

**RI Water Resources Board**  
**100 North Main Street**  
**Providence, Rhode Island 02903**  
**401-222-2217 tel**  
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## **FINANCE COMMITTEE**

**Minutes of Meeting**

**October 12, 2004**

**Members Present: Members Absent:**

**Jon Schock, Acting Chairman William Penn, Chairman**  
**John Milano**

**Staff Present: Guests**

**Brian Riggs**

**Kathleen Crawley**

### **1. CALL TO ORDER**

**With a quorum present, Acting Chairman Schock called the meeting to order at 11:02 a.m.**

### **2. APPROVAL OF MINUTES**

**A. A motion was made by Mr. Schock to open up comments on the September 14, 2004 minutes. On a motion by Mr. Milano and seconded by Mr. Schock, the vote was unanimous to accept the September 2004 minutes as presented.**

### **3. REPORTS**

#### **A. Chief Business Officer's (CBO) Report—Water Resources Board**

**Mr. Riggs, Chief Business Officer, noted the report is fiscal year to date through September 30, 2004. The FY 2005 appropriation is \$2,728,478, the expenditures are \$396,337 and encumbrances are \$1,043,351 with an unencumbered balance of \$1,288,791. The current year's September surcharge receipts were \$71,328 less than September 2003. The YTD receipts collected by the Water Resources Board show a negative variance of \$283,604 versus previous YTD collections. This amount is comprised of negative variances of \$299,846 and \$1,259 over previous years YTD surcharges and Big River rental income respectively as well as a positive variance of \$17,500 for the Amgen parking lot rental. The Amgen rental fee was first collected in July 2003 for a prorated amount accounting for this variance versus previous year. Mr. Riggs stated that he did research to find a determining factor for this variance but there was no red flag therefore it can be assumed that the wet summer is responsible for this negative variance. Mr. Riggs stated that the October rental payment for Amgen has not been received and that he would research this. [Note: Upon further research it has been learned that**

the contract that was signed states that the last payment was for September 2004. Amgen has fulfilled the contract and owes no money.] Mr. Schock questioned what was being done to spend the unencumbered balance. Mr. Riggs stated that any bills that were received have been encumbered but stated without the accompanying bills it was impossible to encumber more funds. He also stated that salaries and benefits represent more than half of this unencumbered balance with stream gauging, the land use study, restricted receipts and federal funds encompassing the majority of the remaining amount. Mr. Schock questioned how the negative variance in surcharges would affect the agency. Mr. Riggs stated that these funds were deposited in the general fund and were not directly tied to our funding. Mr. Schock questioned if the agency would be responsible to make up the shortfall. Mr. Riggs stated that this was not the case based on his experiences. On a motion by Mr. Milano and seconded by Mr. Schock, the vote was unanimous to approve the September CBO report.

#### **B. Chief Financial Officer's (CFO) Report—Water Resources Board Corporate**

Mr. Riggs stated that the CFO Report reflects the activity on a cash basis for the month of September. One payment was made during September in the amount of \$445.60. The payment was to Partridge, Snow & Hahn. The interest received during the month of September was \$15.63. The Water Quality Protection Fund ended the month with

a balance of \$114,813.28. Mr. Riggs reported that the Providence Project received interest of \$0.10 on investments in September. The balance in the Providence Project fund at the end of the September was \$707,441.38. Mr. Riggs stated that the Public Drinking Water Quality Protection Fund Administrative Accounts reflect interest received in September was \$686.37 from money market investments. The Administrative Accounts month-end balance was \$2,149,582.82. Mr. Riggs stated that the Corporate Public Drinking Water Quality Protection Fund received interest in the amount of \$4,957.34 and ended the month with a balance of \$5,584,701.38. Mr. Schock questioned what the date was that the suppliers must spend their Phase III money. Ms. Crawley stated that it was February 2006 and that letters would be sent to them stating this date. Mr. Milano moved to approve the September CFO report and his motion was seconded by Mr. Schock. The vote was unanimous.

#### **4. ITEMS FOR ACTION**

##### **A. Payment Requests**

**(1) Maguire Group invoice #4. Requested Payment: \$19,607.81; Recommended Payment: \$19,607.81. Request for Approval (Enclosure 3 of Board).**

**Ms. Crawley stated that this project got off to a late start which is the reason that only approximately 9% has been completed. Mr. Schock**

questioned if the staff review the completion percentage. Ms. Crawley stated that there are monthly progress meetings. On a motion by Mr. Milano and seconded by Mr. Schock, the vote was unanimous to approve the payment as requested.

**(2) Partridge, Snow & Hahn for professional services rendered through August 31, 2004. Requested Payment: \$422.20; Recommended Payment: \$422.20. Request for Approval (Enclosure 11 of Board Corporate).**

Mr. Milano stated that the majority of the bill is attributable to the reviewing of legislation. On a motion by Mr. Milano and seconded by Mr. Schock, the vote was unanimous to approve the payment as requested.

**(3) Casale, Caliri & Jaroma for preparation of audited financial statements for the year ended June 30, 2004 - Requested Payment: \$5,400.00; Recommended Payment: \$5,400.00. (Enclosure 12 of Board Corporate)**

Mr. Schock questioned if this was a hard number price. Mr. Riggs stated that this was the negotiated price. Mr. Milano questioned if there were separate audits done for each of the bonds. Mr. Riggs stated that they were separate but were combined in the same report.

**Mr. Schock questioned if they had previously accepted the audit. He was informed that they had accepted the audit pending any changes from the Auditor General. Ms. Crawley stated that there were small changes from that office with no material findings. Ms. Crawley stated that a training session was attended by Mr. Riggs and herself to comply with the bookkeeping issues that were discussed previously. Ms. Crawley stated that the audits were send out to the distribution list. On a motion by Mr. Milano and seconded by Mr. Schock, the vote was unanimous to approve the payment as requested.**

**(4) Konica Office Products for copier service agreement rendered through September 30, 2004 - Requested Payment: \$910.25; Recommended Payment: \$910.25. (Enclosure 13 of Board Corporate)**

**Mr. Schock questioned the split for the Board and the Board Corporate. Mr. Riggs stated that the split was the same for the lease and the maintenance agreement but that the Board Corporate would be responsible for 100% of the copy overage. On a motion by Mr. Milano and seconded by Mr. Schock, the vote was unanimous to approve the payment as requested.**

**B. Public Drinking Water Protection Committee -**

**Chair Robert Griffith**

**(Concurrent with Finance Committee)**

**(1) City of Newport Department of Public Works – Watershed Protection Funding. Request to amend use of funds – Request for Approval (Enclosure 14 of Board Corporate)**

**Mr. Schock questioned if they were asking for \$25,000 from the balance of their funds. Ms. Crawley stated that they were asking that \$25,000 of the current project be reapportioned thus leaving the balance intact for another project. On a motion by Mr. Milano and seconded by Mr. Schock, the vote was unanimous to approve.**

## **5. ITEMS FOR DISCUSSION**

**(A) First accounting training by Anthony Caliri completed with Brian Riggs and Kathleen Crawley.**

**Mr. Schock questioned if the training was complete. Mr. Riggs stated that the training was completed and the processes had been put in written format.**

**(B) Audited Financial Statements for the year ended June 30, 2004 sent on September 29, 2004 to the distribution list (Enclosure 2 of Finance)**

**Mr. Schock stated that this had previously been discussed.**

**(C) Water Resources Board Audit scheduled for late October  
2004 for FY 2004 (Enclosure 3  
of Finance)**

**Ms. Crawley stated that the entrance meeting with the Bureau of  
Audits has been**

**Scheduled for October 14, 2004. Ms. Crawley stated that this is a  
program audit for FY 2004.**

## **6. OTHER BUSINESS**

## **7. ADJOURNMENT**

**On a motion by Mr. Schock, seconded by Mr. Milano, it was  
unanimously approved to adjourn the meeting at 11:35 AM.**

**Respectfully submitted,**

**Jon Schock**

**Acting Chairman**

**\*The full proceeding of this meeting is available on audiotape by**

**request.**