

(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, March 3, 2025 in the Council Chambers, City Hall, Cranston, Rhode Island.

I. CALL MEETING TO ORDER:

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

II. ROLL CALL:

Present: Councilwoman Bridget R. Graziano
Councilman Andy M. Andujar
Councilman Frank J. Ritz, Jr.
Councilman Michael A. Traficante
Councilwoman Kristen E. Haroian
Council Vice-President Daniel Wall, Vice-Chair
Council President Jessica M. Marino

Also Present: Councilman Christopher E. Buonanno
Christopher Millea, City Solicitor
John Verdecchia, Assistant City Solicitor
Thomas Zidelis, Director of Finance
David DiMaio, City Council Budget Analyst
Rosalba Zanni, Assistant City Clerk/Clerk of Committees
Heather Finger, Stenographer

III. APPROVAL OF MINUTES

- Minutes of the February 3, 2025 Regular Meeting

On motion by Councilman Traficante, seconded by Councilman Andujar, it was voted to dispense with the reading of the minutes of the February 3, 2025 meeting and they stand approved as recorded. Motion passed unanimously.

IV. COMMITTEE BUSINESS MATTERS CARRIED OVER

None

V. CORRESPONDENCE/COMMUNICATIONS

None

VI. PUBLIC COMMENT

None.

VII. NEW MATTERS BEFORE THE COMMITTEE

A. *Ordinances*

None

B. *Resolutions*

None

C. *Real Estate Tax Abatements*

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

D. *Motor Vehicle Tax Abatements*

None

E. *Tangible Tax Abatements*

None

F. *Tax Interest Waiver Approvals*

On motion by Councilman Traficante, seconded by Councilman Andujar, it was voted to recommend approval of this list of Tax Interest Waiver Approvals. Motion passed unanimously.

G. *Tax Interest Waiver Denials*

None

**H. *Tax Assessment Board of Review assessed December 31, 2023*
*(Informational Only – No Vote will be taken)***

No action needed.

VIII. COUNCIL MEMBER COMMUNICATIONS

Council President Marino:

- *Questions for the administration and discussion relative to the FY2024 annual audit*

Council President Marino stated that of the \$40 million change, she asked if there is any update.

Director Zidelis stated that the evening when the Audit was presented to the full City Council, Council President Marino zoomed in on the MDNA, which is our summation of the financials and Mr. Gross answered her question directly when she asked for that line item across the board and he said he did not audit the MDNA. What he audited was what is called Exhibit “B” or Exhibit “2” between two accounting firms. Council President Marino is saying how did 69 drop down to 21, but there are other adjustments in that table. If you go to Exhibit “B”, they would have to sit down because it is not a simple answer because it is classifications and expenses. This report and this particular table is a summation of multiple funds so it is not that simple. If you look at the report, our financial position between the two years improved by some 20 odd million even though the classifications.

- *Discussion and update from the Finance Director as to the status of all federal funding appropriated to the city for this fiscal year, including any concerns relative to this source of revenue for this fiscal year and the next fiscal year*

Director Zidelis stated that back in President Trump’s first term, his focus at the time was Title 8 Immigration and there was concern relative to grant funding where the President was going to withhold grant funding from municipalities or States and that was only for any Title 8 violations and to the best of his knowledge, at that time, that never occurred. Currently, there are two different things that we have under review, direct funding and pass through funding. What we have now is Title 8 concerns, Title 9 concerns and the DOGE concerns. The direct funding he has no concerns because to the best of his knowledge, we do not have any problems with Title 8, Title 9 or sub-recipients. One thing they do have some sub-recipients with the HUD funds. in terms of the actual grant documents, the biggest one we have is the SAFER grant where we hired eleven firefighters and he does not have any concerns. The cursory review he is not concerned at the moment with the information he has.

Council President Marino stated that as everyone knows, in order for us to have a discussion as a Finance Committee, it has to be an agenda item so rather than have this item on the agenda every month, we can either keep it on the agenda every month or if Director Zidelis, as Finance Director, can notify the Finance Chair and copy her on it, alerting us if he comes to a circumstance where he catches wind that the City of Cranston’s federal funding is in jeopardy and it is well enough advanced, then we can put in on the agenda. She asked Director Zidelis if this would be a better option. Director Zidelis stated, absolutely. He also reached out to the Police Department to see if they received any notification similar to FEMA sending to himself and the Fire Chief, and they have not been notified of any of their grants. In terms of Council President Marino’s request, if something comes out which poses any risk to our grants, he will get that to the Council.

Councilman Traficante asked what Title 8 and Title 9 consist of. Director Zidelis stated that Title 8 is the federal immigration law and Title 9 is women in all or it is not just women, people having the same access to education to include sports. Any concerns about transgender and men playing in women's sports and allowing them would be a violation per the current Administration of the President's Executive Order as it relates to Title 9.

- *A list from the City Solicitor to the Finance Committee as to all pending lawsuits involving the city which is to include a listing of the cases, the attorneys of record, and attorneys and law firms retained or paid by the city to work on the pending lawsuits*

Solicitor Millea appeared to speak and stated that there are a number of suits that he is aware of that are pending presently. Every item he will be speaking about are within the legal bill that is provided to the City Council monthly. There is nothing in there that he is aware of pending in a suit. Most of the suits, the billing of the Legal Department are listed by firms handling it.

Solicitor Millea provided the following information on various pending cases:

- Darryll Everett is currently handling Mr. Casale's suit. That matter has been kicked back to the Council by Superior Court. There is another companion matter which runs on the same track.
- Mr. DeSisto's Office is currently handling a number of matters pending in the City. A few ARPA complaints where are very minor in nature. There is a Broccoli issue that they are handling that is on the City end. That suit is a personal suit against the Mayor, as the Council is aware. That is not handled by the City. There are number of Counts in the complaint including a Count against himself and that is being handled by Mr. DeSisto's Office. He is also handling a matter involving a lawsuit involving an attorney Shannon Kurlin, who has sued the City alleging that she was assaulted by the Police during the Black Lives Matter protest in 2021.
- There are a number of lawsuits that have been filed by an individual by last name of Mello. He and his girlfriend have alleged a number of complaints against members of the City and also members of the School Department. That matter is also handled by Mr. DeSisto's Office. They are all pro se by Mr. Mello and Ms. Deware.
- Natick Solar matters is currently pending.
- Also pending is the matter of former spouse of a former Officer Russell involving a pension.
- Dean Estates is still pending. This lawsuit was filed approximately ten years ago involving a flood of the apartments. That also involves the State of Rhode Island as a defendant and a number of other defendants.
- There are a few labor issues handled by Mr. Robinson.

This basically covers everything pending and filed.

Council President Marino stated that her understanding is there are other pending lawsuits against the City that are not included in that list. Solicitor Millea stated that there is, at least one that he is aware of, that he would be happy to speak to in Executive Session. Council President Marino stated that the agenda item for public discussion is a list, it is not the substance of the cases and the fact that there are pending lawsuits against the City is public information and that is what the City Council needs to be apprised of. Providing the Council with a monthly legal expense report does not fully cover all the

cases and that is why she asked for the list so as a Council, they would know exactly what suits are currently pending with the City. She does not understand what the hardship is telling the Council what the other pending lawsuits are that are not on the list. Solicitor Millea stated that there is no problem or issue. There is a pending slip and fall that he is aware of and, as of today, we were served with a complaint from an inmate naming the City a defendant, but the suit is really against the State of Rhode Island and the City has zero liability in that. Council President Marino questioned long-standing lawsuits such as Yardworks. That is still pending, is it not? Solicitor Millea stated, no. He knows of no pending suits regarding Yardworks. Solicitor Verdecchia stated that he is handling that on behalf of the City as he has been for the past three or four years and that is pending.

Council President Marino stated that, as Council Members, they want to have a list of pending lawsuits so the City Council can know what the City is facing. In the previous term, there was a lawsuit against the City that the City Council did not know about that was not included in the bills and then the Council was approached relative to that matter because of a tentative settlement and she is looking to get ahead of this particularly going into the budget. She does not understand why this is so hard.

Councilwoman Graziano stated that in reading what Council President Marino has requested on the agenda, she is looking for all the open lawsuits, pending lawsuits, closed lawsuits and the amount of money spent over the course of that time. Whatever is public record they would like it to be disclosed in some type of chart or spreadsheet or informational documentation.

Councilwoman Haroian asked who decides what gets forwarded out to the other attorneys. Solicitor Millea stated, himself. He also stated that included in the bills, the City of Cranston is responsible for the misdemeanor prosecutions Mondays and Wednesdays in Kent County. Mr. Catalano and Ms. Ianelli are responsible for District prosecutions. Mr. Orton handles Municipal Court, Mr. Marsella handles Housing Court and also anything involving Zoning or property issues for the City. Anything outside of that realm, he makes a decision as to whether or not it is handled inhouse or whether it is handled on the outside. Solicitor Verdecchia is handling the Yardworks matter and two other matters, Pregame Lounge and another matter which has fallen out which is the house on Reservoir Ave. near Spains Restaurant. He does not anticipate nor plans on making any type of settlement agreement on those cases.

Councilman Andujar stated that what troubles him is when this body asks for a report, they should get it especially coming from the President.

Chair asked that for the next meeting, a full list of all pending lawsuits involved in the City be provided to the Council. Solicitor Millea stated that he would be happy to provide that, but he does not think that there are any things on there that obviously should be made public. If it is pending items on the public portal, he would be happy to do that.

Councilman Traficante stated that procedurally, the request is for status reports pending lawsuits informational lists updates. He asked who is responsible for making sure that these individuals are contacted and may be ready with a list prior to the Council meeting. Who is responsible for making sure that it is done? Is it the Clerk's Office? Council President Marino stated that this specific agenda item was sent well in advance of the required posting and it included an email with this request directly to the Solicitor and Finance Director in addition to the Clerk.

- *Discussion with the Finance Director and City Solicitor regarding the legal expenses of the city overall*

Council President Marino stated that she asked that this item be placed on the agenda because she wanted to address the issue that has come up in the prior budget. She and some of her colleagues have raised the issue about the need for centralization of the legal expenses. In advance of the budget, she is trying to get ahead of things to save some time. She questioned if the centralization has occurred and where those legal expense are being reported to the Solicitor because she believes from those previous meetings and discussions that that was something the Solicitor was amenable to doing as well as the Finance Director. Solicitor Millea stated that they have been speaking with departments such as Police and Personnel and there have been legal expenses that have come up that he has covered within the Law Department due to the fact that there is no line item within those departments. There is a need within other departments, but it kind of falls back to him, to the Law Department.

Council President Marino asked if the reporting of the centralization has not changed. Each department that has a need for legal expenses that already has one, it remains there? Solicitor Millea stated that it is remaining with the Law Department, but they are trying to keep track and reviewing and approving different expenses, but unless and until there is a separate line item, it kind of falls to him at least within his department.

Director Zidelis stated that exceptions to the rule is on a budgetary basis, this year's budget, which was developed well over a year ago, such as Tax Collections, for title work, is still budgeted there, but the approval of the services is run to the Law Department. Other exception is there was an outstanding bond for the wastewater treatment plant which we had to amend the contract once the bond was redeemed, the actual legal work was run through the Law Department. That is going to be paid by the Enterprise Fund. The last one, the City issued \$55 million worth of bonds. We need opinion from Bond Counsel. Cost of the bond, the expense was out of the bond proceeds, the actual law firm was run through the Law Department. Those are the big expenses for legal work that are not paid through the Solicitor' Office.

EXECUTIVE SESSION

Upon a motion, second, and open call by an affirmative vote of a majority of the members present, the City Council will convene in a closed session pursuant to RIGL 42-46-5(a)(2) pertaining to prospective and actual litigation matters as listed below:

- *Discussion of cases on the list from the City Solicitor to the Finance Committee as to all pending lawsuits involving the city which is to include a listing of the cases, the attorneys of record, and attorneys and law firms retained or paid by the city to work on the pending lawsuits.*
- *Discussion and Informational list from the City Solicitor as to all pending litigation (not in suit), including a listing of the cases, the attorneys involved, and all the attorneys and law firms retained or paid by the city to work on the pending litigation matters*
- *Discussion and update from the city solicitor on anticipated settlements of any pending litigation matters involving the city*

RETURN OPEN SESSION

***Upon return to open session, the presiding officer will report out any motions made in Executive Session, and may call for a motion to seal the minutes of the Executive Session**

Chair indicated that there is no need to go into Executive Session at this time.

IX. ADJOURNMENT

The meeting adjourned at 6:55 p.m.

Rosalba Zanni
Assistant City Clerk/Clerk of Committees