

DEPARTMENT OF CITY CLERK

CITY HALL

NOVEMBER 17, 1977

The Committee on Finance meets this day at 2:00 o'clock P.M. (E.S.T.) in Committee Room "A".

Present: Chairwoman Brassil and Councilmen Fagnoli, Addison, and Bradshaw; (Rose M. Mendonca, Clerk).

RELATIVE TO ACCRUAL METHOD OF FINANCING.

Chairwoman Brassil informs the Members, Karl F. Ericson Joseph Cavallaro of Peat, Marwick, Mitchell and Company, Deputy General Treasurer Vincent T. Izzo and Laurence E. Brown, Jr., Certified Public Accountant, have been invited to attend this meeting relative to the above.

Mr. Ericson states many major cities use this type of financing and relates his opinion as to the method.

Mr. Izzo informs this is a very dangerous method. He is of the opinion the City is not like Corporations and the City would overspend in anticipation of income. The City of Warwick has problems due to the Accrual Method of Financing. He states the City has no reason to use the Accrual Method, they can only spend what they have.

Mr. Brown does not agree with the Accrual Method, he is of the opinion there would be a tendency also, of not paying expenses and refers to the Electric Bill owed by the Department of Public Works that no one knew of.

Mr. Ericson explains it would make a more accurate record and better performance. He is of the opinion that no one has a true financial picture. The Administration and the City Council is needed to handle the accrual method.

Mr. Izzo states the Finance Committee has the authority to change from a Cash Basis to Accrual Method, they have the say on the Budget.

Councilman Addison states the City has been all these years on a Cash System, if it was good, why change to the Accrual Method, when it is on paper only that the deficit will be wiped out.

Discussion ensues as to the State and Mr. Izzo is of the opinion they are on a modified cash basis as the City is; bills are encumbered and at the end of the year, they are paid.

Mr. Ericson states the Sales Tax is difficult to estimate. Following a lengthy discussion, Messrs. Ericson, Cavallaro, Izzo and Brown are excused at this time and Chairwoman Brassil thanks the gentlemen for attending this meeting.

RELATIVE TO REQUEST TO RESCIND LEAVE OF ABSENCE FOR BARBARA A. MONTEIRO, AN EMPLOYEE OF THE DIVISION OF CODE ENFORCEMENT.

On motion of Councilman Fagnoli, seconded by Councilman Addison and Bradshaw, it is voted that the request for Barbara A. Monteiro to rescind her leave of absence be granted.

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RELATIVE TO COMMUNICATION FROM MR. ERICSON OF PEAT, MARWICK, MITCHELL & COMPANY, RELATIVE TO FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 1977.

A Communication is presented under the date of October 20, 1977, from Karl F. Ericson, relative to submission of their report on the City's Financial Statement for the Year ended June 30, 1977, by November 1, 1977, in which he states;

"It is evident now that the City will not be able to meet its original timetable for closing its books and preparing the necessary schedules, which will result in a delay of approximately four weeks in the issuance of our reports. The delay in receiving the necessary information from the City's Finance Department was attributable to personnel cut-backs in this department and the inability to fill a position which has been vacant for some time. It should be noted that we have received the full cooperation of the Finance Director and his personnel".

The above communication is received.

RELATIVE TO RESOLUTIONS REPORTING RECEIPT OF CERTAIN GIFTS OF MONIES BY THE BOARD OF PARK COMMISSIONERS FOR THE PRESERVATION AND CARE OF SPECIFIED BURIAL LOTS IN NORTH BURIAL GROUND.

On motion of Councilman Fargnoli, seconded by Councilman Addison, it is voted to transmit the foregoing Resolutions to the City Council, with recommendation the same be adopted.

RELATIVE TO AN ORDINANCE EMPOWERING THE CITY COUNCIL OF THE CITY OF PROVIDENCE TO EXEMPT FROM LOCAL TAXATION, THE REAL AND PERSONAL PROPERTY OF THE PROVIDENCE TURNERS WITHIN SAID CITY.

Mr. Frank Flaherty, Acting President of the Providence Turners is present and informs the members that no one receives a pay, but belongs to this Association. The request has already been passed by the Legislature. They have a building and they just had an extension added on at a cost of Six Thousand (\$6,000.00) Dollars. The space was necessary in order to continue. If this tax exemption is not allowed, the Providence Turners will have to close the doors on the many children who use their functions.

On motion of Councilman Fargnoli, seconded by Councilman Addison, it is voted to transmit a memorandum to the Mayor requesting his opinion on the above mentioned tax exemption and if report is received prior to the next City Council meeting, the Ordinance be transmitted to the City Council with recommendation of adoption.

RELATIVE TO RESOLUTION AUTHORIZING THE CITY SOLICITOR TO APPLY TO THE GENERAL ASSEMBLY AT ITS NEXT SESSION, TO URGE PASSAGE OF "AN ACT AUTHORIZING THE CITY OF PROVIDENCE TO ISSUE BONDS IN AN AMOUNT NOT EXCEEDING TWENTY-FIVE MILLION (\$25,000.00) DOLLARS, FOR REDEVELOPMENT PURPOSES", SUBSTANTIALLY IN ACCORDANCE WITH THE ACCOMPANYING DRAFT ACT.

On motion of Councilman Fargnoli, seconded by Councilman Addison, the above Resolution is continued.

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RELATIVE TO AN ORDINANCE AMENDING THE APPROPRIATION ORDINANCE CHAPTER 1977-35, APPROVED JULY 18, 1977, BY APPROPRIATING A SUM NOT TO EXCEED FIFTY THOUSAND (\$50,000.00) DOLLARS FOR THE CITY OF PROVIDENCE'S FOOD STAMP PROGRAM.

Chairwoman Brassil reads a memorandum from James R. Bernardo, Acting Finance Director, in which he explains the same is being presented due to a Claim Pending against the City from the State for the Food Stamp theft which occurred approximately two years ago, the constant possibility of future thefts at these food stamp centers were eliminated July 1, 1977, when the centers and the projects were closed and the sale of stamps shifted to the Banks.

A third problem concerned was the receipt of funds from the State for which nothing was paid over to the City until the insurance claims and the City payments to the Banks were resolved.

On motion of Councilman Addison, seconded by Councilman Garan, it is voted to transmit the foregoing Ordinance to the City Council with recommendation of adoption.

RELATIVE TO RESOLUTION REQUESTING THE DIRECTOR OF FINANCE TO RESTORE THE ONE HUNDRED FIFTY THOUSAND DOLLARS, (\$150,000.00) PROPOSED IN THE CURRENT SCHOOL-BUDGET, WHICH HAS BEEN DELETED, FOR THE MAINTENANCE OF ALL PUBLIC SCHOOLS.

It is the consensus of the members that an Ordinance should be drafted in lieu of the above Resolution. Accordingly, on motion of Councilman Fagnoli, seconded by Councilman Addison, it is voted that upon the drafting of the Ordinance, the above Resolution be postponed indefinitely in Committee.

RELATIVE TO RESOLUTION REQUESTING HIS HONOR MAYOR VINCENT A. CIANCI, JR., TO APPOINT A COMMITTEE TO STUDY ALL ASPECTS OF CITY GOVERNMENT AND REPORT BACK ON ALL POSSIBLE EFFICIENCIES AND IMPROVEMENTS.

On motion of Councilman Fagnoli, seconded by Councilman Bradshaw, it is voted to continue the above Resolution in Committee.

RELATIVE TO RESOLUTION AUTHORIZING THE COMMITTEE ON FINANCE TO INVESTIGATE THE CONSULTING CONTRACT FOR THE SEWAGE PLANT REPAIRS IN THE CITY OF PROVIDENCE WHICH HAS BEEN AWARDED TO CASTELLUCCI, GALLI ASSOCIATES, CONSULTING ENGINEERS.

On motion of Councilman Fagnoli, seconded by Councilman Bradshaw, it is voted to continue the above Resolution in Committee.

RELATIVE TO RESOLUTION DIRECTING THE PERSONNEL DIRECTOR TO PRESENT TO THE COMMITTEE ON FINANCE THE NAMES AND PERSONNEL CLASSIFICATIONS OF ALL PERMANENT EMPLOYEES CURRENTLY ASSIGNED OUTSIDE THEIR RESPECTIVE DEPARTMENTS, TOGETHER WITH POSITION AND CLASSIFICATION OF SAID ASSIGNMENT.

On motion of Councilman Fagnoli, seconded by Councilman Addison, the Clerk is requested to send a Memorandum to Personnel Director Dutcher, requesting a reply on the above Resolution.

RELATIVE TO RESOLUTION REQUESTING THE COMMISSIONER OF PUBLIC SAFETY TO ESTABLISH A CROSSING GUARD POST AT THE INTERSECTION OF DELAINE STREET WITH APPLETON STREET.

On motion of Councilman Addison, seconded by Councilman Fagnoli, it is voted to continue the above Resolution in Committee.

RELATIVE TO COMMUNICATION FROM DIRECTOR ALBERT T. KLYBERG, RHODE ISLAND HISTORICAL SOCIETY, RELATIVE TO THE CARING OF THE ORIGINAL TOWN PAPERS OF THE CITY OF PROVIDENCE.

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On motion of Councilman Addison, seconded by Councilman Fargnoli, it is voted to continue the above Resolution in Committee.

RELATIVE TO AN ORDINANCE AMENDING THE APPROPRIATION ORDINANCE CHAPTER 1977-35, APPROVED JULY 18, 1977, BY APPROPRIATING THE SUM OF FOURTEEN THOUSAND FIVE HUNDRED (\$14,500.00) DOLLARS TO THE COMMISSIONER OF PUBLIC SAFETY, POLICE DEPARTMENT, ITEM 0.

RELATIVE TO AN ORDINANCE AMENDING ORDINANCE CHAPTER 1977-30 APPROVED JULY 5, 1977, ENTITLED, "AN ORDINANCE ESTABLISHING THE CLASSES OF POSITIONS THE MAXIMUM NUMBER OF EMPLOYEES AND THE NUMBER OF EMPLOYEES IN CERTAIN CLASSES IN THE CITY DEPARTMENTS".

RELATIVE TO AN ORDINANCE IN AMENDMENT OF THE APPROPRIATION ORDINANCE CHAPTER 1977-35, APPROVED JULY 18, 1977, BY APPROPRIATING A SUM NOT TO EXCEED TWELVE THOUSAND, THREE HUNDRED EIGHTY DOLLARS, (\$12,380.00) TO THE COMMISSIONER OF PUBLIC SAFETY FOR THE PURPOSE OF INCREASING THE NUMBER OF CROSSING GUARDS.

On motion of Councilman Fargnoli, seconded by Councilman Addison, the foregoing Ordinances are continued.

RELATIVE TO A RESOLUTION REQUESTING THE PROVIDENCE CIVIC CENTER AUTHORITY TO SUBMIT TO THE CITY COUNCIL, A REPORT OF PERSONS, FIRMS, OR CORPORATIONS WHO HAVE ENGAGE RENTAL SPACE WITHIN THE CIVIC CENTER, AMOUNTS DUE, IF ANY, FOR PAYMENT AND INDICATING WHETHER RENTALS HAVE BEEN MADE AT LESS THAN PREVAILING OR STANDARD FEE SCHEDULE.

A Communication is submitted from Vincent J. Piccirilli, Esquire, relative to the above.

On motion of Councilman Fargnoli, seconded by Councilman Addison, it is voted to continue the foregoing Resolution in Committee.

RELATIVE TO A RESOLUTION REQUESTING THE COMMISSIONER OF PUBLIC SAFETY TO CAUSE A CROSSING GUARD POST TO BE ESTABLISHED AT MESSER STREET AND WESTMINSTER STREET, IN THE IMMEDIATE VICINITY OF THE NEW SAMUEL W. BRIDGHAM MIDDLE SCHOOL.

On motion of Councilman Fargnoli, seconded by Councilman Addison, it is voted to continue the above matter in Committee.

RELATIVE TO AN ORDINANCE AUTHORIZING THE CITY OF PROVIDENCE TO LEVY A SEWER SURCHARGE TAX ON ALL MUNICIPALITIES DISPOSING WASTE IN THE SAID CITY'S SEWER SYSTEM AND/OR WATERWAYS.

RELATIVE TO RESOLUTION REQUESTING THE COMMITTEE ON FINANCE TO ASCERTAIN THE AREARAGES IN DOCKAGE AND WHARFAGE FEES, AT THE PORT OF PROVIDENCE, TOGETHER WITH NAMES AND ADDRESSES AND AMOUNTS DUE AND PAYABLE TO THE CITY OF PROVIDENCE.

RELATIVE TO RESOLUTION NAMING A SPECIAL COMMITTEE FOR THE PURPOSE OF STUDYING THE FEASIBILITY OF SEPARATING THE PENSION FUND OF THE CITY EMPLOYEES RETIREMENT SYSTEM.

RELATIVE TO RESOLUTION REQUESTING THE ACTING CITY SOLICITOR TO PREPARE, CAUSE TO BE INTRODUCED, AND TO URGE PASSAGE, AT THE NEXT SESSION OF THE GENERAL ASSEMBLY, OF AN ACT TO REFRAIN FROM GRANTING ANY TAX EXEMPTIONS ON NEWLY ACQUIRED REAL PROPERTY BY TAX EXEMPT ENTITIES.

On motion of Councilman Fargnoli, seconded by Councilman Addison, it is voted to continue the above matters in Committee.

RELATIVE TO RESOLUTION REQUESTING THAT BACK TAXES FOR SPECIFIED REAL PROPERTIES BE ABATED DUE TO OVER ASSESSMENT PENDING COMPLIANCE WITH CERTAIN PROCEDURES.

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The Clerk is requested to send a memorandum to the City Collector requesting a list of uncollectable taxes, and the amount of years the same have been uncollectable.

On motion of Councilman Fargnoli, seconded by Councilman Addison, it is voted to continue the above matter in Committee.

RELATIVE TO RESOLUTION RECOMMENDING THAT ALL INSTITUTIONS WHICH ARE EXEMPT FROM THE PAYMENT OF TAXES TO THE CITY OF PROVIDENCE, ASSESS A SURCHARGE FOR THEIR SERVICES, SAID SURCHARGE TO BE PAID OVER TO THE CITY, IN DEU OF PAYMENT OF TAXES.

The Clerk is requested to invite Acting City Solicitor Glantz to the next meeting relative to the above Resolution. On motion of Councilman Fargnoli, seconded by Councilman Addison, it is voted to continue the above matter in Committee.

RELATIVE TO AN ORDINANCE PROHIBITING THE CITY OF PROVIDENCE FROM DOING BUSINESS WITH PAPER CORPORATIONS, SO-CALLED.

On motion of Councilman Fargnoli, seconded by Councilman Addison, it is voted to postpone indefinitely in Committee, the foregoing Ordinance.

Chairwoman Brassil requests the Clerk transmit a Memorandum to the Acting City Controller requesting information as to whether or not the One Million Dollars, (\$1,000,000.00) owed into the Retirement Fund of the Employee's Retirement System, prior to the ending of the Fiscal Year, has been deposited.

ADJOURNMENT. On motion of Councilman Fargnoli, seconded by Councilman Addison, Adjournment is taken at 4:00 o'clock P.M. (E.S.T.).

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Rose M. Mendonca

Clerk