

## **SPECIAL FINANCE COMMITTEE**

A special meeting of the Finance Committee was held on Wednesday, February 7, 2007 in the Council Chambers, City Hall, Cranston, Rhode Island.

The meeting was called to order at 7:00 P.M. by the Chair.

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

Also Present: Councilman John E. Lanni, Jr.  
Councilman Richard D. Santamaria, Jr.  
Mayor Michael T. Napolitano  
Ernest Carlucci, Director of Administration  
Frank Migliorelli, Deputy Director of Administration  
Vito Sciolto, City Solicitor  
Steve Woerner, City Council Internal Auditor  
Maria Medeiros Wall, City Clerk  
Rosalba Zanni, Assistant City Clerk/Clerk of Committees  
Ron Ronzio, Stenographer

### **CORRESPONDENCE:**

### **OLD BUSINESS:**

### **PUBLIC HEARINGS:**

#### **Public Hearing on Mayor Napolitano's Department Head Nominees:**

- **VITO L. SCIOLTO, ESQ., as City Solicitor, Law Department**

**Vito Sciolto** appeared to speak and thanked the Mayor for the opportunity to continue to be a member of the Law Department, in particular as City Solicitor. He stated that he has worked for the past eight years as Assistant Solicitor under four Solicitors and has found his job to be challenging and asked for Advice and Consent of the Council and he looks forward to working with the Administration and the Council.

On motion by Councilman Barone, seconded by Council Vice-President McFarland, it was voted to give Advise and Consent of the appointment of Mr. Sciolto as City Solicitor.

Under Discussion:

Councilman Lupino stated that he was very concerned when he found out last week that a former Director was receiving additional funds to attend Council meetings along with his Assistant being paid overtime. He asked if a policy has been implemented by this Administration to address this. Council Vice-President McFarland stated that this is policy, regulations and rules. This is not on the agenda for discussion. She stated that she is very pleased that the Administration has selected Mr. Sciolto as Solicitor. He has been very devoted to our City and very responsible. Council President Garabedian asked Mr. Sciolto if he is familiar with the Resolution the Council passed regarding the concrete plant. Mr. Sciolto stated that he is familiar with it and his goal is to minimize legal fees. Council President Garabedian stated that he has never seen a more dedicated legal person in all the years he has been active in City government. Councilman Lupino questioned when his question he asked previously regarding compensation for Directors attending meetings, can be addressed. Council Vice-President McFarland stated that there is an Administrative Unit Contract that she worked on with the previous Administration and this is what these Directors would be working under.

Roll call was taken on motion to give Advise and Consent of the appointment of Mr. Sciolto as City Solicitor and motion passed unanimously.

- **CORSINO DELGADO as Director of Finance**

**Mr. Carlucci** read a letter of reference from Maureen Gurghigian, Managing Director of First Southwest Company, who could not attend this meeting.

**Corsino Delgado** appeared to speak and thanked the Committee for the opportunity for him to speak this evening.

Councilman Livingston stated to Mr. Delgado that this is the most important position in the City, since it deals with the money of the City and he wishes Mr. Delgado a lot of luck. Mr. Delgado stated that he agrees and is ready for it and he believes he has the qualifications and background.

Council President Garabedian asked Mr. Delgado what his strategy was in the short term portfolio when he worked for the State. Mr. Delgado stated that they did very short term investments because of the cash flow needs. Council President Garabedian stated that the City has established an Investment Commission and before former Mayor Laffey left office, he appointed three individuals to this Commission and he asked Mr. Delgado if he is confirmed, he would like him to confirm based on the resumes of these three individuals if they have any knowledge and experience in investments.

Councilman Lupino spoke regarding the Reserve Fund and he stated that the Council has been told that there is \$20 million or more, he asked Mr. Delgado if he thinks that this is too much and if so, is that a factor that we have been led to believe that the bond rating agencies were looking for. Mr. Delgado stated that you can never have too much in the reserve.

Councilman Barone asked Mr. Delgado, based on his experience and based on the history of the City, if he agrees that the amount of the surplus was needed based on the financial condition the City was in. Mr. Delgado stated, absolutely. As he stated previously, you can never have too much in the Rainy Day Fund. Councilman Barone asked Mr. Delgado what working relationships he has with the rating agencies at this time. Mr. Delgado stated, not with them, but in his capacity in the position he held at the State, every year he did a presentation to the agencies. Councilman Barone asked Mr. Delgado what experience he has in Tax Assessment and Tax Collection. Mr. Delgado stated that in this position, he cannot invent the wheel. He would utilize the GFOA and can find out what other cities and towns are doing, but he has experience in cash collections. Councilman Barone asked Mr. Delgado what his involvement was with the Learning Company and purchase of Mattel, because he did some research and found out that there was a class action law suit. He asked Mr. Delgado if he has any knowledge of that. Mr. Delgado stated that he worked for the Learning Company as a Treasury Analyst. He was not involved with any decision making. He managed the day to day cash operations. Councilman Barone asked Mr. Delgado if he is familiar with the City's Investment Commission and the amount of dividends we have been receiving on that and how he would plan to appropriate those funds as they come in. Mr. Delgado stated that he is not able to speak regarding this at this time. He would have to look at the numbers if they are restricted or unrestricted funds. He can say that all options are on the table.

Council Vice-President McFarland asked Mr. Delgado if he resides in Rhode Island. Mr. Delgado stated, yes, in Providence. Council Vice-President McFarland stated that the reason she asked this question is due to the fact that the previous Director was compensated for moving expenses by the City to move to work for the City. Council Vice-President McFarland stated that she wants to work with someone that will work with the Council and have communication with the Council. She also stated that she looks forward to Mr. Delgado's honesty and forwardness. She indicated to Mr. Delgado that he has a great staff and is sure that they will work very hard for him.

Council President Garabedian stated that looking at the resume, Mr. Delgado has an extensive private background. Mr. Delgado stated that when he interviewed with the Mayor, he made it known to him that he wanted to be more than a Finance Director. He also wants to be a strategic partner in working with all the departments in trying to advance the operations of the City to help the citizens of the Cranston.

Councilman Navarro stated that he is glad to hear that Mr. Delgado is willing to work with all the departments. He also stated that we need to control our spending practices as well as the controls. Mr. Delgado stated that he envisions his role as a strategic partner and in getting a handle on operational accountability and where we can improve. As far as the budget, he would like to have constant monitoring of the budget, budget to actuals and extensive analysis of the variables.

Councilman Lanni stated that he is very impressed with Mr. Delgado. He commended Mayor Napolitano on his choices of directors. He also stated that of the department heads appearing this evening, they appear to be the most qualified individuals he has seen in his tenure in office.

On motion by Council President Garabedian, seconded by Councilman Navarro, it was voted to it was voted to give Advise and Consent of the appointment of Mr. Delgado as Director of Finance. Motion passed on a vote of 5-1. The following being recorded as voting "aye": Councilmen Livingston, Lupino, Navarro, Council Vice-President McFarland and Council President Garabedian -5. The following being recorded as voting "nay": Councilman Barone -1.

- **MARCO SCHIAPPA, P.E. as Director of Public Works**

Mr. Carlucci stated that the Administration is withdrawing Mr. Schiappa's name from the Agenda as Public Works Director.

- **PAULA A. ROCHA as Director of Economic Development**

**Hy Goldman**, Chairman of Industrial Development Commission appeared to speak and welcomed Ms. Rocha to this position and he thanked David Maher, current Director of Economic Development, for a fine job he has done to this office. He also stated that between Mr. Maher and Ms. Rocha, this office can be more effective.

**Paula Rocha** appeared to speak and gave her experience background.

Council President Garabedian asked Ms. Rocha if she has spent time with the current Director. Ms. Rocha stated, no. She just met him this evening. Council President Garabedian asked Ms. Rocha if she knows much about the City of Cranston. Ms. Rocha stated that she has done some research. Some of her strengths are to build strategic partnerships.

Councilman Barone asked what Ms. Rocha would do to go out to get businesses to move to Cranston. Ms. Rocha Stated the she plans to reach out to the State level, such as Secretary of State. She is very committed to Cranston. She would be researching other cities and towns to see what their practices are.

Councilman Navarro asked Ms. Rocha what the first thing would be that she would address. Ms. Rocha stated that she would be researching what the primary needs are in the City and prioritize.

Councilman Lanni commented Ms. Rocha regarding her resume and stated that it is very impressive and he believes she will be a great match for the City of Cranston.

Council President Garabedian stated that the Mayor has proposed a Small Business Center and he would suggest that Ms. Rocha consider an Economic Summit, working with the industrial businesses in the City and the Chamber of Commerce.

On motion by Councilman Barone, seconded by Council President Garabedian, it was voted to give Advise and Consent of the appointment of Ms. Rocha as Director of Economic Development. Motion passed unanimously.

- **ANTHONY J. LIBERATORE as Director of Parks and Recreation**

**Anthony Liberatore** appeared to speak. Councilman Santamaria stated that this is an on-field job and Mr. Liberatore is a good choice for this position.

Councilman Barone asked Mr. Liberatore if he has had the opportunity to travel the City to see all the parks and fields, since being considered for this position. Mr. Liberatore stated, no. Councilman Barone asked Mr. Liberatore what his plans are for attention to the fields and parks in the City. Mr. Liberatore stated that without being on the job, he cannot speak regarding this at this time. Once appointed, if appointed, he plans to meet with his staff, because those are the people who do the work. He will sit with them and feed off their knowledge.

Council Vice-President McFarland stated that she is looking forward to working with Mr. Liberatore. She knows he will work with the Council and he has a great Parks and Recreation Commission and a great staff.

Councilman Lanni stated to Mr. Liberatore that the City has a Parks and Recreation Commission and should be utilized, if it meets. The past Director did not meet on a regular basis. Councilman Lanni addressed the issue of the lottery for summer help. He stated that in the past, the lottery was always held behind closed doors. He expects the next time around, this Administration and the Parks and Recreation Department to have an open lottery for summer help to be viewed by the public. Mr. Liberatore stated that he will see to that.

On motion by Councilman Navarro, seconded by Councilman Lupino, it was voted to give Advise and Consent of the appointment of Mr. Liberatore Director of Parks and Recreation. Motion passed unanimously.

- **THERESA L. MURPHY as Executive Director of Senior Services**

**Theresa Murphy** appeared to speak and thanked Mayor Napolitano for considering her for this position. She stated that she previously worked in this department for eleven years in the position of first as Project Director and then Deputy Director. She has history of this department of where it is and where it should be.

Councilman Lupino asked Ms. Murphy, since she last worked in this department, is that facility sufficient to the needs. Ms. Murphy stated that she would not focus on the facility itself. We have to realize that there are a number of seniors and the services provided in the facility are adequate, where we don't have people waiting in line in the halls. She also stated that our outreach is very critical.

Council Vice-President McFarland welcomed Ms. Murphy back and the Council is happy to have her. She stated that we need to be reaching out to our community and bring people back and Ms. Murphy obviously has a strong commitment and she is sure she will do this.

Councilman Santamaria also welcomed Ms. Murphy back.

Councilman Lanni also welcomed Ms. Murphy back and stated that he looks forward to working with her in the near future.

On motion by Councilman Lanni, seconded by Council President Garabedian, it was voted to give Advise and Consent of the appointment of Ms. Murphy as Executive Director of Senior Services. Motion passed unanimously.

- **MARIA LARANGEIRA SORMAN as Director of Community Development**

**Maria Sorman** appeared to speak and stated that for the past thirty years or so, she has worked with municipalities on community development issues. She is honored to be considered for this position.

Council Vice-President McFarland asked Ms. Sorman what her opinion is on creating affordable housing in the City and using CDBG funds. Ms. Sorman stated that she is looking to explore the possibility of partnering with a non-profit organization. Council Vice-President McFarland stated to Ms. Sorman that she has much knowledge and experience in this area and she would like to work with her very closely on future endeavors in assisting with her background. Ms. Sorman stated that she is looking forward to that.

On motion by Council Vice-President McFarland, seconded by Council President Garabedian, it was voted to give Advise and Consent of the appointment of Ms. Sorman as Director of Community Development. Motion passed unanimously.

**Donald Gray, City Treasurer/Deputy Finance Director**

**Mr. Carlucci** introduced Donald Gray, City Treasurer/Deputy Director of Administration, to the Committee and asked Mr. Gray to make a statement.

Donald Gray appeared to speak and stated that he has thirty-three years experience in municipal finances. He recently moved from Connecticut to Rhode Island in May of this year. Councilman Livingston welcomed Mr. Gray and wished him luck.

Mayor Napolitano appeared to speak and thanked the Committee for approving his appointments. He stated that he is proud of everyone he submitted. He also stated that he is trying to make the Finance Department a better department. Mr. Gray will be Deputy Director as well as Treasurer, and will work along with Mr. Igoe.

The meeting adjourned at 8:30 P.M.

Respectfully submitted,

Rosalba Zanni  
Assistant City Clerk/Clerk of Committees