

FINANCE COMMITTEE

Regular meeting of the Finance Committee was held on Thursday, August 16, 2007 in the Council Chambers, City Hall, Cranston, Rhode Island.

The meeting was called to order at 6:42 P.M. by the Chair.

Present: Councilman Terence Livingston, Chair
Councilman Anthony J. Lupino
Councilman Jeffrey P. Barone
Council President Aram G. Garabedian

Absent: Council Vice-President Paula McFarland, Vice-Chair
Councilman Emilio L. Navarro

Also Present: Frank Migliorelli, Deputy Director of Administration
Aubrey Lombardo, Assistant City Solicitor
Corsino Delgado, Director of Finance
Chief Richard Delgado, Fire Department
Steve Woerner, City Council Internal Auditor
Frank Smith, City Assessor
Maria Medeiros Wall, City Clerk
Rosalba Zanni, Assistant City Clerk/Clerk of Committees
Heather Finger, Stenographer

On motion by Councilman Barone, seconded by Council President Garabedian, 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:

OLD BUSINESS:

New (Bubble) Ice Rink Report from Administration on agreement for revenue distribution (Cont. 7/12/2007).

Mr. Woerner presented a report to the Committee. He stated that a meeting was held last week with himself, Director of Finance, Director of Parks and Recreation and a representative from the Rink Management company. He stated that the City invested \$300,000 since June, 2005. Operating loss of approximately \$200,000 and annual revenue of operating surplus of \$100,000. He stated that some of the issues are: 1) the \$300,000 is not in the audit report and he indicated this to the auditors; 2) a question is whether the Council should approve this Budget for 2007-2008, his opinion is they should because the City is at risk; 3) a contract addendum should be done by the Council next month reflecting the increase in management fees. This is being worked on by the Administration, and Parks and Recreation should look at the fees structures. There is a question whether the bubble rink should be closed during the summer. It may not be worth keeping it open because they averaged approximately \$318.00 in revenues this summer from the snack bar.

Councilman Lupino stated that if the City has the City's books audited every year, he asked why would this not be included in that audit. Mr. Woerner stated that he questioned the City Controller and he was not sure why either. Councilman Lupino asked Solicitor or Administration to find out why this is not included in the audit. Mr. Woerner stated that in the contract, it states that the City has the ability to request an audit.

Councilman Lupino stated that he is opposed to increasing the fees. The Zambonie driver is only out on the ice for approximately 18 minutes, there is no snack bar at the bubble rink and he is opposed to the increase even though the driver may have other duties. He asked what the true cost of the bubble rink is. Council President Garabedian stated that he believes it is approximately \$600,000.

Chair asked Mr. Woerner what he recommends that this Committee do with this item. Mr. Woerner asked that it be continued to next month.

On motion by Councilman Barone, seconded by Council President Garabedian, it was voted to continue this item to next month's meeting. Motion passed unanimously.

Ice Rink: Finance report from Management Company and Finance Director and Council Auditor. (Cont. 7/12/2007).

On motion by Councilman Barone, seconded by Council President Garabedian, it was voted to continue this item to next month's meeting. Motion passed unanimously.

4-07-5 Ordinance authorizing the City to utilize Western and Eastern Recreational Impact Fees for the repairs to the Cranston Veterans Memorial Ice Rink (Use of Impact Fee Revenue for the Repair of the Cranston Veterans Memorial Ice Rink). (Tabled 5/21/2007, 6/14/2007 and 7/12/2007).

No action taken. Ordinance will be removed from agenda.

PUBLIC HEARING:

NEW BUSINESS:

REAL ESTATE/TANGIBLE TAX ABATEMENTS

Mr. Smith appeared to speak.

Councilman Barone questioned item #34 on the list – 50 Harvard St. and stated that this is a residence. He questioned why they are being tax exempt. Mr. Smith stated that they establish a parsonage there and 50 Harvard St. is tax exempt as well as the Church, which is located in Warwick, which is also tax exempt.

On motion by Councilman Barone, seconded by Councilman Lupino, it was voted to recommend approval of this list. Motion passed unanimously.

MOTOR VEHICLE TAX ABATEMENTS

Mr. Smith appeared to speak.

On motion by Councilman Barone, seconded by Councilman Lupino, it was voted to recommend approval of this list. Motion passed unanimously.

REAL ESTATE ABATEMENTS DUE TO BOARD OF REVIEW ADJUSTMENTS FOR 2006 (For Information Only)

No action needed.

Report from Treasurer on his actions under Ordinance 3.12.080 (informational only)

No action needed.

Report from Treasurer for denial of waivers

Chair stated that there are a few amendments to this list and the list of approved waivers recommended by the Finance Director. He stated the following amendment to this list: Jeffrey Lunau should be for the amount of \$181.87; Gerard Lamarre should be added to the list of approved waivers for the amount of \$221.17; Janet DeLuca should be in the amount of \$94.40; Taco, Inc. should be taken off the denied list and placed on the approved list for the amount of \$811.64.

Councilman Barone asked what caused the change in decisions. Chair stated that after speaking with the Director of Finance, Taco has always been on time with their tax payments. They had an accounting error. They were charged on one quarter missed. Lamarre, this was the first time they were late in payment.

On motion by Councilman Barone, seconded by Councilman Lupino, it was voted to recommend approval of this list as amended. Motion passed unanimously.

Report from Treasurer for approval of waivers

On motion by Councilman Lupino, seconded by Councilman Barone, it was voted to recommend approval of this list as amended. Motion passed unanimously.

7-07-1 Ordinance in amendment of Chapter 3.04 of the Code of the City of Cranston, 2005, entitled “Fiscal Provisions” (Audit Committee).

No one appeared to speak in favor or to oppose.

On motion by Council President Garabedian, seconded by Councilman Barone, it was voted to recommend approval of this Ordinance. Motion passed unanimously.

7-07-3 Ordinance in amendment of Chapter 8 of the Code of the City of Cranston, 2005, entitled “Health and Safety” (Emergency Medical Service Fees).

No one appeared to speak in favor or to oppose.

On motion by Councilman Barone, seconded by Council President Garabedian, it was voted to recommend approval of this Ordinance. Motion passed unanimously.

The meeting adjourned at 7:05 P.M.

Respectfully submitted,

Rosalba Zanni
Assistant City Clerk/Clerk of Committees