

Agenda Date: June 16, 2005
Agenda Placement: Regular
Estimated Time: 30 Minutes
Continued Item: Yes

Board Agenda Item

TO: Air Pollution Control District Board

FROM: Terry Dressler, Air Pollution Control Officer

CONTACT: Donald Kendig, Business Manager (961-8854)

SUBJECT: Adoption of the Fiscal Year 2005-06 Budget

RECOMMENDATION:

1. Hold a public hearing to consider and adopt:
 - A. The budget for Fiscal Year 2005-06, as presented in the *Comprehensive Program Summary and Proposed Budget* document (Attachment A), and
 - B. The *Trust Fund Reorganization* and related budget revisions and designations (Attachment C).
2. Adopt the attached resolutions:
 - A. Budget Resolution (Attachment B) to approve the Fiscal Year 2005-06 APCD Budget,
 - B. Trust Fund Reorganization Resolution, and related budget revisions and designations (Attachment C), and
 - C. Salary Resolution (Attachment D) to delete 3.25 funded positions, add 4.75 unfunded positions, and implement a 4% cost of living adjustment for representation units 23 and 24.
3. Receive and file the attached:
 - A. Fiscal Year 2003-04 APCD Comprehensive Annual Financial Report (CAFR), also containing the Financial Audit Report (Attachment E),
 - B. Fiscal Year 2003-04 Single Audit Report (Attachment F), and
 - C. Air Quality Attainment Plan Fee Report (Attachment G).

DISCUSSION:

Attachment A - Comprehensive Program Summary and Proposed Budget for Fiscal Year 2005-06

On May 19, 2005, your Board held the first of two required public hearings on the APCD's proposed budget for FY 2005-06. The purpose of that hearing was to solicit additional public comment and receive direction from your Board. Prior to that hearing, APCD staff held two public workshops, one at each office location.

Attached you will find the revised Comprehensive Program Summary and Proposed Budget for Fiscal Year 2005-06 (Attachment A). Significant changes to the original document include:

- updating the CPI to the reported April to April CPI of 3.9%, and updating related fixed fee revenues,
- changing the budgeted salaries and benefits to reflect a 4% COLA for representation units 23 & 24 consistent with the adopted MOU and 0% for all others, as well as updating costs for revised personnel action dates,
- budgeting an anticipated savings of \$20,000 in workers compensation costs,
- decommissioning the Santa Rosa Island monitoring station, reducing the station count to 17, and
- updating the expenditure and revenue charts, graphs, tables, and narrative for the effect of the above changes.

The proposed budget, as adjusted since the May hearing, is \$8,474,122.

Attachment B – Budget Resolution

The attached budget resolution formalizes the adoption of the Fiscal Year 2005-06 budget, the Trust Fund Reorganization, and the Air Quality Attainment Plan Fee report.

Attachment C - Trust Fund Reorganization, and Related Resolution, Designations, and Budget Revisions for Fiscal Years 2003-04 and 2004-05

On October 21, 2004, 10 of the 13 members of your Board received a presentation on the need to transfer and designate monies in compliance with Government Accounting Standards Board Pronouncement No. 34. Along with this action, is the adoption of related budget revisions in order to accomplish this. The original Board letter and attachments are presented in Attachment C.

Attachment D – Salary Resolution

The attached salary resolution amends the original Salary Resolution No. 97-05. This is an incremental process as personnel actions are brought before your Board. This resolution deletes 3.25 funded positions, adds 4.75 unfunded positions, and implements a 4% cost of living adjustment for representation units 23 and 24 (per the existing MOU agreement). Unfunded positions are asked for as part of a possible reorganization in the Fiscal Section, and to allow for further reorganization flexibility in other sections of the District during the 2005-06 budget year.

Attachment E – Fiscal Year 2003-04 APCD Comprehensive Annual Financial Report (CAFR), also Containing the Financial Audit Report

The attached fiscal year 2003-04 APCD Comprehensive Annual Financial Report (CAFR), also containing the Financial Audit Report, was presented to your Board in January. It is dependent upon the adoption of the Trust Fund Reorganization, so it is being resubmitted for your receipt and filing.

Attachment F – Fiscal Year 2003-04 Single Audit Report

The attached fiscal year 2003-04 APCD Single Audit Report, was presented to your Board in January. It is dependent upon the adoption of the Trust Fund Reorganization, so it is being resubmitted for your receipt and filing.

Attachment G – Air Quality Attainment Plan Fee

Rule 210 (Fees) requires a triennial report to your Board summarizing the work performed on air quality plans in the preceding three years, the work planned, and the continued adequacy and necessity of the fee charged for this work. This report is presented in Attachment B and is supplemented by the discussion of the air quality planning effort contained in the *Proposed Budget* document mentioned above.

