

FEATHER RIVER AIR QUALITY MANAGEMENT DISTRICT
MEMORANDUM
06/06/2016

TO: FRAQMD BOARD OF DIRECTORS
FROM: Christopher Brown AICP, APCO
SUBJECT: Approve the Proposed Budget.

RECOMMENDATION:

Approve the Proposed Budget.

ALTERNATIVES:

Do not approve the proposed budget as presented.

BACKGROUND:

A Policy/Finance Committee meeting was held on 05/12/16 to review and make recommendations for the proposed budget.

The District currently holds 3 funds in the Yuba County Treasurers office.

With this fiscal year, the District is proposing to combine the #725 District Fund and the #727 AB2766 Blue Sky Funds. Fund #728 Moyer/Mitigation/AB 923 Projects will remain in a separate fund and will continue to be restricted to projects only.

DISCUSSION:

There are several reasons the District is proposing the merging of funds:

- 1) Less of a burden upon the District for accounts payable (no percentage split to every invoice and less room for errors) as well as processing the District warrants for the Yuba County Auditor.
- 2) Less of a burden upon the District to balance 3 funds with the Yuba County Auditor by removing a fund.
- 3) The total of salaries, services and supplies, and revenues are combined for a better overall total and transparency.
- 4) The reserve totals are shared between both funds.

- 5) By combining the funds the District would not experience a cash flow problem as in previous years as the annual permit renewals are invoiced in October and payable no later than December.

The proposal to combine the funds has been addressed and discussed with the Yuba County Auditor and this can be accomplished easily with one Journal Entry done by the Yuba County Auditor.

As requested previously by the Board of Directors the budget has been set up for a three year comparison.

The asterisk items in the FY15/16 column include budget transfer allocations that were approved by the Board of Directors throughout the fiscal year for actual budget comparisons. The percentages are based on a two year comparison between FY 15/16 and FY 16/17. Of note would be the FY 14/15 budget shown does not include budget allocation transfers. FY 14/15 was the year the district purchased the district office and would not be indicative for comparison.

Page 1 of the Budget reflects Salaries and Benefits, Service and Supplies and Grants. Page 2 addresses any fluctuation greater or less than 5%. Page 3 reflects Revenues, the estimated prior fiscal year carry over, reserves and future expense. Page 4 addresses any fluctuation great or less than 5%.

Pages 5 and 6 include a recap of Services and Supplies by subcategory for reference. Page 7 is a list of AB2766 Blue Sky Projects that have been allocated but have not expended.

Page 8 is a Budget Total Recap for reference.

FEATHER RIVER AIR QUALITY MANAGEMENT DISTRICT
 FY 2016/17 Proposed Budget
 FUND #725 & #727 Combined

SALARIES AND BENEFITS		Budgeted	Budgeted	Proposed	FY 15/16 vs. FY 16/17 increase or (decrease)
Account #	Description	FY 14/15	FY 15/16	FY 16/17	
0101	Salaries	689,020	689,428	677,584	-2%
0101-1	CalPERS 457 Contribution	6,000	6,000	6,000	0%
0103	Extra Help	0	0	0	0%
0104	Overtime	1,000	1,000	1,000	0%
0205	Medicare	11,025	11,031	10,841	-2%
0201	PERS - employee	54,069	52,999	39,637	¹ -34%
0202	PERS - employer	104,381	62,613	60,000	-4%
0202-1	PERS Unfunded Liability	170,000	24,846	30,098	² 17%
0204	Group Health Ins.	128,590	122,105	149,995	³ 19%
0206	Workers Comp.	7,638	7,745	8,931	⁴ 13%
0208	Unemployment Ins.	3,850	3,360	3,920	⁵ 14%
SALARY TOTAL		1,175,573	981,127	988,006	1%
SERVICE AND SUPPLIES		FY 14/15	FY 15/16	FY 16/17	increase or (decrease)
1200	Communications	8,380	10,170	10,325	2%
1500	Insurance	11,500	* 13,030	13,600	4%
1700	Maintenance - Equip	4,120	1,920	3,120	⁶ 63%
1800	Building Maint/Improvements	0	* 42,000	25,000	⁷ -40%
2000	Memberships	2,600	2,600	2,500	-4%
2200	Office Supplies	17,700	19,250	19,300	0%
2300	Professional Services/legal fees	89,740	* 140,765	146,165	4%
2301	Consultant	15,000	* 35,000	35,000	0%
3000	Utilities	7,000	* 11,500	10,450	⁸ -9%
2400	Publications	3,000	4,000	4,500	⁹ 13%
2600	Building/Lease - Struct	53,645	37,889	37,889	0%
2700	Small Tools	500	600	1,000	¹⁰ 67%
2900	Travel-meetings	10,000	13,000	10,800	¹¹ -17%
2901	Transportation-oil\gas	8,000	* 7,200	6,000	¹² -17%
2902	Transportation - Priv	2,100	3,100	3,200	3%
6003	Fixed Assets	4,500	7,000	7,500	7%
SUB-TOTAL SERVICES/SUPPLIES		237,785	349,024	336,349	-4%
OPERATIONAL TOTAL		1,413,358	1,330,151	1,324,355	0%
GRANTS					
2810	AB2766 Blue Sky Project Allocation	217,500	219,402	215,000	-2%
AB2766 BLUE SKY PROJECT TOTAL		217,500	219,402	215,000	-2%
2810	Encumbered Projects awarded not expended	184,451	195,424	182,133	-7%
TOTAL BUDGET		1,815,309	1,744,977	1,721,488	-1%

* Indicates budget transfer allocations approved by the Board of Directors in FY 15/16

- ¹ (0201) Decrease of 34% due to PEPRRA - new employees paying their employee share.
- ² (0202-1) Increase of 17% due to CalPERS actuarial unfunded district liability - by paying at the beginning of the fiscal year the District will not incur 7.5% interest.
- ³ (0204) Increase of 19% due to an estimated 15% increase and full payment for tier single
- ⁴ (0206) Increase of 13% due to actual invoice received - not payable until FY16/17
- ⁵ (0208) Increase of 14% due to raise in unemployment/ training employer tax
- ⁶ (1700) Increase of 63% due to small numbers and the possibility of needing computer equipment due to Yuba Co. I/T change over.
- ⁷ (1800) Decrease of 40% due to budget allocation transfer approved for new air conditioners.
- ⁸ (3000) Decrease of 20% due to replacement of old air conditioners.
- ⁹ (2400) Increase of 13% due to Small number.
- ¹⁰ (2700) Increase of 67% due to the addition of binoculars for field staff and small number.
- ¹¹ (2900) Decrease of 17% due to actual costs.
- ¹² (2901) Decrease of 17% due to full fleet and newer vehicles.

FEATHER RIVER AQMD
 FY 2016/17 Proposed Budget
 FUND #725 & #727 Combined

REVENUE

Account #	Description	Budgeted	Budgeted	Proposed	FY 15/16
		FY 14/15	FY 15/16	FY 16/17	vs. FY 16/17 increase or (decrease)
1611	Annual Permits	329,550	330,000	350,000	6%
1612	New Applications	70,000	65,000	75,000	¹³ 15%
1612-1	Engine Registration	40,000	45,000	37,000	¹⁴ -18%
1612-2	PERP Inspections	20,000	20,000	20,000	0%
1613	Open Burning	70,000	68,000	68,000	0%
2201	Penalties	35,000	30,000	30,000	0%
2810	AB2766 Blue Sky DMV	526,000	530,000	532,000	0%
9825	Interest	22,000	14,600	13,000	¹⁵ -11%
6201	State Subvention	93,000	93,000	93,000	0%
9890	Indirect Sources	21,900	12,000	20,000	¹⁶ 67%
9891	Air Toxics Hot Spots	5,000	5,000	20,000	¹⁷ 300%
9892	Emission Reduction Credits	5,000	1,500	400	¹⁸ -73%
9893	DTSC	2,000	2,000	2,000	0%
9899	Miscellaneous	500	7,500	10,000	¹⁹ 33%
9899-1	AB923/Moyer Admin	30,900	40,000	60,000	²⁰ 50%
9899-2	Permit Consultant Pass-through	0	15,000	0	²¹ -100%
SUBTOTAL		1,270,850	1,278,600	1,330,400	4%
727	Est. Prior Fiscal Year Carry Over	527,923	565,036	447,752	
725	Est. Prior Fiscal Year Carry Over	1,467,036	1,325,170	1,342,751	
TOTAL		3,265,809	3,168,806	3,120,903	-2%
8001	General Reserves	600,000	600,000	600,000	
8002	Capital Improvement	122,809	93,783	123,752	
8003	Appropriation to Contingencies	658,859	591,130	612,663	
2801	AB2766 Blue Sky Project Reserves	52,000	53,000	53,000	
	District Vehicle Expense		35,000		
RESERVE TOTAL:		1,433,668	1,372,913	1,389,415	1%
8002	Future Vehicle Expense	0		10,000	
TOTAL REVENUE:		1,832,141	1,795,893	1,721,488	-4%
fund balance				0	

- ¹³ (1612) Increase of 15% due to filled engineering positions.
- ¹⁴ (1612-1) Reduction of 18% due to older engines being replaced and pulled from program.
- ¹⁵ (9825) Reduction of 11% due to actual revenue history.
- ¹⁶ (9890) Increase of 67% due to increase in building.
- ¹⁷ (6201) Increase of 300% due to pass-through fees from State program.
- ¹⁸ (9892) Reduction of 73% due to small numbers and inactivity.
- ¹⁹ (9899) Increase of 33% to offset reimbursement of the Prius at Sutter County auction.
- ²⁰ (9899-1) Increase of 50% due to the application and award of Moyer funds for additional admin.
- ²¹ (98-99-2) Reduction of 100% due to the removal of the permit consultant.

	FY 14/15	FY 15/16	FY 16/17
1200 Communications	\$8,380	\$10,170	\$10,325
Subcategories: Office Telephones	\$3,300	\$3,600	\$4,000
Comcast equipment	\$0	\$370	\$250
Mobile Telephones	\$2,400	\$2,100	\$2,100
Mobile Data - Tablet	\$0	\$0	\$865
E-Fax	\$210	\$210	\$220
Exchange Mailbox	\$1,320	\$1,740	\$1,740
Internet host	\$150	\$150	\$150
Portable Earphones	\$0	\$1,000	\$500
Telephone Repair	\$1,000	\$1,000	\$500
1500 Insurance	\$11,500	\$12,230	\$13,600
Subcategories: Liability/Auto/Property	\$10,500	\$10,980	\$12,300
SDRMA Certificates of Insurance	\$0	\$150	\$100
SDRMA Membership Fee	\$1,000	\$1,100	\$1,200
1700 Maintenance - Equipment	\$4,120	\$1,920	\$3,120
Subcategories: Computer System Upgrades	\$1,000	\$1,000	\$2,000
Equipment Repair	\$200	\$200	\$200
E-Bam Satellite	\$600	\$600	\$600
Computer Back-ups/Crash Pro	\$120	\$120	\$120
E-Bam Calibrator/parts	\$2,200	\$0	\$200
1800 Bldg. Maint/Improvements	\$0	\$25,000	\$25,000
2000 Memberships	\$2,600	\$2,600	\$2,500
Subcategories: CAPCOA	\$2,000	\$2,000	\$2,000
Other (Includes TMA)	\$600	\$600	\$500
2200 Office Supplies	\$17,700	\$19,250	\$19,300
Subcategories: General Office	\$5,000	\$5,000	\$5,000
Janitorial Supplies	\$150	\$250	\$200
Printing	\$1,500	\$1,500	\$1,600
Postage	\$2,500	\$3,000	\$3,100
Copier Maintenance	\$550	\$500	\$500
Computer Hdw/Softwr	\$1,500	\$2,500	\$2,500
Copier Lease	\$2,400	\$2,400	\$2,800
Compliance Tablets	\$600	\$600	\$600
Office Furniture	\$3,000	\$3,000	\$2,500
Employee Appreciation	\$500	\$500	\$500
2300 Professional Services	\$89,740	\$95,765	\$146,165
Subcategories: BCC Coordinator	\$13,500	\$14,475	\$15,250
Payroll Services	\$2,000	\$2,000	\$2,000
Fiscal Audit	\$7,000	\$8,000	\$8,500
Services - Yuba	\$6,000	\$6,000	\$7,000
* Legal Services	\$36,000	\$40,000	\$70,000
Board of Directors	\$8,000	\$8,000	\$8,000
Hearing Board	\$1,000	\$1,000	\$500
ARB Hot Spots	\$5,000	\$5,000	\$20,000
Safety & Compliance	\$2,000	\$2,000	\$2,000
Education Reimbursement	\$2,000	\$2,000	\$2,000
Alarm Surveillance	\$390	\$390	\$500
BCC Meeting Reimbursement	\$350	\$400	\$350
Janitorial Services	\$6,500	\$6,500	\$6,800
Western Weather Services	\$0	\$0	\$315
Local Tax Assessment	\$0	\$0	\$550
SDRMA Website Services	\$0	\$0	\$2,400

	FY 14/15	FY15/16	FY 16/17
2301 Consultant	\$15,000	\$55,000	\$35,000
Subcategories Engineering Consultant	\$15,000	\$25,000	\$0
Planning Consultant	\$0	\$5,000	\$5,000
Accounting System	\$0	\$20,000	\$30,000
Website Consultant	\$0	\$5,000	\$0
30-00 Utilites (gas/electric)	\$7,000	\$13,360	\$10,450
Subcategories PG&E	\$0	\$11,500	\$8,500
Water Services	\$0	\$1,200	\$1,200
Trash	\$0	\$660	\$750
2400 Publications-Public Notices	\$3,000	\$4,000	\$4,500
Rule Publication		\$1,000	\$1,500
Appeal Democrat		\$100	\$100
CalPERS GASB 68 Report		\$850	\$1,300
Permit Publications		\$2,000	\$1,300
Public Notices		\$50	\$300
2600 Lease - Building	\$52,300	\$37,889	\$37,889
Lease	\$51,800	\$37,889	\$37,889
Heat/Air Maintenance	\$500	\$0	\$0
2700 Small Tools	\$500	\$600	\$1,000
Binoculars - Compliance	\$0	\$0	\$400
Cameras	\$400	\$400	\$400
Scientific Calculator	\$100	\$200	\$200
2800 Relocation expenses	\$0	\$30,000	\$0
2900 Travel-meetings/training	\$10,000	\$13,000	\$10,800
Subcategories CAPCOA APCO Meetings	\$4,200	\$4,200	\$4,000
EEP, TAC, BCC Meetings	\$200	\$200	\$200
Training	\$2,000	\$3,000	\$2,000
CAPCOA Mgr. Meetings	\$3,000	\$3,000	\$3,000
Planning Meetings	\$0	\$2,000	\$1,000
Safety Training	\$600	\$600	\$600
2901 Travel - veh fuel/maint	\$8,000	\$8,000	\$6,000
Subcategories Fuel (4 vehicles)	\$5,000	\$5,000	\$3,000
Maintenance	\$3,000	\$3,000	\$3,000
2902 Travel - personal vehicle	\$2,100	\$3,100	\$3,200
Personal Vehicle Use	\$1,500	\$1,500	\$1,500
Alternate Transportation Sul	\$600	\$600	\$200
APCO Vehicle Use	\$0	\$1,000	\$1,500
TOTAL - SERVICES & SUPPLIES	\$231,940	\$331,884	\$328,849
60-03 Fixed Assets	\$4,500	\$7,000	\$7,500
Subcategories (2) computer replacement	\$4,500	\$4,500	\$4,000
Survelliance Cameras	\$0	\$2,500	\$2,500
Laptop Computer	\$0	\$0	\$1,000
TOTAL			\$336,349

FY 16/17
FEATHER RIVER AQMD
AB2766 ALLOCATED PROJECT FUNDS
 As of 05/26/2016

Project #		Project Description	\$ Amt.	Expiration
N/A	FRAQMD	Outreach Projects	\$5,000	12/31/2016
N/A	FRAQMD	Mini Projects	\$10,000	12/31/2016
VF15-01	Yuba Sutter Transit	Live Oak Expansion	\$5,000	12/31/2016
VF15-02	Yuba Sutter Transit	Monthly Bus Pass Program	\$109,782	12/31/2016
VF15-03	Sutter County Ag	Kill the Bug: Recycle Jug	\$2,650	12/31/2016
VF15-04	City of Yuba City	Bicycle Detection Project	\$48,000	12/31/2016
VF15-06	Yuba Sutter TMA	Valet Bike Parking	\$1,701	12/31/2016
BALANCE			\$182,133	

BUDGET TOTAL RECAP

EXPENSES	Budgeted FY 14/15	Budgeted FY15/16	Proposed FY 16/17	
SALARY/BENEFITS TOTAL	1,175,573	981,127	988,006	1%
SUB-TOTAL SERVICES/SUPPLIES	237,785	349,024	336,349	-4%
OPERATIONAL TOTAL	1,413,358	1,330,151	1,324,355	0%
GRANTS				
AB2766 BLUE SKY PROJECTS	217,500	219,402	215,000	-2%
ENCUMBERED PROJECTS	184,451	195,424	182,133	
GRANTS TOTAL	401,951	414,826	397,133	-2%
TOTAL EXPENSE BUDGET	1,815,309	1,744,977	1,721,448	-1%
REVENUES				
SUB-TOTAL REVENUES	1,270,850	1,278,600	1,330,400	4%
EST. PRIOR YEAR CARRY-OVER	3,265,809	3,168,806	3,120,903	-2%
RESERVES TOTAL	1,433,668	1,302,913	1,389,415	1%
TOTAL REVENUE	1,832,141	1,795,893	1,721,448	-1%