

OLYMPIC REGION CLEAN AIR AGENCY
2940 Limited Lane NW
Olympia, Washington 98502

Finance Committee Meeting

September 13, 2017

Members present: Cynthia Pratt, City of Lacey (Chair)
Wes Cormier, Grays Harbor County
Terri Jeffreys, Mason County
Jim Cooper, City of Olympia

Members absent:

Staff Present: Fran McNair, Executive Director; Lynn Harding, Administrative Services;
and Debbie Moody, Office Manager/Recorder

The meeting came to order at 9:05 am.

Pratt asked for approval of the Agenda. Jeffreys moved approval of the Agenda, the motion was seconded and carried unanimously.

Pratt asked for approval of the Minutes of April 12, 2017. Cormier moved approval of the Minutes, the motion was seconded and carried unanimously.

FINANCE REPORT

Final Quarter Report FY2017

Harding noted the report is for our budget year ending June 2017. Harding explained we did not use any of our general reserves this year, however we did have to use some Title V (AOP) reserves. We ended our year \$107,000 over our budgeted revenue and underspent by \$55,000 in our expenditures. Harding asked if there were any specific line items the committee would like to discuss.

Jeffreys asked if the FY17 budget had originally shown the use of reserves. Harding stated we originally budgeted to spend \$60,000 of our general reserves. Jeffreys asked for explanation of the Title V reserves. McNair explained our Title V program is the only 'standalone' program. We fell short for the budget in fiscal year 2016 in our Title V program, having to use the General Fund to cover the cost. We used the Title V reserves to pay our General Fund back in fiscal year 2017.

McNair explained why our budget did so well, noting she has great staff who are very careful with spending. Also, McNair stated, we had 2 staff members that came on late in the year and we had a few large fines as well.

Cooper asked if this was the first time we didn't use reserves since the recession. McNair stated it was not. Harding noted we did not use reserves in 2013. Cooper asked if this was the first year our rental income paid the full mortgage. Harding explained the rental income also includes security deposits, first month/last month payments, key deposits, etc. Some of those funds are

held as they may be paid back when a tenant leaves.

Harding went over the ending fund balance sheet, noting we started with a \$1.3 million fund balance and ending with a \$1.5 million balance. After approximately \$590,000 held in our reserves we have a cash balance of unreserved funds of approximately \$900,000.

Cooper asked if placing our investment income directly into a reserve fund had ever been discussed. Harding stated it is continually reinvested by the county. McNair noted our money, other than Title V, is really all in one pot. We just earmark certain amounts for items in our reserves.

Pratt asked if there was anything else for discussion. McNair noted the Finance Committee will meet again in October to discuss the first quarterly report for FY18. Pratt asked about open space. Harding stated the only space left to rent was the garage. It is approximately 1500 square feet, includes a large open space, an office and restroom. Cooper noted OPD may be interested in using the space for an annex.

There was nothing further for the Committee.

The meeting adjourned at 9:19 am.

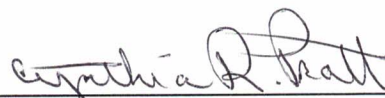
CERTIFICATION

I hereby certify this is a true and correct copy of the minutes of the meeting of the ORCAA Finance Committee held on September 13, 2017, in Olympia, Washington.

ATTEST:



Franca L. McNair, Executive Director
Olympic Region Clean Air Agency



Cynthia Pratt, Chair
ORCAA Finance Committee

DATED: October 11, 2017