

Adopted
Budget
Fiscal Year 2014-15

July 1, 2014



“Clean Air is Everybody’s Business”

Mojave Desert Air Quality Management District

14306 Park Avenue, Victorville, CA 92392-2310

760.245.1661 • fax 760.245.2699

<http://www.mdaqmd.ca.gov>

Eldon Heaston, Executive Director

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Eldon Heaston, Executive Director

July 1, 2014

Governing Board of the
Mojave Desert Air Quality Management District

This is the budget of the Mojave Desert Air Quality Management District for Fiscal Year 2014-15. This document recommends uses of resources for the required, necessary and desired services as established by this Governing Board and various Federal, State, and local regulations. A budget is designed to provide the Board and staff the tool from which sound fiscal management decisions may be made.

A Public Hearing was held June 9, 2014, and is being continued to June 23, 2014 to receive public comments concerning this proposed budget.

The Consolidated Budget (accounting for all funds) includes projected revenues and proposed expenses for all MDAQMD activity, including the grant programs. Specifically, the general fund revenue projected for operations is \$7,122,700; an estimated 4.4% increase from the prior fiscal year. This increase is due in part to a proposed 3.25% fee increase to be imposed January 1, 2015. This budget proposes to use \$212,579 from the District's reserves as additional resource.

The general fund expenses projected for operations are \$7,335,279. This amount reflects an overall increase of 4.8% from the budget for the prior fiscal year. The planned expenditures include continuing projects to help streamline government and regulatory functions.

The MDAQMD is a service agency in which personnel expenses will comprise about 82% of the operations budget. The Table of Organization for FY 15 includes the total of 41 positions of full time employees. The budget for personnel expenses includes an increase of 2.2% for retirement contributions made for District employees.

Governing Board Policy 02-01 requires adequate reserves for operating expenses. This budget funds the Committed Fund Balance, Operating Reserves to the policy limit. This budget assigns portions of the fund balance for building improvements and for anticipated legal and litigation costs associated with ongoing CEQA challenges. It also assigns a portion to be used to prepay the District's retirement obligation. Finally, a designation is recommended for budget stabilization.

July 1, 2014 begins the fourth year of a five year contract with the San Bernardino Public Employees Association. The contract includes a 2% cost of living adjustment for all employees.

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This budget represents a financial plan to meet this year's obligations and challenges and is proposed to be effective July 1, 2014.

Sincerely,

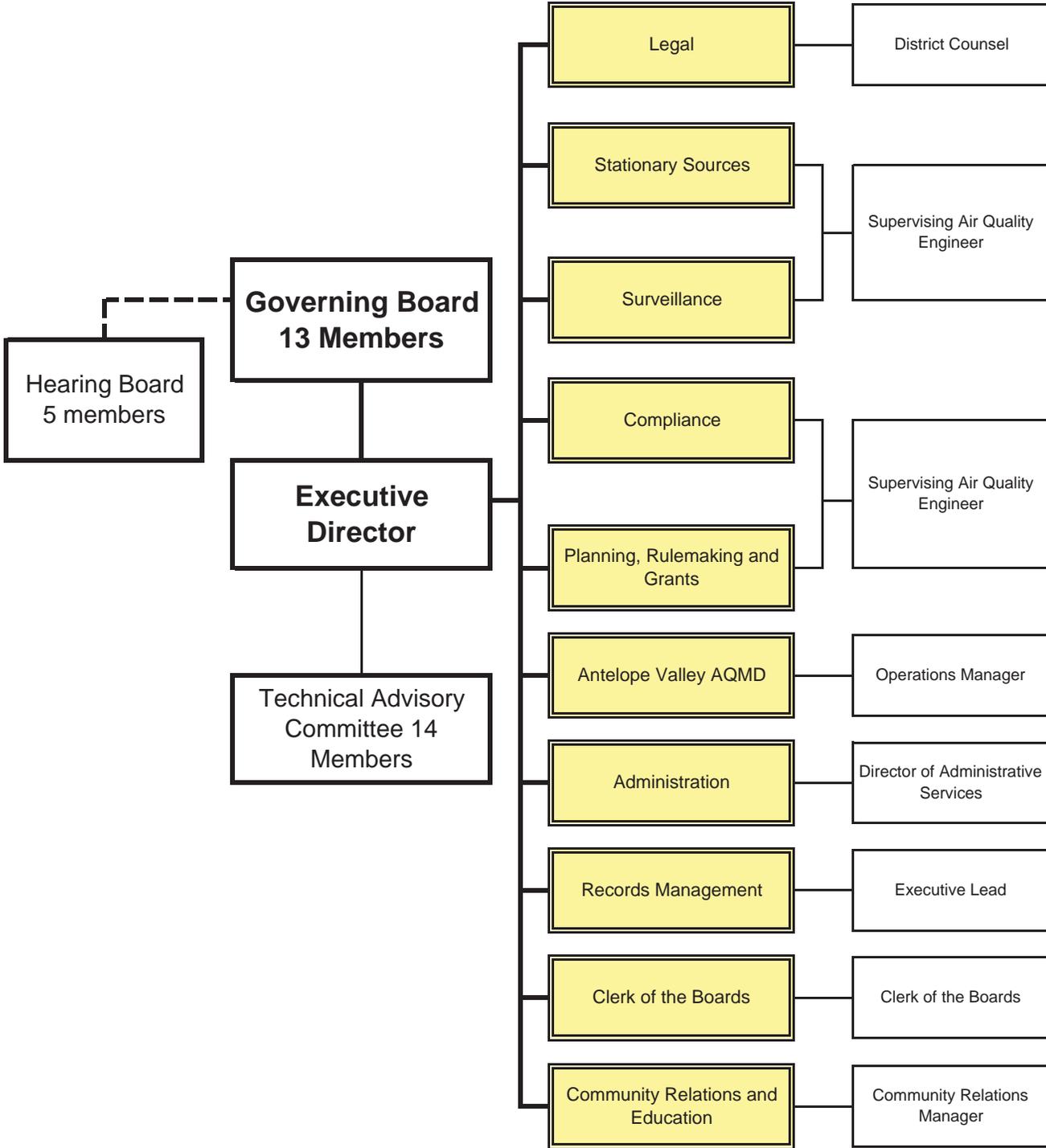
Eldon Heaston
Executive Director

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Mojave Desert Air Quality Management District

District Organization





Governing Board *2014*

Barbara Cram Riordan, *Chair*
Public Member

John Benoit, *Supervisor*
County of Riverside

Robert Lovingood, *Vice Chair*
Supervisor
County of San Bernardino

James Ramos, *Supervisor*
County of San Bernardino

Eric Schmidt
City of Hesperia

Ed Camargo,
City of Adelanto

Executive Staff
Eldon Heaston
Executive Director

Larry Cusack
Town of Apple Valley

Karen K. Nowak
District Counsel

Carmen Hernandez
City of Barstow

Jean Bracy, Director
Administrative Services

Joseph "Joey" DeConinck
City of Blythe

Michele Baird
Clerk of the Boards

Terry Campbell
City of Needles

Dan Mintz
City of Twentynine Palms

Jim Cox
City of Victorville

Robert Leone
Town of Yucca Valley

Mojave Desert Air Quality Management District Jurisdiction

Our district encompasses the desert portion of northern San Bernardino County, as well as the Palo Verde Valley in Riverside County. Our boundaries cover the area from the summit of Cajon Pass to Inyo County, east to the Colorado River and the Arizona and Nevada state lines, and westward to Los Angeles and Kern County Lines. In all, our district covers approximately 21,000 square miles.

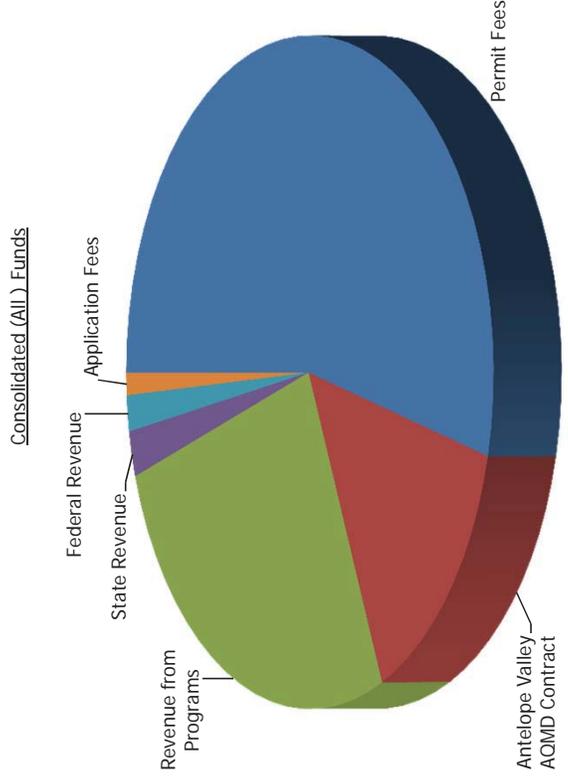
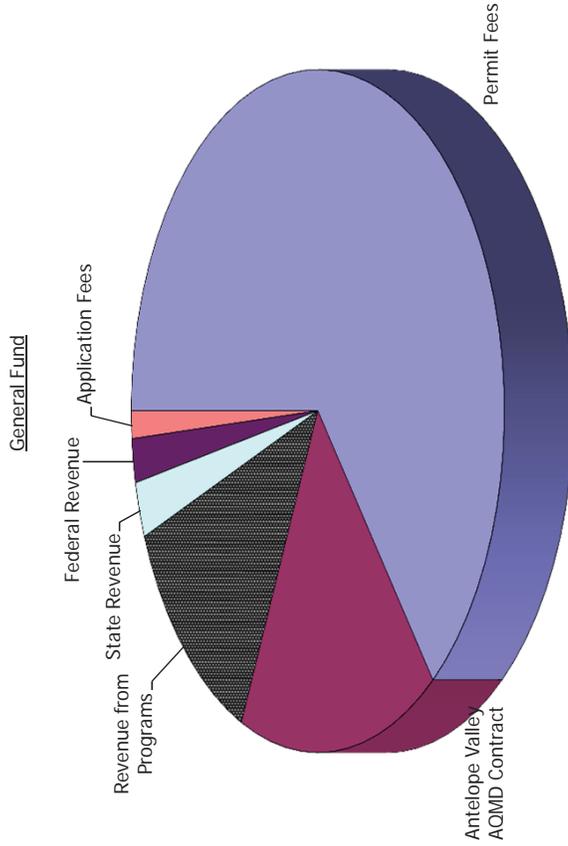
Map not to scale



Mojave Desert AQMD
Consolidated Budget (All Funds)
Fiscal Year 2014-15

	Approved Budget FY 2014	Estimated Actuals FY 13-14	Adopted Budget FY 14-15
Revenues			
Permit Fees	4,368,460	4,359,000	4,544,450
Application Fees	81,100	88,250	92,250
Federal Revenue	127,000	138,524	146,500
Fines & Penalties	60,000	25,000	60,000
Interest Income	27,709	81,300	46,650
Other Revenue	1,164,273	1,181,743	1,221,000
Revenue from Programs	1,911,090	1,755,500	2,231,618
State Revenue	159,667	184,409	185,000
Total Revenues	7,899,299	7,813,726	8,527,468
Expenses			
Personnel Expenses			
Salaries & Wages	3,203,180	3,132,000	3,379,000
Payroll Taxes	95,900	84,700	96,950
Benefits	623,200	618,750	681,705
Retirement	1,330,545	1,264,500	1,452,554
OPEB	30,291	30,000	23,000
Total Personnel Expenses	5,283,116	5,129,950	5,633,209
Operating Expenses			
Communications	87,790	55,825	58,650
Dues & Subscriptions	37,500	34,180	27,250
Non-Depreciable Inventory	41,150	25,285	35,400
Legal	111,700	52,500	114,200
Maintenance & Repairs	62,750	59,275	75,375
Training & Travel	124,800	76,120	111,300
Vehicles	61,580	65,990	95,100
Office Expenses	280,600	214,725	261,860
Program Expenses	1,189,046	1,039,800	1,532,768
Professional Services	205,520	143,325	294,910
Miscellaneous Expenses	5,000	8,000	5,025
Total Operating Expenses	2,207,436	1,775,025	2,611,838
Capital Expenses			
Buildings	80,000	40,000	160,000
Improvements	0	1,000	0
Furniture & Fixtures	95,000	101,852	0
Equipment	160,946	115,000	180,000
Vehicles	25,000	0	0
Computers	21,654	59,750	5,000
Software	190,000	140,000	150,000
Total Capital Expenses	572,600	457,602	495,000
Total Expenses	8,063,152	7,362,577	8,740,047
Due To (From) Reserves	(163,853)	451,149	(212,579)

MOJAVE DESERT AIR QUALITY MANAGEMENT DISTRICT
Budgeted Sources of Revenue



General Fund Revenue

REVENUE TYPES	AMOUNT	% of Total
Permit Fees	4,544,450	63.80%
Antelope Valley AQMD Contract	1,221,000	17.14%
Revenue from Programs	866,000	12.16%
State Revenue	185,000	2.60%
Federal Revenue	146,500	2.06%
Application Fees	92,250	1.30%
Fines & Penalties	60,000	0.84%
Interest Revenue	7,500	0.11%
TOTAL	7,122,700	100.00%

Consolidated (All Funds) Revenue

REVENUE TYPES	AMOUNT	% of Total
Permit Fees	4,544,450	53.29%
Antelope Valley AQMD Contract	1,221,000	14.32%
Revenue from Programs	2,231,618	26.17%
State Revenue	185,000	2.17%
Federal Revenue	146,500	1.72%
Application Fees	92,250	1.08%
Fines & Penalties	60,000	0.70%
Interest Revenue	46,650	0.55%
TOTAL	8,527,468	100.00%

Mojave Desert AQMD
General Fund Revenue Budget Detail
Fiscal Year 2014-15

	<u>Approved Budget FY 2014</u>	<u>Estimated Actuals FY 13-14</u>	<u>Adopted Budget FY 14-15</u>
Revenues			
Permit Fees			
Permit Fees Rev	4,052,450	4,012,000	4,176,450
Asbestos Demo/Reno Rev	35,000	60,000	60,000
Title V Rev	281,010	287,000	308,000
	<u>4,368,460</u>	<u>4,359,000</u>	<u>4,544,450</u>
Application Fees			
ERC Application Fees	500	750	0
New Source Review Fees	6,500	6,500	6,500
Permit Application Fees	72,800	80,000	85,000
Variance Filing Fees	1,300	750	500
AG Application Fees	0	250	250
	<u>81,100</u>	<u>88,250</u>	<u>92,250</u>
Federal Revenue			
ARB PM 2.5 Section 103	20,000	29,545	30,000
Section 105 (PSD)	83,250	83,979	84,000
Federal Contracts & Agreements	23,750	25,000	32,500
	<u>127,000</u>	<u>138,524</u>	<u>146,500</u>
Fines & Penalties			
Notice of Violations Fee	60,000	25,000	60,000
	<u>60,000</u>	<u>25,000</u>	<u>60,000</u>
Interest Income			
Interest Revenue	12,000	4,000	7,500
	<u>12,000</u>	<u>4,000</u>	<u>7,500</u>
Other Revenue			
Contracts	1,133,273	1,156,743	1,221,000
	<u>1,133,273</u>	<u>1,156,743</u>	<u>1,221,000</u>
Revenue from Programs			
Administrative Funding	35,000	0	0
AB2766 Program	730,045	730,000	725,000
Carl Moyer Program	35,000	65,000	65,000
California Clean Air Act	65,000	63,000	60,000
Hot Spots	16,000	16,000	16,000
	<u>881,045</u>	<u>874,000</u>	<u>866,000</u>
State Revenue			
PERP	20,000	46,000	45,000
State Subvention	139,667	138,409	140,000
	<u>159,667</u>	<u>184,409</u>	<u>185,000</u>
Total General Fund Revenues	<u>6,822,545</u>	<u>6,829,926</u>	<u>7,122,700</u>

INTRODUCTION

The District's approach to air quality regulations is to be responsible and approachable with attention to customer service. While the revenue sources are sufficient for maintaining this kind of agency, growth and new programs demand that the District continue to strive to streamline government, become more efficient, and conserve resources without limiting or decreasing the service provided to the regulated community and the public at large.

DISTRICT PROGRAMS AND PROJECTS

▪ **Community Outreach**

Through community events, school education programs, publications, and business opportunity forums, the District promotes the motto: "*Clean Air is Everybody's Business.*" Raising public awareness is a primary District responsibility in order to foster community behaviors that protect local air quality. The District will continue to provide direct support and in-kind services to **MEEC – Mojave Environmental Education Consortium**, a public-private non-profit partnership providing environmental education support to local schools.

▪ **Daily Air Quality Status & Forecasts:**

The District's website, <http://www.mdaqmd.ca.gov/>, continues to provide the public with up-to-the-minute information on ozone levels within the MDAQMD's jurisdictional boundaries, in a user-friendly format.

▪ **The District Website**

Providing information to the general public may be the most important investment the District can make to impact the future of air quality for the region. Using the internet allows the District to provide the public with the latest version of the District rule book, forms, and air quality information. The District's website is <http://www.mdaqmd.ca.gov/>.

▪ **PM₁₀ and PM_{2.5} Monitoring**

The District's facility includes a laboratory which provides a controlled environment for testing and measuring under the standards of the PM₁₀ and PM_{2.5} programs.

▪ **Small Business Assistance Program**

Through the Breathe Easy Program, small businesses can obtain individualized help regarding compliance with District rules. This program also provides no-fault compliance audits, permitting assistance, training, produces informative brochures, and advocates small business concerns for proposed regulations. The Business Assistance Hotline is available for personalized assistance related to compliance without fear of reprisals.

- **Mobile Emissions Reduction Program**

This grant program encourages projects sponsored by private or public agencies that will reduce the impact of pollution generated by mobile emissions in the Mojave Desert air basin. Funded by fees assessed on motor vehicle registration in the District more than three million dollars has been awarded to various public agencies and private entities for projects that will reduce mobile emissions such as through the use of alternate fuels, equipment and other related projects.

Carl Moyer Memorial Air Quality Standards Attainment Program (known as the Carl Moyer Program) funds the incremental cost of cleaner-than-required engines, equipment, and other sources of air pollution. Implementing the State-funded Carl Moyer Program, the District has received and awarded more than four million dollars to local agencies and private entities' eligible projects.

- **Technology Improvements** bring together an overall plan that strives to streamline government and efficiently deliver services. The **CAPS** (Compliance and Permit System) Database is the application that holds all of the information related to every source responsible to the District's Rules and Regulations. The **Records Management** program manages the content management system which images, indexes and stores District records. Another component electronically develops the Governing Board agenda. **AccuFund** serves our accounting needs through use of cost accounting methodology and appropriate reporting on the use of restricted funds. Our **Video Tele-conferencing** delivers high performance multi-point video conferencing for small and large groups.

- **Training and Development**

Emphasis is on educating staff and the Governing Board about the work and mission of the District. District staff will participate in on site educational opportunities and off-site educational tours and are encouraged to continue their technical and professional development.

- **Antelope Valley AQMD**

The Antelope Valley Air Quality Management District is an independent special district based in Lancaster with a jurisdiction covering north Los Angeles County. The AVAQMD contracts all of its services from the MDAQMD. Six full time staff are on site in the Lancaster office and staff at the Victorville office contribute additional support.

AIR QUALITY PROGRAMS

SURVEILLANCE

The Surveillance section supports District efforts by operating an ambient air monitoring and meteorological network which tracks air quality trends. Air monitoring stations are located in Barstow, Hesperia, Lucerne Valley, Phelan, Trona, Twentynine Palms, and Victorville. The stations are part of the State and Local Air Monitoring System (SLAMS) network. A data acquisition system collects daily and real time levels of pollutants from each of the stations. These data are reported to the California Air Resources Board (CARB), Federal Environmental Protection Agency (EPA), regulated industry and the general public. This information is also used to provide pollution episode forecasts and notification to school systems and the general population of harmful levels of pollution.

The Surveillance section administers programs for maintaining, repairing and calibrating the ambient air monitoring analyzers and system equipment, data acquisition system and meteorological system components. The section also operates and maintains an extensive database from which data from the air monitoring and meteorological system is analyzed providing information on air quality trends to the public.

Ozone Mapping Program. The Ozone Mapping project polls the ambient air monitoring network on an hourly basis and electronically transfers these data to the ARB for viewing from a web site. This data is also presented on the District's web site.

PM₁₀ and PM_{2.5} Monitoring. The District's laboratory provides a controlled environment for testing and measuring filters under the standards of the PM₁₀ and PM_{2.5} programs.

STATIONARY SOURCES

One of the District's primary responsibilities is to process applications for permits in accordance with all applicable local, State and Federal regulations. These applications are required for projects which propose industrial and/or commercial processes that have a potential to emit an air contaminant into the atmosphere. The requirements differ widely depending on the type and size of the proposed equipment.

District air quality engineers provide technical reviews of official documents, such as test reports, risk assessments, environmental impact statements and environmental impact report, as well as technical assistance to permit applicants, other agencies, and manufacturers. The District implements and maintains various State and Federal mandated programs:

- **Title III & V Programs.** The Title III program is the federal toxic program for Title V facilities. Title V is a Federal Operating Permits Program required by the 1990 Clean Air Act. This program requires the District to maintain a Federal Permitting Program approved by the Environmental Protection Agency (EPA).
- **Emissions Inventory.** The purpose of this program is to inventory sources of criteria air pollutants within the District which is used as a yardstick to determine progress towards attainment and maintaining compliance with National and State Ambient Air Quality Standards. This program is required by State and Federal Law.

- **Toxic Emissions Inventory.** (Air Toxic "Hot Spot" Information and Assessment Act of 1987)
The purpose of this program is to assess the amounts, types and health impacts of air toxics from stationary sources. This program occasionally sponsors a part time intern to assist with the program documentation.
- **AB 3205.** This program is required by the State, and its purpose is to implement a program to notify parents of school children when a new or modified source will be located within one mile of elementary, middle, or high schools.

COMPLIANCE

The District's responsibility is to protect the health and welfare of the public by assisting the regulated community in complying with Federal, State and Local regulatory requirements. This responsibility is carried out through various programs and activities including comprehensive annual inspections performed to verify compliance with air quality regulations; investigation of citizen complaints pertaining to air related matters; legal case development when necessary to address non-complying situations; Federal Asbestos Demolition and Renovation Program; State-mandated Variance Program; Continuous Emissions Monitoring Programs; reporting to the Environmental Protection Agency's AIRS and Significant Violator programs; and source testing.

Legal assistance is provided by District Counsel regarding enforcement related activities, such as civil actions, case development, penalty negotiations, and variance hearing board support.

PLANNING, RULEMAKING & GRANTS

One of the District's primary responsibilities is to promulgate rules and plans in accordance with State and Federal attainment and maintenance planning requirements, to achieve and maintain regional compliance with the various ambient air quality standards. Related functions include rule adoptions and revisions, and State and Federal grant programs with direct and pass through funding.

Planning staff serve as the District liaison with regional, State and Federal governments, ensuring District compliance with applicable requirements and significant developments. Planning staff also perform California Environmental Quality Act (CEQA) review and comment functions in the District's role as the expert agency for air quality. Staff in Planning and Rulemaking implement and maintain the following programs.

- California ambient air quality standards attainment planning, as codified in the California Clean Air Act and subsequent state legislation. This program currently focuses on the California ozone standard.
- National ambient air quality standards attainment planning, as codified in the Federal Clean Air Act, the Clean Air Act Amendments and subsequent Federal legislation. This program currently focuses on the National one-hour and eight-hour ozone standards, the National 24-hour, annual PM₁₀ standards, and National 24-hour, annual PM_{2.5} standards.
- Federal General and Transportation Conformity, involving regional project review and comment
- California Environmental Quality Act, requiring local and regional project review
- National Environmental Protection Act, requiring local and regional project review
- Carl Moyer and AB 2766 Grant Programs

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Mojave Desert AQMD
General Fund Surveillance Summary Expense Budget
Fiscal Year 2014-15

	<u>Approved Budget FY 2014</u>	<u>Estimated Actuals FY 13-14</u>	<u>Adopted Budget FY 14-15</u>
Expenses			
Personnel Expenses			
Salaries & Wages	227,833	181,000	132,000
Payroll Taxes	6,508	5,700	5,180
Benefits	42,890	37,000	29,385
Retirement	66,061	52,000	57,200
Total Personnel Expenses	343,292	275,700	223,765
Operating Expenses			
Communications	17,050	16,120	16,425
Dues & Subscriptions	350	600	350
Non-Depreciable Inventory	4,300	10,700	7,500
Maintenance & Repairs	17,500	23,200	16,700
Training & Travel	6,700	6,000	8,000
Vehicles	16,500	16,900	20,200
Office Expenses	16,950	28,375	34,540
Professional Services	0	680	50,685
Total Operating Expenses	79,350	102,575	154,400
Capital Expenses			
Buildings	25,000	25,000	10,000
Furniture & Fixtures	0	32	0
Equipment	89,946	80,000	80,000
Computers	7,054	45,000	0
Total Capital Expenses	122,000	150,032	90,000
Total Expenses	544,642	528,307	468,165

Mojave Desert AQMD
General Fund Planning / Rule Making / Grants / Compliance Summary Expense Budget
Fiscal Year 2014-15

	<u>Approved Budget FY 2014</u>	<u>Estimated Actuals FY 13-14</u>	<u>Adopted Budget FY 14-15</u>
Expenses			
Personnel Expenses			
Salaries & Wages	687,742	630,000	688,000
Payroll Taxes	24,975	20,000	27,000
Benefits	144,932	141,950	149,540
Retirement	273,760	259,000	302,640
Total Personnel Expenses	1,131,409	1,050,950	1,167,180
Operating Expenses			
Communications	11,020	10,900	14,250
Dues & Subscriptions	550	3,050	550
Non-Depreciable Inventory	5,250	2,100	10,500
Legal	1,500	0	1,500
Maintenance & Repairs	0	6,900	6,950
Training & Travel	19,600	7,850	18,100
Vehicles	20,500	25,000	45,750
Office Expenses	20,200	30,825	34,800
Program Expenses	69,000	61,000	68,000
Professional Services	1,000	2,335	11,500
Total Operating Expenses	148,620	149,960	211,900
Capital Expenses			
Furniture & Fixtures	0	120	0
Computers	5,000	5,000	0
Software	150,000	100,000	150,000
Total Capital Expenses	155,000	105,120	150,000
Total Expenses	1,435,029	1,306,030	1,529,080

Mojave Desert AQMD
General Fund Stationary Sources Summary Expense Budget
Fiscal Year 2014-15

	<u>Approved Budget FY 2014</u>	<u>Estimated Actuals FY 13-14</u>	<u>Adopted Budget FY 14-15</u>
Expenses			
Personnel Expenses			
Salaries & Wages	568,630	556,000	548,000
Payroll Taxes	20,282	15,800	15,200
Benefits	96,692	97,000	90,120
Retirement	227,460	220,000	241,450
Total Personnel Expenses	913,064	888,800	894,770
Operating Expenses			
Communications	5,100	6,925	6,600
Dues & Subscriptions	300	2,160	300
Non-Depreciable Inventory	1,500	625	3,350
Maintenance & Repairs	0	6,000	6,000
Training & Travel	25,800	11,525	24,600
Vehicles	500	3,355	3,200
Office Expenses	7,000	17,400	18,150
Professional Services	0	1,600	1,000
Total Operating Expenses	40,200	49,590	63,200
Capital Expenses			
Computers	5,400	5,500	0
Total Capital Expenses	5,400	5,500	0
Total Expenses	958,664	943,890	957,970

SUPPORT PROGRAMS

EXECUTIVE OFFICES

The Executive Office is responsible to the Governing Board for the general administration and coordination of all District operations and programs, including staff technical training, violation settlement negotiations, public information, inter and intra agency coordination, committee representation, program planning and streamlining, as well as being responsible for fostering a positive working relationship with the regulated community. The responsibility of this office include those programs mandated by the Federal Environmental Protection Agency and the California Air Resources Board and developing, implementing and enforcing State and Federally mandated programs designed to attain and maintain ambient air quality standards as they pertain to industrial and commercial stationary (non-mobile) sources. This office monitors state and federal legislation affecting the District and advises the Governing Board on actions required to protect the interests of the District.

Programs for staff development include off-site educational tours of local permitted agencies; planning meetings for management staff; technical training for field staff, and professional development training for management staff.

This office is coordinating the digitalization of District records into an electronic storage and retrieval system.

DISTRICT COUNSEL

The position of District Counsel serves as general legal counsel to the District providing legal advice and opinions on general laws applicable to the District as well as to air district specific mandates such as the Federal Clean Air Act, California air pollution control laws and district adopted air quality rules and regulations. The District Counsel reviews District rules and regulations for legal sufficiency ensuring proper notice and other procedures are followed. The District Counsel exercises authority to bring civil actions in the name of people of State of California for violations of various air quality laws and regulations as well as providing legal support for District presentations in Hearing Board proceedings, supports permitting activities, and conducts compliance actions. The District Counsel analyzes legislative bills proposed in the California Legislature that impact the District and provides information to the District Governing Board regarding such legislation.

The Governing Board may engage "Special Counsel" to provide specialized legal services in particular instances and areas. The scope of the specialized legal services are set forth in the individual contracts for such services.

CLERK OF THE BOARDS

The Clerk of the Boards records official minutes of all meetings of the District Boards, including the Governing Board, the Hearing Board and the Technical Advisory Committee. This office maintains the official records for all actions of the boards and distributes copies of orders and directives to appropriate agencies and members of the public as required and/or directed by the respective Board.

The Governing Board, with 13 members, meets monthly and members may receive \$100 stipend per meeting. The Hearing Board, with 5 members, meets as needed and members may receive \$100 stipend per meeting. The Technical Advisory Committee, with 14 members, meets as needed and members may receive \$35 stipend per meeting.

COMMUNITY RELATIONS AND EDUCATION PROGRAM

The Mojave Desert Air Quality Management District conducts public outreach and education programs in order to fulfill the requirement of the California Clean Air Act of 1988, Health and Safety Code Section 40918(a): "Each district. . . shall . . . include the following measures in its attainment plan . . . (6) Provisions for public education programs to promote actions to reduce emissions from transportation and area-wide sources."

District sponsored programs inform the public about air pollution, its sources, health effects on humans, and damage to the environment. Education must be provided in order to raise public awareness on methods of control and to encourage individual means of reducing air pollution. These programs target many audiences including academia, the general adult population, educators and students from pre-school to college level, as well as businesses and industries through pamphlets, brochures, the annual report, newsletters, public workshops and conferences, presentations, exhibits, and other multimedia promotions. The District participates in *MEEC, the Mojave Environmental Education Consortium*, a public-private non profit partnership providing environmental education support to local schools.

In addition, media relations through press releases, press conferences and air quality forecasts and health advisories are provided to the local media on an ongoing basis as a means of keeping the public informed. The District also participates with the local schools in a Pollution Prevention Week Poster Contest; with the regulated community for Exemplar Awards, High Desert Opportunity, and various environmental fairs, community awareness activities, and science fairs.

ADMINISTRATIVE SERVICES

Administrative Services provides financial, administrative and personnel management services to the operating divisions of the District. Accounts payable and warrants are issued by staff using local banking services. Funds to these accounts are replenished by the San Bernardino County Auditor-Controller's Office at the request of the District; payroll is provided under contract by a third party administrator. The office prepares the annual budget and controls expenditures by providing information regarding expenditures and the availability of budgeted funds; purchases equipment and supplies; invoices for required fees are issued, collected, deposited and accounted for through the CAPS – Compliance and Permit System.

The office also manages the District's computer information systems, manages risk management, fleet, facility, fixed assets management, and web site administration.

ANTELOPE VALLEY AIR QUALITY MANAGEMENT DISTRICT

The AVAQMD contracts all of its services from the MDAQMD. The contract provides employees for the Lancaster office in addition to specific expertise to support work to the Antelope Valley office and allow for a complete, full service agency. Staff services are charged at a set hourly rate that includes the position's hourly rate, all associated benefits, and an administrative charge. If needed, services and supplies purchased for the AVAQMD are charged at cost. MDAQMD provides all accounting services and financial reporting. Certain administrative functions and support of the AVAQMD is performed in Victorville where standardized functions such as accounting, legal, and computer support are more cost-effective from a centralized location.

Mojave Desert AQMD
General Fund Executive Offices Summary Expense Budget
Fiscal Year 2014-15

	<u>Approved Budget FY 2014</u>	<u>Estimated Actuals FY 13-14</u>	<u>Adopted Budget FY 14-15</u>
Expenses			
Personnel Expenses			
Salaries & Wages	677,852	677,000	801,000
Payroll Taxes	16,520	15,800	20,300
Benefits	115,071	110,000	146,265
Retirement	312,815	317,000	346,994
Total Personnel Expenses	1,122,258	1,119,800	1,314,559
Operating Expenses			
Communications	5,800	7,310	5,975
Dues & Subscriptions	23,400	22,250	21,000
Non-Depreciable Inventory	3,500	2,050	4,150
Legal	100,000	38,000	102,500
Maintenance & Repairs	0	6,950	6,425
Training & Travel	39,500	28,065	32,500
Vehicles	11,500	12,200	15,550
Office Expenses	26,100	34,815	47,495
Professional Services	93,700	72,245	94,575
Miscellaneous Expenses	0	0	25
Total Operating Expenses	303,500	223,885	330,195
Capital Expenses			
Furniture & Fixtures	0	75	0
Computers	3,000	3,000	0
Total Capital Expenses	3,000	3,075	0
Total Expenses	1,428,758	1,346,760	1,644,754

Mojave Desert AQMD
General Fund Community Relations & Education Summary Expense Budget
Fiscal Year 2014-15

	<u>Approved Budget FY 2014</u>	<u>Estimated Actuals FY 13-14</u>	<u>Adopted Budget FY 14-15</u>
Expenses			
Personnel Expenses			
Salaries & Wages	144,373	167,000	151,000
Payroll Taxes	3,546	5,000	3,920
Benefits	28,232	30,000	30,575
Retirement	64,237	76,500	70,990
Total Personnel Expenses	240,388	278,500	256,485
Operating Expenses			
Communications	4,450	4,230	5,700
Dues & Subscriptions	1,500	900	1,500
Non-Depreciable Inventory	4,000	610	5,250
Maintenance & Repairs	250	6,850	6,600
Training & Travel	5,600	3,050	5,600
Vehicles	1,580	3,055	3,500
Office Expenses	39,500	41,910	40,275
Program Expenses	90,000	90,000	90,000
Professional Services	0	650	650
Total Operating Expenses	146,880	151,255	159,075
Capital Expenses			
Furniture & Fixtures	0	45	0
Computers	1,200	1,250	0
Total Capital Expenses	1,200	1,295	0
Total Expenses	388,468	431,050	415,560

Mojave Desert AQMD
General Fund Administrative Services Summary Expense Budget
Fiscal Year 2014-15

	<u>Approved Budget FY 2014</u>	<u>Estimated Actuals FY 13-14</u>	<u>Adopted Budget FY 14-15</u>
Expenses			
Personnel Expenses			
Salaries & Wages	487,926	490,000	505,000
Payroll Taxes	11,467	10,400	12,350
Benefits	98,341	110,000	106,490
Retirement	205,100	200,000	230,920
Total Personnel Expenses	802,834	810,400	854,760
Operating Expenses			
Communications	7,900	8,015	9,700
Dues & Subscriptions	2,000	3,220	3,550
Non-Depreciable Inventory	3,450	4,150	4,650
Legal	10,200	10,000	10,200
Maintenance & Repairs	500	7,450	7,700
Training & Travel	16,950	13,250	17,000
Vehicles	0	1,255	1,250
Office Expenses	17,000	35,150	39,250
Professional Services	30,820	32,500	39,500
Miscellaneous Expenses	5,000	5,000	5,000
Total Operating Expenses	93,820	119,990	137,800
Capital Expenses			
Furniture & Fixtures	0	80	0
Equipment	2,500	0	0
Software	35,000	20,000	0
Total Capital Expenses	37,500	20,080	0
Total Expenses	934,154	950,470	992,560

Mojave Desert AQMD
General Fund District Wide Summary Expense Budget
Fiscal Year 2014-15

	<u>Approved Budget FY 2014</u>	<u>Estimated Actuals FY 13-14</u>	<u>Adopted Budget FY 14-15</u>
Expenses			
Personnel Expenses			
Salaries & Wages	408,824	431,000	554,000
Payroll Taxes	12,602	12,000	13,000
Benefits	97,042	92,800	129,330
Retirement	181,112	140,000	202,360
Total Personnel Expenses	699,580	675,800	898,690
Operating Expenses			
Communications	36,470	2,325	0
Dues & Subscriptions	9,400	2,000	0
Non-Depreciable Inventory	19,150	5,050	0
Legal	0	4,500	0
Maintenance & Repairs	44,500	1,925	25,000
Training & Travel	10,650	6,380	5,500
Vehicles	11,000	4,225	5,650
Office Expenses	153,850	26,250	47,350
Professional Services	80,000	28,315	90,000
Miscellaneous Expenses	0	3,000	0
Total Operating Expenses	365,020	83,970	173,500
Capital Expenses			
Buildings	55,000	15,000	150,000
Improvements	0	1,000	0
Furniture & Fixtures	95,000	101,500	0
Equipment	68,500	35,000	100,000
Vehicles	25,000	0	0
Computers	0	0	5,000
Software	5,000	20,000	0
Total Capital Expenses	248,500	172,500	255,000
Total Expenses	1,313,100	932,270	1,327,190

Communications - Services for telephone, internet, video teleconferencing, web hosting, cloud backup and disaster recovery solution; and related tech support.

Dues & Subscriptions, Memberships - Cal/EPA Newsletters, local newspapers, West Group (legal research), technical and educational materials. Memberships – California Air Pollution Control Officers Association (CAPCOA) California Special Districts Association (CSDA); Air & Waste Management Association (A&WMA); California Climate Action Registry; Rotary Club; American Bar Association; California State Bar Association, Victor Valley College Foundation

Non-Depreciable Inventory - Small office equipment, tablet devices for inspectors, replace scanning PC, safety equipment

Legal - Specialized Legal Services – Costs associated with outsourced legal services for Governing Board and Hearing Board support, extraordinary needs, and non-environmental issues such as personnel and labor relations; publication of public notices, as required.

Maintenance & Repairs – Building and maintenance expenses: custodial, landscaping, HVAC service; pest control, fire extinguisher maintenance, parking lot sweeping, general building repair and maintenance. Equipment repair: Air Monitoring equipment maintenance and minor repairs (seven stations); PM Room environmental system control maintenance.

Training & Travel - CARB Fundamentals of Enforcement Series, New Source Review, Air Resources Training; Air Toxics Workshop. Staff professional development and training through Special Districts Risk Management Authority and California Special District Association (attendance provides discounts to agency wide premiums), management, team building, and professional development. Board Member Training events, as available. American Records Management Association Annual Conference, Questys and AccuFund users groups. Staff development in graphics design, news writing, public outreach campaigns. Staff training in accounting, personnel, web site development, network and computer systems. Safety and training meetings.

Vehicles - Vehicle Replacement Program (most vehicle replacements will be leased through the Enterprise Fleet Maintenance Agreement). This budget includes replacing two vehicles in the District-owned fleet.

Office Expenses - Includes: Utilities, Supplies, Facility Leases (including equipment leases), Postage and Courier expenses, Printing and Shredding services, Security, Liability Insurance, Meeting Expenses and Community Relations. Software – Licenses and maintenance for software, network, and equipment; such

as operating systems, office suites, anti-virus, Questys, and Air Vision; software upgrade purchases. Printing Services – Includes costs for promotional information, District data sheets, agenda reproduction; annual report, newsletters, poster contest calendars, etc. Liability Insurance - The District is a member of the Special District Risk Management Authority (SDRMA), a risk management pool for liability insurance and related coverage. Rents & Leases - Equipment – Digital Copier/Scanner Systems, metered postage machine; Structures – Air Monitoring Stations rent (Hesperia and Phelan); Vehicles – Rental during travel; fleet replacement contracted with Enterprise Fleet Management. Community Relations - Community and public service recognition awards such Exemplar (MDAQMD) and AIRE awards (AVAQMD), Outstanding Science Project Awards. Promotional items for community outreach events; poster contest expenses. Special event registration fees, High Desert Opportunity. Management-Supervisory Planning Meetings, Employee Appreciation; public employee service recognition awards.

Program Expenses - Program Expenses that are directly attributable to a funding source supporting the corresponding program (AB 2766, Carl Moyer, reimbursing contracts, Title V, PERP program, etc.) Contributions - Mojave Environmental Education Consortium (MEEC) and Interstate Clean Transportation Corridor (ICTC), are eligible expenditures of AB 2766 funds. Program Expenditures - Funds designated from the General Fund for specific local area grants (Annual Lawn Mower Exchange Program and Cash for Grass)

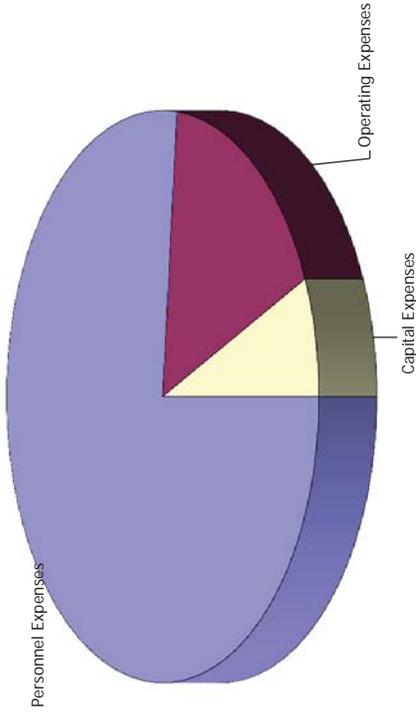
Professional Services – Various third party and/or consulting services including San Bernardino County, payroll services, annual fiscal audit, actuarial studies, extra or temporary help, building maintenance services, annual executive physical services, outsourced computer and application support, language translator for public materials, funds to support a general election to authorize AB 923, air monitoring data analysis support. Research Studies - Funds reserved for greenhouse gas studies, or targeted environmental study projects, FY 15 contribution to CAPCOA to produce air quality video. Stipends - Board member stipend based on estimated number of meetings (Governing Board, Hearing Board, and Technical Advisory Committee).

Capital Expenses - Buildings – Building improvements and capital projects including energy savings coating for roof (\$25,000); Parking Lot Maintenance (\$7,500); Security fencing for North parking lot (\$50,000); Exterior security cameras (\$15,000); safety related improvements (\$5,000); Lobby reconstruction for security (\$50,000); building repair and general maintenance (\$5,000). Equipment Purchases - (greater than \$5,000) – Replace and upgrade wireless access points (\$13,000), replace and upgrade equipment located at remote air monitoring stations (Gas Filter Correlation CO Analyzer (\$13,000), Volumetric Air Flow Calibrator (\$2,500), Absorption Ozone Analyzer (\$8,500), Dynamic Dilution Calibrator (\$22,000), Wireless remote surveillance cameras (\$5,000); BAM for monitoring PM_{2.5} (\$30,000)); Replace and upgrade District phone system (\$35,000); Website rebuild (\$35,000); Electric vehicle charging station (\$2,000). Computers – Funds reserved for computer network replacements, as needed. Software – CAPS – Program, test and implement programming for permit tracking system. Costs shared with Antelope Valley up to an estimated project cost of \$185,000.

MOJAVE DESERT AIR QUALITY MANAGEMENT DISTRICT

Budgeted Expense Analysis

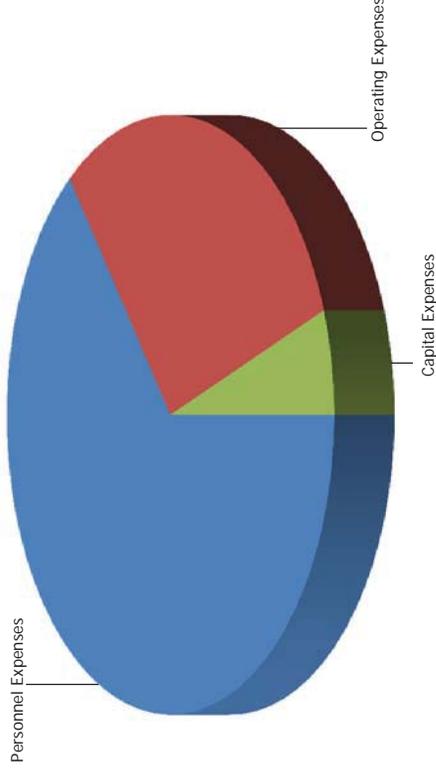
General Fund



General Fund

<u>EXPENSE CATEGORY</u>	<u>AMOUNT</u>	<u>% of Total</u>
Personnel Expenses	5,610,209	82.02%
Operating Expenses	1,230,070	16.77%
Capital Expenses	<u>495,000</u>	6.75%
TOTAL	7,335,279	

Consolidated (All Funds)



Consolidated (All Funds)

<u>EXPENSE CATEGORY</u>	<u>AMOUNT</u>	<u>% of Total</u>
Personnel Expenses	5,633,209	68.32%
Operating Expenses	2,611,838	35.61%
Capital Expenses	<u>495,000</u>	6.75%
TOTAL	8,740,047	

Mojave Desert AQMD
General Fund Consolidated Summary Expense Budget
Fiscal Year 2014-15

	<u>Approved Budget FY 2014</u>	<u>Estimated Actuals FY 13-14</u>	<u>Adopted Budget FY 14-15</u>
Expenses			
Personnel Expenses			
Salaries & Wages	3,203,180	3,132,000	3,379,000
Payroll Taxes	95,900	84,700	96,950
Benefits	623,200	618,750	681,705
Retirement	1,330,545	1,264,500	1,452,554
Total Personnel Expenses	5,252,825	5,099,950	5,610,209
Operating Expenses			
Communications	87,790	55,825	58,650
Dues & Subscriptions	37,500	34,180	27,250
Non-Depreciable Inventory	41,150	25,285	35,400
Legal	111,700	52,500	114,200
Maintenance & Repairs	62,750	59,275	75,375
Training & Travel	124,800	76,120	111,300
Vehicles	61,580	65,990	95,100
Office Expenses	280,600	214,725	261,860
Program Expenses	159,000	151,000	158,000
Professional Services	205,520	138,325	287,910
Miscellaneous Expenses	5,000	8,000	5,025
Total Operating Expenses	1,177,390	881,225	1,230,070
Capital Expenses			
Buildings	80,000	40,000	160,000
Improvements	0	1,000	0
Furniture & Fixtures	95,000	101,852	0
Equipment	160,946	115,000	180,000
Vehicles	25,000	0	0
Computers	21,654	59,750	5,000
Software	190,000	140,000	150,000
Total Capital Expenses	572,600	457,602	495,000
Total Expenses	7,002,815	6,438,777	7,335,279

Mojave Desert AQMD
Special Funds Consolidated Fund Budget Detail
Fiscal Year 2014-15

	<u>Approved Budget FY 2014</u>	<u>Estimated Actuals FY 13-14</u>	<u>Adopted Budget FY 14-15</u>
Revenues			
4100 Administrative Funding	0	7,500	63,461
4110 AB2766 Program	730,045	730,000	731,000
4120 Carl Moyer Program	300,000	144,000	571,157
4700 Interest Revenue	<u>15,709</u>	<u>77,300</u>	<u>39,150</u>
Total Consolidated Program Revenue	1,045,754	958,800	1,404,768
Expenses			
7300 Program Expenditures	1,030,045	881,000	1,311,307
7310 Administrative Expenditures	0	7,800	63,461
6600 OPEB	30,291	30,000	23,000
7510 Financial Services	<u>0</u>	<u>5,000</u>	<u>7,000</u>
Total Consolidated Program Expenses	1,060,336	923,800	1,404,768

Mojave Desert Air Quality Management District

Summary of Board Policy and Standard Practice

Treasurer and Controller

(Health & Safety Code § 41245 and § 41246)

California statutes require the Mojave Desert Air Quality Management District Governing Board to appoint a treasurer as the custodian and a controller as the accounting officer of district funds. The law specifically authorizes the appointment of the county treasurer and the county auditor to serve as the district treasurer and district controller. On July 1, 1993, the Governing Board appointed San Bernardino County elected treasurer and elected auditor respectively to serve as district treasurer and district controller. The Governing Board intention in making these two appointments was to maintain the integrity and control over District funds that is achieved by elected officers being custodian and controller of government treasury.

Management and Budget

(Board Policy 94-1; H & S Code §§ 40750 et seq.; and § 41260)

The Governing Board has delegated various management and financial authorities to the Executive Director/Air Pollution Control Officer. Additionally, statutory law grants certain administrative, permitting and enforcement authorities to the air pollution control officers of air districts in California. The board delegated authorities includes the discretion to transfer funds within major budget categories, authority to enter into contracts up to \$50,000 for budgeted and \$5,000 for unbudgeted items that are of non-emergency nature; and the authority to expend district funds for capital replacement and improvement projects up to the limits established for each project in the budget.

Purchasing Procedures

(Standard Practice I-25)

The Executive Director/Air Pollution Control Officer has established a Purchasing Procedures Standard Practice delineating the responsibilities of staff authorized to make any purchases.

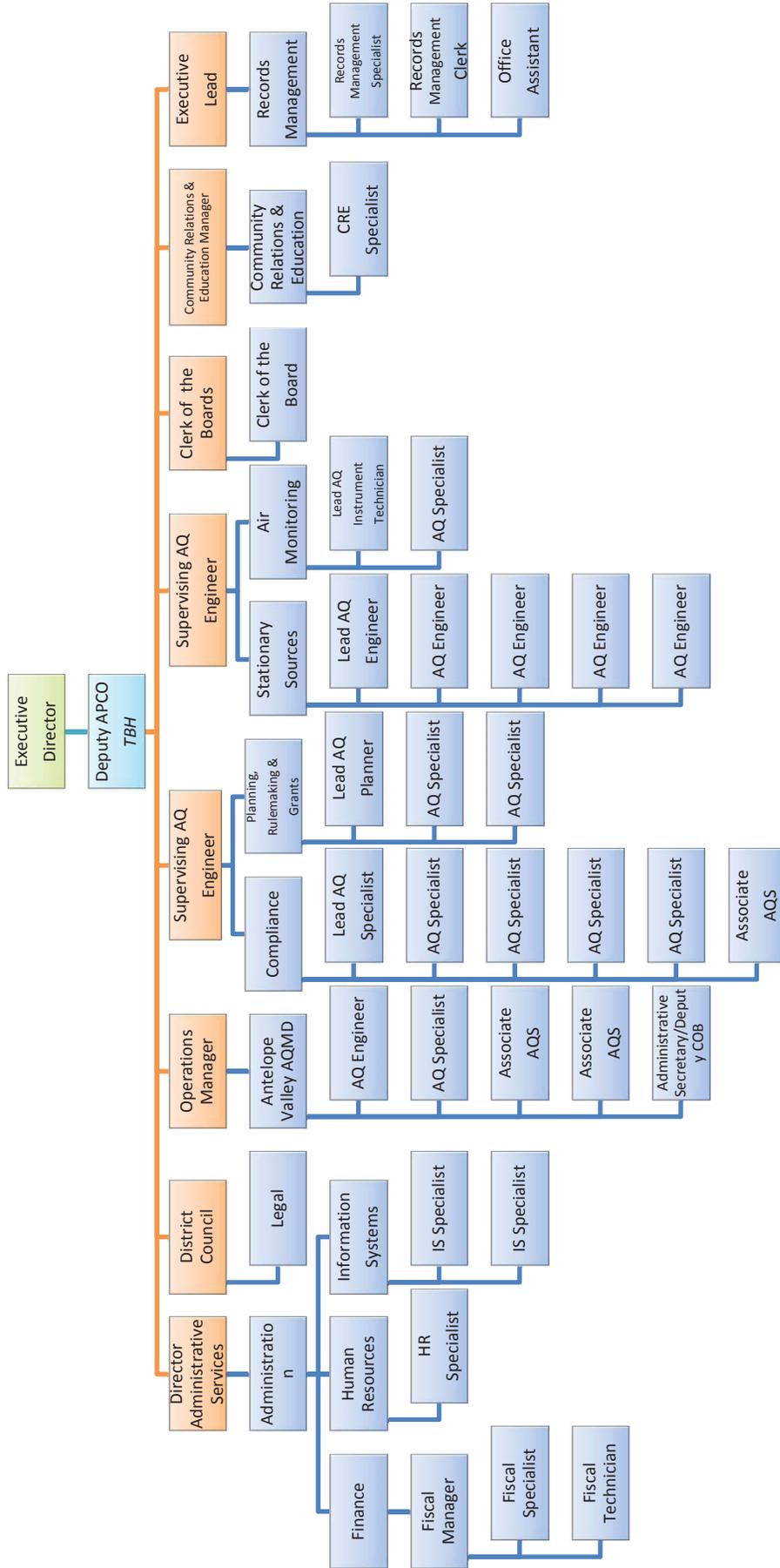
Investment Practices

(Gov. Code §§ 27000.1 et seq.)

District general funds are deposited with the San Bernardino County Treasurer and are systematically invested as part of the County's investment pool. Interest and other revenues earned on funds are periodically credited to the District's account.

Separate policy documents exist which govern the investment practices for the Deferred Compensation Plan ((457(b)) and the Public Agencies Post-Retirement Health Care Plan (an irrevocable trust).

Mojave Desert Air Quality Management District
 Organizational Chart
 FY 2014-2015



Full Time Employees:	40
Positions to be Hired:	1
Total:	41

Mojave Desert AQMD
General Fund Consolidated Personnel Expense Budget Detail
Fiscal Year 2014-15

	<u>Approved Budget FY 2014</u>	<u>Estimated Actuals FY 13-14</u>	<u>Adopted Budget FY 14-15</u>
Personnel Expenses			
Salaries	3,203,180	3,132,000	3,379,000
Payroll Taxes			
Medicare Tax	47,400	44,300	48,730
Workers Compensation	48,500	40,400	48,220
	<u>95,900</u>	<u>84,700</u>	<u>96,950</u>
Benefits			
Section 125	549,930	618,750	584,000
Employee Assistance Plan	8,100	0	7,390
Vision Insurance	3,070	0	3,085
Life Insurance	18,950	0	17,485
Disability Insurance	22,850	0	24,145
Tuition Reimbursement	20,300	0	20,600
Other Benefits	0	0	25,000
	<u>623,200</u>	<u>618,750</u>	<u>681,705</u>
Retirement			
Employer Pick-up	232,000	1,264,500	245,480
Employer Contribution SBCERA	1,036,000	0	1,151,200
Survivor Match	1,570	0	1,995
401(a) Matching Contribution	18,735	0	13,959
Retirement Cash	42,240	0	39,920
	<u>1,330,545</u>	<u>1,264,500</u>	<u>1,452,554</u>
Total Personnel Expenses	<u><u>5,252,825</u></u>	<u><u>5,099,950</u></u>	<u><u>5,610,209</u></u>

**MOJAVE DESERT AIR QUALITY MANAGEMENT DISTRICT
TABLE OF ORGANIZATION**

Approved FY 14	Approved FY 15	Title of Position	Range	Monthly Salary
1	1	Office Assistant	610	2935-3576
1	0	Fiscal Assistant	615	3321-4046
1	1	Records Management Clerk	615	3321-4046
0	0	Administrative Secretary	615	3321-4046
0	1	Fiscal Technician	621	3851-4693
0	0	Accounting Technician	621	3851-4693
8	3	Associate Air Quality Specialist	621	3851-4693
1	1	Deputy COB/Administrative Secretary	624	4148-5053
1	1	CRE Specialist	626	4358-5309
1	1	Records Management Specialist	626	4358-5309
1	1	Fiscal Specialist	629	4693-5717
2	2	Information Systems Specialist	629	4693-5717
1	0	Air Quality Instrument Technician	629	4693-5717
5	8	Air Quality Specialist	629	4693-5717
0	0	Transportation Program Coordinator	629	4693-5717
1	1	Human Resources Specialist	629	4693-5717
1	1	Lead Air Quality Instrument Technician	636	5578-6796
1	1	Lead Air Quality Planner	636	5578-6796
2	1	Lead Air Quality Specialist	636	5578-6796
1	1	Clerk Of The Boards	636	5578-6796
1	1	Executive Lead	636	5578-6796
1	1	Fiscal Manager	638	5860-7140
5	5	Air Quality Engineer	640	6157-7502
1	1	Lead Air Quality Engineer	644	6796-8281
0	0	Administrative Services Manager	644	6796-8281
1	1	Community Relations & Education Manager	644	6796-8281
0	0	Supervising Air Quality Specialist	650	7882-9603
2	2	Supervising Air Quality Engineer	650	7882-9603
1	1	Operations Manager	654	8700-10600
1	1	Director Administrative Services	658	9603-11700
1	1	Deputy Air Pollution Control Officer	663	10865-13238
1	1	District Counsel	665	11415-13908
1	1	Executive Director/APCO	NA	15,915
45.0	41.0			

Mojave Desert Air Quality Management District
 SALARY SCHEDULE FY 2014-15
 Effective July 1, 2014
 As Amended October 24, 2011

RANGE	Not attainable as of January 1, 2000										MONTHLY						
	1	2	3	4	5	6	7	8	9	5	F	6	G	7	H		
600	13.23	13.56	13.90	14.25	14.60	14.97	15.34	15.73	16.12	16.52	16.93	17.36	17.79	18.24	18.69	2,293	2,794
601	13.56	13.90	14.25	14.60	14.97	15.34	15.73	16.12	16.52	16.93	17.36	17.79	18.24	18.69	19.16	2,350	2,864
602	13.90	14.25	14.60	14.97	15.34	15.73	16.12	16.52	16.93	17.36	17.79	18.24	18.69	19.16	19.64	2,409	2,935
603	14.25	14.60	14.97	15.34	15.73	16.12	16.52	16.93	17.36	17.79	18.24	18.69	19.16	19.64	20.13	2,469	3,009
604	14.60	14.97	15.34	15.73	16.12	16.52	16.93	17.36	17.79	18.24	18.69	19.16	19.64	20.13	20.63	2,531	3,084
605	14.97	15.34	15.73	16.12	16.52	16.93	17.36	17.79	18.24	18.69	19.16	19.64	20.13	20.63	21.15	2,594	3,161
606	15.34	15.73	16.12	16.52	16.93	17.36	17.79	18.24	18.69	19.16	19.64	20.13	20.63	21.15	21.68	2,659	3,240
607	15.73	16.12	16.52	16.93	17.36	17.79	18.24	18.69	19.16	19.64	20.13	20.63	21.15	21.68	22.22	2,726	3,321
608	16.12	16.52	16.93	17.36	17.79	18.24	18.69	19.16	19.64	20.13	20.63	21.15	21.68	22.22	22.78	2,794	3,404
609	16.52	16.93	17.36	17.79	18.24	18.69	19.16	19.64	20.13	20.63	21.15	21.68	22.22	22.78	23.34	2,864	3,489
610	16.93	17.36	17.79	18.24	18.69	19.16	19.64	20.13	20.63	21.15	21.68	22.22	22.78	23.34	23.93	2,935	3,576
611	17.36	17.79	18.24	18.69	19.16	19.64	20.13	20.63	21.15	21.68	22.22	22.78	23.34	23.93	24.53	3,009	3,666
612	17.79	18.24	18.69	19.16	19.64	20.13	20.63	21.15	21.68	22.22	22.78	23.34	23.93	24.53	25.14	3,084	3,758
613	18.24	18.69	19.16	19.64	20.13	20.63	21.15	21.68	22.22	22.78	23.34	23.93	24.53	25.14	25.77	3,161	3,851
614	18.69	19.16	19.64	20.13	20.63	21.15	21.68	22.22	22.78	23.34	23.93	24.53	25.14	25.77	26.41	3,240	3,948
615	19.16	19.64	20.13	20.63	21.15	21.68	22.22	22.78	23.34	23.93	24.53	25.14	25.77	26.41	27.07	3,321	4,046
616	19.64	20.13	20.63	21.15	21.68	22.22	22.78	23.34	23.93	24.53	25.14	25.77	26.41	27.07	27.75	3,404	4,148
617	20.13	20.63	21.15	21.68	22.22	22.78	23.34	23.93	24.53	25.14	25.77	26.41	27.07	27.75	28.44	3,489	4,251
618	20.63	21.15	21.68	22.22	22.78	23.34	23.93	24.53	25.14	25.77	26.41	27.07	27.75	28.44	29.15	3,576	4,358
619	21.15	21.68	22.22	22.78	23.34	23.93	24.53	25.14	25.77	26.41	27.07	27.75	28.44	29.15	29.88	3,666	4,466
620	21.68	22.22	22.78	23.34	23.93	24.53	25.14	25.77	26.41	27.07	27.75	28.44	29.15	29.88	30.63	3,758	4,578
621	22.22	22.78	23.34	23.93	24.53	25.14	25.77	26.41	27.07	27.75	28.44	29.15	29.88	30.63	31.40	3,851	4,693
622	22.78	23.34	23.93	24.53	25.14	25.77	26.41	27.07	27.75	28.44	29.15	29.88	30.63	31.40	32.18	3,948	4,810
623	23.34	23.93	24.53	25.14	25.77	26.41	27.07	27.75	28.44	29.15	29.88	30.63	31.40	32.18	32.99	4,046	4,930
624	23.93	24.53	25.14	25.77	26.41	27.07	27.75	28.44	29.15	29.88	30.63	31.40	32.18	32.99	33.81	4,148	5,053
625	24.53	25.14	25.77	26.41	27.07	27.75	28.44	29.15	29.88	30.63	31.40	32.18	32.99	33.81	34.66	4,251	5,180
626	25.14	25.77	26.41	27.07	27.75	28.44	29.15	29.88	30.63	31.40	32.18	32.99	33.81	34.66	35.52	4,358	5,309
627	25.77	26.41	27.07	27.75	28.44	29.15	29.88	30.63	31.40	32.18	32.99	33.81	34.66	35.52	36.41	4,466	5,442
628	26.41	27.07	27.75	28.44	29.15	29.88	30.63	31.40	32.18	32.99	33.81	34.66	35.52	36.41	37.32	4,578	5,578
629	27.07	27.75	28.44	29.15	29.88	30.63	31.40	32.18	32.99	33.81	34.66	35.52	36.41	37.32	38.25	4,693	5,717
630	27.75	28.44	29.15	29.88	30.63	31.40	32.18	32.99	33.81	34.66	35.52	36.41	37.32	38.25	39.21	4,810	5,860
631	28.44	29.15	29.88	30.63	31.40	32.18	32.99	33.81	34.66	35.52	36.41	37.32	38.25	39.21	40.19	4,930	6,007
632	29.15	29.88	30.63	31.40	32.18	32.99	33.81	34.66	35.52	36.41	37.32	38.25	39.21	40.19	41.19	5,053	6,157
633	29.88	30.63	31.40	32.18	32.99	33.81	34.66	35.52	36.41	37.32	38.25	39.21	40.19	41.19	42.22	5,180	6,311
634	30.63	31.40	32.18	32.99	33.81	34.66	35.52	36.41	37.32	38.25	39.21	40.19	41.19	42.22	43.28	5,309	6,469
635	31.40	32.18	32.99	33.81	34.66	35.52	36.41	37.32	38.25	39.21	40.19	41.19	42.22	43.28	44.36	5,442	6,631
636	32.18	32.99	33.81	34.66	35.52	36.41	37.32	38.25	39.21	40.19	41.19	42.22	43.28	44.36	45.47	5,578	6,796
637	32.99	33.81	34.66	35.52	36.41	37.32	38.25	39.21	40.19	41.19	42.22	43.28	44.36	45.47	46.61	5,717	6,966
638	33.81	34.66	35.52	36.41	37.32	38.25	39.21	40.19	41.19	42.22	43.28	44.36	45.47	46.61	47.77	5,860	7,140
639	34.66	35.52	36.41	37.32	38.25	39.21	40.19	41.19	42.22	43.28	44.36	45.47	46.61	47.77	48.97	6,007	7,319
640	35.52	36.41	37.32	38.25	39.21	40.19	41.19	42.22	43.28	44.36	45.47	46.61	47.77	48.97	50.19	6,157	7,502
641	36.41	37.32	38.25	39.21	40.19	41.19	42.22	43.28	44.36	45.47	46.61	47.77	48.97	50.19	51.45	6,311	7,689
642	37.32	38.25	39.21	40.19	41.19	42.22	43.28	44.36	45.47	46.61	47.77	48.97	50.19	51.45	52.73	6,469	7,882
643	38.25	39.21	40.19	41.19	42.22	43.28	44.36	45.47	46.61	47.77	48.97	50.19	51.45	52.73	54.05	6,631	8,079
644	39.21	40.19	41.19	42.22	43.28	44.36	45.47	46.61	47.77	48.97	50.19	51.45	52.73	54.05	55.40	6,796	8,281
645	40.19	41.19	42.22	43.28	44.36	45.47	46.61	47.77	48.97	50.19	51.45	52.73	54.05	55.40	56.79	6,966	8,488
646	41.19	42.22	43.28	44.36	45.47	46.61	47.77	48.97	50.19	51.45	52.73	54.05	55.40	56.79	58.21	7,140	8,700
647	42.22	43.28	44.36	45.47	46.61	47.77	48.97	50.19	51.45	52.73	54.05	55.40	56.79	58.21	59.66	7,319	8,917
648	43.28	44.36	45.47	46.61	47.77	48.97	50.19	51.45	52.73	54.05	55.40	56.79	58.21	59.66	61.15	7,502	9,140
649	44.36	45.47	46.61	47.77	48.97	50.19	51.45	52.73	54.05	55.40	56.79	58.21	59.66	61.15	62.68	7,689	9,369
650	45.47	46.61	47.77	48.97	50.19	51.45	52.73	54.05	55.40	56.79	58.21	59.66	61.15	62.68	64.25	7,882	9,603
651	46.61	47.77	48.97	50.19	51.45	52.73	54.05	55.40	56.79	58.21	59.66	61.15	62.68	64.25	65.86	8,079	9,843
652	47.77	48.97	50.19	51.45	52.73	54.05	55.40	56.79	58.21	59.66	61.15	62.68	64.25	65.86	67.50	8,281	10,089
653	48.97	50.19	51.45	52.73	54.05	55.40	56.79	58.21	59.66	61.15	62.68	64.25	65.86	67.50	69.19	8,488	10,341
654	50.19	51.45	52.73	54.05	55.40	56.79	58.21	59.66	61.15	62.68	64.25	65.86	67.50	69.19	70.92	8,700	10,600
655	51.45	52.73	54.05	55.40	56.79	58.21	59.66	61.15	62.68	64.25	65.86	67.50	69.19	70.92	72.69	8,917	10,865
656	52.73	54.05	55.40	56.79	58.21	59.66	61.15	62.68	64.25	65.86	67.50	69.19	70.92	72.69	74.51	9,140	11,137
657	54.05	55.40	56.79	58.21	59.66	61.15	62.68	64.25	65.86	67.50	69.19	70.92	72.69	74.51	76.37	9,369	11,415
658	55.40	56.79	58.21	59.66	61.15	62.68	64.25	65.86	67.50	69.19	70.92	72.69	74.51	76.37	78.28	9,603	11,700
659	56.79	58.21	59.66	61.15	62.68	64.25	65.86	67.50	69.19	70.92	72.69	74.51	76.37	78.28	80.24	9,843	11,993
660	58.21	59.66	61.15	62.68	64.25	65.86	67.50	69.19	70.92	72.69	74.51	76.37	78.28	80.24	82.24	10,089	12,293
661	59.66	61.15	62.68	64.25	65.86	67.50	69.19	70.92	72.69	74.51	76.37	78.28	80.24	82.24	84.30	10,341	12,600
662	61.15	62.68	64.25	65.86	67.50	69.19	70.92	72.69	74.51	76.37	78.28	80.24	82.24	84.30	86.41	10,600	12,915
663	62.68	64.25	65.86	67.50	69.19	70.92	72.69	74.51	76.37	78.28	80.24	82.24	84.30	86.41	88.57	10,865	13,238
664	64.25	65.86	67.50	69.19	70.92	72.69	74.51	76.37	78.28	80.24	82.24	84.30	86.41	88.57	90.78	11,137	13,569
665	65.86	67.50	69.19	70.92	72.69	74.51	76.37	78.28	80.24	82.24	84.30	86.41	88.57	90.78	93.05		

Mojave Desert AQMD
Schedule of Fund Balances

	General Fund			AB 2766			Carl Moyer			Fiduciary Fund (OPEB)		
	Actual 6/30/2013	Estimated 6/30/14	Projected 6/30/2015	Actual 6/30/2013	Estimated 6/30/14	Projected 6/30/2015	Actual 6/30/2013	Estimated 6/30/14	Projected 6/30/2015	Actual 6/30/2013	Estimated 6/30/14	Projected 6/30/2015
Beginning Fund Balance												
Revenues*	3,105,459	3,138,690	3,529,839	2,578,024	2,845,671	2,826,403	327,795	330,100	-	320,080	523,833	526,833
Expenses	7,575,714	6,829,926	7,122,700	370,039	380,732	738,500	260,652	152,800	636,268	236,657	35,000	35,000
Net Increase (Decrease) in Fund Balance	(7,542,483)	(6,438,777)	(7,335,279)	(102,393)	(400,000)	(495,000)	(258,347)	(482,900)	(636,268)	(32,904)	(32,000)	(32,000)
Projected Ending Fund Balance, June 30	33,231	391,149	(212,579)	267,646	(19,268)	243,500	2,305	(330,100)	-	203,753	3,000	3,000
	3,138,690	3,529,839	3,317,260	2,845,671	2,826,403	3,069,903	330,100	-	-	523,833	526,833	529,833
Fund Balance Designations												
Reserved for Grants/Restricted Use												
Committed: Operating Cash Reserves	670,000	670,000	690,000	2,845,671	2,826,403	3,069,903	330,100	-	-	523,833	526,833	529,833
Committed: Building Improvement Reserves	200,000	200,000	200,000									
Committed: Legal & Litigation Reserves	300,000	300,000	300,000									
Committed: Prepay Retirement Reserves	10,248	800,000	1,000,000									
Assigned: Prepaid Expenses	10,248	45,351	-									
Assigned: Long Term Receivables	-	-	695,559									
Assigned: Budget Stabilization	-	-	250,000									
Assigned: Compensated Absences	-	-	150,000									
Change in Net Position 3-31-2014	-	512,352	-									
Unassigned Fund Balance	1,948,195	1,002,137	31,701	-	-	-	-	-	-	-	-	-
Projected TOTAL: Reserved and Unassigned Fund Balances	3,138,690	3,529,839	3,317,260	2,845,671	2,826,403	3,069,903	330,100	-	-	523,833	526,833	529,833

*Through June 30, 2013, revenue from AB 2766 was received into the general fund and distributed to grant accounts. Beginning FY 14, revenue received for restricted funds are received into, expensed out of respective funds

The Carl Moyer Grant Program requires that granted funds are obligated in the year they are awarded. Funds are never allowed to "carry over."

**MOJAVE DESERT AQMD
FUND BALANCE DESCRIPTIONS**

The Mojave Desert AQMD Fund Balances are designated according to Governing Board Policy 07-01, summarized in the following:

COMMITTED

Operating Cash Reserves - Reserves must represent 10% of operating costs (Operating and Personnel Expenses). The amount designated meets the policy requirements. The fund may be increased to provide protection against uncertain economic times.

Building Improvement Reserves - Reserves are established to provide replacement funds for capital improvements not budgeted and associated with the Park Avenue facility.

Legal and Litigation Reserves - Reserves are established in anticipation of costs associated with ongoing CEQA challenges to rule adoption activities.

Prepay Retirement Liability Reserves - Reserves are established to accumulate funds to prepay SBCERA the annual contribution anticipating an annual savings. In future years, contributions will be made periodically yet in advance free from finance charges imposed by SBCERA.

ASSIGNED

Prepaid Expenses – Recognizes liability for expenses paid one time annually and recognized incrementally through the fiscal year.

Long Term Receivables Reserves – Reserves are established to recognize the liability of unpaid permit fees related a large complex source awaiting construction.

Budget Stabilization Reserves -Reserves are established to provide resources for moderate budget shortfall.

Compensated Absences Reserves – Reserves are established to offset a portion of liability resulting from employees' accrued leave.

RESTRICTED

Mobile Emissions Reduction Grant (AB 2766) Fund - These funds are collected on motor vehicle registrations (\$4 each) in the Antelope Valley region. Funds are "allocated on a competitive basis to local government entities and other organizations capable of effectively using funds to reduce mobile emissions." A Work Plan adopted by the Governing Board provides the grant program guidelines.

Carl Moyer Grant Program Funds - These funds may be distributed by the California Air Resources Board for projects obligated by the District under this state regulated program. Projects are awarded on a competitive basis.

OPEB Trust (Other Post-Employment Benefits) - The Governing Board authorized establishing this irrevocable Trust with the Public Agency Retirement System (PARS) on November 23, 2009 to ensure the sustainability of the District's health benefits for retirees. Periodic actuarial reports determine liability and the annual budget establishes the deposit amount. An adopted investment policy guides the investment strategy to target a rate of return of approximately 7%. The District draws the investment earnings to offset the cost of retiree health benefits.

Unassigned Fund Balance - The Unassigned Fund Balance is the representation of the net resources not allocated to the categories described above. This category appears only on the agency Balance Sheet.

MOJAVE DESERT AIR QUALITY MANAGEMENT DISTRICT

FINANCIAL HISTORY & SUMMARY

	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13
CATEGORY	ACTUAL						
REVENUE							
Application Fees	97,751	101,264	101,119	166,862	126,570	158,395	102,061
Federal Grants	26,698	21,201	43,712	20,288	29,545	144,014	131,534
Fines and Forfeitures	48,860	232,795	191,416	27,250	95,720	85,800	81,900
Interest Income	53,465	75,691	54,405	30,585	18,495	11,517	10,039
Other Revenue (incl AVAQMD)	958,386	1,074,170	1,106,826	1,158,915	1,106,790	1,059,834	1,101,044
Permit Fees	3,630,293	3,780,581	3,993,971	3,791,543	4,060,084	4,140,803	4,383,004
Program Fees (AB 2766)	1,590,437	1,576,460	1,566,541	1,533,847	1,490,159	1,580,747	1,515,949
STATE CONTRACTS							
State Reveue	140,298	149,047	296,112	182,638	242,171	187,785	250,183
REVENUE SUBTOTAL	6,546,187	7,011,210	7,354,103	6,911,927	7,169,534	7,368,895	7,575,714
Unassigned Fund Balance from Prior Year ²	1,276,454	850,433	1,181,426	1,332,974	1,258,183	1,445,439	1,945,195
TOTAL REVENUE	7,822,641	7,861,643	8,535,530	8,244,901	8,427,717	8,814,334	9,520,908
APPROPRIATIONS							
Salaries & Benefits	4,610,698	4,390,126	4,485,390	4,618,975	4,530,391	4,628,806	5,217,395
Services & Supplies	767,480	882,702	895,498	1,002,647	1,015,656	630,483	599,169
Operating Transfers Out (debt funds) ⁴	586,205	583,963	773,684	569,363	560,594	583,663	804,842
Fixed Assets	147,881	260,534	184,322	456,769	232,417	290,467	408,178
Contributions to Other Agencies	419,944	463,583	513,663	446,964	510,219	488,721	512,899
TOTAL APPROPRIATIONS	6,532,208	6,580,908	6,852,556	7,094,718	6,849,277	6,622,139	7,542,483
CHANGES TO THE FUND BALANCE DESIGNATIONS							
Committed Fund Balance³							
Operating Cash Reserves	250,000	85,000	335,000	(26,015)	118,483	(103,000)	10,000
Assigned Fund Balance Designations³							
Building Improvement Reserves	90,000	13,000	13,000	17,000	15,000	50,000	-
Legal and Litigation Reserves						300,000	
Compensated Absences Reserves ¹	100,000	-	-	(100,000)			
Changes to the Fund Balance Designations	440,000	98,000	348,000	(109,015)	133,483	247,000	10,000
UNASSIGNED FUND BALANCE	1,290,433	1,181,426	1,332,974	1,258,183	1,445,439	1,945,195	1,968,426

¹Converted to OPEB Reserves 1-1-2010

²Includes an amount unpaid for a large facility waiting construction (\$575,242 through June 30, 2013)

³Committed and Assigned Fund Balance Designations and Definitions are on Page 8

⁴Includes amounts paid in full in FY 13 for City National Bank (District facility) and Bank of New York (California Energy Commission, Solar)

Mojave Desert AQMD
Consolidated Budget (All Funds)
Year to Year Comparison

	Approved Budget FY 2014	Estimated Actuals FY 13-14	Budget to Actual Change	Adopted Budget FY 14-15	FY14 Budget FY15 Budget Change
Revenues					
Permit Fees	4,368,460	4,359,000	(9,460)	4,544,450	175,990
Application Fees	81,100	88,250	7,150	92,250	11,150
Federal Revenue	127,000	138,524	11,524	146,500	19,500
Fines & Penalties	60,000	25,000	(35,000)	60,000	0
Interest Income	27,709	81,300	53,591	46,650	18,941
Other Revenue	1,164,273	1,181,743	17,470	1,221,000	56,727
Revenue from Programs	1,911,090	1,755,500	(155,590)	2,231,618	320,528
State Revenue	159,667	184,409	24,742	185,000	25,333
Total General Fund Revenues	7,899,299	7,813,726	(85,573)	8,527,468	628,169
Expenses					
Personnel Expenses					
Salaries & Wages	3,203,180	3,132,000	(71,180)	3,379,000	175,820
Payroll Taxes	95,900	84,700	(11,200)	96,950	1,050
Benefits	623,200	618,750	(4,450)	681,705	58,505
Retirement	1,330,545	1,264,500	(66,045)	1,452,554	122,009
OPEB	30,291	30,000	(291)	23,000	(7,291)
Total Personnel Expenses	5,283,116	5,129,950	(153,166)	5,633,209	350,093
Operating Expenses					
Communications	87,790	55,825	(31,965)	58,650	(29,140)
Dues & Subscriptions	37,500	34,180	(3,320)	27,250	(10,250)
Non-Depreciable Inventory	41,150	25,285	(15,865)	35,400	(5,750)
Legal	111,700	52,500	(59,200)	114,200	2,500
Maintenance & Repairs	62,750	59,275	(3,475)	75,375	12,625
Training & Travel	124,800	76,120	(48,680)	111,300	(13,500)
Vehicles	61,580	65,990	4,410	95,100	33,520
Office Expenses	280,600	214,725	(65,875)	261,860	(18,740)
Program Expenses	1,189,046	1,039,800	(149,245)	1,532,768	343,723
Professional Services	205,520	143,325	(62,195)	294,910	89,390
Miscellaneous Expenses	5,000	8,000	3,000	5,025	25
Total Operating Expenses	2,207,436	1,775,025	(432,410)	2,611,838	404,403
Capital Expenses					
Buildings	80,000	40,000	(40,000)	160,000	80,000
Improvements	0	1,000	1,000	0	0
Furniture & Fixtures	95,000	101,852	6,852	0	(95,000)
Equipment	160,946	115,000	(45,946)	180,000	19,054
Vehicles	25,000	0	(25,000)	0	(25,000)
Computers	21,654	59,750	38,096	5,000	(16,654)
Software	190,000	140,000	(50,000)	150,000	(40,000)
Total Capital Expenses	572,600	457,602	(114,998)	495,000	(77,600)
Total Expenses	8,063,152	7,362,577	(700,574)	8,740,047	676,896
Due To (From) Reserves	(163,853)	451,149	615,001	(212,579)	(48,727)

BUDGET CATEGORY DESCRIPTIONS

REVENUE

Permit Fees

Permit Fees Rev	Initial Operating and Annual Renewal Permit Fees
Asbestos Demo/Reno Rev	Fees for Permits related to Asbestos Removal - Rule 306
Title V Permit Rev	Permit fees for Federal Permit Program

Application Fees

ERC Application Fees	Emission Reduction Credit-Rule 313
New Source Review	Project Evaluation for Complex Source-Rule 301
Permit Application Fees	Filing of new permits and permit changes
Variance Filing Fees	Filing fee for each petition to District Hearing Board -Rule 303
AG Application Fees	

Federal Revenue

ARB (PM _{2.5} Program)	Federal 103 grant pass through (via CAPCOA) funding to support PM _{2.5} monitoring
Section 105 (PSD)	Federal EPA 105 Pilot Grant (established FY 12) to develop PSD Program
Federal Grants and Agreements	Grant awards and fee for services with federal agencies.

Fine & Penalties

Excess Emissions Fees	Fee charged when a variance is granted by Hearing Board - Rule 303
Notice of Violations Fees	Fee Charged for unpermitted source, or violation of permit condition

Interest Income

Interest Revenue	Interest on funds held on deposit or in trust, all funds
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Other Revenue

Contracts	Reimbursement for contracted services: Antelope Valley AQMD, Ft. Irwin, Twentynine Palms Marine Base
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Revenue from Programs

Administrative Funding	A portion of the Carl Moyer Program pass thru funds are allowed to cover administration costs to administer the program
AB2766 Mobile Emissions Program	Revenue received through DMV vehicle registration
Carl Moyer Admin Funding	A portion of the Carl Moyer Program pass thru funds are allowed to cover administration costs to administer the program
California Clean Air Act Fees	State mandated fee collected on behalf of California Air Resources Board.
Hot Spots	Act of 1987

State Revenue

PERP State Funds	Portable Engine Registration Program. The State of California collects fees from owners of portable engines and the MDAQMD provides periodic compliance inspections
State Subvention	Funds received from state budget to supplement Air Monitoring/District activities

BUDGET CATEGORY DESCRIPTIONS

PERSONNEL EXPENSES

Salaries & Wages

Salaries	Salary costs for regular employees
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Payroll Taxes

Payroll Taxes	Mandated employer portion of Medicare contribution
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Workers Compensation	Employer cost for workers compensation insurance
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Benefits

Section 125	Section 125 Cafeteria health benefit contribution
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Employee Assistance Plan	Employee Assistance Program
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Vision Insurance	Employee benefit for Vision Care
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Life Insurance	Employee benefit for life insurance
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Disability Insurance	Employee benefit for short term and long term disability
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Tuition Reimbursement	Negotiated per Memorandum of Understanding, allowances for employee's choice education program and professional associations
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Other Benefits	Expenses budgeted in the event of an employee payout for accrued benefits on separation
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Retirement

Employer Pick Up	Employer 7% pickup retirement contribution for employees hired before June 30, 2009; variable pickup for employees hired after July 1, 2009
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Employer Contribution SBCERA	Employer required retirement contribution
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Survivors Match	Premium for employers share, benefits to survivors in the event of employee's death
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401(a) Matching Contribution	District match to employee contributions made to Deferred Comp Plan
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Reirement Cash	District paid additional retirement for Exempt and 30 year employees
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BUDGET CATEGORY DESCRIPTIONS

OPERATING EXPENSES

Communications	Telephones, cellular phones, video teleconferencing, internet, cable service, web hosting, and related tech support
Dues & Subscriptions	District memberships and sponsorships, publications and subscriptions, allowances for professional dues (negotiated two per employee)
Non-Depreciable Inventory	Items purchased for furniture, equipment, machinery, and safety equipment costing less than \$5,000
Legal	Outsourced legal services for Governing Board, Hearing Board, personnel and labor relations; publication costs for required notices
Maintenance & Repairs	General building maintenance, custodial services, landscaping, on site equipment repair
Training & Travel	Employee training; professional development and related travel expenses; general travel expenses
Vehicles	Lease costs, gas and oil, maintenance and repair, insurance for District's fleet
Office Expenses	Software, utilities, Supplies, facility leases, equipment leases, postage, courier, printing and shredding services, security, liability insurance, meeting expenses and community relations
Program Expenses	Expenses attributable to the use of special funds: AB 2766 eligible expenses, Carl Moyer grant program expenses, OPEB (retiree health benefits program) related
Professional Services	Support contract expenses: San Bernardino County, third party payroll services, financial services including annual fiscal audit, research studies consulting fees, Board stipends

CAPITAL EXPENSES

Buildings	Threshold: \$5,000
Improvements	Threshold: \$5,000
Furniture & Fixtures	Threshold: \$5,000
Equipment	Threshold: \$5,000
Vehicles	Vehicles not otherwise leased
Computers	Threshold: \$5,000
Software	Capitalized costs associated with major application software (CAPS, Questys, AccuFund)

ACRONYMS

AB2766	Enabling legislation of 1990 for collection of fees for mobile source reduction projects (Assembly Bill 2766 was codified in the Health & Safety Code §44220ff)
AIRS	Aerometric Information Retrieval System - Compliance data reporting to EPA
APCD	Air Pollution Control District
APCO	Air Pollution Control Officer
AQMD	Air Quality Management District
ARB	Air Resources Board
AVAQMD	Antelope Valley Air Quality Management District
BACT	Best Available Control Technology
CAA	Clean Air Act
CAPCOA	California Air Pollution Control Officers Association
CAPP	Clean Air Patrol Program
CAPS	Compliance and Permit System (permit tracking database)
CARB	California Air Resources Board
CNGVC	California Natural Gas Vehicle Coalition
CRE	Community Relations and Education
CREEC	California Regional Environmental Education Community
CSDA	California Special Districts Association
DAPCO	Deputy Air Pollution Control Officer
EPA	Environmental Protection Agency
ERC	Emission Reduction Credit
FY	Fiscal Year
ICTC	Interstate Clean Transportation Corridor - a geographic area targeted for providing alternate fuel to goods movement vehicles.
MACT	Maximum Achievable Control for Toxics
MEEC	Mojave Environmental Education Consortium
MDAQMD	Mojave Desert Air Quality Management District
MOU	Memorandum of Understanding between the District and non exempt employees represented by the San Bernardino Public Employees Association
NAAQS	National Ambient Air Quality Standards
NESHAP	National Emissions Standard for Hazardous Pollutants
NSPS	New Source Performance Standards
OPEB	Other Post Employment Benefits
PARS	Public Agency Retirement Services
PERP	Portable Equipment Registration Program
PSD	Prevention of Significant Deterioration
PTBS	Permit Tracking and Billing System
SDRMA	Special Districts Risk Management Authority
SLAMS	State and Local Air Monitoring Stations
TAC	Technical Advisory Committee
VPN	Virtual Private Network - a secure method of transmitting data via the internet

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**MINUTES OF THE GOVERNING BOARD
OF THE MOJAVE DESERT AIR QUALITY MANAGEMENT DISTRICT
VICTORVILLE, CALIFORNIA**

AGENDA ITEM 7

DATE: June 23, 2014

RECOMMENDATION: Adopt a resolution approving and adopting the budget for FY 2014-15.

SUMMARY: The budget for Fiscal Year 2014-15 is presented to the Governing Board for adoption effective July 1, 2014.

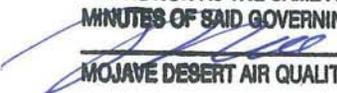
CONFLICT OF INTEREST: None

BACKGROUND: The proposed MDAQMD Budget for Fiscal Year 2014-15 contains appropriations to perform the District's services, activities, and projects and identifies the revenues estimated to be available to the District. A proposed budget summary and supporting documentation was prepared and made available in accordance with the 30 day Public Notice Requirement of Health and Safety Code §40131(a)(1). All permit holders within the Mojave Desert AQMD area who were subject to fees during the prior fiscal year were properly notified of the availability of the information (pursuant to H&S §40131(a)(2)). A separate Public Hearing for the exclusive purpose of reviewing the budget and taking public comment, as required by H&S § 40131(a)(3), was held June 9, 2014.

Budget Highlights:

- The General Fund revenue budget is projected to increase 4.3% and the General Fund expense budget is projected to increase 4.8%.
- The revenue budget includes the projected results of applying a 3.25% increase on applications and annual permit renewal fees. Revenues from programs (including Carl Moyer and the Antelope Valley AQMD), grants, and the District's fund balance are expected to provide sufficient revenues to meet the proposed obligations.
- There are 41 budgeted full time positions.
- The General Fund Balance is an accumulation of years of positive budget performance. This budget proposes designations to a Budget Stabilization Fund, and a Compensation Absences Fund.

Cc: Jean Bracy
Auditor/Controller

I, MICHELE BAIRD, CLERK OF THE GOVERNING BOARD OF MOJAVE DESERT AIR QUALITY MANAGEMENT DISTRICT DISTRICT, HEREBY CERTIFY THE FOREGOING TO BE A FULL, TRUE AND CORRECT COPY OF THE RECORD OF THE ACTION AS THE SAME APPEARS IN THE OFFICIAL MINUTES OF SAID GOVERNING BOARD MEETING


CLERK OF THE BOARD
MOJAVE DESERT AIR QUALITY MANAGEMENT DISTRICT

**MINUTES OF THE GOVERNING BOARD
OF THE MOJAVE DESERT AIR QUALITY MANAGEMENT DISTRICT
VICTORVILLE, CALIFORNIA**

AGENDA ITEM 7

PAGE 2

The version to be adopted (dated June 23, 2014) varies from the published document: Budget Category Descriptions and Acronyms are included at the end of the budget document; typos contained in narratives have been corrected; and the Schedule of Fund Balances (page 31) has been revised for the Carl Moyer fund only (The Carl Moyer Grant Program requires that granted funds are obligated in the year they are awarded. Funds are never allowed to "carry over."). No other revisions were made regarding the budgeted amounts or projected revenue or expenses.

REASON FOR RECOMMENDATION: Health and Safety Code §40130 et seq. requires that Districts adopt an annual budget which enables the District to administer the services, activities and projects according to plans set forth in the budget for the fiscal year.

REVIEW BY OTHERS: This item was reviewed by Karen Nowak, District Counsel as to legal form and by Eldon Heaston, Executive Director on or before June 10, 2014.

FINANCIAL DATA: The FY 2014-15 Budget for expenses (all funds) totals \$8,740,047 with anticipated revenues of \$8,527,468, using \$212,579 of the unassigned fund balance. The General Fund Balance has been designated for Operating Cash Reserves \$690,000; for Building Improvement Reserves \$200,000; Legal and Litigation Reserves \$300,000; and Prepay Retirement Liability Reserves \$1,000,000. Additional designations have been made for Long Term Receivables \$695,559; Budget Stabilization \$250,000; and Compensated Absences \$150,000. The total Fund Balance designated is \$3,249,559.

PRESENTER: Jean Bracy, Director of Administrative Services

**MINUTES OF THE GOVERNING BOARD
OF THE MOJAVE DESERT AIR QUALITY MANAGEMENT DISTRICT
VICTORVILLE, CALIFORNIA**

AGENDA ITEM 7

PAGE 3

**ACTION OF THE GOVERNING BOARD
APPROVED and ADOPTED**

Upon Motion by **ERIC SCHMIDT**, Seconded by **ROBERT LOVINGOOD**, as approved by the following roll call vote:

**Ayes: 9 RIORDAN, LOVINGOOD, CUSACK, HERNANDEZ, BENOIT,
COX, DECONINCK, SCHMIDT, GRACEY**

Noes:

Absent: 4 RAMOS, CAMARGO, MINTZ, CAMPBELL

Abstain:

Vacant:

MICHELE BAIRD, CLERK OF THE GOVERNING BOARD

BY Michele Baird

Dated: JUNE 23, 2014

Ref: Resolution 14-01, titled, "A RESOLUTION OF THE GOVERNING BOARD OF THE MOJAVE DESERT AIR QUALITY MANAGEMENT DISTRICT APPROVING AND ADOPTING THE PROPOSED OPERATING BUDGET FOR FISCAL YEAR 2014-15".

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RESOLUTION 14-01

1 **A RESOLUTION OF THE GOVERNING BOARD OF THE MOJAVE DESERT**
2 **AIR QUALITY MANAGEMENT DISTRICT APPROVING AND ADOPTING THE**
3 **PROPOSED OPERATING BUDGET FOR FISCAL YEAR 2014-15.**

4 On June 23, 2014, on motion by Member **SCHMIDT**, seconded by Member
5 **LOVINGOOD**, and carried, the following resolution is adopted:

6 **WHEREAS**, the Air Pollution Control Officer has submitted to the Governing Board
7 an annual budget for the Mojave Desert Air Quality Management District (MDAQMD) for the
8 fiscal year 2014-15; and

9 **WHEREAS**, a proposed budget summary and supporting documentation were
10 prepared and made available in accordance with the 30 day Public Notice requirement (Health
11 and Safety Code §40131 (a)(1)); and

12 **WHEREAS**, all persons within the District area who were subject to fees during the
13 prior fiscal year were properly notified of the availability of the information (Health and Safety
14 Code §40131 (a)(2)); and

15 **WHEREAS**, a separate Public Hearing for the exclusive purpose of reviewing the
16 budget and taking public comment, as required by Health and Safety Code §40131(a)(3), was
17 held on June 10, 2013 and continued to June 24, 2013; and

18 **WHEREAS**, the annual budget contains estimates of the services, activities and
19 programs comprising the budget, and contains expenditure requirements and their resources
20 available to the MDAQMD; and

21 **WHEREAS**, the expenses for all funds for fiscal year 2014-15 are \$8,740,047 (Eight
22 Million, Seven Hundred Forty Thousand, Forty Seven Dollars);

23 **WHEREAS**, the revenue budgeted from all funds for fiscal year 2014-15 is \$8,527,468
24 (Eight Million Five Hundred Twenty Seven Thousand, Four Hundred Sixty Eight Dollars) with
25 resources available from the estimated Unassigned Fund Balance from the Prior Year in the
26 amount of \$212,579 (Two Hundred Twelve Dollars, Five Hundred Seventy Nine Dollars); and

27 **WHEREAS**, the annual budget will enable the MDAQMD Governing Board to make
28 adequate financial plans and will ensure that the MDAQMD officers can administer their
29 respective functions in accordance with such plans,

RESOLUTION 14-01

1 **NOW, THEREFORE, BE IT RESOLVED**, by the Governing Board of the Mojave
2 Desert Air Quality Management District, the following:

3 The annual budget for the MDAQMD for the fiscal year 2014-15 is hereby approved
4 and adopted, and the amounts of proposed expenditure and revenue, as specified, are
5 appropriate for the account classifications as herein specified.

6 A. The 2014-15 Budget for expenses is hereby adopted, establishing the following:

<u>ACCOUNT CLASSIFICATION</u>	<u>2014-15 ADOPTED BUDGET</u>
Personnel Expenses	\$5,633,209
Operating Expenses	2,611,838
Capital Expenses	<u>495,000</u>
TOTAL EXPENSE BUDGET	\$8,740,047

12 B. The 2014-15 Budget for revenue is hereby adopted, establishing a revenue base for the
13 expenditures noted above:

<u>ACCOUNT CLASSIFICATION</u>	<u>2014-15 ADOPTED BUDGET</u>
Permit Fees	\$4,544,450
Application Fees	92,250
Federal Revenue	146,500
Fine & Penalties	60,000
Interest Income	46,650
Other Revenue	1,221,000
Revenue from Program	2,231,618
State Revenue	<u>185,000</u>
SUBTOTAL	\$8,527,468
Transfer from Unassigned Fund Balance	<u>212,579</u>
TOTAL REVENUE BUDGET	\$8,740,047

26 **FUND BALANCE DESIGNATIONS**

27 **COMMITTED FUND BALANCE**

Operating Cash Reserve	690,000
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RESOLUTION 14-01

1	Building Improvement Reserves	200,000
2	Legal and Litigation Reserves	300,000
3	Prepay Retirement Liability Reserves	1,000,000
4	ASSIGNED FUND BALANCE	
5	Long Term Receivables	659,559
6	Budget Stabilization	250,000
7	Compensated Absences	150,000

8 Pursuant to Section 53901 of The California Government Code, within 60 days after the
9 beginning of the Fiscal Year, the Clerk of the Board shall file a copy of this resolution with the
10 Auditor of the County of San Bernardino.

11 **BE IT FURTHER RESOLVED**, that this Resolution shall take effect immediately
12 upon adoption.

13 PASSED, APPROVED AND ADOPTED by the Governing Board of the Mojave
14 Desert Air Quality Management District by the following vote:

15 AYES: 9 MEMBER: RIORDAN, LOVINGOOD, CUSACK, BENOIT,
16 HERNANDEZ, COX, DECONINCK, SCHMIDT, GRACEY

17 NOES: MEMBER:

18 ABSENT: 4 MEMBER: RAMOS, CAMARGO, MINTZ, CAMPBELL

19 ABSTAIN: MEMBER:

20 STATE OF CALIFORNIA)
21)
21) ss:
22 COUNTY OF SAN BERNARDINO)

23 I, Michele Baird, Clerk of the Governing Board of the Mojave Desert Air Quality
24 Management District, hereby certify the foregoing to be a full, true and correct copy of the
25 record of the action as the same appears in the Official Minutes of said Governing Board at
26 its meeting of June 23, 2014.

27 
28 _____
Clerk of the Governing Board
Mojave Desert Air Quality Management District.