

(The following is not a verbatim transcript of comments or discussion that occurred during the meeting, but rather a summarization intended for general informational purposes. All motions and votes are the official records).

SPECIAL MEETING – CITY COUNCIL

-MARCH 10, 2021-

A Special meeting of the City Council was called held on Wednesday, March 10, 2021 via ZOOM Webinar.

The meeting was called to order at 5:31 P.M. by the Council President.

Roll call showed the following members present: Councilwoman Marino, Councilman Ferri (appeared at 5:32 p.m.), Councilwoman Renzulli (appeared at 5:33 p.m.), Germain, Councilmen Donegan, Reilly, Council Vice-President Brady and Council President Paplauskas -8.

Absent: Councilwoman Vargas -1.

Also Present: Christopher Milea, City Solicitor; David Dimeo, City Council Budget Analyst; Robert Strom, Director of Finance.

Councilman Donegan stated that Councilwoman Vargas has a prior work commitment and will try to get on the call as soon as she is done.

-MARCH 10, 2021-



**CALL OF SPECIAL MEETING
OF THE CITY COUNCIL**

In accordance with Sections 3.07 and 3.14 of the Home Rule Charter, I hereby call a special meeting of the City Council to be held on **Wednesday March 10, 2021 at 5:30 p.m. *Via Zoom Webinar***

You are invited to a Zoom webinar.

When: Mar 10, 2021 05:30 PM Eastern Time (US and Canada)

Topic: Special Council Meeting - City of Cranston

Please click the link below to join the webinar:

<https://us02web.zoom.us/j/83911799359?pwd=Kyt2WjR3cTZPZTh2cnRLNUI1NXVUUU09>

Passcode: 847423

Or iPhone one-tap :

US: +16465588656,,83911799359#,,, *847423# or
+13017158592,,83911799359#,,, *847423#

Or Telephone:

Dial(for higher quality, dial a number based on your current location):

US: +1 646 558 8656 or +1 301 715 8592 or +1 312 626 6799 or +1 669 900
9128 or +1 253 215 8782 or +1 346 248 7799 or 833 548 0282 (Toll Free) or 877 853
5247 (Toll Free) or 888 788 0099 (Toll Free) or 833 548 0276 (Toll Free)

Webinar ID: 839 1179 9359

Passcode: 847423

International numbers available: <https://us02web.zoom.us/j/83911799359?pwd=Kyt2WjR3cTZPZTh2cnRLNUI1NXVUUU09>

at which meeting the following matters will be considered:

- Discussion with School Department, School Committee and City Council regarding the funding formula and school appropriations. (No vote to be taken)

I hereby request the City Clerk to notify all Council members of the Call of the special meeting.

Executed at Cranston, Rhode Island, this 3rd day of March, 2021.

/s/ Christopher G. Paplauskas, Council President

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CERTIFICATION

I hereby certify that a true copy of the attached Notice of a Special meeting of the City Council to be held on Wednesday, March 10, 2021 at 5:30 p.m. via Zoom Webinar, was delivered via electronic mail on the 3rd day of March, 2021 to the addresses listed below.

Council President Christopher G. Paplauskas
chrissaplauskas@gmail.com

Council Vice-President Edward J. Brady
Brady4cranston@gmail.com

Councilwoman Jessica M. Marino
marinoforcranston@gmail.com

Councilman Robert J. Ferri
robferri2426@gmail.com

Councilwoman Nicole Renzulli
nicoleforcranston@gmail.com

Councilwoman Lammis J. Vargas
Lammis.vargas@gmail.com

Councilwoman Aniece Germain
aniecegermain2@gmail.com

Councilman John P. Donegan
JohnDoneganForCranston@gmail.com

Councilman Matthew R. Reilly
mreillyesq@gmail.com

/s/ Rosalba Zanni, Assistant City Clerk

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Appearing to represent the School Department were: Superintendent Jeanine Nota-Masse; Joseph Balducci, Chief Financial Officer; School Committee Members Daniel Wall, Domenic Fusco, Vincent Turchetta and Sara Tindall-Woodman.

Superintendent Nota-Masse stated that she appreciates the opportunity to share some information with the Council this evening. She stated that the State Aid and Funding Formula is a very complicated process. The School Funding Formula is approximately a decade old so approximately 10-11 years ago, there was a group of people from the State who looked at how schools were funded previously and they came up with a fair funding formula and at the time, there was a lot of fanfare around it that some districts would be winners and some districts would be losers. We were on the winning end of that and over \$22 million was allocated to us over a ten-year span. That formula has kind of expired and now we are at the point we are today with kind of a surprise. The idea of getting only \$36,000 extra as an increase from the Fiscal Year beginning in July is kind of stunning to us so we did a lot of homework to try to figure out why that is. She asked Mr. Balducci to speak on how the funding formula is figured.

Joseph Balducci, Chief Financial Officer, appeared to speak and stated that he had asked the City Clerk to forward to the City Council communication that had an RFP attached to it that had several pages of supporting documents. The fair funding formula is made up of three components:

1. Average daily membership or student enrollment and for each of those students you receive what is called a core value.
2. Student success factor and that is defined by the number of students that either receive free or reduced lunch in the district.
3. State Share Ratio, which is the contribution year over year of how much the State is obligated to give you of that total aid.

So, you put all those pieces of information together and the end result is total aid and then they compare that total aid to the previous year's total aid and thus, the increase or possible decrease for whatever the reason is.

Council Vice-President Brady asked, in the middle of a pandemic, how does free or reduce lunches when attendance goes down effect the formula or does it statewide? Mr. Balducci stated that it will effect the formula, but what RIDE decided to do is a snapshot of your student enrollment is usually the October 1 date so, normally, this past October, they would take that student data and roll that into the formula, but clearly RIDE knew that Statewide that was going to be an issue because of the pandemic so what they decided to do was use as their starting point March of 2020 data so they went back because they felt that it would put districts in a better position as far as student enrollment, free reduced and so forth, so that became their starting point. The assessed valuation referenced year that was used to determine next year's contribution dates back to December 31, 2017 so that is the referenced year that the State is using to determine next year's aid. The State told him that that particular assessed date since Cranston went through a statistical revaluation and based on that their assessed values went up approximately 8.8%. They then compared that to the rest of the State and they told him again today that the rest of the State, on average, the assessed valuations went up 4%. So, then they look at how Cranston compares to the rest of the State. They also look at the sales of homes in the particular municipality and how it compares to the rest of the State. They look at the medium house income in Cranston and how it compares to the rest of the State. Those are the types of data they look at to determine if that share ratio goes up or down year over year.

Council Vice-President Brady stated that it would be nice if we could get a more in-depth answer from the State on other areas that we could improve on with affordable housing throughout the City.

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Director Strom stated that, as Mr. Balducci stated, we had a revaluation in 2017 and we are in having another one now, three years later. They are comparing us to communities, not all of them had a revaluation that year. It should be more proportional if everyone had a revaluation the same year because if you did not have a revaluation naturally Cranston would be much higher based on the revaluation.

Mr. Balducci stated that the reference is 2017 and a number of municipalities did not have a revaluation and Cranston had that particular year and he thinks we are being penalized.

Superintendent Nota-Masse stated that our levels of free and reduced price lunch, which is our indicate of poverty, has really remained consistent, it has not gone up or down very much over the last few years as well as the population in our schools.

Director Strom stated that as to the State Share Ratio formula handout, what concerns him is it shows Barrington with a percent change from Fiscal Year 2021 as an increase of 5.1%, East Greenwich with a 3.2%, Gloucester/Foster 3.8% and Smithfield 3.2%. So, there are communities that are having an increase, but they are showing Cranston as a reduction of negative of 1.6%. He questions how when we do this calculation and formula how these other communities, who he is sure have a higher household income, that they get into higher percent and it seems like they are going to be getting additional monies on our back.

Council Vice-President Brady stated that he met with School Committee Chairman Wall and School Committee Members Traficante and Turchetta and the State indicated that attendance might have an effect on this formula. He asked Mr. Balducci if he knows anything about that or how that would potentially affect this formula. Mr. Balducci stated that in a normal year, it would have an impact, however, RIDE felt it would be more beneficial to all the districts to use a reference point a year-old pre-pandemic to use a reference point for the calculation. If they were using normal October 1 date, it would be a much different conversation. Instead, of gaining only \$36,000, we would be losing probably \$1 million. That situation would have occurred Statewide. He thinks that that is the reason why RIDE made that decision.

Superintendent Nota-Masse stated that over the past several years, there has been an increase in housing building in the Western side of the City, so she wonders if all those new homes and new tax revenues being brought in, could that have also tipped the scales against Cranston. Director Strom stated that there are things that offset those revenues, such as safety, more kids in the schools and the value of the properties would be up, but he does not know how the State determines the medium household. They would have to provide that calculation to us.

Councilwoman Germain stated that the funding formula is inequitable. We do have a distressed community and we are not rich. We need to change the funding formula at the State level and at the local level. We need money for quality teachers and quality education.

School Committee Member Fusco stated that he reached out to our State Delegation and was told the original fair funding formula had not been re-addressed in ten years, but because of the pandemic, it got pushed out. We need to keep in touch with our State leaders to make sure that that gets done this year and we look for a more equitable way.

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Mr. Dimaio asked Mr. Balducci if he feels the State will revisit what they feel the economics of wealth for each City will be going forward and the shortfall that has been created in each City and Town. Mr. Balducci stated that in the latest stimulus package, there is money coming to K-12 education, but he does not know if it is targeted money. They may take that into consideration, but he does not know. Mr. Dimaio stated that based on the current situation that is going forward with the schools in this current year's budget, he asked Mr. Balducci if he thinks that the school may have a surplus due to the extra funding coming in the current year going forward. Mr. Balducci stated that he is seeing areas in his budget that he is running a surplus, but he is seeing other areas of the budget that, due to the pandemic, that he is running in a deficit position. Mr. Dimaio asked if there is any additional funding from the previous stimulus package that the schools have not yet, but anticipates receiving. Mr. Balducci stated that they received \$2.7 million and pretty much spent \$2.7 million and we are waiting for a few more bills to come in from a vendor, but the funds have been committed so there is no available stimulus money left. Mr. Dimaio asked Mr. Balducci if there is any additional coming that he is aware of. Mr. Balducci stated that there is supposed to be aid coming for K-12, but he does not know how much is coming to Rhode Island and how much is coming to Cranston from that package.

Superintendent Nota-Masse stated that when you talk about stimulus money, they treat that like a Grant. That is usually has strings attached to it like the CARES money that they had. It had to be spent on specific things tied into the pandemic. That is not something we would assume in our regular budget process because next year we won't have that, so we can't count on that money being there because it won't be there next year and if we did, we would create our own structural deficit.

Councilwoman Marino stated that we are going to beg as much as we can for the State to give us more, but being realistic, we are not going to see the money that we want to see, so we, as a City, are going to have our work cut out for us in funding the schools as best as we can with the budget ahead.

Councilman Ferri asked if the entire 2020 budget has been spent. Mr. Balducci stated that there is no money left over.

The meeting adjourned at 6:30 P.M.

/s/ Leanne Zarrella, JD
City Clerk

/s/ Rosalba Zanni
Assistant City Clerk/Clerk of Committee