

(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, June 6, 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 Matthew R. Reilly (left at 8:25 p.m.)
 Councilwoman Nicole Renzulli, Vice-Chair
 Council Vice-President Robert J. Ferri, Chair

Absent: Councilman John P. Donegan
 Councilman Richard D. Campopiano

Also Present: Councilwoman Aniece Germain
 Councilwoman Lammis J. Vargas
 Anthony Moretti, Chief of Staff
 Steven Paiva, Communications Director
 John Verdecchia, Assistant City Solicitor
 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 Reilly, seconded by Councilwoman Marino, it was voted to dispense with the minutes of the last meeting and they stand approved as recorded. Motion passed unanimously.

Chair indicated that Councilman Donegan sent an e-mail stating that he could not attend this evening due to a previously scheduled professional obligation.

I. COMMITTEE BUSINESS MATTERS CARRIED OVER

- *Additional Funding for Rhode Island Tree Council. Council President Paplauskas. Cont. from 5/2/2022.*
- *Funding for one cross alert system for bike path. Council President Paplauskas. Cont. from 5/2/2022.*

Chair stated that the above two items are listed on the agenda at the direction of the Council President and he is not present this evening and asked that they both be placed on the Special Finance meeting agenda on June 16th.

II. CORRESPONDENCE/COMMUNICATIONS

None.

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

A. PUBLIC HEARINGS

Karen Rosenberg appeared to speak and stated that she was flawed by the process that was just followed with the Budget. She has a lot of questions and she does not understand how there could be such a large increase in the Budget that the City needed to take approximately \$20 million of our ARPA money to close the Budget hole and why we are being left with that with a \$12 million structural deficit. It seems to her that the process was very dysfunctional and that the Council has very little visibility into the financial situation of the City and then they get the Budget handed to them with these huge problems in it and there is very little time or ability to really look into it in the time that is allowed. She has questions about what caused the operating deficit and what would have happened if the ARPA money was not available to deal with it this year. she would also like to know what is going to be done to address the structural causes so we do not end up using the rest of the ARPA money and then getting a bunch of tax increases on top of the one this coming year in order to close that deficit. She was stunned to learn more about the \$7 million that have accumulated debt in the Health Insurance Fund, which is being paid off again with ARPA money. At the Finance Committee meeting on the 23rd, the Administration indicated that they were increasing the premiums into the Fund, but it seemed like their attitude was that there was unforeseen circumstances that led to the problem and that now that the whole \$7 million is being wiped clean that there is nothing more that needs to be done. It really does not make sense to her and it seems like it is completely foreseeable that this would happen and that it will happen at some point in the future. She hopes that measures are put in place that will ensure it does not happen again. She would also like to see some effort to really look at this whole process and make changes so that there is a reasonable opportunity for the Council to provide real oversight so that these issues don't just blindsides everyone when on a deadline to approve a budget and it is really too late to deal with them. She thanked the Council for putting these issues on the agenda.

Alice Petrone, 24 Brettonwoods Dr., appeared to speak and stated that her understanding of what went on with the last Council meeting and the meeting of this Committee where it lasted until 1:00 a.m. and then it seemed that nothing was passed and then by not passing all the objections that were there, somehow this Budget got approved. She was told that this has to do with something in the Charter and it is a technicality in the Charter and she is wondering what the Council might propose that we can do to fix this. This is her major question. She also stated that the other reason she is present is regarding the pool issue. She would like to applaud Councilwomen Germain, Marino and Renzulli. She would like to address the issue at the pool and the outrageous estimates to make what can only be considered a complex. She thinks she speaks for a lot of Cranston City residents who use the pool and like the pool that she wants the answer for how it went from \$125,000 to open it last year to now somewhere between \$2 million to \$4 million depending on how we are going to do this. We need to fix the pool. We do not need to recreate the pool. It serves a lot of people in this City, it is a wonderful place for children and families and everyone to go. The building itself is historical. What we are talking about fixing are mechanicals. We should not be tearing a structure down rather than fixing the mechanicals. She also stated that she has background in Grant Writing. She was a Federal Grant Director for Rhode Island College and she also wrote successful Grants for the Department of Secondary Education. She would be happy to give her time to help getting funds to get the pool open so it would not have to come out of the taxpayers pocket, which seems to be what the Administration thinks is ok. She questioned why we are using COVID funds that are supposed to be used for COVID-related issues, which would be the pool amongst other things, to take care of deficits and are we not by doing this violating federal guidelines? That is a strong question that everyone in this room needs to take seriously.

B. NEW MATTERS BEFORE THE COMMITTEE

Councilwoman Vargas:

- *Johnson & Wales University Aid*

Councilwoman Vargas stated that she believes we have some sort of contract base with Johnson & Wales in terms of having aid and so in FY 2016 there was approximately \$150,000 and since then, we have had approximately \$220,000 up until the FY 2023 as well that is in there as well. She asked how long that aid is for or is that contract that we have and where are we as far as reassessing if that should be the same number and is that an agreement, is it going to go higher or is it going to go lower given the fact that it was at \$150,000 back in 2016? Mr. Igoe stated that it has grown over the years. There is an agreement in place. FY 2022, which we just received was the final year. The Assessor has set up a meeting to meet with Johnson & Wales.

It is a formula based on the size of the campus and the number of facilities on the campus. We just received on June 1st this year's payment of \$224,244. Councilwoman Vargas asked if we are no longer receiving any next year since it is a 10-year and ten year was up this year. Mr. Igoe stated that it was a three-year and it is extended every three years so Johnson & Wales has called the Assessor to set up a meeting so that they can discuss what the plan will be for the next three years. Councilwoman Vargas asked that Mr. Igoe email her the information regarding the upcoming meeting between the Assessor and Johnson & Wales and keep her updated.

- ***Real Estate Tax Abatements (Amended list from April)***

On motion by Councilman Reilly, seconded by Councilwoman Renzulli, it was voted to recommend of this list of Tax Abatements as recommended by the City Assessor. Motion passed unanimously.

- ***Real Estate Tax Abatements (June List)***

On motion by Councilman Reilly, seconded by Councilwoman Renzulli, it was voted to recommend of this list of Tax Abatements as recommended by the City Assessor. Motion passed unanimously.

- ***Motor Vehicle Tax Abatements***

On motion by Councilman Reilly, seconded by Councilwoman Vargas, it was voted to recommend of this list of Tax Abatements as recommended by the City Assessor. Motion passed unanimously.

- ***Tax Interest Waiver Approvals***

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

Councilwoman Marino

1. **Internal Service Fund** (claims/hospitalization/medical) - plans and options of insurance with a third-party collaborative organization; option of increasing percentage of employee

Councilwoman Marino stated that she would like to hear from the Administration with respect to plans and options of insurance as with a third-party collaborative organization and additional options of potentially increasing the percentage of employee contribution, which she

believes is currently set at 20%. Director Moretti stated that as to working with a third-party collaborative, we do currently with a company called REMIC for the Admin fees for our insurance claims. We are looking into options or alternatives to look at other collaboratives that may give us a better deal or not, but that has been in process and so that process will continue. As to the options of increasing percentages of employee contributions, that is part of the bargaining unit negotiations and we certainly will be having those talks with all our bargaining units. Councilwoman Marino stated that she is glad to hear that that will be on the table with respect to contract negotiations going forward with respect to the contribution rate and while she is also glad to hear about the implementation of trying to explore other potential cost savings with collaborative organizations, she is looking for possibly a timetable on this as to when the Administration thinks that specifically with respect to the collaborative organization, when they think it will have some kind of answer along those lines. Director Moretti stated that it is hard to pinpoint it, but he would say months not weeks and not years because it is more than just flipping a switch to say your house you have x amount of dollars you want so much liability insurance. This is something where it has to be a sharing of claims data and it takes time and he does not know how long it takes the insurance, the collaborative part to work with the insurance companies to go through that process so it is a process that is a bit beyond the Administration's control. Councilwoman Marino asked if there is a specific point person within the Administration that has been tasked with that role. Director Moretti stated it would be Mr. Igoe and himself. Councilwoman Marino asked if there have been any specific outreach with any specific organizations. Director Moretti stated that that outreach will be either tomorrow or the next day. There has been internal meetings talking with and having discussions with our colleagues at the School Department to pick their brains and so we are doing our internal work to see what their experiences are so we could be more knowledgeable and be in a better position to speak with the groups. Councilwoman Marino asked if that is something that is anticipated that might occur. Director Moretti stated that they are not in the business of insurance. Councilwoman Marino stated that they have committed with the Administration previously earlier this year with respect to the need to address the specific deficit and had made suggestions with respect to using collaboratives and gave the school as an example for what was done years back. Director Moretti stated that he was not part of that discussion nor informed. He can ask Mr. Igoe if he has been part of those meetings or informed. Mr. Igoe stated that he was part of a meeting with the Auditor General when he wanted to address our deficit in the Internal Service Fund. There was no other discussions about joining collaborative or any other such organization at that time. It was just more of how we were going to address the cumulative deficit and when we thought that we would be able to eliminate it. Councilwoman Marino asked if there have been any discussions with the RI League of Cities and Towns as well. Director Moretti stated, no, not to date. There are three collaboratives and so we are looking at the existing one that we have and also one of the largest, the one the School Department is with at this time. Councilwoman Renzulli asked if anyone has thought of perhaps using that consultant to develop a request for a proposal support from the collaboratives. This was done in Warwick a few years ago. Director Moretti stated that they are starting brand new. We can do that, but we have to wait according to their timeframe because they have to get up to speed with the city of Cranston so we wanted to wait a few months by the time they get up to speed we have that option.

Council Vice-President Ferri asked who the Advisor is that the City is using right now for healthcare. Director Moretti stated that it is Gallagher LLC.

Councilwoman Germain asked for approximate date of the conversation with the Auditor General. Director Moretti stated that the third floor was aware of the problem of those conversations on the Wednesday prior to the Mayor's Budget submission, which was April 30th, but what discussions, the timing of that previously, Mr. Strom had informed Administration that he was in discussions with the Auditor General's Office. He did not detail the timing, but he felt that that was at least months. Councilwoman Germain asked when exactly the Auditor General figured out or discovered we have a deficit that we need to address. Director Moretti stated that it was reported in the financial statements, which the Auditor signed off three years ago that the first of it was noted in the financial statements that a deficit had begun and over the last three years, that deficit has grown. As to when it got to the Auditor General's attention, perhaps Mr. Igoe might be able to finetune that date. Mr. Igoe stated that he believes the Auditor General contacted the Finance Director back in the end of January or early February. It has been in the report the last three years, but it has grown over the last three years and now it was getting large enough that it drew his attention and he made the phone call. Councilwoman Germain stated that in the last report, it stated that we had a surplus so how does that add up? We have a surplus and we have a deficit at the same time. She does not understand. Mr. Igoe stated that it is like if you had two different businesses and one business the operations of the City taking care of the City and then one bank account taking care of the health insurance of the employees of the City. The account that take care of the business of the City, the operations of the City, that has a surplus. The bank account that operates on taking care of the health claims of the employees of the City is the one with the deficit. Councilwoman Germain stated if it is fair to say that we were not doing as good as we thought we were or the information that we were doing good was wrong. Mr. Igoe stated that there were extenuating circumstances. We had a major fire that started the downfall and then we came into COVID, which was also a once in a lifetime thing. Those are the types of events that led to the deficit grow bigger and bigger each year. Councilwoman Germain stated that the City Council did not have this information. It was not brought to the City Council's attention. Mr. Igoe stated that it was in the Audit each year.

2. **Budlong Pool** - Firm that conducted the feasibility study report-, Federal Hill Group, LLC Architects - how were they chosen? Who are the owners/members and who specifically prepared the report? Specific cost and specific department and line item being used for payment. What is the actual plan to open the pool, and status of planning commission approval for a capital improvement project.

Councilwoman Marino stated that she has questions with respect to the firm that conducted the feasibility study report from Federal Hill Group LLC Architects and how they were specifically chosen. She could not find anything in the BOCAP records with respect to this going out to bid or for a bid waiver. Also, the report itself is unsigned so she does not even know who performed this report, specifically, and with respect to that specific company, even if you look online for their website and even the documentation that was provided, it does not mention who the members are, what their qualifications are, who the owners are of this

company. That combined with the fact that it was not put out to bid or given a bid waiver, really demands answers to these questions. She would also like to know the specific cost for this report and specifically where this is being paid from in the Budget. She would also like to have some discussion as to what the actual plan is in place, what we are actually doing to prioritize opening the pool and the status of the Planning Commission approval for the Capital Improvement Project. She knows that we have the Grant Writer put out for a federal grant for \$2.2 million, which all Council Members signed off on and hoping that it will come through.

Director Moretti stated that Parks and Recreation Director Tessaglia is not feeling well, but he believes is joining the conversation via Zoom, if perhaps he could be allowed into the meeting.

Raymond Tessaglia, Director of Parks and Recreation, appeared to speak via Zoom and stated that the company was taken from the approved list of City contractors and that was done in January with the intent that possibly they would give us a positive report to potentially open the pool. After seeing the report, it did not look well and we were planned to get it up and going if they gave us inclination that it could be done or one of his plans is not to demolish it, but that would be costly also if that is what is being asked.

Councilwoman Marino asked again, who is comprised of the Federal Hill Group LLC Architects? Director Tessaglia stated that he does not know the exact architects or who their group of people are. He can find out tomorrow if Councilwoman Marino would like. He can call the organization and get a list of their architects and who else was involved in this study. Councilwoman Marino asked who actually did the report. Director Tessaglia stated that the report was done by the Federal Hill Group. He is not sure who the actual person that went in and out. He did let them in a few times. He did his own research or they had a woman there once that he met, but he can find all that information out. Councilwoman Marino stated that we are so many months out and as we sit here today and Director Tessaglia put out this report, we don't even know and he can't tell us who signed off and prepared that actual feasibility study report. Director Tessaglia stated that the exact person that did it, he could not state that. Specifically, it was the Federal Hill Group, now who was working on this and investigating this, he will have to call them and find out. Councilwoman Marino asked how they got into the facility and who took them in there. Director Tessaglia stated that he let them in a couple of times. There was a woman and a man on two different occasions, maybe three, and that was right when we started the report. Councilwoman Marino stated that the problem she has is taking stock and credibility in a report that someone couldn't even put their name to. That is a problem for her as well. Director Tessaglia stated that is something he will have to look into to see who signed off on it, but Councilwoman Marino would like to speak with that group, he is sure they would be willing to sit down and talk.

Chair stated that the request from Councilwoman Marino, which has been on the agenda since it was submitted last week, specifically said "who are the owners, members and who specifically prepared the report". He is disappointed that the information is not before the Committee at this time. Director Moretti stated that on the Secretary of State's website, the

person that is the contact person for the firm is a Christopher Veleco from Pascoag. Director Tessaglia stated that that is the person that he met with at the pool, but he is not sure who signed off on the report.

Councilwoman Marino stated that she thinks the lack of specificity within the report is concerning to her. She does not know the qualifications of the person that did this. She needs to make this abundantly clear, the point of addressing this is to get this fixed. We all agree that it is a priority and needs to be fixed. Frankly, the \$13,000 on a report that is unsigned, done without going through the BOCAP was a waste of time, it was a waste of money from her perspective. She walked through the facility. She stated that she is a lay person and not an expert and even in doing that, there is need for improvement, but the person who prepared this report is not the person to do the professional assessment with specific details that we need and that is the problem that she has. She wants to be clear that we need to get this pool opened, we need to have it addressed in the correct way and she does not want to repeat the mistakes of the past, which brings her to the next issue of this, which is the status of the Planning Commission approval because we could not even place this on the Capital Operating Budget because that was not done properly. She understands that that was not done intentionally, but we do not have the time to repeat nor do we have the money to repeat the mistakes. She asked the Administration what the actual next step is with respect to getting this pool open. We know it is not going to happen this summer and that then would include what the status of obtaining the Planning Commission approval in that process. Director Moretti stated that there is not, at this time, a budget to revamp the pool. The alarming things that were identified in the report from the Federal Hill Group is the safety of that pool, the structure of the pool and the physics of it that if it were open today, given the drainage or the holes or the breeches in the pool, it is felt that a child could be sucked down to the pool to a drain and certainly there is no one in this room that did not want to think about that. The pool house is not ADA accessible. There are areas of it that are crumbling and the structure does not appear to be up to Code, there is no sprinkler systems. There is a whole host of concerns about the facility itself. The feeling is that at this point in disrepair as it is and requires capital improvement, this report came out after the submission to the Planning Commission inadvertently put on and it was part of capital not allowed by the Charter so it was taken off. The Grant Writer, with the endorsement of the City Council and the work of the Administration, working with Senator Reed and Senator Whitehouse's Office, trying to obtain a \$2.8 million Grant. That could be an option at this time. One of the considerations that we have asked to place on the ballot is additional Bond money to be approved by the voters as a potential other alternative to allow for capital expenditures and recreation. We have not even hit the tip of the iceberg in terms of ARPA funds which could be considered maybe through a lot of discussion with this group, but there is no money in the Operating Expenditures to safely open the pool at this time and it looks like it is going to be an investment in order to get there.

Councilwoman Marino asked which specific department and line item was the payment for this report originating from and what was the actual bill? Director Moretti stated that it is going to reside in the Parks and Recreation Budget. Director Tessaglia stated that it would be the Recreation Expenses Account #55006 in the amount of \$13,875. Councilwoman Marino asked if Director Tessaglia can e-mail her a copy of the bill. Director Tessaglia stated, sure.

Councilwoman Germain stated that she and Councilwoman Marino share the same sentiment about this whole report. Right now, she has great concern about health because the way the policy is with this water sitting in the pool is a source for mosquitoes. There is no plan to reopen the pool. She asked what the Administration is doing about this. Director Tessaglia stated that that pool has a liner that was put in a few years ago that has continuously leak since they put it in. it has had to be removed. We have pumped it over the winter or right before the winter, maybe once after. If you do not leave water in there, it does not keep it taut so what will happen is the water that is coming from the basin underneath and the water table would push up against this liner and it could basically just rip it or bust it, so it has to have some level of water in it to maintain its tautness around the perimeter of the pool. Councilwoman Germain stated that her question is, the water that sits there, is that safe for the environment, is it safe for the neighborhood? Director Tessaglia stated that the water is going to attract mosquitoes. The whole area is wetlands, but he is sure if we have to keep it that way through the summer, we can do something to counterpart the bugs. There are organizations that will spray for us if that is the concern. Councilwoman Germain stated that she has received complaints from a lot of other residents that have dumpsters in their backyard about mosquitoes and what she has heard is that if we, as a City, are not taking care of our own, how can we tell the residents that they have to take care of the dumpsters they have in their backyard that is a shelter for mosquitoes? Director Tessaglia stated that he will look into the mosquitoes problem tomorrow. Councilwoman Germain stated that she is disappointed because we know there is no way we can open the pool the way it is right now. She and Councilwoman Marino went there to have a tour of the pool and one of the things is what she saw there is not something that happened in two years and she said that before. There should be someone accountable for making those decisions, but now where do we go from here? Does someone really think about those residents who use the pool every summer that do not have a backyard pool to cool off, that do not have the means to go to Narragansett Bay?

Councilwoman Renzulli asked if there is any other process to get this done without going through the Planning Commission. Attorney Angell stated, absolutely not. It has to be part of the Capital Budget and go through Planning and this Council has to approve it.

Councilwoman Germain stated that the question she asked has not been answered. The question is who contracted with the company to do this work? Director Moretti stated that Director Tessaglia worked with Mr. Marchesi in Purchasing and this vendor was chosen from their qualified Engineering Architectural list. Councilwoman Marino stated that she is not satisfied with that explanation because it is not what her understanding is to be the proper procedure in which to have this type of report conducted.

3. **Park Place Theater** - production and terms of prior owners' contract with the city and the new owners' contract with the city; production of the insurance binder and policy of insurance.

Councilwoman Marino stated that this afternoon she received a copy of the contract from 2017. She asked if the Administration can confirm that there has not been a new contract that has been entered into and if it is just a transfer due to the sale and ownership change of the business. Director Moretti stated that that is what he has been informed and he was not party to

it. Councilwoman Marino stated that she was also looking to see production of the insurance binder and the actual policy of insurance in place with respect to that business use of the parking lot. She stated that previously, Mr. Quinlan, one of the owners, appeared before the Safety Services and Licenses Committee and stated that he did in fact have an insurance binder that was produced to the City. Director Moretti stated that Councilwoman Marino graciously sent him an e-mail last week requesting those two items and he immediately requested Solicitor Millea to look into and produce the insurance binder or any document of additional insurance along with the lease agreement. He has not responded back to him and apologized on behalf of Mr. Millea, but he promised to look into it again. Councilwoman Marino asked that this item be continued to next month's meeting and discuss it at that time.

Council Vice-President Ferri

1. Financial Plan - What is the actual plan to alleviate the structural deficit?

Director Moretti stated that there is an in-process action plan to address the growth of government over the years and the issues facing the City and the various communities regarding the pandemic that has caused financial stress. As everyone may recall, there were approximately \$1 million or more that the Administration acquired which Councilwoman Renzulli had proposed in cuts. The Mayor has imposed a Phase I contingency plan to implement those budget reductions anyway. The Department Heads are tasked and the Administration is tasked with running to a budget less than a million or million one regardless. We are working with a contingency plan Phase II that cuts deeper, unfortunately, into the City's infrastructure and we are trying to find ways of mitigating any collateral damage. We are also trying to work with the bargaining units, we have imposed hiring freezes except for essential personnel, Overtime would be approved by the Administration, non-essential purchases, barring of out of State travel for such things as seminars, looking at ways of saving on gasoline costs/diesel costs with more effective or efficiently having the employees driving around the City, discussing things with the Laborers and Teamsters, have suspended negotiations with Firefighters and hope to resume those negotiations and ask Police if we can reopen their contract also. There is a meeting scheduled with the Libraries to see what can be done. Those are just a handful of things and it is a work in process and hopefully there will be an update in a month or so as to next steps.

Councilwoman Marino thanked Director Moretti for what he has stated, but stated that as we are sitting here meeting, she has had at least three people reach out to her with respect to a press release that she assumes was issued today since the article from the news station aired at 5:30 this evening and it specifically states that it was a press release from the Mayor dealing with the structural deficit. So, since we have the luxury of a Communications Director, whose role it is to send out press releases, she would like to know when that press release was sent to the press and why it was not provided to the Council. Director Moretti asked Mr. Paiva to answer the question. Steven Paiva, Communications Director, appeared to speak and stated that as far as press releases, it has been past practice for them to go to the press and he's never sent press releases to the Council. He thinks this forum is a great place for the Council to ask questions regarding things that come up in the Mayor's Office, but it has been a practice that we have issued press releases to the press. Councilwoman Marino stated that she is not asking about general practice. She is asking about the specific press release that deals with the structural

deficit that she is sure the Administration was well aware of that we will be speaking of tonight and the Administration, through the Communications Director, put out a press release that at least aired as of 5:30 this evening so she is asking when he sent that press release to the press and not the Council. Mr. Paiva stated that he sent the press release to the press at approximately 4:45 p.m. Councilwoman Marino stated to Mr. Paiva that we and the residents who pay your salary, she does not find that acceptable and she will take pleasure in putting forth an Ordinance that is going to require that those press releases get shared with the Council before they go out to the press because that is not a huge ask especially on a topic as important as this.

Councilwoman Vargas stated that she agrees with the sentiments that Councilwoman Marino has just stated. She also stated that there have been conversations with the Laborers and Teamsters, as Mr. Moretti stated, and she questioned why none of those conversations have been expressed or shared with the Council President. She questioned if they were ever shared with the Council President or the Finance Committee Chair in terms of the stages of what the Administration is trying to do in terms of whether there would be furloughs, layoffs, negotiations being on hold, what the Administration is trying to do in hopes to save the City some money. Director Moretti stated that he does not have answers to those questions. They are working with these people, they are cooperating doing what they can. They are not in the position to divulge personnel names or ideas or discussions at this point. There comes a point where the City has to operate and there has to be some Administrative leadership in the relationships that we share with these union leaders. There has to be a trust and he is not going to babble everything we say and do. We have a responsibility to them in keeping with that trust and the Administration will inform the Council as there is anything reportable to say. He does not believe the Administration is required to share with the Council work in process information and he asked legal to address this. Attorney Angell stated that, as everyone knows, the Council legislates and the Administration administers the day-to-day affairs of the City to the extent that things are shared with the Council President or the Chair of a Committee, from a practical standpoint, but it is not a legal issue. Director Moretti stated that we do not want to scare people, but there has to be some flexibility for the Mayor to do his job. As to the press releases, he believes that was a mistake that press releases have not been asked to be shared with the City Council. He assured it was done. He thinks it was an inadvertent and it was not intentional on the Administration and he cannot double check everything that everyone does. It is their job performance we have to evaluate whether they're doing a good job or not.

Councilwoman Vargas stated that she understands that, but she assumed communications in terms of press releases have to be authorized or approved by someone. She asked Director Moretti if they are approved by him before they go out. Director Moretti stated that they are approved by the Mayor. Councilwoman Vargas stated that, in terms of that press release, the fact that it states that the Democratic Party rejected those budget saving changes in terms of the budget, let's take a note that they were not the only ones who voted against it. There was another Republican member that participated in that vote as well so she just wants to make sure that if we are going to have a message on a press release, have it right or do not have it at all.

Chair stated that a few minutes ago, Director Moretti used the word ‘trust’. He wants to have trust. We have sat here when contracts have come up and money has been spent and we have asked the questions ‘can we afford this’, ‘can we afford that contract’, ‘can we afford to do these things’ and he has always said yes, but yet he has never shared any of the information once we hit the budget and there were problems. It did not come back to the Council, he did not come to the Finance Chair, he did not try to sit down with the caucus, he did not make the Council aware of any of the problems and how can we continue to trust when the budget, as Councilwoman Marino stated, was an “F”, it uses half the COVID money, it creates a \$12 million structural deficit and now he is telling the Council he has a plan, but yet he does not share the plan with the Council until he has to get it by five texts from friends of his who have been sitting on U-tube and Zoom asking if he knows about this. He does not trust that Director Moretti is being fair to this entire Council. Director Moretti stated that Council Vice-President Ferri is not accurate. If the Council Majority Leader is not doing his job in communicating to his caucus, that is not the responsibility of the Administration. Chair stated to Director Moretti that he has met with Councilman Donegan three weeks ago and have not gotten back to him since then and he is not on the Finance Committee. Director Moretti stated that we are right about to schedule a meeting with the Council President since there is no Minority Leader and Councilman Donegan again, so Council Vice-President Ferri is correct, but we are not having weekly meetings. As to the press release, he agrees, the Council should have been on it. Councilwoman Marino stated that she does want a copy of the press release that our Communications Director, Mr. Paiva, sent out today and she expects that this evening. Attorney Angell stated that the notion of composing an Ordinance to direct the Administration as to how various positions and functions should occur outside of what is in the Charter, can be construed as interference with the day-to-day operations of the Administration and the duties of Mr. Paiva are determined by his employer in the Administration. It is a matter of cooperation, it is not a matter of legislation. Councilwoman Marino stated that that is fine and every time that something such as this occurs, it will be brought to light, but hopefully it will not occur because it is a disservice to the City as a whole and to residents and it is not productive.

Councilwoman Vargas asked for an Executive Session for an update on the discussions being held between the Administration and the Unions.

2. **ARPA Funds** - Specific Itemized expense accounting of ARPA funds that have been spent to date. Exactly how much is remaining in the ARPA Fund account? What are the U.S. Department of Treasury's reporting requirements for the city's use/expenditure of the ARPA Funds?

Chair asked that this item be continued to next month’s meeting.

3. **Finance Director** - plans and status of hiring for this position.

Chair asked Director Moretti to be as specific as possible regarding the above item.

Director Moretti stated that no one has expressed interest in this position. We are recycling the networking just like we did before with the League of Cities and Towns. Word of mouth is how other people potentially came about. There is no interest expressed to us from anyone, in fact, quite opposite. They are concerned about someone who has a viable job putting themselves out there at the risk of not being accepted. That has been conveyed to us on a couple of occasions. We are concerned and there has been no interest and we know how critical it is, but we can't get blood out of a rock at this point.

Chair stated so there is no one applying for the job. Is that correct? Director Moretti stated that that is correct. Chair asked Director Moretti if the City has addressed what it needs to do to change that, like what steps need to be taken to get somebody interested in the job. Director Moretti stated that we have exhausted what we could previously the last time when we thought we had an extremely competent person and the Council respectfully disagreed. There is no new fresh, innovative ways of recruiting. Chair asked Director Moretti if the City has tried to figure out what it is that it needs to do differently to get someone interested in the job. Director Moretti stated, nothing different. Salary is commensurate with experience. As he stated before, there is more of a deterrent coming to Cranston. Word gets around and if anything, he thinks a barrier has been created that we did not have before, but it does not matter and we still have to persevere. We also can't force someone to take the Finance Director's position if they are not interested.

Councilwoman Marino asked where the City has specifically advertised and or posted for the position. Director Moretti stated the website, advertised via meetings with the League of Cities and Towns, networking with the people at the Rhode Island Division of Municipal Finance, Auditor General's Office. A billboard, we do not feel is going to be effective or an ad in the Providence Journal. Councilwoman Marino asked, to be clear, conversations have taken place with the entities mentioned and on the City's website the job is posted? Director Moretti stated that it should be on the Personnel page. Councilwoman Marino asked, how about with respect of an option of hiring a Recruiter after we exhaust the issue of at least posting on places such as Indeed or something like that? We all agree that that position is a vital position and clearly just looking within the walls of Rhode Island is not necessarily going to be enough.

Director Moretti stated that there is no money in the budget for to pay for a Recruiter nor do we have relocation money in the budget to attract someone. That is why we did not pursue that avenue at this time. We will be as diligent as we possibly can to recruit. The Administration has the greatest vested interest for the City of Cranston to recruit a Finance Director so it is not the Administration's intention to stall.

Councilwoman Marino stated that we need to move beyond what has not happened and try to actively pursue someone in that role and she does not think that from what Director Moretti described is enough activity to try and pursue somebody in that role. There are other options available that do not cost a lot of money. Director Moretti stated that he will pass that along to Director Parrillo.

Councilwoman Vargas asked if the Mayor is still planning to give his Directors a 3% salary increase given everything that is being asked of everyone. Attorney Angell cautioned that this is not an agenda item. Councilwoman Vargas stated that she will request that this be added to the next Council meeting Docket.

The meeting adjourned at 9:30 p.m.

/s/ Rosalba Zanni
Acting City Clerk