

FINANCE COMMITTEE MEETING MINUTES

Commissioner Winn called to order the meeting of June 24, 2003 at 8:30 a.m., in the Board office, Pier 9, Suite 102, San Francisco. Commissioners Rosequist and Welch, SFBP Business Director Levin, and BOPC Board Counsel Paetzold, Executive Director Moloney and Secretary Evans were in attendance.

Agenda:

1. Review/approve minutes of April 24, 2003, meeting.
The minutes were approved as written.
2. Review SFBP variance report and new year-to-date comparison.
It was noted that the new year-to-date comparison would be used internally by SFBP. SFBP Business Manager Levin reported a continued strong year, everything but expenses are up; expense-to-gross income ratio 27%. SFBP continues to recover much of the \$203K owed to them by Sunrise Shipping, which has closed its doors. It is anticipated all but about \$3,000 of that amount will be collected.
3. Continue review results of SFBP annual audit; report by Board Counsel on Board's response to PMSA's January 20, 2002 request for independent audit.
The Committee continued its review of SFBP annual audit. Board Counsel reported on the Board's response to PMSA's January 20, 2002 request for an independent audit as set forth in the Board's records. The issue is scheduled for review in 2004.
4. Review current Pilot Vessel Surcharge rate (current 5.13 mils), increase to 6.50 mils authorized by Board to be effective July 1, 2003, reserve and expenditures.
SFBP reported that the Pilot Vessel Surcharge surplus at the end of May was \$156K and was projected to be \$145K by the end of June (as compared to \$100K previously projected). Accordingly, SFBP's Mr. Ken Levin recommended that the Pilot Vessel Surcharge rate increase authorized by the Board at its June 3, 2003 meeting be postponed until further review at the next Finance Committee meeting. The Committee concurred with Mr. Levin's recommendation. This item will be placed on the Committee's agenda. Notification will be sent by SFBP that the surcharge will not be increased by July 1, 2003 as authorized at the last Board meeting.
5. Review BOPC monthly expenditures, status of Board operations surcharge/reserves, projection of BOPC budget and reserve through 2003.
The Committee reviewed the BOPC monthly expenditures report and nothing unusual was reported.
6. Comment on matters not on the agenda. There were none.

The next Finance Committee meeting is scheduled for July 24 at 8:30 a.m.

Respectfully submitted,

Alice A. Evans
Secretary