



**State of Rhode Island and Providence Plantations
Water Resources Board**

Justice William E. Powers Building, Third Floor
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**FINANCE COMMITTEE MINUTES
Tuesday, September 11, 2007**

Members Present:

Daniel Varin, Chairman
Ian Morrison
Jesse M. Rodrigues, Jr.

Staff Present:

Juan Mariscal, P.E.
Kathleen Crawley

Members Absent:

William Penn, Committee Chair

Guests Present:

Call to Order

With a quorum present, Chairman Varin called the meeting to order.

Approval of Minutes

Motion by Mr. Morrison, second by Mr. Rodrigues to approve the Finance Committee Meeting Minutes of July 17, 2007 and August 15, 2007. The vote in favor was unanimous and the motion carried.

Reports

Chief Business Officer's Report

Ms. Crawley reviewed WRB expenditures, encumbrances and revenues to date. She noted large balances in contractual services and stated that several larger contracts, notably the USGS first quarter invoices had not been submitted yet and that there have been no payments on the Supplemental Water study or the Rivers Council during this fiscal year. Mr. Varin asked about restricted funds. Ms. Crawley stated that these are EPA funds from the Department of Health that are paying for the final balance of the Supplemental Water Study (\$400,000). There was further discussion of revenue, current staffing and the need to evaluate collections.

Motion by Mr. Morrison, second by Mr. Rodrigues to approve the Chief Business Officer Report for August 2007. The vote in favor was unanimous and the motion carried.

Chief Financial Officer's Report

Ms. Crawley reviewed the report and noted that Mr. Bebyn continues to prepare the report in the absence of financial staff. When the financial position is filled, the report would be completed in house. Phase III Water Quality Projects have been completed with the exception of QDC and United Water. The Providence Fund debt service reserve fund

was over funded and we instructed the bank to transfer the overage to the revenue fund per the bond indenture and invest the remainder in a six month T-Bill. The bank's failure to sweep the interest from the project accounts was also noted as an item requiring attention.

Motion by Mr. Morrison, second by Mr. Rodrigues to approve the Chief Financial Officer's Report for August 2007. The vote in favor was unanimous and the motion carried.

Items for Action:

Public Drinking Water Protection Revenue Bond Administrative Account Payments

Motion by Mr. Morrison, second by Mr. Rodrigues to approve payment of Invoice # 426 in the amount of \$375.00 to B & E Consulting, LLC for preparation of the August Financial Report. The vote in favor was unanimous and the motion carried.

Motion by Mr. Morrison, second by Mr. Rodrigues to approve payment of \$140.80 from Board Corporate and \$211.20 from the Board for the Konica copier service agreement (Monthly Lease) rendered from 08/01/07 through 08/31/07. The vote in favor was unanimous and the motion carried. (40% of the monthly Konica lease payment is paid from Board Corporate and for the other 60% of the cost from the Board operating fund.)

Items for Discussion:

2009 Operating Budget Request and FY 2008 Revised Budget Request

Mr. Varin summarized the state budget process. He stated that the general Assembly will act on the FY 08 Revised request in April or May of next year. There are adjustments of the current year budget to be made by the end of the year. WRB requests are typically small. Ms. Crawley referenced a summary that has been provided as part of the Board package. She explained that the draft budget as prepared and distributed, prioritizes the well development project, shifts funds but maintains the funding level approved in the enacted budget and meets the target reduction set by the Budget Office for FY 2009. There was discussion about the water allocation studies that would not be funded and their importance. The other unfunded amount is the payment in lieu of taxes to the Exeter-West Greenwich School District. The data provided is essentially the budget, but there are a number of narrative materials that are also required. The Committee and Board are asked to review, make changes, if desired and approve the draft. With conceptual approval, staff will proceed to prepare the final document for approval in the October meeting. Mr. Mariscal noted that an extension had been requested in order to accommodate the Board review process.

The Committee, by consensus endorsed the priorities and the numbers as prepared and asked staff to proceed.

Board Corporate Audit:

The Committee agreed that a special meeting of the committee plus any interested board members should be held to review the draft Board Corporate Audit (expected September 12) on behalf of the Board prior to the submission to the Auditor General on September 30.

RI Public Drinking Water Protection Program - Phase III

Mr. Mariscal stated that the Board had voted to close the program but could reopen it to consider a land acquisition project proposed by Quonset Development Corporation. The item is on the Board's agenda.

Adjournment

Motion by Mr. Morrison, second by Mr. Varin to adjourn. The vote in favor was unanimous and the motion carried.

Respectfully Submitted,

Kathleen Crawley
Staff Director