

Fiscal Year 2019-20 Proposed Budget

Public Hearing 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.

May 16, 2019

Aeron Arlin Genet
Air Pollution Control Officer



air pollution control district
SANTA BARBARA COUNTY

Proposed Budget
Fiscal Year 2019-20

Aeron Arlin Genet, Air Pollution Control Officer

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Fiscal Year 2019-20 Budget Overview

- FY 2019-20 Proposed Budget \$12,520,651
 - Operating budget \$8,120,284
 - **3.3% increase** from prior year in **operating budget**
- Overall budget increase of 12.6% (\$1,405,614)
 - One time pass through grant revenue increase
- FY 2019-20 Staffing: 36 FTE
- Balanced budget



Long Range Budget Planning Effort

- Conducted a 5-year forecast to evaluate revenue and expenditure trends
- Goal: ensure the District has long-term stability & resources to implement mission & mandate
- Position agency in new era beyond traditional revenue streams
- Streamline organizational structure
- Optimize ability to recruit and retain employees

Factors Affecting This Year's Budget

- **On-going Pass-Through Grant Fund Revenue**
 - \$2.7 million for local voluntary emission reduction grant incentive projects
 - \$308,573 in administrative funds to implement grant projects
- **Fee Revenues**
 - FY 2019-20 CPI adjustment is 3.6%
- **Contribution to pension system increased 15% from current year**
- **One-time Expenditures**
 - Use the new agency logo as well as the revamped District website to increase agency brand awareness to better serve the community
 - Develop an emergency response plan for natural disasters that cause air quality events
 - Assume ownership of two CARB air monitoring stations

Major Accomplishments FY 2018-19 - Administrative

- **Fiscal**

- Executed the FY 2018-19 budget & built the FY 2019-20 budget
- Implemented new accounting software
- Successfully completed the financial audit for FY 2017-18 with no audit findings

- **Human Resources**

- Successfully updated all District job specifications
- Successfully entered into a new MOUs with all three bargaining groups

- **Public Information**

- Issued 29 press releases and participated in 15 media interviews
- Took steps to increase agency brand awareness and enhance community outreach

Major Accomplishments FY 2018-19 - Engineering

- **Permitting, Air Toxics, and Permit Compliance**
 - Performed 588 permitting actions
 - Successfully transitioned to paperless electronic systems for our permitting and permit compliance programs
 - Automated the CARB GHG Oil & Gas Regulation reporting process
 - Issued an operating permit to Central Coast Wine Services for winery fermentation emissions control system that meets achieved-in-practice Best Available Control Technology standards
 - Provided substantive air quality health risk and ambient standards review and analysis to the County for multiple proposed oil and gas development projects

Major Accomplishments FY 2018-19 - Compliance

- **Compliance and Enforcement**

- Completed the improvements to the Open Burn Program in coordination with the Santa Barbara County Fire Department
- Performed 557 inspections at permitted facilities
- Responded to 359 air pollution complaints
- Performed administrative functions for 12 variance petitions
- Eliminated the NOV mutual settlement backlog

Major Accomplishments FY 2018-19 - Planning

- **Grants and Incentives**

- Implemented the CARB Wood Smoke Reduction Program and issued 61 vouchers for wood stove replacement
- Awarded \$1,867,204 in local Clean Air Grants

- **Community Programs**

- Developed and implemented the Clean Air Ambassador Program
- Deployed low-cost air quality sensors at District monitoring stations and other locations throughout the County to gain a better understanding of the technology

- **Air Monitoring**

- Received approval USEPA and CARB to modify the District's air monitoring network to maximize District resources and enhance the overall efficiency of the air monitoring network

Proposed FY 2019-20 Budget Details

REVENUE PLAN

	Actual FY 2017-18	Adopted FY 2018-19	Est. Act FY 2018-19	Proposed FY 2019-20
<i>Operating Revenues</i>				
Licenses & Permits	3,773,661	3,357,872	3,498,025	3,034,906
Use of Money (Interest)	47,654	75,000	75,000	100,000
Federal, State, and Other Governments	3,150,516	3,187,378	3,204,757	3,324,145
Charges for Services	2,405,868	3,252,071	3,258,691	3,986,474
Miscellaneous Revenue	12,421	2,000	2,000	2,000
Operating Total	9,390,120	9,874,321	10,038,473	10,447,525
<i>Other Financing Sources</i>				
Decrease in Fund Balance	682,629	1,240,716	659,731	2,073,126
Revenue Plan Total	<u>\$ 10,072,749</u>	<u>\$ 11,115,037</u>	<u>\$ 10,698,204</u>	<u>\$ 12,520,651</u>

Operating Revenue Plan

TOTAL REVENUE

	Adopted FY 2018-19	Proposed FY 2019-20	Budget to Budget Var.	% Budget to Budget Var.
Revenue Total	\$ 9,874,321	\$ 10,447,525	\$ 573,204	5.8%
Use of Fund Balance	1,240,716	2,073,126	832,410	67.1%
Revenue Plan Total	<u>\$ 11,115,037</u>	<u>\$ 12,520,651</u>	<u>\$ 1,405,614</u>	<u>12.6%</u>

GRANTS/PASS THROUGH REVENUE

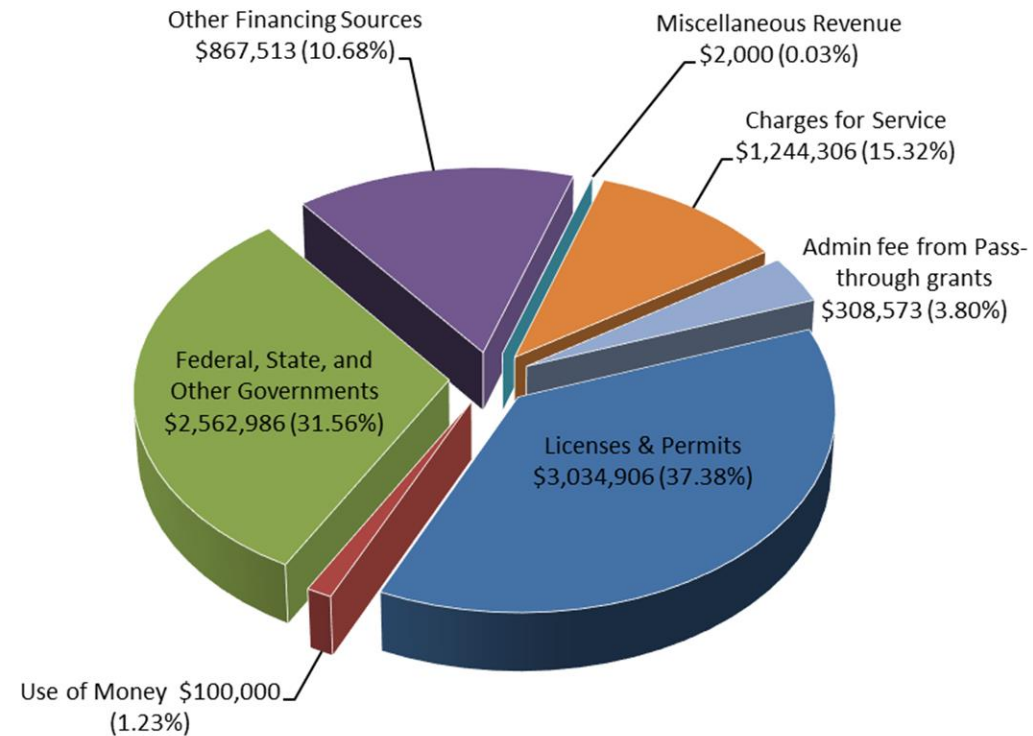
	Adopted FY 2018-19	Proposed FY 2019-20	Budget to Budget Var.	% Budget to Budget Var.
<i>Grant Revenues</i>				
CARB Grants (Moyer and Other)	\$ 2,169,780	\$ 2,742,168	\$ 572,388	26.4%
Motor Vehicle \$2	761,159	761,159	-	0.0%
	2,930,939	3,503,327	572,388	19.5%
<i>Administrative portion of Grant</i>				
Admin Fee- General Fund	(271,795)	(308,573)	(36,779)	13.5%
<i>Use of Grant Fund Balances</i>	598,294	1,205,613	607,319	101.5%
Revenue Plan Total	<u>\$ 3,257,438</u>	<u>\$ 4,400,367</u>	<u>\$ 1,142,928</u>	<u>35.1%</u>

OPERATING REVENUE

	Adopted FY 2018-19	Proposed FY 2019-20	Budget to Budget Var.	% Budget to Budget Var.
Operating Revenue	\$ 6,943,382	\$ 6,944,198	\$ 816	0.0%
Pass-through Admin Fee	271,795	308,573	36,779	13.5%
Use of operating fund balances	642,422	867,513	225,091	35.0%
Total Operating Budget	<u>\$ 7,857,599</u>	<u>\$ 8,120,284</u>	<u>\$ 262,686</u>	<u>3.3%</u>

Operating Revenue Plan

Total operating revenue \$8,120,284



CHARACTER OF EXPENDITURES

	Actual FY 2017-18	Adopted FY 2018-19	Est. Act FY 2018-19	Proposed FY 2019-20
<i>Operating Expenditures</i>				
Regular Salaries	\$ 3,303,908	\$ 3,614,300	\$ 3,729,300	\$ 3,853,154
Overtime	661	-	93	-
Benefits	1,938,394	1,996,422	1,996,422	2,221,901
Salaries & Benefits Total	5,242,963	5,610,722	5,725,815	6,075,055
Services & Supplies	3,595,573	5,084,057	4,566,690	6,062,493
Other Charges	153,029	171,719	157,160	172,196
Fixed Assets	212,020	137,000	137,000	143,000
Operating Total	9,203,585	11,003,498	10,586,665	12,452,744
<i>Other Financing Uses</i>				
Increase in Fund Balance	869,164	111,539	111,539	67,907
Expenditure Plan Total	<u>\$ 10,072,749</u>	<u>\$ 11,115,037</u>	<u>\$ 10,698,204</u>	<u>\$ 12,520,651</u>

Operating Expenditure Characterization

TOTAL EXPENDITURES

	Adopted FY 2018-19	Proposed FY 2019-20	Budget to Budget Var.	% Budget to Budget Var.
Salaries and Benefits	\$ 5,610,722	\$ 6,075,055	\$ 464,333	8.3%
Services and Supplies	5,084,057	6,062,493	978,436	19.2%
Other Charges	171,719	172,196	477	0.3%
Capital Assets	137,000	143,000	6,000	4.4%
Increase to Fund Balance	111,539	67,907	(43,632)	-39.1%
Expenditure Total	\$ 11,115,037	\$ 12,520,651	\$ 1,405,614	12.6%

GRANTS/PASS THROUGH EXPENDITURES

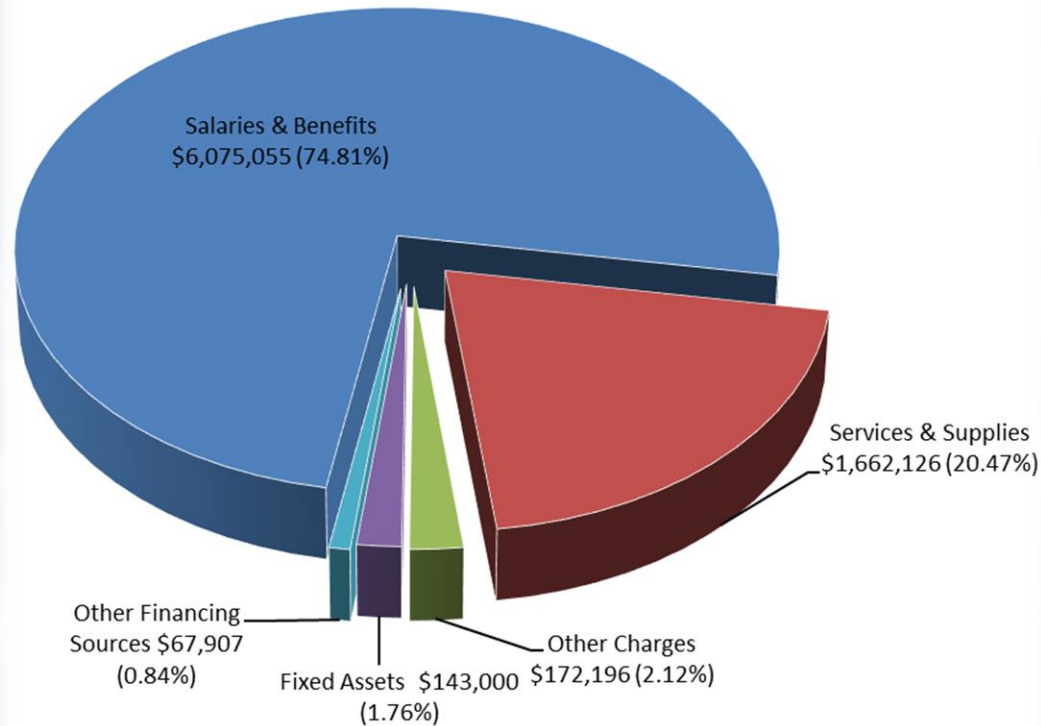
	Adopted FY 2018-19	Proposed FY 2019-20	Budget to Budget Var.	% Budget to Budget Var.
<i>Grant Expenditures</i>				
Salaries and Benefits	\$ -	\$ -	\$ -	
Services and Supplies	3,257,438	4,400,367	1,142,929	35.1%
Other Charges	-	-	-	
Capital Assets	-	-	-	
Increase to Fund Balance	-	-	-	
Grant Expenditure Total	\$ 3,257,438	\$ 4,400,367	\$ 1,142,929	35.1%

OPERATING EXPENDITURES

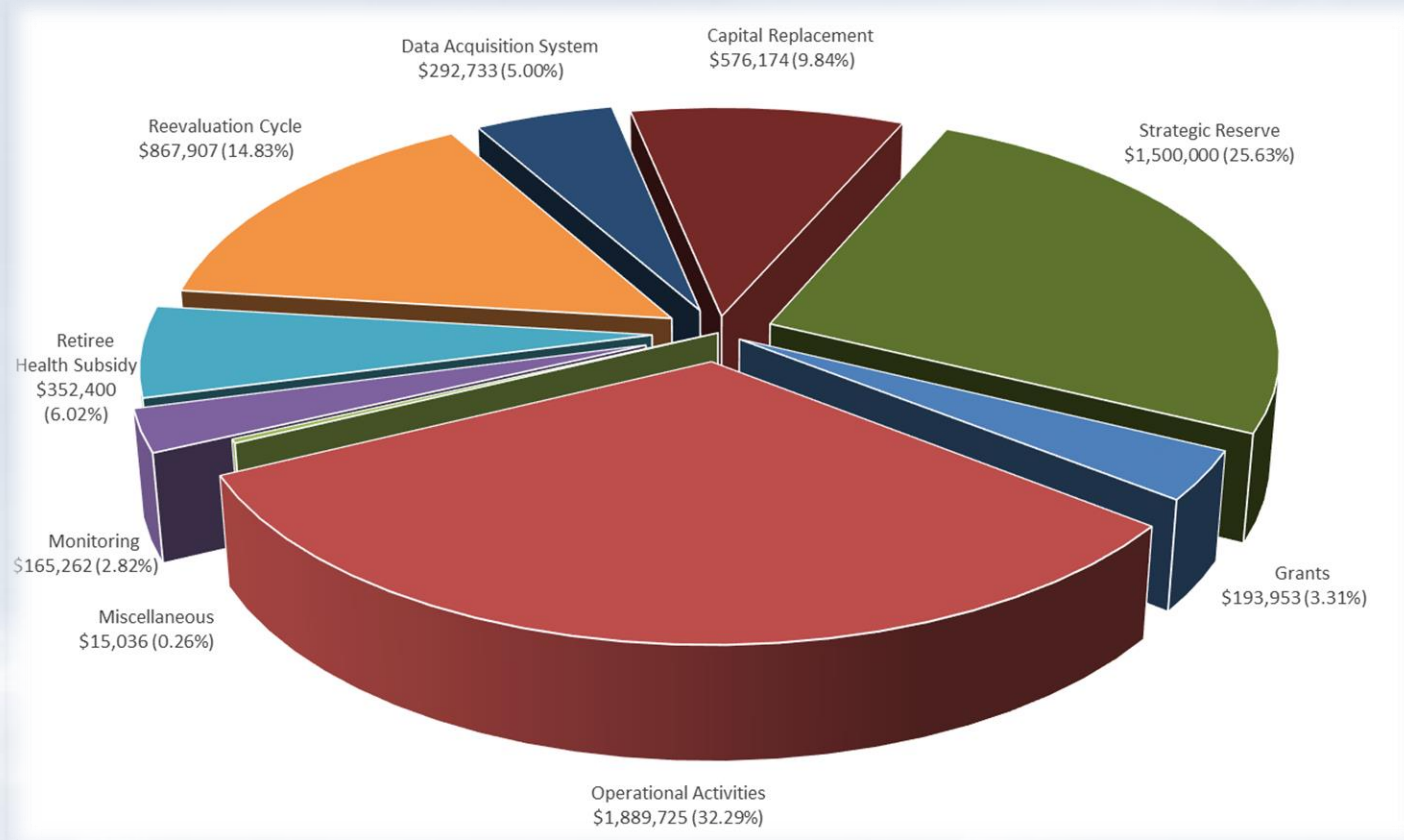
	Adopted FY 2018-19	Proposed FY 2019-20	Budget to Budget Var.	% Budget to Budget Var.
<i>Operating Expenditures</i>				
Salaries and Benefits	\$ 5,610,722	\$ 6,075,055	\$ 464,333	8.3%
Services and Supplies	1,826,619	1,662,126	(164,493)	-9.0%
Other Charges	171,719	172,196	477	0.3%
Capital Assets	137,000	143,000	6,000	4.4%
Increase to Fund Balance	111,539	67,907	(43,632)	-39.1%
Total Operating Expenditures Budget	\$ 7,857,599	\$ 8,120,284	\$ 262,685	3.3%

Operating Expenditure Characterization

Total operating expenditures \$8,120,284



Fund Balances \$5,853,190



FY 2019-20 Key Goals & Objectives

- Continue to improve District efficiency
 - Automate the permit application forms, input of facility information into emissions inventory and online compliant system
- Use the new agency logo and associated collateral materials, as well as the revamped District website, to increase agency brand awareness
- Complete transfer of ownership and operation of the Santa Barbara and Santa Maria air monitoring stations to the District
- Implement a new cycle of grant funding awarded by the state legislature in 2018 (i.e., FARMER, AB617, Wood Smoke Reduction and State Reserve)
- Develop Air Quality Emergency Response Plan for natural disasters

SBCAPCD Budget Hearing

Thank you

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