



Olympic Region Clean Air Agency

ORCAA



FISCAL YEAR 2017

BUDGET & ANNUAL REPORT

Francea L. McNair
Executive Director

July 1, 2016 - June 30, 2017

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Annual Report, 2016

Executive Director

The Olympic Region Clean Air Agency is a dynamic organization, continually working with our region's communities and businesses to protect our environment and improve air quality. Outreach, education, intergovernmental communication, coordination and strong working relationships with the community and the regulated businesses are the back bone of our organization's success. ORCAA's organizational culture, focuses on changing behaviors through education and outreach rather than issue violations to reach the same end; to promote and improve good air quality, protecting public health. ORCAA's highly trained and professional staff are the critical link to our success. I am proud to represent and lead this great organization.

As citizens and members of the community, we all have a responsibility to promote and support good air quality through our own actions. It is vitally important that business and those that permit business development work with ORCAA early and often to ensure successful and fully informed results promoting good air quality and energy efficiency. The siting of a business is critical especially where odors and emissions can create an unlivable situation for those nearby. ORCAA's proactive work with the community and regulated businesses

(sources) provides leadership, develops partnerships and guides the way to improved air quality and a healthier environment.

Remodeler shows, home shows, outdoor markets, fairs and special events in the communities create wonderful outreach opportunities to target our message for the specific audience needs. Focusing on industry specific information, utilizing newsletters, targeted mailings and onsite visits has proven to be

effective means of education. Direct mail continues to be a very effective way to get information to individual households about the problems caused by outdoor burning and reasonable burning alternatives. As a result of these outreach methods, there is better understanding of clean air laws and regulations, increasing compliance, improving efficiencies and education about health risks from noncompliance. ORCAA has expanded its outreach efforts, sharing information with contractors and homeowners about the need for proper removal and disposal of asbestos to minimize health risks. As a result, the agency's asbestos and demolition permit program has grown.

The legalization of Marijuana added a new dimension to our workload as it relates to odor complaints. We developed excellent best management practices for our region's counties and cities to provide to marijuana growers/processors when they apply for land

Mission: *We promote air quality and take actions that protect the health and welfare of people and the natural environment in ORCAA's jurisdiction (Clallam, Grays Harbor, Jefferson, Mason, Pacific, and Thurston counties).*

Vision: *All individuals in ORCAA's jurisdiction- especially children and the elderly-can live, work, and play in a healthful and clean environment, free from the harmful and destructive effects of air pollution.*

use and related permits. Working with the growers/processors and our local jurisdictions at the time of permitting is the most effective tool we have to try to prevent odor problems. If grow operations are in buildings, a carbon



Indoor marijuana growing operation (source: Wikipedia)

filtration system is an effective method for odor control. Outdoor grow operations or soft sided greenhouse grow operations, sited near a residence or business, often generate odor complaints especially during Marijuana harvest. The siting of these facilities is a critical component for compatibility with the community and odor control

We are in the third year of the Saturation Study, with the focus on Thurston County this year. Year four will be in Mason County beginning in the summer of 2017. Analysis of the data from the Jefferson County determined the ORCAA nephelometer was located in the best possible location in the county: Blue Herron Middle School. This location best represents Jefferson County's ambient air quality.

The Air Monitoring Section completed its Ultrafine Study data collection in June, 2015. The University of Washington currently is wrapping up data evaluation and will produce their final report in FY 2017. The intent of the study is to better understand ultrafine particles and their impact on air quality. As the first study of its kind, this research will have national significance.

The E-Enterprise for the Environment (E-Enterprise) strategy

is EPA's preeminent joint governance initiative. Through this strategy, we are working with EPA streamlining and applying advanced technology across agencies and programs to make business processes more efficient and effective. Based on this concept, staff developed a very creative smart phone application (App) for gas station data retrieval. Gas stations are required to perform regular self-inspections of their equipment. The App benefits the station through reduced workload and recordkeeping. ORCAA benefits through timely reporting and ease of records review. EPA liked our idea and is working with us and other partners to further develop the idea and find funding. These efforts will enhance services to the regulated community and public with improved environmental results. As grant opportunities arise for handheld sensors or community based monitoring systems, we will evaluate their merits and determine a potential path forward.

Woodstove emissions are a major contributing factor, statewide, to air quality problems.

Through our Woodstove Bounty Grant program, we remove older wood burning appliances and replace them with cleaner non-wood heat sources. The program has been extremely successful. We hoped to double our funding for this project, but due to state funding shortfalls, this didn't occur. ORCAA is the only agency in this state grant program that doesn't allow replacement with another



woodstove. The only really effective way to reduce emissions is to remove woodstoves as a heat source. ORCAA is also offering a higher financial incentive for replacement with a ductless heat pump than a natural gas replacement. We offer a Bounty Program, offering \$350, to people who remove their uncertified woodstoves.

In October 2015, EPA designated a new ozone standard, 70ppb (parts per billion). We hope Washington will remain in attainment with this new standard. We work diligently to improve air quality to maintain our excellent air quality status. ORCAA will continue to work with new and existing sources and jurisdictions to reduce emissions to protect our air quality.

As the economy slowly recovers, we are seeing changes in our large and small businesses. Sierra Pacific Industries purchased the Simpson Lumber in Shelton. Olympic Panel Products which is housed on the same site, will be closing and relocating to Oregon. Sierra Pacific Industries will be re-building the site with a state-of-the-art mill. Sunrise Coffee Roaster, located in Port Townsend, has an energy efficient green coffee roaster, permitted through ORCAA, was nominated for Business of the Year. I was happy to write a letter of support for their nomination for this award.

Funding our community non-fee-based programs is always a difficult budget scenario. As a result of reductions in state and federal funds that supported the cost of these programs, we need to increase our Assessment Fee to our regions local jurisdictions. This fee of \$0.45 per person hasn't been raised in 9 years. Based on the RCW, when these state and federal funds are reduced for our non-fee based community programs, the Assessment Fee is to be adjusted to help cover these costs. Fee funded programs will be evaluated as needed to cover their costs as determined by RCW and the ORCAA Board.

The ability to create a work environment that is stimulating, rewarding and supports innovative thinking and high performance



is an ongoing challenge. We work as a team providing the expertise needed for staff growth and development. We are in the final year of our salary adjustments based upon the survey completed in 2014 and approved by the board for the 2015 fiscal year budget. It is important to pay comparable salaries and to provide a great work environment.

It is a pleasure and a challenge working with the ORCAA staff and managers, guiding our agency in new directions and optimizing resources to meet our goals. I lead and manage through active participation, careful listening, feedback and involvement in all aspects of our agency. I have an open door policy for staff, the board and the public. I look forward to another successful year, working with the board, staff and the community.

Administrative Section

ORCAA continues to look for ways to keep costs down while providing the same, or better, level of responsible service to those we serve.

During FY 2016, the Administrative Section improved efficiencies in a number of fields. Staff explored new database software to replace the aging system currently in place. Staff also completed an update of the agencies Safety Manual to better ensure staff safety both in the office and in field. The update also ensured the manual addressed all state guidelines and mandates.

Requests for public records continue to consume a significant portion of administration staff time, and the section staff received additional training—including training other staff members—to better address this work load.

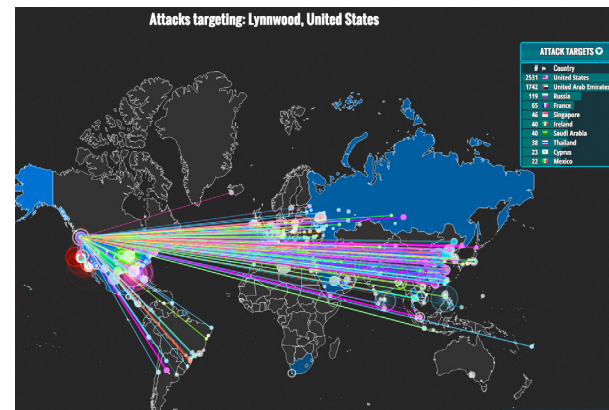
During the coming year, the Administrative staff will address several ongoing issues, including: Remaining current with Public Records Act training and compliance; addressing employer responsibilities related to the Affordable Care Act; completing AWC WellCity Application for continued reduction of medical premiums; and utilizing online resources to reduce training costs.

Information and Technology Section

During FY 2016, ORCAA hired a new IT & Network Specialist, Nick Grant. Shortly after that, the section was able to leverage existing security measures to counter a series of targeted security threats that emerged in the beginning of 2016. Post-threat analysis was conducted, and the existing network perimeter was hardened in addition to robust security changes in the internal network. Additional backup redundancy was added early in 2016, and the addition of a new virtualization system to further move digital

assets to a local cloud-based platform allowed for greater security, redundancy, energy savings, and a reduced hardware footprint moving forward. These improvements were conducted with minimal cost to the organization by utilizing existing supported open-source software and unused hardware components.

During FY 2017, the Information Technology section will continue a cost-benefit analysis to determine if further budget



Screen capture of live cyber attacks, April 28, 2016 (logged by <http://hp.ipviking.com/>)

savings can be achieved by moving to a longer Information Systems equipment lifecycle.

Compliance Section

The Compliance Section continues to serve the businesses and individuals in ORCAA's 8,000-square-mile jurisdiction. Section staff updated the asbestos rules and expects it to be incorporated into our Regulations during FY 2017. This update represents an extensive revision of a substantial program within our section. The revision includes changing from an 'approved permits process' to a simple 'notification process'. This will reduce time spent on permitting, allowing for far more time conducting field inspections.

Odor response related to marijuana grow operations has consumed a significant portion of ORCAA's enforcement budget. We have received odor complaints from several of these facilities in several different parts of our 6-county jurisdiction. We will issue Notices of Violation (NOV) if we receive sufficient evidence to support enforcement action, but to date, only one NOV has been issued.



Flowering marijuana plant – this is the most odiferous stage of growth. (source: Wikipedia)

The Compliance team continues to assist engineering by reviewing all Notices of Construction (NOC) Approval Orders and Air Operating Permit conditions to ensure enforceability and practicality. This has fostered a continued good working relationship between engineering and compliance sections.

ORCAA's compliance section responded to more than 701 complaints (up from 659 last year), reviewed 422 industrial reports (321 in FY 2016), completed 522 business inspections and issued hundreds of permits, including 93 land clearing burn permits, 449 asbestos permits, and 295 demolition permits during FY 2016.

Members of the Compliance Section assisted the Public Education and Outreach Section by helping staff booths at the Grays Harbor and Pacific County fairs, the Olympia Master Builders Home & Garden Shows in Thurston County and Grays Harbor County, and the Jefferson County Home & Garden Show. Team members also presented at the Washington Organic &

Recycling annual compost training event in Puyallup.

The Compliance section has been working with various agencies on several air quality and odor problems reported by residents of our jurisdiction. For instance, we did achieve success working with Thurston County Environmental Health, other agencies and even private service clubs to resolve outdoor burning by transients in a vacant house in Nisqually Valley.

Engineering Section

The Engineering Section at ORCAA (Engineering) is responsible for reviewing and issuing air permits to industrial and commercial businesses, compiling an annual emissions inventory for ORCAA's region, updating ORCAA's regulations, administering federal air programs, and assisting in compliance and enforcement duties. Engineering was fully staffed in FY2016 with four full time engineers.

Engineering staff issued 45 New Source Review (NSR) air permits since the beginning of the fiscal year. At this rate, by the end of the fiscal year ORCAA expects to issue roughly 50 NSR approvals, which is slightly down compared to the previous fiscal year. NSR permits allow the construction, modification or expansion of businesses that emit air pollution, and are a good indicator of economic growth in the area. NSR air permits are required for a wide variety of businesses and industries including auto body shops, coffee roasters, compost facilities, asphalt plants, gas stations and power plants, to name a few. Noteworthy NSR cases so far in fiscal year 2016 included approvals for Sierra Pacific Industries and Belco Forest Products in Shelton, Platypus Marine and Nippon Paper Industries USA in Port Angeles, and Vertellus Performance Chemicals in Elma.

Sierra Pacific Industries received approval to completely re-build the former Simpson lumber mill in Shelton. The new mill will

be completely reconfigured to improve production efficiency and will include new state-of-the-art milling, planing and lumber drying equipment. Ambient air impacts and impacts from Toxic Air Pollutant emissions were evaluated through ORCAA's review, which also involved review by the Washington State Department of Ecology's Air Program. Appropriate emissions limitations and other requirements were imposed through the air permit issued by ORCAA to assure ongoing protection of air quality.

Belco Forest Products, also located in Shelton, received approval to construct a new spray coating system for producing pre-primed fascia and trim for the home construction industry. This approval resolved longstanding compliance issues discovered by ORCAA in March of 2012 including that the equipment was installed without first securing ORCAA's approval.

Vertellus Performance Chemicals LLC of Elma received two separate NSR applicability determinations from ORCAA allowing the construction of feedstock tanks to improve their production capabilities and flexibility. Platypus Marine in Port Angeles received ORCAA's approval to increase emissions limitations, thereby allowing more flexibility and an increase in production. Nippon Paper Industries USA received three NSR approvals since start of the fiscal year. One of these approvals established limits on Nippon's existing boilers distinguishing them as "limited use boilers" under federal air standards. This distinction aligns with Nippon's current use for the boilers. Establishing the limits significantly reduces the compliance requirements for the boilers by eliminating unnecessary federal monitoring and testing requirements.

Another type of air permit, an Air Operating Permit (AOP), is required to operate any "Major Source" of air pollution. Major Sources of air pollution are those that emit more than 100 tons per year of any air pollutant or more than 10 tons per year of any air pollutant regulated under the Federal Clean Air Act as

a Hazardous Air Pollutant. AOPs are required to be renewed every five years and must be revised whenever there is new equipment added to a facility or new air regulations become effective. ORCAA has twelve existing Major Sources operating under current AOPs in its jurisdiction. ORCAA issued two AOP revisions since the beginning of the fiscal year.

Engineering continued to assist Compliance with minor source inspections as needed, and participated in most major source inspections along with the assigned inspector from Compliance. Since the beginning of the fiscal year, engineering staff participated in 24 minor source inspections and completed 8 inspections at Major Sources.

The Engineering Section's Emissions Data Specialist completed ORCAA's Emissions Inventory (EI) for calendar year 2014. The ORCAA EI comprehensively accounts for annual emissions from all stationary sources with potential emissions of 10 tons or more per year of any combination of regulated air pollutants. The 2014 ORCAA EI included 89 sources including 12 Major Sources with AOPs.

ORCAA engineers made two separate formal presentations since the fiscal year began. ORCAA's Engineer, Jennifer DeMay, and Dr. Odelle Hadley, ORCAA's Air Monitoring Specialist, presented at the annual Expanding Your Horizons event on March 5, 2016. Expanding Your Horizons is an annual conference aimed at motivating young women in science and mathematics. ORCAA engineer, Aaron Manley presented at the Pacific Northwest Section of the Air and Waste Management Association's annual meeting on ORCAA's approach to regulating marijuana producers and processors.

Monitoring Section

ORCAA measures ambient air quality in the most populated regions of each of ORCAA's six counties. The monitoring stations

are located in Aberdeen (Grays Harbor), Lacey (Thurston), Port Angeles (Clallam), Port Townsend (Jefferson), South Bend (Pacific), and Shelton (Mason). ORCAA also manages a federally certified National Core multi-pollutant (NCore) station located at the Cheeka Peak Observatory (CPO) in Clallam County. The Makah Tribe's Air Quality Program maintains an air monitoring station in Neah Bay and operates a federally funded IMPROVE (Interagency Monitoring for Protected Visual Environments) site at CPO. ORCAA collaborates with the Makah tribe to operate all three monitors at two sites.

ORCAA's ambient monitoring program uses Nephelometers, which measure light scatter, a proxy for $PM_{2.5}$, at the six county sites and provides hourly data to ORCAA staff and the public in near real time. $PM_{2.5}$ is the total mass of atmospheric particles with diameters less than 2.5 microns per cubic meter of air. This is the national and state standard for ambient air quality. Light scatter is converted to $PM_{2.5}$ using an equation derived from side-by-side comparison with the federal reference method (FRM), a gravimetric and direct measurement of $PM_{2.5}$. All of ORCAA's monitoring stations transmit near real-time data to the internet through the Washington State Department of Ecology's data acquisition system. These data are made publicly available on ORCAA's website and through EPA's AirNow website (airnow.gov) which also includes air quality forecasts and forecast discussions. Forecasts are based on national air quality standards established by EPA to protect public health.

At CPO, ORCAA monitors CO , SO_2 , NO/NO_y , and ozone, as well as several meteorological parameters year round. An EPA grant supports site maintenance and staff time needed to run CPO. As part of the NCore network, CPO provides a means of measuring and understanding air quality, air pollution emission controls and improving atmospheric pollution modeling. As a pristine background site, CPO data provide baseline levels of regional

pollutant concentrations, including what is transported from Asia and the Arctic. ORCAA assists the Makah tribe air quality program with equipment quality control and maintenance in return for their assistance with activities at CPO. The Makah tribe also provides assistance when needed at the CPO Ncore site.

In addition to the long-term air monitoring conducted in each county, ORCAA's monitoring division purchased and developed several instruments for

conducting countywide saturation studies. These studies evaluate the community scale, air quality variability; help isolate the most significant pollution sources; and identify the most representative air quality site in a region. The saturation studies last one year in each county before rotating to a new county. Data from each is made publicly available on ORCAA's website within a month of collection. Instruments are sent back to the factory for calibration and maintenance between each study. In FY2016, a new saturation study was begun in Thurston County. Data from the Jefferson County study, conducted in FY 2015 and FY 2016, was analyzed and presented to the general public in March 2016.

Moving forward in FY 2017, the Monitoring Section will continue to operate the monitoring stations, including the CPO NCore site, complete the saturation study in Thurston County, and seek new sources of funding to support on-going



Fire crews helping ORCAA staff set up saturation study equipment at a fire station

monitoring activities. In FY 2015, ORCAA completed a source apportionment study using IMPROVE (Interagency Monitoring for Protected Visual Environments) and NCore data from the CPO site. This study was funded by the Makah tribe. The final report was completed in FY 2016, and will be submitted for publication in a peer-reviewed journal in FY 2017. The WA state legislature did not extend funding for the Ultra-fine project in Port Angeles through FY 2016, however ORCAA continues to work with scientists at University of Washington to finish analyzing the data and complete a final report, to be finished in FY 2017.

Education & Outreach Section

The Education and Outreach Section works closely with all ORCAA sections, and individual staff members, to support their efforts while trying to improve their effectiveness and efficiencies. This section provides key support for permitting, compliance and administrative projects throughout the year.

ORCAA continued to utilize a range of outreach methods during FY 2016. Using the data from an updated online permit system for the Thurston County Residential Outdoor Burn Permit, ORCAA was able to quickly communicate with active burners. We shared seasonal burn ban information as needed and advised residents of upcoming events and issues of concern related to burning. The permit data was also converted to map coordinates, giving us accurate map permit applications for more efficient compliance. Using this mapping application, more than 75 invalid permit applications were immediately identified and the



applicants notified that burning was illegal on their property.

Staff continued to work closely with representatives of the local fire chiefs, fire commissioners, Thurston County, and DNR to improve coordination during outdoor burn seasons during FY 2016.

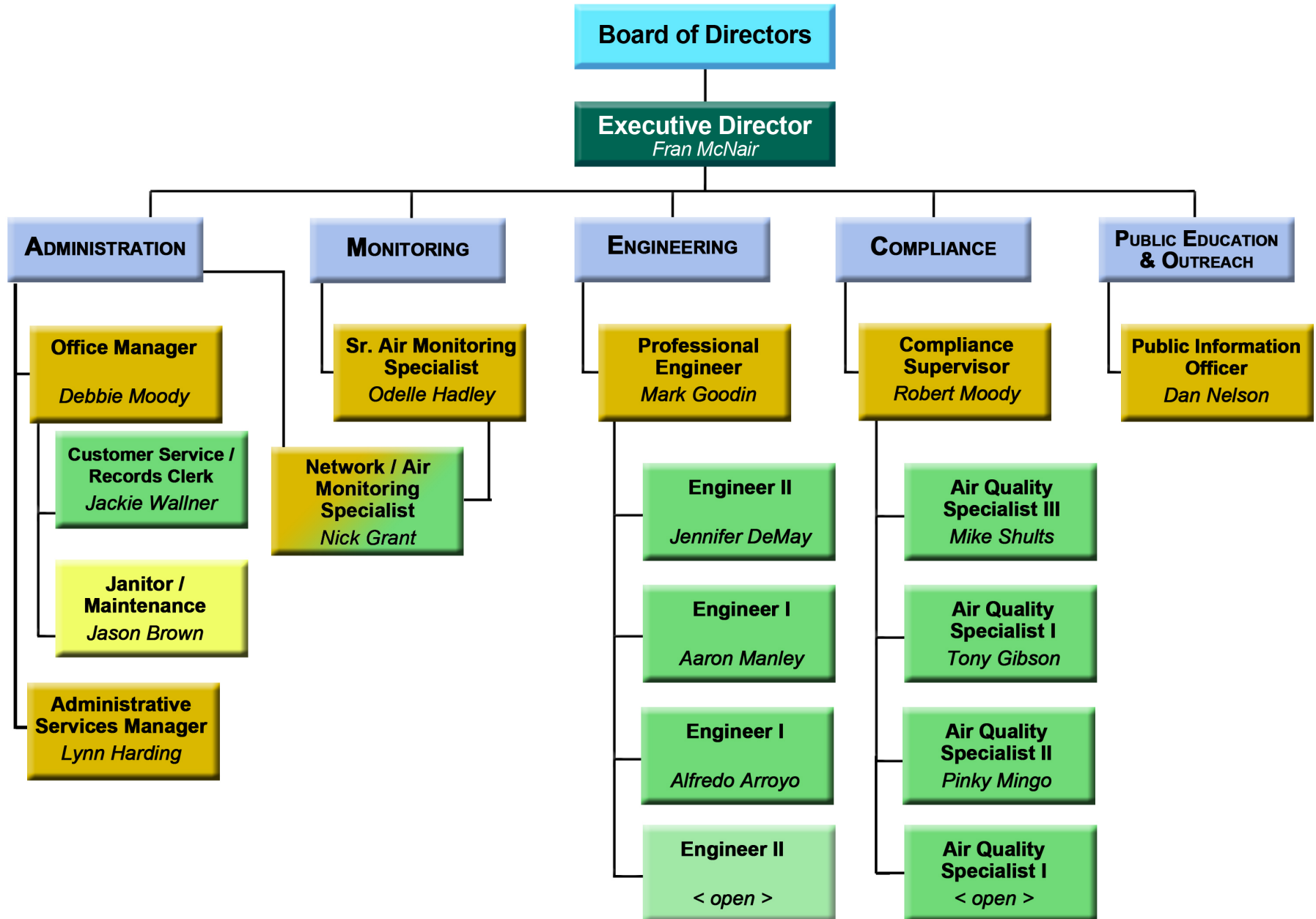
With the support of the Compliance Section, ORCAA once again attended more community festivals and fairs, most notably the Olympia Home & Garden Show and the Grays Harbor County Home & Garden Show which were hosted by the Olympia Master Builders—an association of construction businesses serving five counties. We also attend dozens of meetings with local Home Owner Associations (HOA) throughout the jurisdiction, and participated in the several school Science, Technology, Engineering, Arts, and Mathematics (STEAM) fairs in Thurston and Mason Counties.

Wood smoke continues to be a primary source of air pollution in our region, ORCAA's Education & Outreach Section secured a renewal of the Wood Smoke Reduction Grant from the

Washington Department of Ecology. This grant provides funding for residents of Thurston County willing to replace old, inefficient wood heating appliances with new natural gas or electric heat sources.

Moving forward in FY 2017, the Outreach and Education Section will continue working with neighborhood associations, HOAs, and schools to provide better understanding of ORCAA and its role in management of local, state, and federal clean air regulations.

Organizational Chart 2016



FY 2017 Budget Highlights

This budget is for ORCAA's FY 2017 which runs from July 1, 2016 through June 30, 2017. As specified in the Washington Clean Air Act (RCW 70.94.092), by the fourth Monday in June each year, ORCAA must adopt a budget for the following year. A public hearing was held during ORCAA's regularly scheduled Board of Directors' meeting on May 11, 2016 and continued to June 8, 2016, to adopt the FY 2017 Budget.

Highlights

- No increase in staff
- Total Expenditures of \$2.07 million
- Continued funding of Capital Reserve Funds for office building, agency database, vehicle replacement and monitoring
- Awarded the 2% Well city award

REVENUE

The balanced FY 2017 Budget includes state and federal grants, program fees, and limited use of agency reserve funds. ORCAA also scheduled an increase in its annual assessment fee—the amount cities and counties pay per capita to support clean air programs. The Assessment Fee has been unchanged since 2007, when it was set at just \$0.45 per person, per year!

Consistent with Board direction, ORCAA will continue setting aside funds to save for long-term capital expenditures (office building, agency database, vehicle replacement, and monitoring activities).

EXPENDITURES

Overall, this year's budget represents a slight DECREASE in spending from the approved FY 2016 budget. This is primarily due to the end of the Ultrafine Study conducted by ORCAA's air monitoring team in conjunction with University of Washington (UW) researchers. That study concluded in FY 2016 and the state grant was not renewed. ORCAA also saw a reduction in funds from the State Department of Ecology for the Wood Smoke Reduction Grant program.

Revenue

	Actual 2015	Approved FY 2016	YTD 4/30/2016	Proposed FY 2017	Projected FY 2018
<u>GRANTS</u>					
Core-Federal	\$ 179,473.00	\$ 207,473.00	\$ 111,699.00	\$ 193,481.00	\$ 183,806.95
Core-State	121,205.00	121,205.00	76,499.00	132,794.00	126,154.30
<u>PM Agreements:</u>					
Ecology Monitoring	13,500.00	13,500.00	9,343.00	13,500.00	13,500.00
CPO Project w/EPA-Maintenance & Operations	85,276.00	86,077.00	88,947.00	86,077.00	86,077.00
CPO Project w/EPA-Capital Purchases	-	-		-	-
Ultrafine Particle Study	147,480.00	100,000.00	109,196.00	-	-
Woodstove Reduction & Bounty Program w/Ecology	48,106.00	100,000.00	16,482.00	32,000.00	-
Woodstove Grant	11,332.00	11,332.00	11,249.00	11,332.00	11,332.00
<u>FEES</u>					
Assessments	\$ 233,432.00	\$ 235,665.00	\$ 234,923.00	\$ 395,595.00	\$ 401,528.93
AOP (Title V)	320,316.00	345,357.00	345,205.00	396,485.00	361,885.00
EFSEC	18,264.00	27,891.00	13,870.00	15,000.00	15,000.00
Ecology Oversight	17,020.00	20,000.00	14,928.72	20,000.00	20,000.00
Annual Registration	347,675.00	347,000.00	342,075.00	385,310.00	391,089.65
NOI - Major/Minor	4,063.00	5,000.00	1,935.00	2,000.00	2,030.00
NOC - NSR	65,525.00	102,500.00	107,097.80	110,000.00	111,650.00
Outdoor Burning	-	50,000.00	-	-	-
Asbestos	126,650.00	105,000.00	110,478.00	127,000.00	128,905.00
Land Clearing	15,550.00	10,000.00	10,300.00	12,500.00	12,687.50
<u>OTHER</u>					
Fines	\$ 59,169.00	\$ 50,000.00	\$ 38,584.00	\$ 50,000.00	\$ 50,000.00
Investment Interest	10,463.00	8,500.00	9,845.50	10,000.00	9,000.00
Makah Tribe-Services Contract	4,950.00	-	-	-	-
Miscellaneous Income	7,928.00	5,000.00	7,773.00	2,000.00	1,000.00
Building Income	28,107.00	40,340.00	37,493.00	46,340.00	47,266.80
<u>RESERVE FUNDS</u>					
Reserve Funds -General Fund - Administration	\$ 73,704.00	\$ 170,850.00	\$ -	\$ 60,552.00	\$ 115,928.00
Reserve Funds -Title V	\$ 40,233.00	\$ -	\$ -	\$ (33,801.00)	\$ -
Reserve Funds -Database				-	50,000.00
TOTAL REVENUE & SURPLUS	\$ 1,979,421.00	\$ 2,162,690.00	\$ 1,697,923.02	\$ 2,068,165.00	\$ 2,138,841.13

Expenditures

	Actual 2015	Approved FY 2016	YTD 4/30/2016	Proposed FY 2017	Projected FY 2018
<u>PAYROLL</u>					
Salaries	\$ 1,163,366.00	\$ 1,257,366.00	\$ 1,034,132.00	\$ 1,291,385.00	\$ 1,310,755.69
Employee Benefits	372,320.00	454,884.00	339,946.00	454,986.00	473,185.44
TOTAL P/R EXPENSES	\$ 1,535,686.00	\$ 1,712,250.00	\$ 1,374,078.00	\$ 1,746,371.00	\$ 1,783,941.13
<u>NON-PAYROLL</u>					
Office Supplies & Sm Supply Purchases	\$ 4,627.00	\$ 6,700.00	\$ 3,807.00	\$ 7,300.00	\$ 6,800.00
Gasoline Vehicles	6,623.00	8,000.00	3,768.00	6,500.00	6,500.00
Computer Hard/Soft./Supplies	13,950.00	20,000.00	17,622.00	14,765.00	13,000.00
Bd. Prof. Ser. & Travel Reimb.	2,661.00	5,000.00	3,583.00	4,200.00	4,200.00
Staff Training & Conferences & Travel	15,046.00	11,695.00	9,270.00	15,000.00	13,000.00
Professional Srs.	30,607.00	40,000.00	27,531.00	36,000.00	38,000.00
Telephone	12,771.00	13,100.00	11,428.00	14,400.00	14,400.00
Advertising	-	500.00	-	-	-
Postage	4,098.00	5,000.00	3,366.00	4,300.00	4,300.00
Insurance (Bldg, Veh, Staff)	22,819.00	24,000.00	23,731.00	25,000.00	26,000.00
Wellness Program	571.00	450.00	413.00	400.00	400.00
Public Education	8,029.00	7,500.00	3,802.95	7,500.00	7,500.00
Miscellaneous	805.00	750.00	990.00	900.00	900.00
Dues & Subscriptions	3,247.00	1,600.00	3,143.00	3,400.00	3,400.00
Audit/Acctg	19,616.00	6,530.00	4,472.00	17,000.00	7,000.00
Printing	1,379.00	2,000.00	322.00	500.00	500.00
Rent-Satellite Office	2,200.00	2,400.00	2,200.00	2,400.00	2,400.00
Maintenance - Copier	2,046.00	2,500.00	1,632.00	2,000.00	2,000.00
Database	100.00	-	-	-	50,000.00
Vehicle Purchase	-	-	18,553.00	-	21,000.00
Maintenance - Vehicles	2,309.00	3,200.00	1,526.00	3,500.00	3,500.00
Sub-Total Administrative Expenses	\$ 153,504.00	\$ 160,925.00	\$ 141,159.95	\$ 165,065.00	\$ 224,800.00
<u>OFFICE BLDG. OPERATING</u>					
Interest Expense & Principal - Office Bldg.	\$ 44,220.00	\$ 44,420.00	\$ 40,176.00	\$ 44,604.00	\$ 45,000.00
Utilities/Alarm Monitoring	14,369.00	15,000.00	13,760.00	16,000.00	18,000.00
Janitorial Supplies	254.00	500.00	452.00	600.00	600.00
Maintenance Office Bldg.	5,295.00	6,000.00	9,655.00	6,000.00	7,000.00
Leasehold Improvements	10,695.00	-	-	-	-
Sub-Total Office Building Operating	\$ 74,833.00	\$ 65,920.00	\$ 64,043.00	\$ 67,204.00	\$ 70,600.00
<u>NON-ADMINISTRATIVE-OPERATING</u>					
Woodstove Reduction Program/Bounty	\$ 26,350.00	\$ 75,000.00	\$ 35,100.00	\$ 32,000.00	\$ -
DOE Oversight Fees	17,020.00	20,000.00	14,929.00	20,000.00	20,000.00
Monitoring Program - CPO	35,775.00	31,000.00	22,147.43	31,000.00	31,000.00
Ultrafine Study	135,840.00	88,000.00	78,901.00	-	-
Monitoring Program-SS	162.00	500.00	136.00	500.00	500.00
Monitoring Program-General	251.00	9,095.00	2,617.00	6,025.00	8,000.00
Sub-Total Non-Administrative - Operating	\$ 215,398.00	\$ 223,595.00	\$ 153,830.43	\$ 89,525.00	\$ 59,500.00
GRAND TOTAL EXPENDITURES	\$ 1,979,421.00	\$ 2,162,690.00	\$ 1,733,111.38	\$ 2,068,165.00	\$ 2,138,841.13

Reserve Funds

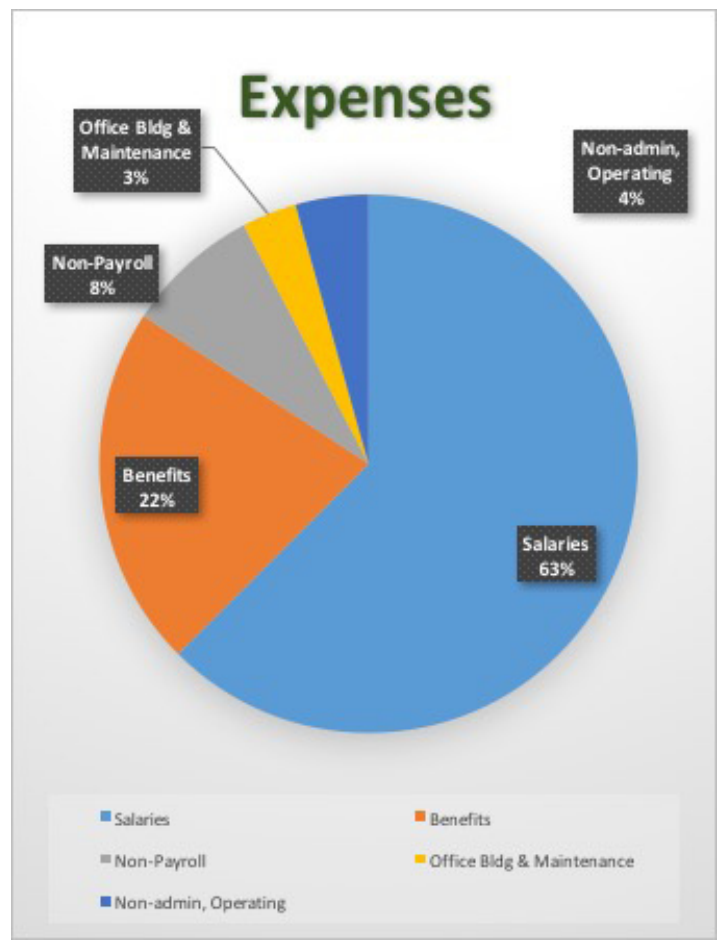
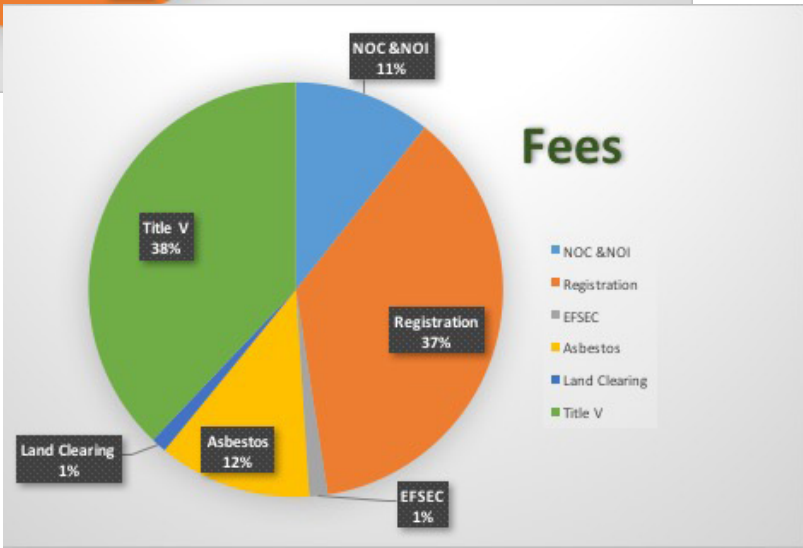
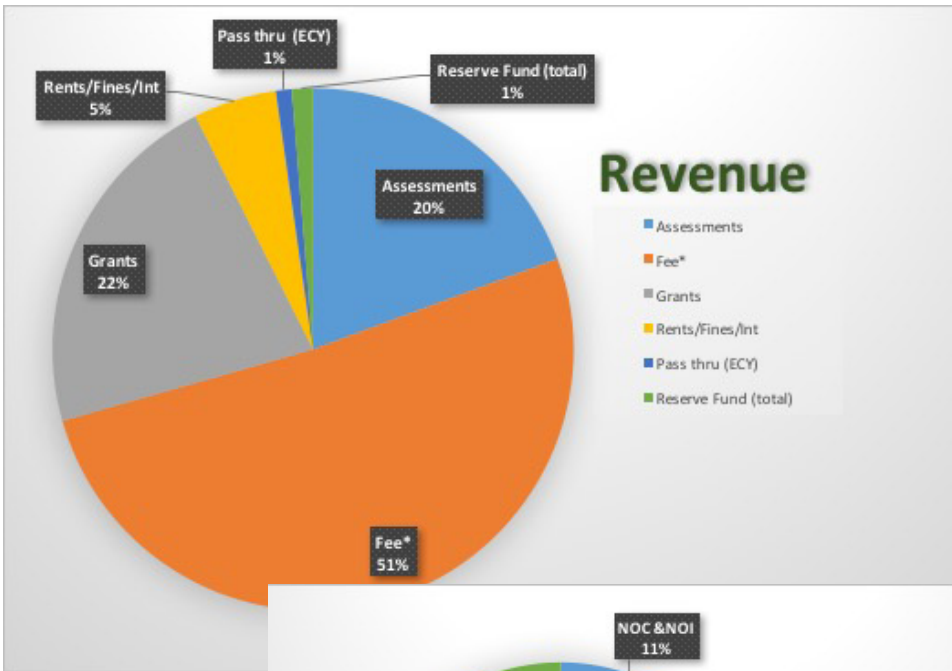
	FY 2016 General Fund	Additions/ Adjustments	FY 2017 General Fund	Projections FY 2018 General Fund
	July 1, 2015		July 1, 2016	July 1, 2017
BEGINNING Fund Balance.....	\$ 1,450,888		\$ 1,305,417	\$ 1,244,865
	FY ESTIMATES			
Plus : Revenue Fiscal Year	\$ 1,911,027		\$ 2,007,613	\$ 1,972,913
Less : Expenditures Fiscal Year	\$ (2,056,498)		\$ (2,068,165)	\$ (2,138,841)
Projected ENDING Fund Balance 06/30/20xx *	\$ 1,305,417	n/a	\$ 1,244,865	\$ 1,078,937
General Fund Balance applied to FY Budget (Admin Reserve)	\$ 116,990		\$ 60,552	\$ 115,928
Fund Balance ALLOCATIONS				
<u>Operating Reserve Funds</u>				
Less: Expense Reserve (20% FY Budget less Title V Exps)	\$ 514,125		\$ 341,096	\$ 355,391
Less: Title V	\$ -		\$ 33,801	\$ 36,189
Less: ORCAA Tenants Security Deposits	\$ 4,170		\$ 4,170	\$ 4,170
<u>Capital Reserve Funds</u>				
Less for Office Building	\$ 30,000	+ \$ - =	\$ 30,000	\$ 30,000
Less for Monitoring Equipment	\$ 52,000	\$ - =	\$ 20,000	\$ 20,000
Less for Database/Equipment	\$ 45,000	+ \$ 5,000 =	\$ 50,000	\$ -
Less for Vehicle	\$ 22,000	\$ - =	\$ -	\$ -
Less for Vacation/Sick Leave	\$ 131,531	TBD =	\$ 131,531	\$ 132,000
Ending UNRESERVED Fund Balance Year End	\$ 506,592		\$ 634,267	\$ 501,188

"Operating Reserve Fund" defined: An amount established by board direction and placed in reserve

"Capital Reserve Fund" defined: An amount established by board direction to save for long-term capital expenditures (equipment, bldg, database)

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

* The total General Fund Balance includes "Operating" and "Capital" Reserve Funds





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