

Meeting Date: June 8, 2015	Board of Pilot Commissioners for the Bays of San Francisco, San Pablo, and Suisun 660 Davis Street, San Francisco, CA 94111 FINANCE COMMITTEE MEETING MINUTES	Page 1 of 4
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Committee members present

Commissioner John Schneider, Chairman
Commissioner Captain George H. Livingstone
Mike Jacob, PMSA Vice President-General Counsel
Ray Paetzold, San Francisco Bar Pilots Business Director-General Counsel

Staff present

Allen Garfinkle, Executive Director
Roma Cristia-Plant, Assistant Director
Kelly Dolcini, Staff Services Analyst
Sigrid Hjelle, Office Technician

Open Meeting

1. Call to Order and Roll Call.

Chairman Schneider called the meeting to order at 9:30 a.m.

2. Approval of minutes of Committee meeting of March 23, 2015.

MOTION: Mr. Paetzold moved to approve the minutes from the March 23, 2015, meeting with a clerical, non-substantive change. Mr. Jacob seconded the motion.

VOTE: Yes: Schneider, Paetzold and Jacob.
No: None.
Abstain: None.

ACTION: The motion was approved.

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3. Review BOPC fund condition, revenue and expenditure projections and monthly data for all pilotage fees and vessel moves and their effect on:

Assistant Director Cristia-Plant presented the Committee with a report on the status of the Board's funds for the period ending March 31, 2015, as prepared by the California Highway Patrol's (CHP) accounting staff. She also provided the Committee with a copy of the Governor's proposed 2015-2016 budget, and explained that the Governor was proposing to shift \$63,000 from the training side of the budget to the Board operation side of the budget along with a budget augmentation of \$100,000 to fund the pilot fatigue study, which is expected to cost about \$360,000 and take two or more years to complete. She and Executive Director Garfinkle summarized for the Committee that the Department of Finance reviews historical budget-to-actual data, and determined that since the Board has had significant historical cost savings, it is likely those cost savings will continue into the future, limiting the need to augment the 2015-2016 budget any further than the amount allowed in the Governor's proposed budget.

Assistant Director Cristia-Plant also presented and discussed historical Pilot Trainee Training Surcharge and Continuing Education Surcharge data to assist the Committee with determinations on future surcharge amounts. .

a) Board Operations Surcharge (currently 1.0%) – develop possible recommendation to Board to adjust rates if necessary.

The Committee reviewed and discussed the Board Operations Surcharge and fund condition, and determined that no change to this surcharge was necessary at this time.

MOTION: Mr Jacob moved to make no change to the Board Operations Surcharge. Mr. Paetzold seconded the motion

VOTE: Yes: Schneider, Paetzold and Jacob.
No: None.
Abstain: None.

ACTION: The motion was approved.

b) Pilot Continuing Education Surcharge (currently \$10/move) – develop possible recommendation to Board to adjust rates if warranted.

The Committee reviewed and discussed the Continuing Education Surcharge and elected to reduce the Continuing Education Surcharge to \$5/move due to excess cash in the fund.

MOTION: Mr. Jacob moved to reduce the Continuing Education Surcharge to \$5/move beginning July 1, 2015. Mr. Paetzold seconded the motion.

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VOTE: Yes: Schneider, Paetzold and Jacob.
No: None.
Abstain: None.

ACTION: The motion was approved.

c) Trainee Training Surcharge (currently \$10/trainee/move) – develop possible recommendation to board to adjust rate if warranted.

The Committee reviewed and discussed the Trainee Training Surcharge and the number of trainees in or projected to enter the program in 2015-2016, and elected to keep the surcharge at \$10/trainee/move.

MOTION: Mr Paetzold moved to keep the Pilot Continuing Education Surcharge at \$10/trainee/move. Mr. Jacob seconded the motion.

VOTE: Yes: Schneider, Paetzold and Jacob.
No: None.
Abstain: None.

ACTION: The motion was approved.

4. Review current Pilot Vessel Surcharge rate (currently at 3.27 mills -- \$.00327) revenue, expenditures and reserve balance. Develop possible recommendation to the Board for Pilot Vessel Surcharge rate adjustment, if warranted.

Mr. Paetzold reported that the Pilot Vessel Surcharge brings in just enough revenue to cover monthly boat bank loan payments, that there is a couple of months of bank loan payments in reserve, and that it is his recommendation the Pilot Vessel Surcharge should remain unchanged at this time.

MOTION: Mr. Paetzold moved that there be no change to the Pilot Vessel Surcharge rate. Mr. Jacob seconded the motion.

VOTE: Yes: Schneider, Paetzold and Jacob.
No: None.
Abstain: None.

ACTION: The motion was approved.

5. Review and discuss possible Pilot fatigue study financing methods.

This item was discussed earlier. It was recommended that this item remain on the agenda until it all of the study funding can be identified and committed to the project.

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6. Public comment on matters not on the agenda.

There were no comments.

7. Proposals for additions to next meeting agenda.

There were no proposals for additions to the next meeting's agenda. The Committee scheduled the next meeting on September 16, 2015, at 9:30 a.m.

8. Adjournment.

The Committee adjourned at 10:43:a.m.

Prepared by: Kelly Dolcini