



OLYMPIC REGION CLEAN AIR AGENCY  
2940 LIMITED LANE NW  
OLYMPIA WA 98502

**AGENDA of November 9, 2022 \* 9:00 a.m.**  
Finance Committee Meeting

ORCAA's meeting will be available virtually

If you would like to participate in the meeting via Zoom video conference, visit  
<https://us02web.zoom.us/j/88654004897?pwd=NklnbCtIUUtPY25UTlFWbG96eXEyQT09> join with  
Meeting ID: 886 5400 4897 and Passcode: N5MiRD

If you would like to participate in the meeting via Zoom audio only, call 1-253-215-8782 and join with  
Meeting ID: 88654004897 and Passcode: 728745

***Be courteous – mute your mic if not speaking***

**CALL TO ORDER**

**APPROVAL OF AGENDA** (*action item*)  
(Ask for any corrections, additions/omissions)

**APPROVAL OF MINUTES** (*action item*)

1. [Minutes of September 14, 2022](#)

**FINANCE REPORT**

1. [FY2023 First Quarter Report](#)

**GOOD OF THE ORDER**

**ADJOURNMENT**

**NEXT MEETING – January 11, 2023 – 9:00 a.m.**

OLYMPIC REGION CLEAN AIR AGENCY  
2940 Limited Lane NW  
Olympia, Washington 98502

**Finance Committee Meeting – via zoom**

September 14, 2022

Members Present: Greg Brotherton, Jefferson County (Chair)  
Jim Cooper, City of Olympia  
Randy Neatherlin, Mason County

Members Absent: None

Legal Counsel: Jeff Myers of Law, Lyman, Daniel, Kamerrer and Bogdanovich

Staff Present: Jeff Johnston, Executive Director; Dan Nelson, Communications Manager; and  
Debbie Moody, Office Manager and Recorder

The meeting was called to order at 9:02 am.

**APPROVAL OF AGENDA**

Brotherton asked for approval of the agenda. Cooper moved approval of the Agenda, the motion was seconded and carried unanimously.

**APPROVAL OF MINUTES**

Brotherton asked for approval of the Minutes of May 11, 2022. Cooper moved approval, the motion was seconded and carried unanimously.

**FINANCE REPORT**

FY2022 Final Report

Johnston gave a brief report on the final budget for fiscal year 2022. It was noted the approved revenue was budgeted at \$2.7 million and we received nearly \$2.6 million. There were several line items that came in slightly less than budgeted, however our penalties were unusually high.

Under expenditures, Johnston continued, we budgeted nearly \$2.6 million and expended \$2.4 million. Payroll was slightly over due to payout of former director. It was noted travel expenses were down due to online trainings that cost less. Johnston did note the building will be paid off in December.

Cooper had questions regarding the building, roof, solar and the HVAC system. Johnston noted he and Harding have had the discussions and it is on our list of improvements. Brotherton noted a charging station would be a good addition as well. Johnston agreed.

Johnston explained we budgeted a contingency draw of \$209,092, however we added nearly \$178,000 back to our general fund.

Johnston did add we have included a new vehicle in our current budget and there are several other one-time expenses in the FY 2023 budget, including the salary survey. Johnston noted the salary survey may cost a bit more than we budgeted.

Cooper asked if we would be celebrating the building payoff. It was noted it would be ORCAA's 55<sup>th</sup> year and we may want to celebrate these things simultaneously.

Brotherton noted he would brief the Board on the budget by going over the high points. Brotherton

added any of the committee members will be welcome to comment, especially if he misses anything of importance.

Myers noted he will not be available at the beginning of Board meeting due to a briefing of the 350 Seattle case. He requested an executive session upon his return.

There was nothing further for the committee.

The meeting adjourned at 9:35 am.

#### **CERTIFICATION**

I hereby certify this is a true and correct copy of the minutes of the meeting of the ORCAA Finance Committee held, via Zoom, on September 14, 2022, in Olympia, Washington.

ATTEST:

\_\_\_\_\_  
Jeff C. Johnston, Executive Director  
Olympic Region Clean Air Agency

\_\_\_\_\_  
Greg Brotherton, Chair  
ORCAA Finance Committee

DATED: \_\_\_\_\_

**Olympic Region Clean Air Agency**  
**Comparative Summary of Agency Budget, Revenues, & Expenditures**  
For the Period Ending September 2022

Revenue	Fiscal Year 2022		Fiscal Year 2023		July-September		Comparison	
	ACTUAL	BUDGET	YTD ACTUAL	Difference	FY2023	FY2022	3-mos = 25%	% of Budget
Fees/Grants/Assessments/Penalties/Other								
AOP (Title V)	\$ 603,614	\$ 686,752	\$ 392,007	\$ (294,745)	57%	54%		
NOC - Major/Minor	140,433	163,060	14,297	(148,763)	9%	43%		
NOI - Major/Minor	2,912	1,022	526	(496)	51%	93%		
Annual Registration	375,302	384,000	355,189	(28,811)	92%	93%		
Assessments	464,353	498,697	0	(498,697)	0%	0%		
Ecology Oversight	12,948	15,000	0	(15,000)	0%	0%		
Asbestos	138,637	132,860	34,572	(98,288)	26%	26%		
Land Clearing	36,659	26,300	1,184	(25,116)	5%	0%		
Woodstove Education Grant	10,682	10,682	-	(10,682)	0%	0%		
Woodsmoke Reduction Grant	58,019	170,000	32,489	(137,511)	19%	9%		
Ecology Monitoring (PM2.5)	13,500	13,500	3,871	(9,629)	29%	35%		
EPA - Cheeka Peak Grant	76,748	86,077	20,409	(65,668)	24%	30%		
ARP Grant with EPA	-	131,500	0	(131,500)	0%	0%		
CORE-Federal	198,556	188,399	23,228	(165,171)	12%	18%		
CORE-State	139,985	136,427	16,822	(119,605)	12%	15%		
EFSEC	26,019	38,385	5,247	(33,138)	14%	7%		
Penalties (NOV)	217,550	75,000	10,610	(64,390)	14%	66%		
Investment Income	13,146	10,000	4,535	(5,465)	45%	20%		
Miscellaneous Revenue	1,882	1,000	554	(446)	55%	54%		
Building/Rental Income	59,794	59,592	13,585	(46,007)	23%	26%		
<b>Appropriation from Contingency Fund(s)</b>								
General Fund Contingency Draw	\$ -	\$ 274,915	\$ -	\$ (274,915)	0%	0%		
<b>Total Revenue</b>	<b>\$ 2,590,738</b>	<b>\$ 3,103,168</b>	<b>\$ 929,125</b>	<b>\$ (2,174,043)</b>	<b>30%</b>	<b>34%</b>		

	YTD FY 2023 Revenue
86% Fees	\$ 797,775
11% Grants*	102,066
0% Assessments	0
1% Penalties	10,610
2% Other	18,674
0% Contingency	-
100%	\$ 929,125
* Grants-Fed	\$ 47,508
* Grants-State	\$ 54,558

Expenditures	Fiscal Year 2022		Fiscal Year 2023		July-September		Comparison	
	ACTUAL	BUDGET	YTD ACTUAL	Difference	FY2023	FY2022	3-mos = 25%	% of Budget
<b>Payroll</b>								
Salaries	\$ 1,612,198	\$ 1,695,305	\$ 404,994	\$ (1,290,311)	24%	25%		
Employee Benefits, Payroll Taxes	499,282	566,475	125,474	(441,001)	22%	23%		
<b>Total Payroll</b>	<b>\$ 2,111,480</b>	<b>\$ 2,261,780</b>	<b>\$ 530,468</b>	<b>\$ (1,731,312)</b>	<b>23%</b>	<b>24%</b>		
<b>Non-Payroll</b>								
Office Supplies/Sm Equip.	\$ 8,448	\$ 8,300	\$ 2,590	\$ (5,710)	31%	11%		
Gasoline Vehicles	4,391	6,000	1,137	(4,863)	19%	21%		
Computer Hard/Soft.	23,204	36,585	4,445	(32,140)	12%	11%		
Bd. Prof. Ser. & Travel Reimb.	0	1,200	0	(1,200)	0%	0%		
Training & Conferences	5,675	17,390	1,475	(15,915)	8%	1%		
Professional Srs.	49,296	67,500	9,185	(58,315)	14%	24%		
Telephone	12,480	15,500	2,818	(12,682)	18%	18%		
Postage	4,833	5,000	1,386	(3,614)	28%	30%		
Insurance (Bldg, Veh, Staff)	35,872	38,000	38,939	939	102%	101%		
Wellness Program	437	450	43	(407)	10%	23%		
Public Education	8,816	36,560	14,351	(22,209)	39%	11%		
Miscellaneous	301	550	50	(500)	9%	0%		
Dues & Subscriptions	3,842	4,300	0	(4,300)	0%	3%		
Audit/Acctg	6,599	16,000	215	(15,785)	1%	21%		
Rent-Satellite Office	800	0	0	0	0%	25%		
Maintenance - Copier	10,947	2,400	501	(1,899)	21%	20%		
Vehicle Purchase	0	26,000	0	(26,000)	0%	0%		
Maintenance - Vehicles	2,333	3,950	1,493	(2,457)	38%	38%		
<b>Total Non-P/R</b>	<b>\$ 178,274</b>	<b>\$ 285,685</b>	<b>\$ 78,628</b>	<b>\$ (207,057)</b>	<b>28%</b>	<b>30%</b>		
<b>Building Operations/Maintenance</b>								
Principal/Interest - Office Bldg	\$ 330	\$ 44,000	\$ -	\$ (44,000)	0%	0%		
Alarm Monitoring/Security	2,234	2,500	176	(2,324)	7%	16%		
Utilities	15,804	16,500	3,115	(13,385)	19%	21%		
Janitorial & Supplies	11,643	13,568	2,517	(11,051)	19%	20%		
Maintenance - Office Bldg.	9,220	18,200	1,616	(16,584)	9%	22%		
Leasehold Improvements	0	27,000	0	(27,000)	0%	0%		
<b>Total Bldg. Oper./Maintenance</b>	<b>\$ 39,232</b>	<b>\$ 121,768</b>	<b>\$ 7,424</b>	<b>\$ (114,344)</b>	<b>6%</b>	<b>7%</b>		
<b>Program Operations</b>								
WoodSmoke Reduction/Bounty	\$ 41,550	\$ 138,000	\$ 26,900	\$ (111,100)	19%	0%		
ECY Oversight Fees	12,948	15,000	0	(15,000)	0%	0%		
Monitor. Equip./CPO	26,960	34,500	6,366	(28,134)	18%	8%		
ARP Grant with EPA	0	131,500	0	(131,500)	0%	0%		
Monitoring-General / PM2.5	2,192	5,490	1,004	(4,486)	18%	8%		
Security Deposit Refunds	305	0	0	0	n/a	0%		
<b>Total Program Operations (Non-Admin)</b>	<b>\$ 83,954</b>	<b>\$ 324,490</b>	<b>\$ 34,270</b>	<b>\$ (290,220)</b>	<b>11%</b>	<b>2%</b>		
<b>Total Expenditures</b>	<b>\$ 2,412,940</b>	<b>\$ 2,993,723</b>	<b>\$ 650,790</b>	<b>\$ (2,342,933)</b>	<b>22%</b>	<b>23%</b>		
<b>Net Surplus (Deficit)</b>	<b>\$ 177,797</b>	<b>\$ 109,445</b>	<b>\$ 278,335</b>					

	YTD FY 2023 Expenditures
82% Payroll	\$ 530,468
12% Non Payroll-Admin	78,628
1% Bldg/Maint.	7,424
5% Program Operations	34,270
100% Total	\$ 650,790

Breakdown of Net Surplus (Deficit):	FY 2022	FY 2023
Net Surplus (Deficit) to General Fund FY2022	\$ 177,797	
Net Surplus (Deficit) to General Fund FY2023	\$	109,445 TBD

**Notes:**

1) Expenses exceeding 10% of a budget category (each sub-category: P/R, Non-P/R, Bldg, Operating) requires board approval.

**OLYMPIC REGION CLEAN AIR AGENCY**  
**FUND BALANCE - Actual - Fiscal Year 2023**  
**For The Period Ending September 2022**

**BEGINNING** Fund Balance 07/01/2022

**Plus** : Revenue Fiscal Year

**Less**: Expenditures Fiscal Year

**ENDING Fund Balance**

General Fund Contingency Draw applied to FY Budget

Title V Funds applied to FY Budget

<b>General Fund</b>	
<b>\$</b>	<b>2,026,489</b>
\$	929,125
\$	(650,790)
<b>\$</b>	<b>2,304,824</b>
\$	-
\$	-
\$	-
<b>Fund Balance ALLOCATIONS-</b>	
<b>Contingency Funds &amp; Capital Funds</b>	
\$	368,929
\$	See Below
\$	5,400
\$	120,000
\$	20,000
\$	215,000
\$	136,453
<b>Contingency Fund</b>	
<b>\$</b>	<b>(109,020)</b>
<b>\$</b>	<b>1,548,062</b>

Contingency & Capital Funds  
**\$ 865,782**

*SAO	Fund Balance ALLOCATIONS-	Acctg Chart of Accts #
<i>Classifications:</i>	<b>Contingency Funds &amp; Capital Funds</b>	
<i>Committed</i>	<b>Less:</b> Expense Contingency (20% FY Budget less Title V)	1021
<i>Restricted</i>	<b>Less:</b> Title V	1025
<i>Assigned</i>	<b>Less:</b> Tenants Security Deposits	1040
<i>Committed</i>	<b>Less</b> for Office Building	1022
<i>Committed</i>	<b>Less</b> for Monitoring Equipment	1023
<i>Committed</i>	<b>Less</b> for Database / Equipment	1024
<i>Unassigned</i>	<b>Less</b> for Vacation/Sick Leave/Comp	1027
	<b>Contingency Fund</b>	
<i>Unassigned</i>	Title V Contingency (due General Fund)	(Actual)
<i>Unassigned</i>	<b>Ending UNRESTRICTED Fund Balance</b>	

9/30/2022

**ORCAA Long Term Liabilities...**

-Office Building, Promissory Note to Thurston County      Liability      **\$43,954**  
 Interest rate 0.703%, Final Payment 12/1/2022

"Operating Contingency Funds" defined..... An amount established by board direction.

"Capital Funds" defined..... An amount established by board direction to save for specific long-term capital expenditures (bldg, equipment, database).

"Fund Balance" defined..... \*Funds that are held in our bank account with Thurston County Treasurer's Office. ORCAA has one fund with Thurston County and is referred to as the "General Fund".

**\*The total Fund Balance includes all funds on deposit.**

11/2/2022      A Resolution must be approved by the Board of Directors to appropriate expenditures in Contingency Funds (except for 1025-Title V and 1040 Security Deposits).  
 \*06/30/2020 SAO established five new categories for reporting cash and investments