

(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

Special meeting of the Finance Committee was held on Thursday, April 14, 2022 in the Council Chambers, City Hall, Cranston, Rhode Island.

CALL MEETING TO ORDER:

The meeting was called to order at 7:30 P.M. by the Chair.

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

Also Present: Councilwoman Lammis J. Vargas
 Anthony Moretti, Chief of Staff
 Daniel Parrillo, Director of Personnel
 John Verdecchia, Assistant City Solicitor
 Rosalba Zanni, Acting City Clerk

I. PUBLIC HEARINGS* and/or NEW MATTERS BEFORE THE COMMITTEE

None.

A. PUBLIC HEARINGS

B. NEW MATTERS BEFORE THE COMMITTEE

- **ADVICE AND CONSENT HEARING ON MAYOR'S APPOINTMENT OF:**
 - **Richard Bernardo as Director of Public Works**

On motion by Council President Paplauskas, seconded by Councilwoman Renzulli, it was voted to approve the Advice and Consent of Mayor's appointment of Richard Bernardo as Director of Public Works.

Under Discussion:

Director Moretti introduced Mr. Bernardo and asked that the Council approve the Advice and Consent of his appointment as Public Works Director. He also gave Mr. Bernardo's background.

Mr. Bernardo appeared to speak and answer any questions from the Committee.

Council President Paplauskas stated that Mr. Bernardo's resume is extremely impressive and is happy he is willing to come back to serve the City of Cranston again.

Councilwoman Marino stated that Mr. Bernardo has a quite impressive resume for this position. She asked Mr. Bernardo what was the determining factor as to why he left the City of Cranston in the past. Mr. Bernardo stated that he served the City of Cranston as Public Works Director for fourteen months and it was in the middle of the historic floods and a lot of that took a lot out of him, but at that time, he had three daughters and he had the opportunity to take a job in the outside public sector and he accepted it to take care of his family financially. Uniquely now, his youngest daughter lives on Lexington Ave. so this is like coming home. Councilwoman Marino stated to Mr. Bernardo that he is currently Senior Vice-President of Beta Group and she asked if he receives the Advice and Consent for this position, would he be resigning from that position? Mr. Bernardo stated that he absolutely would.

Councilman Donegan stated that this is a very impressive resume. One question he has is, with the influx of money coming in federally for certain potentially capital improvements, he asked Mr. Bernardo if there is anything in particular on his preliminary thoughts here in Cranston that he would see we can improve or that he would try to make it a priority. Mr. Bernardo stated that the City has a consultant, giving advice to the City right now as the proper spending, the way to spend the ARPA money. They are well-talented and they will be able to make some very good recommendations on the best use of that money.

Councilwoman Vargas stated that she feels Mr. Bernardo is definitely qualified for this position and looks forward to working with him and hopes he can play an instrumental role in opening the Park Ave. Bridge.

Councilwoman Renzulli asked Mr. Bernardo how he feels about the use of technology. Mr. Bernardo stated that he, personally, is old school, but he is open to technology.

Councilman Reilly asked Mr. Bernardo if his acceptance of this position is contingent upon the raise and if he would be willing to possibly forego the raise for a year or two until we get the reigns on this budget because we are facing tough financial decisions with this budget. Mr. Bernardo stated that, unfortunately, he is taking a 45% cut in pay and he has come to the table with the best that he could do. This is what he needs to get to do the job and meet his financial needs.

Chair stated that Mr. Bernardo does check all the boxes, he does come before this Committee with a great resume and he is confident that he knows that the job is and what to do. He asked Mr. Bernardo if he plans on being involved with his staff since there are a large number of employees in this department. Mr. Bernardo stated that he plans on having weekly meetings with everyone in the department and going to their offices, looking at what they are doing and how quickly they are getting the projects done. He plans on getting involved.

Councilwoman Vargas stated that she will definitely support Mr. Bernardo for the position. As to the Ordinance setting the salary increase, she has a really really tough time supporting that increase. She is wholeheartedly on deck to support the Advice and Consent from the Mayor's Office, but she honestly cannot support that salary increase for the time being only because of a proposed tax increase.

Council President Paplauskas stated that, obviously, he is not happy that we have a tax increase coming and this Council has worked very hard to find cuts wherever we can, but he thinks that when it comes to this position and Mr. Bernardo's experience he brings to the table, you are going to find savings of way more than \$7,000 in the millions of dollars in projects that we have coming in front of the City every single year. For that reason, he will support the salary increase which he thinks is minimal. It is not much more than the prior Director was making.

Roll call was taken on motion to approve the Advice and Consent and motion passed unanimously.

3-22-03 *Ordinance transferring appropriations and amending the budget for the fiscal year commencing July 1, 2021 and ending June 30, 2022 (Administration Position Changes – Public Works Director – General Fund). Sponsored by Mayor Hopkins.*

On motion by Council President Paplauskas, seconded by Councilman Reilly, it was voted to recommend approval of this Ordinance.

Under Discussion:

Councilwoman Renzulli asked if this increase is already in the budget. Director Moretti stated, yes.

Councilwoman Marino stated that this is not an easy issue for her. She wants to make it clear to Mr. Bernardo and the general public that while his qualifications may give a reason to have that kind of salary, there are other people that work in this City in the lower-level jobs that justify an increase as well. Even though it is only an increase of \$7,000, as to Council President Paplauskas's statements about the savings, she can't get away from her concerns for the financial situation that the City is facing with the budget that has been presented to the Council and that we are working through. She cannot, tonight, in good conscience, vote yes on an approval for this salary increase. In her mind, a good faith effort in that regard would be six months into the job if there is a savings of \$7,000, \$8,000 - \$10,000 or more, then at that time it would justify that kind of increase and she would be open to revisiting it at that time and given that the budget in that department is in the millions, that is not unfathomable that that could actually occur within six month's time, that kind of savings, but right now, she cannot justify that increase and she is going to vote no on this increase this evening.

Councilwoman Renzulli questioned how we will move forward if this is not approved this evening. She also questioned who will be doing the job of the Public Works Director. She asked that question because in seeing that we chose not to move forward with the Finance Director, there is a Union employee who serves under the Finance Director, who was already getting paid higher than the Finance Director salary increase, who sits at these budget meetings every night making overtime. She agrees that this is not the time to be increasing the salaries, although, they should be increased across the board, but it is going to possibly even out by someone else doing this job by getting differential or getting overtime. Director Moretti stated that he would say that if you do not appoint this position on top of the last vote last week, you would be crippling the Administration. This is not an increase for Mr. Bernardo. This is doing the right thing. He is taking a major cut. The Administration negotiated the best possible salary. Do the right thing. Mr. Bernardo is abundantly qualified. \$7,000 is a very good investment for the City of Cranston. He also stated that at this time he is the Acting Public Works Director.

Councilman Reilly stated that he does agree that it would put us in a tough position if we did not move forward on this and having a Public Works Director. He also agrees that this is not a very large raise. He also agrees that across the board, we pay too little, but what he does not agree with is that the onus of this is being put on the nine Council members' shoulders because under normal circumstances, yes, we would give this raise, but unfortunately, a couple of weeks ago we got a book placed on our desks that could debilitate this City and these nine members here are doing everything that they can to not waste federal ARPA funds, to put in a tax increase on the citizens of Cranston. So, in the same breath of putting that before us and then asking for more, that is what we are struggling with, but give us something that we can work with.

Councilman Donegan stated that we have already approved the Advice and Consent. This is an entirely separate matter that is before us right now. As Councilman Reilly stated, several weeks ago we received the budget that has significant issues and we are working hard to do what we can to rectify it. We did not choose when the Public Works Director and Finance Director retired at the same time. What is before us is a salary increase. It is \$7,000 in the grand scheme of \$330 million budget. Is it a lot, no it is not, but there are also plenty of people within the City from the Schools to the Library to the Senior to City Hall that also deserve raises that might not get one. He does not think it is fair to come to the City Council and say you need more when they are also being asked to take away from other places. He is undecided on how he is going to vote on this this evening because he wants Mr. Bernardo to be the Public Works Director.

Councilman Campopiano stated that he has been an employer for thirty-eight years and one thing he did learn in his thirty-eight years is whenever he tries to cut and pay someone less or bring someone in to do the job, it always cost him more money. You have to pay for quality and this man brings quality to the table. He is positive that he will save that \$7,000 right off the bat.

Councilwoman Vargas asked if the Ordinance also includes the benefits as well for this position. Director Parrillo stated that each and every salary has benefits attached to it and that number varies.

Director Moretti stated that he believes that former Director Mason received family benefits, but Mr Bernardo will not be accepting healthcare. This will be a savings to the City of Cranston of approximately \$10,000. Mr. Bernardo stated that his wife works with IGT and they get all their benefits through IGT and he will continue to get his benefits through her employer if he gets this position.

Councilwoman Vargas asked, if an employee decides to waive healthcare benefits, do they still get some sort of a reimbursement? Director Parrillo stated, yes, that is what we call a buyback. Councilwoman Vargas asked what the amount would be for this position. Director Parrillo stated that for Directors, he believes it is \$5,000, but he will have to double check on that.

Director Parrillo explained the hiring process for this position and stated that the City advertised for the normal process. We received three applicants and one applicant backed out. He also stated that the League of Cities and Towns did a survey of salaries and the Public Works Director was one of the categories that they did survey. He gave the following information from that survey of the salary for the Public Works Director:

- Barrington pays \$122,000
- Newport pays \$145,000
- Providence pays \$132,000
- South Kingstown pays \$152,000
- Warwick pays \$125,000
- Woonsocket pays \$123,000

Director Parrillo stated that the number the Mayor has put forth is not out of the realm of comparisons in the State.

Director Moretti stated that he checked the records and Fiscal Year 2022, which is this current year, for former Director Mason, Hospitalization in the budget is budgeted for \$18,890 and the Mayor's proposed budget for the Public Works Director's Healthcare is \$19,340. If Mr. Bernardo was hired, it would be a net decrease of approximately \$12,000 combining the medical and the salary differences.

Councilwoman Renzulli asked if this includes the buyback. Director Moretti stated that if Mr. Bernardo takes advantage of the buyback, it would be a savings of approximately \$7,000 as opposed to a net increase of \$7,000.

Chair stated that although we are all struggling in trying to cut expenses, he just does not think that \$7,000 is really enough of a savings to take a chance that we do not end up with this Director and he will support this Ordinance this evening.

Roll call was taken on motion to recommend approval of this Ordinance and motion passed on a vote of 6-1. The following being recorded as voting "aye": Councilwoman Marino, Councilmen Donegan, Campopiano, Councilwoman Renzulli, Council Vice-President Ferri and Council President Paplauskas - 6. The following being recorded as voting "nay": Councilman Reilly -1.

- **Adjournment**

The meeting adjourned at 8:15 p.m.

/s/ Rosalba Zanni
Acting City Clerk