



STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

Department of Revenue  
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April 15, 2013

*Sent via electronic mail*

Honorable James Diossa  
Mayor  
City of Central Falls  
City Hall  
580 Broad Street  
Central Falls, R.I. 02863

Re: **Abolition of Central Falls Receivership Effective as of April 15, 2013**

Dear Mayor Diossa and the Citizens of Central Falls:

Pursuant to R.I. Gen. Laws § 45-9-10(a), I am pleased to advise that I have determined that the financial condition of the City of Central Falls (“City”) has improved to a level such that a receivership is no longer needed. Therefore, I am abolishing the receivership effective as of the date of this letter.

As you are aware, the federal bankruptcy court approved a Five-Year Plan of Debt Adjustment (“Five-Year Plan”) and entered an Order Confirming the Plan of Debt Adjustment on September 11, 2012. Contracts have been re-negotiated with the City’s police, fire and municipal employees and the City’s retirees’ pensions and health benefits have been significantly adjusted. Much sacrifice has been required of many in order for the City to achieve fiscal stability. Please be aware however, that while the City at this point in time is fiscally stable and I have determined that a receivership is no longer necessary, much hard work still needs to be done. Continued fiscal stability will require that all elected officials fastidiously comply their legal obligations under the Five-Year Plan and Order Confirming the Plan of Debt Adjustment and faithfully abide by their fiduciary duties as elected officials of the City. Failure of the City’s elected officials to do so will have significant legal consequences and will no doubt cause the City to once again fall into serious financial difficulties. It is my sincerest hope that this does not happen as the people of the City of Central Falls are entitled to elected officials who are stewards devoted to maintaining structural fiscal balance in order to secure a bright financial future for the City. It is now up to the City’s elected officials to make sure that the citizens get that bright future.

Finally, I would strongly urge all of the citizens of the City to seize the opportunity to take ownership of the future of their City by becoming actively engaged in their City’s government so that their voices will be heard; the City will continue to prosper only if its citizens participate in the democratic process by attending city council meetings, exercising their right to vote, and being the “watch dogs” of their City’s future.

Thank you for your cooperation with the Department of Revenue and the receivership team. I do wish you much success during your service to the City as Mayor.

Sincerely,



Rosemary Booth-Gallogly

Director

Department of Revenue

CC: Governor Lincoln D. Chafee  
Speaker of the House, Gordon Fox  
Senate President M. Teresa Paiva Weed  
Chairman Senate Finance Committee Daniel DaPonte  
Chairman House Finance Committee Helio Melo  
Senator Elizabeth Crowley  
Representative Agostinho Silva  
Representative James McLaughlin  
City Council Members  
John McJennett, Receiver  
Len Morganis, Administration & Finance Officer  
Linda Dykeman, City Finance Director  
Richard Kirby, Esq.  
Dennis Hoyle, Auditor General  
Susanne Greschner, Chief, Municipal Finance