

(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 FINANCE COMMITTEE – APRIL 18, 2023
(BUDGET HEARINGS)

A special meeting of the Finance Committee was held on Tuesday, April 18, 2023 in the Council Chambers, City Hall, 869 Park Ave., Cranston, Rhode Island.

CALL MEETING TO ORDER:

The meeting was called to order at 6:00 P.M. by the Chair.

Present Councilman Robert J. Ferri
 Councilwoman Aniece Germain
 Councilman Richard D. Campopiano
 Council Vice-President Lammis J. Vargas (appeared at 6:10 p.m.)
 Councilman John P. Donegan, Chair
 Council President Jessica M. Marino

Absent: Councilman Christopher G. Paplauskas

Also Present: Councilwoman Nicole Renzulli
 Anthony Moretti, Chief of Staff
 Tom Zidelis, Finance Director
 David Igliazzi, Assistant City Solicitor
 David DiMaio, City Council Budget Analyst
 Rosalba Zanni, Assistant City Clerk/Clerk of Committees

SCHOOL DEPARTMENT, SCHOOL HEALTH INSURANCE

Superintendent Jeanine Nota-Mase appeared to speak and stated that she comes before the Council this evening not only as Superintendent of Cranston Public Schools, but also as a taxpayer and a parent and a lifelong Educator she realizes that they have a considerable Budget, much of which is manifested by many Federal and State mandates, regulations, guidelines and rules. It is intricate and confusing, which may lead some to misunderstand or misrepresent it. She challenged everyone to look at their 11,000-plus line items and dare say it lacks transparency. She thanked her Administrative team for all their hard work as well as the School Committee, who vetted this Budget over the course of hours-long meetings in February. She recognized the efforts of highly respected CFO, Joseph Balducci, who has tirelessly worked to ensure that their Budget not only services the need of our students and staff, but is also fair and equitable to the taxpayers of the City of Cranston. The size of the School Department's budget is proportional to the sheer impact it has on our collective, social and economic lives. The functions of our public schools are not only relegated to teaching and learning, which are the heart and soul of our institution, our schools also serve as centers for the community and the Arts and

Athletics. They are safe places for children who may be abused, neglected or hungry. They provide critical public health services in the way of screenings, inoculations and preventative care. During the pandemic, they worked seamlessly with the Cranston Fire Department to provide vaccines to the entire community. When they were forced to close and stopped providing in-person services, they all realized how critical our impact is on the every day lives of our citizens. She is proud to state that the Cranston Public Schools serves as an example to the rest of the Districts in the State. As we grapple with the lingering effects of COVID, they have not lost sight of their long-term vision of upgrading the School facilities for the 21st century. On November 3, 2020, voters of the City approved a \$147 million Bond proposal for School Facility Upgrades. Of the 38,759 votes cast, the Bond passed with an overwhelming majority of 30,814 votes. New 21st century places of learning are economic drivers for this City. Property values increase as does the desire to attend the new schools in these neighborhoods. These crucial funds have been thoughtfully leveraged along with substantial once in a lifetime reimbursement from the RI School Building Authority to fund project upgrades, such as a multi-phase renovation of Eden Park Elementary School, the demo and complete reconstruction of a new Garden City Elementary School, which is near completion and scheduled to open in the Fall and the proposed demo and complete reconstruction of Gladstone St. Elementary School. There are various other small-scale projects nearing completion around the District, which include security upgrades at Cranston High School West, much needed HVAC upgrades at Western Hills Middle School and new roofs, boilers and other behind the scenes improvements. She asked that the Council listen to the speakers this evening and consider increasing funding to the Schools so they may continue to provide a laudable education to all of the students who at the end of their careers with us have many options for their lives when they leave their charge.

Michael Traficante, Chair of School Committee, appeared to speak and asked to read a statement into the record followed by discussing a document with the Council, which the clerk will be passing out identifying reasons why the School Department is requesting an additional \$2.4 million of the School Budget. He stated that the evening Mayor Hopkins presented his FY2024 Municipal Budget, he was out of Town, however, a colleague of his on the School Committee contacted him by phone and informed him that the proposed Municipal Budget did not include any additional dollars for the Cranston School Department Operating Budget. That announcement did not come as a surprise because the Mayor's Administration informed him several months earlier that the School Budget and School Department Operational Budget would not experience any additional dollars. As an advocate for education over the past 39 years, as a Cranston Elected Official, he was truly disappointed. The City Council and Mayor Hopkins have been very supportive to Education during FY22 for a \$1.5 million appropriation and FY23 with a \$1 million appropriation. He was truly hoping that in spite of his knowledge that the City's financial support would emulate the past two Budget increases. He was also hoping that the 11,000 constituents, our students and their parents would not be disappointed as well with the Mayor's proposed Budget. He stated to the City Council that the Municipal Budget is now their property. You have the authority by Charter to amend it. The Cranston School Committee strongly requests that the Council will continue to support the Cranston's quality education system by amending this Budget and appropriate additional dollars for our schools. The Mayor's Budget Message on page 2 and page 3 states that the most important job we have as local government is to operate City departments efficiently and offer the basic services to our people from Police and Fire protection, trash collection, snow removal, clean parks and playgrounds. He was very disappointed to read in that paragraph that education is not even mentioned as one of the basic responsibilities and services of local government. As everyone is aware, there are only two financial buckets for education support: 1) State Aid for Education and 2) local government appropriation. The Mayor also states on page 2 "The Budget being unveiled tonight will continue to meet the fiscal needs of our City and effectively meet the needs

of our constituents”. Mr. Traficante stated that it is clear that the 11,000 student constituents fiscal needs were not considered essential in the proposed Budget. He reminded members of the City Council and Administration that the quality of life we have come to enjoy and appreciate in our great City is not only directly related to an effective and efficient Police Department and Fire Department, Public Works Department or Recreation Department or Senior Services Department. That quality of life he speaks of is also strongly and directly related to the quality of the child that we graduate from our four High Schools in the City of Cranston. He knows the City Council is well aware that level-funding a School Budget directly impacts that quality and it is that quality that is not healthy, not sustainable nor is it educationally sound. No one knows better than him, who produced fourteen Municipal Budgets as Mayor to include several tax increases, the difficulty of formulating a Municipal financial package that maintains effective City departments while simultaneously keeping the taxpayers satisfied and happy. As a School Committee and School Department, they are extremely grateful for the FY22 and FY23 contributions to education, however, they are here tonight to address the future FY24. On page 8 and 9 of the Mayor’s Budget Message, he cites a number of unanticipated and mandated expenses and significant Revenue loss such as pension increases, utility increases, healthcare increase, to name a few. He referred to the document he presented and stated that he will demonstrate in black and white why, they as a School Department and School Committee, are facing similar situations and they are requesting an additional \$2.4 million and he assured that it has no bearing whatsoever on contractual obligations. A few months ago, the City Council was given an assurance that contracts were affordable and he stands by that statement today as well. The document he presented will identify their Revenue loss and their anticipated expenses. For the next four years, this Council has clearly demonstrated its financial support for education. 11,000 Cranston School students and their parents are once again relying on that same support. He and the rest of the School Committee and School Department are also depending on the continued support.

On motion by Councilwoman Germain, seconded by Council Vice-President Vargas, it was voted to accept the document presented by Mr. Traficante into the record. Motion passed unanimously.

Domenic Fusco, School Committee Member, appeared to speak and stated that, as the Chair of the School Committee stated, the Schools have two avenues of funding, City and State appropriations. In the past few years, the State has declared that Cranston is more fiscally sound with the discontinuation of the distressed funding to the City. That also now translates into the State Aid that the City should pick up more of the funding of Schools. Everyone likes to compare Cranston to Warwick. Warwick is the third largest School District in the State, as we are the second. Cranston’s fiscal 2023 Budget was \$173 million, Warwick was \$180 million. Warwick’s proposed fiscal 2024 Budget is \$186 million. State Aid to Cranston is proposed to receive approximately \$1.6 million over last year. Warwick in the proposed State Budget is to receive \$3.27 million. In the proposed State Budget, Barrington is scheduled to receive \$2.1 million increase. Teachers’ salaries for the second largest District ranks eighth in the State of Rhode Island. High School Principals, where we have the two largest High Schools in the State, are approximately 11% lower than the average High School Principal in the State. Many Principals in the State are paid higher than Central Registration Staff Administrators. Middle School and Elementary School Principals, that are not even close to the top five in terms of salaries in the State. In Cranston’s proposed budget, they must pay out almost \$4 million to Charter Schools for our students who attend them. What bothers him the most about the State proposed Budget is Achievement First Charter School is proposed to receive \$10 million increase. They are getting money from the Cities and Towns that the students live in plus an additional \$10 million from Governor McKeen’s Budget. How is our District supposed to compete with that?

Keith Catone, Ward 1 School Committee Member, appeared to speak and stated that during their Budget process, he is very confident that his colleagues on the Committee looked at every corner of this Budget, asked thoughtful and difficult questions of the School Administration and determined that this Budget represents what it costs to provide the standard of quality education that Cranston students and families expect and deserve from our Public School System. This is no time to short-change the School Operating Budget. We cannot afford for more families to opt in to Charter Schools, instead we need to bring families and students back to the Cranston Public Schools.

Anthony Melillo, Ward 6 School Committee Member, appeared to speak and read some quotes from some campaign material from most of the Council Members. He spoke on the importance of a fully funded School System and why it is crucial: 1) it provides adequate resources for quality education; 2) a fully funded School System is crucial, it ensures quality and equal opportunity and will help reduce the achievement gap between low-income and high-income students by providing all students with equal access to high quality education; 3) attracts and retains talented teachers and ensures teachers are compensated fairly and they have resources they need to do their jobs effectively; 4) it prepares students for success; 5) will help prepare students for success in college and their careers.

Liz Larkin, President of Teachers Alliance, appeared to speak and stated that she is hoping the City Council can provide more funding so we do not have to have our School Committee go back to the drawing board and make serious cuts to our programs and services. She asked that all Council Members work very hard to allocate funds out of the Mayor's City Budget to support the Superintendent and School Committee's Budget. It was carefully prepared and it was made to meet the needs of our District.

Avril Giuliana appeared to speak and stated that she is an Itinerant Psychologist and she has had the pleasure of working in many Schools within Cranston. They are asking the City Council to ease many of the barriers that our teachers have to overcome. Vote to maintain or increase the District's funding so that Cranston Schools may operate to the capacity in which it will inspire their future Educators to want to come back to Cranston.

Kristen Haroian, School Committee Member, appeared to speak and asked the City Council to support the Cranston School Department's Budget for School year 2023-2024. The School Department was carefully, thoughtfully and transparently in developing the Budget addressing the needs of the Cranston Public Schools and the increased costs providing an excellent education.

Dan Wall, Former School Committee Chair, 27 Sagamore Rd., appeared to speak and stated that when Mayor Hopkins was running for Mayor, he used the statement that he was going to be the Education Mayor. He recently read an article in the Cranston Herald where he stated that the Schools need to do more with less. As a person who has sat through many Budget deliberations and has worked with the Superintendent, the Superintendent and the people who work with her, prepare a Budget that is a fair Budget for our kids and fair Budget for our taxpayers. The School Committee Members deliberate and go line by line over the Budget. They try to make sure they are giving a fair Budget. Education is the key to success for our students and the key to success for our City. It is our future.

Tera Norberg, Ward 5 School Committee Member, appeared to speak and stated that her colleagues asked her to speak as a mom. She not only is a voter, but a very involved parent in the Cranston Public Schools. Her son attends Cranston High School West and she had the privilege of

becoming involved with the Cranston Public Schools very early on as he has autism, making him able to attend our wonderful Early Childhood Center at the age of three. Her experience with the Cranston Public Schools from 2011 until now has been above and beyond anything she could possibly imagine, especially when you have a child who you have been told probably won't succeed by doctors. Doctors told her he was probably not going to be able to do much. She is here to tell everyone that Cranston Public Schools has made sure that he can do a whole lot. Some of you have had the privilege of having her son in their halls, some have had the privilege of standing on a track a year ago today and scream as he ran in his first track meet, some of you have never met him, but have met children like him who have also been told that they are probably not going to be able to do much. Whether they have autism or not there are children in our Schools that are told that they are not going to be able to do much not just by doctors but by their own parents and family members. That is a shame. Those 11,000 children are 11,000 future voters. 11,000 opportunities to sit in these chairs, to be Madam President, to be Superintendent, to be an Admin, to be an Educator in our buildings to give back like so many of you have done. This Budget is good and is right where it needs to be. They could have asked for a lot more and probably should have.

Chair recognized Director Moretti.

Director Moretti stated that the Mayor asked him to pass along a few introductory remarks. He stated that as a former teacher and department administrator, the Mayor continues to be a strong education advocate for our students and School programs. Now as Mayor, he must balance his advocacy for education with his broad responsibilities as Chief Executive to provide the wide spectrum of City services from education to Police and Fire to Public Works and all the basic elements of government. The Mayor has to try to fund all these services at a price residents and businesses can afford. He submitted to the City Council a \$325 million Budget that was actually a \$5 million reduction from prior year. He was able to do that from deep cuts and cost cutting measures and very difficult workforce reductions that affected the lives of twenty-four City employees. In the Mayor's first two years, he offered an additional \$2.5 million to our Schools beyond the basic Maintenance of Effort that would have been required for the School Department. That was the largest two year additional appropriation in at least the past decade. Over the past year, the Mayor has provided advance notice to our School leadership that in this proposed Budget he would not be able to duplicate those efforts yet Cranston taxpayers will pay \$98.5 million towards an overall School Budget of approximately \$178 million. There are some people present this evening stating that still more is needed. While the mayor sincerely respects those who would champion for more local dollars, this is the year when he directed departments that he controls on the City side to operate more financially efficient. He also noted that over the past two years, the State has reduced or eliminated funding to the City by nearly \$4 million regarding funding for distressed communities and PILOT. This reduction has further stressed the City's ability to provide further funding. The proposed Budget from the Mayor should not have come as a surprise. Last year when the contracts came before the Council for ratification, the Mayor urged caution and pause to reflect on the overall cost of the Schools. At a July 18, 2022 Finance meeting, Council President Marino asked School Chief Financial Officer if the three-year contract was something the Schools could afford financially and he responded 'correct'. She then asked even if the Schools were level-funded for those three years, could they afford those increases again and the reply was 'correct'. At the same meeting, Councilwoman Renzulli asked Superintendent if those contracts were not dependent on an increase in dollars from the City and that the Schools would not cut any programs and Superintendent confirmed that understanding in saying 'yes'. With those assurances, the Mayor took a

step back from his concern. It should be noted that our School employee taxpayers and all other taxpayers are committing great support to Cranston Schools in the next Capital Budget with more than \$40 million for the next phase of the new Garden City School and Eden Park School. There is also additional funding to get the new Gladstone School off the ground. In the next year's Debt Service costs, the Mayor has planned for scheduled School Bond payments of \$1.45 million from the City side of the Budget. The Mayor has expressed full support for the \$147 million for these projects including the Gladstone School. It is critical to note that upon taking Office in January of 2021, the Mayor was dealt with the hand of having to work through the difficult financial challenges of a pandemic. After that, financial deficits, runaway inflation and reductions and eliminations in State funding. The bottom line is the Mayor has his hands tied and not being able to provide funding as he would otherwise wish to do especially to our Schools.

Chair stated that the number before the Committee this evening from the City side is \$98.5 million. He asked Superintendent what she would like that number to be. Superintendent Nota-Mase stated that when they put together their Budget, they provided a number that they felt is the minimum requirements. The \$2.4 million that they had asked for, by allowing them that funding, they would be able to keep a healthy kind of savings account, a Rainy Day Fund. They would not need to make programmatic or staffing cuts. Any increase would be greatly appreciated.

Chair asked Mr. Balducci if the \$98.5 million proposed in FY24 is worth the same amount as \$98.5 million in 2023. Mr. Balducci stated, no, if you are a homeowner, the answer is no, if you do business in Cranston, the answer is no. Just the cost of utilities has gone up.

Council Vice-President Vargas asked if there is any anticipation of having any vacancies at all for next year and are there any vacancies in the current Fiscal Year? Superintendent Nota-Mase stated that they do have vacancies just because they have not been able to find staffing in certain areas.

Councilwoman Renzulli asked what would be the first thing to go if the additional \$2.4 million is not funded. Superintendent Nota-Mase stated that she and Mr. Balducci will have to sit down and review the Budget. Once they get the final number from the State, because the General Assembly still has the opportunity to maybe afford an increase, they have to prepare for various scenarios and go back to the School Committee and make the cuts that they think need to be made.

The meeting adjourned at 9:25 P.M.

Respectfully submitted,

Rosalba Zanni
Assistant City Clerk/Clerk of Committees