

City of East Providence Budget Commission
City Hall
145 Taunton Avenue
East Providence, RI 02914
(401) 435-7500

Regular Meeting Minutes
April 26, 2012, 3:00 PM

Members: Michael O’Keefe – present
Stephen Bannon – present
Diane Brennan – present
City Manager, Peter Graczykowski – present
Mayor Bruce Rogers – present

Other Attendees: Ellen Eggeman – City Finance Director
Christy Healey, Budget Commission Fiscal Advisor
David Eaton, Budget Commission Fiscal Advisor
Wayne Barnes, Planning Department
Jim Moran, Planning Department
David Bachrach, Planning Department
Members of the Public

The meeting commenced at 3:05 pm. Agenda Item #1 Budget Projects/Timelines: The valuation was complete on Friday. For the fiscal year change, Peter Graczykowski would need to do an additional presentation. The waiver from the Department of Revenue was no longer necessary. The Budget Commission would address setting the levy and the tax rates in the meeting scheduled immediately following the regular meeting today. For the school construction bond, there is a RIHEBC meeting scheduled for May 10. A lender has not yet been identified, and Ellen Eggeman reported that a full Official Statement would be required and it was in process. For the wastewater bridge loan, Ms. Eggeman reported that she was waiting for a closing date. The finance consolidation was in process, and the advertisement for the consolidated finance director would be in the Providence Journal this weekend. A space study for City Hall began yesterday to evaluate moving the school administration from Burnside Avenue to City Hall. Mr. O’Keefe noted that there would need to be a follow up to the Economic Development meeting on April 10th, which should be planned for May 10th.

Agenda Item #2 was the BPR. Mr. O’Keefe stated that there was legislation pending in the General Assembly that would allow for the clearing of a cumulative deficit in school budgets without having the additional funding count towards maintenance of effort. He stated that the BPR should be locked down for FY 2012. Ms. Eggeman noted that there were still issues with FY 2012, including the finance consulting item that should be an add of \$37,000, not a savings. Mr. O’Keefe requested that the school and city finance directors review FY 2012 for next meeting so that the BPR could be finalized.

Agenda Item #3 was a review of payments and procurements. All were related to City expenditures. Ms. Eggeman noted that one payment related to Agenda Item #4, the loan to My Laundry Hamper, Inc. All payments with the exception of the loan, which was held for discussion under Item #4, were unanimously approved. See addendum #1 for a copy of the approvals.

Agenda Item #4 was a request for approval of an Economic Development Commission loan to My Laundry Hamper, Inc. Mr. O'Keefe asked if anyone had received any feedback from the public or had any additional comments. Hearing none, the loan was unanimously approved, as was the payment referenced under Agenda Item #3.

Agenda Item #5 was a request for approval to authorize the RI Department of Transportation to manage and design the Safe Routes to School project. Mr. O'Keefe asked if anyone had received any feedback from the public or had any additional comments. Hearing none, the item was unanimously approved.

Agenda Item #6 was a request to hire a Pension Board Intern for the Summer of 2012. At the March 26th Pension Board meeting, the Police and Fire Pension Board unanimously voted to employ Trevor Mason, sophomore Economics major at URI, for 20 hours per week for approximately 13 weeks at \$15/hour from May 15 through August 15, 2012, totaling \$4,198, including \$3,900 of wages and \$298 of payroll taxes. Trevor will be paid from the Pension Fund and will replace the current intern. This item was held for approval at the next meeting.

Agenda Item #7 was the initial review of an Ordinance on the Phase-out of the Property Tax Pre-Payment Discount. Mr. O'Keefe noted that the meeting had been posted in accordance with open meetings requirements on Tuesday April 24, 2012. There will be public hearings on May 3rd and May 10th. The Commission has discussed this item numerous times. Mr. O'Keefe asked if there were any comments from the audience at this time. Hearing none, he stated that the next meeting would be posted on the Secretary of State's website and the final May 10th meeting would be advertised in the Post and with the Secretary of State.

Agenda Item #8 was an initial review of a Resolution to Phase-out the Homestead Exemption. Mr. O'Keefe noted that the meeting had been posted in accordance with open meetings requirements on Tuesday April 24, 2012. He stated that there was an amendment, in that page 6, paragraph 1 of the agenda needed to be changed from 15% to 14% for FY 2012. He asked if there was any discussion on the amendment, and there were no comments. Diane Brennan made a motion to amend the resolution, seconded by Stephen Bannon. All Commission members voted in the affirmative, and the amendment was passed. There will be public hearings on May 3rd and May 10th; the May 3rd meeting would be posted on the Secretary of State's website and the May 10th meeting would be advertised in the Post and with the Secretary of State.

Mr. O'Keefe noted that there were three separate agendas for today in order to comply with the open meetings law, which the Budget Commission is required to comply with when taking certain actions.

Agenda Item #9 was an initial review of appointments to Boards and Commissions from the April 3, 2012 City Council meeting. The two appointments were John O'Hare, Canvassing

Authority and Samantha Branco, Juvenile Hearing Board. The Commission will have its final review at the next meeting.

Agenda Item #10 was an initial discussion of the 2013 Community Development Block Grant (CDBG) Budget. Mr. O'Keefe noted that this item was for initial discussion, and the Commission will hold the item for final decision at the next meeting. The Commission would take public comment on the item at the next meeting. Mr Graczykowski stated that the City Council had discussed the allocations at its previous meeting. The amount of the CDBG award is smaller than previous years and the Commission had requested a focus on Economic Development projects. David Bachrach from the City's Planning Department provided the Commission with a listing of the projects with three options. Option A focused on Economic Development, as requested by the Commission. Option B shifted the maximum allowable to Human Services. Option C was developed by Mr. Bachrach as a compromise between the other two. He noted that the requests totaled \$2 million, but the allocation was \$674,175. He stated that the plan would need to be submitted to HUD by May 15th, and the funds would be available on July 1, 2012. If the plan was approved by HUD then the City would enter into agreements with the parties and the City will reimburse based on measurable goals.

Mr. O'Keefe asked if the plan could be amended if the funding for Economic Development projects was not claimed. Mr. Bachrach stated that it could be amended, following a public comment period. Mr. O'Keefe noted that if the funds were allocated to public service projects, the funds would all be used and there would not be an opportunity to amend the plan to focus on economic development. Mr. Bachrach stated that the Section 108 project was actually debt service, and had to be included because HUD would intercept the funds if it was not properly funded. All of the economic development funds listed the Planning Department as the recipient, however these were end-user funds, and would not be used to finance Planning Department operations. The only monies allocated to the Planning Department related to the 20% administration item. Mr. O'Keefe stated that the Commission would make its final decision next meeting. He noted that the Commission had requested Option A, which allows for some flexibility in the event that the money is not needed. Mr. O'Keefe requested a short description of each project.

Agenda Item #11 related to other commission items. Mr. Graczykowski requested permission for an RFP for temporary consolidated financial services. The City Finance Director had resigned effective May 18th 2012. The City and School are advertising for a permanent director, but would need interim services until the position was filled. The request was unanimously approved.

Agenda Item #12 was the schedule and agenda for next working group session. Ms. Eggeman requested the inclusion of the RFP for the tax assessor's software. This was not tied to the statistical revaluation. Mr. O'Keefe stated that the revaluation could result in a significant drop in value. If it dropped 15 percent, because of the 3.5 percent cap on tax rate increases in the City charter, there could possibly be an \$11.5 million hole in the FY 2013 budget. One option is to ask the General Assembly for permission to wait on the statistical revaluation to allow time for a charter change.

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Mr. Graczykowski requested to add the police and fire promotions, which could cost approximately \$300,000. Mr. O'Keefe stated that the City would need to also present an equivalent savings item. Edward Daft requested to add a request to hire a principal, approval of a special education contract, approval of a RFP for smart boards, and approval of a Medicaid contract.

The minutes from April 19, 2012 were approved.

The meeting adjourned at 4:07 pm.

EPBC/ceh

Minutes approved by the East Providence Budget Commission on May 3, 2012.

VOUCHERS OVER \$25,000 FOR APPROVAL BY THE EAST PROVIDENCE BUDGET COMMISSION

#	ENTITY	VOUCHER	AMOUNT	FUND SOURCE	DESCRIPTION	COMMISSION ACTION		
						APPROVED	DENIED	MORE INFO
1	City	Providence Water	\$172,382.23	Enterprise Fund	Water Purchased in March	x		
3	City	Narragansett Bay Comm.	\$216,122.56		April Water Charges	x		
4	City	Mellon Bank NA	\$364,289.62	Enterprise Fund	Payment for United Water Plant & Collection for March 2012	x		
5	City	Malcolm Pirnie	\$40,972.78	Enterprise Fund	DBO Service for Treatment Plant December through March	x		
6								
7	City							
2	City	John Mackrell	\$60,000.00	UDAG Grant*	Payment for Economic Development Loan	x		
9	City							
10	City							
11	City							
12	City							
13	City							
14	City							

Total \$853,767.19 April 26, 2012 Meeting

*on Budget Commission Agenda for approval

26-Apr-12

Date Approved