



Legislation Text

File #: 22-1517, **Version:** 1

Air Quality Management District (AQMD) recommending the Board, acting as the AQMD Board of Directors, approve and authorize the Chair to sign:

- 1) A Budget Transfer amending the District's Fiscal Year (FY) 2022-23 Budget to adjust fund balance amounts and corresponding balancing entries to reflect FY 2021-22 ending fund balances and adjust budgeted expenditure amounts. (4/5 vote required); and
- 2) An amendment to the FY 2022-23 El Dorado County Adopted Budget to allow the transfer \$15,000 of AB2766 account funds to County Fleet for the upgrade of one gas-powered sedan to an electric sedan, as well an upgrade from one standard pickup truck to a hybrid pickup (4/5 vote required).

FUNDING: Permit revenues, State surcharge fees, Grants.

DISCUSSION / BACKGROUND

The Air Quality Management District's Board of Directors conducted a Budget Hearing on the District's recommended Fiscal Year (FY) 2022-23 budget on June 14, 2022. The Board then adopted the recommended budget on June 28, 2022. Exhibit 1 consists of the Adopted Budget documents that were posted to the District's webpage after the Board's approval.

On September 2, 2022, the County's Auditor-Controller closed FY 2021-22, and the final year-end fund balances were calculated. This item makes adjustments to the Adopted AQMD FY 2022-23 Budget based on these year-end fund balances as well as changes to the County's Adopted budget. The recommended revisions are outlined in Exhibit 2 for Board review and approval for inclusion in the FY 2022-23 Adopted Budget for the District and as a budget transfer to the County's Adopted Budget. These adjustments require a 4/5 vote as these changes are being made after the District's budget was adopted by the Board on June 28, 2022 and the County's budget was approved on September 27, 2022. County budget transfer forms with the recommended changes are included as Exhibits 3 and 4.

The recommended changes increase the use of the District's fund balances for the four sub-funds by a total of \$455,691. The increase in fund balance is largely in the District's Operating / Misc. Grant account (\$277,785), mainly due to the vacancy in one of the District's Air Quality Sr. Engineer/Engineer allocations for over eight months and several vacancies of the District's Air Quality Specialist allocations totaling approximately five months in FY 2021-22. Other changes in the timing of funding and expenditures in miscellaneous grant programs as well as the stoppage of the parking lot project for Building A add to the increase of fund balance.

There are smaller fund balance adjustments to the AB2766 account (\$102,179), the AB923 account (\$5,306), and the Carl Moyer grant account (\$70,421), due to the changes in funding amounts and expenditures funded by these accounts.

The District is requesting that the additional available fund balances be balanced by increasing the budgeted expenditures available for Appropriation for Contingencies, except for three budget adjustments that were the result of a need identified after the adoption of the District's budget on

June 28, 2022:

1. An adjustment increasing the budgeted salary costs by approximately \$31,000 for AQMD staff to reflect the recent Board actions increasing base salaries for staff countywide as well as to reflect the current staffing of the District with the recent hires of an Air Quality Engineer and Air Quality Specialist; and
2. An adjustment increasing the budgeted reimbursement amount for the FARMER grant by \$135,000, as the District received more applications than expected and we are hopeful for an additional award of FARMER grant funds in FY 2022-23; and
3. An adjustment increasing the budgeted transfer of funds to County Fleet by \$15,000 to fund the upgrade of one gas-powered sedan to an electric sedan, as well as an upgrade from a standard pickup truck to a hybrid pickup that were originally budgeted in FY 2021-22 but were not delivered by June 30, 2022. There are balancing adjustments in Fleet's budget to accept this transfer, so this adjustment is on a separate budget transfer form.

ALTERNATIVES

The Board could direct AQMD to make changes elsewhere in the budget.

PRIOR BOARD ACTION

June 14, 2022 - Legistar #22-0401 - Air Quality Management District budget hearing on the Fiscal Year 2022-23 recommended budget.

June 28, 2022 - Legistar #22-0401 - Board approved Fiscal Year 2022-23 recommended budget and signed Resolution 101-2022.

OTHER DEPARTMENT / AGENCY INVOLVEMENT

Department of Transportation

Chief Administrative Office, Community Development Finance and Administration (CDFA)

CAO RECOMMENDATION / COMMENTS

Approve as recommended

FINANCIAL IMPACT

None - Correctly appropriates the true available fund balance of the District and makes expenditure adjustments based on new information.

CLERK OF THE BOARD FOLLOW UP ACTIONS

Clerk of the Board to:

- 1) Provide Minute Order to AQMD.
- 2) Forward signed Budget Transfer forms with approved changes to the Chief Administrative Office for processing.

STRATEGIC PLAN COMPONENT

Good Governance

CONTACT

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