: "An Ordinance Making an Appropriation of Two Hundred Forty-three Million, One Hundred Sixty-six Thousand, Eighty-eight Dollars (\$243,166,088) for the Fiscal Year Ending June 30, 1991," as Amended.

Approved January 4, 1991

*Be it ordained by the City of Providence:*

Section 1: Chapter 1990-13 of the Ordinances of the City of Providence, as approved July 3, 1990, is hereby amended, as follows:

### REVENUES

	<u>Original</u>	<u>Increase/ Decrease</u>	<u>Revised</u>
Property Taxes	\$148,072,188	\$3,000,000	\$151,072,188
Transfer from Expendable Trust Fund	2,900,000	2,000,000	4,900,000
Interest on Taxes	1,000,000	400,000	1,400,000
Business and Non-Business Licenses	1,650,000	(300,000)	1,350,000
General Departments	11,518,970	(100,000)	11,418,970

### EXPENDITURES

	<u>Original</u>	<u>Increase/ Decrease</u>	<u>Revised</u>
City Collector Item 1	\$ 317,550	\$ 400,000	\$ 717,550
Data Processing Item 1	666,000	200,000	866,000
Fire Department Item 0	18,106,261	3,400,000	21,506,261
Fire Department Item 1	1,020,200	100,000	1,120,200
Police Department Item 0	19,234,447	1,200,000	20,434,447
Communications Item 0	1,080,186	150,000	1,230,186
Zoo Item 0	845,825	85,000	930,825
Board of Canvassers Item 0	394,488	85,000	479,488
Public Property Item 2	1,045,000	500,000	1,545,000
Public Works Highway Item 5	396,750	200,000	596,750
Public Works Highway Item 2	228,000	300,000	528,000
Interest on Debt Item 3	6,666,938	(1,000,000)	5,666,938
Medical Insurance Item 3	11,790,735	(580,000)	11,210,735
Public Works Garage Maint. Item 0	215,241	(15,000)	200,241
Public Works Engineering Item 0	317,098	(20,000)	297,098
Public Works Environmental Item 0	643,138	(45,000)	598,138
Public Works Sewer Const. Item 0	484,424	(40,000)	444,424
Contingency	87,000	(4,200)	82,800
Veterans of Foreign Wars	-0-	450	450
Disabled American Vets	-0-	250	250
American Legion	-0-	250	250
Jewish War Veterans	-0-	250	250
St. Patrick's Day	-0-	1,000	1,000
St. Joseph's Day	-0-	1,000	1,000
Martin Luther King Day	-0-	1,000	1,000
Police Item 1	965,200	150,000	1,115,200
Adm. to City Council Item 0	175,900	30,000	205,900
Workers' Compensation Item 3	1,440,000	(150,000)	1,290,000
Workers' Compensation Item 1	357,000	150,000	507,000
Highway Item 0	1,209,035	(100,000)	1,109,035

No.

**CHAPTER**

**AN ORDINANCE**

Section 2: These adjustments will result in an increase in the Appropriation Ordinance from \$243,166,088 to \$248,166,088.

Section 3: This Ordinance shall take effect upon passage.

IN CITY COUNCIL  
DEC 20 1990

FIRST READING  
READ AND PASSED

*Rose M. Mendez* CLERK

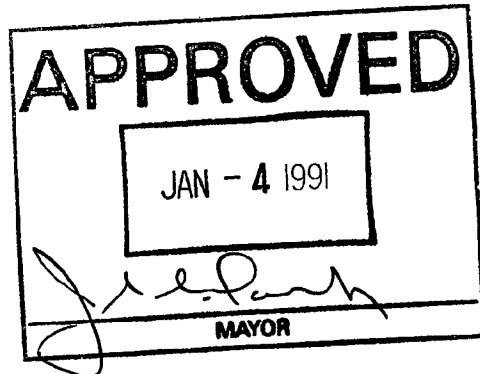
IN CITY  
COUNCIL

JAN 3 1991

FINAL READING  
READ AND PASSED

*Nicholas W. Epton*  
PRESIDENT

*Rose M. Mendez*  
CLERK



THE COMMITTEE ON  
FINANCE

Approves Passage of  
The Within Ordinance, as amended

Rose M. Mendoren  
Chairman

December 17, 1990

COMMITTEE  
FINANCE

APPROVED

FINANCE



## Executive Chamber, City of Providence, Rhode Island

JOSEPH R. PAOLINO, JR.  
MAYOR

November 30, 1990

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

Dear Honorable Members:

From time to time, the administration has amended the city budget at the end of the fiscal year. Therefore, as this administration ends, I am requesting that the City Council amend the 1990-1991 budget now to reflect changes in expenditures and revenue to provide the incoming administration with an up-to-date budget document that more accurately reflects the economic picture of the city as it exists today.

A \$5 million budget adjustment is necessary to remedy unforeseen increases in fuel oil prices and an increase in injured-on-duty (IOD) in all departments--especially the Fire Department. Of the \$5 million, nearly \$3.9 million is due to increased costs in public safety. Though measures have been taken to curb rising IOD costs, it will take a professional management team to fight escalating costs over the next six months and keep expenditures down.

The budget is manageable with strong, hands-on professional administration to limit the burden on property taxpayers. I realize people pay too much in taxes, and I know we have to try to keep taxes down and maintain essential services at the best price. That means finding innovative ways to keep taxes and expenses down. We've never asked for more than we needed, and as the economy in New England turns and recession looms, the city administration will need a strong plan to avoid deficits and increased taxes. The city has tightened its belt and there are no more notches. Since 1984, the city has lost \$25 million in federal and state aid--\$5 million in revenue sharing, \$7 million in Community Development grants and \$13 million in state aid. Now with a crisis in the Middle East, and increases in fuel costs for police, fire, and public works vehicles, as well as heating oil, we must adjust our budget to ensure the next administration is well-served.

The Honorable City Council  
November 30, 1990  
Page Two

We can increase revenues by increasing the property tax collection rate. There is \$6 million in real estate, over \$16 million in excise, and over \$10 million in tangible uncollected "back" taxes outstanding due over the last 10 years. Not all can be collected. Tangible taxes, for example, are historically difficult to collect. But because of our efforts in the General Assembly last year, we are now able to file a UCC lien against delinquent tangible taxpayers. And this year I am going to ask the General Assembly to allow auto registrations to be issued yearly again to increase our collection rate. We have reduced budgeted back taxes from our normal \$8 million to \$4 million. We can realistically collect \$2 million more if we increase efforts to collect the first quarter 1990 billing of both tangible and motor vehicle past due accounts. This puts the most current receivables in the collection process and includes overdue amounts when they are still collectable. As a matter of fairness--all means of collection should be explored.

There is also available revenue in "current" taxes if a current year tax sale is commenced as we did last fiscal year. It should be a staggered sale. Because of the limited number of title companies to handle all the work, the sale should be started in December and continue until all properties are finalized. We would hope that interest will not be waived and that all tax sales continue as scheduled.

Tax reverted properties that have already gone to collection attorneys can raise an additional \$1 million, but it will require strong leadership and diligent, professional management to make sure it happens.

There is additional revenue of \$2 million from the sale of Merino Park, Camp Cronin, and land adjacent to Route 146. Efforts to sell the various pieces of land have already begun. In addition, Camp Cronin could be acquired under the state's open space bond issue funds by the State DEM with the city maintaining the right to use the facility for senior programs.

Additionally, there is another area for further review that can raise additional revenues. Parking fines are not calculated as part of the budget adjustment, we urge increased collection of fines and penalties owed the City. Now with our computerized records of parking tickets, we can enhance collection of fines and penalties generated from these tickets and help to offset any revenue shortfalls.

The Honorable City Council  
November 30, 1990  
Page Three

I want to give the next administration a head-start on the budget. To enhance this process, collection responsibilities should be given to both collection attorneys and the courts. It may not be popular, but it ensures fairness and is necessary. There has not been an adequate effort in this area, and I would suggest an enhancement of such collections. I will recommend legislation to allow municipalities to suspend the licenses of drivers who have five violations or more, and I am requesting the Chief Judge of the Municipal Court to dramatically increase efforts to collect fines and penalties owed the city, especially by out-of-state student drivers.

Furthermore, the Providence Police have the authority to fine drivers under "reasonable and prudent speed" statutes. Enhancement of this effort will make neighborhoods safer and will increase revenues.

In conclusion, the budget is manageable, and the fiscal integrity of the city budget is sound. When I presented the budget, I said, "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...the budget is tight, and will require strong, professional management." However, the management of a closely balanced budget is never easy. It requires diligence, professionalism, and hands-on leadership. It demands the integrity and persistent review of professional managers who adhere to a strong management plan and a fair collection strategy.

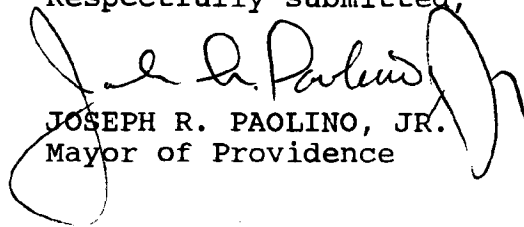
We have not, and we should not, unfairly burden Providence taxpayers. We have always balanced our budgets as tightly as possible. There is little room for error or for extravagance. That's the way it should be. That's the way it has been.

As I've said, I want to give the new administration a head-start on the budget. But a new administration or a new financial management team that does not realize the full potential of revenue sources or the dynamics of a tightly drawn budget in the context of New England's changing economic climate will have tremendous difficulty in providing what we have provided: the best possible services to the taxpayers at the lowest possible cost. Any extravagance in personnel, any extravagance in purchasing, or any variation from strong fiscal management and professional oversight will result in higher taxes.

The Honorable City Council  
November 30, 1990  
Page Four

I am confident that what we have accomplished will prevail. We can have effective, efficient services and hold the line on taxes if we continue to professionally manage a fair, honest, tight budget and if we increase revenues, without bleeding property taxpayers, and trim expenditures.

Respectfully submitted,

A handwritten signature in dark ink, appearing to read "Joe R. Paolino, Jr.", is written over the typed name. The signature is fluid and cursive, with a large loop at the end.

JOSEPH R. PAOLINO, JR.  
Mayor of Providence



IN CITY COUNCIL

DEC - 6 1990

FIRST READING

REFERRED TO COMMITTEE ON

*Revised and*

*Joseph M. Mendoza* CLERK