

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

Finance and Administration Committee Meeting
Wednesday, April 16, 2025

APPROVED MINUTES

This meeting was webcast, and a video recording is available on the website of the Bay Area Air Quality Management District at www.baaqmd.gov/bodagendas

CALL TO ORDER

1. **Opening Comments:** Finance and Administration Committee (Committee) Chairperson, Lynda Hopkins, called the meeting to order at 1:03 p.m.

Note: General Counsel Alexander Crockett announced that the Zoom link for this meeting was not working, due to a worldwide outage of the Zoom platform. Mr. Crockett noted that the Brown Act does not require a Zoom link to be made available, and that the agenda for this meeting notes that the link is provided for the public's convenience only and that the Committee expressly reserves the right to conduct the meeting without the Zoom link. Mr. Crockett also noted that the Beale Street location in San Francisco and the Scott Haggerty Heritage House location in Pleasanton are open for members of the public to attend and participate in the meeting, and he explained that members of the public could also email any comments using a link provided on the Air District's website and a staff member will read them out for the Committee during the public comment portions of the meeting. Members of the public were also able to observe the meeting via a streaming link available on the website.

Roll Call:

Present, In-Person (Bay Area Metro Center (375 Beale Street, 1st Floor Board Room, San Francisco, California, 94105): Chairperson Lynda Hopkins; and Directors Noelia Corzo, Juan González III, Sergio Lopez, and Vicki Veenker.

Present, In-Person Satellite Location (Scott Haggerty Heritage House, 4501 Pleasanton Avenue, Pleasanton, CA 94566): Director David Haubert.

Absent: Vice Chairperson Tyrone Jue.

2. **PLEDGE OF ALLEGIANCE**

CONSENT CALENDAR

3. APPROVAL OF THE DRAFT MINUTES OF THE FINANCE AND ADMINISTRATION COMMITTEE MEETING OF MARCH 19, 2025

Public Comments

No requests received.

Committee Comments

None.

Committee Action

Director González made a motion, seconded by Director Veenker, to **approve** the Draft Minutes of the Finance and Administration Committee Meeting of March 19, 2025; and the motion **carried** by the following vote of the Committee:

AYES:	Corzo, González, Haubert, Hopkins, Lopez, Veenker.
NOES:	None.
ABSTAIN:	None.
ABSENT:	Jue.

ACTION ITEMS

4. CHANGES TO MANAGEMENT CLASSIFICATIONS

Lisa Baker, Human Resources Director, gave the staff presentation *Changes to Management Classifications*, including: outline; classification and compensation study background and update; classification study findings; proposed management classification changes; and recommended action.

Public Comments

No requests received.

Committee Comments

The Committee and staff discussed whether “officer” and “director” positions are at will positions; and the manner in which the classification study focuses on equity.

Committee Action

Director González made a motion, seconded by Director Corzo, to recommend the Board take the following proposed actions:

Remove these 36 outdated and redundant management classifications	Revise these five existing management classifications to align with updated job functions, duties, and responsibilities	Approve the creation of these five new management classifications <i>*The Director/Officer classification is separated into their own distinct classifications based on span of control and complexity of work.</i>
Air Monitoring Manager	Staff Attorney / Staff Attorney Trainee	Assistant Deputy Executive Officer
Air Quality Engineering Manager	Assistant Counsel I/II	*Director
Air Quality Planning Manager	Senior Assistant Counsel	*Officer
Air Quality Program Manager	Deputy Executive Officer	Manager I
Assistant Manager	Manager II	Senior Manager
Audit and Special Projects Manager		
Business Manager		
Civil Rights Officer		
Communications Officer		
Deputy Air Pollution Control Officer		
Director of Administration		
Director of Communications and Outreach		
Director of Enforcement		
Director of Engineering		
Director of Information Services		
Director of Planning and Research		
Director of Public Information		
Director of Strategic Incentives		
Director of Technical Services		
Director/Officer		
Engineering Project Processing Manager		
Executive Operations Manager		
Finance Manager		

Fleet and Facilities Manager		
Health Officer		
Health and Science Officer		
Human Resources Manager		
Human Resources Officer		
Information Systems Manager		
Information Technology Officer		
Laboratory Manager		
Manager of Executive Operations		
Meteorology and Data Analysis Manager		
Research and Modeling Manager		
Senior Policy Advisor		
Strategic Facilities Planning Manager		

The motion **carried** by the following vote of the Committee:

AYES: Corzo, González, Haubert, Hopkins, Lopez, Veenker.
 NOES: None.
 ABSTAIN: None.
 ABSENT: Jue.

5. RECOMMEND CANDIDATES FOR APPOINTMENT TO THE AIR DISTRICT'S HEARING BOARD

Hyacinth Hinojosa, Deputy Executive Officer of Finance and Administration, gave the staff presentation *Recommend Candidates for Appointment to the Air District's Hearing Board*, including: background; and discussion.

Mr. Hinojosa explained the following:

At the Committee's March 19, 2025, meeting, the Committee was asked to consider candidates for five appointments to the Air District's Hearing Board. The Committee recommended the three Hearing Board incumbents for re-appointment, leaving the following two positions still vacant, effective April 6:

1. Alternate Member in the Attorney category; and
2. Alternate Member A in the Public Category

At the March 19, 2025, meeting, the Committee interviewed four out of five applicants for the Alternate Member (Attorney Category) and Alternate Member A (Public Category) seats. Due to a scheduling error, one applicant was unable to attend the March 19, 2025, meeting, so committee recommendations were deferred until this applicant could be interviewed, which

would have been the April Finance and Administration Committee meeting. However, on April 2, 2025, and unrelated to the scheduling error, that applicant who was unable to attend interviews on March 19 informed staff of their official withdrawal from consideration. Therefore, the following candidates (who have already been interviewed) are to be considered for the following positions at the April Finance and Administration Committee meeting:

Attorney (Alternate) Category

Stephanie Oxley – Kensington, 94707

Public A (Alternate) Category

John Dvorak – Albany, 94706

Teron McGrew – Oakland, 94609

Wayne Farrens – Sacramento, 95817

Public Comments

No requests received.

Committee Comments

None.

Committee Action

Director González made a motion, seconded by Director Lopez, to recommend the Board approve the appointment of Stephanie Oxley to the position of Alternate Member in the Attorney Category of the Air District's Hearing Board, and the appointment of Wayne Farrens to the position of Alternate Member A in the Public Category of the Air District's Hearing Board; the motion carried by the following vote of the Committee:

AYES:	Corzo, González, Haubert, Hopkins, Lopez, Veenker.
NOES:	None.
ABSTAIN:	None.
ABSENT:	Jue.

INFORMATIONAL ITEMS

6. AIR DISTRICT FINANCIAL AUDIT REPORT FOR FISCAL YEAR ENDING (FYE) 2024

Joseph Moussa of Simpson & Simpson LLP, gave the presentation *Fiscal Year 2024 Bay Area Air Quality Management District Presentation of Audit Results to the Finance and Administration Committee*, including: agenda; auditor's required communication Statements on Auditing Standards (SAS) 114; auditor's results and highlights of the basic financial statements; and audit results and highlights of the single audit.

Public Comments

No requests received.

Committee Comments

The Committee and staff discussed the Air District's first contribution (\$10 million [M]) into the California Employers' Pension Prefunding Trust (CEPPT); considerations regarding the prevention of fraud risk and conflict of interest risk; and the root cause of deficiencies in internal control over compliance (specifically regarding professional service fees charged by a vendor and paid by the Air District for eight positions were either not listed or was in excess of the rates established in the Professional Services Contract).

Committee Action

No action taken.

7. CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM (CALPERS)

Leonid Bak, Senior Advanced Project Advisor, gave the staff presentation *Pension Funding – Background and Status*, including: outline; define the terms; Air District's pension funded ratio; Board actions on pensions funding; background on policy options for unfunded retirement liabilities – 2019; financial performance: California Employers' Retiree Benefit Trust (CERBT); financial performance: California Employers' Pension Prefunding Trust (CEPPT), projected versus actual; is transferring a lump sum to the Public Employees Retirement Fund (PERF) now a good option; summary: options to reduce unfunded liabilities; and questions for discussion.

Public Comments

No requests received.

Committee Comments

The Committee and staff discussed the Committee's desire for an increase in prefunding liabilities; the breakdown of the Air District's pension trust (77% funded = 72% from CalPERS and 5% from CEPPT); OPEB liability; the advantages and disadvantages of one day making direct annual payments to CalPERS, and other options to reduce unfunded liability; the Air District's historical annual OPEB contributions, and methodologies used to make those assessments; whether required contributions for CalPERS have increased over time for the Air District, as they have for local governments; the history of the Air District's participation in the San Mateo County Investment Fund that is regulated by the California Government Code under the oversight of the Treasury of the County of San Mateo; the desire for the Air District to use its reserves to significantly pay down its unfunded CalPERS liability (perhaps an annual amount of \$20 M instead of \$5 M); and potential risk regarding creating too many new reserves, and the suggestion of hiring a consultant to help the Air District make those decisions to make meaningful progress.

Committee Action

No action taken.

OTHER BUSINESS

8. PUBLIC COMMENTS ON NON-AGENDA MATTERS

No requests received.

9. COMMITTEE MEMBER COMMENTS

None.

10. TIME AND PLACE OF NEXT MEETING

At the end of this meeting, the next meeting of the Finance and Administration Committee was scheduled for Wednesday, May 21, 2025. After the meeting adjourned, the next meeting was scheduled for Wednesday, June 18, 2025 and then re-scheduled for July 16, 2025, at 1:00 p.m. at 375 Beale Street, San Francisco, CA 94105. The meeting will be in-person for the Finance and Administration Committee members and members of the public will be able to either join in-person or via webcast.

11. ADJOURNMENT

The meeting was adjourned at 2:26 p.m.

/s/ Marcy Hiratzka
Marcy Hiratzka
Clerk of the Boards