

SPECIAL FINANCE COMMITTEE
(BUDGET HEARINGS)

Special meeting of the Finance Committee was held on Monday, April 16, 2007 in the Council Chambers, City Hall, 869 Park Ave., Cranston, Rhode Island.

The meeting was called to order at 6:30 P.M. by the Chair.

Present: Councilman Terence Livingston, Chair
Council Vice-President Paula McFarland, Vice-Chair
Councilman Jeffrey P. Barone
Councilman Emilio L. Navarro
Council President Aram G. Garabedian

Absent: Councilman Anthony J. Lupino

Also Present: Councilman Richard D. Santamaria, Jr.
Councilman John E. Lanni, Jr.
Ernest Carlucci, Director of Administration
Frank Migliorelli, Deputy Director of Administration
Vito Sciolto, City Solicitor
Corsino Delgado, Director of Finance
Mike Igoe, City Controller
Donald Gray, City Treasurer
Steve Woerner, City Council Internal Auditor
Maria Medeiros Wall, City Clerk
Rosalba Zanni, Assistant City Clerk/Clerk of Committees
Heather Finger, Stenographer

SENIOR SERVICES

Theresa Murphy, Executive Director, appeared to speak and stated that the City bid on the contract with East Bay Community Action and won it, which started on April 1, 2007. This contract was for \$200,000. She stated that this new contract is expected to generate approximately \$100,000 in revenue. The City lost the Meals on Wheels contract because it went State-wide to one vendor.

Councilman Santamaria asked if the City receives grants for the Transvan Program. Ms. Murphy stated, no. Councilman Santamaria asked if we receive any grants for Adult Day Care. Ms. Murphy stated that we receive a grant from the State legislature, which we receive annually, and this has been level-funded.

Chair asked Ms. Murphy if she has any suggestions on how to increase revenues in Transvan. Ms. Murphy stated that at this time, seniors pay \$40 a year. We are looking at implementing fees to be paid for Transvan as needed, which may increase revenues.

Council Vice-President McFarland stated that the Transvan fleet is getting old. She asked what process is used in repairs to the fleet. Ms. Murphy stated that most of the fleet has been under warranty. As of this year, the warranty runs out. The vehicles are being taken to the City's Vehicle Maintenance Department repairs. Council Vice-President McFarland asked what is required for residents to use the Transvan services or any other services the Senior Center provides. Ms. Murphy stated that the meal site is open to seniors or disabled and Transvan is open to a person over 55 years of age or disabled. She is not sure if there is an age requirement for disabled, but she will check into this.

Councilman Lanni asked where Senior Services gets their fuel. Ms. Murphy stated that they use City fuel depots.

Council President Garabedian asked what the actual revenues are as of March 30, 2007. Ms. Murphy stated that they estimated \$627,000 and collected \$523,431 as of this date. Council President Garabedian asked if she anticipates any surplus. Ms. Murphy stated, very little, if any.

Councilman Navarro questioned the increase in part-time help in the Nutrition Division and what the plan is for part-time help. Ms. Murphy stated that there are seven part-time people in this division and she is proposing a 30 cents per hour increase for them, most of whom have not had an increase since they began in this division. There are also two part-time drivers for the East Bay Community Action, who will be paid \$8.50 per hour and she indicated that the line item in the budget needs to be reduced because it was initially budgeted for more.

Councilman Barone asked why there is no Overtime budgeted in the RSVP Division. Ms. Murphy stated that there is no requirement for overtime and the same applies for the Administration.

MUNICIPAL COURT

Municipal Court Judge Fred Joslyn appeared to speak.

Councilman Barone stated that the actuals as of February 20, 2007 for part-time help show that it is under \$5,000. He asked Judge Joslyn whether this much is going to be used in part-time help. Judge Joslyn referred to number 4 in the report he presented. He stated that due to the evening Court session every other Thursday, one of the part-time employees covers for the evening session. Councilman Barone asked what the status is for uncollected tickets. Judge Joslyn stated that the resources they have in trying to collect old fines is so stale that it might be a total effort in futility.

COMMUNITY DEVELOPMENT

Marie Sorman, Director of Community Development, appeared to speak and stated that they have an Entitlement Grant of \$1,088,883 and anticipate \$75,000 coming in in Programming Income.

Council Vice-President McFarland asked that Ms. Sorman provide the Council with a breakdown by Wards of any proposed projects in the City, either for sidewalks or streets. Ms. Sorman stated that the Public Works Department is in the process of compiling such a list, but she noted that Community Development's money is quite restricted. Council Vice-President McFarland asked Ms. Sorman if she is looking at any possibility of affordable housing initiatives. Ms. Sorman stated that they are working with Economic Development regarding this issue. Council Vice-President McFarland stated that some innovative things Community Development can do is look at the City's tax roll and taking land that the City takes back in tax sale and make that land affordable for Cranston families in order for them to stay in the City.

Councilman Santamaria asked as Ms. Sorman, as to Senior Services, if there is any chance of federal funding subsidies. Ms. Sorman stated that she would have to check with HUD, since Community Development's money is very restricted by HUD on how it is used.

PUBLIC LIBRARIES

Dave Macksam, Executive Director of Public Libraries, appeared to speak.

Councilman Barone questioned the decrease in part-time help and asked if there was a decrease in the number of part-time employees. Mr. Macksam stated, no, there is no reduction in number of part-time employees. This is due to good management.

FIRE DEPARTMENT

Chief Richard Delgado, appeared to speak.

Chair stated that with contract negotiations going on at this time, he asked if there are any raises budgeted. Chief Delgado stated that he has budgeted for no raises and no changes with the present contract. Chair asked Chief Delgado if he anticipates any changes in employees. Chief Delgado stated that he has budgeted for 201 positions.

Councilman Barone questioned how 6.1% of cost of living increase was budgeted, since the contract has not been ratified yet.

Councilman Barone stated that there is approximately \$400,000 in the Stabilization Fund and asked if some of this money can be placed in the Pension Fund. Chief Delgado stated that the Director of Finance would have to answer this question. Councilman Barone questioned the increase in Uniforms. Chief Delgado stated that contractually, this is what is needed. The amount from last year was due to concessions made by the Union. Councilman Barone asked if there are any grants or proposals for grants. Chief Delgado stated that there is one grant for \$190,000, which is very competitive and the City would have to pay 20% of that.

Councilman Navarro asked if there are any Firefighters due to retire or are going to retire. Chief Delgado stated that since there are ongoing negotiations, it could depend on what kind of contract is negotiated.

Chair questioned the fees for third party rescue billing and stated that these fees have not been changed since 1999. He strongly recommended that Chief Delgado look at having these fees increased and looking into what Medicare allows. These fees are set by Ordinance and should be increased to what Medicare allows. Chief Delgado stated that he will check with Medicare on what is allowed.

Chair asked that the Administration research how we can recoup the costs for hazardous material cleaning.

Councilman Navarro questioned the \$150,000 budgeted in line item 43195 "Plan Review Application". Chief Delgado stated that this is based on the amount of development that is going on around the City and the cost of the project.

POLICE DEPARTMENT

Colonel Stephen McGrath appeared to speak.

Councilman Barone asked what salary schedule was used in preparing line item 51101. Colonel McGrath stated that the Finance Department prepares that line item. Councilman Barone directed this question to Mr. Delgado. Mr. Delgado stated that the Finance Department looked at the current contract and there were some officers who are due a raise July 1st of step increases. Councilman Barone questioned why "Replacement Vehicles" line item went from -0- last year to \$140,000 in this budget. Colonel McGrath stated that this is for new year models. Councilman Barone asked how many officers are budgeted for next fiscal year. Colonel McGrath stated, 153, and the department is down two at this time. Councilman Barone stated that there is approximately \$500,000 in the Stabilization Fund for "Severance". He asked Colonel McGrath if he anticipates using that. Colonel McGrath stated that there are 28 officers eligible to retire and there are also sometimes disability candidates.

Councilman Santamaria asked for explanation for Overtime. Colonel McGrath stated that officers are allowed to accumulate up to 480 hours of compensatory time and cities and towns cannot force Police Officers and emergency personnel from dispensing Overtime, per FLSA guidelines. In emergency situations, we are required to bring back officers on Overtime.

Chair questioned the 7.3% increase in salary. Colonel McGrath stated that this is due to step raises and number of officers that are due to step raises. Chair asked where Utilities for the new Police Station is listed in the budget. Colonel McGrath stated that utilities is generally paid through the Building Maintenance Budget.

Councilman Navarro questioned line item 54300 "Maintenance Contracts" and asked what kind of contracts these are and what they cover. Colonel McGrath stated that a breakdown of these contracts is listed in the packets provided to the Council. One of the contracts is for mobile radio data system in the Police cars. Other big expense in this line item is for equipment that is generally used in programs such as "Hook a Crook Program". Councilman Navarro questioned line item 45133 "Other Revenues" projected amount of \$40,000 and what this is for. Colonel McGrath stated that this is for salary for EMA employee. He does not know why it is in this department's budget, but this is for salary and then it is taken out. Councilman Navarro questioned where the Police Department obtains fuel for the patrol cars. Colonel McGrath stated that the patrol officers are issued speed pass from three service stations.

Colonel McGrath recommended the following to increase revenues:

- increase fees for detail cars from \$12 to \$15 per hour
- charge \$5 processing fee on firearms applications that are reviewed and processed by the Police Department. The department processed approximately 1,200 applications in 2006.

Council President Garabedian asked Colonel McGrath if there are any recommendations that were made in the Performance Audit that are out of the control of the Police Administration, that he would like implemented. Colonel McGrath stated that we should keep moving in increasing the number of personnel to bring it up to what was recommended in the Audit, which was dependent on the population of the City. He stated that the number of detectives has been reduced through attrition. As to the patrol officers, prior to the Audit, we had approximately 60 patrol officers and now we have approximately 82, 3 of which patrol the two high schools and the middle schools.

Council President Garabedian asked what the status of the SWAT Team is, since the Audit made remarks of their lack of use. Colonel McGrath stated that the SWAT Team is still operating and training appropriately. Council President Garabedian asked if this is being funded by the City. Colonel McGrath stated that this is being funded with forfeiture money and no taxpayers' money is used. Council President Garabedian asked how much money the City received in forfeiture money last year. Colonel McGrath stated that the last operation, which was conducted recently, is going to generate approximately \$300,000 to the City. Council President Garabedian asked who has the ultimate decision of where this money is spent. Colonel McGrath stated that by federal law, the Police Department Colonel has this authority. He stated that, by law, this money is used to supplement the Operating Budget.

Council Vice-President McFarland asked how many officers are anticipated to retire. Colonel McGrath stated that 28 are eligible and some injured officers might retire. Council Vice-President McFarland asked how much is left in the Stabilization Fund for retirees. Mr. Woerner stated \$550,000, as of the end of March. Council Vice-President McFarland asked if a survey was done with other cities and towns as to the fee charged for police detail. Colonel McGrath stated, yes, and some are higher than what the City of Cranston is recommending, but he anticipates opposition from the IBPO if this is increased much more.

Chair stated to Colonel McGrath that they should be very proud in regards to the matching grants, which total \$330,000. He asked if there is anything new that is not included in the packet provided to the Committee. Colonel McGrath stated, Homeland Security money. He stated that two weeks ago, they were notified that we will be receiving the Video Detective, worth \$51,000, which we are getting for free. Out of the Homeland Security money, will be for Reverse 911.

Chair stated that per the Deputy Director of Administration, the City gets fuel for vehicles from Mobil at 3 cents a gallon; Oaklawn Mobil and Ocean State Mobil at 2 cents a gallon off.

Councilman Lanni stated that he believes increasing the fees for police detail is a good idea and it is only \$3.00 increase and he does not think too many people would object.

Councilman Navarro asked if there are any funds for notifications to taxpayers on sex offenders. Colonel McGrath stated that as of January of last year, the State Statute changed requiring that we notify for level 2 sex offenders as opposed to just level 1. He is not aware of any State or Federal funds that could be used for this, but he will check into this. These expenses currently are paid out of the Miscellaneous Expenses Account.

ANIMAL CONTROL

Colonel McGrath appeared to speak and stated that the success rate in adoptions has been going very well.

Public Speakers:

Allan Fung, 252 Mayfield Ave., appeared to speak and stated that, as a member of the public, it would be easier for the public to ask questions of the department heads as they are presenting their budget rather than waiting until the end of all the presentations. Chair stated that it is being done this way so the public can hear all the departments and the questions may intertwine and if there are any questions and a particular department head is not present, the information can be provided to the person asking the question. Mr. Fung stated that in regards to the Senior Services budget, he asked why the increase in Overtime, as it is increased in several areas. He still has concerns on the salary schedule for the Police and Fire. As to the Fire Department's budget, the Chief's proposed budget, all positions are budgeted and are accounted for within the budget. If the twelve positions that are currently vacant are funded, this is not necessary. Overtime should be potentially cut. As to the Police Department's budget, the salary should not be going up 7.31%. This schedule may be incorrect. He is asking that the Council look at the document that was provided by Mr. Woerner and former Director of Administration, Paul Grimes, last year on the fiscal impact. His recollection, when he served on the Council, is that it should be 3% or a little more, not 7.31%. He also indicated that the Police and Fire Pension Funds are being under-funded by \$2 million.

Robert Clarkin, 58 Strathmore Rd., appeared to speak and asked the City Clerk if the amended agenda for this evening's meeting had been posted. City Clerk stated, yes. Mr. Clarkin pointed out that the Senior Services, Community Development and Public Libraries Department Heads are not present to answer questions and this is not the proper procedure. Mr. Clarkin asked Mr. Corsino if there are any documents available, if a department head has proposed an increase in a particular line item. Mr. Clarkin asked Chief Delgado if there is any money set aside for the salary schedule for the Fire Department, since they are in negotiations at this time. Chief Delgado stated, no, we are going by the current contract. Mr. Clarkin asked the Council to take up the procedure on how these budget hearings are being conducted. It is not fair that questions have to go through the Chair to receive an answer. Council President Garabedian agreed that the department heads should have remained for the rest of the meeting to answer any questions from the public.

The meeting adjourned at 9:00 P.M.

Respectfully submitted,

Rosalba Zanni
Assistant City Clerk/Clerk of Committees