

(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 7, 2021 **(BUDGET HEARINGS)**

A special meeting of the Finance Committee was held on Wednesday, April 7, 2021 via Zoom Webinar.

CALL MEETING TO ORDER:

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

Present Councilwoman Jessica M. Marino
 Councilwoman Nicole Renzulli (appeared at 6:05 p.m.)
 Councilman John P. Donegan
 Councilman Matthew R. Reilly (appeared at 6:05 p.m.)
 Councilman Robert J. Ferri, Vice-Chair
 Council Vice-President Edward J. Brady, Chair
 Council President Christopher G. Paplauskas

Also Present: Councilwoman Lammis J. Vargas
 Councilwoman Aniece Germain
 Anthony Moretti, Director of Administration
 Christopher Millea, City Solicitor
 Robert Strom, Finance Director
 David DiMaio, City Council Budget Analyst
 Leanne Zarrella, City Clerk
 Rosalba Zanni, Assistant City Clerk/Clerk of Committees

PUBLIC LIBRARIES

Edward Garcia, Director, appeared to speak and introduced Jack Tregar, Chair of Library Board of Trustees, who is also on the call. Director Garcia spoke regarding the last year at the library and the impact the pandemic has had to the library. He stated that this week, which is National Library Week, he thanked the staff for their hard work and dedication and thanked the City Council and the new Administration for their continued support.

Director Strom stated that as to the actual Expenditures for this year, they are underbudget more than likely due to the pandemic. In Revenue, they have received three quarterly payments for this year of \$483,000 of a possible \$638,000. Next year, it has been increased by the State to \$664,578. Overall budget of the library went up approximately 2% from last year to this year mainly due to salary increases and hospitalization.

Council President Paplauskas indicated to line item #101-1500-51200 “Part-Time Help” and stated that there is a surplus. He asked where that surplus will go. Director Garcia stated that any line item where there is a trending surplus, they have the ability to do line item transfers to align that money in another line item. At the end of the year, if there is an overall surplus for the Library, that goes into the Library Reserve Fund. Council President Paplauskas asked how much is in that Reserve Fund. Director Garcia stated that currently, they have \$249,000 in that Fund. In actuality, there is approximately \$68,000 that is available.

Councilman Donegan indicated to line item #51200 “Part-Time Help” and stated that there is a reduction of \$15,000. He asked if that decrease is due to decreased need. Director Garcia stated that they felt that due to the pandemic, they were trying to spend less. They do want to get back to full operational capacity at some point this year, but they felt that they could absorb that reduction in that line item this year due to those factors. Councilman Donegan asked if that same logic applies to line item #56002 “Books and Care”. Director Garcia stated that a few of the adjustments happened after he met with Director Strom and the Mayor so there are a few items that were changed. He may want to make different adjustments there, but he thinks that they can definitely live within the overall budget number that is proposed here. Councilman Donegan stated that in the Capital Budget, there is \$200,000 for repaving. He asked if this is a definite necessity. Director Garcia stated that this is a project that they have had on their radar for a number of years. The Central Library parking lot is rapidly deteriorating and have been patching it for years, but there have been seniors that use the library potentially trip and hurt themselves and they do not want that liability and this is a number one project that they have on their Capital Budget.

Councilwoman Renzulli asked if anyone knows if the separate funding that is supposed to be coming out of President Biden’s American Rescue Plan is a separate \$10 million in funding for Capital projects and who would look into that if money could come from there rather than the money the City is getting in general from the American Rescue Plan. Director Garcia stated that that decision would have to come from whoever the Administration and the City Council is working on allocating those funds. Director Strom stated that once we receive half of the money, which should be approximately \$13-14 million and as you know, we used some of that for this year’s budget and if there is additional money for Capital projects because that is something that should be targeted for our Enterprise Fund as well. He does not know if there is any type of restriction. This is something we could look into and discuss as a group.

Councilwoman Marino asked how much is anticipated to be received in COVID money in 2021 and has any been received this year in 2020. Director Strom stated that we received through the State some COVID relief money in 2020. We have not received any of the American Rescue Fund money. His understanding is that it is on route. We should receive that mid-May to the end of May and should be between \$13-14 million and a year later we will receive the other half between \$13-14 million. That money has to be utilized by December of 2024. He has also been told, as being part of a large City in Providence County, we should be receiving another slug of money, but not sure how much, he has heard approximately \$15 million.

No one appeared to speak from the public.

ECONOMIC DEVELOPMENT

Director Strom stated that Director Franklin Paulino and his Assistant, Marcia, are present with him to answer any questions. He stated that this department is running overbudget due to some changes in salary. For next year, there has been an increase of approximately \$16,000, mostly due to salary and also hospitalization and payroll taxes. He indicated the Director is not just Director. He is also Economic Development Director/Diversified Outreach.

Council President Paplauskas thanked Director Paulino and Ms. LoPresti for being present. He indicated to the “Marketing and Programs Activities” line items and asked if what is proposed is enough money and what the plans are for that to be used for. Director Paulino stated that the plan is to use the internet and meet and greet with small businesses and for such expenses as ribbon cuttings.

Council Vice-President Brady asked Director Paulino to speak regarding programs the City is offering to small businesses. Director Paulino stated that, currently, they are working on the Block Grants, which is for COVID supplies. They have \$1,000 Block Grant for small businesses and that is reimbursement for small businesses for the supplies they have bought to combat COVID-19. They also have the Revolving Loan Program and they have currently seven loans out there.

Councilwoman Renzulli asked when the last time was that we paid dues to the Chamber of Commerce. Director Strom stated that, according to our records, actual payments were made in 2016, 2017, 2018, 2019 and 2020. In 2021, we have not made payment because of the inactivity there and that money could be used, if necessary, to be transferred to “Marketing” if that would help this department’s needs to get things accomplished this year. The Revolving Loan up to \$200,000 secure at 5%.

No one appeared to speak from the public.

EXECUTIVE

Director Strom appeared to speak and stated that there was a person who was his Assistant in his office that was also used as a floater in the Finance Department and that position was eliminated in this budget and that money and a position has since been given to the Executive Department and that is primarily the reason for the increase in their budget for next year and there was also an increase in our dues to the RI Leagues of Cities and Towns. “Part-Time Help” has diminished also. The salary went up and part-time salary went down. Those part-time positions are downstairs in City Hall greeting people and they are under the jurisdiction of the Personnel Department. He also indicated that Director Moretti is present to answer any questions.

Chair questioned the increase in line items #52113 and #52114 “Orders of the Mayor”. Director Moretti stated that both have the same theme, but segregated a bit differently. Basically, it is to begin to celebrate the City again and really involve the community more so at City Hall and more inviting for the City Council and their constituents, their organizations, all the athletics, our seniors to really bolster the feeling of community and unity in the City. That is mostly what line item #52113 is about. Line item #52114 is more about more outward celebrations, such as Spring events City-Wide, Harvest Festival, something perhaps around the Fourth of July, holiday time, celebrations for the City. We think our citizens deserve it, especially coming out of COVID and trying to build community and unity once again in the City.

Councilman Donegan asked for explanation of line item #52110. Director Strom stated that this is mostly for acknowledgements and scholarship that may have not been budgeted for. This is a contingency given to the Executive Department for something that could arise that is not targeted.

Councilwoman Marino questioned the increase in line item #52114. Director Strom stated that this is for three scholarships, one for Cranston High School East, one for Cranston High School West and one for the Vocational School.

Director Moretti stated that the Administration foresees activities we have not had in years, such as Spring event, Harvest Festival, and Fourth of July celebration.

Councilman Reilly asked if the Council can be provided with proof of what the dues to Cities and Towns is supposed to be. Director Moretti stated that there is a Statewide schedule. Director Strom stated that this is based on population of the State and how we fit in. The League of Cities and Towns have helped us when we negotiated and went out with electricity and our costs and they do lobby for us at the State House for additional funding. They also are involved in the every two-week meetings with them to discuss the American Rescue Act Plan. In total, it is based on the 2010 census and it is so much per capita and based on our population there are approximately 30 Cities and Towns that participate, times the per capita fee of dues which is 4.6085 last year, they raised it by 5% this year, which they raised across the board for everybody and that is how the \$39,000 figure was arrived at.

No one appeared to speak from the public.

LAW DEPARTMENT

Director Strom appeared to speak and stated that this department is running overbudget mostly due to Outside Legal Services. We have some substantial cases that we have resolved.

Christopher Millea, City Solicitor, appeared to speak.

Council President Paplauskas questioned the difference between line items #52411 and #52313 and also questioned why line item #52313 always goes over. He also questioned if the \$400,000 is an attainable number. Solicitor Millea stated that Outside Legal Services has been used for litigation. He is going to try to keep this line item as low as possible, but it is very unpredictable.

Councilwoman Marino questioned line item #52311. Solicitor Millea stated that, himself, he has Deputy Solicitors Rawson, Igliozzi, Orton and Verdecchia and they all fall under that line item. Councilwoman Marino questioned line item #52310. Solicitor Millea stated that this is used to settle matters prior to litigation, if possible.

Councilman Reilly stated that this budget is being increased by \$41,000. He asked how many people, part-time and full-time are in this department. Solicitor Millea stated that there are five Solicitors and everything else would fall under Legal Services.

Councilwoman Renzulli asked if the Council could be provided with a breakdown of each person's cost to the City and also asked if there are any paralegal in this office. Solicitor Millea stated, no, there is no paralegal. Director Strom stated that the City Council is receiving a breakdown of each attorney and what they represented on a monthly basis.

No one appeared to speak from the public.

INSURANCE CLAIMS & RISK MANAGEMENT

Director Strom appeared to speak and stated that Claims is being increased by \$100,000 because of settlements.

Councilwoman Renzulli stated that line item #51000 is zeroed out. She asked where Gianna Vannini's salary is in the budget. Director Strom stated that is a Purchasing Clerk as well so she receives differential for doing the Claims Department and a salary position was eliminated. That was done some years ago.

Councilwoman Germain questioned the big jump in Worker's Compensation from \$10,200 in 2021 to \$100,200. Director Strom stated that that is a scrivener's error. It should be \$10,200 and this will be corrected.

Mr. Dimaio asked Director Strom if he feels the \$10,000 for Outside Legal Services will be enough. Director Strom stated that this line item does not run as high as they did this year. We could up it to \$20,000, but he does not think it is needed. Mr. Dimaio stated that Claims line item #50752 is currently a lot less. He asked if the \$260,000 is a little high. Director Strom stated, no, because what was put into "Claims Outside Legal" is really the City Claims. Mr. Dimaio stated that he thinks there is a typo there.

No one appeared to speak from the public.

PERSONNEL

Director Strom appeared to speak and stated that this department this year is underbudget because of the fact that Director Parrillo came onboard in January. As to Departmental Expenses, there is money that remains due to the fact of COVID and drug and alcohol testing is overbudget, but Director Parrillo can speak on that. Next year, he has inherited two part-time people from IT who are going to be at the front door greeting people and also doing other things part-time and salary is pretty much the same as last year. Hospitalization is down because of the buyback.

Director Parrillo stated that the biggest change in this budget is two part-time people added on to monitor City Hall, who have been incorporated in his budget. He also stated that the Employee Assistance Program has been reinstated in this budget. There is coverage for 300 employees for this program. Police and Fire have their own programs.

Councilwoman Germain questioned line item #52411. Director Parrillo stated that this is a program that assists any employees and/or their family.

No one appeared to speak from the public.

The meeting adjourned at 9:17 P.M.

Respectfully submitted,

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