

DEPARTMENT OF CITY CLERK

CITY HALL

NOVEMBER 12, 1975

The Committee on Finance meets this day in the Conference Room, City Hall, at 1:00 o'clock P.M.

Present: Chairman Lynch and Councilmen Garan, Crowley, Stravato and Bradshaw.

Also present is Finance Director Izzo. (Rose M. Mendonca, Assistant Clerk.)

COMMUNICATION FROM PROVIDENCE RETIRED POLICE AND FIRE ASSOCIATION REQUESTING TWO OF ITS MEMBERS BE ALLOWED TO ATTEND AND SPEAK TO THE FINANCE COMMITTEE.

The following members of the Police and Fire Association are present: George M. Shea, Chairman of the Committee; James J. Roche, President; Joseph Mariole, retired; Joseph Keating; Battalion Chief Minane; and Mr. Pearson, retired.

Chairman Lynch explains the reason for the gentlemen not being invited to join the Committee at an earlier date and requests one of the gentlemen speak at this time.

Mr. Shea: First of all I thank you for this invitation and I express the sentiments of the rest of the Committee. As you know the purpose for the request is that in 1975 a bill was passed by the General Assembly for all retired policemen and firemen in the State which entitled the widow, after the member had passed away, to 67½% of the benefits paid to such retired policeman or fireman at the time of death.

We are the option members of the Retirement System of the City of Providence. We would like it changed from the options we are taking to the maximum pension. There are about 95% in the City of Providence who come under the bill to take the maximum pension and do not have to pay for these benefits; whereby we have taken from our check, money to take care of our loved ones.

We are here to ask you to look kindly upon this request from option to maximum.

Chairman Lynch: There are people who have chosen options at the time of retirement which would make the wife beneficiary at the event of your death.

Mr. Shea: In my case Number 3 was chosen, she would receive 50% of what I was receiving the rest of her life.

Councilman Stravato: Your percentage is that there are 600 retired policemen and firemen and thirty people that have elected to take the option.

They feel in a sense they are being penalized, they took an obligation to provide for their families after they are gone and that was their purpose. If something happened to them after retirement, they would provide.

I would like to present this Resolution -

"RESOLVED, that the City Solicitor is requested to apply to the next session of the General Assembly and urge passage of an Act in amendment to Chapter 489 of the Public Laws of 1923,

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entitled an Act to provide for the retirement of Employees of the City of Providence, as amended, by requiring the Retirement Board of the Employees Retirement System of the City of Providence, created under the provision of the Act, to permit upon written request, any retired employee of the City of Providence to change any option previously selected, pursuant to Section 9 of said Act to receive benefits payable pursuant to the maximum pension plan of Section 10."

Chairman Lynch: I don't think action should be taken on the Resolution at this time as the members should study the matter thoroughly, it is not necessary until the January session of the General Assembly.

Mr. Shea: We also ask that you make an addition to the Resolution. We would like it retroactive to May 13, 1975 at which time the widow's pension was passed by the General Assembly because of the time element involved and the processing of the Resolution. This would probably take until next May. During that interum, we must live with a reduced pension. We request you make an addition to the Resolution, that it be retroactive to May 13, 1975.

Councilman Stravato makes the following addition for the last words of the Resolution following "Section 10" -

"retroactive to May 13, 1975"

Mr. Keating: Under the circumstances it would be possible for it to be beneficial to an employee who has taken a pension - a written request to absolve ourselves of the pension we have already selected.

Mr. Mariole: I felt that maybe they should be made aware there was no provision for widows pension. In effect the reduced amount is like an annuity paid for another insurance to protect loved ones. Since the General Assembly has enabling legislation we are all protected, therefore, we feel we should be removed and put on the top level.

Mr. Roche: I didn't take any option, maybe 95% did not. It isn't costing us anything, if I die my wife gets 67½%, but I don't pay anything into the plan. They have a good beef because it is costing them money, but it is not costing us anything.

Mr. Pearson: I'm on disability pension. When I went there to sign up disability pension I was told if I didn't take an option and died in six years my wife would receive no benefits. The option is costing me \$168.00 a month, that is the reason we had to take the option, or the pension would die away.

Chairman Lynch: We will take it under consideration. Nothing can be done until January as far as the General Assembly and we have three more Council meetings before then. I am award of the set-up as it exists as Chairman of the Committee and being on the Retirement Board. I am aware of the various options and the change from the action of the General Assembly.

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Councilman Stravato: What problem would be incurred by moving passage of the Resolution now.

Chairman Lynch: I prefer to take it under consideration when we have a full Committee. I think the matter deems looking into.

Mr. Roche: Do you have any idea when your Committee could get it before the Council?

Chairman Lynch: We could get it in before the opening of the General Assembly. As it only needs one passage by the City Council, there is no reason to act hastily on it.

Councilman Crowley: I agree 100% with Councilman Stravato, if it can be done, it should be done, they deserve it.

Mr. Izzo: We have to get a price tag on it as to what it will cost. It will come out of the Retirement System and the City of Providence has to put up the money.

Mr. Shea: How will it cost the City money when it will come from us, we are paying for it.

Mr. Izzo: The City has to get money in too.

Chairman Lynch: The Committee would be remiss in not looking into it more thoroughly before taking action on it. I, and the members of the Committee, thank you gentlemen for being patient in waiting to be invited and for being present at this meeting.

Chairman Lynch requests the Clerk send copies of the Resolution presented by Councilman Stravato to the members of the Committee, together with copies of the explanation as presented to the Finance Committee by Mr. Shea.

On motion of Councilman Garan, seconded by Councilman Stravato, the matter is thereupon continued.

REQUEST FOR LEAVE OF ABSENCE - ROBERT E. HALL -  
BOARD OF CANVASSERS AND REGISTRATION.

Chairman Lynch states Robert E. Hall of the Board of Canvassers and Registration is requesting a Leave of Absence from January 1, 1976 ending January 1, 1978 to take advantage of G. I. Benefits for Educational Purposes.

On motion of Councilman Stravato, seconded by Councilman Crowley, it is voted to grant the above request.

RESOLUTION ACCEPTING GIFTS OF MONIES FOR  
SPECIFIED BURIAL LOTS IN NORTH BURIAL GROUND.

On motion of Councilman Stravato, seconded by Councilman Bradshaw, it is voted to transmit the above Resolution to the City Council with recommendation of adoption.

RESOLUTION REFUNDING TO CERTAIN TAXPAYERS SUMS  
OF MONIES REPRESENTING OVERPAYMENT OF THE 1971,  
1972, 1973, 1974 AND 1975 TAXES TO THE CITY  
COLLECTOR.

RESOLUTION REFUNDING TO CERTAIN TAXPAYERS SPECIFIED  
SUMS OF MONEY FOR THE OVERPAYMENT OF 1974 AND 1975 TAXES  
TO THE CITY COLLECTOR.

RESOLUTION REFUNDING TO CERTAIN TAXPAYERS SUMS OF  
MONEY REPRESENTING OVERPAYMENT OF TAXES TO THE  
CITY COLLECTOR FOR THE YEARS 1973, 1974 AND 1975.

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RESOLUTION REIMBURSING CAROL A. ROBRISH, AN EMPLOYEE IN THE OFFICE OF THE CITY COLLECTOR THE SUM OF TEN DOLLARS (\$10.00), FOR REIMBURSEMENT PAID TO THE INDUSTRIAL NATIONAL BANK FOR A COUNTERFEIT BILL IN THAT DENOMINATION.

Chairman Lynch briefly outlines foregoing Resolutions.

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

RESOLUTION REQUESTING AN APPROPRIATION TO PROVIDE UNIFORMS FOR CROSSING GUARDS AND WOMEN PARKING CHECKERS.

Chairman Lynch states this has been taken care of by the City Council and recommended for adoption.

On motion of Councilman Stravato, seconded by Councilman Crowley, it is voted to Postpone Indefinitely in Committee the foregoing Resolution.

RESOLUTION AMENDING RESOLUTION OF THE CITY COUNCIL NO. 300, APPROVED APRIL 26, 1975, RELATIVE TO PROVIDENCE SCHOOL BONDS.

RESOLUTION AMENDING RESOLUTION OF THE CITY COUNCIL NO. 301, APPROVED APRIL 26, 1975, RELATIVE TO PROVIDENCE DOCK IMPROVEMENT BONDS.

Chairman Lynch states the bond council changed the terminology and reads a communication from them. The change is eliminating the time element so that it becomes indefinite.

On motion of Councilman Stravato, seconded by Councilman Crowley, it is voted to transmit the foregoing Resolutions to the City Council with recommendation of Adoption.

TEMPORARY LOAN NOTES ISSUED IN ANTICIPATION OF BONDS.

Chairman Lynch states this matter has been pending before the Committee for some time and is in receipt of a communication from Palmer & Dodge, under date of September 25, 1975, which states:

"We have examined the papers which you sent us in connection with the W. T. Grant Company and the Howard Realty Company cases. As we discussed, there is not currently any pending issue of notes or bonds being offered for sale by the City of Providence. The City did renew Bond Anticipation notes on August 29, 1975. At that time the City Officials certified that there has been no litigation affecting the validity of the notes or the power of the city to levy and collect taxes to pay them.

As pointed out, the last issue of notes by the City were Bond Anticipation Notes. It is not contemplated that the principal of these notes will be paid from the current tax levy. Even with respect to the interest on these notes, which presumably would be paid from the current tax levy, it would not appear that the litigation affects the power of the city to tax. Under the circumstances, we are inclined to believe that the certificate which was signed for the subject notes is not erroneous.

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We do point out that for future issues of bonds or notes by the City, the litigation will have to be disclosed, if it has not been settled. There is currently much activity in the municipal finance area with respect to disclosure problems. The City will be hearing about this subject from its fiscal agent as soon as guidelines, which are being developed on a national level, are available."

Discussion ensues on the above communication.

Councilman Garan states they are investigating the fact that City Officials in New York were less than honest in publicizing any problems the City must have had with regard to paying revenue to pay off on indebtedness.

He suggests that Mr. Izzo bring out all these facts and in the future any litigation the City is involved in should be known by them.

Mr. Izzo states they are able to pay the notes back when they become due, it does not affect the validity of their bonds.

Chairman Lynch informs that Palmer & Dodge are very precise and he is sure that the mention made is to municipal funds area in general and not the City of Providence. If they were not completely satisfied with it, they would not certify them.

Ensuing a discussion, it is voted, on motion of Councilman Stravato, seconded by Messrs. Garan and Crowley, to approve the Temporary Loan Notes.

The following vote "Aye": Chairman Lynch and Councilmen Garan, Crowley, Stravato and Bradshaw.

The absent members are Councilwoman Brassil and Councilman McKiernan.

RESOLUTION REQUESTING THE FINANCE DIRECTOR TO INVESTIGATE THE ALLEGATION THAT ANTHONY DENICOLA, FORMER HIGHWAY SUPERINTENDENT, IS ENTITLED TO THIRTEEN WEEKS OF ACCRUED VACATION COMPENSATION.

Chairman Lynch reads the following report from Mr. Izzo under date of September 3, 1975:

"The City of Providence Code of Ordinances Section 17-92, Page 917, states as follows:

'The Finance Director shall establish rules and regulations governing annual vacations provided that vacation periods may not be so accumulated as to exceed six (6) calendar weeks. (Ch. 2, Par. 163.2 added by Ord. 1949, Ch 274, Par. 2; Ord. 1961 Ch 1938 Par. 1).'

This section clearly states that no employee can accrue more than six weeks vacation. Mr. DeNicola was paid his six weeks vacation when he retired. All employees have been informed of this regulation."

Mr. Izzo further informs that Mr. DeNicola called him when he was retiring and he knew then.

On motion of Councilman Stravato, seconded by Councilman Crowley, it is voted to Postpone Indefinitely in Committee, the foregoing Resolution.

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AN ORDINANCE AMENDING A COMPENSATION PLAN FOR THE CITY OF PROVIDENCE, CHAPTER 1974-54, APPROVED AUGUST 9, 1975.

Chairman Lynch recommends the above Ordinance be Postponed Indefinitely in Committee as it will be replaced by another Ordinance drawn up to be presented following this matter, which would be more specific.

On motion of Councilman Garan, seconded by Councilmen Stravato, Crowley and Bradshaw, it is voted to Postpone Indefinitely in Committee the foregoing Ordinance.

EMERGENCY  
AN/ORDINANCE AMENDING A COMPENSATION PLAN FOR THE CITY OF PROVIDENCE, CHAPTER 1974-20, APPROVED JUNE 19, 1974, relative to the FIRE DEPARTMENT.

AN EMERGENCY ORDINANCE AMENDING THE APPROPRIATION ORDINANCE CHAPTER 1974-19, APPROVED JUNE 19, 1974 BY APPROPRIATING THE SUM OF THREE HUNDRED TWENTY-TWO THOUSAND EIGHT HUNDRED SIXTY EIGHT DOLLARS (\$322,868.00) TO ITEM 0, FIRE DEPARTMENT (UNION CONTRACT).

Chairman Lynch states this has been granted by Arbitration retroactive to July 1, 1975.

On motion of Councilman Stravato, seconded by Councilman Garan, it is voted to refer the foregoing Emergency Ordinances to the City Council with recommendation of adoption.

AN ORDINANCE AMENDING THE APPROPRIATION ORDINANCE CHAPTER 1974-19, APPROVED JUNE 19, 1974 BY APPROPRIATING THE SUM OF FIFTY-FIVE THOUSAND FOUR HUNDRED TWENTY THREE DOLLARS (\$55,423.00) FOR THE CITY'S SHARE OF THE APPLICATION FOR A FEDERAL GRANT FOR THE MAYOR'S CRIME COMMISSION.

Chairman Lynch reads the Ordinance to the members present and questions as to where the money is coming from.

Mr. Izzo states that it is illegal.

Chairman Lynch is of the opinion they never contributed money before for the Crime Commission, they gave an in-kind contribution, mostly with portions of pays to people in the department.

Mr. Izzo states this is the first he has ever heard of this Ordinance.

Councilman Bradshaw states the application is for \$1,000,000 and 5% is to be paid by the City and 5% by the State, which makes the amount of \$55,423.00.

Councilman Stravato questions as to what the Crime Commission provides for the City of Providence.

Chairman Lynch explains to the members.

Discussion ensues as to whether or not to have Colonel McQueeney, Major Trambukis and Mr. Iacono present at the next meeting.

Councilman Bradshaw states Mr. Iacono has a brochure he has put up setting up the program proposal for the \$1,000,000 application.

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On motion of Councilman Stravato, seconded by Councilman Crowley, the foregoing Ordinance is Continued in Committee and the Clerk is requested to obtain copies of the brochure from Paul O. Iacono, Director of the Mayor's Crime Commission as speedily as possible and send them to the members of the Finance Committee for their study.

RELATIVE TO AN ORDINANCE AMENDING THE APPROPRIATION  
ORDINANCE CHAPTER 1974-19, APPROVED JUNE 19, 1974  
BY APPROPRIATING THE SUM OF TWO THOUSAND DOLLARS  
(\$2,000.00) FOR BOY SCOUTS OF AMERICA.

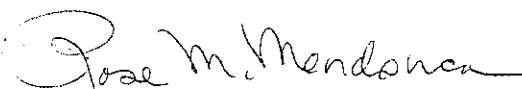
Chairman Lynch reviews the above Ordinance. He further informs the members there is a second Ordinance before the Committee with many other organizations placed on the list for an amount of money in the total of \$13,000.00.

The only outfit included in the Appropriation Ordinance is the Boy Scouts of America in the amount of \$3500.00.

He is of the opinion this is just the start, once these are approved, there will be more organizations looking for money and more next year.

On motion of Councilman Stravato, seconded by Councilman Garan, it is voted that no action be taken on the Ordinances until the revised budget is submitted and whatever is decided upon should be incorporated in the budget.

ADJOURNMENT. On motion of Councilman Bradshaw, seconded by Councilman Crowley, the Committee adjourns at 2:25 o'clock P.M.

  
Assistant Clerk