



OFFICIAL MINUTES OF:

Meeting of:	Finance Committee
Date:	December 14, 2005
Time:	10:45 AM

MEMBERS PRESENT

Vincent Mesoella
Paul Pinault, Executive Director
Robert Andrade, Finance Chair
Michael DiChiro
Laurie Montanaro
David Cruise

MEMBERS ABSENT

Richard Oster
Michael Salvadore
Joseph Kimball

STAFF AND GUESTS PRESENT

Karen Giebink, NBC
Ray Marshall, NBC
Cecille Antonelli, NBC
Jamie Samons, NBC
Joanne Maceroni, NBC
Rich Harrigan, NBC
Harold Gadon, CAC
Richard Burroughs, NBC
Tom Brueckner, NBC

Jean-Marie Grossi, NBC
Meg Goulet, NBC
Leah Foster, NBC
Francie Brown, NBC
Tom Uva, NBC
Rich Bernier
Joseph Pratt, LBG
Diane Buerger, NBC

1. Call to Order

Noting that a quorum was present, Finance Chair Andrade called the December 14, 2005 Finance Committee to order at 10:50.

**2. Approval of Minutes – September 28, 2005 Joint LRP/Finance Committee
October 19, 2005, Finance Committee**

Finance Chair Andrade asked the members of the Finance Committee if they had a chance to review the minutes of the September 28, 2005 Joint Long Range Planning/Finance Committee meeting. Commissioner Cruise motioned to approve the September 28, 2005 minutes as written. Commissioner Montanaro seconded the motion, and the vote taken by the Finance Committee was unanimous. The motion carries.

Finance Chair Andrade asked the members of the Finance Committee if they had a chance to review the minutes of the October 19, 2005 Finance Committee meeting. Commissioner Cruise motioned to approve the minutes of the October 19, 2005 Finance Committee meeting as written. Commissioner Montanaro seconded the motion, and the vote taken by the Finance Committee was unanimous. The motion carries.

1. Items for Action

A. Review of Monthly Financial Statements

Ms. Karen Giebink referred to the November 2005 Financial Report. With respect to budget versus actual, we are approximately 42% of the way through the fiscal year and we are spending at 36.6%, so we are spending below budget. Item B on Page 1 shows that the percent filled positions as 95%. On Page 2, User Fee Billing Report, we had our largest billing ever. We billed \$14.7 million in October. We also had our single largest cash collection day on November 22; we collected \$1.6 million. With respect to Receivables Outstanding, as of November 30 we had \$19.5 million outstanding. On Page 3, you can see that cash investments total \$74.2 million. The investments are detailed under Item B. On Page 4, there is a chart that shows the variable rate debt in weekly mode. We are trading through BMA. The rate has been increasing slightly, but we are currently around 3%.

Ms. Giebink noted that the Outstanding Debt as of November 30 is \$346 million. On Page 5, Capital Funds Available, we have proceeds from loans of \$46.1 million. We have essentially spent all of the proceeds from the \$70 million VRDO issue. We have other Capital funds available of \$6.2 million for a total available balance of \$47.8 million. We are also scheduled to close on SRF Loan #9, which is a \$30 million loan, and that is scheduled to take place December 15, 2005. Page 6 shows capital payments by month and source, and below that is a chart that shows accumulative capital expenditures, so we have broke the \$200 million mark. Attached are the Financial Statements, the Statement of Net Assets, the Statement of Revenues, Expenses and Changes in Net Assets, as well as the detailed budget versus actual.

B. Consideration of Purchase Requisitions

Mr. Pinault stated that when NBC staff prepared the budget for FY06, we had several capital purchase items for the Bucklin Point plant. When we entered into a contract with Aquarion effective July 1, 2005, they re-evaluated the capital needs, and they are recommending that we delete four items, which total approximately \$100,005 and replace those with a final clarifier weir washer system, which costs approximately \$100,000. This is needed in order to eliminate the buildup of algae on the final clarifier weirs so that it does not interfere with the new ultra violet disinfection system that requires a clear effluent to perform proper disinfection. He noted that there is no net change in the total budgeted amount, but because we are deleting and changing the specific projects, he thought it was prudent to bring this matter before the Finance Committee for their consideration.

Commissioner Montanaro motioned to approve the requisition for weir washers as noted by staff. Commissioner Cruise seconded the motion, and the vote taken by the Finance Committee was unanimous. The motion carries.

C. Consideration of Personnel Actions

Mr. Pinault stated that there are a number of miscellaneous personnel actions. The first matter is in the Legal Section. Over the years, NBC has taken on more and more activities in-house and rely minimally on outside counsel. We presently have three attorneys with varying levels of experience and areas of concentration. The Department is headed up by Laurie Bissonette, and we also have Jennifer Harrington; and, Jillian Colby, who started working with us in the summer of 2002, became a full-time paralegal in 2003 and while working full-time, went to Roger Williams University and graduated from Law school last spring.

Jill passed the bar in November of this year, and our recommendation is to reallocate her position from Paralegal (Grade 6) to an Associate Legal Counsel (Grade 9).

Mr. Pinault noted that the second recommendation is included in a memo from Karen Giebink regarding modifying the grade of a Non-Union Payroll Administrator position. Presently, the position is vacant, and we re-evaluated the job specifications and related grade and we modified that to increase some responsibility and adding some quantitative and analytical skills and requirements to the job. This matter has been reviewed by the Non-Union Position Evaluation Committee, made up of the Directors and the Human Resources and Labor Relations Managers, and the recommendation is to change the grade from a 5 to a grade 6.

Mr. Pinault said that the next recommendation is from Paul Nordstrom regarding the Interceptor Maintenance Section staffing change. There is a lot of work being done to our sewer system (i.e. cleaning, televising, etc.), which is generating many projects. Meg Goulet, IM Manager, needs some help in this Section; therefore, staff recommends the creation of a Non-Union Environmental Engineer (Grade 8). Virtually all of this position's time would be charged to capital projects, and would have a minimal affect on the FY06 budget.

Mr. Pinault stated that the next memo is again from Paul Nordstrom regarding Bucklin Point Maintenance staffing changes. Mr. Nordstrom has evaluated the work there because everything is essentially new. He has a vacant Mechanic II position, but has a greater need for electrical instrumentation expertise, so it is recommended that we abolish the vacant Mechanic II position and crease an Electrician position, Grade D40G. There is also a vacant Mechanic I position, but has a need for an Operator I position, which is a lower grade, but we need that position in the floating crew in order to properly staff the plant. Therefore, there is no net change in positions, it is basically a re-organization.

Mr. Pinault noted that the last memo which is also from Paul Nordstrom is regarding a reorganization of Non-Union staff. Over the last year or so, we have been developing a Commission-wide Asset Management Plan. Mr. Nordstrom has re-evaluated the staffing needs and his first recommendation is to change the title of the O&M Supervisor position (Grade 8A) held by Tom King to an O&M Support Supervisor (Grade 8A). He would be responsible for the Asset Management Plan and other work within the Maintenance Section. The second recommendation is to reallocate one O&M Supervisor position (Grade 8A) held by Thomas Santos to Maintenance Supervisor (Grade 7A). The last change is to create a Maintenance Supervisor position (Grade 7A) and abolish one O&M Support Supervisor position (Grade 7A). In order to fund this position, a vacant Process Monitor position will be put in unfunded status.

After some discussion, Commissioner Montanaro motioned to approve the Personnel Actions as noted by Paul Pinault. Commissioner DiChiro seconded the motion, and the vote taken by the Finance Committee was unanimous. The motion carries.

4. Other Business

None.

5. Adjournment

Commissioner Montanaro motioned to adjourn. Commissioner DiChiro seconded the motion and the Finance Committee Meeting adjourned at 11:05 a.m.

Respectfully submitted,

A handwritten signature in cursive script that reads "Paul Pinault".

Paul Pinault, Secretary