

RESOLUTION REGARDING NEED TO FIND
BUDGETARY SAVINGS TO PAY FOR INFRASTRUCTURE REPAIRS

WHEREAS, on October 18, 2016, the Finance Committee announced, at a press conference, that the City could not afford to borrow money to repair its infrastructure, and

WHEREAS, it is a core responsibility of a City to maintain public works for the use of its citizens, and

WHEREAS, it is necessary to review the entire City budget for savings to meet this core responsibility, and

WHEREAS, the City Council budget has escalated significantly this term, increasing from \$4.05 million (2014-15) to \$4.61 million (2015-16) to \$5.68 million (2016-17), an 2-year increase of more than \$1.6 million and more than 40%; and

WHEREAS, had the City Council budget increased over the past two years at a more sustainable 3% annual rate, its budget would instead be at \$4.3 million, generating annual savings of \$1.38 million, and

WHEREFORE, a savings of \$1.38 million annually would pay for a bond of more than \$16 million, assuming a 20-year amortization and an interest rate of 5% or less;

NOW, THEREFORE BE IT RESOLVED, that the Providence Council states its commitment to enact a City Council budget in 2017-18 of \$4.68 million or less.