

MINUTES
of the
Quonochontaug Central Beach Fire District
Finance & Budget Committee
July 30, 2016

Location: The Quonochontaug Grange Hall, 5662 Post Road, Charlestown, RI 02813

Members in attendance: Charles Freedgood, John Pinkos, Al Bartosic, James Blair, Julia Mathews, Pat Wildman, Rusty Rueff

Members absent: None

Call to Order: Charles Freedgood called the meeting to order at 9:02 a.m.

- I. Approval of Minutes: A **Motion** was made to approve the minutes of the June 18, 2016 Finance & Budget Committee meeting. The **Motion** was seconded and approved unanimously.
- II. A **Motion** was made to approve the use of the Tax Assessment and Collection Procedures (see attached Exhibit A). The **Motion** was seconded and approved unanimously.
- III. Charles Freedgood informed the committee that the BoG had approved the purchase of 2 defibrillators. After giving effect to grants, the all-in cost will be \$3,004 for the two. They are expected to be received in August.
- IV. Charles Freedgood reported on the recent presentation by Northeast Water Supply, Inc. and the joint meeting of the LRP and PW committees. He noted that the recommendation included expenditures of approximately \$22k in 2016 and \$43k in 2017, and that over the 4-year period ending 2019, the total was projected to be approximately \$190k.

- V. The budget for 2017 was discussed. Noting that there had been input from the various committee chairs and managers, the discussion focused on the relative priority of road re-surfacing and water system development costs. A revised budget will be presented to the committee at the next scheduled meeting.
- VI. Adjournment: A **Motion** was made to adjourn the meeting at 10:40 a.m. The **Motion** was seconded and approved unanimously.

Respectfully submitted,
Charles O. Freedgood, Chairman
Quonochontaug Central Beach Fire District

**Quonochontaug Central Beach Fire District, Quonochontaug RI Annual
Tax Assessment and Collection Procedures**

1. Purpose – The purpose of these procedures is to ensure that taxes due from the residents of the Quonochontaug Central Beach Fire District (QCBFD) are properly calculated, collected and reviewed in a manner that is reasonably acceptable to the QCBFD Board of Governors.
2. Procedures-Tax Assessment Calculation and Transmittal
 - 2.1.–**Receipt of Annual QCBFD Tax Roll from Town of Charlestown-** Annually, the Town of Charlestown (“Charlestown”) prepares its tax assessments for the fiscal year that show the assessed value per lot (both improved and unimproved) in QCBFD. As of the drafting of these procedures, Charlestown computes the assessments as of December 31 which are made available on or about the following June 30th.
 - 2.1.1. Promptly after the assessments are made available, either of the two QCBFD Tax Assessors (each hereafter referred to as the “Tax Assessor”) will send a written request to Charlestown to provide copies of the tax list to the Tax Assessor and Treasurer
 - 2.1.2. The Tax Assessor and the Treasurer shall compare the list received from Charlestown to the agreed upon QCBFD master property tax list to ensure that all property in QCBFD appears on the Charlestown list provided. Adjustments for partial lots, sliver lots, non-taxable lots owned by QCBFD, and other approved adjustments shall be made to determine the Total Net Assessed Value.
 - 2.2.**Calculation and Preparation of the QCBFD Tax Bills** – Each year an annual budget is approved at the Annual Meeting of QCBFD, which includes, among other things, the aggregate tax revenue collectible for such fiscal year.
 - 2.2.1. The Assessor will calculate the annual tax rate by dividing the tax revenue collectible for such year into the Total Net Assessed Value. If, for example, the QCBFD tax revenue was budgeted at \$500,000 and the Total Net Assessed Value of all taxable QCBFD property was \$20,000,000 then the tax rate would be 25.00 ($500,000/20,000,000 \times 1,000$).
 - 2.2.2. The Assessor shall then calculate the individual tax bills per lot by multiplying the tax rate times the individual assessed lot value then dividing the result by 1,000. If the tax rate is 25.00 and lot A is assessed at \$200,000, then the tax bill for lot A

would be \$5,000. Minor adjustments may be made for rounding or other computational reasons.

- 2.2.3. The calculations for the both the tax rate and the individual bills shall be certified by both the Tax Assessor and the Treasurer or Treasurer's designee and the information will then be provided to the 3rd party that prepares and sends out the QCBFD tax bills. As of this writing, that vendor is Vision Government Solutions, Inc.
- 2.2.4. The annual tax bill will be sent out to individual residents in accordance with the dates stated in the QCBFD By-laws.

2.3. Collection of QCBFD Taxes –

The tax bills will provide an address to which payment shall be remitted. This address will be at the discretion of the Treasurer and may include a PO Box opened in the name of QCBFD, an individual address, a bank lockbox or any other address that in the estimation of the Treasurer is reasonable.

- 2.3.1. The Treasurer at his/her discretion may also allow for electronic payment and shall provide such information to the bill preparation agency.
- 2.3.2. The Treasurer (or his/her designees) will collect and deposit tax checks received promptly.
- 2.3.3. The Treasurer shall retain evidence detailing each payment received (tax remittance stub, notification of receipt of electronic payment by the bank, copies of checks etc.) so it is available for inspection.
- 2.3.4. The Treasurer shall promptly inform the Board of Governors of any collections issues of which they become aware.

2.4. Annual Review of the Tax Records-the Finance Committee shall designate up to three independent individuals (a "Reviewer") each year to review the QCBFD tax records and if so requested by the Board of Governors or the Finance Committee, provide a written report to the Board of Governors.

- 2.4.1. The Reviewer(s) shall NOT include a) the Treasurer or b) a Tax Assessor.
- 2.4.2. The Reviewer(s) shall have access to the following information: 1) The annual tax assessment provided by the Town of Charlestown, 2) the calculation of both the tax rate and the individual tax bills, 3) summary of tax bills sent out by Vision

Government Solutions or other 3rd party preparer, 4) all check images or other evidence of payment as contemplated in Section 2.3.4 above, 5) all bank statements.

- 2.4.3. The Reviewer(s) shall confirm that;
 - 2.4.3.1. the approved QCBFD Annual Tax Revenue figure was used to calculate the tax rate;
 - 2.4.3.2. both the Tax Assessor and Treasurer or Treasurer's designee certified the calculation of the tax rate and individual tax calculations;
 - 2.4.3.3. The amounts that appear on the tax bills match the calculations made by the Tax Assessor.
 - 2.4.4. The Reviewer(s) shall (on a sample basis) i) compare the payment amounts received to the tax bills delivered and ii) ensure that credit was properly given; iii) that the total amount collected has been deposited in the bank.
- 2.5.**Report** – Reviewers shall issue a report annually (either oral or written) to the Finance Committee, and if requested pursuant to Section 2.4, to the Board of Governors at the next Board of Governors meeting following the completion of the Review and prior to the QCBFD Annual Meeting, confirming that all items have been successfully reviewed and noting all exceptions, if any.