

(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 10, 2023
(BUDGET HEARINGS)

A special meeting of the Finance Committee was held on Monday, April 10, 2023 in the Council Chambers, City Hall, 869 Park Ave., Cranston, Rhode Island.

CALL MEETING TO ORDER:

The meeting was called to order at 6:05 P.M. by the Chair.

Present Councilman Robert J. Ferri
 Councilwoman Aniece Germain
 Councilman Richard D. Campopiano
 Councilman John P. Donegan, Chair
 Council President Jessica M. Marino

Absent: Councilman Christopher G. Paplauskas
 Council Vice-President Lammis J. Vargas

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

Chair recognized former Citywide, Ward 1 Councilman and Former Finance Chair, Steven Stycos in the audience and asked if he would like to speak to approach podium.

Steven Stycos appeared to speak regarding the Capital Budget and presented a handout showing Capital Budgets for previous Fiscal Years. He stated that what this handout is, is for the last ten years of what the Capital Budgets have been. This year's funding for the proposed Capital Budget is enormous Capital Budget and he urged the Council to cut it because interest rates now are high and looking at this chart, when former Mayor Fung was Mayor, the Capital Budgets were between \$10 and \$20 million a year. What is being asked for this year is \$67.9 million. First thing that comes to mind is that there is a lot of School spending on the Capital Budget. That is True, if you go to the School total, you see \$47 million, which is a huge amount, but even in the non-school Capital Budget, is double what the normal non-school Capital Budget is. Just because you have a Capital item in the Budget this year, it is not always reflected in this year's Budget because if the City goes out to Bond, that takes a while. These Bonds, this borrowing, is a 20-year Bonds, so that adds, depending on the interest rates, approximately half. He hopes the City Council would make some choices about what is important. We can't do

everything all at once and he thinks that is what this Capital Budget is trying to do. It is building a new school, very expensive, very important, but then it is fixing the pool, fixing the Ice Rink, putting Astro turf on the Cranston West baseball field. There is even Capital money to upgrade baseball fields, which he does not think is a Capital expense. Another item he asked the Council to look at is under Public Works Department, there is Citywide Infrastructure, which is storm drains, paving streets and it is \$4 million. Most of the time, when he was on the Council, that was \$1 million, but we got by with the \$1 million. Then it jumped to \$4 million, so he urged the Council to look at that for a possible cut. As to the synthetic turf at Cranston West, typically synthetic turf lasts 10-12 years, so you are going to be paying Bond money interest on that for twenty years, but 10 or 12 years into the payment, we're going to have to pay interest again on \$1.3 million. He finds this as a very questionable expenditure.

PUBLIC LIBRARIES

Ed Garcia, Director of Libraries, appeared to speak and stated that the Library is at approximately 85% pre-pandemic usage of 2018 and once again, Cranston Public Library was the highest circulating public library in Rhode Island last year with over 640,000 items.

Chair indicated to line item #56008 Operations of Libraries and stated that that line item is staying the same at \$198,000. Current Fiscal Year is running at approximately \$280,000, which is \$81,000 over Budget. He asked why so far over Budget and is an increase necessary for the next year. Director Garcia stated that, no, the increase is not necessary and reason why that is over budget is later this FY the State passed their Budget in the end of June and that included some of the additional State Aid, but that was after the City had already passed the Budget, so typically this has happened twice in the last ten years where we got additional money from the State after the Budget was passed.

Chair indicated to line item #56002 Books and Care and stated that that is going up \$5,000, annualized for this year is at \$146,000 and the five year average is \$148,000. He asked if there is anything additional required. Director Garcia stated, no, during the pandemic they were not able to spend down some items because of staffing levels, so they ended up moving that into Books. They can always use more money for Books. Chair asked what the current Reserve Account is running at. Director Garcia stated approximately \$215,000, but they do have a few approved projects that are in process right now that the Trustees have approved that are in year eight of a ten year Ordinance that was passed to upgrade all the City fire alarm boxes to the new radio boxes, so they were approved approximately \$40,000 to move to replace all the Library fire boxes this fiscal year using some of the Reserves so that is in process networking with Deputy Chief DeSourcy to get that finished by June. Chair asked Director Garcia where he thinks he will stand after those projects are completed. Director Garcia stated approximately \$140,000 - \$155,000.

Mr. DiMaio asked what the amount is of the additional money that was funded after the Budget was closed 2023. Director Garcia stated approximately \$82,000. Mr. DiMaio asked if there is Grant money or funding from the State for the fire boxes going in that could be reimbursed. Director Garcia stated, not that he is aware of. This is an Ordinance that was passed eight years ago that all City buildings should be upgraded by a ten year timeframe so he has been working with Chief Warren and Deputy Chief Desourcy and there was no State money available that he is aware of for this project, so they took it upon themselves to work it out from their Reserve Fund. Mr. DiMaio asked how much will be remaining in this Budget that we put into the Reserve fund at the end of this budgetary period. Director Garcia stated that this year he would approximately less than \$10,000.

Mr. DiMaio stated that salaries are going up \$102,000. He asked if that is contractual obligations. Director Garcia stated that it is except at \$102,000 is a number that spans two fiscal years. Last year there was incorrect information in their Salary Schedule that was accounted for with step increases, so in that Fiscal Year, they covered those funds, which is approximately \$34,000, out of their Reserve Fund, so this year that money is there as well as an additional amount for contractual obligations.

Council President Marino thanked Director Garcia for running a fabulous library system and thanked the Trustee members for serving.

Councilwoman Germain echoed sentiments of Council President Marino.

Mr. DiMaio questioned if the Library received \$250,000 two years ago in a Grand funded to the Library. Director Garcia stated that that was the Jerry Klin Community Impact Prize. That was a prize award and it came into the Cranston Public Library Association, which is a 501C3 non-profit that exists outside of the Library that they raise money to support the Library and the Friends of the Library is part of that group. That money is at that Association and they are spending it a little each year to help support programs. Mr. DiMaio asked if that is restricted to just programs or if it is anything that he can propose that could be awarded to the Library to help support the operation. Director Garcia stated that there is no restriction for that money, but it is up to the Board of Directors of the CPOA where and how they want to spend those funds. Mr. DiMaio asked how much is left. Director Garcia stated approximately \$180,000.

Councilwoman Renzulli questioned the \$10,000 for online resources from 2023-2024 is for. Director Garcia stated that they added a few resources last year, one of which is Consumer Reports and that takes up half of that \$10,000. The rest, they hope to spend on additional e-books and digital audio books. Those are becoming increasingly popular. Councilwoman Renzulli asked what typically drives the Revenues at the Library and what can be done to help drive Revenues. Director Garcia stated that the reason for continued rapid decrease over the years is because when they started going fine-free, they had a Revenue line for fines. When they first proposed going fine-free for children and teen materials, former Mayor Fung added \$20,000 into their Revenue line to cover the loss in Revenue and then the City Council approved that and then same thing when they went completely fine-free, they backed that out of their Revenue. Currently, the Revenues are lost materials, room rentals, photocopies and printing costs.

No one appeared to speak from the public.

ECONOMIC DEVELOPMENT

Franklin Paulino, Director of Economic Development, appeared to speak and stated that currently the staff is just himself. He did have an Aide, Marcia, and she retired.

Chair indicated to line item #52753 and stated that we are now in a second year of the partnership with the Providence/Warwick Visitors Convention Bureau and that was a \$10,000 agreement, where the department's budget is so they can continue that partnership. Is that correct?

Mr. Paulino stated that he is requesting \$10,000 on the Marketing side for that. Director Moretti stated that he believes there was discussion for consideration to use ARPA funds for that. Chair asked if that is in the Budget. Director Moretti stated that it is not in this Budget, but it would be a pretty much agreed that the Mayor proposed spending that \$10,000 of ARPA funds to the Council and that is why it does not show up as an item.

Council President Marino indicated to line item #51104 and questioned the \$6,000 differential. Director Paulino stated that he did ask for a Salary increase on that differential. Director Moretti stated that Director Paulino requested to fill the Aide's position and the Mayor did not see fit giving the austerity budget that is being presented, so that would be representing a differential paid to the Communications Coordinator to assist Director Paulino and all his efforts and that would be cheaper than hiring a part-time person or another employee. This would be to pay him extra hours to make himself available to Director Paulino.

Council President Marino stated that with respect to ribbon cuttings, she asked what the expense incurred and which expenditure item this would fall under. Director Paulino stated that that would be under Program Activities and those are mostly to buy ribbons, scissor and paperwork for the Office. Council President Marino stated that when Marcia was in this Department and there was a ribbon cutting, all Council Members would receive notice of the ribbon cutting. That has since stopped and she asked if there is a particular reason why that stopped. Director Paulino stated that it is just himself right now and when there is a ribbon cutting, it probably would be up to the business owner to invite the Council. He does send the invite to a Council person if the business is in their particular Ward or Citywide. Council President Marino stated that that has not been happening, that is why she is wondering what the expenses were incurred with the notification because Council Members have not been notified. Director Moretti stated that the Administration had a meeting the other day where they discussed this for ribbon cuttings or grand openings. Director Paulino and the Communications Director would speak with the business owner to ask them if they would like to invite the Council people or whoever they would like represented. They call the Mayor's Office and invite the Mayor and the Administration feels it should not be in the position to invite people to crash someone else's party, but Director Paulino is instructed, along with Zach, to convey the wishes of the Council to have them, if they wish, to be invited to get their approval before they take the liberty of doing something, the Administration just wants to make sure it is cleared by the business owner. Council President Marino stated that all of a sudden, what we have been doing for the past two years, all of a sudden, has changed because there is a sensitivity to the business owner and you do not want Council Members to appear and crash them? Director Moretti stated that he can't speak to what Marcia did or did not do as to all ribbon cuttings, but just social common etiquette to ask the business owner encouraging them to invite the Council Person, but leave it up to them. Council President Marino stated that the Administration is asking the business owner when they are doing ribbon cutting or reopening, you are specifically having some type of email communication or conversation with those business owners asking them if in fact they would want other Council Members to attend? Director Moretti stated to Council President Marino that she stated that it changed from what Marcia did and he is stating that he cannot tell what Marcia did versus now. He can only tell everyone what we are doing now is that we are encouraging the business owner to invite whatever Council people they would like. Council President Marino stated that that is unique to Cranston because other cities and towns do not behave that way.

Councilman Ferri asked what the procedure is to invite the Council to the ribbon cutting because he has not been invited to one in at least eight months and he refuses to believe that the business owners do not want the Council people to be at the ribbon cutting.

Councilwoman Germain stated that she has seen a lot of businesses in her Ward and has seen a lot of ribbon cutting and never been invited. She asked Director Paulino, his position as Director, if he is deserving of Overtime when he works extra hours. Director Paulino stated that he sees this as coming before the Committee this evening, to be considered Overtime and he deserves Overtime. Councilwoman Germain questioned why there is no Overtime in this Budget. Director Moretti stated that Director Paulino does not get Overtime just like other Admin Directors. He gets compensatory time.

Councilwoman Renzulli questioned the Differential for the Communications Director and asked what that person will be doing. Director Paulino stated that he will be helping him with Revolving Loan, take minutes of meetings, assists when going out on Take it Outside Program. He is also a journalist and they are working close with Lisa Andoscia on the Grant writing. So far, we put in three Grants for the City and we are looking at the new program that is coming out for the State, which is the Ventilation Program and this is in the third round of Take it Outside, which we applied for \$250,000 to the City. Councilwoman Renzulli stated that as to the Go Providence, if that is funded through ARPA, will someone still report to you because in the last year, the first time that we spoke to that Association was like in the last month when they came here, she does not think any of us knew there was a Go Cranston website. They have a lot of programs, but we are not getting that communication directly and she does not know where they are going to report to especially if they are not coming out of this department's budget. Director Paulino stated that he will try to work on the Grant for the Tourism and see if there are Grants out there. They will report to him and he will work close with Councilman Donegan on that matter.

Council President Marino clarified that the Communications Director has already been assisting the department, is that correct? Director Paulino stated, yes.

No one appeared to speak from the public.

EXECUTIVE

Director Moretti stated that Administration is requesting two-thirds of 1% increase to the department.

Mr. DiMaio asked how the Rhode Island League of Cities and Towns fees calculated. Director Moretti stated that fundamentally, on population, which we have a problem with. Cranston is one of the larger communities, so we get hit pretty well.

Councilman Ferri indicated to page 30 of the Budget and stated to Director Moretti that he is the Chief of Staff and then there is a Deputy Chief of Staff, Mr. McAuley. He asked what the Deputy Chief of Staff does for \$70,971. Director Moretti stated that there is a job description for him. He provides assistance to him as the role of Chief of Staff, he handles projects or assignments. He also assists in Constituent Affairs because there is only one person there. He also assists with the Mayor's schedule, being the advance person for the Mayor.

Councilwoman Renzulli asked if there is a Confidential Assistant to the Mayor currently. Director Moretti stated not currently, until we are stretched, but we need to fill that at some point. Councilwoman Renzulli asked who the liaison to the Council is. Director Moretti stated that ye is.

Councilwoman Renzulli asked Director Moretti if it is supposed to be him. Director Moretti stated that he would be the primary contact. Steve Craddock is coming in a few days a week to help out the office and he would be a key person too. Councilwoman Renzulli asked where Mr. Craddock fits into this Budget. Director Moretti stated that he is budgeted in the Senior Center Administration.

Chair stated that Mr. Craddock is great, but how is he the Senior Services Director and assisting in the Mayor's Department? Director Moretti stated that at the Senior Center, Mr. Craddock does a fair amount of work in his office at his desk, so he is using a lot of desk time. We see this as a temporary thing, but he is stretched a bit and he is doing a lot of his emails and correspondence and Administrative things at a desk in the Mayor's Office.

Council President Marino asked where the vehicles expenses are listed, how many vehicles there are and gas charges associated with the vehicles utilized by the Executive Office. Director Zidelis stated that gas charges are, as for all other departments, located in the DPW Highway Account, but he will confirm that. Police and Fire have exclusive accounts.

Councilwoman Germain asked if the Communications Coordinator also oversees IT and website. Director Moretti stated that the website he oversees, but not the IT Department. Councilwoman Germain asked what other type of communications the Communications Coordinator handle besides press releases. Director Moretti stated that he handles keeping Administration informed on what is going on legislatively at the State and some liaison with other communities.

No one appeared to speak from the public.

LAW DEPARTMENT

Solicitor Christopher Millea appeared to speak.

Chair indicated to line item #52313 Outside legal Services and stated that next year's proposal is \$400,000. He asked if it is possible to reduce that down more. Solicitor Millea stated that he would love to see that go down. He does not know where anything is going to be tomorrow based on the fact that the City is self-insured and everything regarding legal representation goes through the Department, so if we have a quiet six months, that month can go down. That number could jump up as a result of a car accident that might happen five minutes from now. He is doing his best to keep things inhouse to try to keep that number down.

Council President Marino asked how many Solicitors the City currently has. Solicitor Millea stated that there's himself and four others. Everyone is considered part-time, but those are people that have fixed stipend by the City. Council President Marino stated that previous Budgets, the Council received the itemization of the stipend and she asked if Director Zidels can supplement that. Council President Marino asked which departments, besides the Law Department, are utilizing other legal services. Solicitor Millea stated only two departments he is aware of, which are for Claims and Tax purposes and Library as well. Councilwoman Renzulli asked where those are found in the Budget. Solicitor Millea stated that it is within their own Budget, if there are legal expenses that are incurred. Director Zidelis stated that generally, it is classified as Professional Services, primarily the Treasurer's Office and very similar one in the Library.

Councilwoman Renzulli stated that Outside Legal Services has gone down from 2018 to now. She asked if that is from using inhouse Counsel more often. Solicitor Millea stated that that is what he has been trying to do. He can't speak for the prior Administration and how they handled it.

No one appeared to speak from the public.

INSURANCE CLAIMS AND RISK MANAGEMENT

Council President Marino indicated to line item #52312 and asked why the \$10,000 is not in the law Department as opposed to here. Director Zidelis stated that that is the allocated amount that has been assigned to work directly for the Claims Committee on something assigned by Attorney Millea.

Councilwoman Germain indicated to line item #50729 and in 2021 it was \$282,000, in 2023 it was \$2,500 in for 2024 it is projected \$75,000. She asked for clarification. Director Zidelis stated that in terms of why the Budget for Fy23 was allocated \$2,500, he can't answer that questions, but through February, we have spent \$34,000 for City Claims and that is in line with what we are experiencing. Councilwoman Germain stated in the Claimant Outside, in 2021, we paid \$300,000 and in 2022 it was \$368,000. She questioned why the increase in 2024. Director Zidelis stated that the budget amount for FY23 was \$260,000 and through end of February, we already had \$184,000, so that led to our projection to recommend reallocating \$5,000 from a different line item up to that Claims Account.

Council President Marino indicated to line item #50754 Insurance Premium for Buildings Properties and stated that that is tracking high. She asked when we are paying the premium. Director Zidelis stated that month of November, we got quotes for building insurance and quotes came in and were due immediately. In terms of building, the building insurance, predominantly looking at on the account #50754, he can't remember that period runs on a fiscal year basis, but it is an annual premium.

No one appeared to speak from the public.

PERSONNEL

Council President Marino asked if part-time help includes the Greeter in City Hall. Director Zidelis stated, yes, it does. Council President Marino asked what the other part-time person's role is. Director Zidelis stated that that is augmenting HR/Personnel type issues within the Department. The Greeter/Security is an Officer who is not paid from this Budget. Both Greeter and Greeter/Security also view the cameras in the building.

Councilwoman Renzulli questioned who is getting the increase in the Salary Schedule, since there are two people in Personnel. Director Moretti stated that that would be for the Confidential Assistant and increase is coming from the savings of a part-time help position.

No one appeared to speak from the public.

The meeting adjourned at 8:15 P.M.

Respectfully submitted,

Rosalba Zanni
Assistant City Clerk/Clerk of Committees