

(The following is not a verbatim transcript of comments or discussion that occurred during the meeting, but rather a summarization intended for general informational purposes. All motions and votes are the official records).

FINANCE COMMITTEE

Regular meeting of the Finance Committee was held on Thursday, November 14, 2013, in the Council Chambers, City Hall, Cranston, Rhode Island.

CALL MEETING TO ORDER: The meeting was called to order at 6:30 P.M. by the Chair.

Present Councilman Steven A. Stycos, Chair
 Council Vice-President Michael J Farina, Vice-Chair
 Councilman Mario Aceto
 Councilwoman Sarah Kales Lee
 Councilman Paul H. Archetto
 Councilman Donald Botts, Jr.
 Council President John E. Lanni, Jr.

Also Present: Councilman Richard D. Santamaria, Jr.
 Gerald Cordy, Director of Administration
 Carlos Lopez, Chief of Staff
 Evan Kirshenbaum, Assistant City Solicitor
 Robert Strom, Finance Director
 Roy Damiano, City Council Internal Auditor
 Rosalba Zanni, Assistant City Clerk/Clerk of Committees
 Heather Finger, Stenographer

MINUTES OF THE LAST MEETING:

On motion by Councilman Aceto, seconded by Council Vice-President Farina, it was voted to dispense with the reading of the minutes of the last meeting and they stand approved as recorded. Motion passed unanimously.

CORRESPONDENCE:

Chair stated that he spoke to Ms. Kowal regarding the item listed on the agenda in regards to her claim and indicated to her that due to a long agenda this evening, the Committee will postpone her matter to next month and she agreed. This will be continued to next month's meeting.

PUBLIC HEARINGS/OLD BUSINESS:

Captain Steven Antonucci, President of IBPO, appeared to speak regarding proposed Ordinances 10-13-1S and 10-13-2S and stated that in the first contract for 2012-2013, the members will receive 0% raise. He also explained the changes in the contracts. He stated that if these contracts are not approved, they will go to Arbitration. If they go to Arbitration, it will be likely that raises could be awarded for the 2012-2013 contract, which would be a financial impact for the City. These contracts are fair to the taxpayers and fair to the Union.

Sam Parente, 15 Laurel Ct., appeared to speak and suggested that the Council look at the contracts very closely because the economy is very bad and the taxpayers cannot afford a tax increase.

Real Estate and Tangible Tax Abatements (Cont. 10/17, 2013):

79 Gladstone St. and 2206 Broad St.

Councilwoman Lee questioned what the reason is for the decrease in taxes for these properties.

Salvatore Saccoccio, City Assessor, appeared to speak and stated that one of the properties was acquired by RI Housing, who are exempt under State Law. The other property was assessed to the business and the property. It should have been assessed just to the business.

On motion by Councilman Aceto, seconded by Councilman Botts, it was voted to approve both of the above Tax Abatements. Motion passed unanimously.

9-13-01 Ordinance in amendment of Chapter 3.92 of the Code of the City of Cranston, 2005, entitled “Revenue and Finance” (Tax Incentive Reform Commercial Five Year). (Cont. 10/17/2013). [\[click to view\]](#)

Councilman Santamaria asked for continuance due to drafting problem.

On motion by Councilman Aceto, seconded by Council Vice-President Farina, it was voted to continue this Ordinance. Motion passed unanimously.

9-13-02 Ordinance in amendment of Title 3.96 of the Code of the City of Cranston, 2005, entitled “Revenue and Finance” (Tax Incentive Reform Commercial Ten Year). (Cont. 10/17/2013). [\[click to view\]](#)

Councilman Santamaria asked for continuance due to drafting problem.

On motion by Councilman Aceto, seconded by Council Vice-President Farina, it was voted to continue this Ordinance. Motion passed unanimously.

9-13-03 Ordinance in amendment of Title 3.96 of the Code of the City of Cranston, 2005, entitled “Revenue and Finance” (Tax Incentive Reform Industrial Five Year). (Cont. 10/17/2013). [\[click to view\]](#)

Councilman Santamaria asked for continuance due to drafting problem.

On motion by Councilman Aceto, seconded by Council Vice-President Farina, it was voted to continue this Ordinance. Motion passed unanimously.

9-13-04 Ordinance in amendment of Title 3.88 of the Code of the City of Cranston, 2005, entitled “Revenue and Finance” (Tax Incentive Reform Industrial Ten Year). (Cont. 10/17/2013). [\[click to view\]](#)

Councilman Santamaria asked for continuance due to drafting problem.

On motion by Councilman Aceto, seconded by Council Vice-President Farina, it was voted to continue this Ordinance. Motion passed unanimously.

10-13-1S Ordinance ratifying the IBPO (International Brotherhood of Police Officers) Contract, Local Union 301 (FY 2012-2013). (Tabled 10/17/2013). [\[click to view\]](#)

10-13-2S Ordinance ratifying the IBPO (International Brotherhood of Police Officers) Contract, Local Union 301 (FY 2013-2016). (Tabled 10/17/2013). [\[click to view\]](#)

Discussion and vote on the above Ordinances was moved to the end of the agenda.

PUBLIC HEARINGS/NEW BUSINESS:

Mayoral nomination of Susan Stenhouse as Director of Senior Services

Councilman Archetto stated that he would like this item continued. He stated that he would like further information on what is going on at the Senior Center at this time.

On motion by Councilman Archetto, seconded by Council Vice-President Farina, it was voted to continue this item.

Under Discussion:

Mr. Lopez stated that the Administration is ready to answer any questions at this time instead of delaying this another month.

Councilman Archetto stated that Acting Co-Director, Nancie Paola, is not present and he would like to ask questions.

Councilman Botts stated that the candidate is present this evening and if there are any questions, they should be addressed this evening. He also stated that the Mayor’s nomination came out last month and there was plenty of time to ask questions and have them answered.

Roll call was taken on motion to continue this item to next month’s meeting and motion passed on a vote of 5-2. The following being recorded as voting “aye”: Councilman Stycos, Council Vice-President Farina, Councilwoman Lee, Councilman Archetto and Council President Lanni -5. The following being recorded as voting “nay”: Councilmen Botts and Aceto -2.

Resolution urging the Mayor to reinstated the 50/50 Sidewalk Program. Co-Sponsored by Councilwoman Lee and Councilman Stycos. [\[click to view\]](#)

On motion by Councilman Archetto, seconded by Councilman Stycos, it was voted to recommend approval of this Resolution.

Under Discussion:

Councilman Archetto asked to be added as Co-Sponsor.

Councilman Santamaria stated that the Council should find out how much has to be appropriated in the Budget for this program.

Mr. Strom stated that the City Council should get expert information from our Chief Engineer, since he was involved with this program in the past. He also stated that he has major issues about this program and there are logistic and monetary issues.

Councilman Santamaria asked for a report rather than a monetary figure.

Councilman Aceto suggested placing this Resolution under “Council Member Communication” for the Council meeting.

Chair asked that a report be provided from the Chief Engineer to the Finance Committee about re-instating this program.

Councilman Aceto asked that this Resolution also be discussed by the Public Works Committee.

On motion by Councilman Aceto, seconded by Councilman Stycos, it was voted to continue this Resolution to next month’s meeting. Motion passed unanimously.

10-13-02 Ordinance ratifying the School Committee’s Collective Bargaining Agreement with RI Council 94, AFSCME, AFL-CIO Cranston Public School Employees Local 2044, School Secretarial Unit (Fiscal Years 2013-2014). [\[click to view\]](#)

Michael Traficante, School Committee Member, appeared to speak and stated that there were seven retirees and since the non-certified employees have not received a raise for the past eight years and certified employees have not received a raise in the past seven years, this is way raises were given to those Administrators.

Andrea Iannazzi, School Committee Member, appeared to speak and stated that the School Arbitration is not like the Police and Fire. The School Arbitration is not binding.

Lori Ryan, 61 High School Ave., appeared to represent the Secretaries Union. She stated that a School Committee Member made it clear in the past that the money saved from the Union would be given back to the City. Last month it was made public that the money was given to the Administrators’ raises. She asked that the contract for the secretaries be approved.

On motion by Councilman Archetto, seconded by Council President Lanni, it was voted to recommend approval of this Ordinance.

Under Discussion:

Councilman Botts asked what happens if this is not approved this evening. Aubrey Lombardo, Esq., appeared to speak and stated that at that point, they would go back to negotiations. If they reach impasse, then they would be forced to make unilateral changes.

Council President Lanni asked how many steps are in the secretary union. Joseph Balducci, School Chief Financial Officer, appeared to speak and stated that there are eight.

Councilman Botts stated that he has a problem with money being taken away from the bargaining unit and give raises to Administrators.

Roll call was taken on motion to recommend approval of this Ordinance and motion passed unanimously.

- **Real Estate and Tangible Tax Abatements** [\[click to view\]](#)

On motion by Councilman Botts, seconded by Councilman Aceto, it was voted to recommend approval of this list of Tax Abatements. Motion passed unanimously.

- **Motor Vehicle Tax Abatements** [\[click to view\]](#)

On motion by Councilman Aceto, seconded by Council Vice-President Farina, it was voted to recommend approval of this list of Tax Abatements. Motion passed unanimously.

- **Tax Assessment Board of Review Decisions assessed December 31, 2012** [\[click to view\]](#)

No action needed.

- **Tax Interest Waiver Approvals** [\[click to view\]](#)

On motion by Council Vice-President Farina, seconded by Councilman Aceto, it was voted to recommend approval of this list of Tax Interest Waiver Approvals. Motion passed unanimously.

- **Tax Interest Waiver Denials** [\[click to view\]](#)

On motion by Council Vice-President Farina, seconded by Councilman Aceto, it was voted to recommend approval of this list of Tax Interest Waiver Denials. Motion passed unanimously.

Claim of erroneous tax assessment : Virginia Kowal, 45 Kimberly Lane North

Continued to next month's meeting.

**School Department Administrative pay increases – Administrative report on:
Impact on maintenance of effort - Councilman Archetto
Breakdown of increases by individuals and total amount - Councilman Stycos**

Chair asked if the raises would affect the Maintenance of Effort. Mr. Strom stated, no.

Tax Exempted properties in City Administrative Report - Councilman Aceto

No discussion.

**10-13-1S Ordinance ratifying the IBPO (International Brotherhood of Police Officers) Contract,
Local Union 301 (FY 2012-2013). (Tabled 10/17/2013). [\[click to view\]](#)**

**10-13-2S Ordinance ratifying the IBPO (International Brotherhood of Police Officers) Contract,
Local Union 301 (FY 2013-2016). (Tabled 10/17/2013). [\[click to view\]](#)**

On motion by Councilman Archetto, seconded by Councilman Aceto, it was voted to remove Ordinance 10-13-1S from the table. Motion passed unanimously.

Council Vice-President Farina suggested taking this Ordinance and Ordinance 10-13-2S as a block.

Question was asked of the Solicitor if this could be done, since they are two contracts. Solicitor Kirshenbaum stated that they can be discussed together, but should be voted on separately.

Chair ruled that the two Ordinances be taken separate since they will be voted on separately. Councilman Aceto challenged the rule of the Chair. Council Vice-President Farina seconded. Motion failed on a vote of 3-4. The following being recorded as voting “aye”: Council Vice-President Farina, Councilmen Botts and Aceto -3. The following being recorded as voting “nay”: Councilman Stycos, Councilwoman Lee, Councilman Archetto and Council President Lanni -4.

Both Ordinances 10-13-1S and 10-13-2S were taken up together for discussion.

On motion by Councilman Aceto, seconded by Council Vice-President Farina, it was voted to take Ordinance 10-13-1S off the table. Motion passed unanimously.

Councilwoman Lee stated that she finds the total percentage increase to be higher when looking at the pay raise percentage, longevity and other increases.

Council Vice-President Farina stated that there are things in this contract he does not like, but he will support it. He indicated that the total cost over four years is \$400,000.

Councilman Aceto stated that if there are specific items that a Council member is concerned about, give it one more attempt to have the Administration go back to negotiations.

Councilman Botts stated that this contract would be adjusting the salary structure for Cranston to compete with other cities and towns and other states. He urged the Council to vote in favor of this contract.

Council President Lanni stated that the problem he has with this contract is steps. Once you place steps in a contract, you will never be able to get it out, similar to longevity. All the steps are automatic pay raises. You do not see this in private industry. He also stated that he represents a lot of people who live on fixed income. He will not jeopardize their welfare by giving away something we cannot afford. This contract asks for a little bit too much, which is steps.

Council Vice-President Farina stated that these are not steps, they are rank adjustments. He asked if this contract would require a tax increase for the life of the contract. Mr. Strom stated, no, it would not. Council Vice-President Farina asked Mr. Strom if he can guarantee there would not be a tax increase for Fiscal Year 2014, 2015 & 2016. Mr. Strom stated that this contract would not contribute to a tax increase.

Councilman Aceto asked Captain Antonucci if he would be willing to sit with the Mayor one more time once members of this Committee relayed their objections to the Mayor to work this out. Captain Antonucci stated that this feeling is the contract has been negotiated over the past eighteen months. It would require re-ratification of the members of the Union. It would be unfair to send this back. The Council needs to vote in favor or against.

Chair stated that the problem he has with this contract is the cost. The cost at the end of this contract would be \$1,047,000. The cost of the contract over the three year period is \$1.4 million. As to the statement that Cranston Police are paid less than other communities, he is not convinced of that. You can't just compare salaries because there is healthcare, longevity, among other benefits that are figured into the salary.

Mr. Strom stated that he does not agree with the figures stated by Councilman Stycos. During negotiations with this Union, there were difficult sessions and overall, the Administration and Police negotiated very diligently and came up with a good, fair contract. In the last eight years, they gave back net \$2.4 million. He indicated that you can't look at just raises, you also have to look at what they will be giving back, such as OPEB, healthcare co-pay, sick day reimbursement, reduction of sick days and increase in delta dental.

Roll call was taken on motion to recommend approval of Ordinance 10-13-1S and motion failed on a vote of 3-4. The following being recorded as voting "aye": Council Vice-President Farina, Councilmen Botts and Aceto -3. The following being recorded as voting "nay": Councilman Stycos, Councilwoman Lee, Councilman Archetto and Council President Lanni -4.

Chair indicated that Ordinance 10-13-2S remains tabled.

On motion by Councilman Archetto, seconded by Council Vice-President Farina, it was voted to adjourn. Motion passed on a vote of 6-1. The following being recorded as voting "aye": Councilman Stycos, Council Vice-President Farina, Councilwoman Lee, Councilmen Botts, Archetto and Council President Lanni -6. The following being recorded as voting "nay": Councilman Aceto -1.

The meeting adjourned at 9:05 P.M.

Respectfully submitted,

A handwritten signature in cursive script that reads "Rosalba Zanni".

Rosalba Zanni

Assistant City Clerk/Clerk of Committees