



City of East Providence
Roberto L. DaSilva
Mayor

FOR IMMEDIATE RELEASE

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Mayor signs FY 2020-2021 Council-Approved Budget; Increases homestead exemption by 1 percent

EAST PROVIDENCE, RI – Mayor Bob DaSilva has officially signed the fiscal year 2020-2021 budget.

After months of forecasting, number crunching and tough decisions, Mayor DaSilva proposed a sound and fiscally-responsible fiscal 2021 budget to the City Council on September 17, 2020.

The FY 2021 budget also provides a 1 percent increase to the homestead exemption, bringing it one percentage closer to restoring it to 15 percent.

“Home ownership is vital to the social well-being of a community and I believe that gradually increasing our homestead exemption back to the level it was prior to the Budget Commission will make East Providence a more affordable city in which to reside,” Mayor DaSilva said. “The proposed 1 percent increase to our homestead exemption brings a meaningful property tax reduction for our homeowners, many of whom are retirees on a fixed income, which is crucial during the current COVID-19 environment.”

The \$193,914,429 budget, adopted by the City Council on Oct. 19, 2020, reflects tight fiscal management and difficult choices while also maintaining East Providence’s core public safety

and city services, the immediate need to combat COVID-19, and future debt payments including \$1.4 million to pay for our new high school.

The increase reflects a commitment to fully honor prior contractual obligations with East Providence employees entered into by prior city managers and ratified by previous city councils. Most of the city's increases are due to these contractual obligations, escalations in non-controllable costs including an 11 percent increase in healthcare, and prudent decisions to fully fund our annual required pension contributions.

For the average East Providence single-family homeowner with a property valuation of \$232,000, the City's proposed property tax increase, coupled with the additional one percent to the homestead exemption, will add approximately \$73.94 to their property tax bill.

In addition, the budget includes \$2,813,466 in capital improvements which will strengthen our city's existing infrastructure, provide additional security and beautify our city, some of those improvements include:

- \$1 million in sidewalk improvements
- \$200,000 in traffic calming
- \$21,000 for security at Pierce Stadium
- \$100,000 in new accounting software
- \$175,000 in park upgrades
- \$105,000 to support the purchase of a dump truck and pickup truck with plows
- \$100,000 for replacement of a Sea View Ave drainage pipe

Should you have any questions, please call the City of East Providence Mayor's Office at 401-435-7500 EXT. 11013.

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