



City of East Providence

History and Status of Budget Deficit

November 15, 2011

Historical Deficit for EP School Department

▶ FY 2003	\$2,431,419	(Note 1)
▶ FY 2004	\$2,776,870	
▶ FY 2005	\$2,048,778	
▶ FY 2006	\$1,328,863	
▶ FY 2007	\$1,232,939	
▶ FY 2008	\$5,235,195	(Note 2)
▶ FY 2009	\$6,191,830	(Note 3)
▶ FY 2010	\$6,316,787	(Note 4)
▶ FY 2011	\$7,225,288	(Note 5)

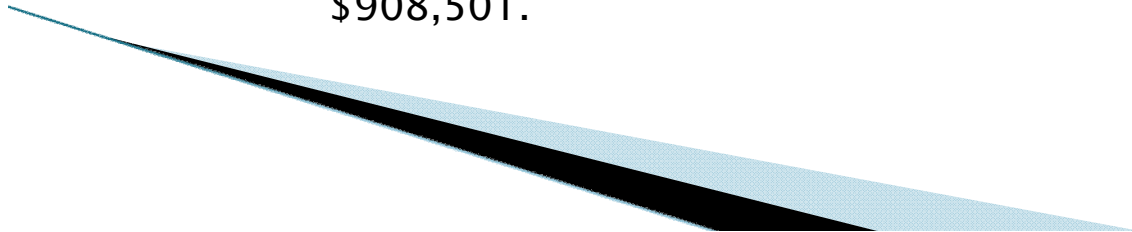
▶ Note 1: Original deficit.

▶ Note 2: Increase from FY 2007 to FY 2008 due to cuts without offsetting revenues.

▶ Note 3: Increase from FY 2008 to FY 2009 due to faulty Special Education census that did not identify 19 students that required out-of-district tuition; tuitions were not budgeted but the cost was still there.

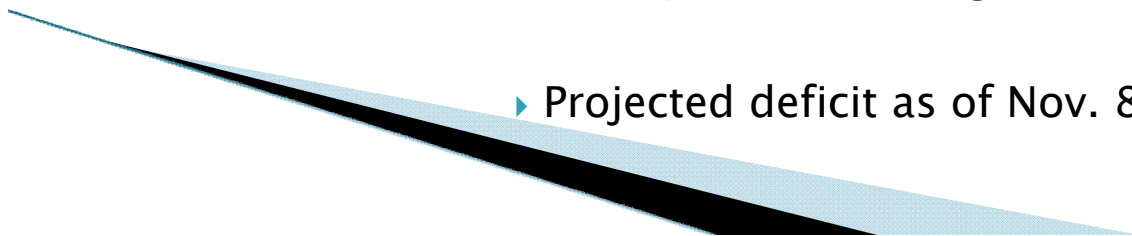
▶ Note 4: Based on FY2010 final audit.

▶ Note 5: Based on the assumption that EPSD closes FY2011 with a deficit of \$908,501.



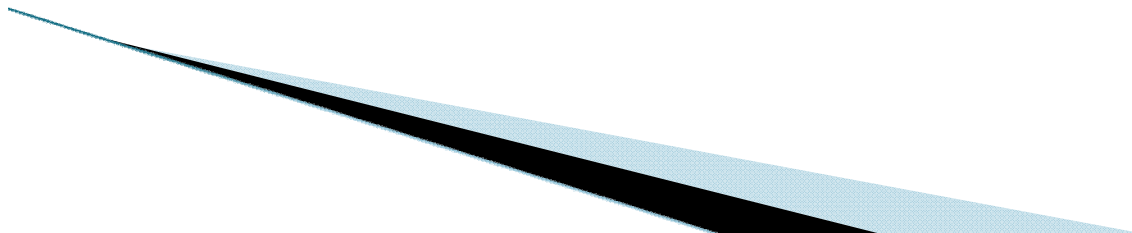
School Department Deficit Reduction History

<u>DESCRIPTION</u>	<u>FY12</u>
Original deficit	(\$7.3M)
▶ High Deductible Health Plan	\$800K
▶ Watters Building Closure	\$ 80K
▶ Non-instructional supplies	\$ 50K
▶ Central Stop for non-public busing	\$ 30K
▶ 10 Tuitions back in district	<u>\$ 65K</u>
▶ Potential savings as of Oct. 24, 2011	\$1.025M
▶ Reduce IT Supplies Budget	\$ 15K
▶ Reduction in Force	<u>\$150K</u>
▶ Potential savings as of Nov. 8, 2011	\$165K
▶ Total potential savings – EPSD	<u>\$1.19M</u>
▶ Projected deficit as of Nov. 8, 2011	(\$6.1M)



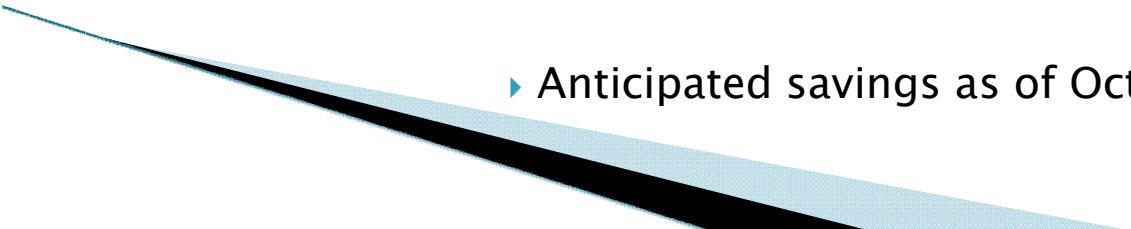
City Deficit Reduction History

<u>DESCRIPTION</u>	<u>FY12</u>
▶ 3.5% tax increase	\$2.3M
▶ \$25 business permit fee	\$ 40K
▶ \$5 increase per VIN check	\$ 20K
▶ Pierce Field rental increase	\$ 13K
▶ Field Use policy implementation	\$ 95K
▶ Miscellaneous City Clerk fee increases	\$ 16K
▶ Summer recreation fees	\$ 24K
▶ Recreation Center fee increases	\$ 4K
▶ Rescue fee transfer	\$100K
▶ Smoke Detector fund transfer	\$100K
▶ Additional revenues as of Oct. 14, 2011	<u>\$2.7M</u>



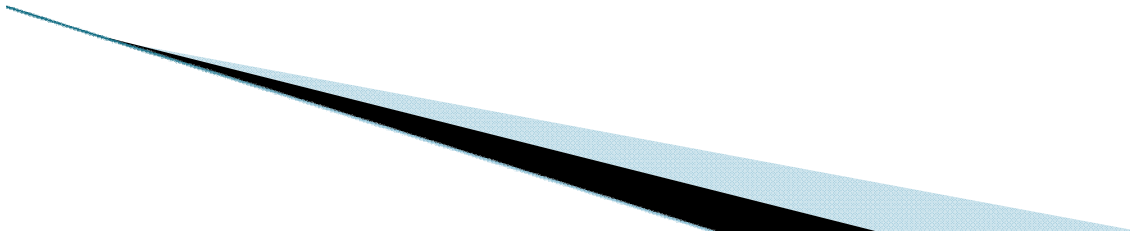
City Deficit Reduction History

<u>DESCRIPTION</u>	<u>FY12</u>
▶ EPSD – add'l revenues	(\$2.3M)
▶ City Hall sprinkler system	(\$350K)
▶ Phone system	\$ 30K
▶ Eliminate benefits	\$ 51K
▶ Increase healthcare co-share	\$ 77K
▶ Eliminate current unfilled vacancies	\$279K
▶ Reduce part-time services	\$ 31K
▶ Projection for termination pay	\$174K
▶ Reduce contribution to Library	\$150K
▶ Eliminate Heritage Festival	\$ 25K
▶ Eliminate fireworks	\$ 12K
▶ Reduce temporary services	\$104K
▶ Reduce auto/equipment maintenance	\$ 60K
▶ Eliminate Recycling Coordinator pos'n	\$ 68K
▶ 1.0 FTE Clerk pos'n	(\$ 62K)
▶ Viewpoint permit software	(\$ 15K)
▶ Reduce donation to mental health svcs.	\$ 30K
▶ Anticipated savings as of Oct. 14, 2011	<u>\$ 1.0M</u>



City Deficit Reduction History

<u>DESCRIPTION</u>	<u>FY12</u>
▶ EPSD – add'l revenues	(\$683K)
▶ Benefits	(\$ 51K)
▶ Eliminate current unfilled vacancies	\$ 30K
▶ Reduce contribution to Library	(\$ 66K)
▶ Shift Municipal Court to City Hall	\$ 233K
▶ HSA, effective Jan. 1, 2012	\$ 537K
▶ Additional savings as of Oct. 25, 2011	<u>\$ -</u>
▶ Total potential savings – City	<u>\$3.7 M</u>



Where are we today?

<u>DESCRIPTION</u>	<u>FY12</u>
▶ EPSD – deficit as of Nov. 8, 2011	(\$6.1M)
▶ Tax increase allocation	\$ 2.3M
▶ Add'l allocation from City, Oct. 25, 2011	\$ 683K
▶ Total projected deficit as of Nov. 15, 2011	<u>\$3.2 M</u>

