

Butte County Air Quality Management District 2024-2025 Fiscal Year Budget



Butte County Air Quality Management District

2024 Governing Board Members

Chair

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Supervisor, District #3

Vice Chair

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Vice Mayor, Oroville

Doug Teeter

Supervisor, District #5

Rose Tryon

Councilmember, Paradise

Stephen Ertle

Air Pollution Control Officer

Butte County Air Quality Management District
Final Comparative Budget Analysis

FY 2024-2025

	General Fund	Grant Funds					WoodSmoke	FY 2024-25	
		AB617	Prescribed	FARMER	CARL, RAP, Reserve	CAP		Proposed Budget	
REVENUE									
<u>Licenses & Permits</u>									
4213010	Ag Burn Permits	90,000.00						90,000.00	
4213013	Ag Engine Registration Program	350.00						350.00	
4213020	Title V Permits	4,500.00						4,500.00	
4213030	Operating Permits	490,266.00						490,266.00	
4213035	Portable Engine Registration	45,659.00						45,659.00	
4213038	Asbestos Program	43,092.00						43,092.00	
4213040	Auth to Construct	29,000.00						29,000.00	
4213055	Emission Reduction Fee	-						-	
4213060	Misc. Other Permits	600.00						600.00	
<i>*move from Misc F 4213061 Technical Evaluation Fees - new acct #</i>		5,000.00						5,000.00	
421 - Licenses & Permits		708,467.00	-	-	-	-	-	708,467.00	
<u>Fines, Forfeitures & Penalties</u>									
4300001	Civil Settlements	45,000.00						45,000.00	
430 - Fines, Forfeitures & Penalties		45,000.00	-	-	-	-	-	45,000.00	
<u>Interest</u>									
(grant interest is for restricted grant portion, implementation interest is unearned recognized implementation revenue line)									
Interest		1,500.00	20.00	-	682.50	284.38	29,805.13	3,500.00	35,792.00
441 - Interest (Use of Money & Property)		1,500.00	20.00	-	682.50	284.38	29,805.13	3,500.00	35,792.00
<u>Intergovernmental</u>									
4510001	State Subvention	65,300.00						65,300.00	
4511001	DMV Surcharge	735,500.00						735,500.00	
4510500	AB2588 Hot Spots Fee	134.00						134.00	
4510501	105 Grant Funding	61,012.00						61,012.00	
4510502	AB 197 Funding	8,583.00						8,583.00	
4510503	AB 617 Implementation Funding		158,526.11					158,526.11	
4510504	Prescribed Burn Reporting & Monitoring			87,598.03				87,598.03	
4510505	GHG Oil & Gas Funding	6,000.00						6,000.00	
Direct Intergovernmental Funds		876,529.00	158,526.11	87,598.03	-	-	-	1,122,653.14	
4510904	FARMER				-			-	
4510906	Carl Moyer					-		-	
4510909	WoodSmoke						-	-	
4510915	Community Air Protection (CAP)						-	-	
Pass Through Grant Portion of Intergovernmental		-	-	-	-	-	-	-	
451 - Intergovernmental		876,529.00	158,526.11	87,598.03	-	-	-	1,122,653.14	
<u>Misc Revenue</u>									
	BCC Secretarial Duties Contract	15,870.00						15,870.00	
	Reimbursements (Copy & Other)	500.00						500.00	
	Fees (Finance Charges, Return Check)	325.00						325.00	
4712523	4712523 Misc Revenue	16,695.00						16,695.00	
<u>Implementation Revenue</u>									
4712550	4712550 Implementation Administrative Funds				408,640.58	63,813.20	500,317.99	14,762.51	987,534.27
471 - Other Revenues (Miscellaneous)		16,695.00	-	-	408,640.58	63,813.20	500,317.99	14,762.51	1,004,229.27
TOTAL REVENUE		1,648,191.00	158,546.11	87,598.03	409,323.08	64,097.57	530,123.11	18,262.51	2,916,141.41

Butte County Air Quality Management District
Final Comparative Budget Analysis

FY 2024-2025

		<u>General Fund</u>	<u>AB617</u>	<u>Prescribed Burn</u>	<u>FARMER</u>	<u>CARL, RAP, Reserve</u>	<u>CAP</u>	<u>WoodSmoke</u>	FY 2024-25 <u>Proposed Budget</u>
OPERATING EXPENSES									
Wages, Benefits & PR Expenditures									
			Wages - Est 40 hr	Est 90 @hrly	Estimate use 697 h	Estimate use 320 h	Estimate use 508 h	Wages Est 110 hrs	
	<u>Salaries, Wages & PR Taxes</u>								
	511000 Wages & PR Taxes	832,246.95	4,191.28	9,430.37	73,032.98	33,530.21	53,229.21	11,526.01	1,017,187.00
	512000 Extra Help	16,000.00							16,000.00
	514000 Overtime	4,000.00							4,000.00
511	Salaries, Wages, PR Taxes	852,246.95	4,191.28	9,430.37	73,032.98	33,530.21	53,229.21	11,526.01	1,037,187.00
	<u>Benefits</u>								
	518008 Health Care	156,500.00							156,500.00
	518009 Cafeteria	49,000.00							49,000.00
	518010 Other Employee Benefits	36,500.00							36,500.00
	*New Acct 518011 Vehicle Allowance (moving this benefit from travel budg	7,440.00							7,440.00
	518700 Retirement (Pension) - includes Classic, Pepra & Deferr	164,600.00							164,600.00
	518800 Contrib to Pension Liability (bal as of 6/30/22 \$2,093,86	157,500.00							157,500.00
	518900 Retiree's OPEB	56,900.00							56,900.00
	518901 Contrib to OPEB Liability (net bal as of 6/30/23 \$314,39	39,438.00							39,438.00
518	Benefits	625,217.95	966.80	2,175.30	16,846.49	7,734.40	12,278.36	2,658.70	667,878.00
Operating Expenditures									
	<u>Materials & Supplies</u>								
	521104 Postage	3,850.00							3,850.00
	522201 Office Supplies	9,498.50						1.50	9,500.00
	523001 Telecommunications	17,890.00	1,200.00						19,090.00
	524544 Utilities – Electric/Gas, Water, Trash	9,577.00							9,577.00
	525545 Auto Fuel Costs/Road Expense	6,900.00							6,900.00
520	Materials & Supplies	47,715.50	1,200.00	-	-	-	-	1.50	48,917.00
	<u>Services & Other Operating</u>								
	531201 Household Janitorial	6,050.00							6,050.00
	532527 Insurance (Liability & Vehicle)	15,550.00							15,550.00
	533533 Memberships, Dues and Subscriptions	7,500.00							7,500.00
	534537 Public & Legal Notices	3,740.00							3,740.00
	535540 Public Outreach	7,500.00	11,500.00						19,000.00
	536101 Training	13,950.00							13,950.00
	537202 Travel & Conference expenses	27,410.00							27,410.00
530	Services & Other Operating	81,700.00	11,500.00	-	-	-	-	-	93,200.00
	<u>Rents & Leases</u>								
	541538 Property Rents & Leases	1,160.00	-				300.00		1,460.00
	542539 Equipment Rents & Leases	785.00							785.00
	<u>Noncapitalized Improvements & Equipment</u>								
	543103 Office Furniture & Equipment (copier, chairs, conf table,	17,862.00							17,862.00
	543203 Computer Equipment	15,055.00							15,055.00
	543204 Computer Software & Subscriptions	21,219.65							21,219.65
	543541 Air Monitoring Equipment & Maintenance	2,700.00	3,800.00						6,500.00

Butte County Air Quality Management District
Final Comparative Budget Analysis

FY 2024-2025

<u>Repairs & Maintenance</u>								
544001	Vehicle Maintenance	5,850.00						5,850.00
544042	IT Maintenance (computer equipment)	33,085.00						33,085.00
544103	Building Maintenance (annual expenditures)	15,395.00						15,395.00
540	Rents, Leases, Repairs & Noncapitalized Improvements	113,111.65	3,800.00	-	-	-	300.00	117,211.65
<u>Professional/Consulting Services</u>								
551137	AB2588 Hot Spots Fee	134.00						134.00
551536	Professional Services	96,500.00						96,500.00
551547	Legal Services	19,075.00						19,075.00
	Grant Indirect Costs (line allocates portion of District ge)	(8,033.63)	-	-	3,651.65	1,676.51	2,129.17	576.30
555580	Contingencies	20,000.00						20,000.00
550	Professional/Consulting Services	127,675.37	-	-	3,651.65	1,676.51	2,129.17	135,709.00
Total Operating Expenditures*		1,847,667.42	21,658.08	11,605.67	93,531.12	42,941.12	67,936.73	14,762.51
								2,100,102.65

NON-OPERATING

<u>Grants</u>		<u>AB617</u>	<u>Prescribed</u>	<u>FARMER</u>	<u>CARL, RAP, Reserve</u>	<u>CAP</u>	<u>WoodSmoke</u>	
560006	Carl Moyer				284.38			284.38
560007	Community Air CAP (CAP)					29,805.13		29,805.13
560009	WoodSmoke						3,500.00	3,500.00
560020	Special Clean Air Grants	1,000.00	90,000.00	1,000.00				92,000.00
560021	FARMER			682.50				682.50
560	Total Grants	1,000.00	90,000.00	1,000.00	682.50	29,805.13	3,500.00	126,272.00

DEBT

<u>Debt Service</u>								
565087	Principal	53,396.63						53,396.63
565987	Interest & Other Charges	2,403.37						2,403.37
565	Total Debt Service	55,800.00	-	-	-	-	-	55,800.00

CAPITAL

<u>Capital</u>								
571105	Buildings & Improvements	-						-
572563	Equipment (Computer Equipment & Office Furniture >\$	-						-
573105	Vehicles (Fixed asset Inventory; Listed in Depreciation S	35,000.00						35,000.00
570	Total Capital Outlay	35,000.00	-	-	-	-	-	35,000.00

TOTAL Budget (\$ listed in Resolution)	1,939,467.42	111,658.08	12,605.67	94,213.62	43,225.49	97,741.86	18,262.51	2,317,174.65
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Excess of Revenues over(under) Expenditures, incl Debt Service	(291,276.42)	46,888.03	74,992.36	315,109.46	20,872.08	432,381.25	0.00	598,966.76
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UNEARNED & FUND BALANCE (Assigned Reserves, Restricted & Unassigned)

<u>Unearned</u>	As of 6/30/2025							As of 6/30/2025
	<u>General Fund</u>	<u>AB617</u>	<u>Prescribed</u>	<u>FARMER</u>	<u>CARL, RAP, Reserve</u>	<u>CAP</u>	<u>WoodSmoke</u>	<u>Proposed Budget</u>
AB617		46,888.03						46,888.03

Butte County Air Quality Management District
Final Comparative Budget Analysis

FY 2024-2025

	Prescribed		74,992.36					74,992.36	
	WoodSmoke						0.00	0.00	
	CAP					432,381.25		432,381.25	
	Carl Moyer				20,872.08			20,872.08	
	FARMER			315,109.46				315,109.46	
Unearned Revenue		-	46,888.03	74,992.36	315,109.46	20,872.08	432,381.25	0.00	890,243.18
Restrictions (Fund Balance)									
	Estimated reserve based on calculated from above (o		317,244.57						359,317.11
Assigned	Reserve Fund (see Resolution/Policy)		329,626.07						329,626.07
	CAP								
	WoodSmoke								
	Carl Moyer								
	FARMER								
Restricted (Uncontracted passthrough grant funds)		-	-	-	-	-	-	-	-
Unassigned		42,000.00	46,888.03	74,992.36	315,109.46	20,872.08	432,381.25	0.00	932,243.18
	TOTAL FUND	371,626.07	46,888.03	74,992.36	315,109.46	20,872.08	432,381.25	0.00	1,261,869.25
Unearned		-	46,888.03	74,992.36	315,109.46	20,872.08	432,381.25	0.00	890,243.18
Unassigned after grant unearned liability		42,000.00	-	-	-	-	-	-	42,000.00

	Est Fund Bal 6/30/23							Est Fund Bal 6/30/23
	-							FY 2024-25
	<u>General Fund</u>	<u>AB617</u>	<u>Prescribed</u>	<u>FARMER</u>	<u>CARL, RAP, Reserve</u>	<u>CAP</u>	<u>WoodSmoke</u>	<u>Proposed Budget</u>
Restricted	-							-
Assigned	329,626.07							329,626.07
Unassigned Audit Balance	333,276.42							333,276.42
Total Fund Balance	662,902.49	-	-	-	-	-	-	662,902.49
Total Revenue	1,648,191.00	158,546.11	87,598.03	409,323.08	64,097.57	530,123.11	18,262.51	2,916,141.41
Total Expenditures	1,939,467.42	111,658.08	12,605.67	94,213.62	43,225.49	97,741.86	18,262.51	2,317,174.65
Unearned (in total revenue above)	-	46,888.03	74,992.36	315,109.46	20,872.08	432,381.25	0.00	890,243.18
Total Assigned & Restricted	329,626.07	-	-	-	-	-	-	329,626.07
Total unassigned Fund Balance	42,000.00	-	-	-	-	-	-	42,000.00
Total Fund Balance	371,626.07	-	-	-	-	-	-	371,626.07

Butte County Air Quality Management District 2024-2025 Fiscal Year Budget Report

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Resolutions

Resolution 2024-06: Adopting the 2024-2025 FY Budget
Resolution 2024-07: Contracted Outside Legal Services

Appendices

Appendix A: Budget Cycle
Appendix B: Public Notice of Budget Adoption
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Appendix D: District Compensation Schedule
Appendix E: Reserve Policy Guidance (Resolution 2022-19)
Appendix F: Fiscal Policy (Resolution 2022-17)

Butte County Air Quality Management District

2024-2025 Fiscal Year Budget Report

Fiscal Budget Development and Adoption Schedule

- **Thursday, March 28, 2024, at 11:00 am**
Budget & Finance Committee Meeting
Butte County Association of Governments Board Room
326 Huss Drive, Suite 100 – Chico CA
- **Tuesday, April 16, 2024, at 11:00 am**
Budget & Finance Committee Meeting
District Office, 629 Entler Avenue, Suite 15 – Chico CA
- **Wednesday, April 24, 2024**
Budget Proposal Available
On District website: www.bcaqmd.org
District Office, 629 Entler Avenue, Suite 15 – Chico CA
- **Tuesday, May 7th, 2024, at 2:00 pm**
Public Workshop
District Office, 629 Entler Avenue, Suite 15 – Chico CA
- **Tuesday, May 7th, 2024, at 5:30 pm**
Public Workshop
Zoom (link posted on District website, www.bcaqmd.org)
- **Thursday, May 23, 2024, at 10:00 am**
Public Hearing (HSC Section 40131 (a) (3))
By Zoom as part of regularly scheduled meeting
Butte County Association of Governments Board Room
326 Huss Drive, Suite 100 – Chico CA
- **Thursday, June 27, 2024, at 10:00 am**
Public Hearing (HSC Section 40131 (a) (3)) and Budget Adoption
By Zoom as part of regularly scheduled meeting
Butte County Association of Governments Board Room
326 Huss Drive, Suite 100 – Chico CA

Schedule guided by requirements of California Health and Safety Code 40130 & 40131.



Date: April 24, 2024

To: The Butte County Air Quality Management District Board of Directors

From: Stephen Ertle, Air Pollution Control Officer

Re: **Proposed FY 2024-2025 Budget**

In California, local and regional authorities have the primary authority to regulate stationary sources of air pollution¹ (such as industrial facilities, gasoline dispensing stations and paint/coating operations). The Butte County Air Quality Management District (District) is Butte County's local air pollution control regulatory authority. The District Governing Board includes the five Butte County Supervisors, and five municipal city council members, vice mayors or mayors, as appointed by the respective city councils in Biggs, Chico, Gridley, Oroville, and Paradise.

With this document, the Air Pollution Control Officer presents the proposed Draft 2024-2025 Fiscal Year Budget of **\$2,317,175** in total expenditures, reserves, restricted and unearned funds (collected for grant administration costs) to administer statutory and regulatory Butte County Air Quality Management District programs. The budget for operating expenses totals **\$2,100,343**. Resolutions are provided which incorporate the necessary authority and directives to implement the Budget and associated accounting requirements. We are recommending a CPI increase to our hourly rate this year.

Two public hearings² are required to be held by the Governing Board as part of the budget adoption process. These are scheduled for May 23, 2024, and June 27, 2024, during regular meetings of the Board. In addition, a public workshop will be held on May 7th. District Management has published in the local newspaper a legal notice, sent postcards to all permit holders, and posted the proposed budget to the District's website.

Any comments and recommendations received will be submitted to the Governing Board at the Public Hearings, with recommendations for final budget adoption to be submitted at the June 27, 2024, adoption hearing.

¹ California Health & Safety Code Section 40000

² California Health & Safety Code Section 40131

Proposed FY 2024-2025 Budget Highlights

The proposed FY 2024-2025 Budget includes the following highlights:

- DMV surcharges are budgeted at **\$735,000**, a small reduction from the FY 2023-2024 projections. This can be reduced due to the economic uncertainty in the current volatile economic climate. This account represents ~35% of the District's Operating Revenue and is limited to supporting activities associated with requirements under the California Clean Air Act-AB 2595 (1988) pursuant to Ca AB 2766 (1990).
- Budgeted Carl Moyer Program, Rural Assistance and State Reserve program grants will total **\$126,272** in grant funds toward incentives for purchasing low emission and alternative clean fuel engines. Additional funding will likely become available during the fiscal year for various other grants but is not allocated at this time due to timing and challenges with the State's budget.
- The total of **\$1,705,065** budgeted for employee salaries and benefits, with no changes proposed for permanent regular staffing. Approximately **\$196,938** has been included (account 518) to reduce long term Other Post Employee Benefits & pension retirement liability. Temporary Extra Help is budgeted at \$16,000 to assist with administration of grant programs as needed to assure timely emission reductions.
- **\$20,000** in Contingency funds (account 555) are budgeted.
- **\$329,626** in Reserves is budgeted which meets the District Reserve Policy's minimum goal of two (2) months of Operating Expenditures (Resolution 2013-08).
- The unassigned fund balance of **\$1,219,869** includes \$890,243 in unearned restricted grant administration funds that will not be expended in the 2024-2025 fiscal year. These grant programs have year-over-year activities which will cause the expensing of those revenues beyond this proposed fiscal year to complete these year-over-year grant administration requirements.

The Fiscal Year 2024-2025 Proposed Budget makes the following assumptions to arrive at a balanced budget for the period:

- Adoption of a CPI increase to the District hourly rate (currently projected to be 3.3%: final numbers will be available in May 2024);
- Successor Employee Memorandum of Understanding negotiations for 2024-2027;
- Status quo for all other operating expenses including training & travel, memberships, and professional services.

I respectfully recommend your Board's favorable consideration of a 2024-2025 Fiscal Year Budget for **\$2,317,175** toward the continued implementation of our locally controlled air pollution control program.

Butte County Air Quality Management District

2024-2025 Fiscal Year Budget Report

Budget Overview

DISTRICT PROFILE

Under the existing State and federal environmental regulatory structure, the federal government is granted primary authority to establish health-based ambient air quality standards, to establish specific technology and emission requirements for sources of air pollution, to regulate selected sources of air pollution (e.g., aircraft), and to mandate that states comply with these requirements.

Under the State of California regulatory structure, the State maintains primary authority to regulate mobile sources of air pollution (e.g., establish vehicle emission standards), and possess regulatory oversight authority over local and regional air pollution control authorities. Local and regional agencies maintain primary authority to regulate stationary sources of air pollution (e.g., permitting industry activities and regulating open burning).

The Butte County Air Quality Management District (District) is the local county independent air pollution control agency created pursuant to Section 40100.5 et seq. of the California Health and Safety Code (HSC) to monitor, promote and improve air quality. The District is one of 35 local or regional air quality districts in California and lies within the Sacramento Valley Air Basin with participation as a member of the Sacramento Valley Basinwide Air Pollution Control Council (BCC). The District's Governing Board of Directors consists of ten members: the five members of the Butte County Board of Supervisors and five representatives appointed by each of the cities. The District is a special district, operating separate and apart from Butte County.

As part of its statutory responsibilities the District implements dozens of air quality management programs to meet and maintain air pollution below the health-based ambient air quality standards established by the state and federal governments.

STRATEGIC GOALS:

The District's mission is to protect the people and environment of Butte County from the harmful effects of air pollution. The District is committed to achieving and maintaining healthful air quality throughout Butte County. This is accomplished through a comprehensive program of planning, regulation, enforcement, technical innovation, incentives to promote the reduction of air pollution, and promotion of the understanding of air quality issues.

The District's goals and objectives help guide operations and the allocation of resources within the budget. These goals are further defined in the District's goals and performance matrix adopted annually by the board.

- Maintain an active and effective customer service program with total quality communications, service, and solicitation of public input.
 - Implement active public education and outreach to encourage voluntary measures to improve air quality.
 - Provide resources and public information on air quality with district website, media, and public engagement.
 - Implement grant programs opportunities for public and private entities that provide financial incentives to implement emission reduction equipment and technologies to improve air quality.
 - Provide consistent, clear, efficient, and timely communications with the public, industry, county agencies, associations, or other interested parties.

- Administration of District programs in an efficient and effective manner to ensure compliance with current and new state and federal requirements at minimal cost.
 - Utilize all available state training programs and cross train staff to assure consistent implementation.
 - Regularly review and refine internal processes and procedures.
 - Implement measures to increase improvement, efficiency, and cost effectiveness.
 - Attain and maintain air quality standards with planning and control measures.

- Provide a qualified high quality work force and ensure a safe work environment.
 - Maintain an attractive, competitive compensation and benefits program for District employees.
 - Implement an active and effective district safety program.

PRIORITIES, ISSUES & ECONOMIC FACTORS:

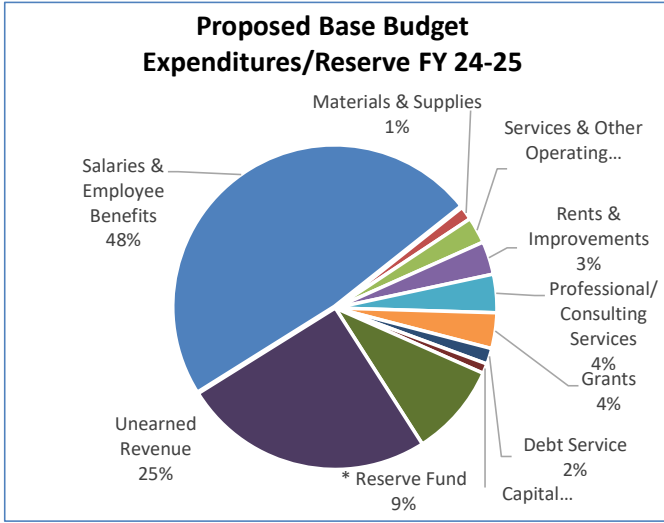
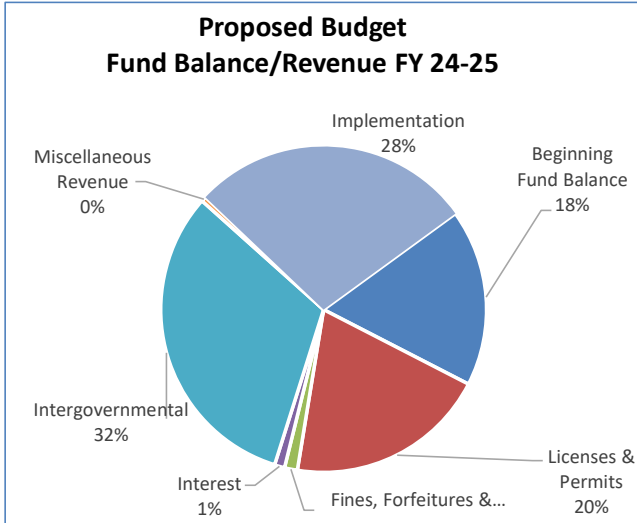
When preparing an efficient and cost-effective balanced budget the challenges and economic factors that were considered include:

- Strategies to obtain reasonable cost recovery of District programs consistent with established policies.
- Continuation of grant funding and the use of unearned implementation funds.
- Evaluate staffing needs to address increasing state and federal requirements.
- Evaluate and identify underutilized District services to minimize waste.
- Impact of upcoming District Employee Association 2024-2027 Memorandum of Understanding negotiations for new contract adoption before Oct 2024:
 - Compensation study (to be completed May 2024).
 - Position adjustments with potentials changing focus on services.
- Inflation impact to program implementation and cost recovery.
- Federal PM Standard changes impact to regulatory requirements and attainment status.

Butte County Air Quality Management District

Budget Summary

FY 2024-25



	FY 23-24 Adopted Budget	FY 23-24 Revised Budget	FY 24-25 Proposed Budget
Beginning Fund Balance	599,566	3,466,615 **	620,902
Revenue			
Licenses & Permits	680,450	688,232	708,467
Fines, Forfeitures & Penalties	30,000	45,000	45,000
Interest	2,000	2,000	35,792
Intergovernmental	3,160,521	4,026,744	1,122,653
Miscellaneous Revenue	18,995	18,995	16,695
Implementation	998,682	1,186,681	987,534
Subtotal Revenue	<u>\$ 4,890,648</u>	<u>\$ 5,967,653</u>	<u>\$ 2,916,141</u>
Total Revenue with Prior Year Fund Balance	<u>\$ 5,490,214</u>	<u>\$ 9,434,267</u>	<u>\$ 3,537,044</u>
Expenditures			
Salaries & Employee Benefits	1,678,203	1,536,258	1,705,065
Materials & Supplies	46,024	42,174	48,917
Services & Other Operating	99,605	93,334	93,200
Rents & Improvements	110,070	80,020	117,452
Professional/Consulting Services	134,073	59,073	135,709
Grants	2,219,864	5,718,188	126,272
Debt Service	55,556	55,556	55,560
Capital	0	0	35,000
Total Expenditures	<u>\$ 4,343,394</u>	<u>\$ 7,584,603</u>	<u>\$ 2,317,175</u>
* Reserve Fund	329,626	329,626 #	329,626
Unearned Revenue	<u>817,193</u>	<u>1,228,762</u>	<u>890,243</u>
Total Reserved & Unearned	<u>\$ 1,146,819</u>	<u>\$ 1,558,388</u>	<u>\$ 1,219,869</u>
Projected Unassigned Ending Fund Balance	-	\$ 291,276	0

* Note 1: The reserve is 15% of the operating budget. The difference between base budget and operating budget is the operating budget backs out pass through grants and Contingencies, Reserve and Restricted Funds.

**Note 2: A significant portion of the audited beginning fund balance under the revised column is due to the carry over of restricted reserves.

**Butte County Air Quality Management District
Final Comparative Budget Analysis**

	FY 2023-2024			As of 4/18/24	
	FY 2023-24	FY 2023-24	Yr End Projected	FY 2023-24	FY 2023-24
	<u>Adopted Budget</u>	<u>Amended Budget</u>	<u>Amendments</u>	<u>Final Projected</u>	<u>YTD Actuals</u>
REVENUE					
<u>Licenses & Permits</u>					
4213010 Ag Burn Permits	100,000.00	100,000.00		100,000.00	68,649.45
4213013 Ag Engine Registration Program	11,350.00	14,450.00		14,450.00	14,497.66
4213020 Title V Permits	4,500.00	4,682.00		4,682.00	4,681.55
4213030 Operating Permits	477,000.00	477,000.00		477,000.00	441,418.17
4213035 Portable Engine Registration	48,000.00	48,000.00		48,000.00	40,986.15
4213038 Asbestos Program	5,000.00	5,000.00		5,000.00	3,458.82
4213040 Auth to Construct	29,000.00	29,000.00		29,000.00	24,803.43
4213055 Emission Reduction Fee	-	-		-	-
4213060 Misc. Other Permits	600.00	600.00		600.00	-
*move from Misc R 4213061 Technical Evaluation Fees - new acct #	5,000.00	9,500.00		9,500.00	\$ 11,792.20
421 - Licenses & Permits	680,450.00	688,232.00	0.00	688,232.00	610,287.43
<u>Fines, Forfeitures & Penalties</u>					
4300001 Civil Settlements	30,000.00	45,000.00		45,000.00	43,488.84
430 - Fines, Forfeitures & Penalties	30,000.00	45,000.00	0.00	45,000.00	43,488.84
<u>Interest</u>					
Interest	2,000.00	2,000.00		2,000.00	38,757.53
441 - Interest (Use of Money & Property)	2,000.00	2,000.00	-	2,000.00	38,757.53
<u>Intergovernmental</u>					
4510001 State Subvention	65,300.00	73,386.00		73,386.00	73,386.16
4511001 DMV Surcharge	740,000.00	740,000.00	(1,500.00)	738,500.00	594,379.42
4510500 AB2588 Hot Spots Fee	134.00	134.00		134.00	-
4510501 105 Grant Funding	61,012.00	61,012.00		61,012.00	-
4510502 AB 197 Funding	8,583.00	8,583.00		8,583.00	-
4510503 AB 617 Implementation Funding	94,627.54	212,071.75		212,071.75	13,904.93
4510504 Prescribed Burn Reporting & Monitoring	-	96,753.73		96,753.73	44,982.22
4510505 GHG Oil & Gas Funding	6,000.00	6,000.00		6,000.00	-
Direct Intergovernmental Funds	975,656.54	1,197,940.48	(1,500.00)	1,196,440.48	726,652.73
4510904 FARMER	612,237.50	1,224,474.50		1,224,474.50	1,224,474.50
4510906 Carl Moyer	375,257.66	175,000.00		175,000.00	175,000.00
4510909 WoodSmoke	205,000.00	463,270.00		463,270.00	463,270.00
4510915 Community Air Protection (CAP)	992,368.82	967,559.27		967,559.27	-
Pass Through Grant Portion of Intergovernmental	2,184,863.98	2,830,303.77	-	2,830,303.77	1,862,744.50
451 - Intergovernmental	3,160,520.52	4,028,244.25	(1,500.00)	4,026,744.25	2,589,397.23
<u>Misc Revenue</u>					
BCC Secretarial Duties Contract	15,870.00	15,870.00		15,870.00	\$ 13,534.40
Reimbursements (Copy & Other)	1,125.00	1,125.00		1,125.00	\$ 601
Fees (Finance Charges, Return Check)	2,000.00	2,000.00		2,000.00	\$ 190.49
4712523 4712523 Misc Revenue	18,995.00	18,995.00	-	18,995.00	14,325.67
<u>Implementation Revenue</u>					
4712550 4712550 Implementation Administrative Funds	998,682.39	1,186,681.27	-	1,186,681.27	238,207.68
471 - Other Revenues (Miscellaneous)	1,017,677.39	1,205,676.27	-	1,205,676.27	252,533.35
TOTAL REVENUE	4,890,647.91	5,969,152.52	(1,500.00)	5,967,652.52	3,534,464.38

**Butte County Air Quality Management District
Final Comparative Budget Analysis**

FY 2023-2024

As of 4/18/24

	FY 2023-24 <u>Adopted Budget</u>	FY 2023-24 <u>Amended Budget</u>	Yr End Projected <u>Amendments</u>	FY 2023-24 <u>Final Projected</u>	FY 2023-24 <u>YTD Actuals</u>
OPERATING EXPENSES					
<u>Wages, Benefits & PR Expenditures</u>					
<u>Salaries, Wages & PR Taxes</u>					
511000	975,994.80	975,994.80	(78,494.80)	897,500.00	688,969.55
512000	16,000.00	16,000.00	(2,000.00)	14,000.00	14,017.59
514000	4,000.00	4,000.00	(4,000.00)	-	-
511 Salaries, Wages, PR Taxes	995,994.80	995,994.80	(84,494.80)	911,500.00	702,987.14
<u>Benefits</u>					
518008	220,262.52	220,262.52	(60,262.52)	160,000.00	135,563.38
518009	28,597.32	28,597.32	11,902.68	40,500.00	31,276.10
518010	27,716.43	27,716.43	(5,216.43)	22,500.00	17,805.71
*New Acct 518011	<i>Vehicle Allowance (moving this benefit from travel budget (537202)</i>		7,440.00	7,440.00	6,200.00
518700	160,237.53	160,237.53	(5,237.53)	155,000.00	112,420.52
518800	155,627.85	155,627.85		155,627.85	155,627.85
518900	54,136.20	54,136.20	1,363.80	55,500.00	41,479.99
518901	35,630.00	35,630.00		35,630.00	35,630.00
518 Benefits	682,207.85	682,207.85	(50,010.00)	632,197.85	536,003.55
<u>Operating Expenditures</u>					
<u>Materials & Supplies</u>					
521104	3,722.42	3,722.42		3,722.42	3,220.00
522201	9,785.00	9,435.00		9,435.00	5,644.81
523001	16,480.00	16,480.00	(2,000.00)	14,480.00	10,292.67
524544	9,341.60	9,341.60	(1,500.00)	7,841.60	5,910.51
525545	6,695.00	6,695.00		6,695.00	3,356.50
520 Materials & Supplies	46,024.02	45,674.02	(3,500.00)	42,174.02	28,424.49
<u>Services & Other Operating</u>					
531201	5,871.00	5,871.00	(171.00)	5,700.00	4,275.00
532527	17,410.09	17,410.09	(2,000.00)	15,410.09	14,735.77
533533	6,500.33	6,500.33		6,500.33	2,929.00
534537	4,017.00	4,017.00	(1,500.00)	2,517.00	1,105.99
535540	17,149.50	17,149.50		17,149.50	10,253.03
536101	14,707.00	14,707.00	(1,000.00)	13,707.00	4,869.95
537202	33,950.00	33,950.00	(9,040.00)	24,910.00	6,943.29
530 Services & Other Operating	99,604.92	99,604.92	(13,711.00)	85,893.92	45,112.03
<u>Rents & Leases</u>					
541538	300.00	650.00	800.00	1,450.00	324.75
542539	762.20	762.20		762.20	549.18
<u>Noncapitalized Improvements & Equipment</u>					
543103	16,789.00	16,789.00	(15,000.00)	1,789.00	-
543203	12,875.00	12,875.00	(4,000.00)	8,875.00	3,612.99
543204	20,599.75	20,599.75		20,599.75	17,275.38
543541	5,907.05	5,907.05	(1,200.00)	4,707.05	822.36
<u>Repairs & Maintenance</u>					
544001	5,495.05	5,495.05		5,495.05	2,526.24
544042	32,117.00	32,117.00		32,117.00	20,135.62
544103	15,225.25	15,225.25	(11,000.00)	4,225.25	720.73
540 Rents, Leases, Repairs & Noncapitalized Improvements	110,070.30	110,420.30	(30,400.00)	80,020.30	45,967.25
<u>Professional/Consulting Services</u>					
551137	134.00	134.00		134.00	134.00
551536	94,883.60	94,883.60	(55,000.00)	39,883.60	26,190.29
551547	19,055.00	19,055.00		19,055.00	12,500.00
Grant Indirect Costs (line allocates portion of District general operating to grant funds, 4-5% of grant wages)					
555580	20,000.00	20,000.00	(20,000.00)	-	-
550 Professional/Consulting Services	134,072.60	134,072.60	(75,000.00)	59,072.60	38,824.29
Total Operating Expenditures*	2,067,974.49	2,067,974.49	(257,115.80)	1,810,858.69	1,397,318.75

Butte County Air Quality Management District
Final Comparative Budget Analysis

FY 2023-2024

As of 4/18/24

NON-OPERATING

<u>Grants</u>	<u>Adopted Budget</u>	<u>Amended Budget</u>	<u>Amendments</u>	<u>Final Projected</u>	<u>YTD Actuals</u>
560006 Carl Moyer	375,257.66	600,565.25		600,565.25	398,839.68
560007 Community Air CAP (CAP)	992,368.82	2,776,898.24		2,776,898.24	599,371.78
560009 WoodSmoke	205,000.00	463,270.00		463,270.00	166,909.00
560020 Special Clean Air Grants	35,000.00	35,000.00		35,000.00	-
560021 FARMER	612,237.50	1,842,454.41		1,842,454.41	1,191,735.99
560 Total Grants	2,219,863.98	5,718,187.90	-	5,718,187.90	2,356,856.45

DEBT

<u>Debt Service</u>	<u>Adopted Budget</u>	<u>Amended Budget</u>	<u>Amendments</u>	<u>Final Projected</u>	<u>YTD Actuals</u>
565087 Principal	53,035.00	53,035.00		53,035.00	44,170.68
565987 Interest & Other Charges	2,521.00	2,521.00		2,521.00	2,329.32
565 Total Debt Service	55,556.00	55,556.00	-	55,556.00	46,500.00

CAPITAL

<u>Capital</u>	<u>Adopted Budget</u>	<u>Amended Budget</u>	<u>Amendments</u>	<u>Final Projected</u>	<u>YTD Actuals</u>
571105 Buildings & Improvements	-	-		-	-
572563 Equipment (Computer Equipment & Office Furniture >\$	-	-		-	-
573105 Vehicles (Fixed asset Inventory; Listed in Depreciation S	-	-		-	-
570 Total Capital Outlay	-	-	-	-	-

TOTAL Budget (\$ listed in Resolution)	4,343,394.47	7,841,718.39	(257,115.80)	7,584,602.59	3,800,675.20
Excess of Revenues over(under) Expenditures, incl Debt Service	547,253.44	(1,872,565.87)		(1,616,950.07)	(266,210.82)

UNEARNED & FUND BALANCE (Assigned Reserves, Restricted & Unassigned)

<u>Unearned</u>	FY 2023-24	FY 2023-24	Yr End Projected	FY 2023-24	FY 2023-24
	<u>Adopted Budget</u>	<u>Amended Budget</u>	<u>Amendments</u>	<u>Final Projected</u>	<u>YTD Actuals</u>
AB617	40,064.60	157,508.81	1,017.30	158,526.11	59,494.99
Prescribed		87,598.03		87,598.03	
WoodSmoke		25,758.00	(11,495.49)	14,262.51	
CAP	322,417.38	461,268.45	34,791.66	496,060.11	294,239.95
Carl Moyer	112,114.85	77,429.83	(13,657.26)	63,772.57	87,450.51
FARMER	342,596.19	398,064.89	10,478.19	408,543.08	367,931.46
Unearned Revenue	817,193.02	1,207,628.01	21,134.40	1,228,762.41	809,116.91
Restrictions (Fund Balance)					
Estimated reserve based on calculated from above (o	344,662.42	344,662.42		344,662.42	232,886.46
Assigned Reserve Fund (see Resolution/Policy)	329,626.07	329,626.07		329,626.07	320,255.00
CAP				-	829,267.69
WoodSmoke				-	
Carl Moyer				-	483,970.59
FARMER				-	717,227.99
Restricted (Uncontracted passthrough grant funds)	-	-	-	-	2,030,466.27
Unassigned					849,682.88
TOTAL FUND	329,626.07	329,626.07	-	329,626.07	3,200,404.15
Unearned	817,193.02	1,207,628.01		1,228,762.41	849,682.88
Unassigned after grant unearned liability	(0.01)	56,795.02	234,481.40	291,276.42	40,565.97

	Strt Fund Bal 6/30	Projected Bal 6/30/2023	Audited Bal 6/30/2023	
	FY 2023-24	FY 2023-24	FY 2023-24	FY 2023-24
	<u>Adopted Budget</u>	<u>Amended Budget</u>	<u>Final Projected</u>	
Restricted	-	2,861,184.12	2,861,184.12	2,861,184.12
Assigned	329,626.07	329,626.07	329,626.07	329,626.07
Unassigned Audit Balance	269,939.57	275,804.78	275,804.78	275,804.78
Total Fund Balance	599,565.64	3,466,614.97	3,466,614.97	3,466,614.97
Total Revenue	4,890,647.91	5,969,152.52	(1,500.00)	5,967,652.52
Total Expenditures	4,343,394.47	7,841,718.39	(257,115.80)	7,584,602.59
Unearned (in total revenue above)	817,193.02	1,207,628.01		1,228,762.41
Total Assigned & Restricted	329,626.07	329,626.07		329,626.07
Total unassigned Fund Balance	(0.01)	56,795.02	234,481.40	291,276.42
Total Fund Balance	329,626.06	386,421.09		620,902.49

Butte County Air Quality Management District
Final Comparative Budget Analysis

FY 2024-2025

	General Fund	Grant Funds					WoodSmoke	FY 2024-25 Proposed Budget
		AB617	Prescribed	FARMER	CARL, RAP, Reserve	CAP		
REVENUE								
<u>Licenses & Permits</u>								
4213010	Ag Burn Permits	90,000.00						90,000.00
4213013	Ag Engine Registration Program	350.00						350.00
4213020	Title V Permits	4,500.00						4,500.00
4213030	Operating Permits	490,266.00						490,266.00
4213035	Portable Engine Registration	45,659.00						45,659.00
4213038	Asbestos Program	43,092.00						43,092.00
4213040	Auth to Construct	29,000.00						29,000.00
4213055	Emission Reduction Fee	-						-
4213060	Misc. Other Permits	600.00						600.00
*move from Misc F 4213061 Technical Evaluation Fees - new acct #		5,000.00						5,000.00
421 - Licenses & Permits		708,467.00	-	-	-	-	-	708,467.00
<u>Fines, Forfeitures & Penalties</u>								
4300001	Civil Settlements	45,000.00						45,000.00
430 - Fines, Forfeitures & Penalties		45,000.00	-	-	-	-	-	45,000.00
<u>Interest</u>								
(grant interest is for restricted grant portion, implementation interest is unearned recognized implementation revenue line)								
	Interest	1,500.00	20.00	-	682.50	284.38	29,805.13	3,500.00
441 - Interest (Use of Money & Property)		1,500.00	20.00	-	682.50	284.38	29,805.13	3,500.00
<u>Intergovernmental</u>								
4510001	State Subvention	65,300.00						65,300.00
4511001	DMV Surcharge	735,500.00						735,500.00
4510500	AB2588 Hot Spots Fee	134.00						134.00
4510501	105 Grant Funding	61,012.00						61,012.00
4510502	AB 197 Funding	8,583.00						8,583.00
4510503	AB 617 Implementation Funding		158,526.11					158,526.11
4510504	Prescribed Burn Reporting & Monitoring			87,598.03				87,598.03
4510505	GHG Oil & Gas Funding	6,000.00						6,000.00
	Direct Intergovernmental Funds	876,529.00	158,526.11	87,598.03	-	-	-	1,122,653.14
4510904	FARMER				-			-
4510906	Carl Moyer					-		-
4510909	WoodSmoke						-	-
4510915	Community Air Protection (CAP)						-	-
	Pass Through Grant Portion of Intergovernmental	-	-	-	-	-	-	-
451 - Intergovernmental		876,529.00	158,526.11	87,598.03	-	-	-	1,122,653.14
<u>Misc Revenue</u>								
	BCC Secretarial Duties Contract	15,870.00						15,870.00
	Reimbursements (Copy & Other)	500.00						500.00
	Fees (Finance Charges, Return Check)	325.00						325.00
4712523	4712523 Misc Revenue	16,695.00						16,695.00
<u>Implementation Revenue</u>								
4712550	4712550 Implementation Administrative Funds				408,640.58	63,813.20	500,317.99	14,762.51
471 - Other Revenues (Miscellaneous)		16,695.00	-	-	408,640.58	63,813.20	500,317.99	14,762.51
TOTAL REVENUE		1,648,191.00	158,546.11	87,598.03	409,323.08	64,097.57	530,123.11	18,262.51
								2,916,141.41

**Butte County Air Quality Management District
Final Comparative Budget Analysis**

FY 2024-2025

		General Fund	AB617	Prescribed Burn	FARMER	CARL, RAP, Reserve	CAP	WoodSmoke	FY 2024-25 Proposed Budget
OPERATING EXPENSES									
Wages, Benefits & PR Expenditures									
			Wages - Est 40 hr	Est 90 @hrly	Estimate use 697 h	Estimate use 320 h	Estimate use 508 h	Wages Est 110 hrs	
	<u>Salaries, Wages & PR Taxes</u>								
511000	Wages & PR Taxes	832,246.95	4,191.28	9,430.37	73,032.98	33,530.21	53,229.21	11,526.01	1,017,187.00
512000	Extra Help	16,000.00							16,000.00
514000	Overtime	4,000.00							4,000.00
511	Salaries, Wages, PR Taxes	852,246.95	4,191.28	9,430.37	73,032.98	33,530.21	53,229.21	11,526.01	1,037,187.00
	<u>Benefits</u>								
518008	Health Care	156,500.00							156,500.00
518009	Cafeteria	49,000.00							49,000.00
518010	Other Employee Benefits	36,500.00							36,500.00
<i>*New Acct 518011</i>	<i>Vehicle Allowance (moving this benefit from travel budg</i>	<i>7,440.00</i>							<i>7,440.00</i>
518700	Retirement (Pension) - includes Classic, Pepra & Deferr	164,600.00							164,600.00
518800	Contrib to Pension Liability (bal as of 6/30/22 \$2,093,86	157,500.00							157,500.00
518900	Retiree's OPEB	56,900.00							56,900.00
518901	Contrib to OPEB Liability (net bal as of 6/30/23 \$314,39	39,438.00							39,438.00
518	Benefits	625,217.95	966.80	2,175.30	16,846.49	7,734.40	12,278.36	2,658.70	667,878.00
Operating Expenditures									
	<u>Materials & Supplies</u>								
521104	Postage	3,850.00							3,850.00
522201	Office Supplies	9,498.50						1.50	9,500.00
523001	Telecommunications	17,890.00	1,200.00						19,090.00
524544	Utilities – Electric/Gas, Water, Trash	9,577.00							9,577.00
525545	Auto Fuel Costs/Road Expense	6,900.00							6,900.00
520	Materials & Supplies	47,715.50	1,200.00	-	-	-	-	1.50	48,917.00
	<u>Services & Other Operating</u>								
531201	Household Janitorial	6,050.00							6,050.00
532527	Insurance (Liability & Vehicle)	15,550.00							15,550.00
533533	Memberships, Dues and Subscriptions	7,500.00							7,500.00
534537	Public & Legal Notices	3,740.00							3,740.00
535540	Public Outreach	7,500.00	11,500.00						19,000.00
536101	Training	13,950.00							13,950.00
537202	Travel & Conference expenses	27,410.00							27,410.00
530	Services & Other Operating	81,700.00	11,500.00	-	-	-	-	-	93,200.00
	<u>Rents & Leases</u>								
541538	Property Rents & Leases	1,160.00	-				300.00		1,460.00
542539	Equipment Rents & Leases	785.00							785.00
	<u>Noncapitalized Improvements & Equipment</u>								
543103	Office Furniture & Equipment (copier, chairs, conf table	17,862.00							17,862.00
543203	Computer Equipment	15,055.00							15,055.00
543204	Computer Software & Subscriptions	21,219.65							21,219.65
543541	Air Monitoring Equipment & Maintenance	2,700.00	3,800.00						6,500.00

Butte County Air Quality Management District
Final Comparative Budget Analysis

FY 2024-2025

<u>Repairs & Maintenance</u>									
544001	Vehicle Maintenance	5,850.00							5,850.00
544042	IT Maintenance (computer equipment)	33,085.00							33,085.00
544103	Building Maintenance (annual expenditures)	15,635.00							15,635.00
540	Rents, Leases, Repairs & Noncapitalized Improvements	113,351.65	3,800.00	-	-	-	300.00	-	117,451.65
<u>Professional/Consulting Services</u>									
551137	AB2588 Hot Spots Fee	134.00							134.00
551536	Professional Services	96,500.00							96,500.00
551547	Legal Services	19,075.00							19,075.00
	Grant Indirect Costs (line allocates portion of District ge	(8,033.63)	-	-	3,651.65	1,676.51	2,129.17	576.30	0.00
555580	Contingencies	20,000.00							20,000.00
550	Professional/Consulting Services	127,675.37	-	-	3,651.65	1,676.51	2,129.17	576.30	135,709.00
Total Operating Expenditures*		1,847,907.42	21,658.08	11,605.67	93,531.12	42,941.12	67,936.73	14,762.51	2,100,342.65
NON-OPERATING									
<u>Grants</u>			<u>AB617</u>	<u>Prescribed</u>	<u>FARMER</u>	<u>CARL, RAP, Reserve</u>	<u>CAP</u>	<u>WoodSmoke</u>	
560006	Carl Moyer					284.38			284.38
560007	Community Air CAP (CAP)						29,805.13		29,805.13
560009	WoodSmoke							3,500.00	3,500.00
560020	Special Clean Air Grants	1,000.00	90,000.00	1,000.00					92,000.00
560021	FARMER				682.50				682.50
560	Total Grants	1,000.00	90,000.00	1,000.00	682.50	284.38	29,805.13	3,500.00	126,272.00
DEBT									
<u>Debt Service</u>									
565087	Principal	53,037.00							53,037.00
565987	Interest & Other Charges	2,523.00							2,523.00
565	Total Debt Service	55,560.00	-	-	-	-	-	-	55,560.00
CAPITAL									
<u>Capital</u>									
571105	Buildings & Improvements	-							-
572563	Equipment (Computer Equipment & Office Furniture >\$	-							-
573105	Vehicles (Fixed asset Inventory; Listed in Depreciation S	35,000.00							35,000.00
570	Total Capital Outlay	35,000.00	-	-	-	-	-	-	35,000.00
TOTAL Budget (\$ listed in Resolution)		1,939,467.42	111,658.08	12,605.67	94,213.62	43,225.49	97,741.86	18,262.51	2,317,174.65
Excess of Revenues over(under) Expenditures, incl Debt Service		(291,276.42)	46,888.03	74,992.36	315,109.46	20,872.08	432,381.25	0.00	598,966.76

Butte County Air Quality Management District
Final Comparative Budget Analysis

FY 2024-2025

UNEARNED & FUND BALANCE (Assigned Reserves, Restricted & Unassigned)

<u>Unearned</u>	As of 6/30/2025							As of 6/30/2025
	<u>General Fund</u>	<u>AB617</u>	<u>Prescribed</u>	<u>FARMER</u>	<u>CARL, RAP, Reserve</u>	<u>CAP</u>	<u>WoodSmoke</u>	<u>Proposed Budget</u>
	AB617	46,888.03						46,888.03
	Prescribed		74,992.36					74,992.36
	WoodSmoke						0.00	0.00
	CAP					432,381.25		432,381.25
	Carl Moyer				20,872.08			20,872.08
	FARMER			315,109.46				315,109.46
Unearned Revenue		-	46,888.03	74,992.36	315,109.46	20,872.08	432,381.25	890,243.18
Restrictions (Fund Balance)								
	Estimated reserve based on calculated from above (c	317,244.57						359,317.11
Assigned	Reserve Fund (see Resolution/Policy)	329,626.07						329,626.07
	CAP							
	WoodSmoke							
	Carl Moyer							
	FARMER							
Restricted (Uncontracted passthrough grant funds)		-	-	-	-	-	-	-
Unassigned		0.00	46,888.03	74,992.36	315,109.46	20,872.08	432,381.25	890,243.18
TOTAL FUND		329,626.07	46,888.03	74,992.36	315,109.46	20,872.08	432,381.25	1,219,869.25
Unearned		-	46,888.03	74,992.36	315,109.46	20,872.08	432,381.25	890,243.18
Unassigned after grant unearned liability		0.00	-	-	-	-	-	0.00

	Est Fund Bal 6/30/23							Est Fund Bal 6/30/23
	<u>General Fund</u>	<u>AB617</u>	<u>Prescribed</u>	<u>FARMER</u>	<u>CARL, RAP, Reserve</u>	<u>CAP</u>	<u>WoodSmoke</u>	<u>Proposed Budget</u>
								FY 2024-25
Restricted	-							-
Assigned	329,626.07							329,626.07
Unassigned Audit Balance	291,276.42							291,276.42
Total Fund Balance	620,902.49	-	-	-	-	-	-	620,902.49
Total Revenue	1,648,191.00	158,546.11	87,598.03	409,323.08	64,097.57	530,123.11	18,262.51	2,916,141.41
Total Expenditures	1,939,467.42	111,658.08	12,605.67	94,213.62	43,225.49	97,741.86	18,262.51	2,317,174.65
Unearned (in total revenue above)	-	46,888.03	74,992.36	315,109.46	20,872.08	432,381.25	0.00	890,243.18
Total Assigned & Restricted	329,626.07	-	-	-	-	-	-	329,626.07
Total unassigned Fund Balance	0.00	-	-	-	-	-	-	0.00
Total Fund Balance	329,626.07	-	-	-	-	-	-	329,626.07

Butte County Air Quality Management District
Account Descriptions
FY 2024-2025

Revenue Summary

Licenses & Permits

4213010 Ag Burn Permits

This account reflects primarily revenue received from Agricultural Burn Permit Fees pursuant to District Regulation V, Rule 507. This District issues approximately 840 burn permits. The Burn Permit Fees include a base fee of \$25, the Basin-wide Control Council Surcharge of \$5, plus an acreage fee. The acreage burn fee varies depending on the acreage fuel burned (varying from \$0.75/acre for orchard pruning's to \$3.50/acre burned for rice straw). In addition, the rice straw burn permit has a \$60.00 program registration fee.

4213013 Ag Engine Registration

Fees received by the District for issuing certificates of registration pursuant to Rule 441 "Registration Requirements for Stationary Compression Ignition (CI) Engines used in Agricultural Operations". Registration fees are required by Rule 513. These registrations are on a two (2) year cycle and will be up for renewal in FY 2025-2026.

4213020 Title V Permits

One of the provisions of the 1990 Amendments to the Federal Clean Air Act (CAA) included a comprehensive operating permit program in Title V (40 CFR Part 70). In addition to imposing new control requirements on an array of emission source categories, the 1990 CAA Amendments, under Title V, imposed a procedural requirement for all major (and some minor) stationary sources to obtain "operating permits" to begin or continue operations. The Title V Permit records all Federal CAA Requirements that apply to a source in a single document. The District has determined three (3) existing facilities are subject to the Title V Permit Program Requirements: Kinder Morgan/SFPP Bulk Terminal, Neal Road Recycling and Waste Facility, and Ameresco Butte County, LLC Landfill Gas to Energy Plant.

Pursuant to 40 CFR Part 70.9(b)(2)(i), the District has adopted and implements a Supplemental Title V fee program set out in District rule 505. The associated Title V Permit Fees were charged on a per ton emission fee based on EPA part 70 presumptive minimum fee rate of \$61.73 per ton of emissions for 2023-2024 (<https://www.epa.gov/title-v-operating-permits/permit-fees>).

4213030 Operating Permits

District Regulation V, adopted pursuant to Health & Safety Code Section 42311, establishes required permit fees in Rule 500. This account reflects annual permit renewal fees paid for permits to operate issued by the District pursuant to Rule 500. The District maintains approximately 800 Permits to Operate for stationary sources.

This account includes the basic permit fees and the BCC Surcharge (\$5.00 per permit).

4213035 Portable Engine Registration

This account tracks registration fees received by the District pursuant to Rule 440 "Portable Equipment registration" and District fees collected by the State's Portable Equipment Registration Program (PERP). The registration fees are required by Rule 512 and Title 13 CCR 2461. The budgeted revenues are primarily expected from registration renewals.

4213038 Asbestos Program

The Butte County Air Quality Management District has historically been one of several air districts in the state of California that has been “non-delegated” to enforce the Asbestos National Emission Standard for Hazardous Air Pollutants (NESHAP). Non-delegated air districts are being transitioned to implement and enforce the applicable Asbestos NESHAP Air Toxic Control Measure requirements from the California Air Resources Board. As of January 1, 2024, the District assumed oversight for Asbestos Demolition and Renovation projects in Butte County; [Rule 270](#) describes the regulations on surveying, testing, and removal of potential asbestos-containing materials and [Rule 516](#) details the fee schedule for the program to recover the cost of program implementation.

4213040 Authority to Construct

This account includes initial permit fees paid pursuant to Rule 500 (Permit Fees), under the Authority to Construct Fee calculation methodology referencing a base filing fee of \$75, plus an authority to construct fee and toxic fee, if applicable, based on source category.

As with the operating permit fee account, this account includes the basic permit fees and the BCC Surcharge (\$5.00 per permit). This account fluctuates depending on changes in local industry operations.

4213055 Emission Reduction Credits

This account includes emission reduction fees paid because of emission banking activities in accord with District Rule 503. The fees are charged at the approved hourly rate.

4213060 Misc. Other Permits

This account includes miscellaneous revenue generated from Variance Fees and other miscellaneous permits. Income from this account varies depending on the need of businesses for variances from District rules and State laws.

Fines, Forfeitures & Penalties

430001 Civil Settlement

This account includes revenue received from implementation of the District's Settlement Policy established pursuant to Health & Safety Code Section 42402.5 and 42403.

Interest

441 Interest

This account includes interest from the bank earned on District accounts. For Grant interest earned the budgeted amount is for the project portion only, the 12.5% portion for implementation is recognized within the unearned and implementation revenue.

Intergovernmental

4510001 State Subvention

This account reflects State financial assistance received pursuant to Health & Safety Code Section 39802, which provides that the California Air Resources Board (CARB) may subvene up to one (\$1) dollar for every dollar budgeted for use by a local air district, given specific requirements (e.g., that the district in an air basin implements uniform rules and regulations). Subvention funding provided pursuant to this statute is subvented at a rate of up to \$.23 per capita with a minimum of \$18,000 for any one eligible district depending on the State funds provided in the respective year's State Budget.

At this time the 2024-2025 FY budget for funding will be the same as the base amounts awarded in FY 2023-2024. This can change without notice. Nearly half of all Statewide subvention disbursements go to the South Coast AQMD, a fourth to the Bay Area AQMD, and the remaining distributed on a pro-rated basis using the statute-specified per capita amounts (except that \$500,000 is reserved for rural districts).

4511001 DMV Surcharge

This account recognizes revenue received from the Department of Motor Vehicles (DMV) collected pursuant to AB 2766, Health & Safety Code Section 44223 and 44225. This statute authorized Districts to collect \$4.00 per vehicle registered within the District's jurisdiction for use to "implement the California Clean Air Act of 1998."

The Department of Motor Vehicles and the State Controller's Offices are typically two to three months behind in distribution of the DMV revenue.

4510500 AB2588 Hot Spots Fee

The AB 2588 Program (HSC Sections 44300 et seq.) established a process to compile an inventory of air toxics emissions from specified facility categories in California and to assess the potential risks to public health because of exposure to those emissions. The District began implementing the AB 2588 Program in 1989. Facilities are categorized based on their reporting status in the program.

Facility Count for 2023

Facility Category	High	Intermediate	Exempt	Total
Core	2	26	50	78
Exempt			154	154
Industry-Wide Surveys:				
-Autobody Shops		3	41	44
-Dry Cleaners			4	4
-Gasoline Dispensing		5	88	93
-Diesel Internal Combustion Engine			183	183
-Print Shop			23	23
Not Yet Prioritized			0	0
Totals:	2	34	544	580

Program costs may be recovered by assessing a fee to subject facilities pursuant to District Rule 506, *Air Toxics "Hot Spots" (AB 2588) Fees*. The District is required to pay a fee to the State to cover CARB's costs. State fees are assessed by the District as a straight pass-through to the facility. The District is also authorized by Rule 506 to assess fees to cover local costs.

CARB's AB 2588 assessment of fees for Fiscal Year 2022-23 was \$134.00. This amount was determined by the following: SFPP, L.P.'s Chico Terminal = \$134.00 (Category F-Complex). State costs are allocated among the districts using a formula considering the number of facilities in each of the program categories and resource indices and are based on facility data received from the districts before September 1, 2023.

This account includes AB 2588 Toxic Hot Spots Fees assessed pursuant to the Air Toxic Hot Spots Information and Assessment Act of 1987 (AB 2588). Under the program, facilities are required to inventory air toxic emissions, assess the potential health risks from exposure to the emissions and, if necessary, notify the public and reduce significant risks. As part of the program, CARB is required to adopt a fee regulation (Health & Safety Code Section 44380) and the Districts are required to collect fees to cover both the District's and the State's (ARB's) costs for implementing the program.

4510501 105 Grant Funding

This account reflects U.S. EPA pass-through grant funding provided to selected local air districts to assist in the implementation of the federal Clean Air Act. The funding is provided through a memorandum of understanding between the California Air Pollution Control Officers Association (CAPCOA) and the District.

4510502 AB197 Funding

This account reflects state financial assistance received to implement the provisions of AB197 regarding improvements to the emissions inventory reporting process.

4510503 AB617 Implementation Funding

This account reflects state financial assistance received to implement the provisions of AB617 "Community Air Protection Program" regarding improvements in air pollution data collection and reporting, potential enhanced community air pollution monitoring and potential community emissions reduction grants and programs. Funding is provided under a grant agreement between CARB and the District.

4510504 Prescribe Burn Reporting & Monitoring

The grant is intended to provide resources to air pollution control districts for an enhanced smoke management program. This includes enhanced reporting of prescribed fire activity in their regions, air monitoring of prescribed fires, improved public outreach regarding prescribed fires and resources for district staff to attend regional training sessions on different elements of the State's smoke management program. Grant awards are on a two year cycle.

4510505 GHG Oil & Gas Funding

This account reflects state financial assistance received to implement selected provisions of the state regulation "Greenhouse Gas Emission Standards for Crude Oil and Natural Gas Facilities." The District is implementing the provisions under a memorandum of agreement with CARB.

4510904 Farmer Funding

This account reflects state grant funding provided to local air districts under the "Funding Agricultural Replacement Measures for Emission Reductions (FARMER)" program. The FARMER program provides voluntary incentives to replace older, more pollutant equipment with newer, cleaner technologies in the agricultural sector. The state funding is provided from three (3) related funding sources: Greenhouse Gas Reduction Fund (GGRF) in AB 134, Air Quality Improvement Fund (AQIF) in AB 109 and Alternative and Renewable Fuel and Vehicle Technology Fund (ARFVTF) in AB 109. Funding is provided under a grant agreement between California Air Resources Board (CARB) and the District. The state did not allocate funds for year 6 of the program.

4510906 Carl Moyer Funds

The Carl Moyer program provides grant incentives for purchasing lower-emission diesel engines. Funding typically covers the cost difference between a new diesel engine and an alternative, clean fuel or lower-emission model. For the Districts FY 24-25 Carl Moyer YR 27 Grants \$175,000 has been budgeted. Additional funding may become available during the year but is not allocated at this time. The administrative fee portion for this grant is projected in the Implementation Revenue Account. Additional Reserve funds are being allocated for Lawn and Garden.

4510909 WoodSmoke Funds

The State Woodsmoke Reduction Program is a statewide program that uses Cap-and-Trade funds to reduce greenhouse gas emissions. Co-benefits include a reduction in black carbon and fine particulate (PM2.5) emissions. The Program is designed to help households replace an uncertified wood stove or insert, used as a primary source of heat, with a cleaner burning and more efficient device. Open hearth fireplaces may be converted to gas or wood burning insert, in some cases. Increased incentives are available for disadvantaged communities, low-income communities, and low-income households.

4510915 Community Air Protection

AB 617 directs CARB to establish the Community Air Protection Program with the focus to reduce emissions and exposure in communities most impacted by air pollution. Greenhouse Gas Reduction Funds were allocated through the Carl Moyer Program to support the goals of AB 617 by achieving immediate reduction in mobile source missions in disadvantaged and low-income communities. The year 2024-25 funding amount is unknown.

Miscellaneous Revenue

Miscellaneous Revenue

Includes reimbursements (Copies & Other), fees (Late Fees, return check, etc), and subject research fees and hourly rate as defined in district rule 509.

Implementation Funds

This account includes revenue for administration of pass-through grant programs, including Carl Moyer Grant program, FARMER grant, Community (CAP) grants, and the WoodSmoke Reduction Program.

Expenditure Summary

Salaries and Employee Benefits

As of January 2024, the district has a workforce comprised of 45% female and 55% male. Of this staff 18% are over 55 retirement age; 45% between 40-55 range and 36% under 40. These statistics show that the district needs to prepare with cross trainings, documentation and processes that will contribute to a smooth transition of staff.

Staffing needs for ongoing increases to state requirements, employee retirement and recruitment are factors that were considered when preparing the budget.

The district last performed an external class and compensation study with updated job descriptions in 2006. An internal review was completed in 2021 and a current review of compensation with Benchmark Districts is underway. It is recommended that job descriptions are updated every 3-5 years and often even more frequently. In preparation of the next round of MOU negotiations this year, an internal salary survey is being conducted and job descriptions may need to be updated soon.

Negotiations for a new MOU effective October 1, 2024 are in process.

511 Salaries & Wages

The Salaries account covers Accounts 511000 through Account 511002 and reflects the base wage costs for all permanent full-time and part-time employees including all Federal and State taxes. This account does not include payments to independent contractors or extra help. The FY 2024-25 account includes eleven (11) budgeted positions as listed below.

Position Title	FY 22/23	FY 23/24	FY 24/25
Administrative Assistant	1.5	1.5	1.5
Administrative Technician	1	1	1
Accounting Technician	1	1	1
Administrative Services Officer	1	1	1
Air Quality Compliance Specialist I or II	2	2	2
Senior Air Quality Compliance Specialist	1	1	1
Air Quality Compliance Supervisor	0	0	0
Air Quality Engineer I or II	1	1	1
Senior Air Quality Planner	1	1	1
Assistant Air Pollution Control Officer	1	1	1
Director/Air Pollution Control Officer	1	1	1
Total FTE Position Count	11.5	11.5	11.5

Note 1: Full Time Employee (FTE)

Note 2: Some staffing above is budgeted under Extra help.

512 Extra Help

Extra help is anticipated to administer the FARMER Grant, CAP, Carl Moyer, and Woodsmoke Program. This account reflects wages paid to extra help, temporary and part-time employees who are not eligible for the standard Memorandum of Understanding employee benefits.

514 Overtime

This account reflects wages paid for overtime work by non-exempt employees who work more than their regular (5/8), or alternate (9/80 or 4/10) work schedule. All paid time off is considered hours worked pursuant to the Memorandum of Understanding with the Employees Association.

Typically, overtime use includes, but is not limited to, circumstances including weekend and holiday staffing of the agricultural burn program, "Check Before You Light" program, illegal burning and investigations performed after hours jointly with local fire protection agencies and after-hours complaints and investigations.

518 Employee Benefits

This account reflects employee benefit costs provided for by State and Federal law and in the Memorandum of Understanding with the Employees Association. These benefits include employer paid retirement contributions into the Public Employees Retirement System (CalPERS), Health & Life Insurance, Workers' Compensation Insurance, Employee Benefit Fees, Employee Cash Back Option, Disability Insurance and a 401 (a) Retirement Plan, Other Post Retirement Benefits (OPEB). For improved transparency and tracking additional subaccounts have been created.

518008 Health Care includes medical, dental and vision benefits defined in the Memorandum of understanding. The District currently offers PERS Medical plans, Delta Dental, & VSP Vision.

518009 Cafeteria is for the medical cash back in-leu and district flex plan credits.

518010 Other Benefits included expenses associated with the Employee assistance program, flex spending account, disability and workers compensation.

518011 Vehicle Allowance benefit included in APCO contract.

518700 Retirement includes 6% contribution to the One America 401 accounts in leu of social security and employer payments for the CLASSIC and PEPRA employee retirement. Based on the latest PERS Valuation Report the District pays 12.52% for CLASSIC employees and 7.87% for PEPRA Employees. The employee portion for CLASSIC is 7% and PEPRA is 7.75%.

518800 Pension Liability The PERS Annual Valuation report for June 30, 2022 shows an unfunded accrued Liability of \$2,073,250 (funded ratio of 74%) for CLASSIC employees and \$20,610 (funded ratio of 89.1%) for PEPRA employees resulting in a total unfunded liability of \$2,093,860. PERS Pension Liability expense line includes the required contribution amount for FY 2024-25 in the amount of \$156,664 for Classic and \$781 for PEPRA. There is currently no unfunded pension liability for PEPRA. The UAL for CLASSIC at the current amortization schedule is projected to be funded by FY 37-38. With the anticipated decrease in market returns that were not accounted for during the latest valuation report this unfunded pension liability is anticipated to increase.

The Districted Board adopted an Unfunded Accrued Liability Pension Management Policy on January 26, 2023 with resolution 2023-01. As part of the implementation, the District established a CEPPT trust during the April 2023 Governing Board meeting (Resolution 2023-06). Regular contributions are made based on the difference between the annual required UAL payment to PERS and the amount budgeted in this account.

Budgeted amount is for the annual prepayment option of \$152,351, with the difference of \$5,094 going to the trust fund with no additional discretionary payments for a total budget of \$157,445.

518900 Retiree's OPEB includes retired employee health insurance reimbursements as defined in the MOU for 10 years of service, the sick leave retirement buy back option, the PERS retiree minimum contribution.

518901 OPEB Liability The 2023 GASB 75 report lists the OPEB Liability at \$493,493 with \$179,096 in the trust account, resulting in a net liability balance of \$314,397 as of July 1, 2023. The actuarial determined contribution for FY 2024-2025 was used for the amount to transfer to the CERBT Trust fund of \$39,438 for FY 2024-2025.

To fund this obligation, the District established a CERBT fund (Resolution 2017-12) in 2017 with PERS investment to generate returns. This trust allows regular contributions by the District to decrease the liability and demonstrate prudent financial management. Future disbursements from the trust contributions will only take place when approved OPEB expenses are realized.

Materials & Supplies

521104 Postage

This account reflects the cost of postage and shipping. There was an increase in the USPS postage rate effective Jan 2024. The District is anticipating increased mailings due to planned increased public outreach for various programs.

521201 Office Supplies

This office supply account includes all disposable and non-disposable supplies that need replenished often, usually (but not always) within the fiscal year. Office supplies may include items such as: pens, pencils, papers, binders, envelopes, filing supplies, special printing, toner, references, safety supplies, Lien processing fees, shredding service, security & drinking water.

523001 Telecommunications

This account reflects primarily the cost of communication services, including monthly telephone, Voice over IP (VOIP), cell phone, cell phone reimbursements, internet services, web hosting, domain, spam filtering, phone book, etc.

524544 Utilities – Electric/Gas

This account reflects charges for electricity, natural gas, water and garbage needed for operations at the District's office. An increase in electricity expenses are anticipated.

525545 Auto Fuel Costs/ Road Expense

This account reflects the District's vehicle fuel cost. This has increased due to increased field activity and fuel costs.

Services and Other Operating

531201 Household/Janitorial

This account includes primarily custodial services.

532527 Insurance (Liability & Vehicle)

This account includes premiums for public liability, property damage including fire, burglary, and vehicle coverage, errors and omissions coverage, boiler and money insurance coverage. The District contracts with the Special District Risk Management Authority (SDRMA) for general insurance.

General Liability coverage:

Maximum loss per occurrence: \$5 million

Maximum loss per policy year: \$5 million

Coverage limits up to \$5 million with no deductible

Auto Liability coverage:

Maximum loss per occurrence: \$5 million

Maximum loss per policy year: Based on that for all AIG Policies

Coverage limits up to \$5 million with \$1,000 deductible

Errors & Omissions coverage:

Maximum loss per occurrence: \$5 million

Maximum loss per policy year: Based on that for all AIG Policies

Coverage limits up to \$5 million with no deductible

Property coverage:

Maximum loss per occurrence: N/A

Maximum loss per policy year: N/A

Coverage limits up to \$50,000,000 with \$2,000 deductible

Comprehensive coverage:

Maximum loss per occurrence: Vehicle Value

Maximum loss per policy year: N/A

Coverage on newer vehicle limits up to replacement value with \$250/\$500 deductible

Crime & Fidelity coverage:

Maximum loss per occurrence: \$400,000

Maximum loss per policy year: N/A

Coverage limits up to \$400,000 with no deductible

533533 Memberships, Dues & Subscriptions

This account reflects District costs of memberships in societies, associations of officials, trade and other organizations whose membership may meet and discuss issues related to the useful conduct of the District's business.

Specifically, this account includes the following membership costs:

California Air Pollution Control Officers Association & CalEEMod (Addresses primarily state issues)	3,151
Association of Air Pollution Control Agencies (AAPCA)	500
California Special District Association (CSDA)	1,715
Air & Waste Management Association (Addresses technical & policy issues useful to the District)	195
Costco	120
California Chamber of Commerce	650
Sustainability Mgmt. Assoc.	200
Government Officers Finance Association (GOFA)	310
Amazon Prime	180
Misc Memberships	479
Total	7,500

534537 Public & Legal Notices

This account reflects District costs of publications legally required for reports and notices. The account includes costs of public notices of Board and Hearing Board meetings and of notice of public hearings to adopt rules and regulations or take other action requiring a public notice. RFP and recruitment advertising are also included in this account.

535540 Public Outreach

A District public education program is mandated, and the funding is derived directly from the DMV surcharge, State Subvention funds, and other grant funding including AB617. Some of the outreach includes the Check Before you Light Program, Clean Air Day, Chipper Program and other AB617 outreach programs. This account was previously labeled as Public Awareness.

536101 Training

Training is important for maintaining qualified staff with skills and knowledge of existing and new regulatory requirements. Such costs as seminar fees, class registration and training materials are charged to this account.

537202 Travel & Conference Expenses

This account reflects the costs of transportation of people and associated travel expenses. Examples of such costs would include, costs of meals, lodging, commercial transportation, mileage reimbursement and other travel costs. A large portion of the travel budget is due to staff involvement in CAPCOA and the training of staff.

Rents, & Leases

541538 Property Rents & Leases

This account reflects the District's cost of facility rentals not reported in Debt Service as defined by GASB 87. This includes facility rentals for public outreach and various meetings.

542539 Equipment Rents & Leases

This account reflects the rent and lease of equipment (primarily for office use). The FY 2024-2025 account includes the rental cost for the Pitney Bowes postage machine.

Noncapitalized Improvement & Equipment

543103 Office Furniture & Equipment

This is a new account for tracking purchases of office furniture and equipment that are not usually replaced within the year and are under the fixed asset threshold. This year's budget includes funds to update office furniture such as desks, chairs, etc. It also includes funds to replace the current 10+ year old copier.

543203 Computer Equipment

This account includes monitors, laptops, cameras, workstations, a new server, and other similar devices not otherwise budgeted as a fixed asset. Workstations are on a 4-year upgrade rotation with estimate of three (3) computers to be replaced per year.

543204 Computer Software & Subscriptions

This account includes software, licenses and various computer subscriptions including QuickBooks, Laserfiche, Adobe, Office 365, antivirus and spam filtering, firewall software renewal, and UCC, SLL Certificates. Changes to this account may occur with the continued implementation of GASB 96 this year.

543541 Air Monitoring Equipment & Maintenance

This account was previously labeled as Special Department Expenses and reflects comparatively specialized supplies and services, generally particular to the conduct of the Air Monitoring District's operations, and for which an account has not otherwise been established. This account includes purchasing air quality sensors, and the maintenance for air monitors, EBAM calibration, maintenance, and satellite communications for monitoring equipment.

Repairs & Maintenance

544001 Vehicle Maintenance

The FY 2024-2025 costs include vehicle repair and maintenance costs. Expenditures include costs for keeping vehicles in an efficient safe operating condition, car washes, scheduled maintenance, and repairs.

544042 IT Maintenance (computer, copier, office equipment)

This account includes support agreements for computer maintenance, uncontracted labor for computer or other office equipment installations and repairs, cloud backup, and copier maintenance. These costs continue to increase as computer security risks expand.

544103 Building Maintenance

This account reflects building maintenance, modification, and repair costs. Heating and air maintenance, maintenance plus and fire extinguisher maintenance is also included in this account. The district relocated to the current Entler Ave location in December 2010, maintenance activities are budgeted.

Professional/Consulting Services

551536 Professional Services

This account reflects the costs of most professional services and specialized services. Costs included in this account may be chemical analyses, consultations, materials testing, data processing, outside personnel services, outside auditing services, CPA consultation, computer programing and after-hours answering services.

Specifically, the FY 2024-2025 Account includes the following Professional & Special Services:

GASB 75 OPEB Full Valuation for year end 7/1/2023	2,200
GASB 75 OPEB Disclosure end 6/30/24 & 6/30/25	1,100
CalPERS GASB 68 Valuations	750
Sacramento Valley Basin Coordinating Council (BCC)	13,000
Fiscal Audit (Government Code 26909)	12,500
ADP-Payroll, HR, Payroll Processing	6,120
Western Weather Meteorological Services	600
Answering Service Hotline-Telesec	850
In-house Staff Training	4,000
HR Consulting	21,000
Budget Consulting	15,000
Cost Recovery Consulting	15,000
Laserfiche Workflow programing and design	2,880
Professional Consultation (ex. Pension, Financial, Legal)	16,000
Laboratory Analysis	500
Misc. unanticipated	1,000
Total	96,500

551137 AB2588 Hot Spots Fee

This account is for the State's (ARB's) costs for implementing the program that are collected by the District.

551547 Legal Services

This sub-account includes Professional Legal Services. The proposed budget includes continuing a legal services contract with outside counsel.

580 Appropriation for Contingencies

The District's Appropriation for Contingency account is used to address unanticipated fiscal liabilities and changes in the operational activities. Transfers from this account to other expense accounts may be needed during the year due to unanticipated events.

Non-Operating & Capital Outlay

Grants

560006 Carl Moyer Grants

This account reflects the District disbursement of Carl Moyer funds received from the CARB to grant applicants.

The District anticipates \$175,000 in Carl Moyer Clean Air Grants available for Fiscal Year 2024-25 (Year 27). The Carl Moyer program provides grant incentives for replacing or retrofitting older high emitting engines with lower-emission engines. Additional funding may become available during the year but is not allocated at this time.

Restricted grant funds at year end are budgeted in this account with an amendment in anticipation of being fully expended.

560007 Community Air Protection (CAP)

AB 617 directs CARB to establish the Community Air Protection Program with the focus to reduce emissions and exposure in communities most impacted by air pollution. Greenhouse Gas Reduction Funds were allocated through the Carl Moyer Program to support the goals of AB 617 by achieving immediate reduction in mobile source emissions in disadvantaged and low-income communities. Year 2024-2025 funding amount is currently unknown.

Restricted grant funds at year end are budgeted in this account with an amendment in anticipation of being fully expended.

560009 WoodSmoke Grants

State Funds are being allocated toward this program.

560011 NRM Grants

The NRM program is inactive.

560014 DMV Grants

This account reflects the disbursement of funds by the District. Specifically, included in this account are funds used for grants that are related to the DMV Vehicle Registration Surcharge Fees (Assembly Bill 2766 adding Health & Safety Code Sections 44220-44247) for implementing motor vehicle emission reduction programs. There are no grants budgeted at this time.

560020 Special Clean Air Grants

This account will be used for the Small Community Grants that will be using AB617 Implementation Funds.

560021 FARMER

Assembly Bill (AB) 134 and AB 109 appropriates funds to CARB for the reduction of criteria, toxic, and greenhouse gas (GHG) emissions from the agricultural sector. CARB staff developed the Funding Agricultural Replacement Measures for Emissions Reductions (FARMER) Program to cover the three (3) related sources of funding included in AB 134 and AB 109. Nothing has been budgeted for FY 2024-2025 as CARB has not provided award amounts at the time the budget was released. If the District does receive an award, the District will return to the Board for acceptance and associated budget amendments.

Restricted grant funds at end of FY 23-24 year are budgeted in this account with an amendment. The FY 24-25 budget is based on the anticipation of being fully expended in the current 2023-24 fiscal year.

Debt Services

565087 Principal & 565987 Interest

With the Implementation of GASB 87, the reporting of the Lease for the district offices at Entler avenue changed from the **541538 Property Rents & Leases Account** to the Debt Service. The current office lease is for office space of approximately 4,030 square feet. The lease was renegotiated during FY 2020-21 with a 4% initial increase with no additional increases over the 5-year contract. The contract is up for renewal in February 2026.

Capital Outlay

573105 Vehicles

Currently the fixed asset threshold is \$25,000 or more and all vehicles. The District currently has 4 vehicles to conduct District activities.

Fund Balance

Reserve Fund

These funds are available for reserves, as approved by the BCAQMD Board and as directed by the Board approved Reserve Policy. The goal of the Reserve Policy is to have at least two months of operating expenses in the Reserve Account. These funds may be re-budgeted as the Board deems appropriate. The district is maintaining the budgeted reserve fund \$329,626.

See Resolution 2022-19- (Reserve Policy), Appendix E.

Butte County Air Quality Management District

Resolutions

Resolution 2024-06: Adopting the 2024-2025 FY Budget

Resolution 2024-07: Contracted Outside Legal Services

**RESOLUTION 2024-06
BEFORE THE BOARD OF DIRECTORS OF
BUTTE COUNTY AIR QUALITY MANAGEMENT DISTRICT
STATE OF CALIFORNIA
FY 2024-2024 Fiscal Budget Adoption**

Resolution 2024-06)
Adopting the 2024-2025 Budget.....)
Totaling \$2,317,175)
Of the total, \$126,272 is in Grant funds.....)
And \$20,000 in Contingency funds, resulting in an)
Operating Budget of \$2,100,343)
Debt Service of \$55,556, and.....)
Capital of \$35,000)

WHEREAS, on June 27, 2024, the Governing Board met in regular session;

AND WHEREAS, the Governing Board reviewed and considered information provided as set out and identified as the FY 2024-2025 Budget; and;

AND WHEREAS, pursuant to Health and Safety Code Sections 40130 and 40131 the Board held an initial Public Hearing on May 23, 2024 for the exclusive purpose of reviewing its budget and providing the public with the opportunity to comment on the proposed District budget;

AND WHEREAS, the Board held a Public Hearing pursuant to the Health and Safety Code Sections 40130 and 40131 on June 27, 2027 to consider adopting the FY 2023-2024 Budget;

THEREFORE, BE IT RESOLVED, that the Board has reviewed and adopts the FY 2024-2025 Budget consisting of an operating budget of \$2,100,343, debt service of \$55,556, and Capital of \$35,000 for the 2024-2025 District Fiscal Year;

BE IT FURTHER RESOLVED, obligates, to implement emission reduction grants Carl Moyer, AB 617, CAP and FARMER funds totaling \$126,272. \$890,243 in implementation funds are estimated to be unearned, for future administration costs and a \$20,000 contingency fund is approved for the District, providing for a total FY 2024-2025 Budget of \$2,317,175 and adjusting the FY 2023-2024 Budget as outlined in the attached Final Budget and,

BE IT FURTHER RESOLVED, that to cover program costs, the adoption includes the California Consumer Price Index (CCPI), All Urban Consumers, April 2023 to April 2024 increase in the hourly rate pursuant to Rule 509 Section 2, the hourly rate amended to \$ _____, reflecting a ___% increase, with Rule 509 being amended to include this change; and,

BE IT FURTHER RESOLVED, that the Board approves receiving unanticipated revenue and expenditures as well as amending the budget for any additional grant funding such as Carl Moyer, State Reserve, FARMER, CAP, AB 617,

AB 197, Prescribed Burn Reporting and Monitoring or the Woodsmoke Reduction Program that may become available and accepted by the District; and,

BE IT FURTHER RESOLVED, the Air Pollution Control Officer is authorized to borrow internally from the Reserve Fund to resolve short-term cash flow needs, with the direction to make repayment by June 30, 2025; and,

AND BE IT FURTHER RESOLVED, the Air Pollution Control Officer is authorized and hereby directed to negotiate and sign the initial and final applications for potential State subvention funds for the Fiscal Year 2024-2025.

On Motion of _____, Seconded by _____, the foregoing resolution is hereby PASSED AND ADOPTED by the Air Quality Management District Board of Directors on this 27 day of June, 2024 by the following:

- AYES:
- NOES:
- ABSTAIN:
- ABSENT:

Stephen Ertle, Air Pollution Control Officer
Butte County Air Quality Management District

I hereby attest that this is a true and correct copy of the action taken by the Butte County Air Quality Management District Board of Directors on June 27, 2024.

ATTEST: _____
Kelly Towne, Clerk of the Governing Board

**RESOLUTION 2024-07
BEFORE THE BOARD OF DIRECTORS OF
BUTTE COUNTY AIR QUALITY MANAGEMENT DISTRICT
STATE OF CALIFORNIA
FY 2024-2025 CONTRACTED OUTSIDE LEGAL SERVICES**

Resolution 2024-07)
Approval and direction to the.....)
Air Pollution Control Officer to contract)
for Outside Legal Services)

WHEREAS, the District is a body corporate and politic and a public agency of the state;

AND WHEREAS, the District, pursuant to the Health and Safety Code Section 40700 et seq. has the power; to have a perpetual successor and to enter into contractual services;

AND WHEREAS, the District is an environmental, regulatory, public agency established pursuant to State statute and is charged with the enforcement of federal, state, regional and local air pollution regulations;

AND WHEREAS, in the course of performing its day-to-day implementation of active and effective air pollution control programs the District has need of legal counsel;

AND WHEREAS, the FY 2024-2025 Budget includes \$18,500 for contract outside legal services;

BE IT FURTHER RESOLVED, the Board hereby authorizes and directs the Air Pollution Control Officer to execute a legal services agreement for legal counsel with current District Counsel Greg Einhorn for FY 2024-2025.

On Motion of _____, Seconded by _____, the foregoing resolution is hereby PASSED AND ADOPTED by the Air Quality Management District Board of Directors on this 27 day of June, 2024 by the following:

- AYES:
- NOES:
- ABSTAIN:
- ABSENT:

Stephen Ertle, Air Pollution Control Officer
Butte County Air Quality Management District

I hereby attest that this is a true and correct copy of the action taken by the Butte County Air Quality Management District Board of Directors on June 27, 2024.
ATTEST: _____
Kelly Towne, Clerk of the Governing Board

Butte County Air Quality Management District

2024-2025 Fiscal Year Budget Report

Appendices

Appendix A: Budget Cycle

Appendix B: Public Notice of Budget Adoption

Appendix C: Organizational Chart

Appendix D: District Compensation Schedule

Appendix E: Reserve Policy Guidance (Resolution 2022-19)

Appendix F: Fiscal Policy (Resolution 2022-17)

Butte County Air Quality Management District

Appendix A: Annual Budget Cycle

The District's Administrative Code adopted by the Board provides information related to the District's budget process, budget control and audit. The flow chart below shows the process for the annual budget adoption, pursuant to HSC Section 40131.



BASIS OF BUDGETING

The District's basis of budgeting is modified accrual, which is recognized as the generally accepted method of accounting for state and local governments. Using this method of budgeting, revenues are recognized when (1) they are measurable, and (2) all applicable eligibility requirements are met. Expenditures are recorded when the related fund liability is incurred. Modified accrual accounting can also divide available funds into separate entities within the organization to ensure that revenues are spent where they were anticipated.

Butte County Air Quality Management District

Appendix B: Public Notice of Budget Adoption

PUBLIC NOTICE IS HEREBY GIVEN, that the Butte County Air Quality Management District (District) Governing Board is holding Public Hearings by Zoom as part of our regularly scheduled Governing Board meetings to consider adoption of the District's 2024-2025 Fiscal Year Budget.

The proposed Budget is online at www.bcaqmd.org and on file at the District Office, 629 Entler Avenue, Suite 15 - Chico, CA, and is available for public inspection commencing Wednesday April 24, 2024.

The time and date of the Public Hearing set for adoption of the proposed Budget is Thursday, June 27, 2024, at 10:00 a.m., at the Butte County Association of Governments Board Room, 326 Huss Drive Suite 100, Chico, CA.

All written comments should be filed with the District's Board Clerk, 629 Entler Avenue, Suite 15 - Chico, CA, no later than June 18, 2024.

The District will hold public workshops on Tuesday May 7th at 2:00 pm at the District office and at 5:30 pm via Zoom (link posted on website).

In addition to the Thursday, June 27, 2024, Public Hearing to adopt the proposed Budget, the District Governing Board is holding a special Public Hearing, to review the Budget and provide an opportunity for public comment on the proposed Budget. The time and date of this special Public Hearing is set for Thursday, May 23, 2024, at 10:00 a.m. at the Butte County Association of Governments Board Room, 326 Huss Drive Suite 100, Chico CA.

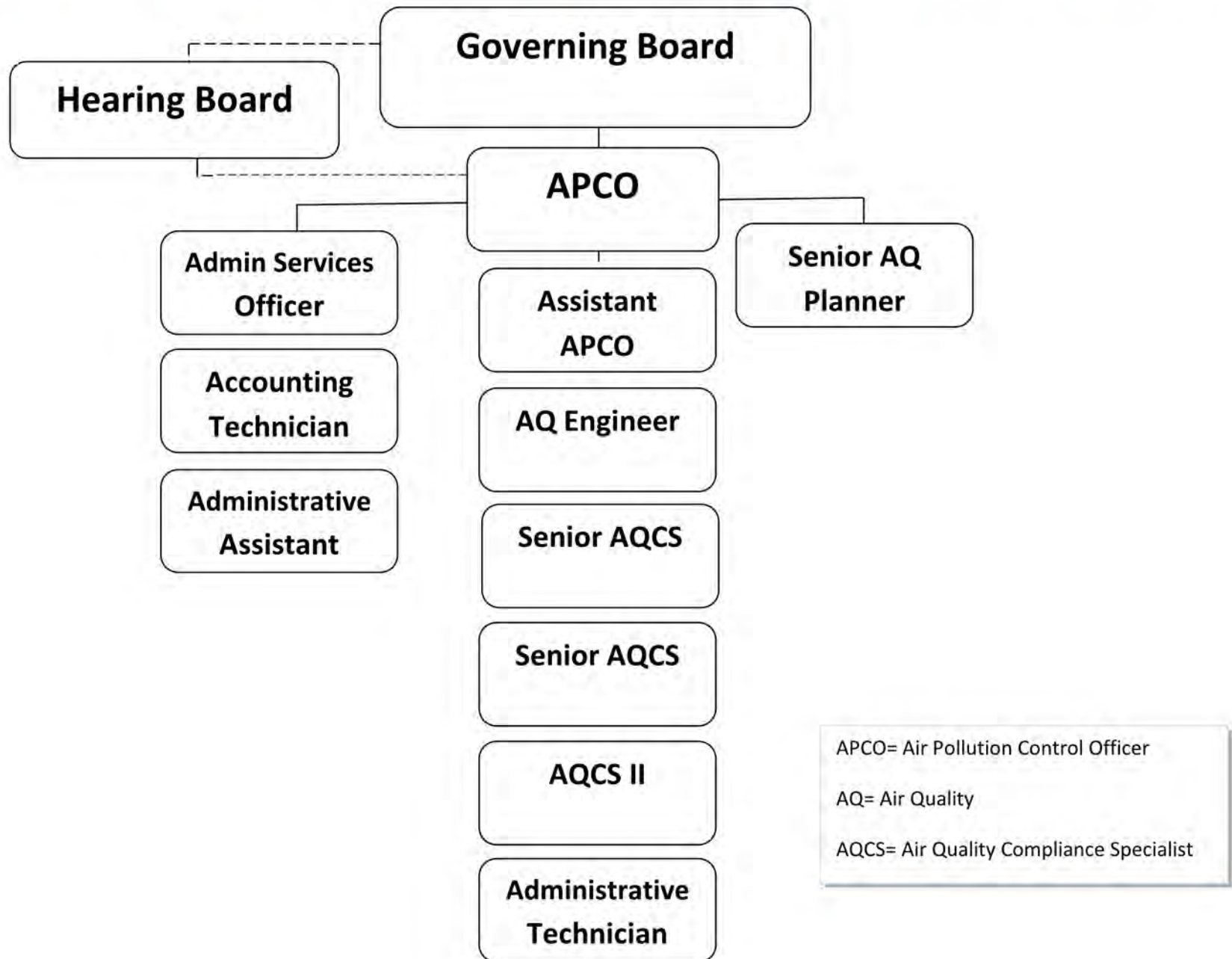
Following the Thursday, June 27, 2024, Public Hearing and without further notice, the District Governing Board may adopt the Final District Budget for the 2024-2025 Fiscal Year as the Board deems appropriate or take other action consistent with this notice.

DATED: April 24, 2024
BY: Stephen Ertle
Air Pollution Control Officer
Publish April 24,2024

Butte County Air Quality Management District

Appendix C: Organizational Chart

Butte County Air Quality Management District



Butte County Air Quality Management District

Appendix D: District Compensation Schedule

BUTTE COUNTY AIR QUALITY MANAGEMENT DISTRICT

COMPENSATION SCHEDULE

Effective date October 1, 2023

Position Title	FTE Status			Range	Step 1 Pay rate	Step 2 Pay rate	Step 3 Pay rate	Step 4 Pay rate	Step 5 Pay rate	Step 6 Pay rate	Contract
	19/20	20/21	21/22								
Administrative Assistant	1	1	1	8	\$1,614	\$1,697	\$1,782	\$1,872	\$1,965	\$2,163	
Administrative Technician	1	1	1	8	\$1,614	\$1,697	\$1,782	\$1,872	\$1,965	\$2,163	
Accounting Technician	1	1	1	17	\$2,008	\$2,110	\$2,115	\$2,328	\$2,433	\$2,688	
Administrative Services Officer	1	1	1	34	\$3,050	\$3,200	\$3,362	\$3,531	\$3,707	\$4,079	
Air Quality Compliance Specialist I	2	2	2	20	\$2,165	\$2,273	\$2,389	\$2,510	\$2,636	\$2,897	
Air Quality Compliance Specialist II	0	0	0	24	\$2,389	\$2,510	\$2,636	\$2,768	\$2,906	\$3,196	
Senior Air Quality Compliance Specialist	2	1	1	28	\$2,635	\$2,768	\$2,909	\$3,055	\$3,204	\$3,527	
Air Quality Compliance Supervisor	0	0	0	32	\$2,905	\$3,054	\$3,203	\$3,363	\$3,532	\$3,886	
Air Quality Engineer I	1	1	1	28	\$2,635	\$2,768	\$2,909	\$3,055	\$3,204	\$3,527	
Air Quality Engineer II	0	0	0	32	\$2,905	\$3,054	\$3,203	\$3,363	\$3,532	\$3,886	
Senior Air Quality Engineer	0	0	0	36	\$3,200	\$3,362	\$3,531	\$3,707	\$3,895	\$4,284	
Assistant Air Quality Planner	0	0	0	25	\$2,443	\$2,567	\$2,698	\$2,833	\$2,973	\$3,271	
Associate Air Quality Planner	0	0	0	29	\$2,699	\$2,834	\$2,974	\$3,124	\$3,281	\$3,609	
Senior Air Quality Planner	1	1	1	33	\$2,974	\$3,124	\$3,281	\$3,444	\$3,618	\$3,980	
Air Quality Planning Supervisor	0	0	0	37	\$3,279	\$3,443	\$3,615	\$3,794	\$3,986	\$4,385	
Assistant Air Pollution Control Officer	1	1	1	41	\$3,618	\$3,798	\$3,987	\$4,187	\$4,397	\$4,839	
Air Pollution Control Officer	1	1	1	Contract employee							\$4,828.85

Note 1: Air Quality Engineering Supervisor position placement will be subject to future meet and confer.

Note 2: The salary of all positions are based on 80 hours per pay period.

Note 3: The time base for each pay rate is bi-weekly.

Note 4: Full Time Employee (FTE)

Butte County Air Quality Management District

Appendix E: Reserve Policy Guidance (Resolution 2022-19)

**RESOLUTION 2022-19
BEFORE THE BOARD OF DIRECTORS OF
BUTTE COUNTY AIR QUALITY MANAGEMENT DISTRICT
STATE OF CALIFORNIA
RESERVE POLICY GUIDANCE**

Resolution 2022-19)
Updates to the)
Guidance for Establishing and)
Maintaining a Prudent Reserve)

WHEREAS, on June 27, 2013, the Butte County Air Quality Management District Board of Directors (Board) met in regular session and adopted Resolution 2013-08;

AND WHEREAS, the Board reviewed and considered the recommendations of the Government Finance Officers Association (GFOA) regarding the recommended level of reserves; and,

AND WHEREAS, the Board considers reserve policy objectives to include providing adequate funding to meet the District's short-term and long-term goals, minimize the adverse annual and multi-year budgetary impacts from anticipated and unanticipated expenditures, and ensure a continuing cash flow for expenditures as revenues are received and therefore maintain a balanced budget; and,

AND WHEREAS, the GFOA recommends general-purpose governments, regardless of size, maintain an unrestricted fund balance in their General Fund of no less than two (2) months of regular General Fund operating revenues or regular General Fund operating expenditures; and,

AND WHEREAS, the GFOA considers unrestricted funds to include only resources without a constraint on spending or for which the constraint on spending is imposed by the government itself; and,

AND WHEREAS, the Butte County Air Quality Management District (District) shall maintain a reserve appropriate to the needs of the district with targeted reserve levels, categories and purposes established and reviewed as part of the budget process.

AND WHEREAS, the District shall maintain an operating reserve for use during operational or financial emergencies. Emergencies shall constitute significant, unforeseen events that have a dramatic and immediate impact on the operations, assets or financial condition of the District. The Air Pollution Control Officer is authorized to use these funds for cash flow maintenance during the fiscal year. If reserve usage is for reasons other than cash flow or extends beyond the fiscal year, then a plan to replenish this reserve used shall be developed and approved by the Board.


AND WHEREAS, based on the District's circumstances and operations the staff have recommended using a target reserve of a minimum two (2) months regular operating expenditures;

THEREFORE, BE IT RESOLVED, that the Board adopts as guidance and policy that an unrestricted fund balance of two (2) months regular operating expenditures should be maintained as a goal in the District General Fund.

BE IT FURTHER RESOLVED, that staff are directed to use this policy as guidance in the preparation of the annual budget and in evaluating fiscal proposals for potential Board consideration.

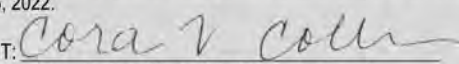
On Motion of Supervisor Lucero, Seconded by Councilmember Nuchols, the foregoing resolution is hereby PASSED and ADOPTED by the Air Quality Management District Board of Directors on this 26th day of May, 2022 by the following:

- AYES: Ritter, Calderon, Connelly, Lucero (Motion), Teeter, Nuchols (Seconded), Brown, Tryon.
- NOES: None.
- ABSTAIN: None.
- ABSENT: Kimmelshue, Reynolds.



Stephen Ertle, Air Pollution Control Officer
Butte County Air Quality Management District

I hereby attest that this is a true and correct copy of the action taken by the Butte County Air Quality Management District Board of Directors on May 26, 2022.

ATTEST: 
Cora Collins, Clerk of the Governing Board



Butte County Air Quality Management District

Appendix F: Fiscal Policy (Resolution 2022-17)

**RESOLUTION 2022-17
BEFORE THE BOARD OF DIRECTORS OF
BUTTE COUNTY AIR QUALITY MANAGEMENT DISTRICT
STATE OF CALIFORNIA
APPROVE DISTRICT FISCAL POLICY**

Resolution 2022-17)
Approval of Butte County Air Quality Management)
District Fiscal Policies)

WHEREAS, the Butte County Air Quality Management District administers Federal, State, and Local programs to protect the public from the impacts of air pollution;

AND WHEREAS, these District programs are supported through a combination of permit fees and grant funds administered under the Administrative Code of the Butte County Air Quality Management District Governing Board, originally established and approved in 1996;

AND WHEREAS, the District Fiscal Policy provides clear direction on District budget management and revenue allocation;

AND WHEREAS, the District shall annually review these programs against cost recovery targets and limit the use of one-time revenues to the Fiscal Policy guidelines and use multi-year revenue and expense projections to assure long-term fiscal health;


THEREFORE, BE IT RESOLVED, that the Butte County Air Quality Management District Board, hereby approves the Fiscal Policy.

On Motion of Supervisor Lucero, Seconded by Councilmember Nuchols, the foregoing resolution is hereby PASSED AND ADOPTED by the Air Quality Management District Board of Directors on this 26th day of May, 2022 by the following:

- AYES: Ritter, Calderon, Connelly, Lucero (Motion), Teeter, Nuchols (Seconded), Brown, Tryon.
- NOES: None.
- ABSTAIN: None.
- ABSENT: Kimmelshue, Reynolds.



Stephen Ertle, Air Pollution Control Officer
Butte County Air Quality Management District

I hereby attest that this is a true and correct copy of the action taken by the Butte County Air Quality Management District Board of Directors on May 26, 2022.
ATTEST: 
Cora Collins, Clerk of the Governing Board

Butte County Air Quality Management District
Fiscal Policy
(May 26, 2022)

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1.0 GENERAL POLICIES

- 1.1 **Review annually** The District’s fiscal policies shall be reviewed annually by the Board as part of the fiscal budget adoption and shall be published in the Administrative Code.
- 1.2 **Comply with applicable laws** The District shall comply with all applicable state and federal laws and regulations concerning fiscal management and reporting, budgeting, investing and debt administration.
- 1.3 **Basis of Accounting** Refer to Administrative Code Part A, Section 11.1 to 11.3.
- 1.4 **Administrative procedures** The Administrative Services Officer shall establish and maintain appropriate fiscal and internal control procedures to assure the integrity of the District’s finances.

2.0 RESERVE POLICIES

- 2.1 **Reviewed annually** The District shall maintain reserves that are appropriate to the needs of the District. Targeted reserve levels, categories and purposes shall be established and reviewed annually as part of the budget process. The use of fund balance or reserves for operational activities shall be explained in the annual budget document; such explanation shall describe the circumstances for such action and its expected future impact.
- 2.2 **Operating reserves** The District shall maintain an operating reserve for use during operational or fiscal emergencies. Emergencies shall constitute significant, unforeseen events that have a dramatic and immediate impact on the operations, assets, or fiscal condition of the District. The APCO is authorized to use these funds for cash flow maintenance during the fiscal year. If reserve usage is for reasons other than cash flow or extends beyond the fiscal year, then a plan to replenish this reserve used shall be developed and approved by the Board. The amount of the reserve shall be at least equal to two (2) months of budgeted annual operating expenditures. Also refer to the Reserve Policy Resolution and the current fiscal year’s budget.
- 2.3 **Liquidity** The District shall maintain cash and other asset accounts necessary to meet the liquidity needs for the District.

3.0 REVENUE

- 3.1 **Funds and Account Groups** The AQMD shall maintain separated distinct revenue accounts as follows:
 - 3.1.1 *Agricultural Burn Permit Account No. 4213010*: This account reflects revenue received from Agricultural Burn Permit Fees pursuant to District Regulation V, Rule 507.
 - 3.1.2 *Agricultural Engine Registration 4213013*: This account tracks fees received by the District for issuing certificates of registration pursuant to Rule 1001 “Airborne Toxic Control Measure for Stationary Compression Ignition (CI) Engines used in Agricultural Operations”, and Rule 441 “Registration Requirements for Stationary Compression Ignition (CI) Engines used in Agricultural Operations: Registration fees are required by Rule 513.

- 3.1.3** *Title V Permit Account No. 4213020:* Pursuant to 40 CFR Part 70.9(b)(2)(i), the District has adopted and implements a Supplemental Title V fee program set out in District Rule 505, Section 3. The associated Title V Permit Fees are charged on an emission fee basis at a presumptive minimum fee rate of \$25 (1989 dollars) per ton of emissions of fee-based emissions, as adjusted by the Consumer Price Index (CPI).
- 3.1.4** *Operating Permit Account No. 4213030:* District Regulation V, adopted pursuant to Health and Safety Code Section 42311, establishes required permit fees in Rule 500. This account reflects annual permit fees paid for permits to operate issued by the District pursuant to Rule 500 based on the facility permit category.
- 3.1.5** *Portable Engine Registration 4213035:* This account tracks registration fees received by the District pursuant to Rule 440 "Portable Equipment Registration". The registration fees are required by Rule 512. The budgeted revenues include new registrations but are primarily expected for registration renewals.
- 3.1.6** *Asbestos Program 4213038:* This account is for an asbestos program that replaces the CARB managed program.
- 3.1.7** *Authority to Construct Account No. 4213040:* This account includes initial application fee and initial permit fees paid pursuant to Rule 500 (Permit Fees). Under the Authority to Construct Fee calculation methodology, the initial permit fee includes an authority to construct fee and toxic fee, if applicable, based on source category.
- 3.1.8** *Emission Reduction Credit Fee (ERC's) Account No. 4213055:* This account includes technical evaluation and processing fees paid for reviewing and processing emission banking reduction applications in accordance with District Rule 503. The fees are charged at the AQMD's hourly rate for actual hours to complete the review.
- 3.1.9** *Miscellaneous, Other Permits Account No. 4213060:* This account includes miscellaneous revenue generated from Petitions for Variance Fees and Transfers of Ownership Fees.
- 3.1.10** *Civil Settlement Account No. 4300001:* This account includes revenue received from implementation of the District's Civil Penalty Fee program established pursuant to Health and Safety Code Section 42402.5 and 42403.
- 3.1.11** *Interest, Account No. 441:* This account includes the interest earned for District funds on account.
- 3.1.12** *State Subvention Account No. 4500001:* This account reflects State financial assistance received pursuant to Health and Safety Code Section 39802, which provides that the State Air Resources Board may subvene up to one (\$1) dollar for every dollar budgeted for use by a local air district, given specific requirements (e.g., that the district in an air basin implements uniform rules and regulations). Subvention funding provided pursuant to this statute is subvened at a rate up to \$.23 per capita with a minimum of \$34,400 for any one eligible district depending on the State funds provided in the respective year's State Budget.
- 3.1.13** *Department of Motor Vehicles, Vehicle Surcharge Account No. 4511001:* This account recognizes revenue received from the Department of Motor Vehicles

(DMV) collected pursuant to AB 2766, Health and Safety Code Section 44223, and 44225.

- 3.1.14** *AB 2588 Toxic Hot Spots Fee Account No. 4510500:* This account includes AB 2588 Toxic Hot Spots Fees assessed pursuant to the Air Toxics Hot Spots Information and Assessment Act of 1987, in accordance with District Rule 506. Under the program, facilities are required to inventory air toxic emissions, assess the potential health risks from exposure to the emissions and, if necessary, notify the public and reduce significant risks. The State Air Resources Board (ARB) is required to adopt a fee regulation (Health & Safety Code Section 44380) and the Districts are authorized to collect fees to cover both the District's and the State's (ARB's) costs for implementing the program.
- 3.1.15** *105 Pilot Project Grant Funding Account No. 4510501:* This account reflects U.S. EPA pass-through grant funding provided to selected local air districts to assist in the implementation of the federal Clean Air Act. The funding is provided through a memorandum of understanding between the California Air Pollution Control Officers Association (CAPCOA) and the District.
- 3.1.16** *AB 197 Funding Account No. 4510502:* This account reflects state financial assistance received to implement the provisions of AB 197 regarding improvements to the emissions inventory reporting process.
- 3.1.17** *AB 617 Funding Account No. 4510503:* This account reflects state financial assistance received to implement the provisions of AB 617 "Community Air Protection Program" regarding improvements in air pollution data collection and reporting, potential enhanced community air pollution monitoring and potential community emissions reduction programs. Funding is provided under a grant agreement between CARB and the District.
- 3.1.18** *Prescribed Burn Reporting and Monitoring Account No. 4510504:* This account reflects resources provided to air pollution control districts for an enhanced smoke management program. This includes enhanced reporting of prescribed fire activity in their regions, air monitoring of prescribed fires, improved public outreach regarding prescribed fires and resources for district staff to attend regional training sessions on different elements of the State's smoke management program.
- 3.1.19** *GHG Oil & Gas Funding Account No. 4510505:* This account reflects state financial assistance received to implement selected provisions of the state regulation "Greenhouse Gas Emission Standards for Crude Oil and Natural Gas Facilities". The District is implementing provisions under a memorandum of agreement with the California Air Resources Board.
- 3.1.20** *FARMER Funding Account No. 4510904:* This account reflects state grant funding provided to local air districts under the "Funding Agricultural Replacement Measures for Emission Reductions (FARMER)" program. The FARMER program provides voluntary incentives to replace older, more polluting equipment with newer, cleaner technologies in the agricultural sector. The state funding is provided from three (3) related funding sources: Greenhouse Gas Reduction Fund (GGRF) in AB 134, Air Quality Improvement Fund (AQIF) in AB 109 and Alternative and Renewable Fuel and Vehicle Technology Fund (ARFVTF) in AB 109. Funding is provided under a grant agreement between CARB and the District.

- 3.1.21 *Carl Moyer Account No. 4510906*: This account was created to isolate and better track the Carl Moyer Grant revenue received from the state. The Carl Moyer program provides grant incentives for purchasing lower-emission engines.
- 3.1.22 *Wood Smoke Program, Account No. 4510909*: This account was created to isolate and better track the Wood Burning Device Change-Out Program revenue received from the state.
- 3.1.23 *CEQA Mitigation, Account No. 4510910*: This account includes revenue received from projects with mitigation measures to reduce the project's impact on air quality.
- 3.1.24 *Community Air Protection (CAP) Account No. 4510915*: This account reflects grant funding received from the state to benefit disadvantaged communities under the Community Air Protection Program.
- 3.1.25 *NOx Remediation Measure Account No. 4510916*: This account reflects grant funding received from the state to obtain voluntary reductions of oxides of nitrogen (NOx) emissions due to the Low Carbon Fuel Standard.
- 3.1.26 *Miscellaneous Revenue, Special District Account No. 4712523*: This account reflects all income including returned check fees, reimbursements, and other income that does not fit into an already established category.
- 3.1.27 *Grant Implementation Revenue Account No. 4712550*: This account reflects income from other agencies to implement or administer various grant programs.
- 3.1.28 *Auction Proceeds Account No. 4815010*: This account includes revenue received from the sale of District assets.

3.2 Fees and Charges

- 3.1.1 **Setting of Fee and Charge Amounts** Fees and charges shall be set to maintain cost recovery as allowed by State Law, with at least 90% cost recovery in the following programs: Asbestos, Enforcement, Grants, Portable, Stationary Sources and Toxics.
- 3.1.2 **Collection of Fees and Charges** The District shall strive to collect all fees and charges imposed and shall actively pursue and settle delinquent accounts.
- 3.1.3 **Review of Fees** The District shall review fees and charges annually as part of the Fiscal Budget adoption process to ensure cost recovery is maintained to minimize fee adjustment impacts on stakeholders.

3.3 Revenue Forecasting The District shall estimate revenues conservatively, through an objective, analytical process. The District shall report on forecasted vs. actual revenues at each regular meeting of the Governing Board and provide explanation for significant variances.

3.4 Use of one-time and unpredictable revenues One-time revenues shall be used to support emission reduction grants, one-time expenditures, reduce pension liabilities, or to increase fund balance. Unpredictable revenues shall not be used to support ongoing operational expenses for a period longer than the revenue can reasonably be expected to support.

4.0 BUDGETING AND CAPITAL ASSET MANAGEMENT

4.1 Basis of budgeting All budgetary procedures will conform to state regulations, government accounting standards board (GASB) and generally accepted accounting principles and pursuant to HSC Section 40131. As such, the District shall use a modified accrual basis of accounting for reporting on budgeted versus actual expenditures.

Grant revenues are budgeted as revenue and with grant funds reserved and implementation funds are unearned until expenses can be recognized in accordance with applicable grant guidelines.

Fixed assets are depreciated in the notes of the fiscal audit but are fully expensed in the year acquired for budgetary purposes.

4.2 Budget Process Pursuant to HSC *Section 40131*, the District shall adopt its annual budget in accordance with the following procedure:

4.2.1 The District shall prepare and make available to the public at least thirty (30) days prior to public hearing, a summary of its budget and any supporting documents, including, but not limited to, a schedule of fees to be imposed by the District to fund its program.

4.2.2 The District shall notify each person who was subject to fees imposed by the District in the preceding year of the availability of the information described in paragraph (a).

4.2.3 The District shall notice and hold a public hearing for the exclusive purpose of reviewing its budget and of providing the public with the opportunity to comment upon the proposed District budget. The public hearing required to be held pursuant to this section shall be separate from the hearing at which the District adopts budget.

4.3 Balanced budget The District shall maintain a balanced budget, defined as total resources (revenues, interfund transfers and beginning fund balance) shall equal total requirements (operating expenses, capital expenses, interfund transfers and ending fund balance) including reserves and contingencies. Furthermore, the District considers the budget to be balanced whenever annual revenues are equal to or exceed annual expenditures. The District is committed to maintaining a balanced budget under normal circumstances and will disclose deviations from a balanced operating budget when it occurs.

4.4 Budget control The Governing Board of Directors (Board) retains the exclusive authority to amend the annual budget for Revenue and Expenditures. In no case may total operating expenditures exceed that which is appropriated by the Board without a budget amendment duly approved by the Board.

The Board also retains the exclusive authority to increase the annual budget authority for Capital Expenditures. In no case may total capital expenditures exceed that which is appropriated by the Board without a budget amendment duly approved by the Board.

Only the Board may increase the number of authorized positions in the EA MOU. Once the Board has adopted the annual budget, it shall be considered the controlling documented plan of expenditures. As such, purchases, acquisitions shall be processed within the limitations established by budgeted resources allocated to each object classification by the District. Budget transfers during the year between accounts can be authorized by the APCO.

4.5 Capital asset acquisition, maintenance, replacement, and retirement

4.5.1 Budget for maintenance The District shall budget for the adequate maintenance of capital equipment and facilities to protect the public investment and ensure achievement of their maximum useful life.

4.5.2 Use of operational fund balance for capital Operational fund balances greater than established reserves and liquidity requirements may be used for the development, rehabilitation, or replacement of capital assets.

4.5.3 Capitalization threshold An asset shall be considered a capital asset when the initial cost of the asset is \$25,000 or more and has a useful life of more than one year or is a vehicle. The initial cost shall include any costs necessary to put the asset into its intended use. Interest in real property shall always be considered a capital asset, regardless of its initial cost.

5.0 EXPENDITURE POLICIES

5.1 Claims All claims for money or damages against the District are governed by PART 3 (commencing with Section 900) and PART 4 (commencing with Section 940) of Title 1 of the Government Code.

5.2 Cost Allocation Refer to Administrative Code, Part A, section 11.9

5.3 Purchasing Refer to Administrative Code, Part A, section 11.10 & 11.11.

5.4 Expenditure Reimbursement Refer to Administrative Code, Part A, section 12

5.5 Fixed Assets & Inventory Refer to Administrative Code, Part A, section 11.8

6.0 FINANCIAL REPORTING

6.1 Budget and Financial reporting to Board at Each Regular Meeting of the Board The District shall prepare and provide to the Board a report that compares actual revenues and expenditures to budgeted amounts, including relevant information and a balance sheet. The report shall explain significant variances and provide analysis and interpretation of financial information.

7.0 ACCOUNTING

7.1 Financial statements The District shall prepare financial statements annually, in accordance with government accounting standards board (GASB) and the generally accepted accounting principles (GAAP) for governments in the United States.

7.2 Annual fiscal audit At the direction of the Board, the Air Pollution Control officer shall contract to conduct an annual audit of the accounts and records of the district. The District's financial statements shall be audited annually by an independent, qualified third party in accordance with generally accepted auditing standards and shall complete the audit within twelve (12) months of the end of the

fiscal year. The audit results and any associated management response shall be presented to the Board of Directors.

- 7.3 Accounting policies and procedures** Management shall develop internal accounting policies and procedures necessary to implement these Fiscal Policies and to ensure that internal controls, processes, and procedures are adequate to protect the finances of the District.

Due to the small number of District staff, it is not possible to implement segregation of all accounting functions; however, when possible, to separate duties, the District shall organize and assign work duties and responsibilities to assure additional mitigating controls. Additional mitigating controls to prevent recording errors and/or fraud include established procedures, supervision, and proper authorizations by designated officials for all actions taken.

8.0 PENSION AND OPEB

- 8.1 Pension Funding, Generally** The District shall be a member of the California Public Employees' Retirement System (CalPERS). The District shall budget for and make at least the minimum payments required by CalPERS to fund the normal cost and the annually determined contribution to any unfunded actuarial liability.
- 8.2 Additional Payments Toward Pension UAL** The District shall make additional contributions toward the Unfunded Actuarial Liability (UAL) if the most recent Annual Valuation Report identifies a UAL. The source and amount of funding shall be determined and approved by the Board and may include the following sources:
- Unanticipated one-time revenues.
 - Savings derived from the expiration of payments for a retirement plan's side fund or other amortization bases; and/or
 - Salary and benefit savings realized by the District through short-term position vacancies.
- 8.3 Additional UAL Payments to CalPERS** The District shall pay any additional contributions toward the UAL to CalPERS. Payments shall be applied against any retirement plan's underfunded amortization base specifically, or to the UAL generally, approved by the Board during Fiscal Budget approval.
- 8.4 Other Post-Employment Benefits (OPEBs)** The District shall provide Other Post-Employment Benefits (OPEBs) in accordance with any negotiated employment contracts or agreements. As a minimum, the District shall budget for and make at least the annually determined contribution necessary to pay for OPEBs provided to current retirees.
- 8.5 OPEB Trust Payments** The District established an OPEB Trust account with Resolution 2017-12 under Section 115 of the Internal Revenue Code and shall prepare an actuarial report for the plan every two years. If the actuarial report identifies a Net OPEB Liability that is less than 95% funded, then District staff will include payments to the OPEB Trust in the proposed annual budget. The amount proposed in the budget will be adequate to meet the Actuarially

Determined Contribution for that year. The annual OPEB contribution shall be determined and approved by the Board through the budget approval process.

8.6 Use of OPEB Trust Assets The District may use the assets in the OPEB trust only to pay for OPEB-related expenses.