

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

Finance Committee Meeting

April 12, 2017

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

Members absent: Jim Cooper, City of Olympia

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

The meeting came to order at 9:02 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 March 8, 2017. Cormier moved approval of the Minutes, the motion was seconded and carried unanimously.

FINANCE REPORT

Fines – requested chart

McNair reminded the committee Cooper had requested a graph report for fines. McNair explained we have included \$55,000 in our budget for fines. The chart covers 10 years; however, we did have 2 years that were outliers and did not include them in the average. McNair stated she is comfortable with the current budget projections. Cormier agreed \$55,000 was a good number for the budget.

3rd Quarter FY2017

McNair stated we are doing well on both expenditures and revenues. We have some payroll savings due to our newest hires. They are both starting at Step 1 and mid-year, putting us at 71% of our budget instead of 75%. McNair noted our miscellaneous revenue is bit higher than we anticipated because we sold one of our vehicles. We also purchased a new vehicle, McNair continued.

We are still unsure of numbers for the state and federal core funds, McNair explained. We are ok for this year, McNair stated.

Harding reminded the committee that some revenues come in front loaded and other revenues come in toward the end of the year. It is similar in expenditures. Jeffreys asked why public education was in parenthesis near fines. Harding explained we use our fines to pay for public education, including brochures and other handouts we have for fairs and other events. Harding stated revenues are currently at 92%.

Moving on to expenditures, Lynn continued, we are at 71% in our payroll and benefits which is partly due to the delay in hiring, as well as, having premiums come in a bit lower than we had projected. Overall our expenditures are at 73%.

Harding briefly went over the fund balance sheet, noting we started the year with \$1.3 million and currently have a balance of \$1.7 million. Of that \$1.7 million, Harding explained, \$623,820 is reserved, leaving us an unreserved balance of \$1.1 million.

McNair stated she feels confident in our budget for the upcoming year, but is a bit concerned with 2019.

Draft FY2018 Budget

McNair explained she assumed 10% reduction in federal funds and 2.5% on state funds. Harding stated column four on the document are the numbers we will be asking for approval on from the Board.

McNair briefly went over the proposed budget. McNair stated she has reduced several line items in the revenue for the upcoming year. We are projecting the use of \$122,425 from our reserves. Harding stated our attorney contract is up for renewal and the budget reflects the proposed changes. McNair noted she continues to shift the purchase of items around to prepare for any cutbacks. We will be making some additional purchases in the IT department this year, rather than hold off until the next budget. We included \$25,000 for a vehicle in the FY19 projections, but if we can purchase it sooner, we will.

McNair stated our salary adjustment is complete. We have included a 1.7% COLA for all staff in the FY18 budget. Harding added the CPI we used was 2.4% and we are using that amount for fees. It was noted we use the Seattle-Tacoma-Bremerton CPI-U. McNair did state we are on the low end for COLA according to the other agencies we polled.

McNair explained we have advertised the budget hearing for the May meeting and will continue it in June for the final vote. The committee agreed the proposed budget should move forward for approval.

There was nothing further for the Committee.

The meeting adjourned at 9:56 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 April 12, 2017, in Olympia, Washington.

ATTEST:



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



 Cynthia Pratt, Chair
 ORCAA Finance Committee

DATED: 4/13/2017