

FINANCE COMMITTEE

**denotes requests to Administration*

Regular meeting of the Finance Committee was held on Thursday, February 14, 2008 in the Council Chambers, City Hall, Cranston, Rhode Island.

The meeting was called to order at 6:37 P.M. by the Chair.

Present: Councilman Terence Livingston, Chair
Council Vice-President Paula McFarland, Vice-Chair
Councilman Anthony J. Lupino
Councilman Emilio L. Navarro
Councilman Jeffrey P. Barone
Council President Aram G. Garabedian

Also Present: Councilman Richard D. Santamaria, Jr.
Councilman John E. Lanni, Jr.
Ernest Carlucci, Director of Administration
Charles Garganese, Jr., Assistant City Solicitor
Corsino Delgado, Finance Director
Steve Woerner, City Council Internal Auditor
Maria Medeiros Wall, City Clerk
Rosalba Zanni, Assistant City Clerk/Clerk of Committees
Heather Finger, Stenographer

On motion by Councilman Barone, seconded by Councilman Lupino, 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

Parks and Recreation Director: progress report and recommendation on lease renewal
Solicitor report on notice requirements in contract

Ice Rink: Finance report from Management Company and Finance Director and Council Auditor.

Parks and Recreation Director: progress report and recommendation on lease renewal
Solicitor report on notice requirements in contract

Mr. Carlucci stated that the Administration feels the best thing for the City is to do an audit of the rink. Councilman Livingston asked how much an audit would cost. Mr. Carlucci stated approximately \$3,000 to \$5,000.

On motion by Councilman Livingston, seconded by Councilman Barone, it was voted to have a performance and a forensic audit done subject to the dollar amount of how much this is going to cost to be sent to the Committee.

Under Discussion:

Councilman Barone stated that what needs to be looked at is how we are going to re-advertise for the contract, since this will be coming up in June.

Motion passed unanimously.

Councilman Lanni stated that since the contract expires in June, he suggested just doing a performance audit, since the books are in Virginia and a forensic audit would take longer to do.

Councilman Livingston withdrew his motion and Councilman Barone withdrew his second.

Councilman Navarro asked Mr. Woerner for his opinion on an audit and if it is needed. Mr. Woerner stated that a forensic audit is not necessary at this time due to the cost and length of time to do a forensic audit. It needs to be clarified as to what type of performance audit the Council would like done.

On motion by Councilman Barone, seconded by Council President Garabedian, ** it was voted to have a performance audit done.*

Under Discussion:

Councilman Livingston stated that **once this audit is done, Administration will report back to the full City Council.*

Motion passed unanimously.

Anthony Liberatore, Director of Parks and Recreation, appeared to speak and stated that the vote just taken was a request he has made for the last three Committee meetings. He stated that a resignation was asked for and received from Mr. Bennett and tomorrow will be his last day. Marissa Marwell will take his place as manager. \$20,000 was received today as revenues from the ice rink. This is the first check to come to the City as revenue from the rink. The account now has \$70,000. Through March 31st, we have \$28,650.14 in booked ice time in the bubble rink and in the main rink, we have \$42,134.89. With other cuts and savings, he sees approximately \$15,000 to \$25,000 being deposited in the month of March. He sees us progressing more and more under the new management.

Council President Garabedian asked what Mr. Bennett's position was. Mr. Liberatore stated that he was manager of the rink for Rink Management. Mr. Liberatore indicated that he did not ask Mr. Bennett to resign, he suggested it through Rink Management.

Property Tax Write-Off - Rossi Law Office

No one appeared to speak.

On motion by Councilman Lupino, seconded by Councilman Navarro, it was voted to continue this item for a couple of months to have someone come in. Motion passed unanimously.

5-07-5 Ordinance in amendment of Chapter 100 of Title 3 of the Code of the City of Cranston, 2005, entitled "Revenue and Finance" (Tax Deferment Program).
(Continued from 7/12/2007 and no action on 1/17/2008).

No one appeared to speak.

On motion by Council President Garabedian, seconded by Councilman Navarro, it was voted to continue this item. Motion passed unanimously.

Tax Incentive Application for ROBERT'S PRECUT VEGETABLES, INC., 10 Camelot Circle, Johnston, RI, for property located at 15 Daniels Way, Cranston, RI.
(Cont. 1/17/2008 and Economic Development Director to provide info.).

Paula Watt, Director of Economic Development, appeared to speak.

Council President Garabedian asked Ms. Watt, when people apply for the Tax Incentive, do they file an Affidavit of performance and is it notarized. Ms. Watt stated, no. Council President Garabedian suggested that this be done. Solicitor Garganese stated that he will work with the Economic Development Director regarding this.

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

PUBLIC HEARING:

NEW BUSINESS:

1S-08-4 Ordinance in amendment of Title 13.08 of the Code of the City of Cranston, 2005, entitled "Sewer Service System" (Sewer Tie In Loan Fund Regulations).

No one appeared to speak.

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

Real Estate/Tangible Tax Abatements

No one appeared to speak.

On motion by Councilman Barone, seconded by Councilman Lupino, it was voted to recommend approval of the above Real Estate Tax Abatements. Motion passed unanimously.

Motor Vehicle Tax Abatements

No one appeared to speak.

On motion by Councilman Barone, seconded by Councilman Navarro, it was voted to recommend approval of the above Motor Vehicle Tax Abatements. Motion passed unanimously.

Tax Assessment Board of Review Decisions for taxes assessed December 31, 2006 (Informational Only)

No action needed.

Tax Interest Waiver Denials

Jean Pennacchio appeared to speak and explained that she was under the impression that she had paid her taxes and has verification from her check register that she did write the check out to the City.

On motion by Councilman Lupino, seconded by Council Vice-President McFarland, it was voted to approve this Tax Interest Waiver. Motion passed unanimously.

Tax Interest Waiver Approvals

On motion by Councilman Lanni, seconded by Councilman Navarro, it was voted to approve to recommend approval of the Treasurer's report. Motion passed unanimously.

The meeting adjourned at 7:10 P.M.

Respectfully submitted,

Rosalba Zanni
Assistant City Clerk/Clerk of Committees