

DEPARTMENT OF CITY CLERK

CITY HALL

SEPTEMBER 24, 1974

The Committee on Finance meets this day in the Conference Room, City Hall, at 3:30 o'clock P.M.

Present: Chairman Lynch and Councilmen Darigan and Bradshaw.

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

RESOLUTION DECLARING THE CITY'S INTENT TO PAY CERTAIN DEBTS OF THE PROVIDENCE CIVIC CENTER AUTHORITY,

Chairman Lynch informs the members he has invited Francis Kelleher, Attorney for the Providence Civic Center and James Nagle, Business Manager of same to join the members at this meeting relative to the above Resolution.

Chairman Lynch explains that the amount of money received from the Bond Issue relative to the construction and equipping costs exceeded the money received from the Bond Issue by \$770,000; it is therefore the intent of this Resolution to provide the Civic Center with funds in that amount to do away with the discrepancy in the cost. There is a contribution to the Civic Center Authority of \$154,000 that would diminish each year by \$7,500 over a period of seven years. He states that at the same time they would be deriving from the operations a figure of excess of \$200,000 starting with the present fiscal year and probably increasing because of the 5% surcharge.

Councilman Darigan states the way the newspaper explained the enabling legislation was, that the surcharge could not be used for this purpose.

Chairman Lynch states the way the legislation went to the General Assembly was totally different from the way it came out. The way it went up, they could have been able to resolve the \$770,000 difference. In the Legislature, the lobby agents of the Musicians Union were opposed to any surcharges at all, because they felt it would cut down on money.

Attorney Kelleher presents a copy of the Act wherein it is shown that an amendment was made on the last night of the session to include Section 5 in the Act.

Considerable dicussion ensues wherein Chairman Lynch and Finance Director ^{Izzo} explain why the money is needed and what is done with the money received, such as towards the bond indebtedness.

Mr. Nagle presents a copy of the Balance Sheet of the Civic Center Authority as of June 30, 1974, and Chairman Lynch reads portions of it for explanation to the members.

Finance Director Izzo states \$650,000 is paid in principal every year, this years receipts is \$557,375, each year the interest drops down but the principal remains the same.

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He further states the interest for 1974-1975 was \$150,000 and for 1975-1976, \$146,500., the surcharge will take care of it every year.

Councilman Darigan States he would like more time to study this matter, therefore requests it be continued,

He is informed this is a general emergency as the notes are due now.

Councilman Darigan suggests copies of the Balance Sheet presented by Mr. Nagle be sent to the members of this Committee so they can peruse them for the next meeting as he is of the opinion the Resolution should be Continued for further study.

On motion of Mr. Darigan, seconded by Mr. Bradshaw, the Resolution is Continued until the next meeting to be held Thursday, September 26, 1974 at 4:00 o'clock P.M.; the Clerk is requested to have copies of the balance sheet to be hand-delivered to the members of the Committee.

REQUEST FOR LEAVE OF ABSENCE - ROCCO DI FLACO - DEPARTMENT OF PLANNING AND URBAN DEVELOPMENT.

The Clerk presents a communication from Vincent Pallozzi, Director of Department of Planning and Urban Development, recommending the above captioned Leave of Absence.

On motion of Councilman Darigan, seconded by Councilman Bradshaw, it is voted to approve the request of Rocco DiFalco, Department of Planning and Urban Development, for a Leave of Absence from September 9, 1974 to December 9, 1974.

ADJOURNMENT IS TAKEN AT 4:50 O'CLOCK P. M.

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Compared JA

Rose M. Mendonca
Assistant Clerk