

October 27, 2013

Dear Fellow East Siders:

This week's Ward Letter discusses the City budget, property tax revaluation standards and reviewing opportunities to expand and improve public education in upcoming teachers contract negotiations.

On Monday, October 21, the City Council's Ways and Means Committee reviewed the City's financial performance of the fiscal year concluded on June 30, 2013. At the end of the year, the City's operating fund had a surplus of more than \$4 million. This was certainly beneficial; however, it trailed the projected "rainy day fund" line in the budget enacted by the City Council in May, 2012. In the discussion, the administration established that it complied with the budget control measures enacted by the City Council following the discovery of budget crisis in 2011. With that said, I plan to discuss with my colleagues whether we should tighten the oversight provisions in the current ordinance.

On Tuesday, October 22, the City Council's Revaluation Commission held its second meeting. The purpose of the meeting was to review ways in which other jurisdictions have defined the property tax revaluation process. We learned that communities balance competing challenges in establishing revaluation standards. People who are entering or leaving the City stress the need for a fair system in which valuations reflect the actual market value of property. When a city charges a sector (such as businesses or newcomers) a disproportionate share of property tax through skewed valuations, these disparities can be a drag on the city's economic development. For this reason, some communities conduct revaluations on an annual basis. On the other hand, longtime residents in a community (particularly those on fixed incomes) can face significant difficulties when there is a sudden increase in the property tax. For this reason, some jurisdictions extend the interval between revaluations, or phase in the changes over a period of years. Other jurisdictions limit the magnitude of the change from one cycle to the next, except for cases when a property changes hands and a sale price is established. The commission reviewed a <u>Power Point Presentation</u> that discussed these considerations. At its next meeting on November 14, the Commission will change its focus to the internal procedures that cities and towns use to implement revaluations.

This Wednesday, October 30 at 5:45 p.m. at City Hall, the Education Committee will hear a presentation concerning Boston's "Pilot School" program, which allows individual schools to apply for greater flexibility and autonomy while remaining an integral part of a public school district. In order to bring Pilot Schools to Providence, it will be necessary to negotiate changes to the Providence Teachers Union contract, which is up for renewal on August 31, 2014. In the coming months, the Education Committee will consider other possible contract changes. For example, our elementary schools have had difficulty scheduling enough time for recess. Experts agree that children need time to let off steam; however, the school day in our elementary schools is limited by the teachers contract, and State regulations require a minimum amount of time each day for instruction. While the last contract extended the school day by 15 minutes, ours remains one of the shortest in the State. If you have any suggestions about ways in which our schools can be improved through changes in the teachers contract, please pass them along for consideration as part of the City Council's "wish list" to the negotiating parties.

Sincerely,

Same D Junier