



May 24, 2015

Dear Fellow East Siders:

I hope you are enjoying Memorial Day weekend. This week's letter discusses the downtown stadium proposal, the City's infrastructure needs and the City's compliance with the State's municipal deficit reduction law.

Last Monday morning, the community learned of the untimely passing of James Skeffington, the recently named President of the Pawtucket Red Sox, who just four days before, vigorously presented his vision to the Mount Hope Neighborhood Association. On Monday night, around 150 residents shared a moment of silence to reflect upon how Mr. Skeffington's vision created an important opportunity to review the future of our City and our State prior to discussing the proposal. The discussion touched on financial impacts, environmental impacts and the I-195 parcel. Out of respect for Mr. Skeffington, the various parties to the proposal took a pause last week, but they indicated they will resume discussions this week. The team ownership has not responded to the City Council's May 7 resolution inviting them to come answer our questions; therefore, I will work with the City Clerk this week to arrange for the formal delivery of the resolution to the team's owners and publicists this week, either by the City Sergeant for those officials located nearby, or by certified mail, return receipt requested to those further away.

Last Wednesday night, Alan Sepe reported to the Bond Study Commission on the City's pending infrastructure backlog. As presented in a [Summary](#), that backlog includes \$120 million in road repairs, between \$20 million and \$90 million in sidewalk repairs and \$50 in sewer repairs. The road repair backlog was documented in a [Pavement Management Analysis](#) a consultant prepared as part of the road repair bond, while the sidewalk backlog was described in a recent [Report](#) by the Department of Public Works. Mr. Sepe also reviewed a \$600 million [Inventory](#) of school facilities projects that would bring every building up to the "new construction" standard. At the next meeting, Mr. Sepe will refine this estimate to identify a lower amount of funding that would create a uniform standard of higher quality worthy of our children.

Last Thursday, the administration presented its [consultant's report](#) and [chart](#) projecting future accumulated deficits of the City's operating fund. Both presentations carry over the City's \$8.7 million accumulated deficit from 2011-12 into future years. This fails to account for the [State law requirement](#) that cities pay off any year's deficit within the following five years. In our City's case, State law requires the \$8.7 million to be paid off by 2016-17; therefore, it should not appear in these charts unless the administration plans to violate State law. Such a violation would increase State oversight, as the City would have demonstrated its inability to manage its finances responsibly. The current year's budget includes a \$3.2 million allocation for the "rainy day fund" to reduce the accumulated deficit; however, the administration plans to liquidate this amount entirely to pay the current year's bills. The administration failed to seek the City Council's approval before taking this action, contrary to the purpose of the "rainy day fund" ordinance when it was enacted in 2011. The administration's unilateral action will leave the entire \$8.7 million to be paid off during the next two years, or \$4.3 million per year. The Mayor's 2015-16 proposed budget includes a \$4.3 million "rainy day fund" allocation for this purpose, provided the administration does not repeat this year's decision to liquidate the fund to pay for current bills that exceed inaccurate budgetary forecasts. With that in mind, I introduced an [Ordinance](#) Thursday night explicitly requiring the administration to fund the "rainy day account" with tax receipts by October 1 and obtain the City Council's approval prior to spending it. In this way, we change the current practice of using the "rainy day fund" to "kick the can down the road."

Sincerely,