

**QUONSET DEVELOPMENT CORPORATION
MEETING OF THE AUDIT-FINANCE COMMITTEE**

JANUARY 12, 2009

PUBLIC SESSION MINUTES

A meeting of the Audit Finance Committee of the Quonset Development Corporation (the "Corporation") was held at 4:30 p.m. on Monday, January 12, 2009, at the offices of the Corporation located at 95 Cripe Street, North Kingstown, Rhode Island, pursuant to notice to all members of the Audit Finance Committee and a public notice of the meeting as required by the Bylaws of the Corporation and applicable Rhode Island Law.

The following directors constituting a quorum were present and participated throughout the meeting as indicated: Barbara Jackson, John G. Simpson, and Keith W. Stokes. Also present was Kevin M. Barry, Finance Director.

1. CALL TO ORDER:

The meeting was called to order at 4:36 p.m. by Mr. Simpson.

2. APPROVAL OF NEW AUDIT FINANCE CHAIRPERSON:

Upon motion duly made by Mr. Simpson and seconded by Mr. Stokes, the Committee:

VOTED: To Elect Barbara Jackson the new chairperson of the Audit Finance Committee.

Voting in favor were: Ms. Jackson, Mr. Simpson and Mr. Stokes.

Voting Against were: None.

Unanimously Approved.

3. REVIEW OF THE MID-YEAR FINANCIALS:

Mr. Barry advised the committee that a panel has been assembled by the Governor to review RIEDC and the quasi state agencies under it. Mr. Barry advised that QDC is meeting with the panel on Thursday, January 15, 2009. RIEDC has put a package together for the panel and included in that information are The Corporation's updated financials. Mr. Barry handed out to the committee a copy of the Revenues and Expenditures Report for the period of July 1, 2008

thru December 31, 2008 (Exhibit A). Mr. Barry proceeded to review the report with the committee.

4. APPROVAL OF MINUTES:

Upon motion duly made by John G. Simpson and seconded by Mr. Stokes, the Committee:

VOTED: To approve the minutes of the September 15, 2008 meeting, as presented.

Voting in favor were: Ms. Jackson, Mr. Simpson and Mr. Stokes.

Voting Against were: None.

Unanimously Approved.

There being no further business to come before the Committee, upon motion duly made by Mr. Stokes and seconded by, Mr. Simpson the meeting was adjourned at 4:55 p.m.

Respectfully submitted:

By: Kevin M. Barry
Kevin M. Barry
Finance Director

Quonset Development Corporation
Revenues and Expenditures by Expense Category
Period: July 1, 2008 thru December 31, 2008

QDC	YTD Actual	YTD Budget	YTD Variance	Approved Annual Budget
Income				
Rental Income	2,207,868	2,237,086	(29,218)	4,318,154
Pier Income	494,841	324,754	170,087	600,000
Water Sales	368,007	421,911	(53,904)	740,000
Waste Water Sales	629,892	678,126	(48,234)	1,200,000
Other Income	127,386	25,000	102,386	50,000
Total Revenues	3,827,994	3,686,877	141,117	6,908,154
Expenses				
Salaries and Fringe Benefits	1,668,981	1,929,718	260,737	3,859,436
Meetings & Travel	30,538	28,002	(2,536)	56,005
Dues & Subscriptions	15,216	8,625	(6,591)	17,251
Communications	19,805	31,500	11,695	63,000
Supplies	34,298	48,000	13,702	96,000
Legal Services	162,761	185,000	22,239	370,000
Consultant Services	171,154	145,439	(25,715)	290,877
Education & Training	2,509	10,500	7,991	21,000
Advertising	6,464	21,000	14,536	42,000
Public Work Expenses	451,429	517,799	66,370	1,107,000
Utility Expenses	141,437	102,500	(38,937)	205,000
Insurance	163,346	175,000	11,654	350,000
Providence Administrative Fee	75,000	75,000	0	150,000
Other Operating Expenses	23,005	132,925	109,920	276,717
Capital Project Funding	625,000	0	(625,000)	0
Total Operating Expenses	3,590,943	3,411,008	(179,935)	6,904,286
Operating Surplus (Deficit)	237,051	275,869	(38,818)	3,868