

**Bay Area Air Quality Management District
939 Ellis Street
San Francisco, California 94109**

APPROVED MINUTES

Summary of Board of Directors
Budget & Finance Committee Meeting
9:45 a.m., Wednesday, April 26, 2006

1. **Call to Order:** Chairperson Chris Daly called the meeting to order at 9:45a.m.

Roll Call: Chris Daly, Chair; Harold Brown, Roberta Cooper, Jerry Hill, Patrick Kwok, Mark Ross, Tim Smith.

Absent: Dan Dunnigan, Erin Garner.

Also Present: Gayle B. Uilkema.
2. **Public Comment Period:** There were none.
3. **Approval of Minutes of March 22, 2006:** Director Brown moved approval of the minutes; seconded by Director Hill; carried unanimously without objection.
4. **Overview of Preliminary Budget Meeting for FY 2006-2007:** *The Committee discussed the preliminary budget for FY 2006-2007.*

Jack Broadbent, Executive Officer/APCO noted that the Board of Directors will officially refer the fiscal year 2006/2007 Budget to the Budget and Finance Committee on May 3, 2006. Mr. Broadbent reported on the overall direction of the budget and noted that the fiscal year 2006/2007 budget is balanced and is based on proposed fee increases and no transfers from undesignated reserves.

Jeff McKay, Chief Financial Officer, reviewed the fiscal challenges facing the District. Mr. Broadbent and Mr. McKay discussed the following key Programs in the budget:

- Community Air Risk Evaluation (CARE) program,
- Climate protection,
- Enhanced outreach on woodsmoke,
- Production system replacement for IRIS and databank,
- District security, and
- Community mitigation, which is a new program built into the budget in lieu of Supplemental Environmental Projects (SEPs).

The addition of four key staff positions was reviewed. The four positions include an Air Quality Specialist for Enforcement, a Principal Air Quality Engineer for toxics modeling, a Principal Procurement Agent, and an Environmental Planner II.

Mr. McKay reviewed and discussed the consolidated revenue and expenditures; general fund expenditures; Transportation Fund for Clean Air (TFCA) expenditures; and Mobile Source Incentive Fund (MSIF) expenditures. Revenue and expenditure projections were discussed along with fund balances.

The Committee discussed numerous items in the budget, including security services, proposed overtime expenses, additional revenue generated by permit fees, and the property tax estimates. Director Smith requested that staff go back five years to see what the trend in property tax revenue was. There was also discussion on travel expenses.

Committee Action: The Committee provided direction to staff on the proposed fiscal year 2006/2007 budget.

5. **Proposed Amendments to District Fee Regulation:** *The Committee considered recommending to the Board of Directors that staff proceed with the proposed amendments to the District fee regulation.*

Brian Bateman, Director of Engineering, presented the report and provided background on the District's authority to collect fees; reviewed the proposed fee amendments; provided examples of permit renewal fee increases; and reviewed the rule development schedule. The public hearing and recommendation for adoption by the Board of Directors is scheduled for the June 7, 2006 Regular Board meeting.

Mr. Bateman commented that the proposed fee regulation amendments are in line with the recommendations of the Cost Recovery Study done in 2005.

Speakers: The following individuals spoke on this agenda item:

Dennis Bolt
Western States Petroleum Association(WSPA)
Concord, CA 94518

Dan Phelan
San Francisco, CA

Committee Action: Director Cooper moved that the Committee recommend to the Board of Directors that staff proceed with the proposed amendments to the District's fee regulation; seconded by Director Kwok; carried unanimously without objection.

6. **Committee Member Comments/Other Business.** Board Chair Uilkema requested that staff provide an analysis of the District's interest income at a future meeting of the Committee.
7. **Time and Place of Next Meeting:** 9:45 a.m., Wednesday, May 10, 2006, 939 Ellis Street, San Francisco, California 94109
8. **Adjournment:** The meeting adjourned at 11:21 a.m.

/s/ Mary Romaidis
Mary Romaidis
Clerk of the Boards