



FINAL BUDGET

FISCAL YEAR 2013/2014

Mat Ehrhardt, P.E.
Executive Director/APCO

Yolo-Solano Air Quality Management District

Final Budget Fiscal Year 2013/2014

Mission Statement

***“The Yolo-Solano Air Quality Management District
is responsible for protecting human health and property
from the harmful effects of air pollution.”***

***Mat Ehrhardt, P.E.
Executive Director/ APCO***

Yolo-Solano Air Quality Management District
Final Budget Fiscal Year 2013/2014

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September 11, 2013
Board of Directors
Yolo-Solano Air Quality Management District

The final annual budget for 2013/2014 continues Yolo-Solano Air Quality Management District's commitment of protecting public health and property from the harmful effects of air pollution in the most cost-effective way possible. The budget supports the District in this mission and in the objectives set forth by the Board, and by state and federal law. We have consistently practiced fiscal restraint by focusing on core programs, maintaining tight internal controls and strengthening our financial planning efforts. We continue to work closely with the community and industry to find creative solutions to the challenge of improving our air quality, and we will continue to maximize resources within the District.

In years past I have recommended to the Board a cost recovery adjustment in the Stationary Source Program to offset costs for running the program. However, I did not recommend an adjustment for fiscal year 2013/2014 under the Proposed Budget approved by the Board on June 12, 2013. Adjustments are based on the California Consumer Price Index (CPI) prior year April to April. For 2013/2014 the CPI based on April 2011 to April 2012 is 1.7 percent. Since the District was successful in 2012/2013 in keeping costs down, and with the addition of the Environmental Protective Agency (EPA) 105 pass-through funding for the last few years, we are confident that the District is able to maintain services in 2013/2014 without a cost recovery adjustment. The current level of general reserve and stabilization reserve fund balances are adequate to mitigate current or future risks, as those levels are crucial considerations in long-term financial planning.

The General Fund's revenue increased from the proposed budget approved by the Board in June to the final budget by approximately \$70,000 and with additional savings on the expenditure side from the proposed to the final of \$24,000, the fund balance in the General Fund is ending at \$656,000. This is an extra \$100,000 over the projected proposed amount. As such, I am recommending under the final budget to pay down the pension side-fund by \$100,000 which will reduce the employer contribution for this year starting in October as explained on page 7.

For the DMV AB923 fund there is a large balance to expend of \$900,000 in grants. This is carry over from previous fiscal years and District staff is working on the final recommendation to present to the Board for use of those funds in 2013/2014.

Additional information on the approved recommendations is highlighted in the Executive Summary starting on page 5 of the budget document.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read "ME", is written over a light blue horizontal line.

Mat Ehrhardt, P.E.
Executive Director/Air Pollution Control Officer

YOLO-SOLANO AIR QUALITY MANAGEMENT DISTRICT

BOARD OF DIRECTORS

Don Saylor, Chair
Dilenna Harris, Vice Chair

Board Member:

Harold Anderson

Jack Batchelor, Jr.

Constance Boulware

Duane Chamberlain

Skip Davies

Dilenna Harris

Mark Johannessen

Jim Provenza

Matt Rexroad

Don Saylor

Linda Seifert

Rochelle Swanson

Skip Thomson

John Vasquez

Representing:

City of Winters, Council Member

City of Dixon, Mayor

City of Rio Vista, Vice Mayor

Yolo County Supervisor, Fifth District

City of Woodland, Mayor

City of Vacaville, Vice Mayor

City of West Sacramento, Council Member

Yolo County Supervisor, Fourth District

Yolo County Supervisor, Third District

Yolo County Supervisor, Second District

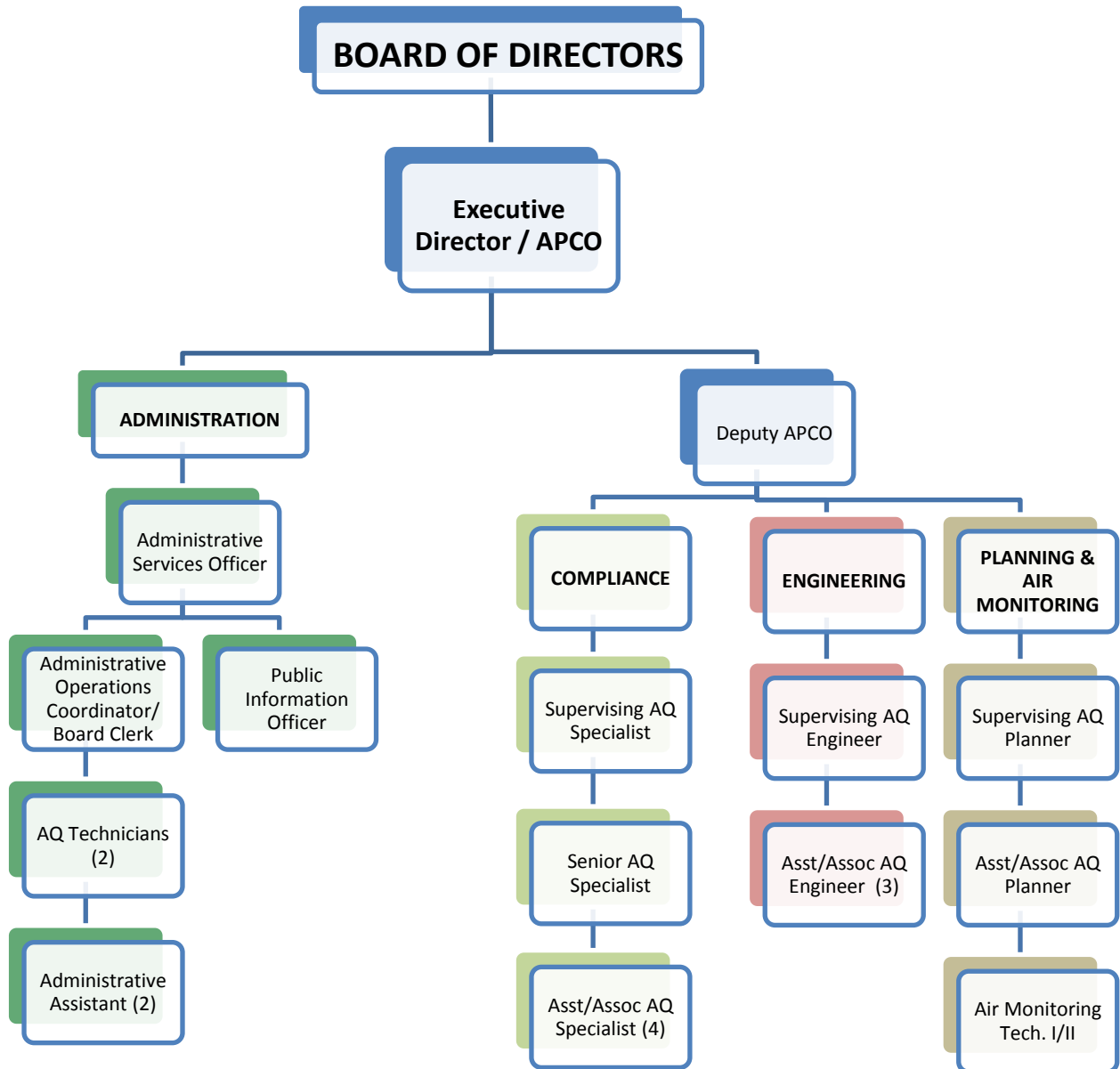
Solano County Supervisor, Second District

City of Davis, Council Member

Solano County Supervisor, Fifth District

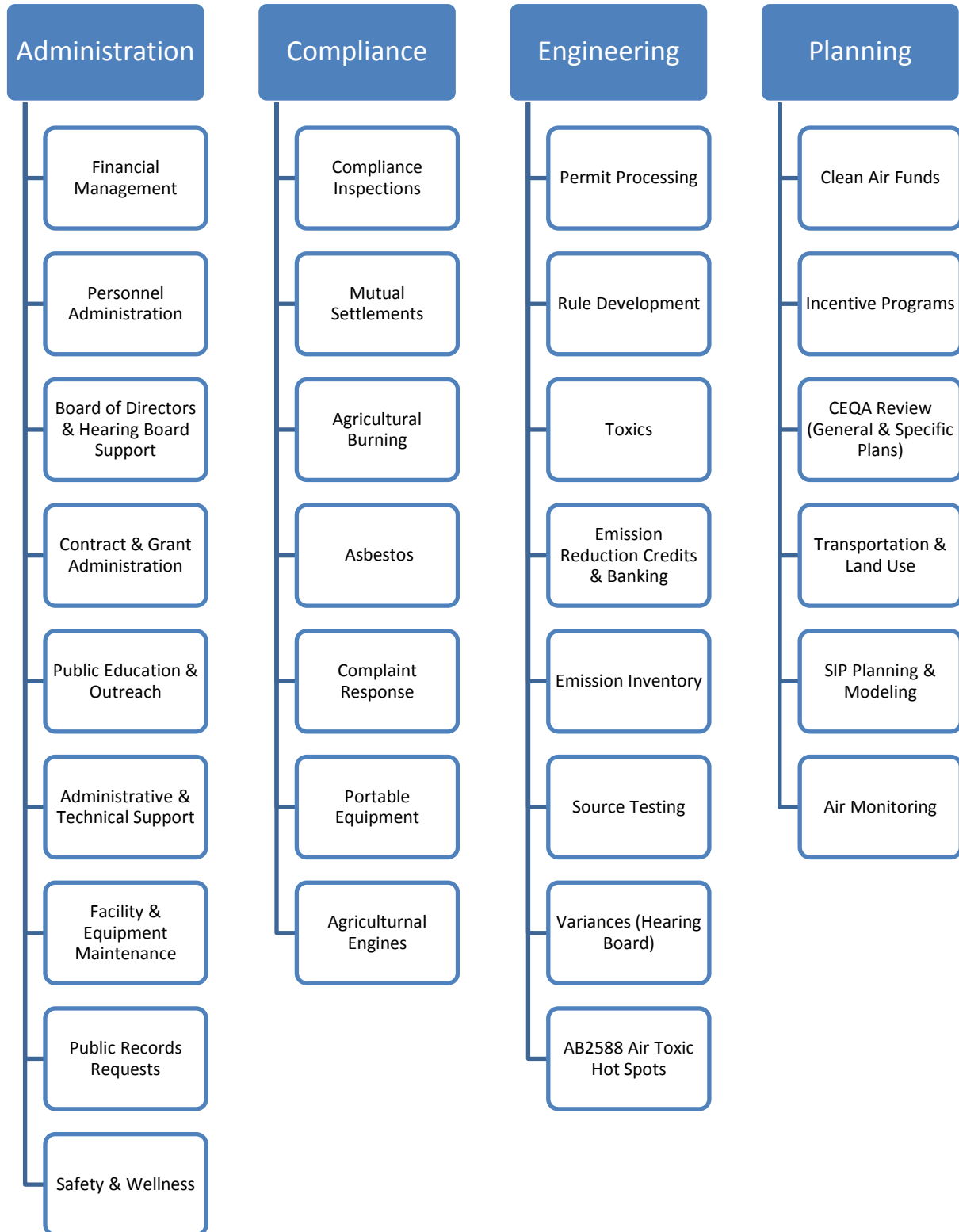
Solano County Supervisor, Fourth District

YOLO-SOLANO AIR QUALITY MANAGEMENT DISTRICT ORGANIZATION CHART



22 Full-Time Employees

YOLO-SOLANO AIR QUALITY MANAGEMENT DISTRICT DISTRICT DIVISIONS AND PROGRAM RESPONSIBILITIES



EXECUTIVE SUMMARY AND RECOMMENDATIONS

RECOMMENDATION

District staff recommends that the Board approve the final 2013/2014 fiscal year budget for the following: General Fund (Fund 421) and Mobile Sources Funds (Funds 420, 422 and 423).

ACCOUNT SUMMARIES

The accounts of the District are organized on the basis of funds and account groups, each of which is a separate accounting entity with a self-balancing set of accounts that comprise its assets, liabilities, reserves, fund balances, revenues and expenditures. The three fund accounts are briefly outlined below.

General Fund (421): This fund account is used for the permit programs (stationary source, confined animal facilities, agricultural engines, and portable equipment), agricultural burning, asbestos and mutual settlement programs, and small grants from the California Air Resources Board and the federal EPA. The revenue supports staff that works within these programs.

Mobile Source Program - Dept. of Motor Vehicle Fees under AB2766 (422): This fund account is considered a restricted account that tracks revenue received from the Department of Motor Vehicles (DMV). The DMV collects and provides to the District \$4.00 for each vehicle registered within the District's jurisdiction. This money is used to support staff that works within the mobile source program, and provides funding toward the District's Clean Air Funds Program.

Mobile Source Program – Dept. of Motor Vehicle Fees under AB923 (420): This fund account is considered a restricted account that tracks revenue received from the DMV. The DMV collects and provides to the District \$2.00 for each vehicle registered within the District's jurisdiction. This money provides additional funding for programs as allowed under the legislative guidelines. This fee sunsets on January 1, 2015, unless extended by legislation.

Mobile Source Program - Solano Co. Property Tax (423): This fund account is considered restricted. All revenue received from Solano County is given back to the Solano County community through the District's Clean Air Funds Program and other outreach programs related to the reduction of mobile source emissions. Also includes for a 10 percent administrative fee which is reimbursed to the General Fund.

FUND BALANCE AND RESERVE SUMMARY

The Board approved on May 8, 2013, a revision to the Reserve Fund Balance Policy which outlines the appropriate levels of the District's fund balance accounts. The general reserves will be maintained in the range of 5-15 percent of the average total operating expenditures reported in the year-end totals of the preceding three fiscal years. The contingency accounts (stabilization reserves) in the General Fund and Mobile Source DMV AB2766 Fund will be maintained in a range of 3-5 percent. Contingency reserves may be used at the discretion of the Board to provide resources for unanticipated needs of a non-recurring nature or provide for small increases in service delivery costs that were not anticipated during the budget development cycle, or provide for one-time expenditures not originally approved in the budget.

The General Reserves of the District's General Fund (unassigned) are \$259,146 (7 percent of the operating expenditures for fiscal year 2013/2014). The combined contingency reserves in the General Fund and Mobile Source AB2766 Fund are \$393,304 (11 percent of operating expenditures). With the other two stabilization reserves, special programs/projects and equipment (\$27,835), the total reserve fund balance is at 19% of the operating budget and slightly above the target goal percentages as listed above. General

Reserve, Special Programs/Projects and Equipment reserve fund balances as of June 30, 2013, are outlined in Exhibit B, and also shown on page 22 of the Revenue and Expenditure Summary.

The District has also provided a summary outlining the importance of maintaining an appropriate level of reserves, a three-year history of the reserve fund balances in the General Fund and Mobile Source DMV AB2766, and as well as classifications of the fund balances for fiscal year 2013/2014, as required under Government Accounting Standards Board (GASB) Statement No. 54. *See Exhibit B for the Summary and Classifications.*

BUDGET HIGHLIGHTS

Highlighted below are significant factors that affect the 2013/2014 budget.

Long-term Financial Obligations

In fiscal year 2012/2013 the Board requested District staff to review the possibility to continue to pay down long-term financial obligations, which for the District includes OPEB (Other Post-Employment Benefits) and the CalPERS pension side fund.

- OPEB: In 2012/2013 the District contributed the annual required contribution (ARC) of \$105,000 in the CalPERS Trust. The ARC was based on a 27-year amortization period as outlined in the District's actuarial valuation report with the total unfunded actuarial accrued liability (UAAL) of \$1,101,000 as of June 30, 2012. The District implemented cost savings to this liability in 2012/2013 by capping the District's employer contribution to healthcare for active employees, and therefore capping future obligation on retiree District-paid health care contributions. Based on the June 30, 2012, actuarial and the \$105,000 contribution, Bartel and Associates (the District's actuarial firm) estimates the ARC for 2013/2014 will be \$110,000. This amount is included in the final budget (split with 70 percent coming from the General Fund and 30 percent from the Mobile Source DMV AB2766 Fund). In meeting with CalPERS Trust requirements another actuarial will be completed for the fiscal year ending June 30, 2013, and the District will have an updated ARC and UAAL. District staff does not anticipate having additional funding available to pay down this obligation other than the ARC for 2013/2014. A brief earnings summary is provided below based on the California Employer Retirement Trust (CERBT) data.

CERBT Strategy 1 Investment*

Transferred to CERBT	Interest Earned	Disbursement	Balance as of 8/9/13
FY 2012/2013			
\$105,000	\$5,592	\$-0-	\$110,592

*\$105,000 annual required contribution (ARC) was in the CERBT account by January 2013. No disbursements occurred for the pay-as-you-go costs in 2012/2013 to pay for the current retirees health care employer contributions, as the contributions were made from the General Fund's operating budget (86-1301). In 2013/2014 the District plans on contributing, if the budget allows, the full estimated ARC, and then ask for disbursement(s) to cover the pay-as-as you-go costs either twice within the fiscal year, or at the end of the year, depending budget constraints.

- CalPERS Pension Side Fund: The District is part of a CalPERS' risk pool in the pension fund. Risk pooling is the combining of assets and liabilities across employers of the same risk pool to produce large groups that share the impact of a catastrophic demographic event. Participation in risk pools is mandated for all rate plans with less than 100 active members on any valuation date. At the time of joining the risk pool, a side fund was created to account for the difference between the funded status of the pool and the funded status of each agency joining the risk pool. The side fund is credited annually based on the actuarial investment return assumption. This assumption is 7.75

percent prior to July 1, 2012, and 7.5 percent after June 30, 2012. A negative side fund will cause the District's required employer contribution rate to be increased by the Amortization of the side fund. In the absence of subsequent contract amendments or funding changes, the side fund will disappear at the end of the amortization period which would be June 30, 2022, if the District does not pay down the side fund.

In 2012/2013 the Board approved a payment of \$121,100 to CalPERS to use toward paying down the District's side fund of \$309,820 (as of June 30, 2013). This reduced the side fund's employer contribution rate by 0.9 percent for 11 pay periods in 2012/2013 and by 0.9 percent in 2013/2014 with an overall savings estimated at \$23,000.

District staff did not anticipate having additional funding in 2013/2014 to pay down the side fund any further other than the pay down rate in the CalPERS pension actuarial. However, with a larger fund balance than what was projected for the General Fund, staff is recommending under the final budget to contribute \$100,000 toward the pension side fund for FY 2013/2014. The contribution will reduce our employer contribution to 11.499% this year (a further savings of \$10,500). Estimated savings for 2014/2015 are not available as CalPERS is working on the actuarial reports for the 2014/2015 fiscal year.

REVENUE (*Variances of 15 percent, less or greater than \$2,500 are listed in the Appendix*)

General Fund

- Stationary Source Program: The District did not recommend a cost recovery adjustment in fiscal year 2013/2014 under the Proposed Budget. A few of the accounts show a decrease from 2012/2013 budget to 2013/2014 and are explained below:
 - Source Testing 86-2611 shows a decrease of 14 percent or \$14,680 from the 2012/2013 budget. The District implemented a billing policy that gives financial relief to the permit holders that require annual source tests based on permit conditions. However, by changing the policy it reduces the revenue received in this account.
 - Federal Pass-thru 86-5670 shows a small decrease of 3.5% or \$2,765 due to the federal sequestration plan.
- Cost Recovery in the Stationary Source Program: We are projecting a cost recovery of 86 percent for the 2013/2014 program. In determining the cost recovery we have taken the percentage of employees' Full-time Equivalency (FTE) working within the framework of the stationary source program, projected the revenue and the FTE percentage, and then compared the projected expenditures using the percentage of the FTE.

The cost recovery for the year ending June 30, 2013, is at 96 percent for the stationary source program. Charts outlining the cost recovery in the General Fund for the final budget for 2013/2014 and projected year-end for 2012/2013 are shown in the Appendix.

- Air Toxics Hot Spots 82-2604 has increased from the proposed to the final budget and is 186 percent or \$10,400 over the amount budgeted in 2012/2013. The program was given a thorough review late in 2012/2013 and the District identified numerous facilities that fall within the state-mandated program that previously were not included. The revenue expected in 2013/2014 is now at \$16,000.
- Federal Pass-thru, EPA PM 2.5 Grant 82-5670 shows a decrease of 47 percent or \$15,000 from the 2012/2013 budget. We were able to receive extra funding (\$23,450) from the EPA in 2012/2013 that allowed the District to replace three (3) dataloggers used at the District's BAM air monitoring

sites. Recently the EPA awarded extra funding to the District (\$8,000) to be used for maintenance and/or minor equipment for continued operation of the District's air monitoring sites.

- Air Resources Board (ARB) Lawn & Garden Equipment Replacement Grant has a decrease of 47% or \$4,700. The District received permission to extend this program into the fall of 2013. The balance from the prior year grant is \$5,300 which will be used toward 170 rebates at \$120 each. Additional funds to use to fund the 170 rebates will come from the General Fund and Solano County AB Fund.
- Fund Balance Available: The factors leading to the estimated \$656,320 is due to savings at year-end 2012/2013 as outlined below. The fund balance will move forward to 2013/2014 as cash available.

Extra Revenue received in 2012/2013:

- Stationary Source: \$ 49,232
- New Permits \$ 19,339
- Air Toxics: \$ 27,187
- Fund balance: \$ 38,130

Unspent Expenditures in 2012/2013:

- Salaries and Benefits: \$168,423 (23rd FTE vacant and didn't hire extra help)
- Misc. Services/Supplies: \$ 77,073
- Contingency: \$286,946

Mobile Source (DMV) AB2766 and AB923

- AB2766 and AB923: We are projected to have an approximate 1 percent decrease in revenue for 2013/2014 compared to 2012/2013 in both funds.
- Fund Balance Available under AB2766: The factors leading to the estimated \$139,022 is due to savings in expenditures at year-end 2012/2013 as outlined below. The fund balance will move forward to 2013/2014 as cash available.

Unspent Expenditures in 2012/2013:

- Salaries and Benefits: \$69,943 (Board approved not spending OPEB of \$51,900)
- Misc. Services/Supplies: \$26,767
- Contingency: \$41,204

- Fund Balance Available under AB923: The factors leading to the estimated \$939,577 is due to savings at year-end 2012/2013 as outlined below. The fund balance will move forward to 2013/2014 as cash available.

Unspent Expenditures in 2012/2013:

- Grant Program: \$339,180
- Contingency: \$599,392

Mobile Source (Solano Co. Property Tax)

- AB 8: We are not anticipating an increase from 2012/2013 to 2013/2014 in Solano County AB8 tax proceeds, which is projected at \$220,000.
- Redevelopment Agencies (RDA) Pass-thru Funds: We are projecting to receive \$25,000 in 2013/2014. District records indicate the District started receiving pass-thru funds from RDAs in

2006. We have received approximately \$210,000 through fiscal year ending June 30, 2013. Once an RDA forms a project area, any increase in property taxes (above a 2 percent annual inflation factor) goes to the RDA for the life of the project. The rationale for this tax revenue is that the RDA's improvements in the area are responsible for increasing property values. Recognizing that this takes away tax proceeds for local agencies, the state passed legislation (SB211 and AB1290) effective in 2012 to allow the local agencies to regain some of the tax increments through the pass-thru funds. As an agency within Solano County that receives tax proceeds, we are allocated pass-thru funds.

As the RDAs were dissolved in February 2012, Solano County is now paying RDA's obligations and will be sending us the pass-thru funds on a more regular basis. We should continue to receive the pass-thru funds until obligations are met in the project areas, which could be up to 30 years. More information is available on page 25 under the budget detail for Fund 423.

- **Fund Balance Available:** The fund balance in the amount of \$521,688 will be used to fund grant projects and other expenses in 2013/2014, and to maintain a contingency reserve. Contingency reserve and revenue received this year will be released in future years.

EXPENDITURES (*Variances of 15 percent, less or greater than \$2,500 are listed in the Appendix*)

General and Mobile Source (DMV) Funds

- **Salaries and Benefits:** There is an overall combined savings of 5 percent or \$148,845 in the General Fund and Mobile Source DMV AB2766 funds. Under the General Fund the budget includes a reorganization of the District structure which was approved by the Board under the Proposed Budget on June 12, 2013. This reduced the employee full-time equivalent (FTE) from 23 in 2012/2013 to 22. Also included in the Final Budget's General Fund is the option to pay down the District's PERS pension side fund (see page 7) of \$100,000 (421, 86-1201). Additional information on salary and benefits, and the reorganization is found under Exhibit A, starting on page 32.
 - **Overtime - General Fund (86-1102):** Increase of \$2,600 which is related to shifting the agricultural burn workload from compliance to administration, and accounting for earned overtime versus employees earning compensatory time for future leave use.
 - **Group Insurance 86-1300, General Fund:** Decrease of \$20,900 due to shifting of cafeteria benefit dollars from Group Insurance to Other Miscellaneous Benefits (per Yolo County the District needs to use 86-1600, Other Miscellaneous Benefits), and also not filling one (1) vacant engineer position.
 - **OPEB - General and Mobile Source DMV AB2766 (86-1301):** A combined decrease of approximately \$235,000. In 2012/2013 the District had budgeted extra money for OPEB not knowing the outcome of the June 30, 2012, actuarial valuation report, which indicated the OPEB ARC for 2012/2013 was \$105,000. The District was also able to use \$121,100 toward paying down the District's side fund in the CalPERS pension program. Approximately \$52,000 was not used in the Mobile Source DMV AB2766 Fund for OPEB, which goes back into the cash available for use in 2013/2014 DMV AB2766 budget.
 - **Other Miscellaneous Benefits (86-1600):** Combined increase in both funds by \$27,000. This is directly related to shifting costs for cafeteria benefit dollars from Group Insurance 86-1300 to this account.
- **Services and Supplies:** We continue to maintain program costs at previous levels in all non-essential areas. We have noted significant increases or special programs below by fund.

General Fund (9 percent or \$53,000 increase from 2012/2013 to 2013/2014)

- Professional and Specialized Services (86-2429):
 - UCD Internship Program - \$19,650 (2 interns)
 - Database Enhancement Project - \$50,000 (This continues our efforts to streamline operations, which includes further enhancement of the existing database)
 - Basin Control Council (BCC) - \$11,600 (Funding for the contribution is received from the District's agricultural burn permit program, and is used to fund the burn coordinator and meteorological services contract)
 - PM 2.5 Wintertime Forecasting - \$6,050 (\$12,100 contract is split evenly with the Mobile Source DMV AB2766 fund)
 - Air Toxic Hot Spots AB2588 - \$16,000 (This is a state mandated fee program which after thorough program review increased from \$600 in the proposed budget to \$16,000 in the final budget)
- Contribution to Specials Programs/Projects (86-3200): Lawnmower Exchange Program - \$11,400 (This was not included in the proposed budget, however, the ARB has agreed to rollover the LGER Grant funding from the prior year to 2013/2014. With the combination of Solano AB8 Fund 423 funding, we will be able to offer 170 rebates of \$120 each in 2013/2014.
- Contingency (86-1999): The General Fund's contingency is at \$248,432 for 2013/2014, 13 percent or \$38,514 less than 2012/2013.

Mobile Source DMV AB2766 (11 percent or \$26,000 increase from 2012/2013 to 2013/2014)

- Professional and Specialized Services (86-2429):
 - Regional Spare the Air Program - \$11,000 (Local match for the regional driving curtailment and health notification program managed by the Sacramento Metropolitan Air Quality Management District)
 - Database Enhancement Project - \$30,000 (This continues our efforts to streamline operations, which includes further enhancement of the existing database)
 - PM 2.5 Wintertime Forecasting: \$6,050 (\$12,100 contract is split 50/50 with the General Fund.
- Public Education and Outreach (86-2460, 86-2559 and 86-3200): In an effort to increase awareness of the District's emission reduction programs, we will increase outreach in the Spare the Air, Don't Light Tonight, Clean Transportation, and Clean Air Classrooms programs. This outreach is expected to cost approximately \$8,500 from the DMV AB2766 fund.
- AB2766 Clean Air Funds (86-3200): We have allocated \$100,000 toward the 2013/2014 program.
- Contingency (86-9900): Increased to \$144,872 in 2013/2014, 252 percent or \$103,668 over 2012/2013.

Mobile Source DMV AB923

- AB923 Program (86-3200): We have approximately \$900,000 in DMV AB923 revenue to use toward a grant program in 2013/2014 which is a 13 percent increase from 2012/2013. District staff will be making recommendations to the Board for use by the fall of 2013.

Mobile Source Solano Co. AB8

- Clean Air Funds (86-3102): Available funding recommended for the 2013/2014 program is at \$250,000, which is an 18 percent or \$39,000 increase over 2012/2013.

- Public Education Outreach (86-2460 and 86-2559) Requesting \$7,000 for fiscal year 2013/2014 to increase the District's efforts to promote the Spare the Air Program (ozone) and Clean Transportation (Ozone and PM2.5) or other programs related to the reduction of mobile source emissions.
- Lawnmower Exchange Program: Continues to provide matching funds of \$9,000 toward the ARB's LGER grant program.

ACCOMPLISHMENTS FOR 2012/2013 AND GOALS FOR 2013/2014

Administration Division

District management of air pollution control programs to ensure compliance with state rules and regulations; personnel administration; financial management; contract and grant administration; personnel safety program (Injury & Illness Prevention Program); public education activities; administrative and technical support services to other divisions of the District, administrative support to the Board of Directors; and integration of district activities with other local, state and federal agencies.

Goals for 2012/2013

Fiscal Management:

- Review opening checking account to pay ongoing monthly operating expenditures.
- Establish a program to accept credit card payments, and allow electronic transfers for payment.
- Reviewing entering into an agreement with Yolo County Auditor-Controller and Treasurer's office on the cost of services they provide. We currently pay for annual cost in payroll, auditing and treasury, but also A-87 two-year arrears for their labor and overhead costs. The goal would be to remove the A-87 charges, and pay directly for the services they provide.

Public Outreach and Education:

- Build awareness of EnviroFlash program and grow subscriber base.
- Create monthly Educator Newsletter to connect with schools.
- Modernize website with updated content targeted at constituents and industry.
- Streamline "Don't Light Tonight" notification.
- Build general awareness of air quality issues through earned media.

Accomplishments for 2012/2013

Fiscal Management:

- The Board approved opening an outside bank account in February 2013 to use for emergency operating expenses, for payroll and to receive future credit card payments.
- District staff has reviewed several third-party vendors and will make recommendations to the Board September or October 2013.
- District staff will be making recommendations to the Budget and Audit Committee in 2013/2014.

Public Outreach and Education:

- 76 percent increase in subscriber base from July 1, 2012 to June 30, 2013.
- "Clean Air Classrooms" newsletter established.
- Front page and several sections refreshed with new features.
- Don't Light Tonight program notification successfully streamlined.
- Multiple front-page stories on air quality issues.

Administration Division

Goals for 2013/2014

Fiscal Management:

- Implement a program to accept credit card payments, and to allow electronic transfers for payment if necessary.
- Present recommendations to the Budget and Audit Committee on a Yolo County agreement for services based on actual costs instead of Yolo County's A-87 cost allocation.
- Update all internal control procedures related to outside banking services (payroll, emergency checking, credit card payments, electronic transfers, journal entries, etc.) to ensure they meet auditing standards.

Public Outreach and Education:

- Continue to promote air quality awareness and education with specific focus on health impacts. Accomplish this through increased EnviroFlash subscriber rates, continued publication of newsletters, use of social media and earned media.
- Continue to update website with updated content targeted at constituents and industry.
- Develop "Clean Transportation" program aimed at building awareness of pollution created by gas-powered vehicles and alternative options.
- Establish Clean Air Classrooms teacher grant program and successfully implement first year of program in 2013/2014.
- Produce 2013 annual report that discusses District achievements.

Compliance Division

Compliance of the District rules and regulations, which include: agricultural burning enforcement; inspection of permitted sources; asbestos demolition and renovation program; and investigation of air quality and nuisance complaints. Starting in 2013/2014, Technical Services has moved under the Compliance Division, and with this the Division will now oversee the District's agricultural engine registration program which includes inspecting, issuing registrations and enforcement; and verifying compliance with equipment operating under the statewide Portable Equipment Registration Program (PERP).

Goals for 2012/2013

- Inspect all stationary sources (except emergency back-up generators) at least once every 12 months. Emergency back-up generators will be inspected at least once every 24 months. The goal is to reduce the overdue inspections to zero by July 1, 2013.

Accomplishments for 2012/2013

- By June the compliance staff had reduced the overdue inspection workload to 2 permits (out of ~1600 permits).

Goals for 2012/2013

- Complete the settlement process for Notices of Violation (NOVs) in a timely manner, with a goal of completion in less than 180 days from date of issuance. For any violations which are not settled by staff within this time frame (e.g. due to lack of participation by the violator), the case should be referred to District Counsel and possibly Small Claims Court.

Accomplishments for 2012/2013

- There are 66 NOVs outstanding as of June 2013, in which 44 are more than 90 days old. We have not been able to meet the goal due to heavy workload, but we will continue this goal into next fiscal year.

Goals for 2013/2014

- Inspect all stationary sources (except emergency back-up generators and ag engines) at least once every 12 months, with emergency back-up generators being once every 24 months and ag engines once every 36 months. The goal is to have no overdue inspections in fiscal year ending June 30, 2014.
- Inspect equipment under the State's PERP (portable equipment registration program) every 36 months.
- Complete the settlement process for Notices of Violations (NOV) in a timely manner, with a goal of completion in less than 270 days from date of issuance.

Engineering Division

Review of new and modified stationary sources for compliance with rules and regulations of the District; rule development; emission inventory; implementation of the state mandated air toxics "hot spots" program; and review of permits for toxic impact.

Goals for 2012/2013

- Process all applications in a timely fashion in accordance with the guidelines established for processing Authority to Construct, Permit to Operate, Emission Reduction Credits, Title V and Confined Animal Facility applications.

Accomplishments for 2012/2013

- Despite turnover of one engineering position in December and January, the section processed all ATCs/PTOs within the statutory timeframes established by our rule, and processed 79 percent of ATC/PTO applications within our internal guideline timeframes. All Title V, ERC, and CAF applications were processed on time.

Engineering Division (continued):

Goals for 2012/2013

- Continue to promulgate rules in accordance with the priorities identified to the Board in November 2011.

Accomplishments for 2012/2013

- The PSD Rule (3.24) was adopted on June 13, 2012. Development of the Federal Operating Permits Rule (3.8) amendment is continuing, as is work on the Stationary Gas Turbine Rule (2.34), Organic Liquid Storage and Transfer Rule (2.21), and Gasoline Dispensing Facilities Rule (2.22). In addition, staff has conducted a workshop for amendments to the General Provisions and Definitions Rule (1.1) and the Surface Preparation and Cleanup Rule (2.31), and the Board adopted revisions to both rules on May 8, 2013.

Goals for 2013/2014

- Process all applications in a timely fashion in accordance with the guidelines established for processing Authority to Construct, Permit to Operate, Emission Reduction Credits, Title V and Confined Animal Facility applications.
- Update existing Permit(s) to Operate in a timely manner when District rules are amended or adopted, particularly with regards to rule 2.31.
- Evaluate the use of the Rule 3.6 Priority Reserve to ensure the District is capturing any “unclaimed” reductions and potentially make these credits available to a wider array of new sources.
- Continue to promulgate rules in accordance with the priorities identified to the Board in November 2011.
- Streamline and improve the District’s AB2588 Air Toxics Hot Spot Program.

Planning and Air Monitoring Division

Oversee the administration of the District’s Clean Air Funds, incentives and grant programs; land use, transportation, air quality planning for reduction of sources of emissions; review of local jurisdictions’ general and specific plans; review of environmental documents for land use projects to assure consistency with the attainment and maintenance of state and federal air quality standards; and ambient air monitoring in support of state and federal programs.

Goals for 2012/2013

Planning:

- Work with other air districts in the region to complete and submit a maintenance plan to the EPA for the PM2.5 national ambient air quality standard.

Accomplishments for 2012/2013

Planning:

- Final internal review of Plan was in May with District Board approvals beginning in the Fall of 2013.

Planning (continued):

Goals for 2012/2013

- Ensure we have replaced or retrofitted all eligible school buses in the District allowed under the AB 923 Clean School Bus Program.
- Present options to the Board for effectively allocating future AB 923 funding.
- Conduct a comprehensive review of new emissions modeling software and upgrade the software with default inputs specific to the District to allow for more precise modeling.
- Work with other air districts in the region to submit documentation to EPA demonstrating the region's attainment of the 1-hour ozone standard.

Air Monitoring:

- Use EPA 103 grant funding to purchase and install new data-loggers for our continuous PM2.5 monitors. This upgrade will allow for improved communication between the District office and these monitoring sites and result in more efficient data collection.

Accomplishments for 2012/2013

- All identified school bus retrofits and replacements have been completed.
- Presentation on AB 923 options was made to the Board in November 2012. Options are being refined based on Board feedback and will be presented to the Board in 2013/2014.
- New emissions software has been reviewed by staff and District-specific data has been incorporated into current beta-test version of the software.
- Staff coordinated with other air districts in the region to submit a Supplemental Report as evidence for a redesignation to attainment for the one-hour standard. In October 2012, EPA published the official finding that the region met the standard.

Air Monitoring:

- Data-loggers were purchased with an EPA 103 grant. Installation is complete. Data-loggers will be brought on line once ARB staff modifies available software to enable data polling.

Goals for 2013/2014

Planning:

- Develop District's portion of the regional emissions inventory for use in a new planning effort for the current 8-hour ozone standard.
- Present Board with options for cost recovery for the District's CEQA review program.
- Present Board with options for a new AB923 grant program, incorporating previous feedback received from the Board.
- Incorporate new emissions modeling software into the District's CEQA review the District's air monitoring program.

Air Monitoring:

- Complete Technical System Audit administered by the Air Resources Board and revise monitoring program as needed based on audit results.

Technical Services Division

The responsibilities under this Division are now under the Compliance Division. Prior to the move, Technical Services oversaw the administration of the District's agricultural engine registration program, which includes: inspecting and issuing registrations; conducting inspections; and verifying compliance with equipment operating under the statewide Portable Equipment Registration Program (PERP).

Goals for 2012/2013

- Process both standard and modified ag engine applications in a timely manner (less than 90 days) and perform ongoing inspections as they become due.
- Perform initial inspection of any new engines as they are registered under PERP with Yolo-Solano as the home district.
- While performing other field inspections, continue to look for and investigate potentially unregistered ag engines or portable equipment within our District.
- Settle NOVs for portable equipment or ag engines in a timely manner (less than 120 days of source returning to compliance).

Accomplishments for 2012/2013

- The District received 43 applications in 2012/2013, and three required processing of longer than 90 days. District staff performed 334 ongoing inspections, and is working on completing over 250 in coming months.
- District staff has performed 129 PERP inspections this fiscal year to date.
- District staff found 10 unpermitted engines (1 ag and 6 portable equipment).
- The District has settled 16 NOVs this fiscal year to date, and has 9 additional NOVs pending settlement as of June 30, 2013.

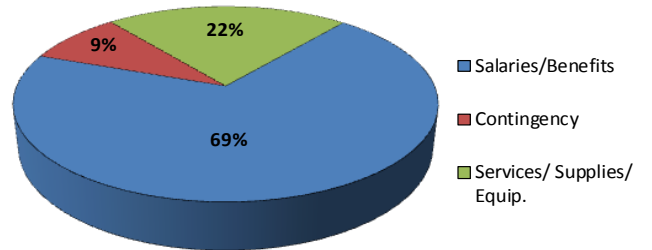
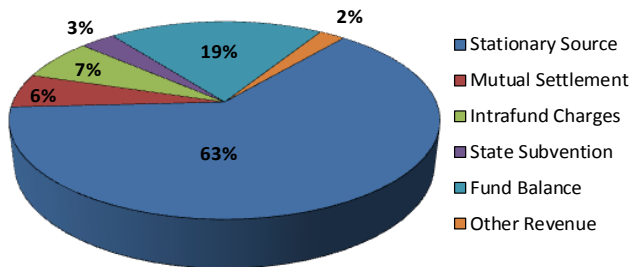
See Compliance Division for Goals for 2013/2014

**YOLO-SOLANO AIR QUALITY MANAGEMENT DISTRICT
GENERAL FUND
REVENUE AND EXPENDITURE SUMMARY**

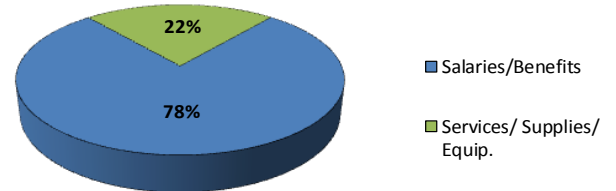
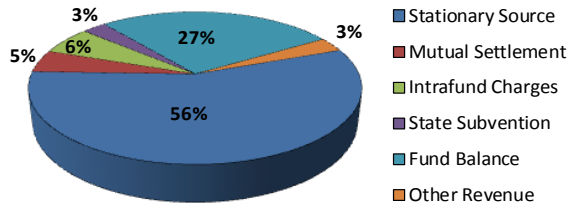
Where the money comes from:

Where the money goes:

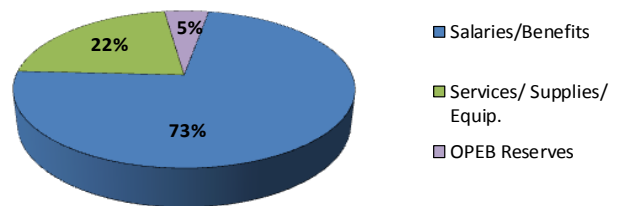
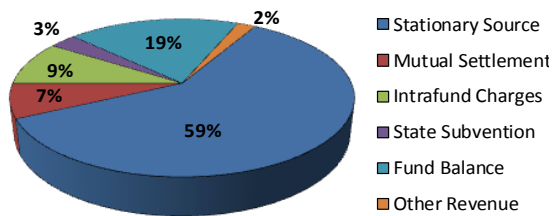
2013/2014 Recommended



2012/2013 Projected Year-End



2011/2012 Actuals



Fund Balance in FY 2012/13 reflects the moving of \$105,000 in OPEB reserves to the operating budget which increased the Fund Balance. The \$105,000 was from Contingency in FY 2011/12 and shows as "OPEB Reserves" on the expenditure side.

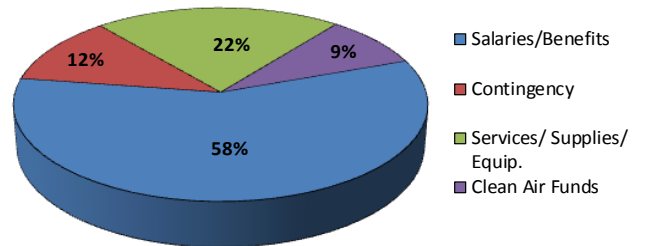
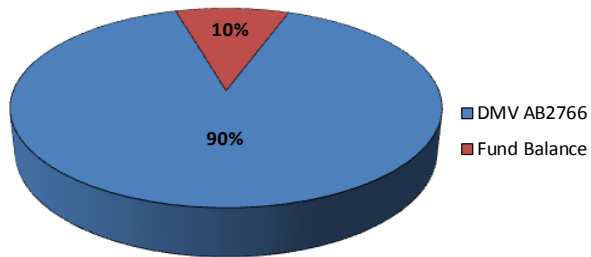
Contingency is only shown in current FY projections. Prior fiscal year contingency rolls over to the current year as the fund balance available.

**YOLO-SOLANO AIR QUALITY MANAGEMENT DISTRICT
MOBILE SOURCE (DMV AB2766) PROGRAM
REVENUE AND EXPENDITURE SUMMARY**

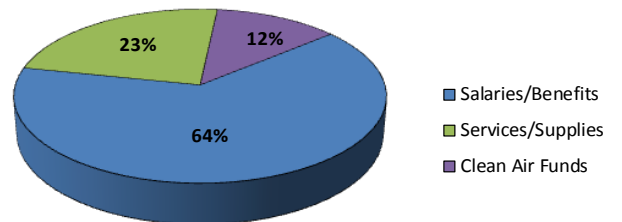
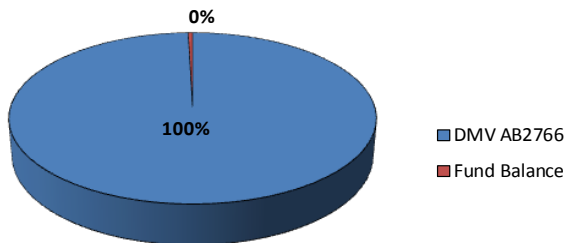
Where the money comes from:

Where the money goes:

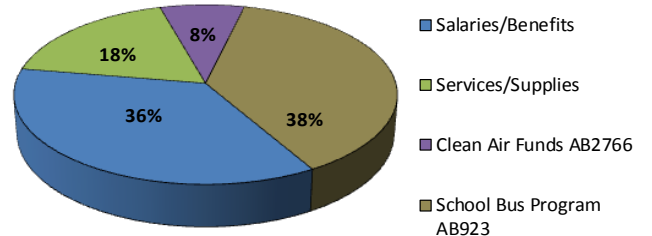
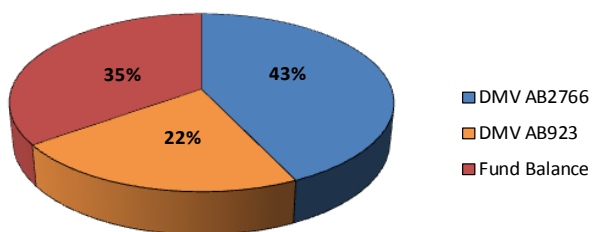
2013/2014 Recommended



2012/2013 Projected Year-End



**2011/2012 Actuals
This is AB2766 and AB923 Combined**



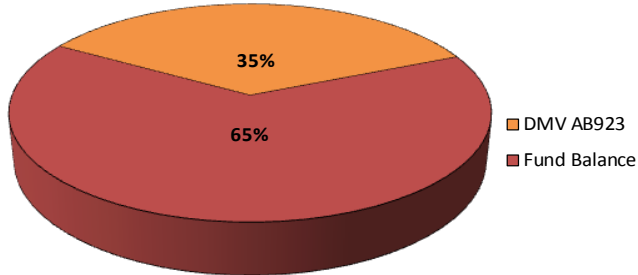
The DMV AB2766 and AB923 revenue and expenditures were combined prior to being split into separate funds in FY 2012/13. As such, the pie charts above show: the recommended FY 2013/14 AB2766 only; projections for year-end for FY 2012/13 for AB2766; and for the actual year-end budget for FY 2011/12 shows the combined totals. For FY 2012/13 the DMV AB2766 Fund did not have a fund balance available when the split occurred, and as such the chart above for Revenue 2012/13 shows 100% AB2766 Revenue.

Contingency is only shown in current FY projections. Prior fiscal year contingency rolls over to the current year as the fund balance available.

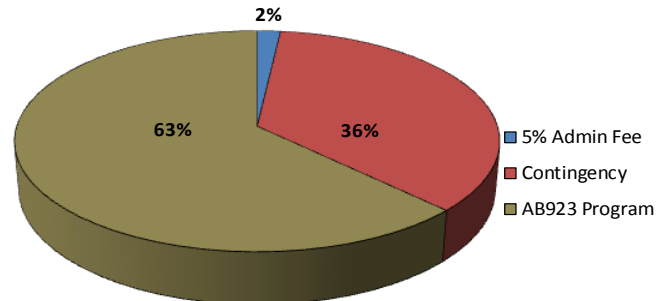
**YOLO-SOLANO AIR QUALITY MANAGEMENT DISTRICT
MOBILE SOURCE (DMV AB923) PROGRAM
REVENUE AND EXPENDITURE SUMMARY**

Where the money comes from:

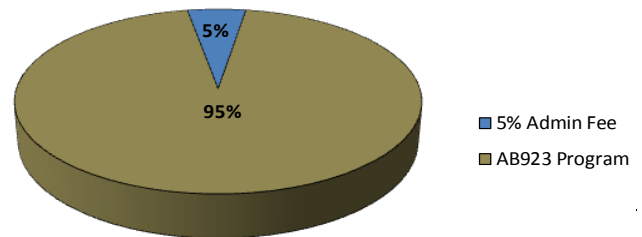
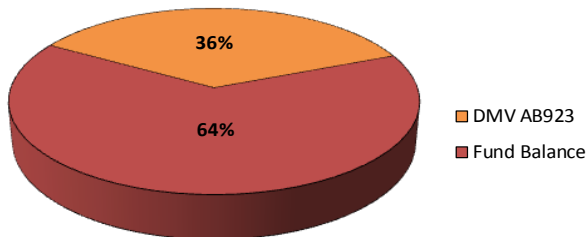
2013/2014 Recommended



Where the money goes:



2012/2013 Projected Year-End



As explained on the previous page DMV AB2766 and AB923 revenue and expenditures were split in FY 2012/13. As such, only two fiscal years are shown above. This is a restricted fund and is only allowed to be used for programs and/or projects per AB923 legislation. The District is allowed to take a five (5) percent administrative fee and that is shown. The AB923 revenue sunsets January 1, 2015 unless extended by legislation. For FY 2012/13 the AB923 program was used to replace and/or retrofit school buses that operate within the District.

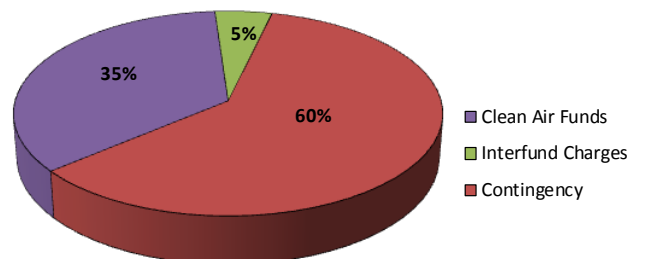
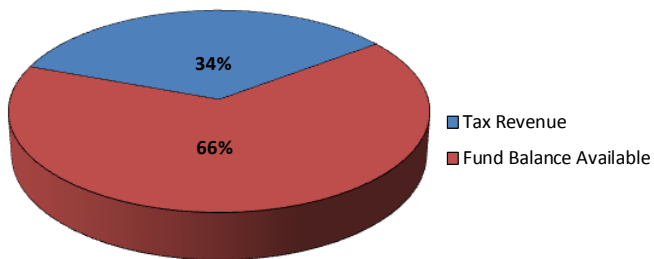
Contingency is only shown in current FY projection. Prior fiscal year contingency rolls over to the current year as the fund balance available.

**YOLO-SOLANO AIR QUALITY MANAGEMENT DISTRICT
MOBILE SOURCE (Solano Co. Property Tax) PROGRAM
REVENUE AND EXPENDITURE SUMMARY**

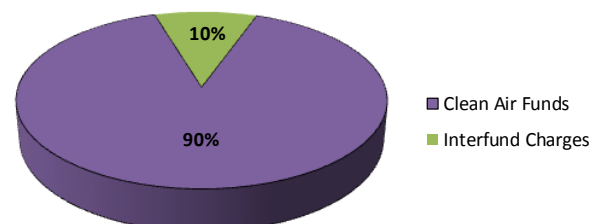
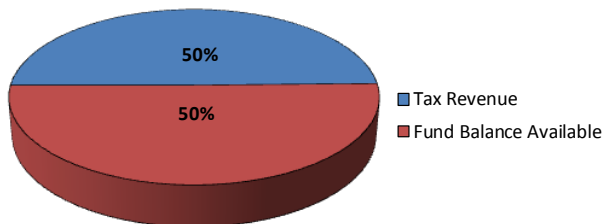
Where the money comes from:

Where the money goes:

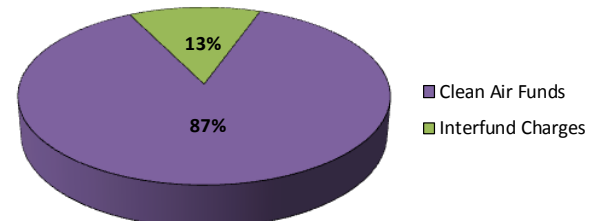
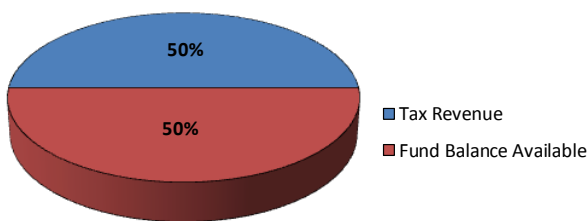
2013/2014 Recommended



2012/2013 Projected Year-End



2011/2012 Actuals



Contingency is only shown in current FY projections.
Prior fiscal year contingency rolls over to the current year as the fund balance available.

**YOLO-SOLANO AIR QUALITY MANAGEMENT DISTRICT
REVENUE AND EXPENDITURE SUMMARY
FINAL BUDGET FISCAL YEAR 2013/2014**

DESCRIPTION	FY 12/13 Approved	FY 13/14 Recommended	Increase / (Decrease)	Variance %
General Fund 421	\$3,198,711	\$3,007,227	(\$191,485)	-6%
Mobile Source Program (DMV AB2766) Fund 422	\$1,035,804	\$1,160,022	\$124,218	12%
Mobile Source Program (DMV AB923) Fund 420	\$1,425,137	\$1,451,057	\$25,920	2%
Mobile Source Program (Solano Co. Property Tax) Fund 423	\$579,345	\$766,688	\$187,343	32%
TOTAL REVENUES¹	\$6,238,997	\$6,384,994	\$145,997	2%
Salaries/Benefits	\$2,901,185	\$2,752,340	(\$148,845)	-5%
Services/Supplies	\$898,625	\$987,545	\$88,920	10%
Equipment	\$53,100	\$0	(\$53,100)	-100%
DMV AB2766 Grant Program	\$110,200	\$100,000	(\$10,200)	-9%
DMV AB923 Grant Program	\$800,000	\$900,000	\$100,000	13%
Clean Air Funds Projects (Solano Co. Property Tax)	\$211,000	\$250,000	\$39,000	18%
Contingency	\$1,264,887	\$1,395,109	\$130,222	10%
TOTAL EXPENDITURES	\$6,238,997	\$6,384,994	\$145,997	2%

¹Revenue shown includes the fund balance available in each Fund. This is cash that is moving forward to the new fiscal year and is available for use. The fund balance of each Fund is shown under the detailed summaries that follow.

Note: The recommended final budget totals \$6,384,994 of which \$3,739,885 is the District's operating budget and \$1,250,000 is designated as grant funds (funded through revenue received from DMV vehicle registration fees and Solano AB8 property tax revenue). Restricted Funds 420, 422 and 423 combined contingency totals \$1,146,677 which will be used in future years toward grants and/or operation in the three funds.

Comparisons	2012/2013 Approved vs. Actual			2013/14 Proposed to Final		
DESCRIPTION	FY 12/13 Approved	FY 12/13 Actual	Variance %	FY 13/14 Proposed	FY 13/14 Final	Variance %
General Fund 421	\$3,198,711	\$3,316,610	4%	\$2,876,788	\$3,007,227	5%
Mobile Source Program (DMV AB2766) Fund 422	\$1,035,804	\$1,036,912	0%	\$1,130,203	\$1,160,022	3%
Mobile Source Program (DMV AB923) Fund 420	\$1,425,137	\$1,425,585	0%	\$1,437,738	\$1,451,057	1%
Mobile Source Program (Solano Property Tax) Fund 423	\$579,345	\$759,581	31%	\$714,306	\$766,688	7%
TOTAL REVENUES	\$6,238,997	\$6,538,688	5%	\$6,159,035	\$6,384,994	4%
Salaries/Benefits	\$2,901,185	\$2,662,819	-8%	\$2,649,911	\$2,752,340	4%
Services/Supplies	\$898,625	\$790,121	-12%	\$936,525	\$987,545	5%
Equipment	\$53,100	\$47,121	-11%	\$0	\$0	0%
DMV AB2766 Grant Program	\$110,200	\$110,200	0%	\$100,000	\$100,000	0%
DMV AB923 Grant Program	\$800,000	\$460,820	-42%	\$900,000	\$900,000	0%
Clean Air Funds Projects (Solano Co.)	\$211,000	\$211,000	0%	\$250,000	\$250,000	0%
Contingency	\$1,264,887	\$0	-100%	\$1,322,599	\$1,395,109	5%
TOTAL EXPENDITURES	\$6,238,997	\$4,282,081	-31%	\$6,159,035	\$6,384,994	4%

RESERVES SUMMARY	FY 12/13 Year-End Balance	FY 13/14 Anticipated	FY 13/14 Recommended Expenditures	FY 13/14 Projected Balance
GENERAL FUND				
RESERVES				
Assigned Reserves (Special Programs) ¹	\$14,774	\$0	\$0	\$14,774
Assigned Reserves (Equipment Replacement) ²	\$13,061	\$0	\$0	\$13,061
Unassigned Reserves-General ³	\$259,146	\$0	\$0	\$259,146

¹ Assigned Reserves for special programs and/or projects): No recommendations for use in 2013/2014.

² Assigned Reserves: Equipment Reserves is set up for replacement of major objects such as vehicles and other equipment. No recommendations for use in 2013/2014.

³ Unassigned Fund Balance: General Reserves - Fund 421

YOLO-SOLANO AIR QUALITY MANAGEMENT DISTRICT
GENERAL FUND - REVENUE DETAIL
FINAL BUDGET FISCAL YEAR 2013/2014

DESCRIPTION	Account No.	Approved Revenue FY 12/13	Projected Revenue FY 13/14	Variance Increase / (Decrease)	Variance %
STATIONARY SOURCE PROGRAM					
Renewal Permits	82-2600	\$1,307,000	\$1,330,000	\$23,000	2%
New Permits	82-2601	\$154,600	\$155,000	\$400	0%
Source Testing	82-2611	\$107,430	\$92,750	(\$14,680)	-14%
Agricultural Engine Registrations	82-2612	\$74,200	\$81,800	\$7,600	10%
Portable Equipment Registration - State ARB	82-5500	\$88,000	\$80,000	(\$8,000)	-9%
EPA 105 Pilot Program (Federal Revenue)	82-5670	\$79,923	\$77,158	(\$2,765)	-3%
SUBTOTAL		\$1,811,153	\$1,816,708	\$5,555	0%
Fees/Air Toxics State Program	82-2604	\$5,600	\$16,000	\$10,400	186%
Agricultural Burning Program	82-2606	\$21,000	\$21,000	\$0	0%
Asbestos Program	82-2607	\$19,000	\$18,500	(\$500)	-3%
SUBTOTAL		\$45,600	\$55,500	\$9,900	22%
Mutual Settlement Program	82-3300	\$155,000	\$160,000	\$5,000	3%
Interest Earned (includes 82-4100 & 4199)	82-41XX	\$10,000	\$6,000	(\$4,000)	-40%
Air Resources Board Subvention (State Revenue)	82-5490	\$90,000	\$90,000	\$0	0%
Air Resources Board Mower Grant (State Revenue)	82-5500	\$10,000	\$5,290	(\$4,710)	-47%
EPA 103 PM2.5 grant (Federal Revenue)	82-5670	\$33,550	\$17,909	(\$15,641)	-47%
Administrative Overhead	82-6390	\$183,400	\$187,000	\$3,600	2%
Penalty Assessments	82-6399	\$9,000	\$10,000	\$1,000	11%
Other-Revenue	82-7700	\$5,000	\$2,500	(\$2,500)	-50%
Stale Date Warrants	82-7705	\$0	\$0	\$0	0%
Sale of Fixed Assets	82-8100	\$0	\$0	\$0	0%
SUBTOTAL		\$495,950	\$478,699	(\$17,251)	-3%
TOTALS		\$2,352,703	\$2,350,907	(\$1,796)	0%
FUND BALANCE AVAILABLE		\$741,008	\$656,320	(\$84,688)	-11%
Transfer Funds from OPEB Reserves		\$105,000	\$0	(\$105,000)	-100%
Transfer to Operating Budget (Restricted Reserves)		\$0	\$0	\$0	0%
TOTAL FINANCING AVAILABLE		\$3,198,711	\$3,007,227	(\$191,485)	-6%

YOLO-SOLANO AIR QUALITY MANAGEMENT DISTRICT
GENERAL FUND - EXPENDITURE DETAIL
FINAL BUDGET FISCAL YEAR 2013/2014

Account Name	Account No.	Approved Expenditures FY 12/13	Projected Expenditures FY 13/14	Variance Increase / (Decrease)	Variance %
Regular Employees	86-1101	\$1,320,000	\$1,325,000	\$5,000	0%
Extra-Help	86-1102	\$35,700	\$0	(\$35,700)	-100%
Overtime (includes expedite program)	86-1103	\$13,140	\$15,750	\$2,610	20%
Vacation/Payroll Buyback (or payout)	86-1107	\$11,000	\$9,300	(\$1,700)	-15%
Retirement ¹	86-1201	\$244,000	\$336,000	\$92,000	38%
Medicare Tax	86-1203	\$19,300	\$18,900	(\$400)	-2%
Employee Group Insurance	86-1300	\$278,000	\$257,100	(\$20,900)	-8%
OPEB (health pay-as-you-go & trust fund)	86-1301	\$293,550	\$77,000	(\$216,550)	-74%
Unemployment Insurance	86-1400	\$5,360	\$6,600	\$1,240	23%
Workers Compensation Insurance	86-1500	\$10,370	\$9,870	(\$500)	-5%
Other Miscellaneous Benefits ²	86-1600	\$20,640	\$41,900	\$21,260	103%
FUND 421 - SALARY & BENEFIT TOTALS		\$2,251,060	\$2,097,420	(\$153,640)	-7%
¹ Potential buy down - pension side fund \$100K & ² Cafeteria Benefit, Deferred Comp, Sick Leave Incentive & FSA Admin Fee					
Clothing and Personal Supplies	86-2050	\$2,400	\$2,500	\$100	4%
Communications	86-2090	\$16,300	\$17,500	\$1,200	7%
Food	86-2130	\$1,000	\$1,000	\$0	0%
Household Expense	86-2170	\$2,200	\$2,000	(\$200)	-9%
Household Expense-Contracts	86-2171	\$16,250	\$16,520	\$270	2%
Insurance-Public Liability	86-2202	\$22,000	\$17,100	(\$4,900)	-22%
Maint-Equipment	86-2271	\$21,800	\$22,000	\$200	1%
Maint-Bldgs & Improv	86-2272	\$925	\$925	\$0	0%
Medical, Dental & Lab Supplies	86-2300	\$400	\$400	\$0	0%
Memberships	86-2330	\$6,000	\$6,000	\$0	0%
Miscellaneous Expense	86-2360	\$2,400	\$1,400	(\$1,000)	-42%
Office Expense	86-2390	\$11,700	\$12,200	\$500	4%
Office Expense-Postage	86-2391	\$12,600	\$9,000	(\$3,600)	-29%
Office Expense-Printing	86-2392	\$7,800	\$8,100	\$300	4%
Indirect/Overhead A-87 Costs-JPA with Yolo Co.	86-2420	\$12,600	\$15,250	\$2,650	21%
Auditing and Fiscal Services	86-2421	\$39,500	\$39,600	\$100	0%
Information Services	86-2422	\$48,400	\$48,000	(\$400)	-1%
Legal Services (County Counsel)	86-2423	\$44,100	\$43,200	(\$900)	-2%
Medical Services	86-2425	\$800	\$720	(\$80)	-10%
Professional & Specialized Services	86-2429	\$51,400	\$107,400	\$56,000	109%
Trustees, Commiss & Directors	86-2430	\$15,700	\$19,400	\$3,700	24%
Publications & Legal Notices	86-2460	\$2,900	\$2,900	\$0	0%
Rents & Leases-Equipment	86-2491	\$1,320	\$1,360	\$40	3%
Rents & Lease-Bldgs & Improv	86-2492	\$165,580	\$172,000	\$6,420	4%
Small Tools & Minor Equip.	86-2520	\$13,800	\$14,600	\$800	6%
Training Expense	86-2548	\$9,300	\$10,000	\$700	8%
Special Dept Expense-Other	86-2559	\$2,100	\$3,000	\$900	43%
Transportation & Travel	86-2610	\$24,000	\$24,000	\$0	0%
Vehicle Fuel	86-2611	\$12,100	\$12,100	\$0	0%
Utilities	86-2640	\$10,000	\$10,000	\$0	0%
Contributions to Special Programs & Projects	86-3200	\$20,630	\$11,400	(\$9,230)	-45%
Capital Lease	86-3360	\$9,600	\$9,800	\$200	2%
MAJOR OBJECT TOTAL		\$607,605	\$661,375	\$53,770	9%
Equipment	86-4300	\$53,100	\$0	(\$53,100)	-100%
Appropriation for Contingency	86-9900	\$286,946	\$248,432	(\$38,514)	-13%
MAJOR OBJECT TOTAL		\$340,046	\$248,432	(\$91,614)	-27%
FUND 421 TOTAL FINANCING REQUIREMENTS		\$3,198,711	\$3,007,227	(\$191,484)	-6%

**YOLO-SOLANO AIR QUALITY MANAGEMENT DISTRICT
MOBILE SOURCE PROGRAM (DMV AB2766) - REVENUE DETAIL
FINAL BUDGET FISCAL YEAR 2013/2014**

DESCRIPTION	Account No.	Approved Revenue FY 12/13	Projected Revenue FY 13/14	Variance Increase / (Decrease)	Variance %
State - AB2766 DMV Funds	82-5500	\$1,029,804	\$1,017,000	(\$12,804)	-1%
Interest	82-4100	\$6,000	\$4,000	(\$2,000)	-33%
Other Revenue	82-7700	\$0	\$0	\$0	n/a
SUBTOTAL		\$1,035,804	\$1,021,000	(\$14,804)	-1%
FUND BALANCE AVAILABLE		\$0	\$139,022	\$139,022	n/a
TOTAL FINANCING AVAILABLE AB2766		\$1,035,804	\$1,160,022	\$124,218	12%

MOBILE SOURCE PROGRAM (DMV AB2766) - EXPENDITURE DETAIL

Account Name	Account No.	Approved Expenditures FY 12/13	Projected Expenditures FY 13/14	Variance Increase / (Decrease)	Variance %
Regular Employees	86-1101	\$421,300	\$436,200	\$14,900	4%
Overtime	86-1103	\$1,700	\$2,200	\$500	29%
Vacation/Payroll Buyback	86-1107	\$6,160	\$6,300	\$140	2%
Retirement	86-1201	\$77,930	\$77,700	(\$230)	0%
Medicare Tax	86-1203	\$5,720	\$5,900	\$180	3%
Employee Group Insurance	86-1300	\$74,035	\$75,950	\$1,915	3%
OPEB (health pay-as-you-go & trust fund)	86-1301	\$51,900	\$33,000	(\$18,900)	-36%
Unemployment Insurance	86-1400	\$1,350	\$1,870	\$520	39%
Workers Compensation Insurance	86-1500	\$4,530	\$3,900	(\$630)	-14%
Other Miscellaneous Benefits	86-1600	\$5,500	\$11,900	\$6,400	116%
FUND 422 - SALARY & BENEFIT TOTALS		\$650,125	\$654,920	\$4,795	1%
Clothing and Personal Supplies	86-2050	\$150	\$150	\$0	0%
Communications	86-2090	\$1,420	\$1,600	\$180	13%
Food	86-2130	\$300	\$300	\$0	0%
Maint-Equipment	86-2271	\$7,500	\$11,000	\$3,500	47%
Maint-Bldgs. & Improvements	86-2272	\$300	\$300	\$0	0%
Memberships	86-2330	\$3,600	\$3,800	\$200	6%
Miscellaneous Expense	86-2360	\$100	\$100	\$0	0%
Office Expense	86-2390	\$1,500	\$2,200	\$700	47%
Office Expense-Postage	86-2391	\$300	\$300	\$0	0%
Office Expense-Printing	86-2392	\$5,700	\$8,350	\$2,650	46%
Administrative Overhead (Fund 421)	86-2420	\$135,655	\$135,700	\$45	0%
Auditing and Fiscal Services	86-2421	\$4,000	\$3,700	(\$300)	-8%
Information Services	86-2422	\$1,000	\$2,200	\$1,200	120%
Medical Services	86-2425	\$150	\$130	(\$20)	-13%
Professional & Specialized Services	86-2429	\$45,300	\$52,300	\$7,000	15%
Trustees, Commiss. & Directors	86-2430	\$600	\$600	\$0	0%
Publications & Legal Notices	86-2460	\$1,100	\$4,600	\$3,500	318%
Rents & Lease-Bldgs & Improv	86-2492	\$1,200	\$1,200	\$0	0%
Small Tools & Minor Equipment	86-2520	\$4,500	\$5,100	\$600	13%
Training Expense	86-2548	\$4,000	\$4,000	\$0	0%
Special Dept Expense-Other	86-2559	\$6,200	\$13,000	\$6,800	110%
Transportation & Travel	86-2610	\$9,500	\$9,400	(\$100)	-1%
Utilities	86-2640	\$200	\$200	\$0	0%
MAJOR OBJECT TOTALS		\$234,275	\$260,230	\$25,955	11%
AB2766 Clean Air Funds	86-3200	\$110,200	\$100,000	(\$10,200)	-9%
Equipment	86-4300	\$0	\$0	\$0	0%
Appropriation for Contingency	86-9900	\$41,204	\$144,872	\$103,668	252%
MAJOR OBJECT TOTALS		\$151,404	\$244,872	\$93,468	62%
FUND 422 AB2766 TOTAL FINANCING REQUIREMENTS		\$1,035,804	\$1,160,022	\$124,218	12%

**YOLO-SOLANO AIR QUALITY MANAGEMENT DISTRICT
MOBILE SOURCE PROGRAM (DMV AB923) - REVENUE DETAIL
FINAL BUDGET FISCAL YEAR 2013/2014**

DESCRIPTION	Account No.	Approved Revenue FY 12/13	Projected Revenue FY 13/14	Variance Increase / (Decrease)	Variance %
State - AB923 DMV Funds	82-5140	\$514,902	\$508,800	(\$6,102)	-1%
Interest	82-4100	\$4,000	\$2,680	(\$1,320)	-33%
Other Revenue	82-7700	\$0	\$0	\$0	0%
SUBTOTAL		\$518,902	\$511,480	(\$7,422)	-1%
FUND BALANCE AVAILABLE		\$906,235	\$939,577	\$33,342	4%
TOTAL FINANCING AVAILABLE		\$1,425,137	\$1,451,057	\$25,920	2%

MOBILE SOURCE PROGRAM (DMV AB923) - EXPENDITURE DETAIL

Account Name	Account No.	Approved Expenditures FY 12/13	Projected Expenditures FY 13/14	Variance Increase / (Decrease)	Variance %
Administrative Overhead (Fund 421)	86-2420	\$25,745	\$25,440	(\$305)	-1%
AB923 Program	86-3200	\$800,000	\$900,000	\$100,000	13%
Appropriation for Contingency	86-9900	\$599,392	\$525,617	(\$73,775)	-12%
FUND 422 AB923 TOTAL FINANCING REQUIREMENTS		\$1,425,137	\$1,451,057	\$25,920	2%

**MOBILE SOURCE PROGRAM (SOLANO CO. PROPERTY TAX)
REVENUE AND EXPENDITURE DETAIL
FINAL BUDGET FISCAL YEAR 2013/2014**

Description	Account No.	Board Approved Revenue FY 12/13	Projected Revenue FY 13/14	Variance Increase / (Decrease)	Variance %
AB 8 Solano Tax Revenue	82-5820	\$220,000	\$220,000	\$0	0%
Redevelopment, Statutory Pass-Through	82-5711	\$0	\$25,000	\$25,000	n/a
Fund Balance Available		\$359,345	\$521,688	\$162,343	45%
TOTAL FINANCING AVAILABLE		\$579,345	\$766,688	\$187,343	32%

Description	Account No.	Board Approved Expenditures FY 12/13	Projected Expenditures FY 13/14	Variance Increase / (Decrease)	Variance %
Clean Air Funds Projects	86-3102	\$211,000	\$250,000	\$39,000	18%
Administrative Fee	86-2420	\$22,000	\$24,500	\$2,500	11%
Public Outreach (Publication)	86-2460	\$0	\$4,000	\$4,000	n/a
Public Outreach (Promotion)	86-2559	\$0	\$3,000	\$3,000	n/a
Lawnmower Exchange Program	86-3200	\$9,000	\$9,000	\$0	0%
Contingency	86-9900	\$337,345	\$476,188	\$138,843	41%
TOTAL FINANCING REQUIREMENTS		\$579,345	\$766,688	\$187,343	32%

This is a restricted fund which is used exclusively for tracking revenue and expenditures associated with Solano County AB8 property tax revenue. AB8 revenue projected for 2013/14 is an estimate only. Since revenue arrives from Solano County in three installments throughout the fiscal year (January, May, and July), the District rolls the amount received during fiscal year 2012/13 to the Clean Air Funds Program for 2013/14. By doing this, money is available for disbursement to qualified projects during the grant year.

The redevelopment agencies statutory pass thru funds received under 82-5711 are required to be distributed to the air district due to legislative action. Since the pass-through was unknown last year, we didn't budget for the RDA funds. However, based on revenue received in 2012/2013, we are estimated \$25,000 for fiscal year 2013/2014. Funds received will pass thru to the Clean Air Funds program, less a 10% administrative fee. There is a chance that RDA funds might have to be returned to Solano County. This is based on appeals by the affected parties involved in the taxing of RDA projects. The District has sufficient funds to cover pay backs in this fund's contingency account 86-1999.

We are requesting up to \$7,000 of AB8 funds for allocation to the support the District's public education program which includes published and/or promotion of Spare the Air (Ozone) and Clean Transportation. Promotion would include written advertisements in city/county utility bills, electronic display boards and/or movie theater, and possible paid ads in other media outlets. Also, we are asking for \$9,000 toward the lawnmower exchange program that will finish by fall of 2013.

YOLO-SOLANO AIR QUALITY MANAGEMENT DISTRICT
GENERAL FUND - REVENUE DETAIL
Fiscal Year 2012/2013 - Year Ending June 30, 2013

DESCRIPTION	Account No.	Approved Revenue FY 11/12	Approved Revenue FY 12/13	Actual Revenue FY 12/13	Variance-Approved to Actual FY 12/13
STATIONARY SOURCE PROGRAM					
Renewal Permits	82-2600	\$1,268,000	\$1,307,000	\$1,356,232	\$49,232
New Permits	82-2601	\$150,000	\$154,600	\$173,939	\$19,339
Source Testing	82-2611	\$104,200	\$107,430	\$104,242	(\$3,188)
Agricultural Engine Registrations	82-2612	\$89,550	\$74,200	\$82,617	\$8,417
Portable Equipment Registration - State ARB	82-5500	\$88,000	\$88,000	\$67,600	(\$20,400)
EPA 105 Grant Program (Federal Revenue)	82-5670	\$0	\$79,923	\$79,923	\$0
SUBTOTAL		\$1,699,750	\$1,811,153	\$1,864,553	\$53,400
Fees/Air Toxics State Program	82-2604	\$7,240	\$5,600	\$32,787	\$27,187
Agricultural Burning Program	82-2606	\$20,000	\$21,000	\$21,315	\$315
Asbestos Program	82-2607	\$17,500	\$19,000	\$16,340	(\$2,660)
SUBTOTAL		\$44,740	\$45,600	\$70,442	\$24,842
Mutual Settlement Program	82-3300	\$150,000	\$155,000	\$158,576	\$3,576
Interest Earned (includes 82-4100 & 4199)	82-41XX	\$8,000	\$10,000	\$4,330	(\$5,670)
Air Resources Board Subvention (State Revenue)	82-5490	\$90,000	\$90,000	\$90,011	\$11
Air Resources Board Mower Grant (State Revenue)	82-5500	\$10,000	\$10,000	\$9,340	(\$660)
EPA 103 PM2.5 Grant (Federal Revenue)	82-5670	\$10,100	\$33,550	\$33,550	\$0
Administrative Overhead	82-6390	\$247,000	\$183,400	\$186,593	\$3,193
Penalty Assessments	82-6399	\$7,500	\$9,000	\$11,685	\$2,685
Other-Revenue	82-7700	\$4,900	\$5,000	\$1,038	(\$3,962)
Stale Date Warrants	82-7705	\$0	\$0	\$0	\$0
Sale of Fixed Assets	82-8100	\$0	\$0	\$2,354	\$2,354
SUBTOTAL		\$527,500	\$495,950	\$497,477	\$1,527
TOTALS		\$2,271,990	\$2,352,703	\$2,432,472	\$79,769
FUND BALANCE AVAILABLE		\$571,578	\$741,008	\$779,138	\$38,130
Transfer Funds from OPEB Reserves		\$0	\$105,000	\$105,000	\$0
Transfer to Operating Budget (Restricted Cash-Special)		\$0	\$0	\$0	\$0
FUND 421 TOTAL FINANCING AVAILABLE		\$2,843,568	\$3,198,711	\$3,316,610	\$117,899

Fund Balance Available to 2013/14: **\$656,320**

YOLO-SOLANO AIR QUALITY MANAGEMENT DISTRICT
GENERAL FUND - EXPENDITURE DETAIL
Fiscal Year 2012/2013 - Year Ending June 30, 2013

Account Name	Account No.	Approved Expenditures FY 11/12	Approved Expenditures FY 12/13	Actual Expenditures FY 12/13	Variance-Approved to Projected FY 12/13
Regular Employees	86-1101	\$1,398,750	\$1,320,000	\$1,236,707	(\$83,293)
Extra-Help	86-1102	\$0	\$35,700	\$0	(\$35,700)
Overtime (includes expedite program)	86-1103	\$19,700	\$13,140	\$10,491	(\$2,649)
Vacation/Payroll Buyback (or payout)	86-1107	\$13,000	\$11,000	\$14,026	\$3,026
Retirement	86-1201	\$270,600	\$244,000	\$345,250	\$101,250
Medicare Tax	86-1203	\$20,450	\$19,300	\$17,952	(\$1,348)
Employee Group Insurance	86-1300	\$317,400	\$278,000	\$244,355	(\$33,645)
OPEB (health pay-as-you-go & side fund)	86-1301	\$0	\$293,550	\$172,160	(\$121,390)
Unemployment Insurance	86-1400	\$5,370	\$5,360	\$5,782	\$422
Workers Compensation Insurance	86-1500	\$11,000	\$10,370	\$10,354	(\$16)
Other Miscellaneous Benefits	86-1600	\$20,300	\$20,640	\$25,560	\$4,920
FUND 421 - SALARY & BENEFIT TOTALS		\$2,076,570	\$2,251,060	\$2,082,637	(\$168,423)
Clothing and Personal Supplies	86-2050	\$2,400	\$2,400	\$674	(\$1,726)
Communications	86-2090	\$16,300	\$16,300	\$13,837	(\$2,463)
Food	86-2130	\$900	\$1,000	\$595	(\$405)
Household Expense	86-2170	\$1,800	\$2,200	\$969	(\$1,231)
Household Expense-Contracts	86-2171	\$16,250	\$16,250	\$16,380	\$130
Insurance-Public Liability	86-2202	\$19,000	\$22,000	\$18,774	(\$3,226)
Maint-Equipment	86-2271	\$19,000	\$21,800	\$21,527	(\$273)
Maint-Bldgs & Improv	86-2272	\$850	\$925	\$132	(\$793)
Medical, Dental & Lab Supplies	86-2300	\$400	\$400	\$405	\$5
Memberships	86-2330	\$6,700	\$6,000	\$4,169	(\$1,831)
Miscellaneous Expense	86-2360	\$2,400	\$2,400	\$152	(\$2,248)
Office Expense	86-2390	\$11,700	\$11,700	\$10,261	(\$1,439)
Office Expense-Postage	86-2391	\$12,850	\$12,600	\$5,013	(\$7,587)
Office Expense-Printing	86-2392	\$7,800	\$7,800	\$1,282	(\$6,518)
Indirect/Overhead A-87 Costs-JPA with Yolo Co.	86-2420	\$7,500	\$12,600	\$9,632	(\$2,968)
Auditing and Fiscal Services	86-2421	\$33,100	\$39,500	\$36,287	(\$3,213)
Information Services	86-2422	\$48,000	\$48,400	\$48,000	(\$400)
Legal Services (County Counsel)	86-2423	\$49,100	\$44,100	\$43,200	(\$900)
Medical Services	86-2425	\$800	\$800	\$482	(\$318)
Professional & Specialized Services	86-2429	\$43,000	\$51,400	\$49,735	(\$1,665)
Trustees, Commiss & Directors	86-2430	\$15,700	\$15,700	\$11,160	(\$4,540)
Publications & Legal Notices	86-2460	\$3,000	\$2,900	\$1,901	(\$999)
Rents & Leases-Equipment	86-2491	\$4,100	\$1,320	\$1,291	(\$29)
Rents & Lease-Bldgs & Improv	86-2492	\$160,900	\$165,580	\$164,810	(\$770)
Small Tools & Minor Equip.	86-2520	\$20,000	\$13,800	\$10,895	(\$2,905)
Training Expense	86-2548	\$9,400	\$9,300	\$4,381	(\$4,919)
Special Dept Expense-Other	86-2559	\$2,200	\$2,100	\$1,829	(\$271)
Transportation & Travel	86-2610	\$23,600	\$24,000	\$15,682	(\$8,318)
Vehicle Fuel	86-2611	\$12,100	\$12,100	\$9,707	(\$2,393)
Utilities	86-2640	\$11,000	\$10,000	\$8,713	(\$1,287)
Contributions to Special Programs & Projects	86-3200	\$20,000	\$20,630	\$9,440	(\$11,190)
Capital Lease	86-3360	\$9,600	\$9,600	\$9,217	(\$383)
MAJOR OBJECT TOTAL		\$591,450	\$607,605	\$530,532	(\$77,073)
Equipment	86-4300	\$7,720	\$53,100	\$47,121	(\$5,979)
Appropriation for Contingency	86-9900	\$167,828	\$286,946	\$0	(\$286,946)
MAJOR OBJECT TOTAL		\$175,548	\$340,046	\$47,121	(\$292,925)
FUND 421 TOTAL FINANCING REQUIREMENTS		\$2,843,568	\$3,198,711	\$2,660,290	(\$538,421)

**YOLO-SOLANO AIR QUALITY MANAGEMENT DISTRICT
MOBILE SOURCE PROGRAM (DMV AB2766) - REVENUE DETAIL
Fiscal Year 2012/2013 - Year Ending June 30, 2013**

DESCRIPTION	Account No.	Approved Revenue FY 11/12	Approved Revenue FY 12/13	Actual Revenue FY 12/13	Variance-Approved Increase / (Decrease)
State - AB2766 DMV Funds	82-5500	\$1,012,000	\$1,029,804	\$1,035,062	\$5,258
Interest	82-4100	\$6,000	\$6,000	\$1,820	(\$4,180)
Other Revenue	82-7700	\$0	\$0	\$30	\$30
SUBTOTAL		\$1,018,000	\$1,035,804	\$1,036,912	\$1,108
FUND BALANCE AVAILABLE		\$0	\$0	\$0	\$0
FUND 422 AB2766 TOTAL FINANCING AVAILABLE		\$1,018,000	\$1,035,804	\$1,036,912	\$1,108

Fund Balance Available to 2013/14: **\$139,022**

MOBILE SOURCE PROGRAM (DMV AB2766) - EXPENDITURE DETAIL

Account Name	Account No.	Approved Expenditures FY 11/12	Approved Expenditures FY 12/13	Actual Expenditures FY 12/13	Variance-Approved to Projected FY 12/13
Regular Employees	86-1101	\$414,240	\$421,300	\$421,284	(\$16)
Overtime	86-1103	\$2,700	\$1,700	\$0	(\$1,700)
Vacation/Payroll Buyback	86-1107	\$7,000	\$6,160	\$3,861	(\$2,299)
Retirement	86-1201	\$80,150	\$77,930	\$76,370	(\$1,560)
Medicare Tax	86-1203	\$6,050	\$5,720	\$6,137	\$417
Employee Group Insurance	86-1300	\$67,050	\$74,035	\$59,877	(\$14,158)
OPEB (health pay-as-you-go & side fund)	86-1301	\$0	\$51,900	\$0	(\$51,900)
Unemployment Insurance	86-1400	\$1,350	\$1,350	\$1,562	\$212
Workers Compensation Insurance	86-1500	\$4,500	\$4,530	\$4,229	(\$301)
Other Miscellaneous Benefits	86-1600	\$4,700	\$5,500	\$6,862	\$1,362
FUND 422 - SALARY & BENEFIT TOTALS		\$587,740	\$650,125	\$580,182	(\$69,943)
Clothing and Personal Supplies	86-2050	\$300	\$150	\$109	(\$41)
Communications	86-2090	\$1,420	\$1,420	\$1,550	\$130
Food	86-2130	\$300	\$300	\$121	(\$179)
Maint-Equipment	86-2271	\$8,400	\$7,500	\$3,491	(\$4,009)
Maint-Bldgs. & Improvements	86-2272	\$300	\$300	\$230	(\$70)
Memberships	86-2330	\$4,000	\$3,600	\$1,847	(\$1,753)
Miscellaneous Expense	86-2360	\$100	\$100	\$0	(\$100)
Office Expense	86-2390	\$1,500	\$1,500	\$736	(\$764)
Office Expense-Postage	86-2391	\$300	\$300	\$106	(\$194)
Office Expense-Printing	86-2392	\$5,700	\$5,700	\$2,066	(\$3,634)
Administrative Overhead (Fund 421)	86-2420	\$199,250	\$135,655	\$136,212	\$557
Auditing and Fiscal Services	86-2421	\$1,600	\$4,000	\$2,552	(\$1,448)
Information Services	86-2422	\$900	\$1,000	\$1,470	\$470
Medical Services	86-2425	\$200	\$150	\$0	(\$150)
Professional & Specialized Services	86-2429	\$54,300	\$45,300	\$34,978	(\$10,322)
Trustees, Commiss. & Directors	86-2430	\$600	\$600	\$400	(\$200)
Publications & Legal Notices	86-2460	\$1,100	\$1,100	\$834	(\$266)
Rents & Lease-Bldgs & Improv	86-2492	\$1,100	\$1,200	\$644	(\$556)
Small Tools & Minor Equipment	86-2520	\$7,350	\$4,500	\$3,709	(\$791)
Training Expense	86-2548	\$3,450	\$4,000	\$2,375	(\$1,625)
Special Dept Expense-Other	86-2559	\$6,200	\$6,200	\$5,617	(\$583)
Transportation & Travel	86-2610	\$9,700	\$9,500	\$8,336	(\$1,164)
Utilities	86-2640	\$200	\$200	\$125	(\$75)
MAJOR OBJECT TOTALS		\$308,270	\$234,275	\$207,508	(\$26,767)
AB2766 Clean Air Funds	86-3200	\$122,000	\$110,200	\$110,200	\$0
Equipment	86-4300	\$4,300	\$0	\$0	\$0
Appropriation for Contingency	86-9900	\$0	\$41,204	\$0	(\$41,204)
MAJOR OBJECT TOTALS		\$126,300	\$151,404	\$110,200	(\$41,204)
FUND 422 AB2766 TOTAL FINANCING REQUIREMENTS		\$1,022,310	\$1,035,804	\$897,890	(\$137,914)

**YOLO-SOLANO AIR QUALITY MANAGEMENT DISTRICT
MOBILE SOURCE PROGRAM (DMV AB923) - REVENUE DETAIL
Fiscal Year 2012/2013 - Year Ending June 30, 2013**

DESCRIPTION	Account No.	Approved Revenue FY 11/12	Approved Revenue FY 12/13	Actual Revenue FY 12/13	Variance-Approved Increase / (Decrease)
State - AB923 DMV Funds	82-5500	\$510,500	\$514,902	\$517,532	\$2,630
Interest	82-4100	\$2,000	\$4,000	\$1,818	(\$2,182)
Other Revenue	82-7700	\$0	\$0	\$0	\$0
SUBTOTAL		\$512,500	\$518,902	\$519,350	\$448
FUND BALANCE AVAILABLE		\$843,303	\$906,235	\$906,235	\$0
FUND 420 AB923 TOTAL FINANCING AVAILABLE		\$1,355,803	\$1,425,137	\$1,425,585	\$448
Fund Balance Available to 2013/14:					\$939,577

MOBILE SOURCE PROGRAM (DMV AB923) - EXPENDITURE DETAIL

Account Name	Account No.	Approved Expenditures FY 11/12	Approved Expenditures FY 12/13	Actual Expenditures FY 12/13	Variance-Approved to Projected FY 12/13
Administrative Overhead (Fund 421)	86-2420	\$25,750	\$25,745	\$25,188	(\$557)
AB923 Program ¹	86-3200	\$750,000	\$800,000	\$460,820	(\$339,180)
Contingency	86-9900	\$575,743	\$599,392	\$0	(\$599,392)
FUND 420 AB923 TOTAL FINANCING REQUIREMENTS		\$1,351,493	\$1,425,137	\$486,008	(\$939,129)

¹Vacaville JUSD has 2 bus replacements that were encumbered for \$303,020 which is part of the Actual Expenditure and is projected to expense by Sept. 2013.

**MOBILE SOURCE PROGRAM (SOLANO CO. PROPERTY TAX)
REVENUE AND EXPENDITURE DETAIL
Fiscal Year 2012/2013 - Year Ending June 30, 2013**

DESCRIPTION	Account No.	Approved Revenue FY 11/12	Approved Revenue FY 12/13	Actual Revenue FY 12/13	Variance-Approved to Projected FY 12/13
AB 8 Solano Tax Revenue	82-5820	\$220,000	\$220,000	\$260,052	\$40,052
Redevelopment, Statutory Pass-Through	82-5711	\$0	\$0	\$140,184	\$140,184
Fund Balance Available		\$282,420	\$359,345	\$359,345	\$0
FUND 423 TOTAL FINANCING AVAILABLE		\$502,420	\$579,345	\$759,581	\$180,236

Account Name	Account No.	Approved Expenditures FY 11/12	Approved Expenditures FY 12/13	Actual Expenditures FY 12/13	Variance-Approved to Projected FY 12/13
Clean Air Funds Projects	86-3102	\$180,000	\$211,000	\$211,000	\$0
Solano (Yolo-Solano) Lawnmower Program	86-3200	\$9,000	\$9,000	\$1,700	(\$7,300)
Administrative Fee	86-2420	\$22,000	\$22,000	\$25,193	\$3,193
Contingency	86-9900	\$291,420	\$337,345	\$0	(\$337,345)
FUND 423 TOTAL FINANCING REQUIREMENTS		\$502,420	\$579,345	\$237,893	(\$341,452)

Fund Balance Available to 2013/14: **\$521,688**

PERSONNEL

Approved Job Classifications for 2013/2014:

Job Classifications	FY 2012/2013 FTE¹	FY 2013/2014 FTE¹	Increase / Decrease
<u>Executive Positions</u>			
Executive Director/Air Pollution Control Officer	1.00	1.00	0.00
<u>Exempt Management Positions</u>			
Deputy Air Pollution Control Officer	1.00	1.00	0.00
Administrative Services Officer	1.00	1.00	0.00
Supervising Air Quality Engineer	1.00	1.00	0.00
Supervising Air Quality Planner	1.00	1.00	0.00
Supervising Air Quality Specialist	1.00	1.00	0.00
<u>Administrative/Clerical Positions</u>			
*Administrative Operations Coordinator/Board Clerk	1.00	1.00	0.00
Administrative Clerk II/Clerk of the Board (Removed)	1.00	0.00	-1.00
*Administrative Assistant	2.00	2.00	0.00
*Air Quality Technician	0.00	2.00	2.00
Public Information Officer	1.00	1.00	0.00
<u>Compliance Positions</u>			
Assistant/Associate Air Quality Specialist	4.00	4.00	0.00
Senior Air Quality Specialist	1.00	1.00	0.00
<u>Engineering Positions</u>			
Assistant/Associate Air Quality Engineer	4.00	3.00	-1.00
*Engineering Technician (Reclassify to AQ Technician)	1.00	0.00	-1.00
<u>Planning and Air Monitoring Positions</u>			
Air Monitoring Technician I/II	1.00	1.00	0.00
Assistant/Associate Air Quality Planner	<u>1.00</u>	<u>1.00</u>	<u>0.00</u>
TOTAL	23.00	22.00	-1.00

¹FTE - Full-time Equivalent

*Reclassification approved June 12, 2013

Executive Director/APCO Recommendations

Reorganization Summary

The goals and objectives of the reorganization is to streamline operations, achieve efficiencies, solve inspection workflow issues, provide additional technical support to all divisions, and provide costs savings, and reduce staffing to 22 FTE for 2013/2014.

In conjunction with the reorganization in the Proposed Budget for FY 2013/2014 (approved the Board on June 12, 2013) the District recommended eliminating one current vacant position (the 23rd FTE in FY 2012/13 budget). Also, with shifting of duties as part of the reorganization, there are some small salary range increases in 2013/2014 (\$16,000 which includes possible overtime for the agricultural burn weekend duty coverage of \$7,200), but the increase is more than offset by the savings of \$100,000 in 2013/14 (from eliminating the one position). In the approval of the Proposed Budget, the District:

- Removed the one (1) vacant position (specialist position).
- Created a new administrative technical position titled “Air Quality Technician” which is similar to the current Air Quality Engineering Technician classification. However, instead of supporting only engineering, the position(s) will support all of the divisions in administrative technical duties.
- Reclassified the following filled positions:
 - 1) “Administrative Clerk II” to “Administrative Assistant”, two (2) positions. Range change from 38 to 41, 3 percent increase. Higher-level responsibilities will be assigned to this classification, but positions will remain the administrative support for the District. The incumbents in the Administrative Clerk II position had the opportunity to apply for the new position of Air Quality Technician.
 - 2) “Air Quality Engineering Technician” to “Air Quality Technician”, two (2) positions. There was one incumbent that was reclassified from the Engineering Technician to the Air Quality Technician position, and one (1) position as an internal promotion from the three (3) administrative support incumbents. No change in salary range as the duties assigned will remain appropriate under the current classification, and the positions will be the administrative and technical support pool for the District, supporting division programs as assigned.
 - 3) “Administrative Assistant” to “Administrative Operations Coordinator/Board Clerk”, one (1) position. Range change from 70 to 77, 7 percent increase, which is the standard District differential in internal relationships of a senior lead person to subordinate. Higher level responsibilities are assigned under this reclassification including the oversight and work of the board clerk and hearing board clerk duties, and an increase of one additional staff member to a total of four employees to assign and monitor the day-to-day work flow.
- Eliminated the Administrative Clerk II/Clerk to the Board position. The current incumbent was “Y” rated to “Administrative Assistant”.
- Combined the current Compliance and Technical Services divisions into a single Compliance Division.

Budget Impacts approved on June 11, 2013, under the Proposed Budget for Fiscal Year 2013/2014 (includes the reorganization):

- As part of the Agreement (MOU) No. 12-18 with the Yolo-Solano Air Quality Management District Employees Association and by Minute Order No. 12-10.D., the following was approved by the Board of Directors on June 13, 2012, under salaries and benefits, and was effective the first full pay period of 2013/2014 (July 14, 2013) unless otherwise noted below.

- Cost of living adjustment (COLA) of 1.7%, which is based on the California Consumer Price Index (CPI) prior year April to April (2011 to 2012) under the approved Salary Resolution No. 13-07 (pages 34-35).
 - District contribution to health benefits through the Public Employees Medical and Hospital Care Act (PEMHCA) is capped at the following rates: employee only \$550; employee + one \$1,100; and employee + family \$1,430.
 - Cafeteria benefits are offered for active employees covered under the MOU, who have not opted out of the District's health insurance program. The District will pay 50 percent of any increase in premiums under Kaiser – Bay Area based on the individual employee's level of coverage. The 2013 benefit per month is: employee only \$29.10; employee + one \$58.19; and employee + family \$75.65. The 2014 benefit is as follows: employee only - \$66; employee + one - \$132; and employee + family - \$172.
 - Effective July 1, 2013, employees pay 1.5 percent and the District 5.5 percent of the 7 percent the CalPERS Employer Paid Member Contribution (EPMC) for fiscal year 2013/2014. In fiscal year 2012/2013 employees paid 1 percent and the District paid 6 percent, and in 2014/2015 employees will pay 2 percent and the District will pay 5 percent of the EPMC.
- By Minute Order No. 12-10.E., confidential (Administrative Operations Coordinator/Board Clerk) and exempt positions (Administrative Services Officer, Deputy Air Pollution Control Officer, and Supervising Air Quality Engineer, Planner and Specialist) and the Executive Director had also been approved to receive the salary and benefit changes effective each fiscal year at the start of the first full pay period in 2013/2014 (July 14, 2013) unless otherwise noted below:
 - COLA of 1.7 percent, which is based on the California Consumer Price Index (CPI) prior year April to April (2011 to 2012) by approved Salary Resolution No. 13-07 for confidential position, and approved Resolution No. 13-07M for exempt positions (page 36).
 - District contribution to health benefits through the Public Employees Medical and Hospital Care Act (PEMHCA) is capped at the following rates: employee only \$550; employee + one \$1,100; and employee + family \$1,430.
 - Cafeteria benefits are offered for active employees under the positions as reference above, and who have not opted out of the District's health insurance program. The District will pay 50 percent of any increase in premiums under Kaiser – Bay Area based on the individual employee's level of coverage. The 2013 benefit per month is: employee only \$29.10; employee + one \$58.19; and employee + family \$75.65. The 2014 benefit is as follows: employee only - \$66; employee + one - \$132; and employee + family - \$172.
 - Effective July 1, 2013, employees pay 1.5 percent and the District pays 5.5 percent of the 7 percent the CalPERS Employer Paid Member Contribution (EPMC) for fiscal year 2013/2014. In fiscal year 2012/2013 employees paid 1 percent and the District paid 6 percent, and in 2014/2015 employees will pay 2 percent and the District will pay 5 percent of the EPMC.

YOLO-SOLANO AIR QUALITY MANAGEMENT DISTRICT

SALARY RESOLUTION NO. 13-07

EFFECTIVE JULY 14, 2013

Approved by the Board on June 12, 2013

		Step A	Step B	Step C	Step D	Step E	FLSA Status	Covered Under MOU
Administration								
Administrative Clerk	23	\$2,526 \$30,312 \$14.57	\$2,652 \$31,824 \$15.30	\$2,784 \$33,408 \$16.06	\$2,924 \$35,088 \$16.87	\$3,070 \$36,840 \$17.71	Non-exempt	yes
Administrative Assistant	41	\$3,021 \$36,252 \$17.43	\$3,172 \$38,064 \$18.30	\$3,331 \$39,972 \$19.22	\$3,497 \$41,964 \$20.18	\$3,672 \$44,064 \$21.18	Non-exempt	yes
Air Quality Technician	67	\$3,913 \$46,956 \$22.58	\$4,108 \$49,296 \$23.70	\$4,314 \$51,768 \$24.89	\$4,530 \$54,360 \$26.13	\$4,756 \$57,072 \$27.44	Non-exempt	yes
Administrative Operations Coordinator/Clerk of the Board	77	\$4,322 \$51,864 \$24.93	\$4,538 \$54,456 \$26.18	\$4,765 \$57,180 \$27.49	\$5,004 \$60,048 \$28.87	\$5,254 \$63,048 \$30.31	Non-exempt	no
Public Information Officer	93	\$5,068 \$60,816 \$29.24	\$5,322 \$63,864 \$30.70	\$5,588 \$67,056 \$32.24	\$5,867 \$70,404 \$33.85	\$6,160 \$73,920 \$35.54	Non-exempt	yes
Planning and Air Monitoring								
Air Monitoring Technician I	67	\$3,304 \$39,648 \$19.06	\$3,469 \$41,628 \$20.01	\$3,643 \$43,716 \$21.02	\$3,825 \$45,900 \$22.07	\$4,016 \$48,192 \$23.17	Non-exempt	yes
Air Monitoring Technician II	82	\$4,543 \$54,516 \$26.21	\$4,770 \$57,240 \$27.52	\$5,008 \$60,096 \$28.89	\$5,259 \$63,108 \$30.34	\$5,522 \$66,264 \$31.86	Non-exempt	yes
Assistant Air Quality Planner	83	\$4,588 \$55,056 \$26.47	\$4,818 \$57,816 \$6.00	\$5,058 \$60,696 \$29.18	\$5,311 \$63,732 \$30.64	\$5,577 \$66,924 \$32.18	Non-exempt	yes
Associate Air Quality Planner	98	\$5,327 \$63,924 \$30.73	\$5,593 \$67,116 \$32.27	\$5,873 \$70,476 \$33.88	\$6,166 \$73,992 \$35.57	\$6,475 \$77,700 \$37.36	Non-exempt	yes
Senior Air Quality Planner	108	\$5,884 \$70,608 \$33.95	\$6,178 \$74,136 \$35.64	\$6,487 \$77,844 \$37.43	\$6,811 \$81,732 \$39.29	\$7,152 \$85,824 \$41.26	Non-exempt	no

		Step A	Step B	Step C	Step D	Step E	FLSA Status	Covered Under MOU
Compliance								
Assistant Air Quality Specialist	80	\$4,453 \$53,436 \$25.69	\$4,676 \$56,112 \$26.98	\$4,910 \$58,920 \$28.33	\$5,155 \$61,860 \$29.74	\$5,413 \$64,956 \$31.23	Non-exempt	yes
Associate Air Quality Specialist	95	\$5,170 \$62,040 \$29.83	\$5,429 \$65,148 \$31.32	\$5,700 \$68,400 \$32.88	\$5,985 \$71,820 \$34.53	\$6,284 \$75,408 \$36.25	Non-exempt	yes
Senior Air Quality Specialist	105	\$5,711 \$68,532 \$32.95	\$5,996 \$71,952 \$34.59	\$6,296 \$75,552 \$36.32	\$6,611 \$79,332 \$38.14	\$6,942 \$83,304 \$40.05	Non-exempt	yes
Engineering								
Assistant Air Quality Engineer	92	\$5,018 \$60,216 \$28.95	\$5,269 \$63,228 \$30.40	\$5,532 \$66,384 \$31.92	\$5,809 \$69,708 \$33.51	\$6,099 \$73,188 \$35.19	Non-exempt	yes
Associate Air Quality Engineer	107	\$5,826 \$69,912 \$33.61	\$6,117 \$73,404 \$35.29	\$6,423 \$77,076 \$37.06	\$6,744 \$80,928 \$38.91	\$7,081 \$84,972 \$40.85	Non-exempt	yes
Associate Air Quality Engineer with P.E.	112	\$6,123 \$73,476 \$35.33	\$6,429 \$77,148 \$37.09	\$6,750 \$81,000 \$38.94	\$7,088 \$85,056 \$40.89	\$7,442 \$89,304 \$42.93	Non-exempt	yes
Senior Air Quality Engineer	117	\$6,435 \$77,220 \$37.13	\$6,757 \$81,084 \$38.98	\$7,095 \$85,140 \$40.93	\$7,450 \$89,400 \$42.98	\$7,822 \$93,864 \$45.13	Non-exempt	yes
Senior Air Quality Engineer with P.E.	122	\$6,763 \$81,156 \$39.02	\$7,102 \$85,224 \$40.97	\$7,457 \$89,484 \$43.02	\$7,830 \$93,960 \$45.17	\$8,221 \$98,652 \$47.43	Non-exempt	yes
Interns								
Engineering, Compliance, Planning and Admin.	21	\$2,476 \$29,712 \$14.28	\$2,600 \$31,200 \$15.00	\$2,730 \$32,760 \$15.75	\$2,866 \$34,392 \$16.53	\$3,009 \$36,108 \$17.36	Non-exempt	no

YOLO-SOLANO AIR QUALITY MANAGEMENT DISTRICT
ASO, Supervising Engineer, Planner and Specialist, and Deputy APCO
Exempt Positions
SALARY RESOLUTION NO. 13-07M
EFFECTIVE JULY 14, 2013
Approved by the Board on June 12, 2013

Salary Range	Minimum		Maximum		Range/Position
	Hourly	Monthly	Hourly	Monthly	
M-115	\$35.39	\$6,134	\$44.24	\$7,668	
M-116	\$35.74	\$6,196	\$44.68	\$7,745	
M-117	\$36.10	\$6,258	\$45.13	\$7,822	
M-118	\$36.46	\$6,320	\$45.58	\$7,900	Supervising Planner
M-119	\$36.83	\$6,383	\$46.03	\$7,979	
M-120	\$37.20	\$6,447	\$46.49	\$8,059	Supervising Specialist
M-121	\$37.57	\$6,512	\$46.96	\$8,140	
M-122	\$37.94	\$6,577	\$47.43	\$8,221	
M-123	\$38.32	\$6,643	\$47.90	\$8,303	
M-124	\$38.71	\$6,709	\$48.38	\$8,386	
M-125	\$39.09	\$6,776	\$48.87	\$8,470	
M-126	\$39.48	\$6,844	\$49.35	\$8,555	
M-127	\$39.88	\$6,912	\$49.85	\$8,640	
M-128	\$40.28	\$6,981	\$50.35	\$8,727	
M-129	\$40.68	\$7,051	\$50.85	\$8,814	
M-130	\$41.09	\$7,122	\$51.36	\$8,902	
M-131	\$41.50	\$7,193	\$51.87	\$8,991	
M-132	\$41.91	\$7,265	\$52.39	\$9,081	Administrative Services Officer Supervising Engineer
M-133	\$42.33	\$7,338	\$52.91	\$9,172	
M-134	\$42.76	\$7,411	\$53.44	\$9,264	
M-135	\$43.18	\$7,485	\$53.98	\$9,356	
M-136	\$43.61	\$7,560	\$54.52	\$9,450	
M-137	\$44.05	\$7,635	\$55.06	\$9,544	
M-138	\$44.49	\$7,712	\$55.61	\$9,640	
M-139	\$44.94	\$7,789	\$56.17	\$9,736	
M-140	\$45.39	\$7,867	\$56.73	\$9,834	
M-141	\$45.84	\$7,946	\$57.30	\$9,932	
M-142	\$46.30	\$8,025	\$57.87	\$10,031	
M-143	\$46.76	\$8,105	\$58.45	\$10,132	
M-144	\$47.23	\$8,186	\$59.04	\$10,233	
M-145	\$47.70	\$8,268	\$59.63	\$10,335	
M-146	\$48.18	\$8,351	\$60.22	\$10,439	
M-147	\$48.66	\$8,434	\$60.82	\$10,543	Deputy APCO
M-148	\$49.15	\$8,519	\$61.43	\$10,648	

FUND BALANCE SUMMARY & CLASSIFICATIONS

Appropriate Level of Fund Balances and Reserves

It is essential that governments maintain adequate levels of fund balance and reserves to mitigate current or future risks (e.g., revenue shortfalls and unanticipated expenditures). Fund balance levels are a crucial consideration, too, in long-term financial planning. However, managing reserves can be a challenge, especially in terms of determining an appropriate balance level. Political pressure to spend fund balance reserves on current operational needs is all too common. The primary reason for a reserve fund balance policy is to be prepared for contingencies (such as future emergencies, natural disasters, and for economic uncertainty). The importance of having a policy and the purposes of a policy related to the District include:

- 1) Plan for contingencies. Governments will always face challenges when it comes to balancing their budgets. For our District local events such as the closure of businesses, natural disasters, and state or federal funding shortfalls, can negatively affect revenues. Reserves can be used to make up for revenue delays or shortfalls.
- 2) Generate investment income. Reserves can be a good source for investment yield, depending on market conditions.
- 3) Ensure cash availability when revenue is unavailable. Reserves can be used to bridge times of the year that normally see temporary low levels of cash. Maintaining adequate reserves can balance differences in cash availability.
- 4) Formal reserve policies create a shared understanding of the proper level and use of fund balance reserves.

The adequacy of fund balances in general funds should be assessed based upon the agency's own specific circumstances. Nevertheless, Government Finance Officers Association (GFOA) recommends, at a minimum, that general-purpose governments, regardless of size, maintain a fund balance in their general fund of no less than two months of regular operating revenues or regular operating expenditures. The District Board adopted the policy in 2004 of at least 10 percent of regular General Fund and Mobile Source DMV AB2766 Fund (AB2766 Fund) operating revenues in the reserve fund balance (General Reserves), and at least 5 percent in contingency reserves in both the General Fund and the AB2766 Fund. Since the contingency account fluctuates each fiscal year, the importance of maintaining the reserve fund balance at an appropriate level should continue to be a priority for the District in long-range planning. The GFOA's recommendation of a minimum reserve is only a baseline, and as such each agency's reserve fund balance will need to be adjusted based on local risks. A risk is defined as the probability and magnitude of a loss, disaster, or other undesirable event. A reserve is one tool that the District can use to mitigate any potential risk. Besides risk, there are other "drivers" that can determine the size of the reserves. Other drivers include the size of the agency, commitment or assignments, and budget practices.

After analysis and review, District staff recommended and the Board approved on May 8, 2013, that the balance of the reserves be maintained in the range of 5 to 15 percent of the average total operating expenditures reported in the year-end totals of the preceding three fiscal years. This information will be provided each spring during the development of the budget to the Budget and Audit Committee, and then reported in the annual budget documents. If the General Reserves falls below the target level of 5 percent the District will review replenishing the reserves within a 5-year time frame or as soon as economic conditions allow. Use of the General Reserve requires Board approval, and could provide resources in the event of an economic downturn while expenditure reductions are implemented; provide resources to meet emergency expenditures in case of a local disaster or any other emergency; or if the District experiences unexpected declines in revenues and/or unpredicted large one-time expenditures. Use of the General Reserve requires a majority vote of the Board or approval during adoption of the annual budget.





In addition, it was recommended and approved to target a 3-5 percent contingency reserve fund balance in both the General and AB2766 Funds. Currently the fiscal policy allows for a 5 percent contingency reserve in both funds. Contingency reserves may be used at the discretion of the Board to provide resources for unanticipated needs of a non-recurring nature or provide for small increases in service delivery costs that were not anticipated during the budget development cycle, or provide for one-time expenditures not originally approved in the annual budget.

The District's General Fund's unassigned Fund Balance and AB2766's restricted Fund Balance rolls forward to the next fiscal year as cash available. Excess funds, once revenue and expenditures are projected for the new year, are put into the stabilization contingency account (unassigned fund balance), which is used for the calculation of the appropriate level of operating funds (unassigned in the General Fund and restricted in the AB2766 Fund). It is equally important to maintain an adequate amount to carry forward each year, as it is to maintain the reserves accounts. The combined unassigned fund balance as cash available in the District's operating budget is at 22 percent for 2013/2014.

The amounts shown in the table below reflect the history of the District's operating funds (General Fund 421 and AB2766) fund balance from 2010/2011 to 2012/2013 and projections for 2013/2014. Based on the target goal the average operating percentages for 2010/2011 to 2012/2013 are within the recommended reserve policy (15 percent). The projections for the final budget for 2013/2014 are slightly higher than the target percentages.

Fund Balance History

Fiscal Year	Fund Balance-General & DMV AB2766 Funds			Fund Balance - Contingency (General & DMV AB2766) and General Fund Reserves					
	Unassigned Fund Balance ¹	Operating Expenditures	% of Operating Budget	Contingency (Unassigned) Fund Balance ²	% of Contingency and Expenditure Budget	Equipment & Special Program Reserves (Assigned ³ & Committed ⁴)	General Reserve ⁵ (Unassigned)	% of General Reserves and Operating Budget	% of Operating Budget (combined reserves)
2010/11	\$607,343	\$3,396,445	18%	\$119,680	4%	\$22,078	\$259,146	8%	12%
2011/12	\$588,000	\$3,207,423	18%	\$62,828	2%	\$132,487	\$259,146	8%	14%
2012/13	\$884,138	\$3,447,980	26%	\$328,150	10%	\$27,699	\$259,146	8%	18%
3-Yr. Avg.	\$693,160	\$3,350,616	21%	\$170,219	5%	\$60,755	\$259,146	8%	15%
Projections for 2013/2014:									
2013/14	\$795,342	\$3,673,945	22%	\$393,304	11%	\$27,835	\$259,146	7%	19%

-  : 2012/13 Projected Year-end Operating Fund Bal. & Expenditures
  : 2013/14 Contingency (General Fund and Mobile Source DMV AB2766) and General Reserve Fund Balance
-  : 3-Yr. Average
-  : 2013/14 Projected Operating Balance & Expenditures (General Fund and Mobile Source DMV AB2766). The amount allocated to the CAF grant program is deducted from operating expenditures under DMV)

¹ Unassigned Fund Balance: This includes prior year fund balance (cash) where revenue exceeded expenditures.

² Unassigned Fund Balance -Contingency: Stabilization reserves within the operating budgets.

³ Assigned Fund Balance: Equipment and special program reserve accounts.

⁴ Committed Fund Balance: OPEB reserves of \$105,000, approved by the Board in 2011/2012. This moved to the 2012/2013 operating budget for disbursement to an OPEB trust in 2012/2013.

⁵ Unassigned Fund Balance: General Reserves in the General Fund.

Fund Balance Classifications

The District, to meet the requirements of the Government Accounting Standards Board (GASB) Statement No. 54, Fund Balance Reporting and Government Fund Type Definitions, has classified the District's fund balances as Unassigned (fund balance, general reserves and contingency), and Assigned (equipment and special program reserve accounts, and encumbrances) and Committed (future OPEB trust fund or reserve). Also, revenue received under AB2766, AB923 and AB8 are classified as "Restricted."

We have outlined the recommended fund balance classifications below. The District will review classifications each fiscal year according to GASB, and will make recommendations to the Board by budget adoption.

*Assigned: Equipment and special program reserves, and encumbrances. Resources with self-imposed limitations, but do not require approval by the highest level of decision making authority or the same level of formal action to remove or modify limitations. Use of reserves requires a formal action of the Board (minute order) through the budget adoption process or amendments. The encumbering of funds is usually done at staff level with approval by the ASO. All of the District's encumbrances are related to grants.

*Unassigned: General reserves and contingency accounts. Resources that cannot be reported in any other classification. Use of general reserves and/or contingency requires formal action of the Board (minute order.)

*Restricted: AB2766, AB923 and AB8. Resources that are constrained to specific purposes by an external provider, government laws and regulations, or by constitutional provisions or enabling legislation.

*Committed: Future Other Post-retirement Employee Benefits (OPEB) reserves, prior to placing in trust fund. Resources with self-imposed limitations, evidenced by the Board's approved formal action (minute order).

*Nonspendable: Prepaid expenses. Resources that cannot be spent because they are not in an expendable form or must be maintained intact. Examples for the District would be invoices due by July 1 of the new fiscal year, and must "prepay" at the close of the current fiscal year.

GENERAL FUND BUDGET REVIEW BY PROGRAM
Final Budget - Fiscal Year 2013/2014

Program Name	Subvention	Revenue Projections for 13/14	Revenue Total for Cost Recovery	FTE%	Expenditures	Variance Positive or (Negative)	Cost Recovery Percentage
Stationary Source	\$71,779	\$1,816,708	\$1,888,486	79.8%	\$2,191,162	(\$302,676)	86%
Air Toxics	\$557	\$16,000	\$16,557	0.6%	\$16,998	(\$441)	97%
Agricultural Burning	\$2,764	\$21,000	\$23,764	3.1%	\$84,376	(\$60,612)	28%
Asbestos	\$2,193	\$18,500	\$20,693	2.4%	\$66,953	(\$46,260)	31%
Mutual Settlement	\$5,195	\$160,000	\$165,195	5.8%	\$158,588	\$6,607	104%
Administration, Miscellaneous	\$7,512	\$228,699	\$236,211	8.3%	\$240,718	(\$4,506)	98%
Totals	\$90,000	\$2,260,907	\$2,350,907	100%	\$2,758,795	(\$407,888)	
Fund Balance:			\$656,320		\$248,432	:Contingency	
BUDGET TOTALS FOR 13/14:			\$3,007,227		\$3,007,227		

GENERAL FUND BUDGET REVIEW BY PROGRAM
Projected Year-End for Fiscal Year 2012/2013

Program Name	Subvention	Revenue Projections for 12/13	Revenue Total for Cost Recovery	FTE%	Expenditures	Variance Positive or (Negative)	Cost Recovery Percentage
Stationary Source	\$71,813	\$1,864,553	\$1,936,366	79.78%	\$2,017,450	(\$81,084)	96%
Air Toxics	\$317	\$32,787	\$33,104	0.35%	\$9,365	\$23,738	353%
Agricultural Burning	\$2,587	\$21,315	\$23,902	2.87%	\$76,458	(\$52,556)	31%
Asbestos	\$1,048	\$16,340	\$17,388	1.16%	\$30,971	(\$13,583)	56%
Mutual Settlement	\$5,020	\$158,576	\$163,596	5.58%	\$148,368	\$15,228	110%
Administration, Miscellaneous	\$9,226	\$248,890	\$258,116	10.25%	\$377,677	(\$119,561)	68%
Totals	\$90,011	\$2,342,461	\$2,432,472	100%	\$2,660,290	(\$227,818)	
OPEB Reserves¹:			\$105,000			Fund Balance	
Fund Balance:			\$779,138				
BUDGET TOTALS FOR 12/13:			\$3,316,610		\$2,660,290	\$656,320	

This is the projected year-end budget.

¹The Board approved in the final budget moving \$105,000 into the operating budget to offset the \$105,000 contribution to CalPERS OPEB Trust in January 2013.

Variances - Budget Account Line Items with Variances

Greater than 15% / \$2,500

General Fund - Revenue:

Description	Account No.	Increase/ (Decrease)	+/-15%	Explanation
Fees/Air Toxics State Program	82-2604	\$10,400	186%	Increase: After thorough review of this state mandated program under AB2588, the District identified additional sources that fall within the program, and revenue received in 2012/2013 was much higher than projected. As such revenue for 2013/2014 is budgeted at \$16,000.
Interest Earned	82-4100/4199	(\$4,000)	-40%	Decreased: Based on interest earned in 2012/2013.
ARB Mower Grant Program	82-5500	(\$4,710)	-47%	Decrease: The ARB agreed to extension the grant year to 2013/2014 with the grant balance being \$5,290.
EPA 103 PM2.5 Grant Program	82-5670	(\$15,641)	-47%	Decrease: In 2012/2013 the EPA provided extra funding to replace three (3) dataloggers at the District's air monitoring BAM sites. Recently the EPA notified the District that additional funding is available to offset the maintenance costs of running the air monitoring network in the District.
Other - Revenue	82-7700	(\$2,500)	-50%	Decrease: Based on revenue trend in prior year.
Transfer Funds from Reserves	n/a	(\$105,000)	-100%	Decrease: In 2011/2012 the Board approved use of contingency of \$105,000 that was transferred to reserves. In 2012/2013 the \$105,000 was moved into the operating budget and used toward the OPEB trust payment to CalPERS.

General Fund - Expenditures:

Extra-help	86-1102	(\$35,700)	-100%	Decrease: The District is dedicated to maintain workflow with 22 FTE in 2013/2014 and we do not need the contingency of funding an extra-help position.
Overtime (includes expedite program & ag burn weekend duties)	86-1103	\$2,610	20%	Increase: Anticipated increase related to work performed on the weekends for ag burning, in lieu of compensatory time earned.
Retirement	86-1201	\$92,000	38%	Increase: This is based on paying \$100,000 toward the District's pension side fund.
OPEB	86-1301	(\$216,550)	-74%	Decrease: 2012/2013 was the first year the District set aside the annual required contribution (ARC). This includes pay-as-you-go for current retirees and set aside funding (70% of ARC). The actuarial valuation ending June 30, 2012 was lower than what was expected, and the Board approved a portion of the budgeted OPEB to be used to help pay down the District's pension side fund. The ARC is estimated at \$110,000 for 2013/2014, with it being split between fund(s) 421 at 70% and 422 at 30%.

Other Miscellaneous Benefits	86-1600	\$21,260	103%	Increase: Majority of the increase comes from paying cafeteria benefit dollars to employees out of 86-1600 instead of 86-1300, Employee Group Insurance (was used in 2012/2013 in error). Also, costs for payroll provider is from this account and not from 86-2421 that Yolo County used to bill for payroll services.
Insurance - Public Liability	86-2201	(\$4,900)	-22%	Decrease: Per PARMIA's cost for 2013/2014.
Office Expense - Postage	86-2391	(\$3,600)	-29%	Decrease: We have experienced cost savings in this account due to using email more frequently if possible.
Indirect Costs to Yolo County	86-2420	\$2,650	21%	Increase: Costs continue to increase through A-87 arrears. Though in 2014/2015 we should start to see some cost savings due to leaving the County's payroll system.
Professional & Specialized Services	86-2429	\$56,000	109%	Increase: The largest increase in this account is from using the General Fund again to pay toward the database enhancement program \$50,000; and secondly the amount expected to pay the ARB for the state mandated Air Toxic Hot Spots program of \$16,000.
Trustees, Commissioners & Directors	86-2430	\$3,700	24%	Increase: Small increase expected due to an increase in board meetings.
Contributions to Special Programs & Projects	86-3200	(\$9,230)	-45%	Decrease: ARB has agreed to extend the lawnmower exchange program to 2013/2014, and as such, the District has extended the deadline for rebates under the program.
Equipment	86-4300	(\$53,100)	-100%	Decrease: No expenditures expected that fall within this account.

Mobile Source Program (DMV AB2766) - Revenue:

Fund Balance Available	n/a	\$139,022	100%	Increase: In 2012/2013 when the two DMV accounts were split, AB2766 did not have a fund balance, so for FY 2013/2014 it is showing a positive number to move forward.
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Mobile Source Program (DMV AB2766) - Expenditures:

OPEB	86-1301	(\$18,900)	-36%	Decrease: First time funding for ARC was budgeted in 2012/2013. Using 30% of DMV2766 revenue to fund, with 70% coming from the General Fund. The reduction is based on projected ARC for 2013/2014.
Other Miscellaneous Benefits	86-1600	\$6,400	116%	Increase: Majority of the increase comes from switching accounts to use to pay out cafeteria benefit dollars to employees. In 2012/2013 the District used 86-1300, Employee Group Insurance in error.
Maintenance of Equipment	86-2271	\$3,500	47%	Increase: Directly related to increase in funds from the EPA pass-thru for PM 2.5 monitoring and purchase of service agreement for the maintenance of the BAMs.
Office Expense – Printing	86-2391	\$2,650	46%	Increase: Based on budgeted expenditures for 2013/2014.
Professional & Specialized Services	86-2429	\$7,000	15%	Increase: Based on specialized contracts and obligations in 2013/2014.

Publications & Legal Notices	86-2460	\$3,500	318%	Increase: Based on the District's increased effort to provide information to the public on regional or District programs related to reducing mobile emissions.
Appropriation for Contingency	86-9900	\$103,668	252%	Increase: Unassigned cash for use in 2013/2014 if board approved.

Mobile Source Program (DMV AB923) - Revenue:

No variances to report that meet the 15% or \$2,500 criteria.

Mobile Source Program (DMV AB923) - Expenditures:

No variances to report that meet the 15% or \$2,500 criteria.

Mobile Source Program (Solano AB8) - Revenue and Expenditures:

Fund Balance Available	n/a	\$162,343	45%	Increase: Received extra revenue due to RDA pass thru which increase the fund balance.
Clean Air Funds	86-3102	\$39,000	18%	Increase: Available funds for 2013/2014.
Promotion of Public Education Programs	86-misc	\$7,000	100%	Increase: To assist the District is promotion of the mobile source public education programs.
Contingency	86-9900	\$138,843	41%	Increase: From the extra RDA pass-thru received in 2012/2013.

Yolo-Solano AQMD's Revenue and Expenditure Account Descriptions

REVENUE

<u>Account Number</u>	<u>Account Name</u>	<u>Brief Description</u>
82-2600	Renewal Permit Fees	Annual renewal fees - Stationary source & portable equipment programs.
82-2601	New Permit Fees	New permit fees - Stationary source program.
82-2604	Air Toxic Hot Spots Fees	State of California-mandated by Assembly Bill 2588.
82-2606	Agricultural Burning - Permit Fees	Fees established for cost recovery on management of the agricultural burn program.
82-2607	Asbestos Notification and Demolition Fees	Fees established for cost recovery on management of the asbestos notification and demolition program.
82-2611	Source Testing Fees	Fees related to stationary source emission testing.
82-2612	Agricultural Engine Program	Fees related to agricultural engine registrations.
82-3300	Settlement - Fines	Mutual settlement program.
82-4100/4199	Interest	Interest Earned.
82-5490	State of California Department of Motor Vehicles and State Air Resources Board (ARB)	Assembly Bill 923. Additional \$2.00 Vehicle Surcharge on motor vehicles registered in Yolo County and northeastern section of Solano County. Designated for release under programs/projects as allowed under legislation and Board approval. Also used for ARB's subvention grant (available to all air districts that meet the criteria as outlined in the California Health & Safety Code. Grant amount is based on population).
82-5500	State of California Department of Motor Vehicle and/or Other State Agencies	DMV AB2766 revenue based on vehicles registered in Yolo Co. & northeastern portion of Solano Co. (\$4 per vehicle); and PERP pass-through from the ARB. This account is also used for the ARB mower exchange grant.
82-5670	Federal Revenue	Pass-thru revenue for 1) EPA 103 PM2.5 grant program; and 2) EPA 105 grant program.
82-5711	Redevelopment Pass Thru from Solano County	Revenue received under Solano County property tax allotments based on AB8.
82-5820	Solano County Property Tax	Assembly Bill 8: Tax proceeds collected from the northeastern portion of Solano County. Designated for reduction of air pollution from motor vehicles and related activities.
82-6390	Administrative Overhead	Administrative fees for indirect and overhead charges against Funds 420/422/423.
82-6399	Penalty Assessments	Penalties charges against delinquent payments - Permit Program.

REVENUE (Continued)

<u>Account Number</u>	<u>Account Name</u>	<u>Brief Description</u>
82-7700	Other - Revenue	Miscellaneous Account - Technical Data Provided, Update / Subscription Services, reimbursement from previous fiscal years, etc.
82-7705	Stale Date Warrants	Warrants over 6 months old that have not been cashed.

EXPENDITURES

86-1101	Regular Employees	Wages paid to District employees.
86-1102	Extra-help	Wages paid to extra-help employees.
86-1103	Overtime	Overtime wages paid to employees, usually under the District's expedite permit program, and/or ag burn weekend work.
86-1107	Payroll payout/Vacation buy back	Terminating employees receive certain leave accrual payouts, and used for management vacation buy-back.
86-1201	Retirement	Pension payments to CalPERS.
86-1203	Medicare Tax	Payroll tax.
86-1300	Employee Group Insurance	Health, dental and vision coverage, and also group life insurance and long-term disability coverage.
86-1301	OPEB	Contribution to CalPERS Trust and pay-as-you-go costs for retiree's health insurance coverage.
86-1400	Unemployment Insurance	Payroll tax.
86-1500	Workers Compensation Insurance	Payments to YCPARMIA.
86-1600	Other Miscellaneous Benefits	Related to payroll: deferred compensation match, sick leave incentive, flex spending account administrative fee, and payroll service charges to third-party vendor.
86-2050	Clothing & Personal Supplies	Safety boots, clothing & accessories.
86-2090	Communications	Telephone, cellular phones, Internet connections.
86-2130	Food	Food.
86-2170	Household Expense	Restroom & kitchen paper supplies, pest control, etc.
86-2171	Household Expense-Contracts	Janitorial Service.
86-2202/2203	Insurance - Liability	PARMIA/General & Auto.
86-2271	Maintenance-Equipment	Maintenance agreements, maint. On vehicles, computers, other equipment.
86-2272	Maintenance-Bldgs. & Improvements	Locksmith services, building improvements/repairs, heating & air conditioning repairs, fire extinguisher refills, etc.
86-2300	Medical Supplies	First Aid Supplies, etc.
86-2330	Memberships	Memberships.

EXPENDITURES (Continued)

<u>Account Number</u>	<u>Account Name</u>	<u>Brief Description</u>
86-2360	Miscellaneous Expense	This category is for misc. expenses that do not fall under any established account #.
86-2391	Office Expense-Postage	Postage.
86-2392	Office Expense-Printing	Printing charges - newsletters, stationary supplies, forms, brochures, etc.
86-2420	Administrative Indirect Cost	A-87 Cost Allocation with Yolo County, and interfund charges from Fund(s) 420, 422, 423 to Fund 421.
86-2421	Auditing & Fiscal Services	Yolo County Auditor/Payroll Charges and Independent Audit.
86-2422	Information Services	Network/Computer support, and Internet Services.
86-2423	Legal Services	Attorney fees.
86-2425	Medical Services	Pre-Employment Physicals, Medical Examinations.
86-2429	Professional & Specialized Services	Contracts and services provided including advertising.
86-2430	Trustees, Comm., Directors	District Board of Directors and Hearing Board Members - attendance at District related mtgs.
86-2460	Publications	Public and legal notices, and job announcements / advertisements.
86-2491	Rents & Leases - Equipment	Rental equipment.
86-2492	Rents & Leases - Bldgs.	Office Lease, & public event booth rental.
86-2495	Records Storage	Records stored at Yolo County Records Ctr.
86-2520	Small Tools & Minor Equipment	All equipment purchased under \$3000 and not considered a fixed asset.
86-2548	Training Expense	All training.
86-2559	Special Dept. Expense - Other	Specialty gases, plaques, public events, employee & board awards, etc.
86-2610	Transportation & Travel	Transportation & travel.
86-2611	Vehicle Fuel	Fuel account.
86-2640	Utilities	Gas & electricity.
86-3200	Clean Air Funds/AB923 Grants	Clean Air Funds and AB923 grant programs.
86-3201	Payments to other Gov't Agencies	Clean Air Funds (AB8)
86-4300	Equipment	Equipment Purchases - Fixed Assets.
86-3360/3500	Capital Lease/Interest Account	Lease Equipment.
86-9900	Appropriation for Contingency	Contingency Account. Unassigned fund balance.