

FINANCE COMMITTEE

Regular meeting of the Finance Committee was held on Thursday, January 15, 2009 in the Cranston High School East Auditorium, 899 Park Ave., Cranston, Rhode Island.

CALL MEETING TO ORDER:

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

Present: Councilman Emilio L. Navarro, Chair
Councilman Mario Aceto, Vice-Chair
Councilman Paul H. Archetto
Councilman Anthony J. Lupino
Councilman Terence Livingston (appeared at 6:45 P.M.)
Council President John E. Lanni, Jr.

Also Present: Councilman Richard D. Santamaria, Jr.
Councilman Robert J. Pelletier
Councilwoman Michelle Bergin-Andrews
Robin Muksian-Schutt, Director of Administration
Gerald Cordy, Deputy Director of Administration
Evan Kirshenbaum, Assistant City Solicitor
Pat Quinlan, City Council Legal Counsel
Steve Woerner, City Council Internal Auditor
Maria Medeiros Wall, City Clerk
Rosalba Zanni, Assistant City Clerk/Clerk of Committees
Heather Finger, Stenographer

MINUTES OF THE LAST MEETING:

MINUTES FROM 12/4/2008 TO BE AMENDED: Tax Interest Waiver of Vincent Masi – former Councilman Barone-Councilman Lupino seconded motion to deny. Minutes of 12/4/08 state Councilman Santamaria as making motion to approve (he did not serve on Finance during last term).

On motion by Councilman Aceto, seconded by Councilman Lupino, it was voted to amend the minutes of the last meeting as stated above. Motion passed unanimously.

CORRESPONDENCE:

OLD BUSINESS:

PUBLIC HEARING/NEW BUSINESS

Real Estate/Tangible Tax Abatements

Ms. Schutt stated that the Tax Assessor is next door in City Hall holding an informational meeting for the public regarding the revaluation.

On motion by Council President Lanni, seconded by Councilman Lupino, it was voted to recommend approval of the above Abatements. Motion passed unanimously.

Motor Vehicle Tax Abatements

On motion by Council President Lanni, seconded by Councilman Lupino, it was voted to recommend approval of the above Abatements. Motion passed unanimously.

Tax Assessment Board of Review Decisions due to Taxes Assessed December 31, 2007.

No action needed.

***ADVICE & CONSENT OF MAYOR'S APPOINTMENTS OF:**

- **Anthony Cipriano, City Solicitor**
- **Robert F. Strom, Director of Finance**
- **Lawrence J. DiBoni, Director of Economic Development**
- **David J. Maher, Director of Community Development**
- **Stanley F. Pikul, Building Official**

Ms. Schutt appeared to speak on behalf of the Mayor and thanked the Committee for allowing this Administration to bring the above individuals before this Committee for Advice and Consent. She stated that the Mayor has retained three key individuals from the previous Administration - Terry Murphy, Director of Senior Services; Anthony Liberatore, Director of Parks and Recreation and Anthony Sylvia, Director of Public Works.

- **Lawrence J. DiBoni, Director of Economic Development**

Mr. Schutt gave a brief background of Mr. DiBoni and introduced him to the Committee.

Mr. DiBoni stated that he has been a long-time Cranston resident, has been involved with CLCF and father of two Cranston school children. He stated that he is looking forward to moving Cranston forward.

Councilman Aceto asked Mr. DiBoni how he proposes to move Cranston forward. Mr. DiBoni stated by having open communication and showing what a great City we have.

Council President Lanni stated that in the Town of Johnston, the Public Works Director, Planning Director and Economic Development Director all sit down with perspective businesses and guide them step by step on getting their business established. This is why Johnston has more development than Cranston. Mr. DiBoni stated that he is willing to sit with businesses and City departments.

Councilman Santamaria asked Mr. DiBoni what his feelings are on Tax Incentives. Mr. DiBoni stated that if a business is eligible, then they should receive the Tax Incentive, but we should keep an eye on the business.

Councilman Lupino asked Mr. DiBoni if he is aware that the advertising budget for this department is \$10,000. Mr. DiBoni stated, no. Councilman Lupino asked Mr. DiBoni how he plans to get businesses into the City with this budget. Mr. DiBoni stated by building relationship, working with the person one on one and speaking about the Tax Incentives. There is also the Chamber of Commerce that can be utilized.

Councilman Aceto stated that the last time he served on the Council, the City had a great Director of Economic Development, John Toic, who had an inventory of property available and land available. He attended real estate shows and national network real estate shows. He does not know what happened since then. It can't hurt to go outside. He asked Mr. DiBoni that if he needs help from the Council, to please ask. Mr. DiBoni stated that he would like to meet with every Council member one on one to get their vision and opinions.

Chair asked Mr. DiBoni if he is aware of the salary for this position. Mr. DiBoni stated, yes, \$55,000 to \$56,000. Chair asked Mr. DiBoni if he has been promised any raises or steps by the Administration. Mr. DiBoni stated that there won't be any raises. Chair asked Mr. DiBoni if he will have a City vehicle. Mr. DiBoni stated, no.

Councilman Archetto asked Mr. DiBoni if there are any areas that he envisions for future development. Mr. DiBoni stated that he would like to see Ward 3 neighborhood developed. Councilman Archetto asked Mr. DiBoni if he is in favor of Enterprise Zones in various areas. Mr. DiBoni stated that he has not thought of it, but he is open to suggestions.

On motion by Councilman Lupino, seconded by Councilman Aceto, it was voted to recommend approval of the advice and consent of the Mayor's appointment of Lawrence DiBoni as Director of Economic Development. Motion passed unanimously.

Ms. Schutt stated that these individuals are all aware that there will be no raises. As to the Economic Development Director working with other departments in the City, the Mayor's vision was to have Mayor's voice where all the departments would all routinely meet as a group and work with perspective businesses or current businesses.

- **David Maher, Director of Community Development**

Ms. Schutt stated that Mr. Maher has grant and loan administrative experience and is familiar with the entire City of Cranston.

Mr. Maher appeared to speak and stated that he knows his staff, he knows the City and he has good working knowledge of what this department does for the City. He stated that people say there is a lot of challenge to this department, that is not the case, there is a lot of opportunity to this department.

Councilman Lupino asked Mr. Maher what grants he has written and what was their purpose. Mr. Maher stated, Brownsfield was the first, in 2006, for \$200,000 for assessment. He also wrote grants through the Planning Department. Councilman Lupino encouraged Mr. Maher to continue to write grants.

Councilman Aceto asked Mr. Maher how much money this department would be administering. Mr. Maher stated approximately \$1.8 million in federal entitlement. He explained how the funds are used to address foreclosed properties in the City.

Council President Lanni asked Mr. Maher if, at this time, he meets all the qualifications to meet with HUD and do this job. Mr. Maher stated that he would be able to start the job for HUD with their blessing. It would behoove any individual to get initial community development grant program certificate.

Rick Santurri, 36 Fort Ave., appeared to ask questions regarding the use of the funds for foreclosed properties and the process. He asked if HUD money is going to be used for foreclosed homes, how will that money be stretched. Mr. Maher stated that the money coming in is specifically to buy foreclosed homes, all we are going to be is to facilitate the work.

On motion by Councilman Lupino, seconded by Councilman Aceto, it was voted to recommend approval of the advice and consent of the Mayor's appointment of David Maher as Director of Community Development. Motion passed unanimously.

- **Stanley Pikul, Building Official**

Ms. Schutt gave Mr. Pikul's background and introduced him.

Councilman Aceto asked Mr. Pikul if he is familiar with how inspection process and permit process works in Cranston. Mr. Pikul stated, yes, it is very detailed and everything is well-defined. It could be streamlined a little to make it a little easier to understand.

Councilman Lupino asked how Mr. Pikul sees the technology or internet as a toll for this office. Mr. Pikul stated that it is very useful. It cuts the permit time down. Councilman Lupino asked Mr. Pikul that he speak to IT because he sees this as an area where we could streamline some of the process.

Council President Lanni stated that we need to make this City consumer-friendly.

Chair asked Mr. Pikul if he sees any changes that he would like to make right away in this Department. Mr. Pikul stated that he believes they can move the office forward.

Mr. Sylvia stated that he formally worked for West Warwick and had the opportunity to work with Mr. Pikul and found he was very knowledgeable and he thinks he will be a great asset to the City.

Raymond Tomasso, 150 Lyndon Rd., appeared to speak and stated that in proposing streamlining, this is a concern about how you are going to streamline the process. He addressed the case of the concrete plant.

Chair asked Mr. Pikul if he has RI Certification for Building Official. Mr. Pikul stated that he is certified by RI Builders Officials.

Council President Lanni stated that when he spoke about streamlining the process, he is not talking about making it easier for people to bypassing regulations. He is talking about the average person waiting six months for a permit for a dock.

Sam Bruscal appeared to speak and asked Mr. Pikul if he has any ideas in addressing the backlog in this department. Mr. Pikul stated that he would address it by understanding the project and where it is going.

On motion by Councilman Lupino, seconded by Councilman Aceto, it was voted to recommend approval of the advice and consent of the Mayor's appointment of Stanley Pikul as Building Official. Motion passed unanimously.

- **Anthony Cipriano, City Solicitor**

Ms. Schutt appeared to speak and stated that the Mayor is proposing a part-time Solicitor with four assistants. Ms. Schutt stated that because Mr. Cipriano is retired, he can only work a certain amount of hours and his salary is taken into consideration. Since he is going to be part-time, he is willing to be available in the office or by phone at no charge.

Mr. Cipriano appeared to speak and gave his background.

Council President Lanni asked Mr. Cipriano if he would be doing negotiations for the City or if it would go to outside counsel. Mr. Cipriano stated that this has not been decided yet, but he is more than willing to take on that role.

Chair asked Mr. Cipriano what limits are imposed being part-time, since he is retired from the State. Mr. Cipriano stated that the retirees are permitted to work with any system that is part of the same system for 150 part-time days and as extra hours or days, they are not a conflict since it is voluntary.

Council Vice-President Livingston stated that the only concern he has is Mr. Cipriano should obtain an opinion form the Retirement Board so he does not place his pension in jeopardy. Mr. Cipriano stated that he has spoken to the department Executive Director and he has reviewed the State Statute and discussed the Statute with other attorneys and there will be no problem at all.

On motion by Councilman Lupino, seconded by Council Vice-President Livingston, it was voted to recommend approval of the advice and consent of the Mayor's appointment of Anthony Cipriano as City Solicitor. Motion passed unanimously.

Ms. Schutt stated that this Administration does not envision bringing in outside Counsel for labor negotiations. Mr. Cipriano is well-qualified to handle this. She indicated that her vision is the vision of Mayor Laffey and no one else.

- **Robert Strom, Director of Finance**

Ms. Schutt gave Mr. Strom's background and introduced him.

Mr. Strom stated that he worked for the City of Cranston for approximately 10 years ago as an Interim position as City Auditor and he currently is employed by the City of Woonsocket.

Councilman Lupino asked Mr. Strom if he was involved or still involved with the incident in Woonsocket's case of the Mayor and the motorcycles issue and asked if he will need to travel out of the City to testify for this case. Mr. Strom stated that this issue had to do with the Mayor not filing with the Ethics Commission and this week there was a settlement made. He had no involvement with this issue and will not need to travel out of the City regarding this case.

Chair stated to Mr. Strom, since he worked for the City of Cranston in the past and now will be working as Finance Director, what opportunities he sees in streamlining anything to make this department more efficient. Mr. Strom stated that he would like to meet with all his directors to see if there is some way to streamline the department to reduce expenditures. Chair stated that what also needs to be looked at is the expenditures reports, which the Council receives weeks or a month late. He asked how this can be addressed. Mr. Strom stated that in Woonsocket, he would receive weekly reports by departments, which were accurate and he would notify any departments if they were over-budget and hold any purchase orders. On the expenditures, he would have accurate figures on a monthly basis.

Councilman Archetto asked Mr. Strom if he has any plans to contact neighboring communities in purchasing large items. Mr. Strom stated that that has been not been done. The consolidation within the City and the schools would be advantageous as well.

Council President Lanni asked Mr. Strom if he could think of any ways that we could overcome the situation that we are facing other than raising taxes. Mr. Strom stated, not being familiar with the current departments, it is imperative that we meet with each department to try and reduce expenses by 5-10%. Council President Lanni asked Mr. Strom if he thinks any of the plans the City of Woonsocket implemented to cut deficits could be applied to Cranston. He also stated that he would like to utilize what was done in Woonsocket to see if it would be applicable to Cranston, but not knowing the situation in Cranston, he could not comment on this at this time.

Chair asked Mr. Strom if he would be looking at implementing suggestions made in the Audit. Mr. Strom stated that in Woonsocket, on the school side, all recommendations have been eliminated, although there is some cost to implement plans. He does review all recommendations in the management letter.

On motion by Councilman Aceto, seconded by Council President Lanni, it was voted to recommend approval of the advice and consent of the Mayor's appointment of Robert Strom as Finance Director. Motion passed unanimously.

12-08-6 Ordinance in amendment of Chapter 2.40.120 of Title 2 of the Code of the City of Cranston, 2005, entitled "Administration and Personnel" (Municipal Court – Compensation).

No one appeared to speak in favor or to oppose.

On motion by Councilman Lupino, seconded by Council Vice-President Livingston, it was voted to recommend approval of this Ordinance. Motion passed unanimously.

The meeting adjourned at 8:40 P.M.

Respectfully submitted,

Rosalba Zanni
Assistant City Clerk/Clerk of Committees