

(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, January 13, 2011 in the Council Chambers, City Hall, Cranston, Rhode Island.

CALL MEETING TO ORDER:

The meeting was called to order at 7:00 P.M. by the Chair.

Present: Council Vice-President Robert J. Pelletier, Chair
Councilman Emilio L. Navarro
Councilman Paul H. Archetto
Councilman Steven A. Stycos
Councilman James E. Donahue
Councilman Michael W. Favicchio
Council President Anthony J. Lupino

Also Present: Councilman Richard D. Santamaria, Jr.
Gerald Cordy, Deputy Director of Administration
Evan Kirshenbaum, Assistant City Solicitor
Mike Igoe, City Controller
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 Council President Lupino, seconded by Councilman Donahue, it was voted to recess this meeting until after the Ordinance Committee meeting. Motion passed unanimously.

Meeting recessed at 7:01 P.M.

Meeting reconvened at 7:05 P.M.

MINUTES OF THE LAST MEETING:

On motion by Councilman Stycos, seconded by Councilman Donahue, it was voted to dispense with the reading of the minutes of the last meeting and they stand approved as recorded. Motion passed unanimously.

Chair suggested that the new Council members review the current Budget line item by line item in order to prepare for the upcoming Budget hearing process.

CORRESPONDENCE:

Election of Committee Vice-Chair

Councilman Navarro nominated Councilman Stycos as Vice-Chair of this Committee. **Councilman Archetto** seconded the nomination. No other nominations were made. Motion passed unanimously. Councilman Stycos accepted the nomination.

Councilman Stycos was unanimously elected Vice-Chair of this Committee.

OLD BUSINESS:

PUBLIC HEARING/NEW BUSINESS:

Real Estate and Tangible Tax Abatements

On motion by Councilman Navarro, seconded by Council President Lupino, it was voted to recommend approval of this list of Tax Abatements. Motion passed unanimously.

Motor Vehicle Tax Abatements

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

Real Estate Tax Abatements due to Board of Review Adjustments

Councilman Stycos quoted Section 3.08.050 of the City Code. He stated that in checking the City's website, every month, except July, August and September, the Board of Review met more than five times. Per the Code, if they meet more than five times, the Board is to ask for approval from Council President or Chair of Finance. He asked if this has ever occurred. He also indicated that the members of the Board receive \$50 per meeting. He questioned who would research or follow-up on this.

Solicitor Kirshenbaum stated that, unfortunately, the Finance Director and the City Treasurer are both ill and the Tax Assessor was asked by Deputy Director Cordy, to attend this meeting, but he is not. These questions cannot be answered at this time.

Councilman Navarro suggested that this issue be placed on next month's agenda to have these questions answered.

Council President Lupino stated that two terms ago, he asked the question of what Boards and Commissions are paid and not paid, not just the Board of Review, but other Boards.

Councilman Stycos stated that he has other concerns with the process of this Board. He went to the Assessor's Office and asked for minutes of these meetings and was told there are none. There is a tape recording, which he listened to and what you hear is the property owner making their speech to the Board of the Abatement. There is no deliberation by the Board on the tape. What he was able to hear on the tape is a Board member advising the property owner that they would receive a decision from the Board within 30-days. Councilman Stycos questioned the Tax Assessor regarding this and was advised that the Board does not record the deliberations. His concern is that the public or us, as Council, have no idea why these Abatements are being made.

Councilman Favicchio questioned whether this Council has any control over this Board's process.

Councilman Donahue agreed that a full presentation by the Tax Assessor is needed regarding this issue.

Councilman Santamaria stated that he received two phone calls from constituents, who received letters from the Board of Review, one denying the request for Abatement and another approving the request. The denied letter did not give a reason.

Chair asked that this issue be placed on the agenda for next month's meeting and full explanation of the process.

Councilman Stycos requested that he be provided with a report of how many appeals the Board considers and how many are granted. He would like the Board of Review to provide actual number and ratio of how many people get what they want and how many people get nothing.

On motion by Councilman Stycos, seconded by Councilman Archetto, it was voted to continue the above Real Estate Abatements due to the Board of Review Adjustments to next month's meeting. Motion passed unanimously.

Chair asked that a letter be sent to each member of the Board of Review advising them of the Code provision in terms to the number of meetings.

Solicitor Kirshenbaum quoted RIGL 44-5-26 and stated that the questions brought up this evening are valid, but he has concerns of this being tabled, because the Abatements approved by the Board, this Council would be acting as an appellate court by tabling this list of Abatements. He recommended continuing this to the full City Council meeting.

Chair asked that the Board of Review forward their meeting agendas to the City Council, similar to the other Boards.

Council President Lupino addressed Solicitor Kirshenbaum's statement and stated that technically, by continuing this, we are just moving it ahead.

Solicitor Kirshenbaum clarified that by tabling this, you cannot prevent the taxpayer from receiving this Abatement.

Motion to continue passed unanimously.

Tax Interest Waiver Approvals

On motion by Councilman Navarro, seconded by Council President Lupino, it was voted to recommend approval of this list of approved Tax Interest Waivers. Motion passed on a vote of 5-1. The following being recorded as voting "aye": Councilmen Navarro, Donahue, Archetto, Favicchio, Council Vice-President Pelletier and Council President Lupino -5. The following being recorded as voting "nay": Councilman Stycos -1.

Review and Update from City Council Internal Auditor, Steve Woerner

No update was given.

Buck Reports: Valuation of Fire and Police Departments Pension Plans as of July 1, 2010 and Post Retirement Benefits Analysis of Fire and Police as of July 1, 2010

Council President Lupino stated that the City Clerk provided the Council members a copy of the Buck Report and indicated that this is a second report. What was received previously was the Pension Analysis.

Councilman Navarro stated that he had asked that this item be placed on this agenda in case anyone had any questions on the unfunded liability.

Mr. Igoe gave a brief summary of the Buck Report.

The meeting adjourned at 8:00 P.M.

Respectfully submitted,

Rosalba Zanni
Assistant City Clerk/Clerk of Committees