



February 11, 2018

Dear Fellow East Siders:

As we all prepare for a momentous week with Red Sox pitchers and catchers reporting on Tuesday, Valentine's Day on Wednesday, and the Year of the Dog beginning Friday, my letter this week will look at the reaction of City leaders to the distribution of a racist flyer and the Mayor's State of the City address.

Over the weekend, some people distributed flyers attacking Jim Vincent, the head of the Providence branch of the NAACP. For many years, Mr. Vincent has stood as a pillar of strength against injustice, while retaining general faith in the overall American project, allowing him to work constructively to reform institutions. It was therefore no surprise when a broad cross-section of the City's religious and community organizations met to support Mr. Vincent and defend an inclusive vision of our community. I recognized many of the same faces who came forward to support a synagogue in Pawtucket that had been defaced with swastikas last year. Both incidents were the work of the demons that have been released since the Presidential election, but our despair was overcome by the inspiration of seeing so many people come together to defend the core values of tolerance and community that go back to the origins of our City and which make me proud to live here. While we would be better off had neither of these incidents of bigotry had never occurred, the responses are inspiring.

The State of the City speech provides the administration an annual opportunity to provide a frame through which to view the administration's record of accomplishments and future plans. Over the past two terms, Mayors Taveras and Elorza have navigated the City's emergence from the "Category 5 fiscal hurricane" of 2011 and the "shared sacrifice" its resolution required, through balanced operating budgets to recent operating budget surpluses. With those surpluses, however, this administration commissioned a long-term fiscal analysis that identified other deficits, such as crumbling infrastructure and retiree pensions and health benefits. This year, the Mayor described this balance of short-term progress and long term peril in the image of a patient who has stopped bleeding but is still not well. I believe this is the appropriate balance of good and bad news, but I would add that the City's pension deficit is our City's version of global warming, which over the next 10-15 years could doom our City if we do not address it, and which becomes more difficult to address as each year of nonaction passes by.

The Mayor's address was disrupted by the Providence Teachers Union. We were told they would engage in "informational" picketing, but they did not hand out any informational flyers. Instead, they attempted to prevent the Mayor from speaking as a way to inform people about their contractual dispute. By tradition, the Mayor delivers this address at a special meeting of the City Council; therefore, the union's action damaged a City Council meeting, even though the City Council was not the object of the union's grievance. The City Council President asked the teachers to allow our meeting to proceed, but that request was rejected. For these reasons, the union's action, while perhaps helpful in terms of organizing members, did not achieve its stated "informational" goal because the discussion afterwards revolved around their behavior, rather than on their contractual demands.

The media reported that the central dispute revolves around an absence of pay increases, causing the Union president to state [in one report](#) that "we are still some of the lowest paid teachers in the state due to several pay freezes in previous contracts." Since the union has brought their issue to the City Council, I will ask the School Department Oversight Committee to research some of the underlying issues, including how the salaries of Providence teachers compare with other districts. For example, the Education Committee performed such a [survey](#) in 2014, at which time top-step Providence teacher salaries were 5<sup>th</sup> highest in a group of 10 peer communities. The report also considered post-retirement benefits (health benefits, severance pay for unused sick time, etc.) are more generous in Providence. When these benefits were added into the picture, Providence moved up to third highest pay in the group. As a result, a proper analysis must consider the value of benefits in order to get a complete picture of compensation.

The City's education budget will be challenged due to a forecasted end of increases in state aid after next year, and possible cuts in federal aid, which together comprise more than two thirds of the education budget. With that said, it may be possible for the teachers to achieve an increase in salary while reducing the overall cost of the contract if they agree to concessions on the benefits the City provides that are more generous than other peer school districts. A good example of this is the fire fighter contract, where it was possible to reduce the cost of the contract while increasing salaries because of a reduction in minimum staffing. We cannot reduce the number of teachers the same way, but there are savings that can be had in such areas as sick leave and retirement benefits. I hope the parties reach an agreement soon, but if that does not happen this type of research may be helpful.

Sincerely,