Fiscal Year 2016-17 Proposed Budget

Board of Directors
Santa Barbara County
Air Pollution Control District

Aeron Arlin Genet
Director / APCO
May 19, 2016
Budget at a Glance

• FY 2016-17 Proposed Budget: $9,487,159
• 8.3% ($854,357) decrease from prior year
• FY 2016-17 Staffing: decreased by 4.0 FTE to 43.0 FTE
• Balanced budget
  – Not using strategic reserves for ongoing costs
Major Factors Affecting the Budget

• Decrease in Revenue:
  – Plains All American Pipeline shutdown
  – Downturn in petroleum industry activity
  – Low year of reevaluation cycle

• Decrease in Expenditures:
  – Salaries and Benefits due to reducing work force
  – Services & Supplies to help offset revenue shortfall
Major Accomplishments FY2015-16 - Administrative

• Executed the FY16 budget, built the FY17 budget, and successfully completed a financial audit by an independent 3rd party

• Operated/managed 18 monitoring stations
  – Collect high quality ambient air data
Major Accomplishments FY2015-16 - Engineering

• Air Toxics Program
  – Implemented new OEHHA HRA guidelines, AERMOD and HARP 2.0

• Offsets Program
  – Continue efforts to revise New Source Review rules
    • Held public workshops & secured Community Advisory Council support on revised rule
    • Worked with the TEA Division to develop & circulate Draft Environmental Impact Report
Major Accomplishments FY2015-16 - Compliance

• Expanded & strengthened Inspector program
  – Safety being paramount

• Emphasis on educational aspects during Compliance Division interactions with regulated community
Major Accomplishments FY2015-16 - TEA

- Led the development of a tri-county Hydrogen Readiness Plan
- Awarded $1,532,314 in Clean Air Grants
- Implemented public outreach & education and business assistance programs countywide
Proposed FY 2016-17 Budget Details
### REVENUE PLAN

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<tbody>
<tr>
<td><strong>Operating Revenues</strong></td>
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<tr>
<td>Licenses &amp; Permits</td>
<td>4,190,428</td>
<td>3,805,179</td>
<td>3,501,707</td>
<td>3,077,753</td>
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<tr>
<td>Use of Money (Interest)</td>
<td>37,551</td>
<td>30,000</td>
<td>30,000</td>
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<tr>
<td>Federal, State, and Other</td>
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<tr>
<td>Governments</td>
<td>2,912,323</td>
<td>3,128,207</td>
<td>2,925,263</td>
<td>2,970,857</td>
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<td>Charges for Services</td>
<td>1,679,706</td>
<td>1,811,818</td>
<td>1,687,793</td>
<td>1,662,030</td>
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<tr>
<td>Miscellaneous Revenue</td>
<td>6,700</td>
<td>2,000</td>
<td>2,000</td>
<td>2,000</td>
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<tr>
<td><strong>Operating Total</strong></td>
<td>8,826,708</td>
<td>8,777,204</td>
<td>8,146,763</td>
<td>7,742,640</td>
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<td><strong>Other Financing Sources</strong></td>
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<tr>
<td>Decrease in Fund Balance</td>
<td>417,488</td>
<td>1,564,312</td>
<td>1,564,312</td>
<td>1,744,519</td>
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<tr>
<td><strong>Revenue Plan Total</strong></td>
<td>$ 9,244,196</td>
<td>$ 10,341,516</td>
<td>$ 9,711,075</td>
<td>$ 9,487,159</td>
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</table>
Revenue Plan

Total Revenue
$9,487,159

- Charges for Service: $1,662,030 (17.52%)
- Licenses & Permits: $3,077,753 (32.44%)
- Federal, State, and Other Governments: $2,970,857 (31.31%)
- Miscellaneous Revenue: $2,000 (0.02%)
- Use of Money: $30,000 (0.32%)
- Other Financing Sources: $1,744,519 (18.39%)
## CHARACTER OF EXPENDITURES

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<tbody>
<tr>
<td><strong>Operating Expenditures</strong></td>
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<tr>
<td>Regular Salaries</td>
<td>$ 3,459,312</td>
<td>$ 3,890,574</td>
<td>$ 3,890,574</td>
<td>$ 3,587,516</td>
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<td>Overtime</td>
<td>18,543</td>
<td>-</td>
<td>-</td>
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<td>Extra Help</td>
<td>91,104</td>
<td>78,934</td>
<td>78,934</td>
<td>33,220</td>
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<td>Benefits</td>
<td>1,951,153</td>
<td>2,115,650</td>
<td>2,115,650</td>
<td>2,008,619</td>
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<td>Salaries &amp; Benefits Total</td>
<td>5,520,112</td>
<td>6,085,158</td>
<td>6,085,158</td>
<td>5,629,355</td>
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<tr>
<td>Services &amp; Supplies</td>
<td>2,416,202</td>
<td>3,811,441</td>
<td>2,974,087</td>
<td>3,530,125</td>
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<td>Other Charges</td>
<td>160,799</td>
<td>175,447</td>
<td>322,633</td>
<td>174,679</td>
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<td>Fixed Assets</td>
<td>164,474</td>
<td>135,000</td>
<td>121,000</td>
<td>153,000</td>
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<td><strong>Operating Total</strong></td>
<td>8,261,587</td>
<td>10,207,046</td>
<td>9,502,878</td>
<td>9,487,159</td>
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<td><strong>Other Financing Uses</strong></td>
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<tr>
<td>Increase in Fund Balance</td>
<td>982,609</td>
<td>134,470</td>
<td>208,197</td>
<td>-</td>
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<td><strong>Expenditure Plan Total</strong></td>
<td>$ 9,244,196</td>
<td>$ 10,341,516</td>
<td>$ 9,711,075</td>
<td>$ 9,487,159</td>
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Expenditure Characterization

Total Expenditures
$9,487,159

- Salaries & Benefits $5,629,355 (59.34%)
- Services & Supplies $1,484,283 (15.65%)
- Grant portion of Services & Supplies $2,045,842 (21.56%)
- Other Charges $174,679 (1.84%)
- Fixed Assets $153,000 (1.61%)
- Other Financing Uses $0 (0%)

Note: Retirement costs included in Salaries & Benefits equal $1,313,003
Fund Balances $5,402,465
FY 2016-17 Key Goals & Objectives

• Efficiency Improvements & Process Streamlining
  – Online payment processing
  – Web-based permit application process
  – Review of cost-effective advances in monitoring technologies

• Present proposed changes to New Source Review Rules to the Board

• Enhance interagency coordination on compliance programs

• Present 2016 Ozone Plan update

• Secure & implement maximum funding for Clean Air Grants
Thank you