

**QUONSET DEVELOPMENT CORPORATION
MEETING OF BOARD OF DIRECTORS**

September 16, 2013

PUBLIC SESSION MINUTES

A meeting of the Board of Directors of the Quonset Development Corporation (the “Corporation”) was held at 5:00 p.m. on Monday, September 16, 2013, at the offices of the Corporation located at 95 Cripe Street, North Kingstown, Rhode Island, pursuant to notice to all members of the Board of Directors and a public notice of the meeting as required by the Bylaws of the Corporation and applicable Rhode Island Law.

The following members constituting a quorum were present and participated throughout the meeting as indicated: Guy Asadorian, Jr., James Berson, Robert H. Breslin, Jr., Kas R. DeCarvalho, Elizabeth Dolan, Barbara Jackson, John G. Laramee, James Rugh, Marcel A. Valois, and Richard A. Welch. Absent was: Anthony F. Miccolis, Jr. Also present were: Steven J. King, P.E., Managing Director; E. Jerome Batty, Secretary and Corporation’s staff and members of the public.

1. CALL TO ORDER:

The meeting was called to order at 5:02 p.m. by Chairman Marcel A.

Valois.

2. APPROVAL OF MINUTES:

Upon motion duly made by Mr. Rugh and seconded by Mr. Breslin, the Board:

VOTED: To approve the Public Session and Executive Session minutes of the August 5, 2013 meeting, as presented.

Voting in favor were: Guy Asadorian, Jr., Robert H. Breslin, Jr., Kas R. DeCarvalho, Barbara Jackson, John G. Laramée, and James Rugh.

Voting Against were: None.

Unanimously Approved.

3. STAFF REPORTS:

Mr. King reviewed the staff report with the Board.

Mr. Berson joined the meeting at 5:03 p.m Ms. Dolan and Mr. Welch joined the meeting at 5:16 p.m..

4. COMMITTEE REPORTS:

Ms. Jackson advised that the Audit- Finance Committee met prior to the Board of Directors Meeting. Ms. Jackson stated that the Committee approved the minutes of the April 12, 2013 committee meeting and discussed the FY2013 Audit and Financial Statements. Ms. Jackson advised the Board that the Committee recommends that the Board approve the FY2013 Audited Financial Statements be accepted and sent to the State Auditor General for final approval.

5. APPROVALS:

A. Acceptance of the FY2013 Audited Financial Statements:

Mr. Steve Cohen, an audit principal from the firm of O'Connor and Drew, was introduced to the Board and reviewed the FY2013 Audited Financial Statements (Tab 3). Mr. Cohen explained that the statements were audited using the Government Auditing Standards issued by the Comptroller General of the United States. Mr. Cohen issued two reports; (1) an unqualified opinion on the Financial Statements and (2) a report on the Corporation's internal controls as they relate to revenue, disbursements, and payroll. The latter report does not result in an opinion, but acts as a negative assurance that controls are sufficient. Mr. Cohen explained that the only control finding was a deficiency in the Corporation's I-9 (Employment Eligibility Verification) forms and procedures are now in place to ensure those forms are completed correctly.

Mr. Cohen noted that an unqualified opinion on the Financial Statements is the best opinion that can be issued and indicates that the statements are free from material misrepresentation. Mr. Cohen highlighted a few items in the FY2013 statements, noting the Corporation's financial position was very strong. Mr. Cohen also noted the Corporation's pension status remains very good in that the actual value of the assets exceed the liability.

Mr. Berson questioned the amount due to the Rhode Island Economic Development Corporation as stated on page 12 under the Statement of Cash Flows. Mr. King stated the funds are part of a yearend issuance for land the Corporation manages for Rhode Island Airport Corporation (RIAC) and the statements would be updated to show RIAC.

Upon motion duly made by Mr. Berson and seconded by Mr. Laramee, the Board:

VOTED: To accept the FY2013 Audited Financial Statements as presented to the Board, subject to approval by the State Auditor General.

Voting in favor were: Guy Asadorian, Jr., James Berson, Robert H. Breslin, Jr., Kas R. DeCarvalho, Elizabeth Dolan, Barbara Jackson, John G. Laramee, James Rugh, and Richard A. Welch.

Voting Against were: None.

Unanimously Approved.

B. Adoption of a Revised 2013 Meeting Schedule:

Due to a conflict in schedules, the QDC Board agreed to move the scheduled meetings for the remainder of the 2013 year to the third Tuesday of month starting at 4:30 p.m.

6. MOTION TO ADJOURN TO EXECUTIVE SESSION:

Upon motion duly made by Mr. Welch and seconded by Mr. Berson, the Board:

VOTED: To adjourn to Executive Session pursuant to Subsection (5) – (Acquisition or Lease of Real Estate for Public Purposes or Disposition of Publicly held Property), Subsection (6) – (Location of Perspective Businesses in Rhode Island) and Subsection (7) - (Investment of Public Funds) of the RIGL §42-46-5(a) (the “Open Meetings Law”).

Voting in favor were: Guy Asadorian, Jr., James Berson, Robert H. Breslin, Jr., Kas R. DeCarvalho, Elizabeth Dolan, Barbara Jackson, John G. Laramée, James Rugh, and Richard A. Welch.

Voting Against were: None.

Unanimously Approved.

The meeting adjourned to Executive Session at 5:24 p.m. The meeting reconvened in Public Session at 6:18 p.m.

7. VOTE TO MAINTAIN MINUTES OF EXECUTIVE SESSION CLOSED:

Upon motion duly made by Mr. DeCarvalho and seconded by Mr. Berson, the Board:

VOTED: Pursuant to Section 42-46-4 and 42-46-5 of the General Laws, the minutes of the Executive Session shall not be made available to the public at the next regularly scheduled meeting of the Corporation because such disclosure may adversely impact ongoing negotiations.

Voting in favor were: Guy Asadorian, Jr., James Berson, Robert H. Breslin, Jr., Kas R. DeCarvalho, Elizabeth Dolan, Barbara Jackson, John G. Laramée, James Rugh, and Richard A. Welch.

Voting Against were: None.

Unanimously Approved.

8. ADJOURNMENT:

Upon motion duly made by Mr. DeCarvalho and seconded by Mr. Laramée, the meeting adjourned at 6:19 p.m.

Respectfully submitted:

By: _____

Batty, Secretary

E. Jerome