

The Narragansett Bay Commission  
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Vincent J. Mesoella  
Chairman

Raymond J. Marshall, P.E.  
Executive Director



## OFFICIAL MINUTES OF:

Meeting of:	Finance Committee Meeting
Date:	March 17, 2015
Time:	10:30 a.m.

### MEMBERS PRESENT:

Mario Carlino  
Jonathan Farnum  
Paul Lemont  
John MacQueen  
Vincent Mesoella

### MEMBERS ABSENT:

Robert Andrade, Committee Chairman  
Michael DiChiro  
Joseph Kimball  
Joan Milas

### STAFF AND GUESTS PRESENT:

Raymond J. Marshall, NBC Executive Director  
Karen E. Musumeci, NBC  
Jennifer Harrington, NBC  
Jamie Samons, NBC  
Karen Giebink, NBC  
Laurie Horridge, NBC  
Deborah Samson, NBC  
Harold Gadon, CAC  
George Palmisciano, Pare Corp.  
Barry Wenskowicz, NBC

Tom Uva, NBC  
Sherri Arnold, NBC  
Rich Bernier, NBC  
Dan Berger, PFM  
Steve Maceroni, PFM  
David Bowen, Wright-Pierce  
Leah Foster, NBC  
Cecille Antonelli, NBC  
John Zuba, NBC

### 1. Call to Order

In the absence of Committee Chairman Andrade, NBC Chairman Mesoella called the March 17, 2015 Finance Committee Meeting to order at 10:33 a.m.

### 2. Approval of Minutes – January 13, 2015 – Finance Committee

NBC Chairman Mesolella asked for a motion to approve the January 13, 2015 Finance Committee meeting minutes as written. Commissioner Lemont moved to approve the January 13, 2015 Finance Committee meeting minutes as written. Commissioner Farnum seconded the motion. The vote taken by the 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 that she would review with them the February monthly financial report for FY2015. With respect to the FY2015 budget, NBC is currently spending under budget in nearly all items. Most notable is operations and maintenance expense which is more than 15% under the projected year to date budget. This is primarily the result of lower bio-solids production at Field's Point. Debt service is also under budget as a result of the savings achieved through the refunding of the 2005 Series A Bonds and the lower pricing on the VRDB's. With respect to FTE's, 95% of the budgeted positions are currently filled.

On page 2 of the report, with respect to User Fee billings, she noted that NBC is ahead of projections but billings are expected to drop off in March because we were not able to obtain meter reading for several tracts within the Providence Water Supply Board service area. She added that it was decided not to defer the billing to wait to receive the meter readings and that the NBC will bill for the usage in the subsequent months. The outstanding receivables are \$14.7 million which is larger than the amount that was outstanding last year at this time. She added that most of the outstanding amount is in the current portion. Ms. Giebink noted that this is likely the result of a delay in the receipt of meter readings from PWSB in February which pushed out the bill date.

She added that on Page 3 of the report, Cash & Investments total \$80.5 million and that the investments are shown under Item B at \$69.9 million.

On Page 4 of the report, there is a graph of the interest rates of the VRDB's vs. the SIFMA Index and it shows we are pricing through the index at .02%. The total debt outstanding is \$607.1 million. With respect to the outstanding debt, approximately 10% is in variable rate mode.

The total capital funds available are \$42.1 million. The defined benefit plan assets total \$10.6 million.

She stated that attached to the report is the statement of net position, statement of revenue, expenses and changes in net position, the detailed budget vs. actual report and the monthly budget transfers that took place in February.

Ms. Giebink added that we recently received affirmation from Standard & Poor's of NBC's AA- credit rating. We also received Division approval for the pending refunding of the 2007 Series A bonds.

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 FY2015 Budget that was passed in June and therefore none require the Committee's approval.

**C. Consideration of Personnel Actions**

None.

**3. Other Business**

**D. Review and Approval of Resolution 2015:04; Amendment of the Narragansett Commission Non-Union Defined Benefit Plan**

Ms. Giebink stated that the Committee has before them Resolution 2015:04 Amendment of the Narragansett Bay Commission Non-Union Defined Benefit Plan (“Plan”). She advised that The Plan has undergone additional review as part of the conversion to a single platform at MassMutual and input from the new third party administrator.

Based upon this review, and consultation with outside counsel, it was determined that the Plan contained ambiguous language with regard to disability benefits and the computation of credited service during unpaid leaves of absence. In order to clarify this language and ensure that the formal provisions of the Plan conform to the original intention and actual practice, counsel has drafted the attached resolution amending the Plan and clarifying the language.

Your approval of this amendment is hereby requested.

Commissioner MacQueen motioned to approve Resolution 2015:04; Amendment of the Narragansett Bay Commission Non-Union Defined Benefit Plan. Commissioner Lemont seconded the motion and the vote taken by the Finance Committee was unanimous. The motion carries.

**E. Review and Approval of Resolution 2015:05; Recommendation for Use of Environmental Enforcement Funds**

Mr. Marshall stated that the Narragansett Bay Commission (NBC) has been organizing and performing annual Woonasquatucket River Clean-Up Events for over a decade. Two years ago we expanded our Chairman’s River Restoration Initiative to restore additional rivers, streams, lakes and ponds in or around the NBC service district by providing support to our cities, towns and local water improvement organizations performing Earth Day clean-up activities. Last year’s NBC Earth Day River Clean-up Grant Program proved to be very successful and provided support to 19 clean-up events throughout our service area.

Through this grant program, the NBC is able to provide funding to cities, towns and organizations to purchase bags, gloves, dumpsters and other supplies that are needed for their local clean-up events. The new Earth Day grant program clearly provides goodwill to the cities and towns we serve by supporting their local clean-up events and the environmental benefits are widespread throughout the NBC district.

The NBC has again solicited proposals from cities, towns and local organizations and we have received an excellent response of applicants. The PP&R Division received and reviewed a total of 18 grant applications from throughout the state, requesting a total of \$15,007.00. Staff reviewed the applications and 16 applicants met NBC grant qualifications. We therefore recommend funding for the following 16 projects in the amounts specified

<b>Organization</b>	<b>Grant Amount</b>
Woonasquatucket River Watershed Council (5/2/15 event)	\$600.00
Woonasquatucket River Watershed Council (5/13/15 event)	\$600.00
Blackstone River Watershed Council/Friends of the Blackstone	\$600.00
City of East Providence Public Works Department	\$500.00
City of Central Falls	\$1,000.00
Friends of the Moshassuck/Neighborhood Alliance of Pawtucket	\$750.00
Ten Mile River Watershed Council	\$500.00
Save the Bay	\$750.00
Neutaconkanut Hill Conservancy, Inc.	\$500.00
Serve Rhode Island	\$600.00
Keep Blackstone Beautiful	\$500.00
UPP Arts	\$500.00
Town of Smithfield	\$250.00
Edgewood Waterfront Preservation Association "EWPA"	\$600.00
Smithfield Conservation Commission	\$250.00
East Providence Police Explorers Post 750	\$500.00
<b>TOTAL</b>	<b>\$9,000.00</b>

The NBC plans to provide the funds to the grant recipients in time for their 2015 Earth Day Clean-up events. The NBC will be recognized for its sponsorship by the environmental groups, as each grant recipient includes the NBC logo on all advertisements and publications promoting their events. The NBC will also post the dates of each event on our website. In addition the NBC will provide each grant recipient with a supply of reusable grocery bags containing the NBC logo to distribute to their clean-up volunteers and alert their volunteers that the event was sponsored by the NBC.

There are adequate funds available in the Environmental Enforcement Fund to support the NBC Earth Day Grant Program. Therefore, we request approval of Resolution Number 2015:05 to provide \$9,000 in funding to the above grant applicants for their 2015 Earth Day River Cleanup Events.

Commissioner MacQueen motioned to approve Resolution 2015:05; Recommendation for Use of Environmental Enforcement Funds. Commissioner Farnum seconded the motion and the vote taken by the Finance Committee was unanimous. The motion carries.

#### **4. Adjournment**

A motion to adjourn was made by Commissioner MacQueen seconded by Commissioners Farnum and Lemont and the Finance Committee meeting adjourned at 10:55 a.m.

Respectfully submitted,



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