

## **FINANCE COMMITTEE**

Regular meeting of the Finance Committee was held on Thursday, November 12, 2009 in the Council Chambers, City Hall, Cranston, Rhode Island.

### **CALL MEETING TO ORDER:**

The meeting was called to order at 6:45 P.M. by the Chair.

Present: Councilman Emilio L. Navarro, Chair  
Councilman Mario Aceto, Vice-Chair  
Councilman Paul H. Archetto  
Councilman Anthony J. Lupino  
Council President John E. Lanni, Jr.

Absent: Council Vice-President Terence Livingston

Also Present: Councilman Richard D. Santamaria, Jr.  
Councilman Robert Pelletier  
Robin Muksian-Schutt, Director of Administration  
Evan Kirshenbaum, Assistant City Solicitor  
Robert Strom, Director of Finance  
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:**

On motion by Councilman Lupino, seconded by Councilman Aceto, 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:**

#### **Analysis of Budget year ending June 30, 2009 (Cont. 9/17/2009)**

**Chair** asked what the status is on the Audit. Mr. Strom stated that he met with the Auditors today and they are on schedule for November 30, 2009. A rough draft will be ready by early December for the Audit Committee to review. One issue is the stimulus money for the Schools. The School Department shows one amount and the City shows another. This is an issue that has to be addressed before the final Audit is presented. The amount in question is a \$2 million difference, which is stimulus money. The School Department books are showing that this is money still owed to them. The Auditors for both sides will be meeting internally next week.

**Chair** asked how this discrepancy will affect the 2010 budget. Mr. Strom stated that the 2010 budget will also show a discrepancy of probably \$2 to \$4 million.

**\*Financials for the Ice Rink** (Councilman Lupino)

**Councilman Lupino** stated that the City has two ice rinks with concession and public skating has increased, along with the fees. He does not see why we can't make a minimal profit. Mr. Strom presented a handout of the financials and stated that the rinks were shut down for the first four months with no revenues, but there were still utility costs. By year end, you will see that they will be generating a profit.

**Councilman Aceto** asked the status regarding some of the bills the City was left with, as far as trying to get some of that money back from the previous management company. Mr. Strom stated that he intends to recoup some of the \$165,000 the City paid.

**Mr. Strom** suggested that if the Council wishes updates, he can report back in two months so he can have more information then. Councilman Lupino asked that this item be placed on the January agenda.

## **PUBLIC HEARING/NEW BUSINESS**

### **Administration report** on Stimulus money projects (Councilman Navarro)

**Ms. Schutt** appeared to speak and presented a spreadsheet.

**Councilman Lupino** stated that he drove by the Pocasset River Flood Plain in Johnston and there were signs stating that the work was being done with stimulus money. He asked if the Town of Johnston is doing something different then the City of Cranston. Ms. Schutt stated that she will speak with Mr. Cordy, but at this point, we do not have the matching funds for this. She believes this is being done by matching funds.

**Chair** asked how grant money will be accounted for in the budget. Ms. Schutt stated that this does not impact the budget. Those funds would go into a special revenue line item. It would be set up as a reserve.

**Council President Lanni** stated that when he and other members of the Council met with the Town of Johnston, the Mayor of Johnston was adamant he was not going to spend one dime for the project, and now they have a full-blown project going. He questioned what the Town of Johnston is doing right and we are doing wrong. We are still waiting for stimulus money. Ms. Schutt stated that she will check with Mr. Cordy. The City sent a list of projects to the State back in March and we just recently received approvals. Ms. Schutt said she would contact the Town of Johnston and report back to the Council on this.

**Administration detailed report on the 2mil bond fund paving projects.**

(broken down by ward and street name along with each coinciding expense. (Councilman Navarro)

**Chair** stated that he has made this requests from past Administrations regarding the need for the corner of Oakland Ave., near Eden Park School, to be paved and nothing has been done. Cars and buses are constantly being damaged by this section of the road. He would like to see this intersection repaired, even if the City workers can do it. He referred to the list of paved streets in 2008-2009. Ms. Schutt stated that he Mayor looked at public safety first and looked at streets where public safety was an issue. The Mayor's primary concern is public safety. The Administration would be more then willing to have Public Works Department look at Oakland Ave. and if the City can do the work, they will.

- **Real Estate Tax Abatements**

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

- **Motor Vehicle Tax Abatements**

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

- **Tax Assessment Board of Review Decisions for taxes assessed December 31, 2008 (for information only)**

No action needed.

- **Tax Interest Waivers**

On motion by Councilman Lupino, seconded by Council President Lanni, it was voted to recommend approval of this list of Tax Interest Waivers as recommended by City Treasurer. Motion passed unanimously.

**MISCELLANEOUS BUSINESS:**

**Mr. Woerner** presented an analysis of the financials.

The meeting adjourned at 7:30 P.M.

Respectfully submitted,

Rosalba Zanni  
Assistant City Clerk/Clerk of Committees