

(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 Thursday, July 17, 2014, in the Council Chambers, City Hall, Cranston, Rhode Island.

CALL MEETING TO ORDER:

The meeting was called to order at 8:15 P.M. by the Chair.

Present Councilman Steven A. Stycos, Chair
 Councilman Mario Aceto
 Council Majority Leader Paul H. Archetto
 Councilman Donald Botts, Jr.
 Councilwoman Sarah Kales Lee
 Council President John E. Lanni, Jr.

Absent: Council Vice-President Michael J Farina

Also Present: Councilman Richard D. Santamaria, Jr.
 Council Minority Leader Michael W. Favicchio
 Gerald Cordy, Director of Administration
 Carlos Lopez, Chief of Staff
 Christopher Rawson, City Solicitor
 Evan Kirshenbaum, Assistant City Solicitor
 Robert Strom, Finance Director
 Salvatore Saccoccio, Tax Assessor
 Anthony Moretti, City Council Internal Auditor
 Rosalba Zanni, Assistant City Clerk/Clerk of Committees
 Ron Ronzio, Stenographer

MINUTES OF THE LAST MEETING:

On motion by Councilman Aceto, seconded by Councilman Botts, it was voted to dispense with the reading of the minutes of the last meeting and they stand approved as recorded. Motion passed unanimously.

CORRESPONDENCE:

Chair indicated that Council Vice-President Farina will not be able to attend this meeting.

PUBLIC HEARINGS/OLD BUSINESS:

5-14-04 Ordinance In Amendment of Title 3, of the Code of the City of Cranston, 2005 Entitled "Revenue and Finance" (Tax Assessor Duty to Inspect). Councilman Stycos. [\[click to view\]](#) (Cont. 6/12/2014).

On motion by Councilman Aceto, seconded by Councilman Stycos, it was voted to recommend approval of this Ordinance.

Under Discussion:

Mr. Saccoccio stated that his office inspects every building permit that is issued. Money issue does not matter.

Councilman Aceto asked if it would be worthwhile to add to the Ordinance investment properties as to improvement exemptions because there are a number of two to three family homes that are run down. Mr. Saccoccio stated that this would be the City Council's choice. It would help the City.

Mr. Saccoccio stated that the proposal in the Ordinance is already being done now.

Councilman Stycos withdrew this Ordinance.

Councilman Aceto withdrew his motion to recommend approval of this Ordinance and Councilman Stycos withdrew his second.

PUBLIC HEARINGS/NEW BUSINESS:

*Police Personnel Costs: report from administration

1. **Chief Palumbo: Details of cost of severance package. Was there a legal reason for this package or was it the mayor's decision?**
2. **Captain Carnevale: Details of cost of personnel action (cost of time on paid leave, cost of legal fees, cost of replacement officer, cost of retroactive pay, any other costs).**
3. **Captain Patalano: Details of cost of personnel action (cost of time on paid leave, cost of legal fees, cost of replacement officer, cost of retroactive pay, any other costs).**
4. **Captain Karen Gilbeault (legal costs to date, any other costs).**

Assistant Solicitor Kirshenbaum stated that the Administration is prepared to hold discussions on the particular costs relating to legal fees on the above particular cases, however, there has been Executive Sessions held on the specifics of the cases and cautioned the Council not to go into discussions on the specifics.

Mr. Strom presented handouts and stated that as to the Colonel's payout, it was for benefits accrued over the years. It has been past practice that when Chiefs leave, they get paid as Union employees based on the Union benefits.

Councilman Stycos asked if there is anything legally that required these payments. Mr. Strom stated that he does not know, but under the labor law, this has been past practice. Councilman Stycos stated that the problem he has is former Colonel Palumbo left under a cloud and the Mayor made a decision to give him \$94,000 in severance package.

Solicitor Rawson stated that when the Colonel became Colonel, he did not waive the accrual of the benefits for prior years' service. Those benefits are banked until his retirement. Those were benefits he accrued over time during his approximate 20 years of service. The figures shown in the handout of the benefits accrued are as of the highest rank as a Union member.

Councilman Stycos asked how he can find out what former Colonel Palumbo's status was when he left the Union.

Assistant Solicitor Kirshenbaum stated that this can be asked of the City Controller.

Council President Lanni asked what Captain Patalano's City legal fees are. Assistant Solicitor Kirshenbaum stated that, as published in the Providence Journal, that amount is \$113,000. As to Captain Carnevale and Captain Gilbeault, he does not know.

Solicitor Rawson stated that although the Chief is not part of the Collective Bargaining Unit, he does continue to receive the longevity as a benefit of that CBA.

Council Majority Leader Archetto asked who was filling Captain Carnevale's position while he was on Administrative Leave. Mr. Strom stated that the handout explains that. Council Majority Leader Archetto asked how made the decision to place him on Administrative Leave. Assistant Solicitor Kirshenbaum stated that we are not here to speak about that.

Mr. Strom addressed costs and legal fees for Captain Patalano. He stated that from September 10, 2012 to January 7, 2014, Captain Patalano was paid out approximately \$134,000 and approximately \$34,000 was paid for people to fill in for him. Between legal fees and payouts for Captain Patalano, Captain Gilbault and Captain Carnevale for legal fees and pay for people who filled in for them, total of approximately \$580,000.

Council President Lanni asked if the \$580,000 includes the \$113,000 legal fees for Captain Patalano. Assistant Solicitor Strom stated, no.

Councilman Stycos asked if there is any pending litigation from Captain Carnevale. Assistant Solicitor Kirshenbaum stated that he is not aware of any.

Councilman Stycos stated that he learned there was a Civilian, Lydia Wilson, who was also placed on Administrative Leave. He asked Assistant Solicitor Kirshenbaum to expand on that. Assistant Solicitor Kirshenbaum stated that this is not on the agenda and the Administration is not prepared to discuss it. If this is in a form of request, the Administration can discuss this in Executive Session.

Councilman Stycos asked that the following information be provided for the next meeting:

- how long Ms. Wilson was out and what the cost of replacement was
- cost of legal fees, if any
- any pending legal action from her at this point

Council President Lanni stated that the sad part about all this is the taxpayers have to pay hundreds of thousands of dollars for this. This could have been avoided with just doing due diligence and it seems to him that this was not done.

Assistant Solicitor Kirshenbaum stated that while he does not dispute the Council President's concerns of the costs, some of these costs we would have had to pay anyway.

Councilman Stycos stated that he is aghast of these costs. He thanked the Administration for providing all this information this evening and for the explanations given to the Committee. It is a sad time for the City and a waste of money for something that could have been avoided.

Assistant Solicitor Kirshenbaum stated that at the last Executive Session, the City Council asked him to do some research. He is ready to give his findings. He requested that the City Council set up an Executive Session as early as Tuesday of next week so he can further update the Council on the research he was asked to do. Councilman Aceto asked if the Mayor will attend this meeting. Assistant Solicitor Kirshenbaum stated that he is not sure.

Council President Lanni stated that he will schedule an Executive Session for next Tuesday.

Chair asked that the following items be added to next month's agenda:

- report of costs regarding Administrative Leave of Lydia Wilson
- clarification of former Colonel Palumbo's severance package
- **Real Estate and Tangible Tax Abatements** [\[click to view\]](#)

On motion by Councilman Aceto, seconded by Councilman Botts, it was voted to recommend approval of the above list of Tax Abatements. Motion passed unanimously.

- **Motor Vehicle Tax Abatements** [\[click to view\]](#)

On motion by Councilman Aceto, seconded by Councilwoman Lee, it was voted to recommend approval of the above list of Tax Abatements. Motion passed unanimously.

The meeting adjourned at 9:30.

Respectfully submitted,



Rosalba Zanni
Assistant City Clerk/Clerk of Committees

Legal fees for Captain G. Carnevale

\$3,403.25

Legal fees for A/Captain K. Guilbeault

\$54,253.75

Legal fees for Captain T. Patalano

\$177,786.77