

# Fiscal Year 2017-18 Proposed Budget

## Board of Directors Santa Barbara County Air Pollution Control District

Our Mission: To protect the people and the environment of Santa Barbara County from the effects of air pollution.

Aeron Arlin Genet  
Director / APCO

May 18, 2017



**PROPOSED BUDGET  
FISCAL YEAR 2017-18**

Santa Barbara County Air Pollution Control District  
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805-961-8800 • [www.ourair.org](http://www.ourair.org)

Aeron Arlin Genet  
Air Pollution Control Officer



# Major Factors Affecting the Budget

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- **Increase in Revenue:**

- Historically we've called this the high year of 3 year re-evaluation cycle
  - Unforeseen bankruptcy of large Source declared April 17, 2017
- Additional state funds for 6 school buses
- DMV revenue
- Offset by continuing revenue declines from the pipeline shutdown

- **Increase in Expenditures:**

- Pension costs
- Two major one-time projects

# Major Accomplishments FY 2016-17 - Administrative

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- **Fiscal**

- Executed the FY17 budget & built the FY18 budget
- Hired and trained an Accounting Technician I/II
- Successfully completed a financial audit by an independent 3<sup>rd</sup> party

- **Human Resources**

- Implemented Telecommuting and Employee Recognition & Service Awards

- **Operated/managed 18 monitoring stations**

- Collect high quality ambient air data
- Deployed temporary monitoring stations to better assess wildfire impacts

# Major Accomplishments FY 2016-17 - Engineering

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- **Permitting/Air Toxics Program**

- Performed 553 permitting actions
- Hired and trained two Engineer I/II's
- Implemented new screening tools for health risk assessments

- **Offsets Program**

- Finalized the changes and secured unanimous Board approval to our New Source Review rules (Regulation VIII)
  - Updated policy & procedures to reflect the revised New Source Review rules
  - Updated FAQs on our webpage

# Major Accomplishments FY 2016-17 - Compliance

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- Coordinated with the County Fire Department to initiate improvements for the Open Burning Program
- Responded to 312 air pollution complaints
  - H2S complaints in Goleta
- Performed administrative functions for 50 variance petitions
  - Initiated review and improvements of the District Variance program

# Major Accomplishments FY 2016-17 - TEA

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- Secured unanimous Board approval for the 2016 Ozone Plan triennial update
- Hired and trained an Air Quality Specialist I/II
- Awarded \$1,261,390 in Clean Air Grants
- Launched Permitted Facilities Map
- Marine Vessel Speed Reduction Program
  - Conducted 2016 program that reduced 25.6 tons of NOx emissions

# Proposed FY 2017-18 Budget Details



## REVENUE PLAN

	Actual FY 2015-16	Adopted FY 2016-17	Est. Act FY 2016-17	Proposed FY 2017-18
<i>Operating Revenues</i>				
Licenses & Permits	3,536,289	3,077,753	3,102,798	3,257,764
Use of Money (Interest)	53,314	30,000	50,000	40,000
Federal, State, and Other Governments	3,036,841	2,970,857	3,142,388	3,089,200
Charges for Services	1,632,336	1,662,030	1,663,318	2,315,718
Miscellaneous Revenue	2,064	2,000	2,000	2,000
Operating Total	8,260,844	7,742,640	7,960,504	8,704,682
<i>Other Financing Sources</i>				
Decrease in Fund Balance	464,879	1,744,519	1,090,655	1,665,445
Revenue Plan Total	<u>\$ 8,725,723</u>	<u>\$ 9,487,159</u>	<u>\$ 9,051,159</u>	<u>\$ 10,370,127</u>

# Operating Revenue Plan

## TOTAL REVENUE

	Adopted FY 2016-17	Proposed FY 2017-18	Budget to Budget Var.
Revenue Total	\$ 7,742,640	\$ 8,704,682	\$ 962,042
Use of Fund Balance	1,744,519	1,665,445	(79,074)
Revenue Total	<u>\$ 9,487,159</u>	<u>\$ 10,370,127</u>	<u>\$ 882,968</u>

## GRANTS/PASS THROUGH REVENUE

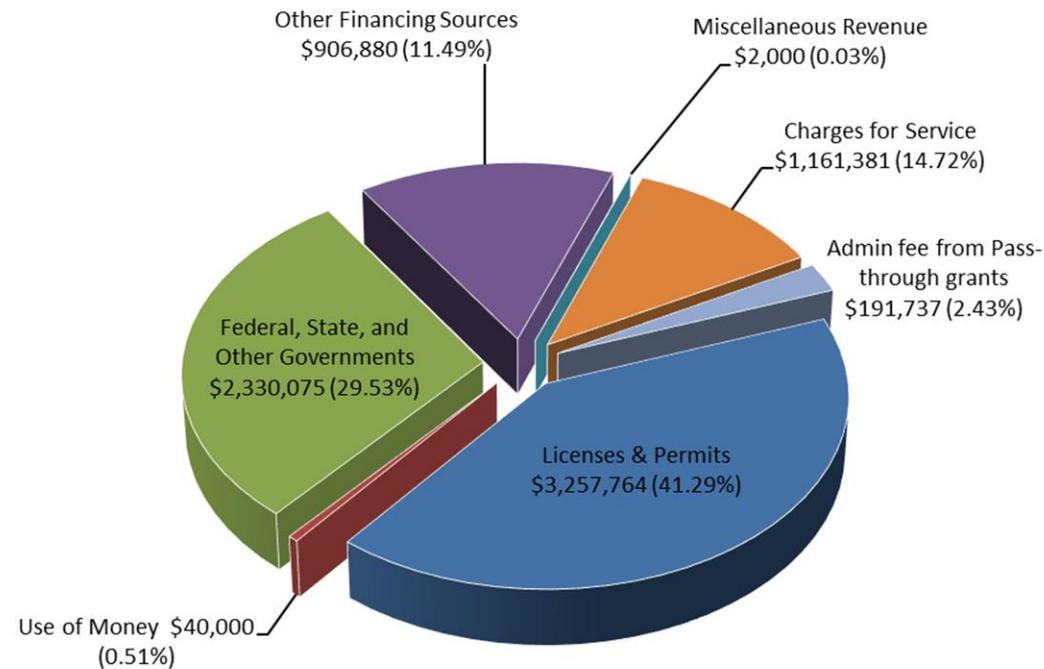
	Adopted FY 2016-17	Proposed FY 2017-18	Budget to Budget Var.
<i>Grant Revenues</i>			
Carl Moyer Program	\$ 539,303	\$ 1,154,337	\$ 615,034
CEC Hydrogen grant	109,872	-	(109,872)
Motor Vehicle \$2	686,999	759,125	72,126
	<u>1,336,174</u>	<u>1,913,462</u>	<u>577,288</u>
<i>Administrative portion of Grant</i>			
Admin Fee- General Fund	(110,350)	(191,737)	(81,387)
<i>Use of Grant Fund Balances</i>	<u>854,673</u>	<u>758,565</u>	<u>(96,108)</u>
Revenue Plan Total	<u>\$ 2,080,497</u>	<u>\$ 2,480,290</u>	<u>\$ 399,793</u>

## OPERATING REVENUE

	Adopted FY 2016-17	Proposed FY 2017-18	Budget to Budget Var.
Operating Revenue	\$ 6,406,466	\$ 6,791,220	\$ 384,754
Pass-through Admin Fee	110,350	191,737	81,387
Use of operating fund balances	<u>889,846</u>	<u>906,880</u>	<u>17,034</u>
Total Operating Budget	<u>\$ 7,406,662</u>	<u>\$ 7,889,837</u>	<u>\$ 483,175</u>

# Operating Revenue Plan

Total operating revenue \$7,889,837



## CHARACTER OF EXPENDITURES

	Actual FY 2015-16	Adopted FY 2016-17	Est. Act FY 2016-17	Proposed FY 2017-18
<i>Operating Expenditures</i>				
Regular Salaries	\$ 3,424,927	\$ 3,587,515	\$ 3,587,515	\$ 3,722,476
Overtime	-	-	-	-
Extra Help	-	33,220	33,220	33,220
Benefits	1,877,601	2,008,620	2,008,620	2,029,904
Salaries & Benefits Total	5,302,528	5,629,355	5,629,355	5,785,600
Services & Supplies	3,122,879	3,530,125	3,115,879	4,126,828
Other Charges	167,311	174,679	158,923	165,199
Fixed Assets	133,006	153,000	147,000	292,500
Operating Total	8,725,723	9,487,159	9,051,157	10,370,127
<i>Other Financing Uses</i>				
Increase in Fund Balance	-	-	-	-
Expenditure Plan Total	\$ 8,725,723	\$ 9,487,159	\$ 9,051,157	\$ 10,370,127

# Operating Expenditure Characterization

## TOTAL EXPENDITURES

	Adopted FY 2016-17	Proposed FY 2017-18	Budget to Budget Var.
Salaries and Benefits	\$ 5,629,355	\$ 5,785,600	\$ 156,245
Services and Supplies	3,530,125	4,126,828	596,703
Other Charges	174,679	165,199	(9,480)
Capital Assets	153,000	292,500	139,500
Increase to Fund Balance	-	-	-
Expenditure Total	<u>\$ 9,487,159</u>	<u>\$ 10,370,127</u>	<u>\$ 882,968</u>

## GRANTS/PASS THROUGH EXPENDITURES

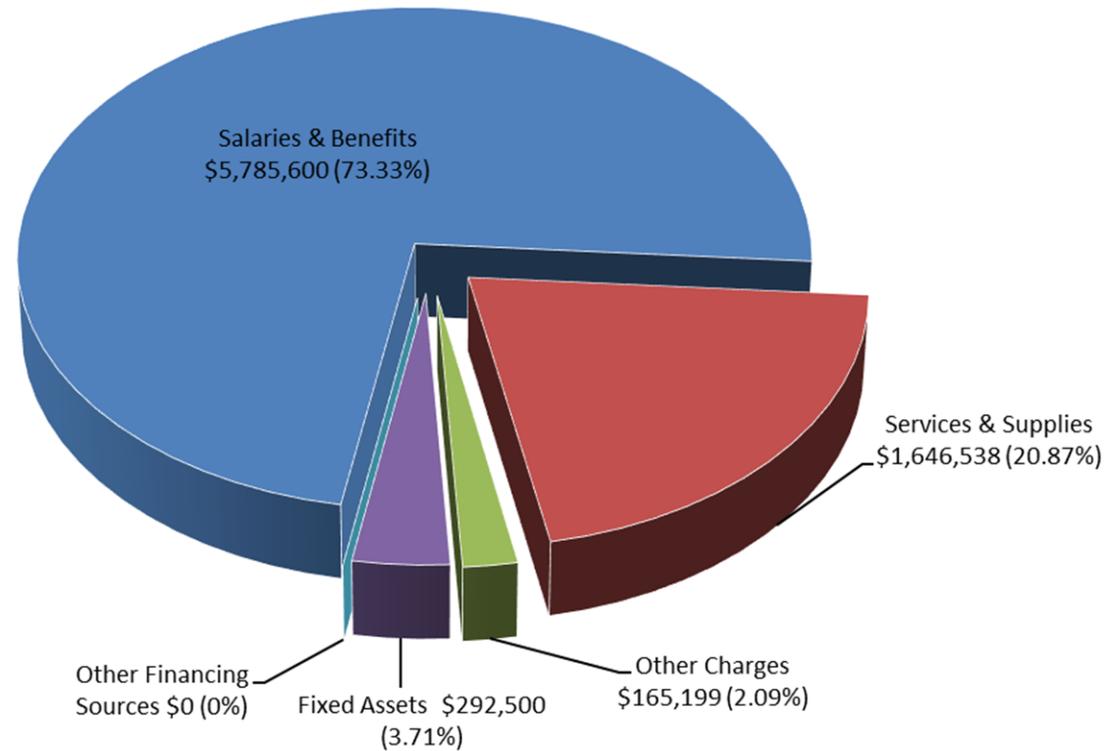
	Adopted FY 2016-17	Proposed FY 2017-18	Budget to Budget Var.
<i>Grant Expenditures</i>			
Salaries and Benefits	\$ -	\$ -	\$ -
Services and Supplies	2,045,842	2,480,290	434,448
Other Charges	-	-	-
Capital Assets	-	-	-
Increase to Fund Balance	-	-	-
Grant Expenditure Total	<u>\$ 2,045,842</u>	<u>\$ 2,480,290</u>	<u>\$ 434,448</u>

## OPERATING EXPENDITURES

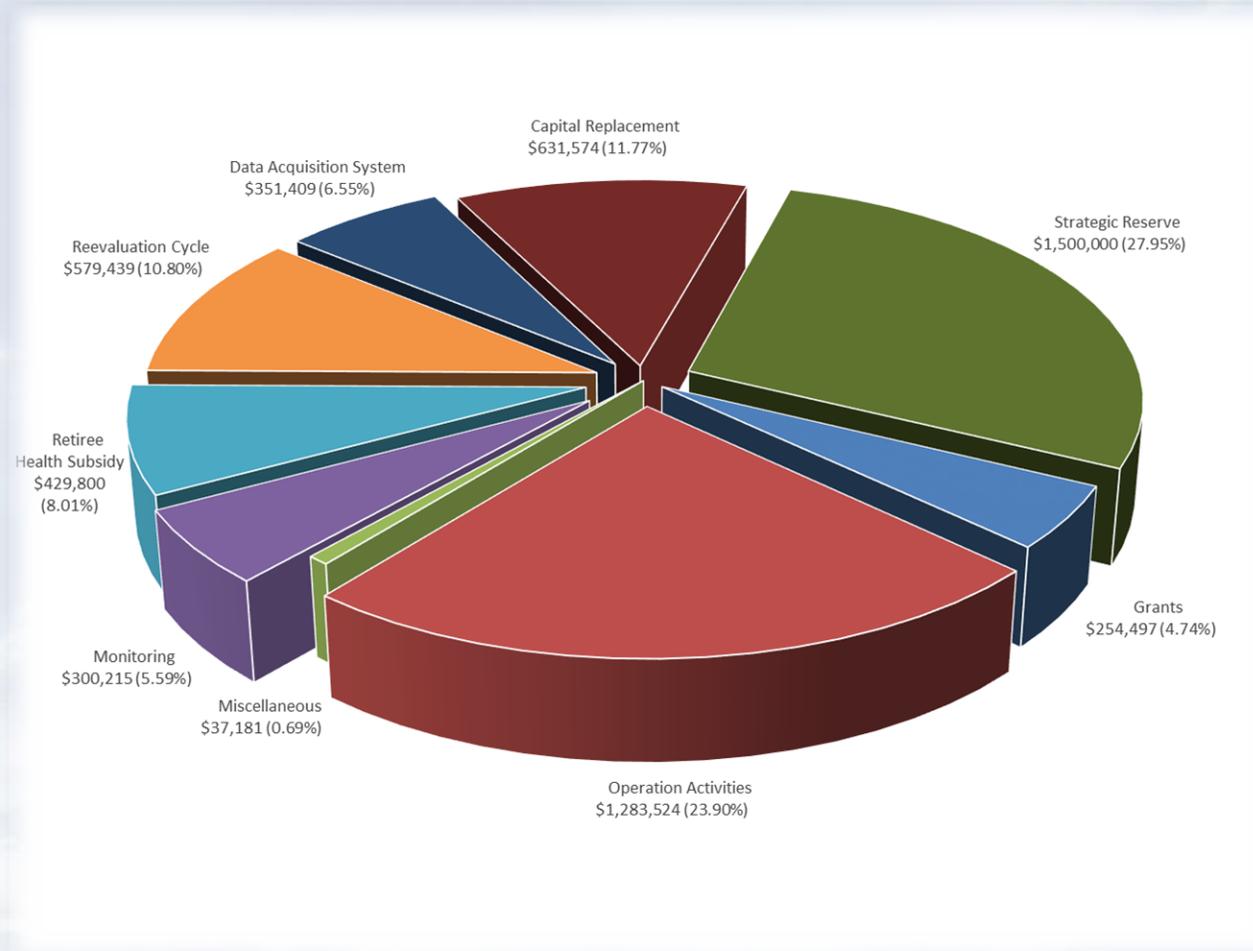
	Adopted FY 2016-17	Proposed FY 2017-18	Budget to Budget Var.
<i>Operating Expenditures</i>			
Salaries and Benefits	\$ 5,629,355	\$ 5,785,600	\$ 156,245
Services and Supplies	1,484,283	1,646,538	162,255
Other Charges	174,679	165,199	(9,480)
Capital Assets	153,000	292,500	139,500
Increase to Fund Balance	-	-	-
Total Operating Expenditures Budget	<u>7,441,317</u>	<u>7,889,837</u>	<u>\$ 448,520</u>

# Operating Expenditure Characterization

Total operating expenditures \$7,889,837



# Fund Balances \$5,367,639



# FY 2017-18 Key Goals & Objectives

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- Monitor and assess fiscal implications related to changes at the federal level & local sources to ensure resources are best allocated to carry out the District's mission and mandates
- Efficiency Improvements & Process Streamlining
  - Paperless systems across the District
  - Implement new accounting software
  - Upgrade District's in-house Compliance database systems
- Interagency Coordination
  - County Fire to roll out improvements to the Open Burning Program
  - Emergency response (i.e. wildfires, H2S events, etc.)

# SBCAPCD Budget Hearing

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Thank you