

FINAL BUDGET FISCAL YEAR 2014/2015



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

Mission Statement

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

Yolo-Solano Air Quality Management District

Final Budget Fiscal Year 2014/2015



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September 10, 2014

Board of Directors

The recommended final budget for 2014/2015 continues Yolo-Solano Air Quality Management District's commitment to protect public health and property from the harmful effects of air pollution. 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 will enter the new fiscal year with the same goals. We will continue to work closely with the community and industry to find solutions to the challenge of improving our air quality, and will continue to maximize resources within the District.

Last fiscal year (2012/2013), the District did not implement a fee adjustment, as we were able to maintain an appropriate revenue level and keep expenses down. However, based on current projections for 2014/2015, I recommended and the Board approved a cost recovery adjustment based on the CPI prior year April 2012 to April 2013 of 1.4%. The Board originally approved the CPI fee adjustment regulation to avoid future large increases in fees, as the District would rather slowly adjust fees based on the prior year CPI. As such, the adjustment of 1.4% will be a minimal adjustment to the majority of the permit holders, with a goal of not raising fees beyond the CPI adjustment in the future, if it can be avoided. Recommendations approved in the Proposed Budget on June 11, 2014, including the CPI adjustment for fiscal year 2014/2015 are including in the *Executive Summary and Recommendations* starting on page 6 of the budget document. Highlights include the District's proposal to pay off the PERS pension side fund of \$80,000; continuing to fund the OPEB Annual Required Contribution; and the proposal on use of the Department of Motor Vehicles (DMV) Mobile Source AB923 funds.

An overview of the salary and benefit recommendations approved on June 11, 2014 is outlined in *Exhibit A*. Highlights include:

- Maintaining 22 full-time employees and one extra-help clerical worker
- Approval of a job description for the Administrative Clerk classification
- Per the Agreement with the District's Employees' Association and approved minute orders in June 2012, salary adjustments of 1.4% based on the California CPI from the prior year and a reduction in the employer contribution of the CalPERS Member Contribution (MC) from 5.5% in 2013/2014 to 5% in 2014/2015, in which the employee will pay the remaining 2%, totaling 7% MC toward pension obligations

Another topic to mention is the District's current level of general reserve and stabilization reserve fund balances. I believe the reserves are adequate to mitigate current or future risks, as those levels are crucial considerations in long-term financial planning. An outline of the District's fund balance and classifications are provided in Exhibit B of the budget document.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read "Mat Ehrhardt".

Mat Ehrhardt, P.E.

Executive Director/Air Pollution Control Officer

YOLO-SOLANO AIR QUALITY MANAGEMENT DISTRICT

BOARD OF DIRECTORS

Dilenna Harris, Chair
Harold Anderson, Vice Chair

Board Member:

Harold Anderson

Jack Batchelor, Jr.

Constance Boulware

Duane Chamberlain

Sean Denny

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, Council Member

City of Vacaville, Council Member

City of West Sacramento, Mayor Pro Tem

Yolo County Supervisor, Fourth District

Yolo County Supervisor, Third District

Yolo County Supervisor, Second District

Solano County Supervisor, Second District

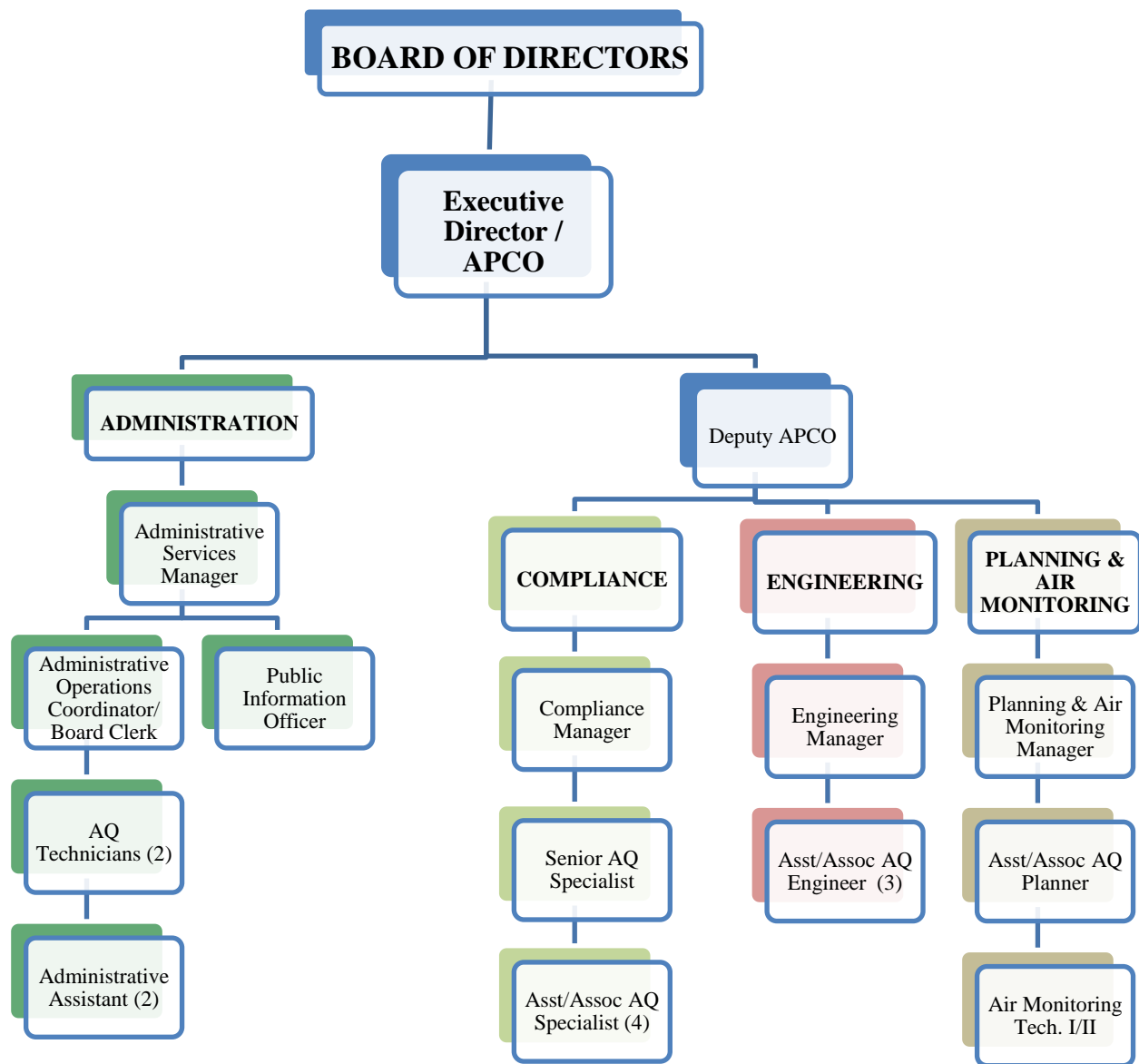
City of Davis, Council Member

Solano County Supervisor, Fifth District

Solano County Supervisor, Fourth District



YOLO-SOLANO AIR QUALITY MANAGEMENT DISTRICT ORGANIZATION CHART

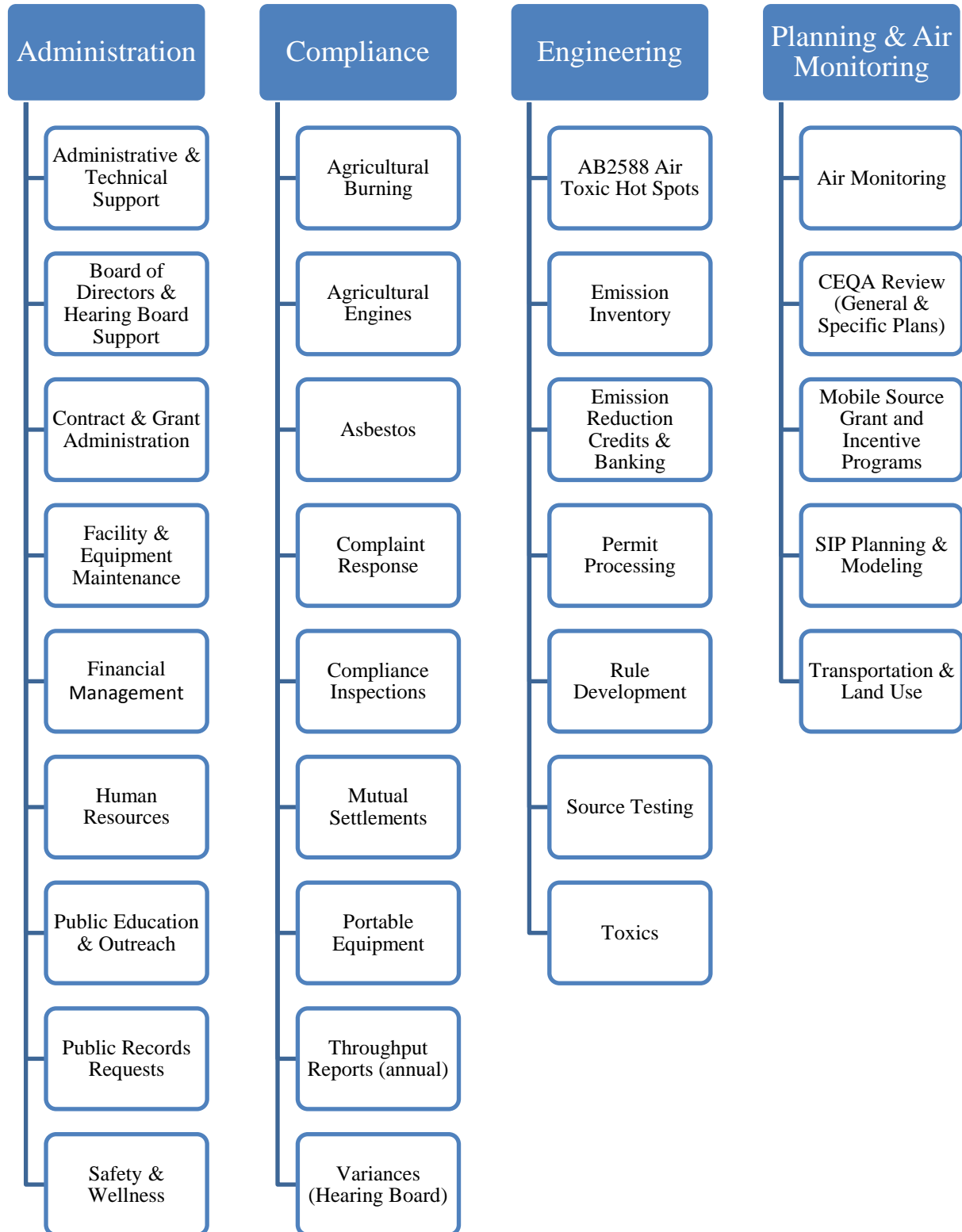


22 Full-Time Employees

(Does not include a limited temporary 23rd position [Administrative Operations Coordinator/Board Clerk] from 7/1/14 to 8/15/14, approved by the Board on April 9, 2014. See page 10 for details)

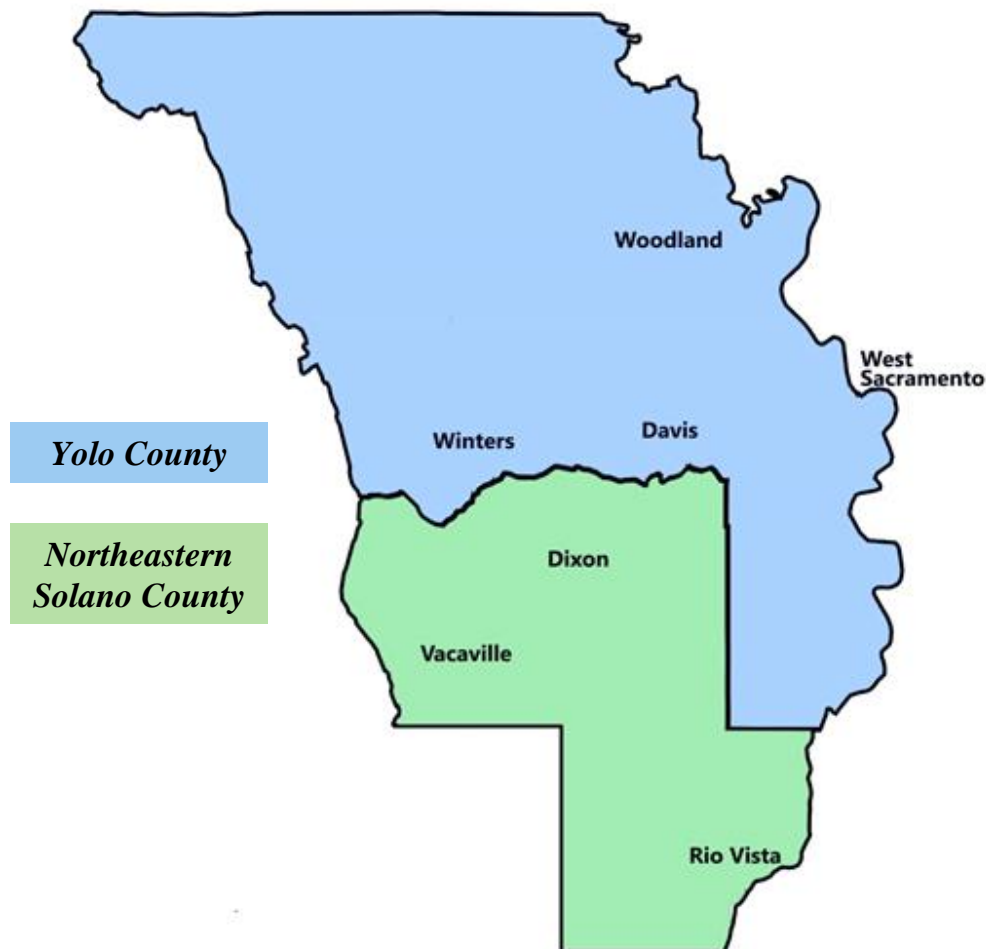
YOLO-SOLANO AIR QUALITY MANAGEMENT DISTRICT

DISTRICT DIVISIONS AND PROGRAM RESPONSIBILITIES



Yolo-Solano Air Quality Management District “District Boundaries”

The District boundaries include all of Yolo County and the northeastern portion of Solano County. The Solano boundary extends from I-80 eastward along the southern boundary of the California Medical Facility, which corresponds to Hay Road. Southerly, it extends to Goose Haven Road toward the vicinity of Birds Landing and Montezuma Hills Road; it then goes easterly 3/4 of a mile south of Montezuma Hills Road to the intersection of the Sacramento River.



SUMMARY AND RECOMMENDATIONS

RECOMMENDATION

District staff recommends that the Board approve the final 2014/2015 fiscal year budget for the following: General Fund (Fund 421) and restricted Mobile Sources Funds (Funds 420, 422 and 423).

ACCOUNT SUMMARIES

The accounts of the District are organized based on 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 four fund accounts are briefly outlined below.

General Fund (421): This fund account is the operating fund and 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 in part as an operating fund to support staff that works within the mobile source program, and provides grant 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.

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.

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% of the average total operating expenditures reported in the year-end 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%. 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% of the operating expenditures for fiscal year 2014/2015). The combined contingency reserves in the General Fund and Mobile Source AB2766 Fund are \$338,292 (9% of operating expenditures). The total reserve fund balance is at 16% of the operating budget and in the target goal percentages as listed above. General Reserve, Special Programs/Projects and Equipment reserve fund balances as of June 30, 2014, are outlined in *Exhibit B*, and shown on page 21 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 2014/2015, 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 2014/2015 budget)

Long-term Financial Obligations

The Board requested District staff to review the possibility to continue to pay down long-term financial obligations in June of 2012, which for the District includes OPEB (Other Post-Employment Benefits) and the CalPERS pension side fund. The following information is provided to outline the steps the District has taken with Board approval.

- **OPEB:**
 - The District contributed the annual required contribution (ARC) of \$105,000 in the CalPERS Trust in fiscal year 2012/2013. 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 ARC is both the pay-as-you-go costs (monthly premium payments) for retiree healthcare and the trust pre-funding. The District did not request a disbursement to cover the monthly premium costs for retiree health care premium contributions in 2012/2013.
 - Cost savings also occurred in 2012/2013 to the future OPEB liability when the District capped health premiums employer contributions as of January 1, 2013 for active employees, and therefore capping future obligation on retiree District-paid health care contributions.
 - In 2013/2014 though the ARC was at \$105,000, the District paid into the Trust \$110,000. We requested and received a disbursement from the Trust to use toward the pay-as-you-go costs of \$78,603.
 - For 2014/2015, the ARC is estimated at \$127,000 per the actuarial valuation report prepared by Bartel and Associates dated June 30, 2013, and is included in the 2014/2015 budget.
 - District staff does not anticipate having additional funding available to pay down this obligation other than the ARC for 2014/2015. A brief earnings summary is provided below based on the latest data from the California Employer Retirement Trust (CERBT).

CERBT Strategy 1 Investment - July 1 through June 30, 2014 (unaudited)

Beginning Balance	Contributions	Disbursements	Investment Earnings	CERBT Expense	Ending Balance
\$105,993	\$110,000	-\$78,603	\$28,756	-\$252	\$165,894

- **CalPERS Pension Side Fund:** In 2003, the District became 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 7.5%. 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 1% for 11 pay periods in 2012/2013.
 - A payment to the side fund of \$100,000 was made in October 2013, which reduced the employer contribution rate starting in October 2013 by 1%.
 - For fiscal year 2014/15, the employer rate is at 12.35% of payroll.
 - We are recommending a payment of \$80,919 toward the pension's side fund (pays off the side fund). This will reduce our employer contribution rate in 2014/15 by 1%, and eliminate the side fund in future contribution years.
- CalPERS Rate Changes: Future increases in pension costs is based on the CalPERS board adopting new assumptions, which marks the third change in factors that impact the long-term funding of the system and will cause employer rates to increase in future years. The other changes included PERS lowering its discount rate from 7.75% to 7.5% in March 2012. Then a year later changing its policies to employ an amortization and smoothing policy that will pay for all gains and losses over a fixed 30-year period (instead of rolling 30-year period) with the increases or decreases in the rate spread directly over a 5-year period. This change will be part of the June 30, 2013 valuation report (released in the fall of 2014) that will set the 2015/2016 rates.

However, the new assumptions are based on economic and demographic assumptions including mortality rate improvements that will increase employer contribution rates in future years, and will be effective fiscal year 2016/2017 for local agencies, and 2015/2016 for the state. PERS approved on February 18, 2014, a five-year smoothing period with a fixed 20-year amortization. The smoothing will recognize potential gains and losses in pension assets and provide stability to contributions over the 20-year period. The estimates that PERS provided for miscellaneous groups 2% @55 (non-state/non-safety) are 0.4% to 1.0% for the first year, to 1% to 5% by the fifth year. CalPERS actuarial valuation reports for 2016/2017 will be available in the fall of 2015.

REVENUE (*Variances of 15%, 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; however, to avoid future larger increases, **we recommended a cost recovery fee adjustment of 1.4%** based on the California Consumer Price Index (CPI) April-to-April prior years (2012 to 2013) under the Proposed Budget approved by the Board on June 11, 2014, effective July 1, 2014.
- Cost Recovery in the Stationary Source Program:
 - We are projecting a cost recovery of 87% for the 2014/2015 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 year ending June 30, 2014 is at 93% for the stationary source program. Charts outlining the cost recovery in the General Fund for the final budget for 2014/2015 and projected year-end for 2013/2014 are shown in the *Appendix*.
- Air Toxics Hot Spots 82-2604 has decreased in 2014/2015 from 2013/2014 by 41% or \$6,600. This stated mandated program has pass-through dollars that are paid to the State. Facilities' reporting requirements vary each year and depend on types of emissions the business emits.
- Fund Balance Available: The factors leading to the estimated \$514,948 is due to savings at year-end 2013/2014 as outlined below. The fund balance will move forward to 2014/2015 as cash available.

Extra Projected Revenue in 2013/2014.

- Stationary Source \$12,768
- Mutual Settlements \$75,084

Estimated Unspent Expenditures in 2013/2014

- Salaries and Benefits: \$64,518
- Misc. Services/Supplies:\$109,068
- Contingency: \$248,432

Mobile Source (DMV) AB2766 and AB923

- AB2766 and AB923: We are projecting to have an approximate 4% increase in revenue for 2014/2015 compared to 2013/2014 in both funds. This is based on the last two years of revenue received from the DMV.
- In 2012/2013, the District separated the two revenue sources received under legislation (AB2766 - \$4 per registered vehicle and AB923 - \$2 per registered vehicle) to better track the use of the money. There was a miscalculation made based on the tracking of encumbrances, where the projects were approved but funds were not released in the year in which it was approved (prior fiscal year), and the funding obligation moved to the new fiscal year. Not enough funds were moved from AB2766 to AB923, which totaled \$540,870 when the split occurred. This was paid back (transferred) to AB923 (Fund 420) from AB2766 (Fund 422) by April 30, 2014.
- Fund Balance Available under AB2766: The factors leading to the estimated \$244,239 is due to savings at year-end 2013/2014 as outlined below. The fund balance will move forward to 2014/2015 as cash available.

Extra Projected Revenue in 2013/2014

- DMV AB2766: \$42,439

Estimated Unspent Expenditures in 2013/2014

- Salaries and Benefits: \$28,126
- Misc. Services/Supplies:\$28,398
- Contingency: \$144,872

- Fund Balance Available under AB923: The factors leading to the estimated \$1,448,238 is due to savings at year-end 2013/2014 as outlined below. The fund balance will move forward to 2014/2015 as cash available, and will be used toward future board approved programs.

Extra Project Revenue in 2013/2014

- DMV AB923: \$23,371

Estimated Unspent Expenditures in 2013/2014

- Grant Program: \$900,000
- Contingency: \$524,867

Mobile Source (Solano Co. Property Tax)

- Property Tax: We are projecting to receive \$220,000 in 2014/2015 in Solano County property tax proceeds, which is the same projection as 2013/2014.
- Redevelopment Agencies (RDA) Pass-thru Funds: We are projecting to receive \$25,000 in 2014/2015. District records indicate the District started receiving pass-thru funds from RDAs in 2006. Amount received from 2006 to April 30, 2014 is approximately \$239,056.
- Fund Balance Available: The fund balance of \$569,631 will be used to fund grant projects and other expenses in 2014/2015, and to maintain a contingency reserve. Contingency reserve and revenue

received this year are released in future years with Board approval.

EXPENDITURES (*Variances of 15%, 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 increase of 4% or \$110,710 in the General Fund and Mobile Source DMV AB2766 funds. Included in the budget's General and Mobile Source AB2766 Fund is the option to pay off the District's PERS pension side fund (see page 7) of \$89,919 (421 and 422, 86-1201) and the contribution to the OPEB trust of \$127,000. Additional information on salary and benefits are found in *Exhibit A*, starting on page 31.
 - Temporary Limited Position – General Fund: Increase of approximately \$14,000. This is a limited extra position of Administrative Operations Coordinator/Board Clerk (AOC) that was approved by the Board on April 9, 2014. The employee serving in this position will be crossed trained by the incumbent AOC until their retirement in August 2014.
 - Extra-help – General Fund (86-1102): Increase of \$10,000, which is funding for an extra-help clerical worker to assist Administration in extra workload related to scanning/imaging of documents (paperless goal), outgoing mail and miscellaneous work of up to three hours five days per week.
 - OPEB - General and Mobile Source DMV AB2766 (86-1301): A combined increase of approximately \$17,450, which is based on actuarial assumptions for 2014/2015 Annual Required Contribution of \$127,000.
 - Other Miscellaneous Benefits (86-1600): Combined increase in both funds by \$47,000. This account is the District's deferred compensation match at \$60 per month per participating employee; and the board approved cafeteria benefit dollars projected for a full-year. In the prior year (2013/2014), the calculation was projected in error at half the actual cost. As part of the correction, the increase reflects the projection of 22 employees receiving cafeteria benefit dollars for 2014/2015.
- Services and Supplies: We continue to maintain program costs at previous levels in all non-essential areas. We have noted special programs/projects and/or significant increases or special programs below by fund.

General Fund

(Services and Supplies 14% or \$94,540 decrease from 2013/2014 to 2014/2015)

- Professional and Specialized Services (86-2429):
 - UCD Internship Program - \$19,650 (2 interns)
 - Basin Control Council (BCC) - \$11,000 (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)
- Contingency (86-1999): The General Fund's contingency is at \$200,113 for 2014/2015, 19% or \$48,319 less than 2013/2014. This is unassigned cash for use in 2014/2015 with Board approval. Contingency in the General Fund is 7% of the operating expenditures for 2014/2015.

Mobile Source DMV AB2766

(Services and Supplies 43 percent or \$111,800 increase from 2013/2014 to 2014/2015)

- Professional and Specialized Services (86-2429):
 - Regional Spare the Air Program - \$10,100 (Local match for the regional driving curtailment and health notification program managed by the Sacramento

- Metropolitan Air Quality Management District)
- Database Enhancement Project - \$60,000 (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 and 86-2559): 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, Clean Air Classrooms, bike and local government commission programs. This outreach is expected to cost approximately \$9,500 from the DMV AB2766 fund.
- AB2766 Clean Air Funds (86-3200): We have allocated \$105,200 toward the 2014 program.
- Contingency (86-9900): The DMV AB2766 Fund's contingency is at \$138,179 for 2014/2015, 5% or \$6,693 less than 2013/2014. This is unassigned cash for use in 2014/2015 with Board approval. Contingency in the AB2766 fund is 13% of the operating expenditures for 2014/2015.

Mobile Source DMV AB923

- AB923 Program (86-3200): We have approximately \$1,300,000 in DMV AB923 revenue to use toward a grant program in 2014/2015, which is a 44% or \$400,000 increase from 2013/2014.

Mobile Source Solano Co. Property Tax

- Clean Air Funds (86-3102): Available funding recommended for the 2014/2015 program is at \$400,000, which is a 60% or \$150,000 increase over 2013/2014. The District is able to allocate this extra percentage due to the higher than normal revenue received from RDA pass-through dollars.
- Public Education Outreach (86-2460 and 86-2559): Requesting \$5,000 for fiscal year 2014/2015 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.

ACCOMPLISHMENTS FOR 2013/2014 AND GOALS FOR 2014/2015

Administration Division: Responsible for the District management of air pollution control programs to ensure compliance with state rules and regulations; human resource 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 Hearing Board; and integration of district activities with other local, state and federal agencies.

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 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.

Public Outreach and Education:

- Produce 2013 annual report that discusses District achievements.

Accomplishments for 2013/2014

Fiscal Management:

- Program became operational in January 2014.
- A recommendation was presented to the Budget and Audit Committee in April 2014. Next steps include meeting with Yolo County.
- Internal controls are in place.

Public Outreach and Education:

- Our EnviroFlash subscriber base increased 36 percent in FY 2013-14 as of March 18. Social media follower rates have also increased substantially.
- Several sections of the website have been updated to be more user-friendly.
- Yolo-Solano Go Clean launched in August 2013. Staff has continued to develop the program.
- The Clear Air Classrooms Grant program was established in 2013. Three grants were awarded. Projects will be executed in spring 2014.

Public Outreach and Education:

- The 2013 annual report was published on January 9, 2014.

Administration Division (Continued)

Goals for 2014/2015

Fiscal Management:

- Finalize an agreement with Yolo County of how the the District is charged for services rendered by the county.
- Update the District job descriptions to ensure they are compliant with current laws.
- Update personnel policy to ensure it meets requirements to cover future law revisions and/or updates.
- Continue work toward a paperless retention of District records under established retention protocols.

Public Outreach and Education:

- Continue to build awareness of air quality issues, focusing on the health impacts of air pollution.
- Build awareness and use of air quality forecasts and real-time alerts specifically among educators, including preschools and day care centers. Focus on health risks to children and guidelines for outdoor play or exercise.
- Build momentum on Yolo-Solano Go Clean project. Continue to develop website and social media content, employ community-based social marketing techniques and develop events, programs and campaigns to improve awareness of clean transportation options.
- Continue to produce existing District outreach and education programs such as the Clean Air Calendar, Clean Air Classroom Grants program, the annual report and the Don't Light Tonight program.

Compliance Division: Responsible for the compliance of the District rules and regulations, which include: agricultural burning enforcement; inspection of permitted sources; asbestos demolition and renovation program; 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), and investigation of air quality and nuisance complaints.

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.

Accomplishments for 2013/2014

- As of April 1, the compliance section has performed 902 ongoing annual inspections, and currently has 80 overdue inspections, which will all be completed by the end of the fiscal year. The Air Quality Technicians have been trained to perform the ag engine inspections, and have started the inspections, with the goal to eliminate the overdue ag inspections within six months.

Compliance Division (Continued)

Goals for 2013/2014

- 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.

Accomplishments for 2013/2014

- Inspectors are in the process of being trained on the PERP inspections, with the goal to eliminate the overdue inspections within 6 months.
- District has settled 77 NOVs so far this fiscal year, and 85% of them were settled in less than 270 days. There are currently six open NOVs, which are over 270 days old.

Goals for 2014/2015

- Inspect all stationary sources (except emergency back-up generators and small boilers) at least once every 12 months, with emergency back-up generators and small natural gas fired boilers being once every 24 months.
- Complete the project of catching up on overdue ag engines inspections, with the goal to inspect engines every 36 months.
- Complete the project of catching up on overdue PERP (portable equipment registration program) inspections, with a goal to inspect engines 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 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.

Accomplishments for 2013/2014

- 86% of ATC applications and 88% of PTO applications (which includes one CAF permit renewal) were processed within the specified timeframes, as were all ERC and Title V applications.
- All automotive coating, wood coating, and metal products coating operation permits have been revised to reflect the newly revised conditions for Rule 2.31.
- Audited existing priority reserve credits, resulting in corrections of up to about 10% of the previous balance. Section is currently working to quantify and capture unclaimed emission reductions from over 700 permit cancellations.

Engineering Division (continued)

Goals for 2013/2014

- 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.

Accomplishments for 2013/2014

- Rule 2.21 has been adopted. Rules 2.34, 2.22, and 3.8 are scheduled for consideration in June, July, and September 2014. Rule development project for Rule 2.14 has begun.
- Improved the understanding of the requirements for evaluating facilities under AB2588 and has updated the facility inventory to reflect the available records for which facilities are subject to ongoing fees and reporting requirements, and on what schedule.

Goals for 2014/2015

- Continue to process all applications in a timely fashion.
- Finish project to capture unclaimed emission reductions for the priority reserve and conduct rule development to amend Rule 3.6 in accordance with guidance from the Board.
- Continue to promulgate rules in accordance with established priorities, with specific attention to the adoption of rules 2.34, 2.22 and 3.8 in fiscal year 2014/2015.
- Continue to improve the District's AB2588 Air Toxics Hot Spots Program.
- Continue to update existing permits in a timely manner after rule amendments or adoptions, with particular attention to the requirements of NESHAP Subpart ZZZZ for compression-ignited IC engines.

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 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.

Accomplishments for 2013/2014

Planning:

- Ozone inventory has been completed for the 2012 base year.
- Staff has examined several options for cost recovery and is working with legal counsel and local jurisdictions to determine the most effective and convenient way to achieve cost recovery.

Planning and Air Monitoring Division (continued):

Goals for 2013/2014

Planning:

- 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 (ARB) and revise monitoring program as needed based on audit results.

Accomplishments for 2013/2014

Planning:

- Staff briefed the District Board on new options for the use of AB 923 funds. Staff is taking the recommended program to the Board on May 14, 2014.
- New emissions modeling software is now being used to evaluate air quality impacts from new projects under the CEQA review program.

Air Monitoring:

- A final report on the result of the Technical System Audit has not been prepared by the ARB or submitted to the District. District staff has made several procedural changes to the monitoring program based on preliminary feedback from the ARB.

Goals for 2014/2015

Planning:

- Review and update the District's CEQA Handbook for use by lead agencies and project applicants. Bring all proposed revisions to the District Board for approval.
- Review all new EPA Control Technology Guidelines to determine if District regulations are consistent with reasonably available control technology criteria.
- Work with ARB staff to review and prepare spatial surrogates and day-specific data for use in ozone modeling efforts for the new federal 8-hour ozone standard.
- Identify all new potential sources of incentive funding that can be leveraged to assist with compliance with the provisions of the State Truck and Bus Regulation and communicate these options to the District's trucking community.

Air Monitoring:

- Develop new, streamlined procedure for submitting quarterly ozone data to the Air Resources Board that satisfies all new ARB guidance.

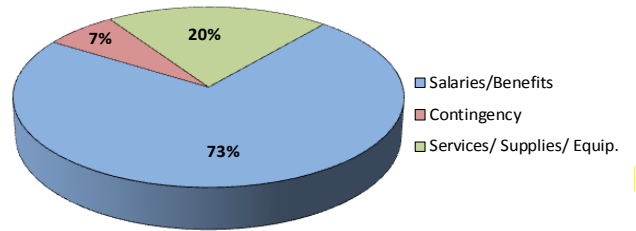
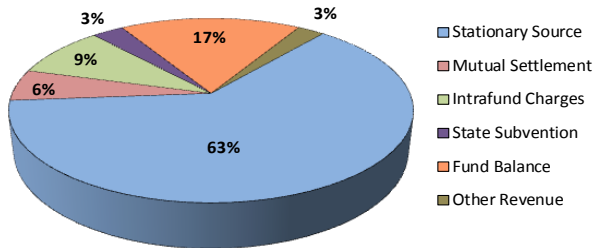


YOLO-SOLANO AIR QUALITY MANAGEMENT DISTRICT GENERAL FUND REVENUE AND EXPENDITURE SUMMARY

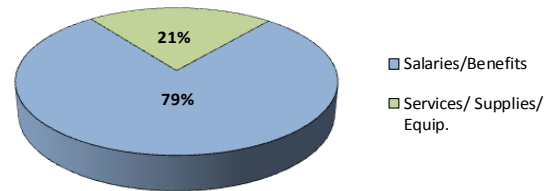
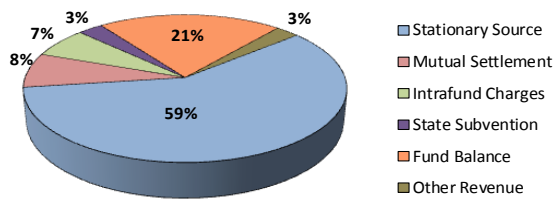
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Where the money goes:

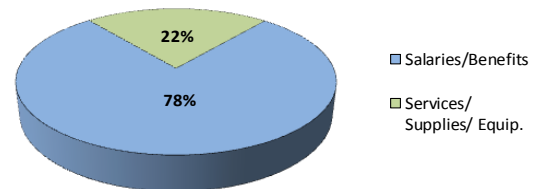
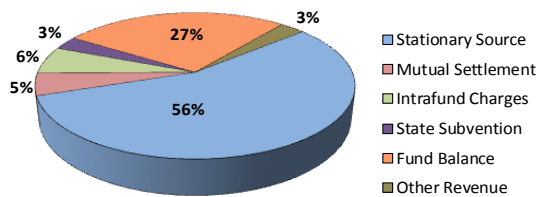
2014/2015 Recommended



2013/2014 Projected Year-End



2012/2013 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.

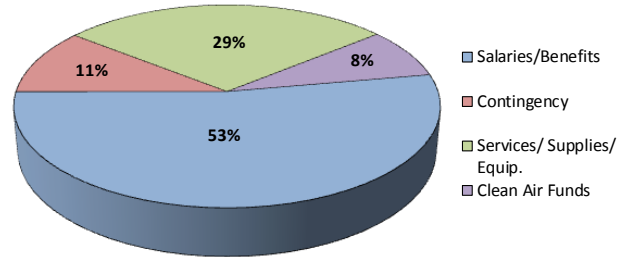
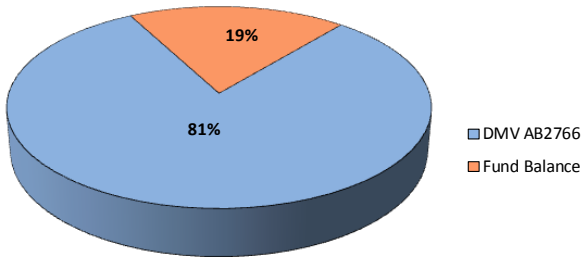


YOLO-SOLANO AIR QUALITY MANAGEMENT DISTRICT MOBILE SOURCE (DMV AB2766) PROGRAM REVENUE AND EXPENDITURE SUMMARY

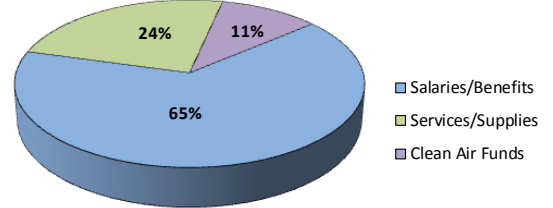
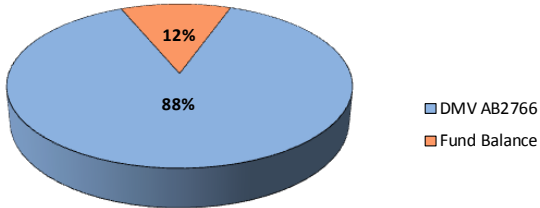
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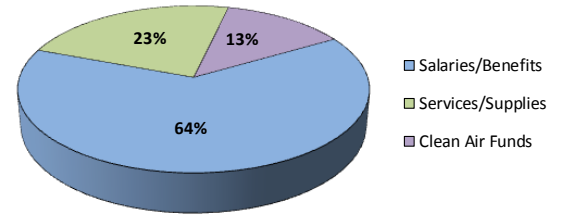
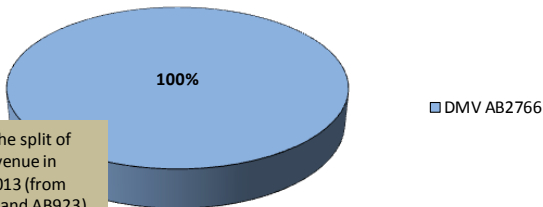
2014/2015 Recommended



2013/2014 Projected Year-End



2012/2013 Actuals



Due to the split of DMV revenue in 2012/2013 (from AB2766 and AB923), AB2766 started the FY without a fund balance

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

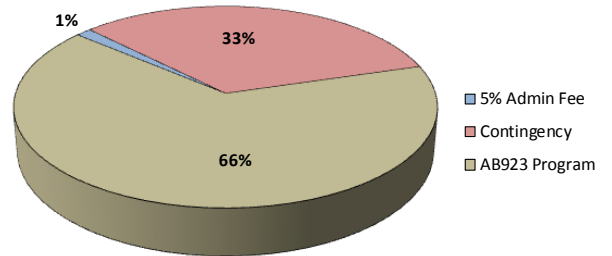
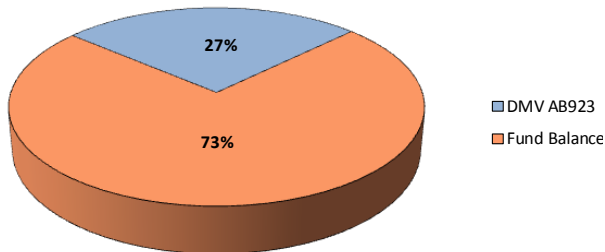


YOLO-SOLANO AIR QUALITY MANAGEMENT DISTRICT MOBILE SOURCE (DMV AB923) PROGRAM REVENUE AND EXPENDITURE SUMMARY

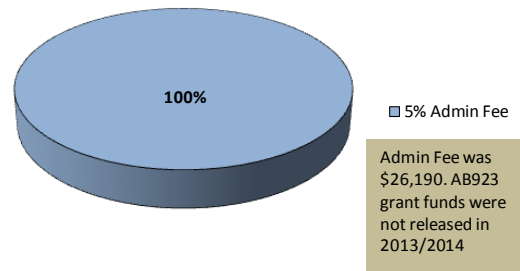
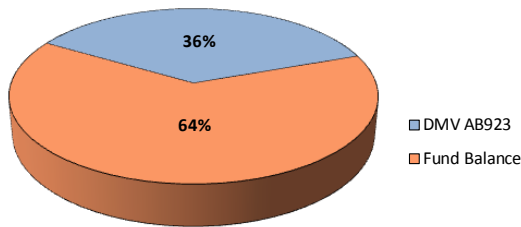
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Where the money goes:

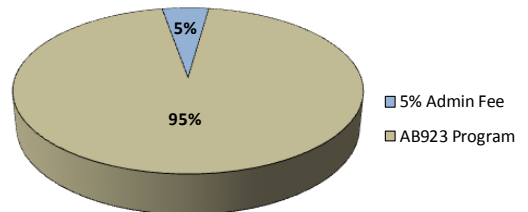
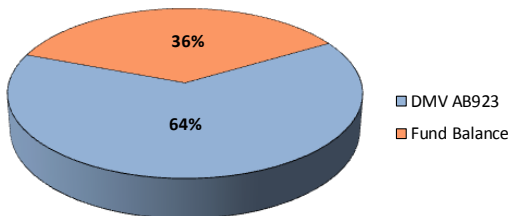
2014/2015 Recommended



2013/2014 Projected Year-End



2012/2013 Actuals



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

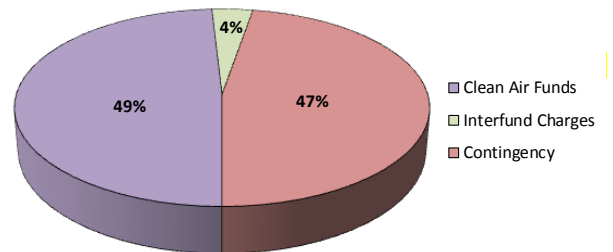
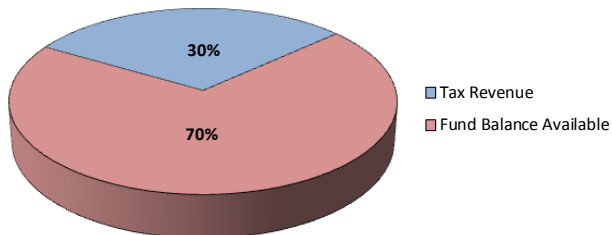


YOLO-SOLANO AIR QUALITY MANAGEMENT DISTRICT MOBILE SOURCE (Solano Co. Property Tax) PROGRAM REVENUE AND EXPENDITURE SUMMARY

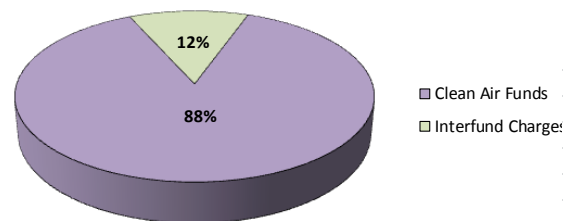
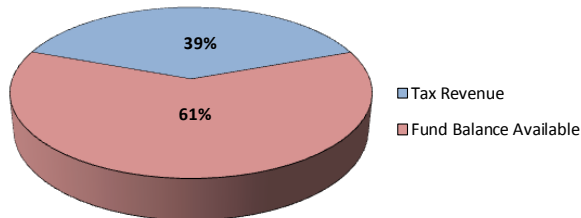
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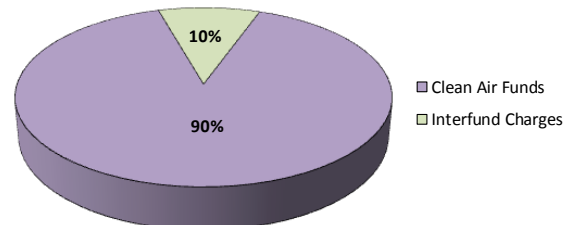
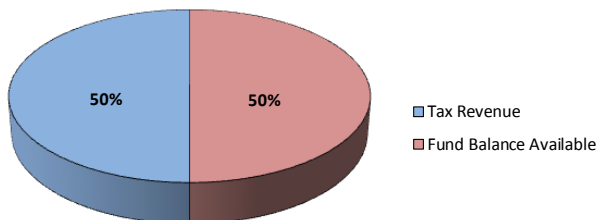
2014/2015 Recommended



2013/2014 Projected to Year-End



2012/2013 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 2014/2015**

DESCRIPTION	FY 13/14 Approved	FY 14/15 Recommended	Increase / (Decrease)	Variance %
General Fund 421	\$3,007,227	\$2,987,118	(\$20,109)	-1%
Mobile Source Program (DMV AB2766) Fund 422	\$1,160,022	\$1,302,289	\$142,267	12%
Mobile Source Program (DMV AB923) Fund 420	\$1,451,057	\$1,979,918	\$528,861	36%
Mobile Source Program (Solano Co. Property Tax) Fund 423	\$766,688	\$814,631	\$47,943	6%
TOTAL REVENUES¹	\$6,384,994	\$7,083,956	\$698,962	11%
Salaries/Benefits	\$2,752,340	\$2,863,050	\$110,710	4%
Services/Supplies	\$987,545	\$994,815	\$7,270	1%
Equipment	\$0	\$44,000	\$44,000	100%
DMV AB2766 Grant Program	\$100,000	\$105,200	\$5,200	5%
DMV AB923 Grant Program	\$900,000	\$1,300,000	\$400,000	44%
Clean Air Funds Projects (Solano Co. Property Tax)	\$250,000	\$400,000	\$150,000	60%
Contingency	\$1,395,109	\$1,376,891	(\$18,218)	-1%
TOTAL EXPENDITURES	\$6,384,994	\$7,083,956	\$698,962	11%

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 revenue details that follow.

Total Operating Budget is \$3,901,865 of the total budget of \$7,083,956

Comparisons	2013/2014 Approved vs. Actual			2014/15 Proposed to Final		
DESCRIPTION	FY 13/14 Approved	FY 13/14 Actual	Variance %	FY 14/15 Proposed	FY 14/15 Final	Variance %
General Fund 421	\$3,007,227	\$3,100,157	3%	\$2,908,689	\$2,987,118	3%
Mobile Source Program (DMV AB2766) Fund 422	\$1,160,022	\$1,202,865	4%	\$1,271,583	\$1,302,289	2%
Mobile Source Program (DMV AB923) Fund 420	\$1,451,057	\$1,474,428	2%	\$1,972,297	\$1,979,918	0%
Mobile Source Program (Solano Property Tax) Fund 423	\$766,688	\$854,776	11%	\$782,821	\$814,631	4%
TOTAL REVENUES	\$6,384,994	\$6,632,226	4%	\$6,935,390	\$7,083,956	2%
Salaries/Benefits	\$2,752,340	\$2,659,696	-3%	\$2,866,103	\$2,863,050	0%
Services/Supplies	\$987,545	\$790,121	-20%	\$993,920	\$994,815	0%
Equipment	\$0	\$0	0%	\$41,200	\$44,000	0%
DMV AB2766 Grant Program	\$100,000	\$100,000	0%	\$105,200	\$105,200	0%
DMV AB923 Grant Program	\$900,000	\$0	-100%	\$1,300,000	\$1,300,000	0%
Clean Air Funds Projects (Solano Co.)	\$250,000	\$250,000	0%	\$400,000	\$400,000	0%
Contingency	\$1,395,109	\$0	-100%	\$1,228,967	\$1,376,891	12%
TOTAL EXPENDITURES	\$6,384,994	\$3,799,817	-40%	\$6,935,390	\$7,083,956	2%

RESERVES SUMMARY	FY 13/14 Year-End Balance	FY 14/15 Anticipated	FY 14/15 Recommended Expenditures	FY 14/15 Projected Balance
GENERAL FUND				
RESERVES				
Assigned Reserves (Equip. Replacement/Special Projects) ¹	\$27,924	\$0	\$0	\$27,924
Unassigned Reserves-General ²	\$259,146	\$0	\$0	\$259,146

¹ Assigned Reserves: Equipment replacement and/or special projects. No recommendations under the final budget to use reserves.

² Unassigned Fund Balance: General Reserves - Fund 421



**YOLO-SOLANO AIR QUALITY MANAGEMENT DISTRICT
GENERAL FUND - REVENUE DETAIL
FINAL BUDGET FISCAL YEAR 2014/2015**

DESCRIPTION	Account No.	Approved Revenue FY 13/14	Projected Revenue FY 14/15	Variance Increase / (Decrease)	Variance %
STATIONARY SOURCE PROGRAM					
Renewal Permits	82-2600	\$1,330,000	\$1,400,000	\$70,000	5%
New Permits	82-2601	\$155,000	\$152,500	(\$2,500)	-2%
Source Testing	82-2611	\$92,750	\$102,250	\$9,500	10%
Agricultural Engine Registrations	82-2612	\$81,800	\$63,500	(\$18,300)	-22%
Portable Equipment Registrations - State ARB	82-5500	\$80,000	\$76,000	(\$4,000)	-5%
EPA 105 Pilot Program (Federal Revenue)	82-5670	\$77,158	\$77,158	\$0	0%
SUBTOTAL		\$1,816,708	\$1,871,408	\$54,700	3%
Fees/Air Toxics State Program	82-2604	\$16,000	\$9,400	(\$6,600)	-41%
Agricultural Burning Program	82-2606	\$21,000	\$23,100	\$2,100	10%
Asbestos Program	82-2607	\$18,500	\$18,500	\$0	0%
SUBTOTAL		\$55,500	\$51,000	(\$4,500)	-8%
Mutual Settlement Program	82-3300	\$160,000	\$165,000	\$5,000	3%
Interest Earned (includes 82-4100 & 4199)	82-41XX	\$6,000	\$4,000	(\$2,000)	-33%
Air Resources Board Subvention (State Revenue)	82-5490	\$90,000	\$90,000	\$0	0%
Air Resources Board Mower Grant (State Revenue)	82-5500	\$5,290	\$0	(\$5,290)	-100%
EPA 103 PM2.5 grant (Federal Revenue)	82-5670	\$17,909	\$14,342	(\$3,567)	-20%
Administrative Overhead	82-6390	\$187,000	\$265,420	\$78,420	42%
Penalty Assessments	82-6399	\$10,000	\$10,000	\$0	0%
Other-Revenue	82-7700	\$2,500	\$1,000	(\$1,500)	-60%
Stale Date Warrants	82-7705	\$0	\$0	\$0	0%
Sale of Fixed Assets	82-8100	\$0	\$0	\$0	0%
SUBTOTAL		\$478,699	\$549,762	\$71,063	15%
TOTALS		\$2,350,907	\$2,472,170	\$121,263	5%
FUND BALANCE AVAILABLE		\$656,320	\$514,948	(\$141,372)	-22%
Transfer to Operating Budget (Restricted Reserves)		\$0	\$0	\$0	100%
FUND 421 - TOTAL FINANCING AVAILABLE		\$3,007,227	\$2,987,118	(\$20,109)	-1%



YOLO-SOLANO AIR QUALITY MANAGEMENT DISTRICT
GENERAL FUND - EXPENDITURE DETAIL
FINAL BUDGET FISCAL YEAR 2014/2015

Account Name	Account No.	Approved Expenditures FY 13/14	Projected Expenditures FY 14/15	Variance Increase / (Decrease)	Variance %
Regular Employees	86-1101	\$1,325,000	\$1,361,000	\$36,000	3%
Extra-Help	86-1102	\$0	\$9,100	\$9,100	100%
Overtime (includes expedite program)	86-1103	\$15,750	\$14,500	(\$1,250)	-8%
Vacation/Payroll Buyback (or payout)	86-1107	\$9,300	\$13,000	\$3,700	40%
Retirement	86-1201	\$336,000	\$290,000	(\$46,000)	-14%
Medicare and Social Security Tax	86-1203	\$18,900	\$19,400	\$500	3%
Employee Group Insurance	86-1300	\$257,100	\$280,000	\$22,900	9%
OPEB (health pay-as-you-go & trust fund)	86-1301	\$77,000	\$89,200	\$12,200	16%
Unemployment Insurance	86-1400	\$6,600	\$6,700	\$100	2%
Workers Compensation Insurance	86-1500	\$9,870	\$11,270	\$1,400	14%
Other Miscellaneous Benefits	86-1600	\$41,900	\$82,000	\$40,100	96%
FUND 421 - SALARY & BENEFIT TOTALS		\$2,097,420	\$2,176,170	\$78,750	4%
Clothing and Personal Supplies	86-2050	\$2,500	\$2,500	\$0	0%
Communications	86-2090	\$17,500	\$19,000	\$1,500	9%
Food	86-2130	\$1,000	\$1,000	\$0	0%
Household Expense	86-2170	\$2,000	\$2,000	\$0	0%
Household Expense-Contracts	86-2171	\$16,520	\$16,520	\$0	0%
Insurance-Public Liability	86-2202	\$17,100	\$14,300	(\$2,800)	-16%
Maint-Equipment	86-2271	\$22,000	\$23,300	\$1,300	6%
Maint-Bldgs & Improv	86-2272	\$925	\$925	\$0	0%
Medical, Dental & Lab Supplies	86-2300	\$400	\$400	\$0	0%
Memberships	86-2330	\$6,000	\$6,100	\$100	2%
Miscellaneous Expense	86-2360	\$1,400	\$1,400	\$0	0%
Office Expense	86-2390	\$12,200	\$12,200	\$0	0%
Office Expense-Postage	86-2391	\$9,000	\$9,000	\$0	0%
Office Expense-Printing	86-2392	\$8,100	\$8,100	\$0	0%
Indirect/Overhead A-87 Costs-JPA with Yolo Co.	86-2420	\$15,250	\$15,000	(\$250)	-2%
Auditing and Fiscal Services	86-2421	\$39,600	\$30,300	(\$9,300)	-23%
Information Services	86-2422	\$48,000	\$48,000	\$0	0%
Legal Services (County Counsel)	86-2423	\$43,200	\$44,000	\$800	2%
Medical Services	86-2425	\$720	\$1,220	\$500	69%
Professional & Specialized Services	86-2429	\$107,400	\$41,700	(\$65,700)	-61%
Trustees, Commiss & Directors	86-2430	\$19,400	\$19,400	\$0	0%
Publications & Legal Notices	86-2460	\$2,900	\$2,900	\$0	0%
Rents & Leases-Equipment	86-2491	\$1,360	\$2,250	\$890	65%
Rents & Lease-Bldgs & Improv	86-2492	\$172,000	\$175,270	\$3,270	2%
Small Tools & Minor Equip.	86-2520	\$14,600	\$4,650	(\$9,950)	-68%
Training Expense	86-2548	\$10,000	\$9,300	(\$700)	-7%
Special Dept Expense-Other	86-2559	\$3,000	\$2,400	(\$600)	-20%
Transportation & Travel	86-2610	\$24,000	\$22,800	(\$1,200)	-5%
Vehicle Fuel	86-2611	\$12,100	\$11,100	(\$1,000)	-8%
Utilities	86-2640	\$10,000	\$10,000	\$0	0%
Contributions to Special Programs & Projects	86-3200	\$11,400	\$0	(\$11,400)	-100%
Capital Lease	86-3360	\$9,800	\$9,800	\$0	0%
MAJOR OBJECT TOTAL		\$661,375	\$566,835	(\$94,540)	-14%
Equipment	86-4300	\$0	\$44,000	\$44,000	100%
Appropriation for Contingency	86-9900	\$248,432	\$200,113	(\$48,319)	-19%
MAJOR OBJECT TOTAL		\$248,432	\$244,113	(\$4,319)	-2%
FUND 421 - TOTAL FINANCING REQUIREMENTS		\$3,007,227	\$2,987,118	(\$20,109)	-1%



**YOLO-SOLANO AIR QUALITY MANAGEMENT DISTRICT
MOBILE SOURCE PROGRAM (DMV AB2766) - REVENUE DETAIL
FINAL BUDGET FISCAL YEAR 2014/2015**

DESCRIPTION	Account No.	Approved Revenue FY 13/14	Projected Revenue FY 14/15	Variance Increase / (Decrease)	Variance %
State - AB2766 DMV Funds	82-5500	\$1,017,000	\$1,055,450	\$38,450	4%
Interest	82-4100	\$4,000	\$2,600	(\$1,400)	-35%
Other Revenue	82-7700	\$0	\$0	\$0	0%
SUBTOTAL		\$1,021,000	\$1,058,050	\$37,050	4%
FUND BALANCE AVAILABLE		\$139,022	\$244,239	\$105,217	76%
FUND 422 AB2766 - TOTAL FINANCING AVAILABLE		\$1,160,022	\$1,302,289	\$142,267	12%

MOBILE SOURCE PROGRAM (DMV AB2766) - EXPENDITURE DETAIL

Account Name	Account No.	Approved Expenditures FY 13/14	Projected Expenditures FY 14/15	Variance Increase / (Decrease)	Variance %
Regular Employees	86-1101	\$436,200	\$447,300	\$11,100	3%
Overtime	86-1103	\$2,200	\$1,600	(\$600)	-27%
Vacation/Payroll Buyback	86-1107	\$6,300	\$6,480	\$180	3%
Retirement	86-1201	\$77,700	\$98,400	\$20,700	27%
Medicare Tax	86-1203	\$5,900	\$6,000	\$100	2%
Employee Group Insurance	86-1300	\$75,950	\$63,000	(\$12,950)	-17%
OPEB (health pay-as-you-go & trust fund)	86-1301	\$33,000	\$38,250	\$5,250	16%
Unemployment Insurance	86-1400	\$1,870	\$1,700	(\$170)	-9%
Workers Compensation Insurance	86-1500	\$3,900	\$4,400	\$500	13%
Other Miscellaneous Benefits	86-1600	\$11,900	\$19,750	\$7,850	66%
FUND 422 - SALARY & BENEFIT TOTALS		\$654,920	\$686,880	\$31,960	5%
Clothing and Personal Supplies	86-2050	\$150	\$150	\$0	0%
Communications	86-2090	\$1,600	\$2,100	\$500	31%
Food	86-2130	\$300	\$550	\$250	83%
Maint-Equipment	86-2271	\$11,000	\$17,800	\$6,800	62%
Maint-Bldgs. & Improvements	86-2272	\$300	\$650	\$350	117%
Memberships	86-2330	\$3,800	\$3,800	\$0	0%
Miscellaneous Expense	86-2360	\$100	\$100	\$0	0%
Office Expense	86-2390	\$2,200	\$2,200	\$0	0%
Office Expense-Postage	86-2391	\$300	\$300	\$0	0%
Office Expense-Printing	86-2392	\$8,350	\$7,900	(\$450)	-5%
Administrative Overhead (Fund 421)	86-2420	\$135,700	\$213,975	\$78,275	58%
Auditing and Fiscal Services	86-2421	\$3,700	\$0	(\$3,700)	-100%
Information Services	86-2422	\$2,200	\$3,240	\$1,040	47%
Medical Services	86-2425	\$130	\$130	\$0	0%
Professional & Specialized Services	86-2429	\$52,300	\$81,600	\$29,300	56%
Trustees, Commiss. & Directors	86-2430	\$600	\$600	\$0	0%
Publications & Legal Notices	86-2460	\$4,600	\$3,350	(\$1,250)	-27%
Rents & Lease-Bldgs & Improv	86-2492	\$1,200	\$625	(\$575)	-48%
Small Tools & Minor Equipment	86-2520	\$5,100	\$2,100	(\$3,000)	-59%
Training Expense	86-2548	\$4,000	\$4,100	\$100	3%
Special Dept Expense-Other	86-2559	\$13,000	\$17,000	\$4,000	31%
Transportation & Travel	86-2610	\$9,400	\$8,550	(\$850)	-9%
Vehicle Fuel (District Electric Charging Station)	86-2611	\$0	\$1,000	\$1,000	100%
Utilities	86-2640	\$200	\$210	\$10	5%
MAJOR OBJECT TOTALS		\$260,230	\$372,030	\$111,800	43%
AB2766 Clean Air Funds	86-3200	\$100,000	\$105,200	\$5,200	5%
Equipment	86-4300	\$0	\$0	\$0	0%
Appropriation for Contingency	86-9900	\$144,872	\$138,179	(\$6,693)	-5%
MAJOR OBJECT TOTALS		\$244,872	\$243,379	(\$1,493)	-1%
FUND 422 AB2766 - TOTAL FINANCING REQUIREMENTS		\$1,160,022	\$1,302,289	\$142,267	12%



**YOLO-SOLANO AIR QUALITY MANAGEMENT DISTRICT
MOBILE SOURCE PROGRAM (DMV AB923) - REVENUE DETAIL
FINAL BUDGET FISCAL YEAR 2014/2015**

DESCRIPTION	Account No.	Approved Revenue FY 13/14	Projected Revenue FY 14/15	Variance Increase / (Decrease)	Variance %
State - AB923 DMV Funds	82-5140	\$508,800	\$529,000	\$20,200	4%
Interest	82-4100	\$2,680	\$2,680	\$0	0%
Other Revenue	82-7700	\$0	\$0	\$0	0%
SUBTOTAL		\$511,480	\$531,680	\$20,200	4%
FUND BALANCE AVAILABLE		\$939,577	\$1,448,238	\$508,661	54%
FUND 420 AB923 - TOTAL FINANCING AVAILABLE		\$1,451,057	\$1,979,918	\$528,861	36%

MOBILE SOURCE PROGRAM (DMV AB923) - EXPENDITURE DETAIL

Account Name	Account No.	Approved Expenditures FY 13/14	Projected Expenditures FY 14/15	Variance Increase / (Decrease)	Variance %
Administrative Fee (Fund 421)	86-2420	\$25,440	\$26,450	\$1,010	4%
AB923 Program	86-3200	\$900,000	\$1,300,000	\$400,000	44%
Appropriation for Contingency	86-9900	\$525,617	\$653,468	\$127,851	24%
FUND 420 AB923 - TOTAL FINANCING REQUIREMENTS		\$1,451,057	\$1,979,918	\$528,861	36%

**MOBILE SOURCE PROGRAM (SOLANO CO. PROPERTY TAX)
REVENUE AND EXPENDITURE DETAIL
FINAL BUDGET FISCAL YEAR 2014/2015**

Description	Account No.	Board Approved Revenue FY 13/14	Projected Revenue FY 14/15	Variance Increase / (Decrease)	Variance %
Solano Tax Revenue	82-5820	\$220,000	\$220,000	\$0	0%
Redevelopment, Statutory Pass-Through	82-5711	\$25,000	\$25,000	\$0	0%
Fund Balance Available		\$521,688	\$569,631	\$47,943	9%
FUND 423 - TOTAL FINANCING AVAILABLE		\$766,688	\$814,631	\$47,943	6%

Description	Account No.	Board Approved Expenditures FY 13/14	Projected Expenditures FY 14/15	Variance Increase / (Decrease)	Variance %
Clean Air Funds Projects	86-3102	\$250,000	\$400,000	\$150,000	60%
Administrative Fee	86-2420	\$24,500	\$24,500	\$0	0%
Public Outreach (Publications)	86-2460	\$4,000	\$2,500	(\$1,500)	-38%
Public Outreach (Promotion)	86-2559	\$3,000	\$2,500	(\$500)	-17%
Lawnmower Exchange Program	86-3200	\$9,000	\$0	(\$9,000)	-100%
Contingency	86-9900	\$476,188	\$385,131	(\$91,057)	-19%
FUND 423 - TOTAL FINANCING REQUIREMENTS		\$766,688	\$814,631	\$47,943	6%

This is a restricted fund which is used exclusively for tracking revenue and expenditures associated with Solano County property tax revenue. The revenue projected for 2014/15 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 2013/14 to the Clean Air Funds Program for 2014/15. 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 District due to legislative action. Since the pass-through was unknown in 2013/2014 we estimated \$25,000, and will again estimate \$25,000 for 2014/2015. 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 any possible pay back in this fund's contingency account 86-1999. The District has received \$239,056 of RDA pass-through funds since 2006.

We are again requesting property tax proceeds to the support the District's public outreach program which includes promotion of Spare the Air (Ozone), Don't Light Tonight, 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.



YOLO-SOLANO AIR QUALITY MANAGEMENT DISTRICT
GENERAL FUND - REVENUE DETAIL
FISCAL YEAR 2013/2014 - Year Ending June 30, 2014

Account Name	Account No.	Approved Revenue FY 2012/13	Approved Revenue FY 2013/14	Actual Revenue FY 2013/14	Variance Approved to Actual (FY 13/14)
STATIONARY SOURCE PROGRAM					
Renewal Permits	82-2600	\$1,307,000	\$1,330,000	\$1,354,907	\$24,907
New Permits	82-2601	\$154,600	\$155,000	\$135,529	(\$19,471)
Source Testing	82-2611	\$107,430	\$92,750	\$109,849	\$17,099
Agricultural Engine Registrations	82-2612	\$74,200	\$81,800	\$94,651	\$12,851
Portable Equipment Registration - State ARB	82-5500	\$88,000	\$80,000	\$57,382	(\$22,618)
EPA 105 Pilot Program (Federal Revenue)	82-5670	\$79,923	\$77,158	\$77,158	\$0
SUBTOTAL		\$1,811,153	\$1,816,708	\$1,829,476	\$12,768
Fees/Air Toxics State Program	82-2604	\$5,600	\$16,000	\$10,235	(\$5,765)
Agricultural Burning Program	82-2606	\$21,000	\$21,000	\$22,478	\$1,478
Asbestos Program	82-2607	\$19,000	\$18,500	\$18,472	(\$28)
SUBTOTAL		\$45,600	\$55,500	\$51,185	(\$4,315)
Mutual Settlement Program	82-3300	\$155,000	\$160,000	\$235,084	\$75,084
Interest Earned (includes 82-4100 & 4199)	82-41XX	\$10,000	\$6,000	\$3,921	(\$2,079)
Air Resources Board Subvention-State Revenue	82-5490	\$90,000	\$90,000	\$89,710	(\$290)
Air Resources Board Mower Grant-State Revenue	82-5500	\$10,000	\$5,290	\$3,009	(\$2,281)
CalPERS Medicare Subsidy Part D Payment	82-5500	\$0	\$0	\$2,858	\$2,858
EPA 103 PM2.5 grant-Federal Revenue	82-5670	\$33,550	\$17,909	\$17,909	\$0
Administrative Overhead	82-6390	\$183,400	\$187,000	\$198,761	\$11,761
Penalty Assessments	82-6399	\$9,000	\$10,000	\$8,300	(\$1,700)
Other-Revenue	82-7700	\$5,000	\$2,500	\$1,254	(\$1,246)
Stale Date Warrants	82-7705	\$0	\$0	\$2,413	\$2,413
Sale of Fixed Assets	82-8100	\$0	\$0	\$0	\$0
SUBTOTAL		\$495,950	\$478,699	\$563,219	\$84,520
TOTALS		\$2,352,703	\$2,350,907	\$2,443,880	\$92,974
FUND BALANCE AVAILABLE		\$741,008	\$656,320	\$656,277	(\$43)
Transfer Funds from OPEB Reserves		\$105,000	\$0	\$0	\$0
FUND 421 - TOTAL FINANCING AVAILABLE		\$3,198,711	\$3,007,227	\$3,100,157	\$92,931

Fund Balance Available to 2014/15: **\$514,948**



**YOLO-SOLANO AIR QUALITY MANAGEMENT DISTRICT
GENERAL FUND - EXPENDITURE DETAIL
FISCAL YEAR 2013/2014 - Year Ending June 30, 2014**

Account Name	Account No.	Approved	Approved	Actual	Variance
		Expenditures FY 2012/13	Expenditures FY 2013/14	Expenditures FY 2013/14	Approved to Actual (FY 13/14)
Regular Employees	86-1101	\$1,320,000	\$1,325,000	\$1,303,756	(\$21,244)
Extra-Help	86-1102	\$35,700	\$0	\$0	\$0
Overtime (includes expedite program)	86-1103	\$13,140	\$15,750	\$12,238	(\$3,512)
Vacation/Payroll Buyback (or payout)	86-1107	\$11,000	\$9,300	\$7,599	(\$1,701)
Retirement	86-1201	\$244,000	\$336,000	\$322,368	(\$13,632)
Medicare Tax	86-1203	\$19,300	\$18,900	\$18,737	(\$163)
Employee Group Insurance	86-1300	\$278,000	\$257,100	\$234,058	(\$23,042)
OPEB (health pay-as-you-go & trust fund)	86-1301	\$293,550	\$77,000	\$77,186	\$186
Unemployment Insurance	86-1400	\$5,360	\$6,600	\$4,723	(\$1,877)
Workers Compensation Insurance	86-1500	\$10,370	\$9,870	\$9,851	(\$19)
Other Miscellaneous Benefits	86-1600	\$20,640	\$41,900	\$42,386	\$486
FUND 421 - SALARY & BENEFIT TOTALS		\$2,251,060	\$2,097,420	\$2,032,902	(\$64,518)
Clothing and Personal Supplies	86-2050	\$2,400	\$2,500	\$1,304	(\$1,196)
Communications	86-2090	\$16,300	\$17,500	\$12,355	(\$5,145)
Food	86-2130	\$1,000	\$1,000	\$877	(\$123)
Household Expense	86-2170	\$2,200	\$2,000	\$1,315	(\$685)
Household Expense-Contracts	86-2171	\$16,250	\$16,520	\$16,512	(\$8)
Insurance-Public Liability	86-2202	\$22,000	\$17,100	\$14,017	(\$3,083)
Maint-Equipment	86-2271	\$21,800	\$22,000	\$16,694	(\$5,306)
Maint-Bldgs & Improv	86-2272	\$925	\$925	\$422	(\$503)
Medical, Dental & Lab Supplies	86-2300	\$400	\$400	\$186	(\$214)
Memberships	86-2330	\$6,000	\$6,000	\$3,972	(\$2,028)
Miscellaneous Expense1	86-2360	\$2,400	\$1,400	\$16,988	\$15,588
Office Expense	86-2390	\$11,700	\$12,200	\$8,901	(\$3,299)
Office Expense-Postage	86-2391	\$12,600	\$9,000	\$4,986	(\$4,014)
Office Expense-Printing	86-2392	\$7,800	\$8,100	\$446	(\$7,654)
Indirect/Overhead A-87 Costs-JPA with Yolo Co.	86-2420	\$12,600	\$15,250	\$8,862	(\$6,388)
Auditing and Fiscal Services	86-2421	\$39,500	\$39,600	\$28,563	(\$11,037)
Information Services	86-2422	\$48,400	\$48,000	\$48,000	\$0
Legal Services (County Counsel)	86-2423	\$44,100	\$43,200	\$43,200	\$0
Medical Services	86-2425	\$800	\$720	\$523	(\$197)
Professional & Specialized Services	86-2429	\$51,400	\$107,400	\$72,700	(\$34,700)
Trustees, Commiss & Directors	86-2430	\$15,700	\$19,400	\$13,660	(\$5,740)
Publications & Legal Notices	86-2460	\$2,900	\$2,900	\$2,864	(\$36)
Rents & Leases-Equipment	86-2491	\$1,320	\$1,360	\$2,055	\$695
Rents & Lease-Bldgs & Improv	86-2492	\$165,580	\$172,000	\$168,527	(\$3,473)
Small Tools & Minor Equip.	86-2520	\$13,800	\$14,600	\$16,181	\$1,581
Training Expense	86-2548	\$9,300	\$10,000	\$3,356	(\$6,644)
Special Dept Expense-Other	86-2559	\$2,100	\$3,000	\$805	(\$2,195)
Transportation & Travel	86-2610	\$24,000	\$24,000	\$12,473	(\$11,527)
Vehicle Fuel	86-2611	\$12,100	\$12,100	\$10,849	(\$1,251)
Utilities	86-2640	\$10,000	\$10,000	\$8,357	(\$1,643)
Contributions to Special Programs & Projects	86-3200	\$20,630	\$11,400	\$3,130	(\$8,270)
Capital Lease	86-3360	\$9,600	\$9,800	\$9,227	(\$573)
MAJOR OBJECT TOTAL		\$607,605	\$661,375	\$552,307	(\$109,068)
Equipment	86-4300	\$53,100	\$0	\$0	\$0
Appropriation for Contingency	86-9900	\$286,946	\$248,432	\$0	(\$248,432)
MAJOR OBJECT TOTAL		\$340,046	\$248,432	\$0	(\$248,432)
FUND 421 - TOTAL FINANCING REQUIREMENTS		\$3,198,711	\$3,007,227	\$2,585,209	(\$422,018)



YOLO-SOLANO AIR QUALITY MANAGEMENT DISTRICT
MOBILE SOURCE PROGRAM (DMV AB2766) - REVENUE DETAIL
FISCAL YEAR 2013/2014 - Year Ending June 30, 2014

Account Name	Account No.	Approved Revenue FY 2012/13	Approved Revenue FY 2013/14	Actual Revenue FY 2013/14	Variance Approved to Actual (FY 13/14)
State - AB2766 DMV Funds	82-5500	\$1,029,804	\$1,017,000	\$1,059,439	\$42,439
Interest	82-4100	\$6,000	\$4,000	\$1,353	(\$2,647)
Other Revenue	82-7700	\$0	\$0	\$3,071	\$3,071
TOTALS		\$1,035,804	\$1,021,000	\$1,063,863	\$42,863
FUND BALANCE AVAILABLE		\$0	\$139,002	\$139,002	\$0
FUND 422 - TOTAL FINANCING AVAILABLE		\$1,035,804	\$1,160,002	\$1,202,865	\$42,863
Fund Balance Available to 2014/15:					\$244,239

MOBILE SOURCE PROGRAM (DMV AB2766) - EXPENDITURE DETAIL

Account Name	Account No.	Approved Expenditures FY 2012/13	Approved Expenditures FY 2013/14	Actual Expenditures FY 2013/14	Variance Approved to Actual (FY 13/14)
Regular Employees	86-1101	\$421,300	\$436,200	\$435,408	(\$792)
Overtime	86-1103	\$1,700	\$2,200	\$306	(\$1,894)
Vacation/Payroll Buyback	86-1107	\$6,160	\$6,300	\$5,817	(\$483)
Retirement	86-1201	\$77,930	\$77,700	\$74,854	(\$2,846)
Medicare Tax	86-1203	\$5,720	\$5,900	\$6,340	\$440
Employee Group Insurance	86-1300	\$74,035	\$75,950	\$54,933	(\$21,017)
OPEB (health pay-as-you-go & trust fund)	86-1301	\$51,900	\$33,000	\$33,000	\$0
Unemployment Insurance	86-1400	\$1,350	\$1,870	\$1,188	(\$682)
Workers Compensation Insurance	86-1500	\$4,530	\$3,900	\$3,831	(\$69)
Other Miscellaneous Benefits	86-1600	\$5,500	\$11,900	\$11,117	(\$783)
FUND 422 - SALARY & BENEFIT TOTALS		\$650,125	\$654,920	\$626,794	(\$28,126)
Clothing and Personal Supplies	86-2050	\$150	\$150	\$151	\$1
Communications	86-2090	\$1,420	\$1,600	\$1,729	\$129
Food	86-2130	\$300	\$300	\$380	\$80
Maint-Equipment	86-2271	\$7,500	\$11,000	\$8,651	(\$2,349)
Maint-Bldgs. & Improvements	86-2272	\$300	\$300	\$122	(\$178)
Memberships	86-2330	\$3,600	\$3,800	\$2,059	(\$1,741)
Miscellaneous Expense	86-2360	\$100	\$100	\$5	(\$95)
Office Expense	86-2390	\$1,500	\$2,200	\$715	(\$1,485)
Office Expense-Postage	86-2391	\$300	\$300	\$144	(\$156)
Office Expense-Printing	86-2392	\$5,700	\$8,350	\$2,178	(\$6,172)
Administrative Overhead (Fund 421)	86-2420	\$135,655	\$135,700	\$140,000	\$4,300
Auditing and Fiscal Services	86-2421	\$4,000	\$3,700	\$2,499	(\$1,201)
Information Services	86-2422	\$1,000	\$2,200	\$1,982	(\$218)
Medical Services	86-2425	\$150	\$130	\$0	(\$130)
Professional & Specialized Services	86-2429	\$45,300	\$52,300	\$46,412	(\$5,888)
Trustees, Commiss. & Directors	86-2430	\$600	\$600	\$500	(\$100)
Publications & Legal Notices	86-2460	\$1,100	\$4,600	\$236	(\$4,364)
Rents & Lease-Bldgs & Improv	86-2492	\$1,200	\$1,200	\$2	(\$1,198)
Small Tools & Minor Equipment	86-2520	\$4,500	\$5,100	\$5,078	(\$22)
Training Expense	86-2548	\$4,000	\$4,000	\$2,786	(\$1,214)
Special Dept Expense-Other	86-2559	\$6,200	\$13,000	\$9,351	(\$3,649)
Transportation & Travel	86-2610	\$9,500	\$9,400	\$6,725	(\$2,675)
Utilities	86-2640	\$200	\$200	\$127	(\$73)
MAJOR OBJECT TOTALS		\$234,275	\$260,230	\$231,832	(\$28,398)
AB2766 Clean Air Funds	86-3200	\$110,200	\$100,000	\$100,000	\$0
Equipment	86-4300	\$0	\$0	\$0	\$0
Appropriation for Contingency	86-9900	\$41,204	\$144,872	\$0	(\$144,872)
MAJOR OBJECT TOTALS		\$151,404	\$244,872	\$100,000	(\$144,872)
FUND 422 - TOTAL FINANCING REQUIREMENTS		\$1,035,804	\$1,160,022	\$958,626	(\$201,396)



**YOLO-SOLANO AIR QUALITY MANAGEMENT DISTRICT
MOBILE SOURCE PROGRAM (DMV AB923) - REVENUE DETAIL
FISCAL YEAR 2013/2014 - Year Ending June 30, 2014**

Account Name	Account No.	Approved Revenue FY 2012/13	Approved Revenue FY 2013/14	Actual Revenue FY 2013/14	Variance Approved to Actual (FY 13/14)
State - AB923 DMV Funds	82-5490	\$514,902	\$508,800	\$531,719	\$22,919
Interest	82-4100	\$4,000	\$2,680	\$3,132	\$452
Other Revenue	82-7700	\$0	\$0	\$0	\$0
TOTALS		\$518,902	\$511,480	\$534,851	\$23,371
FUND BALANCE AVAILABLE		\$906,235	\$939,577	\$939,577	\$0
FUND 420 - TOTAL FINANCING AVAILABLE		\$1,425,137	\$1,451,057	\$1,474,428	\$23,371

Fund Balance Available to 2014/15: **\$1,448,238**

MOBILE SOURCE PROGRAM (DMV AB923) - EXPENDITURE DETAIL

Account Name	Account No.	Approved Expenditures FY 2012/13	Approved Expenditures FY 2013/14	Actual Expenditures FY 2013/14	Variance Approved to Actual (FY 13/14)
Administrative Fee (Fund 421)	86-2420	\$25,745	\$26,190	\$26,190	\$0
AB923 Program	86-3200	\$800,000	\$900,000	\$0	(\$900,000)
Appropriation for Contingency	86-9900	\$599,392	\$524,867	\$0	(\$524,867)
FUND 420 - TOTAL FINANCING REQUIREMENTS		\$1,425,137	\$1,451,057	\$26,190	(\$1,424,867)

**MOBILE SOURCE PROGRAM (SOLANO CO. PROPERTY TAX)
REVENUE AND EXPENDITURE DETAIL
FISCAL YEAR 2013/2014 - Year Ending June 30, 2014**

Account Name	Account No.	Approved Revenue FY 2012/13	Approved Revenue FY 2013/14	Actual Revenue FY 2013/14	Variance Approved to Actual (FY 13/14)
Solano Property Tax Revenue	82-5820	\$220,000	\$220,000	\$276,864	\$56,864
Redevelopment, Statutory Pass-Through	82-5711	\$0	\$25,000	\$56,224	\$31,224
TOTALS		\$220,000	\$245,000	\$333,088	\$88,088
FUND BALANCE AVAILABLE		\$359,345	\$521,688	\$521,688	\$0
FUND 423 - TOTAL FINANCING AVAILABLE		\$579,345	\$766,688	\$854,776	\$88,088

Account Name	Account No.	Approved Expenditures FY 2012/13	Approved Expenditures FY 2013/14	Actual Expenditures FY 2013/14	Variance Approved to Actual (FY 13/14)
Clean Air Funds Projects	86-3102	\$211,000	\$250,000	\$250,000	\$0
Administrative Fee	86-2420	\$22,000	\$24,500	\$32,571	\$8,071
Public Outreach (Publication)	86-2460	\$0	\$4,000	\$75	(\$3,925)
Public Outreach (Promotion)	86-2559	\$0	\$3,000	\$2,499	(\$501)
Lawnmower Exchange Program	86-3200	\$9,000	\$9,000	\$0	(\$9,000)
Contingency	86-9900	\$337,345	\$476,188	\$0	(\$476,188)
FUND 423 - TOTAL FINANCING REQUIREMENTS		\$579,345	\$766,688	\$285,145	(\$481,543)

Fund Balance Available to 2014/15: **\$569,631**

YOLO-SOLANO AIR QUALITY MANAGEMENT DISTRICT

PERSONNEL

Approved Job Classifications for 2014/2015:

Job Classifications	FY 2013/2014 FTE¹	FY 2014/2015 FTE¹
<u>Executive Positions</u>		
Executive Director/Air Pollution Control Officer	1.00	1.00
<u>Exempt Management Positions</u>		
Deputy Air Pollution Control Officer	1.00	1.00
Administrative Services Manager	1.00	1.00
Compliance Manager	1.00	1.00
Engineering Manager	1.00	1.00
Planning and Air Monitoring Manager	1.00	1.00
<u>Administrative/Clerical Positions</u>		
Administrative Operations Coordinator/Board Clerk*	1.00	1.00
Administrative Assistant	2.00	2.00
Air Quality Technician	2.00	2.00
Public Information Officer	1.00	1.00
<u>Compliance Positions</u>		
Assistant/Associate Air Quality Specialist	4.00	4.00
Senior Air Quality Specialist	1.00	1.00
<u>Engineering Positions</u>		
Assistant/Associate Air Quality Engineer	3.00	3.00
<u>Planning and Air Monitoring Positions</u>		
Air Monitoring Technician I/II	1.00	1.00
Assistant/Associate Air Quality Planner	<u>1.00</u>	<u>1.00</u>
TOTAL	22.00	22.00

¹FTE - Full-time Equivalent

*Approved by the Board on April 9, 2014 to hire one additional employee in the position of Administrative Operations Coordinator/Board Clerk to work parallel from June 16, 2014 to August 15, 2014

Executive Director/APCO Recommendations

Summary

Under the District's reorganization in 2013/2014, we were able to streamline operations and provide additional technical support to the District divisions, which provided cost savings. We are continuing to work on solving inspection workflow issues, and will continue to look at ways to streamline operations and achieve higher rate of efficiencies, which hopefully will continue to provide costs savings.

Also, part of the budget that affects the salaries and benefits is the commitment to pay down future liabilities including the proposal to pay off the District's pension (CalPERS) risk pool side fund of \$80,919; and to contribution the ARC toward the District's OPEB Trust of approximately \$127,000 (see pages 7-8).

As the District moves forward to 2014/2015, we are recommending continuing to operate at 22 full-time positions. To assist with some general clerical duties we asked under the proposed budget to add a work experience student for up to three (3) hours of work per day. This will cost the District approximately \$10,000 in 2014/2015, which includes wages and payroll taxes. The extra-help position does not qualify for benefits.

Recommendations Approved on June 11, 2014 under the Proposed Budget

- Due to the reorganization in 2013/2014, the position of Administrative Clerk II was reclassified to Administrative Assistant, and we retitled the position of Administrative Clerk I to Administrative Clerk. Under the proposed budget recommendation, the Board approved the revised job description of Administrative Clerk (pages 36-37). There is not an approved or filled position. There is no change in range or salary. This is administrative in nature.
- Approved adding an "Extra-Help Clerical" position to the salary resolution at Range 1, Step A, with an hourly rate based on Range 1, Step A of the salary table, which is \$11.87 per hour for fiscal year 2014/2015; and approved the job description as provided on pages 38-39. This establishes an entry-level position that the District can utilize as extra-help in 2014/2015 and in the future.
- Approved an extra-help clerical position for 2014/2015. This position will assist in the Administration Division in general clerical duties including the scanning/imaging paperless project with an estimated cost of \$10,000 (wages and payroll taxes, no benefits provided). Hours will be limited to 15 hours per week, or 760 hours.
- Approved title changes for the following exempt employee positions to better clarify their duties and responsibilities at the District. No other changes were proposed, including any pay, responsibility and/or benefit change. There is no fiscal impact, as there is no change in pay or benefits.
 - Administrative Services Officer to Administrative Services Manager
 - Supervising Air Quality Engineer to Engineering Manager
 - Supervising Air Quality Planner to Planning and Air Monitoring Manager
 - Supervising Air Quality Specialist to Compliance Manager
- 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 it is recommended to approve by Minute Order in 2014/2015, which will be effective the first full pay period of 2014/2015 (July 13, 2014) unless otherwise noted below.

- Cost of living adjustment (COLA) of 1.4%, which is based on the California Consumer Price Index (CPI) prior year April-to-April (2012 to 2013) under the approved Salary Resolution No. 14-05 (pages 33-34).
 - 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% of any increase in premiums under Kaiser – Bay Area based on the individual employee's level of coverage. The 2014 benefit per month is employee only \$66; employee + one \$132; and employee + family \$172. The District anticipated an increase under the proposed budget, but Kaiser – Bay Area did not increase for 2015. As such, the cafeteria benefit remains the same as 2014.
 - Effective July 1, 2014, employees pay 2% and the District 5% of the 7% under the CalPERS Member Contribution (MC) for fiscal year 2014/2015. In fiscal year 2012/2013, employees paid 1% and the District paid 6%, and in 2013/2014, employees paid 1.5% and the District paid 5.5% of the MC.
- 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 2014/2015 (July 13, 2014) unless otherwise noted below:
- COLA of 1.4%, which is based on the California Consumer Price Index (CPI) prior year April-to-April (2012 to 2013) by approved Salary Resolution No. 14-05 for confidential position, and approved Resolution No. 14-05M for exempt positions (page 35).
 - District contribution to health benefits through 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% of any increase in premiums under Kaiser – Bay Area based on the individual employee's level of coverage. The 2014 benefit per month is employee only \$66; employee + one \$132; and employee + family \$172. The District anticipated an increase under the proposed budget, but Kaiser – Bay Area did not increase for 2015. As such, the cafeteria benefit remains the same as 2014.
 - Effective July 1, 2014, employees pay 2% and the District 5% of the 7% under the CalPERS Member Contribution (MC) for fiscal year 2014/2015. In fiscal year 2012/2013, employees paid 1 percent and the District paid 6%, and in 2013/2014, employees paid 1.5% and the District paid 5.5% of the MC.

YOLO-SOLANO AIR QUALITY MANAGEMENT DISTRICT
SALARY RESOLUTION NO. 14-05
EFFECTIVE JULY 13, 2014
Board Approved June 11, 2014

		Step A	Step B	Step C	Step D	Step E	FLSA Status	Covered Under MOU
Administration								
Administrative Clerk	23	\$2,560 \$30,720 \$14.77	\$2,688 \$32,256 \$15.51	\$2,823 \$33,876 \$16.29	\$2,964 \$35,568 \$17.10	\$3,112 \$37,344 \$17.95	Non-exempt	yes
Administrative Assistant	41	\$3,063 \$36,756 \$17.67	\$3,216 \$38,592 \$18.55	\$3,377 \$40,524 \$19.48	\$3,545 \$42,540 \$20.45	\$3,723 \$44,676 \$21.48	Non-exempt	yes
Air Quality Technician	67	\$3,967 \$47,604 \$22.89	\$4,165 \$49,980 \$24.03	\$4,373 \$52,476 \$25.23	\$4,592 \$55,104 \$26.49	\$4,822 \$57,864 \$27.82	Non-exempt	yes
Administrative Operations Coordinator/Board Clerk	77	\$4,382 \$52,584 \$25.28	\$4,601 \$55,212 \$26.54	\$4,831 \$57,972 \$27.87	\$5,073 \$60,876 \$29.27	\$5,326 \$63,912 \$30.73	Non-exempt	no
Public Information Officer	93	\$5,138 \$61,656 \$29.64	\$5,395 \$64,740 \$31.13	\$5,665 \$67,980 \$32.68	\$5,948 \$71,376 \$34.32	\$6,245 \$74,940 \$36.03	Non-exempt	yes
Compliance								
Assistant Air Quality Specialist	80	\$4,515 \$54,180 \$26.05	\$4,740 \$56,880 \$27.35	\$4,977 \$59,724 \$28.71	\$5,226 \$62,712 \$30.15	\$5,488 \$65,856 \$31.66	Non-exempt	yes
Associate Air Quality Specialist	95	\$5,241 \$62,892 \$30.24	\$5,503 \$66,036 \$31.75	\$5,779 \$69,348 \$33.34	\$6,068 \$72,816 \$35.01	\$6,371 \$76,452 \$36.76	Non-exempt	yes
Senior Air Quality Specialist	105	\$5,790 \$69,480 \$33.40	\$6,079 \$72,948 \$35.07	\$6,383 \$76,596 \$36.83	\$6,702 \$80,424 \$38.67	\$7,037 \$84,444 \$40.60	Non-exempt	yes

		Step A	Step B	Step C	Step D	Step E	FLSA Status	Covered Under MOU
Engineering								
Assistant Air Quality Engineer	92	\$5,087 \$61,044 \$29.35	\$5,342 \$64,104 \$30.82	\$5,609 \$67,308 \$32.36	\$5,889 \$70,668 \$33.98	\$6,184 \$74,208 \$35.68	Non-exempt	yes
Associate Air Quality Engineer	107	\$5,906 \$70,872 \$34.07	\$6,201 \$74,412 \$35.78	\$6,511 \$78,132 \$37.56	\$6,837 \$82,044 \$39.44	\$7,179 \$86,148 \$41.42	Non-exempt	yes
Associate Air Quality Engineer with P.E.	112	\$6,207 \$74,484 \$35.81	\$6,518 \$78,216 \$37.60	\$6,844 \$82,128 \$39.48	\$7,186 \$86,232 \$41.46	\$7,545 \$90,540 \$43.53	Non-exempt	yes
Senior Air Quality Engineer	117	\$6,524 \$78,288 \$37.64	\$6,850 \$82,200 \$39.52	\$7,193 \$86,316 \$41.50	\$7,552 \$90,624 \$43.57	\$7,930 \$95,160 \$45.75	Non-exempt	yes
Senior Air Quality Engineer with P.E.	122	\$6,857 \$82,284 \$39.56	\$7,200 \$86,400 \$41.54	\$7,560 \$90,720 \$43.62	\$7,938 \$95,256 \$45.80	\$8,334 \$100,008 \$48.08	Non-exempt	yes
Planning and Air Monitoring								
Air Monitoring Technician I	67	\$3,967 \$47,604 \$22.89	\$4,165 \$49,980 \$24.03	\$4,373 \$52,476 \$25.23	\$4,592 \$55,104 \$26.49	\$4,822 \$57,864 \$27.82	Non-exempt	yes
Air Monitoring Technician II	82	\$4,605 \$55,260 \$26.57	\$4,836 \$58,032 \$27.90	\$5,077 \$60,924 \$29.29	\$5,331 \$63,972 \$30.76	\$5,598 \$67,176 \$32.30	Non-exempt	yes
Assistant Air Quality Planner	83	\$4,651 \$55,812 \$26.83	\$4,884 \$58,608 \$6.00	\$5,128 \$61,536 \$29.58	\$5,385 \$64,620 \$31.07	\$5,654 \$67,848 \$32.62	Non-exempt	yes
Associate Air Quality Planner	98	\$5,400 \$64,800 \$31.15	\$5,670 \$68,040 \$32.71	\$5,954 \$71,448 \$34.35	\$6,251 \$75,012 \$36.06	\$6,564 \$78,768 \$37.87	Non-exempt	yes
Clerical Extra-Help/Interns								
Clerical Extra-Help	1	\$11.87 per hour					Non-exempt	no
Intern (College)	21	\$2,510 \$30,120 \$14.48	\$2,635 \$31,620 \$15.20	\$2,767 \$33,204 \$15.96	\$2,906 \$34,872 \$16.77	\$3,051 \$36,612 \$17.60	Non-exempt	no

YOLO-SOLANO AIR QUALITY MANAGEMENT DISTRICT
EXEMPT POSITIONS
SALARY RESOLUTION NO. 14-05M
EFFECTIVE JULY 13, 2014
Board Approved June 11, 2014

Salary Range	Minimum		Maximum		Range/Position
	Hourly	Monthly	Hourly	Monthly	
M-115	\$35.88	\$6,219	\$44.85	\$7,774	
M-116	\$36.24	\$6,281	\$45.30	\$7,851	
M-117	\$36.60	\$6,344	\$45.75	\$7,930	
M-118	\$36.97	\$6,407	\$46.21	\$8,009	Planning and Air Monitoring Manager
M-119	\$37.34	\$6,471	\$46.67	\$8,089	
M-120	\$37.71	\$6,536	\$47.14	\$8,170	Compliance Manager
M-121	\$38.09	\$6,602	\$47.61	\$8,252	
M-122	\$38.47	\$6,668	\$48.08	\$8,334	
M-123	\$38.85	\$6,734	\$48.56	\$8,418	
M-124	\$39.24	\$6,802	\$49.05	\$8,502	
M-125	\$39.63	\$6,870	\$49.54	\$8,587	
M-126	\$40.03	\$6,938	\$50.04	\$8,673	
M-127	\$40.43	\$7,008	\$50.54	\$8,760	
M-128	\$40.83	\$7,078	\$51.04	\$8,847	
M-129	\$41.24	\$7,149	\$51.55	\$8,936	
M-130	\$41.65	\$7,220	\$52.07	\$9,025	
M-131	\$42.07	\$7,292	\$52.59	\$9,115	
M-132	\$42.49	\$7,365	\$53.11	\$9,206	Administrative Services Manager Engineering Manager
M-133	\$42.92	\$7,439	\$53.65	\$9,298	
M-134	\$43.35	\$7,513	\$54.18	\$9,391	
M-135	\$43.78	\$7,588	\$54.72	\$9,485	
M-136	\$44.22	\$7,664	\$55.27	\$9,580	
M-137	\$44.66	\$7,741	\$55.82	\$9,676	
M-138	\$45.11	\$7,818	\$56.38	\$9,773	
M-139	\$45.56	\$7,896	\$56.95	\$9,871	
M-140	\$46.01	\$7,975	\$57.51	\$9,969	
M-141	\$46.47	\$8,055	\$58.09	\$10,069	
M-142	\$46.94	\$8,136	\$58.67	\$10,170	
M-143	\$47.41	\$8,217	\$59.26	\$10,271	
M-144	\$47.88	\$8,299	\$59.85	\$10,374	
M-145	\$48.36	\$8,382	\$60.45	\$10,478	
M-146	\$48.84	\$8,466	\$61.05	\$10,583	
M-147	\$49.33	\$8,551	\$61.66	\$10,688	Deputy APCO
M-148	\$49.82	\$8,636	\$62.28	\$10,795	



ADMINISTRATIVE CLERK

Salary Range 23

Definition

Performs a variety of clerical support tasks including receptionist duties, billing, typing and filing; and performs other related duties as required.

Distinguishing Characteristics

This is the entry and training level class. Incumbents work under immediate supervision and perform repetitive or closely-related duties according to established procedures.

Principal Duties

(Any one position may not include all duties listed, nor do the examples listed cover all the duties that may be performed.)

- Receptionist duties, receive and greet customers, both in person and over the phone; refer callers to appropriate individuals; provide the public and employees with general procedural information regarding District programs and or services; distribute and explain forms.
- Sort and file information based on content or another classification method; maintain files, conduct file search to locate misplaced documents and/or files.
- Scan documents per established procedures; verify accuracy of scanned documents and ensure data is properly indexed.
- Type and proofread memos, letters, permits, reports and other documents as required.
- Schedule meetings and appointments.
- Open and distribute mail; process outgoing mail.
- Types lists, memos, letters, forms, permits, reports and other documents; makes routine checks of clerical work for compliance with specific requirements of form and content; searches records and files for data.
- Support for accounts payable and receivable including clerical recordkeeping duties. Use of photocopiers and sorter for mass mailings.
- Perform related duties and responsibilities as required and/or assigned.

QUALIFICATION GUIDELINES

Education and/or Experience

High school diploma or General Education Development (GED), supplemented by one (1) year of full-time work experience that demonstrates possession of and competency in the requisite knowledge and abilities. Certification in a clerical and/or accounting school program may substitute for one year of full-time experience.

Knowledge and Abilities

Considerable knowledge of clerical and office support methods, procedures, and techniques; automated and manual filing systems; software applications; office equipment operation; business correspondence; recordkeeping; correct English usage and terminology used in the area of work assigned; customer service techniques; document preparation, and duplication and distribution techniques.

Ability to provide general clerical and technical support; communicate effectively; apply rules, regulations, policies and procedures to applicable support duties. Understand program objectives in relation to goals and procedures; understand and apply written and verbal instructions; convey information to others; refer customers to appropriate District division; proofread documents, sort alphabetically and numerically, sort by

content; plan, organize and prioritize work; work under pressure and meet short deadlines; operate multi-line phone, software applications, scanners, photocopiers, and other equipment used in support activities; read and comprehend equipment operating instructions; search information storage systems to locate information; purge documents based on established procedures or specific instructions; solve problems encountered in the course of work; maintain files; extract information from records and/or reports; make routine mathematic calculations; answer the phone and take messages; communicate effectively with customers and District staff; establish and maintain cooperative working relationships; maintain confidentiality of information; recognize and respect limit of authority and responsibility.

WORKING CONDITIONS AND PHYSICAL ABILITIES

Work is performed in an office setting. Must be able to perform essential functions of the job. This position requires prolonged sitting, standing, walking, reaching, twisting, turning, kneeling, bending, squatting and stooping in the performance of daily activities. Position requires grasping, repetitive hand-eye coordination and fine-manipulation skills for preparing reports and data using a PC keyboard, computer mouse, and various office equipment. This position also requires good listening skills and the occasional need to lift, drag and push files, computer reports or other materials weighing up to 25 pounds. Travel by vehicle is required.

At times the public can disagree with the requirements of regulatory agencies and may be difficult to work with. This position must be able to handle these types of situations with diplomacy and tact.

SPECIAL REQUIREMENTS

This position must possess a valid California Class C Driver's License.

FLSA Status: Non-exempt

Approved June 2014



EXTRA-HELP CLERICAL

Salary Range 1, Step A

Definition

Performs a variety of clerical support tasks including receptionist duties, typing and filing; and performs other related duties as required.

Distinguishing Characteristics

This is the entry and training level class. Work under immediate supervision and perform routine or repetitive, and/or closely related duties according to established procedures.

ESSENTIAL JOB FUNCTIONS

Depending on assignment, duties may include but are not limited to the following:

- Receptionist duties; receive and greet customers, both in person and over the phone; refer callers to appropriate individuals; provide the public and employees with general procedural information regarding District programs and or services; distribute and explain forms.
- Sort and file information based on content or another classification method; maintain files, conduct file search to locate misplaced documents and/or files.
- Scan documents per established procedures; verify accuracy of scanned documents and ensure data is properly indexed.
- Open and distribute mail; process outgoing mail.
- Types lists, memos, letters, forms and other documents; makes routine checks of clerical work for compliance with specific requirements of form and content; searches records and files for data.
- Use of photocopiers and sorter for mass mailings.
- Perform related duties and responsibilities as required and/or assigned.

QUALIFICATION GUIDELINES

Education and/or Experience

This is an entry-level position and must demonstrate possession of and competency in the requisite knowledge and abilities.

Knowledge and Abilities

Ability to learn clerical and office support methods, procedures, and techniques; automated and manual filing systems; software applications; office equipment operation; business correspondence; recordkeeping; correct English usage and terminology used in the area of work assigned; customer service techniques; document preparation, and duplication and distribute techniques.

Ability to provide general clerical and technical support; communicate effectively; apply rules, regulations, policies and procedures to applicable support duties. Understand and apply written and verbal instructions; convey information to others; refer customers to appropriate District division; sort alphabetically and numerically, sort by content; plan, organize and prioritize work; work under pressure and meet short deadlines; operate multi-line phone, software applications, scanners, photocopiers, and other equipment used in support activities; read and comprehend equipment operating instructions; search information storage systems to locate information; purge documents based on established procedures or specific instructions; solve problems encountered in the course of work; maintain files; may make routine mathematic calculations; answer the phone and take messages; communicate effectively with customers and District staff; establish and maintain cooperative working relationships; maintain confidentiality of information; recognize and respect limit of authority and responsibility.

WORKING CONDITIONS AND PHYSICAL ABILITIES

Work is performed in an office setting. Must be able to perform essential functions of the job. This position requires prolonged sitting, standing, walking, reaching, twisting, turning, kneeling, bending, squatting and stooping in the performance of daily activities. Position requires grasping, repetitive hand-eye coordination and fine-manipulation skills for preparing reports and data using a PC keyboard, computer mouse, and various office equipment. This position also requires good listening skills and the occasional need to lift, drag and push files, computer reports or other materials weighing up to 25 pounds.

At times the public can disagree with the requirements of regulatory agencies and may be difficult to work with. This position must be able to handle these types of situations with diplomacy and tact.

SPECIAL REQUIREMENTS

No special requirements.

FLSA Status: Non-exempt

Approved June 2014

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% 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% 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% 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% 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 % contingency reserve fund balance in both the General and AB2766 Funds. Currently the fiscal policy allows for a 5% 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 amounts shown in the table below reflect the history of the District's operating funds (General Fund 421 and AB2766) fund balance from 2011/2012 to 2013/2014 and projections for 2014/2015. Based on the target goal the average operating percentages for 2011/2012 to 2013/2014 are at 17%, which is 2% above the recommended fund balance' reserve policy. The projections for the combined reserves (16%) under the final budget for 2014/2015 are 1% above the target percentage of the board policy of 5 to 15%.

Fund Balance History									
Fiscal Year	General & DMV AB2766 Funds Fund Balance & Operating Expenditures (Unassigned)			General & DMV AB2766 Funds Contingency and General Fund Reserves (Unassigned, Assigned and Committed)					
	Unassigned Fund Balance ¹	Operating Expenditures	% of Unassigned Fund Balance	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)
2011/12	\$588,000	\$3,207,243	18%	\$62,828	2%	\$132,487	\$259,146	8%	14%
2012/13	\$779,138	\$3,438,540	23%	\$328,150	10%	\$27,699	\$259,146	8%	18%
2013/14	\$795,279	\$3,443,835	23%	\$393,304	11%	\$27,924	\$259,146	8%	20%
3-Yr. Avg	\$720,806	\$3,363,206	21%	\$261,427	8%	\$62,703	\$259,146	8%	17%
Projections for 2014/2015:									
2014/15	\$759,187	\$3,845,915	20%	\$338,292	9%	\$27,924	\$259,146	7%	16%

■ : 2013/14 Projected Year-end Operating Fund Bal. & Expenditures

■ : 3-yr. average (2011/12 to 2013/14)

■ : 2014/15 Projected Unassigned Fund Balance and Operating Expenditures (General Fund and Mobile Source DMV AB2766. The amount allocated to the CAF grant program is deducted from operating expenditures under DMV)

■ : 2014/15 Contingency (General Fund and Mobile Source DMV AB2766) and General Reserve Fund Balance

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). In addition, 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 2014/2015

Program Name	Subvention	Revenue Projections for 14/15	Revenue Total for Cost Recovery	FTE%	Expenditures	Variance Positive or (Negative)	Cost Recovery Percentage
Stationary Source	\$81,077	\$1,871,408	\$1,952,485	80.86%	\$2,253,598	(\$301,113)	87%
Air Toxics	\$1,421	\$9,400	\$10,821	1.02%	\$28,370	(\$17,549)	38%
Agricultural Burning	\$3,444	\$23,100	\$26,544	3.03%	\$84,563	(\$58,019)	31%
Asbestos	\$4,058	\$18,500	\$22,558	3.65%	\$101,606	(\$79,049)	22%
Mutual Settlement		\$165,000	\$165,000	2.84%	\$79,173	\$85,827	208%
Administration ¹		\$294,762	\$294,762	8.62%	\$239,695	\$55,067	123%
Totals	\$90,000	\$2,382,170	\$2,472,170	100%	\$2,787,005	(\$314,835)	
Fund Balance:			\$514,948		\$200,113	:Contingency	
BUDGET TOTALS FOR 14/15:			\$2,987,118		\$2,987,118		

Final budget includes paying OPEB Annual Required Contribution of \$127,000 and paying off the pension side fund of \$81,000. Under the proposed budget the District recommended moving \$27,900 of equipment and special reserves to the operating budget based on the projected fund balance. As the final projections for the cash to move into fiscal year 2014/2015 (fund balance) is now sufficient to meet the budget operating requirements, the District is not recommending moving reserves into the operating budget.

¹Administration revenue includes overhead and indirect charges moving from restricted accounts to offset expenses of the employees working within the mobile source programs (\$213,975 Fund 422, \$26,450 Fund 420, and \$24,500 Fund 423); EPA pass-thru 103 for the PM2.5 program (\$14,342 CAPCOA EPA Pass-thru); interest earned; and miscellaneous revenue. The expenditures includes administrative, management and general support, overhead/indirect expenses, and air monitoring activities under the PM2.5 program at .2 FTE.



GENERAL FUND BUDGET REVIEW BY PROGRAM

Projected Year-End for 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	\$81,679	\$1,829,476	\$1,911,155	79.75%	\$2,059,316	(\$148,161)	93%
Air Toxics	\$809	\$10,235	\$11,044	0.62%	\$15,975	(\$4,931)	69%
Agricultural Burning	\$3,895	\$22,478	\$26,373	3.07%	\$79,299	(\$52,926)	33%
Asbestos	\$3,326	\$18,472	\$21,798	2.44%	\$62,925	(\$41,126)	35%
Mutual Settlement		\$235,084	\$235,084	5.77%	\$149,045	\$86,039	158%
Administration, Miscellaneous ¹		\$238,425	\$238,425	8.35%	\$218,649	\$19,776	109%
Totals	\$89,710	\$2,354,170	\$2,443,880	100%	\$2,585,209	(\$141,329)	
Fund Balance:			\$656,277			Fund Balance	
PROJECTED BUDGET TOTALS FOR 13/14:			\$3,100,157		\$2,585,209		
						\$514,948	>to 2014/15

We are projecting 93% cost recovery in the stationary source program. Also due to several large settlements, the mutual settlement program is offsetting other programs that are not supporting the operating costs of the programs, which include the agricultural burning, asbestos and air toxics (state mandated AB2588 program).

¹Administration revenue includes overhead and indirect charges moving from restricted accounts to offset expenses of the employees working within the mobile source programs (\$140,000 Fund 422, \$26,190 Fund 420, and \$32,571 Fund 423); EPA pass-thru 103 for the PM2.5 program (\$17,909 CAPCOA EPA Pass-thru); interest earned; and miscellaneous revenue. The expenditures include administrative, management and general support, overhead/indirect expenses, and air monitoring activities under the PM2.5 program .20 FTE.

Variances - Budget Account Line Items with Variances

Greater than 15% / \$2,500

General Fund - Revenue:

Description	Account No.	Increase/ (Decrease)	+/-15%	Explanation
Ag Engine Registrations	82-2616	(\$18,300)	-22%	Decrease: Ag engine exemptions and reduction of Moyer replacement funds have reduced the projections for 2014/2015.
Air Toxics Hot Spot Fees - State Mandated Program	82-2604	(\$6,600)	-41%	Decrease: Less facilities fall within the program for 2014/2015.
Air Resources Board Mower Grant	82-5500	(\$5,290)	-100%	Decrease: Lawn and Garden Equipment Replacement Program ended in 2013/2014.
EPA 103 PM 2.5 Grant	82-5670	(\$3,567)	-20%	Decrease: Last year the EPA awarded the District extra funds to purchase air monitoring equipment.
Administrative Overhead	82-6390	\$78,420	42%	Increase: Based on projected overhead and indirect costs to move from Fund 422, DMV AB2766 and also includes administrative fees from both DMV funds of 5% of revenue received.
Fund Balance Available	n/a	(\$141,372)	-22%	Decrease: Contingency moves from prior year to current year as fund balance available, and includes any extra revenue and/or expenditure savings.

General Fund - Expenditures:

Extra-help	86-1102	\$9,100	100%	Increase: Recommending to hire an extra-help clerical worker to assist the administrative division in the paperless imaging project.
OPEB	86-1301	\$12,200	16%	Increase: Cost of the Annual Required Contribution (ARC) is higher this year based on the actuarial valuation report.
Other Miscellaneous Benefits	86-1600	\$40,100	96%	Increase: Last fiscal years projections were not calculated using 24 pay periods. The amount budgeted correctly reflects the budgeted amount for 22 employees.
Insurance - Public Liability	86-2201	(\$2,800)	-16%	Decrease: Per PARMIA's cost estimate.
Auditing and Fiscal Services	86-2421	(\$9,300)	-23%	Decrease: An OPEB actuarial does not need to be done this year.
Professional & Specialized Services	86-2429	(\$65,700)	-61%	Decrease: Shifting the costs for database work to Fund 422 DMV AB2766 for this year.
Small Tools & Minor Equipment	86-2520	(\$9,950)	-68%	Decrease: Based on budgeted expenditures for 2014/2015.

Description	Account No.	Increase/ (Decrease)	+/-15%	Explanation
General Fund - Expenditures: (Continued)				
Contributions to Special Programs & Projects	86-3200	(\$11,400)	-100%	Decrease: Discontinuing lawnmower exchange program for 2014/2015.
Equipment	86-4300	\$44,000	100%	Increase: Replacement of fleet vehicle and upgrade network and database servers.
Appropriation for Contingency	86-9900	(\$48,319)	-19%	Decrease: Unassigned cash for use in 2014/2015 if board approved.
Mobile Source Program (DMV AB2766) - Revenue:				
Fund Balance Available	n/a	\$105,217	76%	Increase: Contingency moves from prior year to current year as fund balance available, and includes any extra revenue and/or expenditure savings.
Mobile Source Program (DMV AB2766) - Expenditures:				
Retirement	86-1201	\$20,700	27%	Increase: Using a portion of funds from the DMV AB2766 to pay off the pension side fund.
Employee Group Insurance	86-1300	(\$12,950)	-17%	Decrease: Based on projected costs for 2014/2015.
OPEB	86-1301	\$5,250	16%	Increase: Cost of the Annual Required Contribution (ARC) is higher this year based on the actuarial valuation report.
Other Miscellaneous Benefits	86-1600	\$7,850	66%	Increase: Last fiscal years projections were not calculated using 24 pay periods. The amount budgeted correctly reflects the budgeted amount for 22 employees.
Maintenance - Equipment	86-2271	\$6,800	62%	Increase: Based on budgeted expenditures for 2014/2015.
Administrative Overhead	86-6390	\$78,275	58%	Increase: Amount is based on overhead/indirect costs moved to the General Fund from the DMV AB2766 to cover the costs of the employees working within the mobile source programs, but overhead and indirect costs are funded through the General Fund. Percentage is based on 28% FTE.
Audit and Fiscal Services	86-2420	(\$3,700)	-100%	Decrease: OPEB actuarial is not required in 2014/2015.
Professional & Specialized Services	86-2429	\$29,300	56%	Increase: Based on budgeted expenditures for 2014/2015, which includes continued support toward the database enhancement project.
Small Tools and Minor Equipment	86-2520	(\$3,000)	-59%	Decrease: Based on budgeted expenditures for 2014/2015.
Special Expense-Other	86-2559	\$4,000	31%	Increase: Based on budgeted expenditures for 2014/2015, which includes special projects and programs.
Appropriation for Contingency	86-9900	(\$45,584)	-31%	Increase: Unassigned cash for use in 2014/2015 if board approved.
Mobile Source Program (DMV AB923) - Revenue:				
Fund Balance Available	n/a	\$508,661	54%	Increase: Grants funds were not dispersed in 2013/2014 increase the cash available in 2014/2015.
Mobile Source Program (DMV AB923) - Expenditures:				
AB923 Grant Program	86-3200	\$400,000	44%	Increase: No funds were released in 2013/2014 and as such, more available funding in 2014/2015.
Appropriation for Contingency	86-9900	\$127,851	24%	Increase: Unassigned cash for use in 2014/2015 if board approved.
Mobile Source Program (Solano County Property Tax) - Revenue and Expenditures:				
Clean Air Funds	86-3102	\$150,000	60%	Increase: Available funds for 2014/2015.
Lawnmower Exchange Program	86-3200	(\$9,000)	-100%	Decrease: The District is not continuing the program in 2013/2014.
Appropriation for Contingency	86-9900	(\$91,057)	-19%	Increase: Unassigned cash for use in 2014/2015 if board approved.

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)

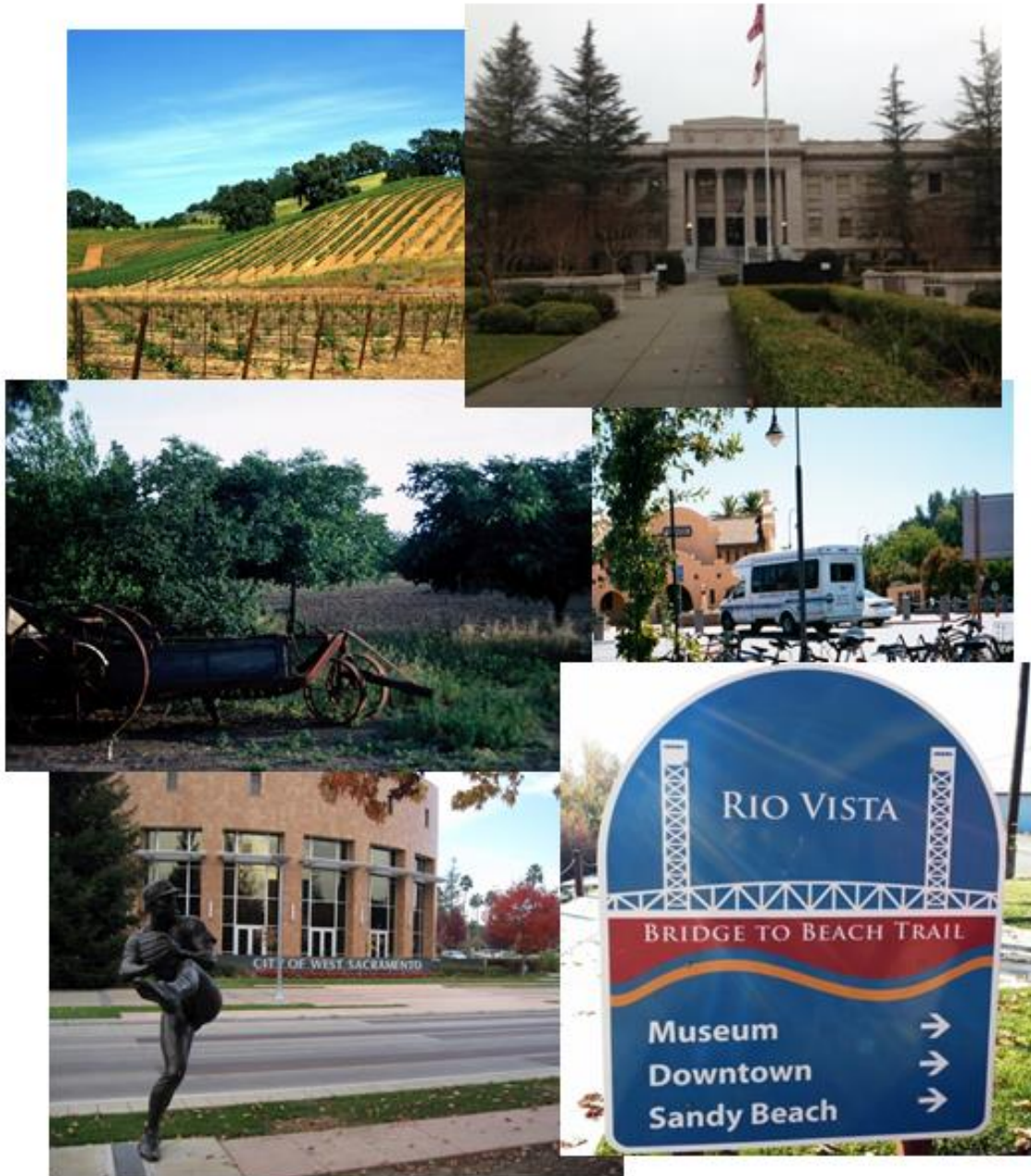
<u>Account Number</u>	<u>Account Name</u>	<u>Brief Description</u>
82-7700	Other - Revenue	Miscellaneous Account - Technical Data Provided, Update / Subscription Services, reimbursement from previous fiscal years, etc.
82-7705	Stale Date Warrants	Warrants over 6 months old that have not been cashed.

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.



◆Yolo-Solano AQMD◆