

*(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).*

## **FINANCE COMMITTEE**

Regular meeting of the Finance Committee was held on Monday, July 18, 2022 in the Cranston High School East Auditorium, 899 Park Avenue, Cranston, Rhode Island.

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

The meeting was called to order at 6:08 P.M. by the Chair.

Present                    Councilwoman Jessica M. Marino  
                                 Councilman John Pl. Donegan  
                                 Councilman Matthew R. Reilly  
                                 Councilman Richard D. Campopiano  
                                 Councilwoman Nicole Renzulli, Vice-Chair  
                                 Council Vice-President Robert J. Ferri, Chair  
                                 Council President Christopher G. Paplauskas

Also Present:            Councilwoman Aniece Germain  
                                 Councilwoman Lammis J. Vargas  
                                 Anthony Moretti, Chief of Staff  
                                 Michael Igoe, City Controller  
                                 David Dimaio, City Council Budget Analyst  
                                 Stephen Angell, City Council Legal Counsel  
                                 Michael Igoe, Acting Finance Director  
                                 Rosalba Zanni, Acting City Clerk  
                                 Heather Finger, Stenographer

### **MINUTES OF THE LAST MEETING:**

On motion by Councilman Donegan, seconded by Council President Paplauskas, it was voted to dispense with the minutes of the last meeting and they stand approved as recorded. Motion passed unanimously.

#### **I. COMMITTEE BUSINESS MATTERS CARRIED OVER**

None.

#### **II. CORRESPONDENCE/COMMUNICATIONS**

None.

### **III. PUBLIC HEARINGS\* and/or NEW MATTERS BEFORE THE COMMITTEE**

#### **A. PUBLIC HEARINGS**

**Chair** called upon School Superintendent Nota-Masse or School Chief Financial Officer, Joseph Balducci, to explain the two School contracts.

**Mr. Balducci** addressed the Teachers' contract first and stated that for the 2022-2023 Fiscal Year, they negotiated approximately \$2.1 million salary raise. His footnotes show how they spread that money out: steps one to eleven, a .5% contractual raise and those on the top step, a 3% raise. The next line item, restructuring of step differentials, Cranston Public Schools like most Districts, has 10, 11, 12 steps that their employees go through so each of those step movements equates to a raise in salary, so what they did was, there were approximately 6 1/2 % differential between steps, so they restructured those step movements to get them to around 6.1%. In doing that, it allowed them to give those on the top step a bigger raise. One of the other things is ratification bonus. Like all the other groups that came before us and ultimately approved by the City Council, they gave each member of this group a \$2,000 ratification bonus. That is being funded through Esser 3 Grant dollars similar to how all the other ratification bonuses are funded. This contract has longevity built into it and has had longevity built into it for the last twenty or so years that he has been associated with Cranston Public Schools. The way longevity works for Cranston teachers is beginning in year twenty, they receive a longevity payment and then from twenty to twenty five, that annual dollar amount does not change. Once they get to twenty five years of service, it increases and then basically it does not change until you get to year thirty and then it increases one more time. Across the board, steps one to twelve will receive a 1% increase and you will see the words "wage reopener". That does not tie neither the District or Union's hands. It is basically just to, hopefully if things are better, but if they are not, then basically we stick under the existing contract. In year three, basically it is a 1.5% increase across the board.

**Councilwoman Renzulli** asked how much is left in the Esser 3 Fund after using it due to the ratification bonus. Mr. Balducci stated that he does not have that figure at this time. He will provide that information at a later date. He stated that the District is \$20.8 million of which the ratification bonus has been incorporated into the budget. They are beginning to spend Esser 3 Grant dollars, but how much is left, he won't be able to say. Councilwoman Renzulli stated that she thinks that is a great way to spend that money and the teachers certainly deserve it. She asked for clarification on the contract reopener and asked if that opening can only increase the percentage. Mr. Balducci stated, yes.

**Councilwoman Germain** stated that based on a press release the Mayor put out, he recommended that this Council return this Ordinance to the School Committee to look at it again. She asked Mr. Balducci what this means to him as a Chief Financial Officer to have this Ordinance go back to be looked at again. Mr. Balducci stated that the District negotiated with the Teachers' Union and the Paraprofessionals and Bus Aides and the Technical Assistance and Behavioral Techs in good faith over several months. During the process, they started off as being miles apart and ultimately, got to where we are today. From his position, he thinks this is a fiscally responsible contract and they structured it in a way that was fair to the District, fair to the

students, fair to the employees, but at the end of the day, ultimately, it is our responsibility to make sure we live within the constraints of these negotiations.

**Councilwoman Marino** stated that she would like to reiterate the point that comes up quite a bit from constituents and she thinks it is very pertinent to her from Mr. Balducci directly is within the School Department, their budget is separate and apart from the City's budget in terms of the money that is appropriated from the City. She asked if that is correct. Mr. Balducci stated that that is correct. Councilwoman Marino stated that these numbers that Mr. Balducci has provided with the three year contract is something that he stands by as the School Department being able to afford financially. She asked if that is correct. Mr. Balducci stated that that is correct. Councilwoman Marino stated that that would also mean if the School Department was level-funded for those three years, Mr. Balducci feels that the School Department can still afford these increases. She asked if that is correct. Mr. Balducci stated that that is correct.

**Councilman Reilly** asked Mr. Balducci if the reopener clause is only subject to whether or not the budget is level funded by the City next year or would that possibly include any operational deficiencies that he would find where he can lower costs in the Administration to give more to the teachers or is it strictly based on what the city gives. Mr. Balducci stated that it is probably both. If they find deficiencies within their budget that they are able to shift to a potential wage increase, that is a possibility.

**Mr. Balducci** addressed the Teachers Assistants' contract and stated that the fiscal impact covers a three year period. In year one of the contract, there is a \$1.25 across the board increase. They also are scheduled to receive a ratification bonus. This group has never had longevity so it was not introduced within this contract over the next three years. In year two, there is a .75 cents raise and then in year three, a .75 cents raise with a potential wage reopener in year three as well.

**Chair** opened Public Hearings on the contracts.

**Superintendent Jeanine Nota-Masse** appeared to speak and stated that she is speaking not only as Superintendent of Cranston Public Schools, but as a taxpayer and most importantly, a parent and a customer of Cranston Public Schools. She stated that the two agreements before the City Council this evening for consideration have been cast in the same mold. They both contain modest wage increases for these groups and they have updated a great deal of contractual language that provides the District with greater flexibility. The discussions that led to the sealing of these two agreements between the CTA and the School Committee were forthright honest and transparent at every turn. The fact that they have now become a source of controversy is to her a controversy in and of itself. Cranston historically has a reputation for excellence in our Schools, however, we cannot rest on that and we must remain competitive. We must invest, compete and keep our excellent staff members. We need these contracts to be fully supported. We negotiated these contracts knowing well the City's fiscal austerity plan for the 2023-2024 School year and they are still able to stand by their agreements with these bargaining Units. She is before this Council to implore that they consider these two very fair and responsible collective bargaining agreements for full ratification.

**Councilwoman Renzulli** asked Superintendent Nota-Masse if going forward in years two and three, she can confirm that these raises are budgeted for and not dependent on any increases in dollars from the City and not dependent on cutting any programs such as middle school sports or anything else for our students. Superintendent Nota-Masse stated, yes.

**Councilwoman Vargas** thanked Superintendent Nota-Masse and all the educators who have come together this evening. She is not a member of the Finance Committee, but if this passes this evening, she would wholeheartedly support the School Committee's collective bargaining agreement with the Cranston Teachers Alliance.

**Councilwoman Germain** stated that she is not a member of the Finance Committee, but she supports these two Ordinances 100%.

**Councilwoman Marino** stated that she has a great deal of gratitude to the Superintendent, to her tight ship of Directors, to the Teachers, to the Paraprofessionals and the whole team. If there is a department that does more with less, it is this department. This contract she feels is modest. This contract, as negotiated, she feels was done diligently. This contract, she feels is something that should be applauded and admired particularly for the fact that the School Budget has run a surplus, that has not run in a deficit. She indicated that the School Department's Finance Director has done an A plus job. She does not understand why there needs to be controversy with this contract and she will fully support this contract.

**Councilman Reilly** stated that he has reviewed this contract and agrees and does not know where or why the controversy. This is a modest contract and fair to the teachers. He is in full support of anything that goes to the teachers, kids and classrooms. He will be supporting this contract. He does have concerns about reopeners in future years, but that is something that, as a School Committee and Council, can all work out at that time. As to the kids in the classrooms, he had stated in the past that there needs to be more. He has heard year after year that there is a surplus every year and where does that surplus go? It does not go to the classrooms, it does not go to the Kleenex boxes or the cleaning of the classrooms. It comes out of the parents' pockets. He thinks that that is a travesty when there is supposed surpluses and the City is not their enemy. We are here together, it is the teachers and the City together. We are not the ones that are taking anything away. We need to look everywhere to see where this money is going and why it is not going to the kids in the classrooms. As far as this contract is concerned, he thinks it is perfectly find he thinks they deserve that ratification bonus more than anybody and he is honored to support this tonight. He also stated shame on anybody who is trying to politicize this. This is for our kids.

**Councilman Campopiano** echoed his colleagues' sentiments and stated that he agrees wholeheartedly.

**Council President Papluskas** stated that he agrees with a lot of the sentiments of his colleagues. He has served on the City Council for the last eight years and has always supported the teachers contracts that have come in front of him and he plans on doing the same this evening.

**Councilman Donegan** asked Superintendent Nota-Masse how the past several years have impacted teachers retention and what she thinks that this contract will do to improve retention year over year. Superintendent Nota-Masse stated that the past two years she has seen more teachers leave, more younger teachers leave for competitive Districts. We try to compete with our neighboring Districts. It is extremely difficult. Before we negotiated this contract, we were approximately 20<sup>th</sup> out of 34 school districts with our salary. That does not make us competitive. After this contract is hopefully ratified, it brings us up not very much to maybe the top half of the Districts, but to keep our staff, it has become increasingly difficult. Councilman Donegan stated that it is imperative that we support and put our money where our mouth is that when we say we support our educators, we support them in the purse. Our teachers deserve every cent that this contract gives them and more and he implored everyone to support this this evening.

**Chair** stated that he spoke to a lot of teachers about this and they all know how he feels about this contract and he supports it.

**Dan Wall**, 27 Sagamore Rd., Chair of School Committee, appeared to speak and stated that he was a member of the Negotiating Committee that negotiated the teachers contract and the Paraprofessionals contract. He could not be more pleased to hear how supportive people are of this contract. These contracts are absolutely fair, they are fair to the teachers, they are fair to the teachers assistants, fair to the people that took care of our kids through the horrors of the COVID virus and all the other things that went with it. They are fair to the City of Cranston and the taxpayers. These contracts were negotiated in good faith and they are within the constraints of the budget the Administration and the Council gave them. They are not coming before the Council for more, it is within their Operating Budget. As to the impact of these contracts on the structural deficit, they will not be in anyway shape or form any increases in the current structural deficit.

**Elizabeth Larkin**, Teacher in Cranston and President of the Teachers Union, appeared to speak and stated that she is very thankful that the people on this Committee are willing to support these contracts. That is not the way it has been in the last few weeks. You don't send out press releases unless you really want to start a war. You don't go on the news to scare people. The CTA Committee worked on three groups and two contracts since October, 2021. Cranston Public Schools leadership worked on their proposals for months and months and they worked for months and months together. Towards end of their negotiations, they were made aware of the city side budget deficits. They worked extremely hard to stay within the guidelines of their budget and they did sacrifice even in this contract especially after the intensity of the working conditions over the past three years. July 7<sup>th</sup>, she was sent a press release from Mayor Hopkins. Mayor Hopkins, the education Mayor, his Administration and his political supporters denigrated everyone in the public eye, defamed their good characters and that character, Cranston Public Schools in the public eye. Now there is a lot of backtracking. Where is the press release retraction? He encouraged this Committee to send the contract back to the School Committee. He was interviewed on the news. Now he says he approves. The Mayor does not approve their contracts. The School Committee and the City Council get to approve their contracts. He stated that he only had one concern about the reopener in year two. Did she receive a call, no, instead they decided to have political antics to the public statements and beyond on social media. She takes this assault very seriously. She takes her role as President very seriously and to some it may be political posturing, but to them it is their lives, their

profession, their employment and their students' education and that should not be played in the public and they did not do that.

**Director Moretti** stated that over the past week or so, the Mayor has had some very insightful and constructive discussions with the Superintendent and Chair of School Committee and they narrowed his concerns about the contract to what was indefinite that being the reopeners of years two and three. Just to have concerns that the Schools will be able to honor them. As a result of those discussions, some good input was gained, but up until this evening, the Mayor, as everyone knows, has almost unprecedented in recent history, given the Schools an increase of \$1.5 million in funding last year and \$1 million in funding this year, which had not been in place for quite a while. Listening to Mr. Balducci and Mr. Wall and Superintendent Nota-Masse and given her and their assurances that the Schools can afford within their current budget with those contracts as they stand and with reopeners could stand within their own control all financial management going forward for the next two to three years, the Mayor can support and recommends support of these ratifications of these two agreements.

**Michael Traficante**, School Committee Member, appeared to speak as a former Councilman, former Mayor, as a member of the Cranston School Committee, also as a former teacher and a founding member of the CTA. He emphasized that press releases, twitter and facebook postings without prior and proper due diligence does not resolve issues of importance to the people of Cranston. Communication and communication alone between the City Council, the School Committee and the Mayor resolves problems and issues such as the one before us tonight. Apparently, once the Mayor communicated with the School Administration and the Chairman of the School Committee, his concerns were clarified and they are extremely happy that the Mayor now supports the Teachers and the Paraprofessionals contracts, but they are fair contracts, they are equitable contracts and most importantly, they are affordable contracts over the next three years within the School Budget. He also emphasizes that the contracts before the Committee this evening were negotiated fairly and affordably for the duration of those contracts. This meeting should never have happened, it happened because of lack of communication. Let us not let it happen in the future.

**Dave Sears**, School Committee Member, appeared to speak and stated that the Mayor has announced that he is now in favor of this contract. You cannot pull the wool over a teacher's eye and that is why this room is packed tonight after we have seen the Mayor go from does not support it, to could support it, to possibly supporting it, but not certain things to certain wage reopeners. The Chairman of the Mayor's Party has called them rubber stamps for the Unions, has called them mismanagement and misappropriation.

**Joanne Spaziano**, 20 Boxwood Ave., Cranston teacher for twenty-eight years, appeared to speak and stated that the teachers fight with kids to please put their cells phones down when people are talking. She has sat this evening and watched people on their computers tapping away and watched people on their cells phones. Council President Paplauskas stated that if you see someone on a phone, that is how the Council looks up the contracts and documents.

**Chair** stated that there is no reason for anyone in this room to get hostile. There is no reason for anyone to be yelling at anyone or telling the Council how to act. That is not called for. The Council is doing their best to do a good job. He has let people talk over, he has let

people talk about things that are not on the agenda, so please, the Council does not want to be lectured. He gave the speaker one minute to speak regarding the contract.

**Ms. Spaziano** stated that she moved to Cranston thirty-six years ago because of the Cranston Public Schools and all three of her children have gone through the Cranston Public School system and all three of her children have become productive members of society and she has the Cranston Public Schools to thank for that. She is a proud member of this Union and a dedicated teacher, which means she gets longevity because she has been doing this for so many years, which is part of what the contract covers. She thanked the Council for supporting the contract.

**Janice Ruggieri**, 45 Overhill Rd., appeared to speak and stated that her comment has to do with social media and if she were Mr. Reilly's opponent, she would be on social media pulling all of the comments that he made to show what he said prior to this meeting. She reminded everyone in this room that we are here tonight because of Mayor Hopkins, the endorsed candidate that the Teachers Union endorsed. He is not up for re-election now and maybe he won't be in two years, but she hopes that everyone remembers what he did. Why we are all here tonight. The decisions that his Administration has made has put this City in the financial crisis that it is in now. The School Department abided by the budget that was presented to them and Mr. Reilly's immediate response to the financial crisis was to ask for the million dollars back. She thanked everyone present who now are saying that they support these contracts.

## **B. NEW MATTERS BEFORE THE COMMITTEE**

**6-22-01**      *Ordinance ratifying School Committee's Collective Bargaining Agreement with the Cranston Teachers' Alliance, Local 1704, AFT Paraprofessionals Unit (September 1, 2022-August 31, 2025). Introduced pursuant to Charter Section 11.02.1.*

On motion by Councilwoman Renzulli, seconded by Councilman Donegan, it was voted to recommend approval of the above Ordinance. Motion passed unanimously.

**6-22-02**      *Ordinance ratifying School Committee's Collective Bargaining Agreement with the Cranston Teachers' Alliance Local 1704, ATF. Introduced pursuant to Charter Section 11.02.1.*

On motion by Councilman Donegan, seconded by Councilwoman Renzulli, it was voted to recommend approval of the above Ordinance. Motion passed unanimously.

On motion by Councilwoman Renzulli, seconded by Councilman Donegan, it was voted to take the agenda out of order in order to go into Executive Session. Motion passed on a vote of 6-0. The following being recorded as voting "aye": Councilwoman Marino, Councilmen Donegan, Campopiano, Councilwoman Renzulli, Council Vice-President Ferri and Council President Paplauskas -6. Councilman Reilly was not present for roll call vote.

## **Executive Session Pursuant to R.I.G.L. 42-46-5(a)(2) Collective Bargaining or Litigation**

- ***Update on Collective Bargaining and discussion of options to generate revenue (furloughs and retirements)***

On motion by Council President Paplauskas, seconded by Councilwoman Marino, it was voted to go into Executive Session. Motion passed on a vote of 6-0. The following being recorded as voting “aye”: Councilwoman Marino, Councilmen Donegan, Campopiano, Councilwoman Renzulli, Council Vice-President Ferri and Council President Paplauskas -6. Councilman Reilly was not present for roll call vote.

The meeting went into Executive Session at 7:42 p.m.

Present in Executive Session: Councilwoman Marino, Councilmen Donegan, Reilly, Campopiano, Councilwoman Renzulli, Council Vice-President Ferri, Council President Paplauskas, Councilwomen Germain, Vargas, Anthony Moretti, Chief of Staff, Daniel Parrillo, Director of Personnel, Christopher Millea, City Solicitor, David Dimaio, City Council Budget Analyst

On motion by Councilman Campopiano, seconded by Councilman Donegan, it was voted to come out of Executive Session. Motion passed unanimously.

The meeting came out of Executive Session at 7:56 p.m.

**Chair** announced that no votes were taken in Executive Session.

On motion by Councilman Donegan, seconded by Councilwoman Renzulli, it was voted to seal the minutes of Executive Session. Motion passed unanimously.

***Resolution urging the Council and Administration to use ARPA Fund to repair, renovate and fix Budlong Pool. Sponsored by Councilwoman Germain.***

On motion by Councilman Donegan, seconded by Councilwoman Renzulli, it was voted to recommend approval of this Resolution.

Under Discussion:

**Councilman Donegan** thanked Councilwoman Germain for bringing this forward this evening.

**Councilwoman Renzulli** thanked Councilwoman Germain for bring this forward and asked to be added as co-sponsor.

**Council President Paplauskas** asked to be added as co-sponsor.

**Councilman Reilly** asked to be added as co-sponsor. He stated that he thinks this is necessary use of ARPA funds.

**Councilman Campopiano** asked to be added as co-sponsor.



**Councilwoman Marino** thanked Councilwoman Germain for bringing forth this Resolution. She also stated that we need to know exactly what is going to cost to get his pool operational.

**Mr. Dimaio** asked that everyone remember that we have to appropriate the funds by December 31, 2024 and expend the funds by December 31, 2026.

**Councilwoman Renzulli** asked if this would have to go through the Capital Budget because these are ARPA funds. Solicitor stated that he will have to check into the legal guidelines based on how the ARPA money came in from the federal government.

**Councilwoman Marino** stated that it would depend on the extent of the repairs and that is why the study that was done does not really answer the question as to what is the true extent of the repairs necessary to the pool and whether or not we have to go through that formal process.

**Councilwoman Germain** stated that the Resolution is to start somewhere. The details came come after.

**Councilman Campopiano** thanked Councilwoman Germain for bringing this forward, but stated that we need to have a number and do our due diligence.

Roll call was taken on motion to recommend approval of this Resolution and motion passed unanimously.

- ***Real Estate Tax Abatements***

On motion by Councilman Reilly, seconded by Councilman Campopiano, it was voted to recommend approval of this Resolution. Motion passed unanimously.

- ***Motor Vehicle Tax Abatements***

On motion by Councilman Donegan, seconded by Councilman Campopiano, it was voted to recommend approval of this Resolution. Motion passed unanimously.

- ***Tax Assessment Board of Review assessed December 31, 2020. (Informational Only)***

No action needed.

- ***Tax Interest Waiver Approvals***

On motion by Councilman Reilly, seconded by Councilman Campopiano, it was voted to recommend approval of this list of Tax Interest Waiver Approvals as recommended by the City Treasurer. Motion passed unanimously.

- ***Park Place Theatre – status of the production of the new owners’ contract with the City and production of the policy of insurance. (Councilwoman Marino)***

**Chair** stated that this item will be continued.

- *Opioid Litigation Settlement. (Councilman Donegan)*

**Chair** stated that this item will be continued.

- *Legal Fees Report Format (Council Vice-President Ferri)*

**Chair** stated that this item will be continued.

**Executive Session Pursuant to R.I.G.L. 42-46-5(a)(2) Collective Bargaining or Litigation**

- *Update on Collective Bargaining and discussion of options to generate revenue (furloughs and retirements)*

*Vote to be taken to go into Executive Session*

*Vote to be taken to Come out of Executive Session*

*Votes taken in Executive Session reported out in Public Session.*

*Vote to be taken to seal minutes of Executive Session.*

Acted on earlier in the meeting.

- **Adjournment**

The meeting adjourned at 8:20 p.m.

/s/ Rosalba Zanni  
Acting City Clerk