

**FINAL – Approved 7/15/23**

Quonochontaug Central Beach Fire District  
Finance & Budget Committee  
Minutes of March 18, 2023 Meeting

1. Call to Order

A meeting of the QCBFD Finance & Budget Committee (the “Committee”) was held on March 18, 2023 at the Charlestown Police Headquarters, 4901 Old Post Road, Community Room, Charlestown, RI 02813 and called to order at 9:10 A.M. by Chairman Al Bartosic. In attendance were members Suzanne McDermott, Jim Furnivall and Tom McConnell and a quorum was declared.

2. Approval of the Minutes

Minutes from the January 14, 2023 meeting were reviewed and approved.

3. Update on 1<sup>st</sup> Quarter 2023 Financial Activity

Minimal activity was reported for 1Q 2023. The current cash position is roughly similar to the cash position at this time last year. As in years past, the Committee anticipates that it will be necessary to borrow from our standing line of credit to cover normal operating expenses during the coming months prior to annual tax collections in August 2023. One sizable, non-recurring expense that is anticipated is for a replacement of the beach boardwalk. This expense is anticipated to be \$12,000 and will be funded from approved reserves.

4. Update Regarding Classification of Casual Summer Labor

In the past, casual summer workers hired by QCBFD were classified as “1099” labor. Starting in the summer of 2023, these individuals will be hired as direct employees of QCBFD and, as a result, QCBFD will issue W-2 earnings statements making all necessary employer deductions. Jim Furnivall will follow up with Ron Ruehl regarding implementation logistics.

5. Interest Bearing Accounts at Washington Trust

Chair Bartosic raised the issue of the rate of interest earned on QCBFD money market and ICS accounts at Washington Trust in light of the current interest rate environment. While it was acknowledged that the rate of interest earned was low, this topic would be re-examined once financing for the Water Project had been secured.

6. Discussion and Possible Action Regarding Water Project and Financing Including Update Regarding Federal CDS, Washington Trust and Rhode Island Infrastructure Bank Applications

Chair Bartosic, Tom McConnell and Jim Furnivall reported that the Public Works Committee solicited bids for the completion of the QCBFD water project and has decided to contract RP Iannuccillo & Sons Construction Company to complete the project. When considering this bid, along with all other related expenses to date, the Committee estimates total costs for the project to be approximately \$1.52 million. This is in keeping with the cost estimate the

Committee has anticipated in the past. According to Public Works, the bid complies with the requirements of the Rhode Island Infrastructure Bank ("RIIB") lending program.

Chair Bartosic reported that Moderator Charles Freedgood is currently interviewing attorneys to assist QCBFD in the application and processing for a prospective loan from RIIB.

Although the RIIB loan is seen as the option to finance the water project, we continue to maintain discussions with Washington Trust Bank ("WTB") as an alternative lender. WTB verbally provided us with loan terms during 2022 and Jim Furnivall is following up with WTB to ask about the current status of those terms.

Chair Bartosic and Jim Furnivall have completed filling out most of the RIIB Financial Application and anticipate submitting this to the RIIB prior to the March 31, 2023 due date. Public Works Committee Chair Bob Frazier has informed the Committee that Northeast Water Solutions Inc. ("NWSI"), who will act as supervisor during the water project construction project, is well acquainted with the RIIB financing process. The Committee will ask Bob Frazier to set up a call with Robert Ferrari of NWSI and members of the Committee to discuss the loan process post the submittal of our application.

Chair Bartosic also reported that Moderator Charles Freedgood is following up with the office of RI Senator Sheldon Whitehouse to inquire about the availability of Federal Congressional Discretionary Funds that QCBFD may be able to obtain in connection with the water project.

There being no further business to consider, the committee adjourned at 10:00 a.m.

Respectfully submitted,

Tom McConnell