

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

APPROVED MINUTES

Summary of Board of Directors
Budget & Finance Committee Meeting
Immediately Following Executive Committee Meeting
Tuesday, May 30, 2006

1. **Call to Order:** Chairperson Chris Daly called the meeting to order at 11:05 a.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: Scott Haggerty (11:28 a.m.), Gayle B. Uilkema.

2. **Public Comment Period:** There were none.

3. **Approval of Minutes of April 26, 2006 and May 10, 2006:** Director Hill moved approval of the minutes; seconded by Director Kwok; carried unanimously without objection.

4. **Third Quarter Financial Report – Fiscal Year 2005-2006:** *The Committee discussed the third quarter financial report for FY 2005-06.*

Jeff McKay, Chief Financial Officer, presented the report and reviewed the General Fund statement of revenue and statement of expenditures; the Transportation Fund for Clean Air (TFCA) fund statement of revenue and expenditures; and the fund balances.

Committee Action: None. This report provided for information only. The Committee received and filed the report.

5. **Consider Amendment to Fiscal Year 2006/2007 Operating Budget:** *The Committee considered recommending that the Board of Directors amend the FY 2006-2007 budget by increasing the Federal BioWatch Grants Funds Revenue from \$478,609 to a total of \$1,943,818 in conjunction with correspondingly increasing the budget for BioWatch (Program 809), and authorizing the Executive Officer to issue a purchase order not to exceed \$1,670,000.*

Mr. Mc Kay presented information on the item and noted that the funding source for this increase is a Department of Homeland Security Grant that had not been awarded in time to include the funds in the proposed fiscal year 2006/2007 budget. Staff recommends that the Committee recommend that the Board of Directors amend the fiscal year 2006/2007 budget

by increasing the Federal BioWatch Grants Funds revenue as stated and authorize the Executive Officer to issue a purchase order not to exceed \$1,670,000.

Committee Action: Director Cooper moved that the Committee recommend that the Board of Directors approve the staff recommendation; seconded by Director Smith.

During discussion, Gary Kendall, Director of Technical Services, explained the Air District's role regarding the Department of Homeland Security BioWatch program. There were no public speakers on this agenda item. The motion then carried unanimously without objection.

6. District Financial Audit Report for Fiscal Year 2004/2005: *A staff member from the CPA firm Caporicci & Larson presented the Audit Report for FY 2004-2005. This is an informational item.*

Gary Caporicci from the CPA firm Caporicci & Larson presented the Audit Report for fiscal year 2004/2005. Mr. Caporicci stated that the Air District is in compliance with Governmental Accounting Standards Board (GASB) 34. The following items were reviewed: The Air District's responsibilities; Caporicci & Larson responsibilities; the audit procedures; and the 2004-2005 audit results.

Director Scott Haggerty arrived at 11:28 a.m.

Mr. Caporicci reported on the findings regarding Federal grants and the Transportation Fund for Clean Air (TFCA) program audits.

Committee Action: None. This report provided for information only.

7. Air District Response to Audit Findings for FY 2004/2005: *Staff provided a response to the auditor's findings.*

Mr. McKay presented the District's response to the audit findings as follows:

1. Utilization Reports have been submitted to the Grant Management Office;
2. Beginning in May 2005, a separate time-code was implemented for the Toxics Monitoring Grant; and
3. An RFP has been issued to provide for bi-yearly audits of all Transportation Fund for Clean Air projects.

Jack Broadbent, Executive Officer/APCO, noted that there will be a retiree health benefit audit and that staff will respond and have a review of this issue later in the year.

Committee Action: None. This report provide for information only.

8. Committee Member Comments/Other Business. In response to Director Kwok and several other Directors, Mr. Broadbent reviewed the budget proposal regarding additional security for the building. The issue will be discussed fully at the next Board meeting.

9. **Time and Place of Next Meeting:** The next Committee meeting is scheduled for 9:45 a.m., Wednesday, June 28, 2006, 939 Ellis Street, San Francisco, CA 94109.
10. **Adjournment:** The meeting adjourned at 11:45 a.m.

/s/ Mary Romaidis
Mary Romaidis
Clerk of the Boards