

Bay Area Air Quality Management District  
375 Beale Street, Suite 600  
San Francisco, California 94105  
(415) 749-5073

**APPROVED MINUTES**

Summary of Board of Directors  
Budget and Finance Committee Meeting  
Wednesday, April 27, 2016

**1. CALL TO ORDER – ROLL CALL**

Budget and Finance Committee (Committee) Chairperson David Hudson called the meeting to order at 9:31 a.m.

Present: Committee Chairperson David Hudson; and Directors Nate Miley, Mark Ross, and Brad Wagenknecht.

Absent: Directors John Gioia, Carole Groom, Liz Kniss, Jan Pepper, and Katie Rice.

Also Present: None.

**2. PUBLIC COMMENT ON NON-AGENDA MATTERS:**

No requests received.

**3. APPROVAL OF THE MINUTES OF MARCH 23, 2016**

Public Comments:

No requests received.

Committee Comments:

None.

Committee Action:

None; due to lack of quorum.

**4. CONTINUED DISCUSSION OF FISCAL YEAR ENDING (FYE) 2017  
PROPOSED AIR DISTRICT BUDGET AND CONSIDERATION TO  
RECOMMEND ADOPTION**

NOTED PRESENT: Director Ross was noted present at 9:34 a.m.

Jeffrey McKay, Deputy Air Pollution Control Officer, announced that this is the second presentation on this item presented to the Committee before it goes to the Board of Directors for adoption. He gave the staff presentation, *Fiscal Year Ending (FYE) 2017: Proposed Air District Budget*, including: outline; projections for current FYE 2016; District reserve funds: audited values excluding building proceeds; approved reserve transfers in FYE 2016; overview of Proposed Budget for FYE 2017; general fund revenue sources and expenditures; services and supplies and capital; FYE 2017 proposed fees; FYE 2017 full-time-equivalent staffing level; FYE 2017 fund balance summary; FYE 2017 use of fund balance; fund balance policy; unfunded liabilities; retirement medical other post-employment benefits (OPEB) liability; responses for OPEB; response for CalPERS pension; CalPERS funding ratio vs. rate of return; proposed funding policies for CalPERS pension; proposed pension policy - 105% of Annual Required Contribution (ARC); office building obligations; summary budget FYE 2017; recommendations; and next steps.

Public Comments:

No requests received.

Committee Comments:

The Committee and staff discussed: how Air District Board members and the industry typically respond to fee increases; the funding policy status and predictions for CalPERS retirement and OPEB medical; the current status of the District's reserves; financial uncertainties due to moving to the new building and the possibility of postponing big decisions to the next budget cycle; whether or not CalPERS rewards agencies that save 5-10% above the ARC; the turnover of community monitoring equipment; and the request for a presentation on OPEB at a future meeting, when more Committee members available to attend.

Committee Action:

Committee Chair Hudson took a consensus of the Committee, and members present supported staff recommendations for this item to be sent to the Board for approval on September 21, 2016.

**5. THIRD QUARTER FINANCIAL REPORT – FISCAL YEAR ENDING 2016**

NOTED PRESENT: Director Miley was noted present at 10:01 a.m.

Mr. McKay introduced Stephanie Osaze, Finance Manager, who gave staff presentation *Third Quarter Financial Report for FYE 2016*, including: overview; 3<sup>rd</sup> quarter results FYE 2016 - general fund revenues; revenue comparison - prior vs current year; 3<sup>rd</sup> quarter FYE 2016 - general fund expenses; expenditure comparison - prior vs. current year; 3<sup>rd</sup> quarter FYE 2016 - investments; general fund balance; purchasing reporting requirements; and FYE 2016 vendor payments.

Public Comments:

No requests received.

Committee Comments:

None.

Committee Action:

None; receive and file.

**6. COMMITTEE MEMBER COMMENTS / OTHER BUSINESS**

None.

**7. TIME AND PLACE OF NEXT MEETING**

Wednesday, June 22, 2016, Bay Area Air Quality Management District Office, 375 Beale Street, San Francisco, CA 94105 at 9:30 a.m.

**8. ADJOURNMENT**

The meeting adjourned at 10:06 a.m.

*MS/ Marcy Hirtzka*

Marcy Hirtzka  
Clerk of the Boards