

The Narragansett Bay Commission  
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Vincent J. Mesolella  
Chairman

Raymond J. Marshall, P.E.  
Executive Director



## OFFICIAL MINUTES OF:

Meeting of:	Joint LRP-Finance Committee Meeting
Date:	April 29, 2014
Time:	10:15 a.m.

### MEMBERS PRESENT:

Robert Andrade, Committee Chairman  
Richard Burroughs  
Mario Carlino  
Joseph Kimball  
Vincent Mesolella  
John MacQueen  
Alan Nathan  
Harold Gadon, CAC

### MEMBERS ABSENT:

Michael DiChiro  
Jonathan Farnum  
Ronald Leone  
Joan Milas

### STAFF AND GUESTS PRESENT:

Raymond J. Marshall, NBC Executive Director  
Thomas Uva, NBC  
Jennifer Harrington, NBC  
Karen Musumeci, NBC  
Karen Giebink, NBC  
Richard Bernier, NBC  
Shaylyn McCaully, NBC

Joanne Maceroni, NBC  
Howard Schackner, CAC  
Gail Degnan, NBC  
Joe Pratt, Louis Berger Group  
Paul Nordstrom, NBC  
Sherri Arnold, NBC  
Deborah Samson, NBC

### 1. Call to Order

Finance Committee Chairman Robert Andrade called the April 29, 2014 Joint LRP-Finance Committee Meeting to order at 10:15 a.m.

2. **Approval of Minutes** – September 24, 2013 – Joint LRP Finance  
March 25, 2014 – Joint LRP Finance

Chairman Andrade asked for a motion to approve the September 24, 2013 and March 25, 2014 Joint LRP-Finance Committee meeting minutes as written. Commissioner Carlino moved to approve the September 24, 2013 and March 25, 2014 Joint LRP-Finance Committee meeting minutes as written. Commissioner MacQueen seconded the motion. The vote taken by the Joint LRP-Finance Committee was unanimous. The motion carries.

### **3. Items for Action**

#### **A. Review of Monthly Financial Statements and Expenditures**

Karen Giebink advised that the Committee members have before them the March monthly financial report for FY2014.

With respect to Budget vs. Actuals, NBC is currently spending slightly under budget. NBC is under budget on Personnel Services, Operations & Maintenance expense as well as Special Services. Staff is still keeping an eye on some of those line items that were mentioned last month such as Bio-Solids and the Bucklin Point Management Contract. The Personnel Services shown under Item B shows that we have 98% of the budgeted positions currently filled.

On page 2 of the report, the User Fee Billings have started to drop off a little bit unfortunately, and this is sort of the pattern that we see every year around this time. The April billing also was below projections and that is something that we are continuing to keep an eye on but we are not too optimistic at this point that we will be recovering and billing up at projected levels by the end of the fiscal year. The receivables are shown at the bottom of the page. As of the 31<sup>st</sup> of March there is \$12.7 million outstanding.

Cash and Investments are shown on Page 3 and they total \$87.1 million dollars. On Page 4 of the report you can see the long term debt and again the Variable Rate Demand Bonds are still pricing really well, at around 0.05%. Also of note is the \$45 M loan from the State Revolving Fund that closed on March 6<sup>th</sup> 2014 at a TIC of 2.467% .

Ms. Giebink stated that Page 5 shows Capital Funds available of \$82.9 million.

On Page 6, of the report shows capital payments by month and source and the chart indicates that construction is picking up again in March. With respect to the Non-Union Defined Benefit plan assets, the value as of March 31<sup>st</sup> was \$8.98 million with a money weighted performance for the month of a loss of 0.24%.

Ms. Giebink noted that attached to the Monthly Financial Report are the Statement of Net Position, the Statement of Revenues, Expenses and Changes in Net Position as well as the detailed Budget vs. Actual report.

This concluded Ms. Giebink's report.

#### **B. Consideration of Purchase Requisition**

Mr. Marshall stated the Committee members have before them a list of Purchase Requisitions greater than \$10,000. All of these items were included in the FY 2014 Budget that was passed in June and therefore none require the Committee's approval.

The members also have a list of budget transfers for the month of March, 2014.

**C. Consideration of Personnel Actions**

None.

**D. Review and Approval of Resolution 2014:06; Authorization to Enter into a Contract for Auditing Services for Fiscal Years, 2014, 2015 and 2016**

Mr. Marshall advised that on March 10, 2014, the NBC issued a Request for Proposals (RFP) for Auditing Services for Fiscal Years 2014, 2015 and 2016. Prior to its issuance, the RFP was reviewed and approved by both the State of Rhode Island Auditor General and Department of Administration. The RFP was sent to seven firms, and four submittals were received on April 7, 2014. Submittals were received from Hague, Sahady & Co., PC, Blum Shapiro, Ron L. Beaulieu & Company, and Marcum LLP.

The submittals were reviewed and evaluated by the Purchasing Manager, the Accounting Manager and the Director of Administration and Finance in accordance with the criteria set forth in the RFP. As a result of the evaluation, Hague, Sahady & Co., is the recommended firm. The submittal of Hague, Sahady & Co. included a comprehensive description of their overall audit approach and strategy. In addition, Hague, Sahady & Co., demonstrated they had the capacity to complete the audit within the specified statutory timeframe. With respect to pricing, Hague, Sahady & Co. also had the lowest cost for the audit over the 3-year period at \$24,000 per year. Staff has also submitted the auditor selection to the State and received their approval.

Your approval of Resolution 2014:06 Authorization to Enter into a Contract for Auditing Services for Fiscal Years 2014, 2015, and 2016 is hereby respectfully requested.

Commissioner MacQueen made a motion to approve Resolution 2014:06; Authorization to Enter into a Contract for Auditing Services for Fiscal Years 2014, 2015 and 2016. Commissioner Carlino seconded the motion and the vote taken by the Joint LRP-Finance Committee was unanimous. The motion carries.

**E. Review and Approval of Resolution 2014:07; Recommendation for Use of Environmental Enforcement Funds**

Mr. Marshall advised that the NBC has received a request from the Blackstone Valley Tourism Council for grant funding with Environmental Enforcement Funds. This organization has requested a \$2,400 grant to fund scholarships for students from the economically disadvantaged communities in the Blackstone Valley, providing the students an opportunity to participate in the Blackstone River Explorer Programs aboard the Blackstone Valley Explorer riverboat. The Explorer program teaches the history of the Blackstone River and river ecology, allowing students to observe the river wildlife and perform hands-on water quality testing while teaching the importance of keeping the river healthy. The NBC staff recommends funding \$1,500 to the Blackstone Valley Tourism Council to support the scholarship program so that students can participate in this valuable activity. Therefore, we recommend approval of Resolution Number 2014:07 for funding in the amount of \$1,500 for the Blackstone Valley Tourism Council.

Commissioner MacQueen made a motion to approve Resolution 2014:07; Recommendation for Use of Environmental Enforcement Funds. Commissioners Carlino and Nathan seconded the motion and the vote taken by the Joint LRP-Finance Committee was unanimous. The motion carries.

**4. Other Business**

None.

**5. Adjournment**

A motion to adjourn was made by Commissioner MacQueen, seconded by Commissioner Kimball, Carlino and Nathan and the Joint LRP-Finance Committee meeting adjourned at 10:35 a.m.

Respectfully submitted,



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Raymond J. Marshall, P.E.  
*Executive Director/Secretary*