



DATE **June 10, 2021**

TO **Board of Directors**
Puget Sound Clean Air Agency

SUBJECT **Resolution No. 1436 – Approving the FY22 Budget**

Honorable Members:

This memo and the accompanying documents lay out our proposed FY22 budget for action by you in June. We discussed key assumptions around our expected revenues and expenses with the Board over the last several months. The Board also adopted the 2022 per capita rate, apportionment method, and financial policies in previous meetings. Attachment A includes the detailed **proposed** FY22 budget compared to the **draft** FY22 budget as presented to the Board in May, and Attachment B is our full budget document for FY22.

Comparison to Draft FY22 Budget

Attachment A shows both the current proposed FY22 budget and the draft FY22 budget presented to the Board in May. For the revenues, the key changes were the addition of a highly likely DERA (EPA) diesel emissions reduction grant for \$997k and the re-estimation of carryover revenues from two FY21 grants totaling \$68.5k. The net change in expenses of \$1,136,325 is comprised of the following:

- Increased grant pass-through expenditures from the new and carryover grants - \$1,039,500
- An addition to workplans for a woodstove survey - \$40,000
- An addition to the woodstove outreach and education workplan - \$15,000
- A minor reduction in the Low-Income Electric Vehicle (EV) Carshare Pilot workplan – (\$15,000)
- Carryover of a professional services contract to move expenditures from FY21 to FY22 for an emissions inventory - \$30,000
- Adjustments to travel & training - \$26,825

FY22 Budget Document

Attachment B contains our full proposed budget including key assumptions, detailed FY22 budget, agency organization chart, projected fund balances, financial policies, and information on the supplemental income (per capita). Page 2 of this document includes a table of contents to guide you to these sections.

This memo, the attachments, and Resolution 1436 are for Board action on the Agency’s FY22 budget. We recommend adoption of this resolution at the June Board meeting.

If you have any questions, please contact me at 206-689-4004 or CraigK@pscleanair.org.

Respectfully submitted,



Craig T. Kenworthy
Executive Director

Attachment

jwc

Puget Sound Clean Air Agency
Proposed FY22 Budget (June) Compared to Draft FY22 Budget (May)

	Proposed FY22 Budget	Draft FY22 Budget	Variance	
Federal Grants:				
105 Grant - Federal Core (EPA/Ecology)	\$ 941,600	\$ 941,601	\$ (1)	
Sec 103 Grant - PM 2.5 (EPA/Ecology)	87,425	87,425	-	
Marine Eng Repl - DERA/ECOL (00024)-Fedl	264,939	264,939	-	
Air Toxics 2020 (EPA)	328,859	328,859	-	
Marine Eng Repl - DERA/EPA (DE-01J40801)	55,000	-	55,000	<i>Carryover from FY21</i>
School Bus-Propane (DERA/EPA)	13,500	-	13,500	<i>Carryover from FY21</i>
New DERA 2022 (EPA)	997,000	-	997,000	<i>New DERA grant highly likely</i>
eCHE Crgo Hdlg Equipment (DERA/EPA) Ecol-00042	338,300	338,300	-	
Subtotal - Federal Grants	3,026,623	1,961,124	1,065,499	
State Grants:				
State Core (Ecology)	672,712	672,115	597	
Marine Eng Repl - DERA/ECOL (00024)-State	176,626	176,626	-	
New Grant-State Diesel Funding	100,000	100,000	-	
Woodstove Repl/Removal (Ecol)	393,500	393,500	-	
WoodStove Educ & Enforcement Grant (Ecology)	83,072	83,072	-	
Subtotal - State Grants	1,425,910	1,425,313	597	
Supplemental Income:				
Per Capita - Cities and Counties	3,514,054	3,514,054	-	
Subtotal - Supplemental Income	3,514,054	3,514,054	-	
Program Fees:				
Asbestos	675,000	675,000	-	
Notice of Construction	418,000	418,000	-	
Registration	2,803,450	2,803,450	-	
Operating Permits	1,776,500	1,776,500	-	
Subtotal - Program Fees	5,672,950	5,672,950	-	
Other Revenues:				
Civil Penalty Collections	-	-	-	
Interest Income	40,000	40,000	-	
Miscellaneous Revenues	-	-	-	
Subtotal - Other Revenues	40,000	40,000	-	
Total Revenues	13,679,537	12,613,440	1,066,096	
Personnel Expenses:				
Salaries & Wages	7,516,708	7,516,708	-	
Benefits	2,703,416	2,703,416	-	
Total Personnel Expenses	10,220,124	10,220,124	-	
Work Plan Expenses	3,102,033	2,022,533	1,079,500	<i>Additional grant pass-through expenditures from carryover and new grants</i>
Operating Supplies	40,300	40,300	-	
Professional Services	1,772,175	1,742,175	30,000	<i>Emissions inventory carryover from FY21</i>
Telephone	65,400	65,400	-	
Postage	14,000	14,000	-	
Meetings	3,500	3,500	-	

Puget Sound Clean Air Agency
Proposed FY22 Budget (June) Compared to Draft FY22 Budget (May)

	Proposed FY22 Budget	Draft FY22 Budget	Variance	
Travel & Training	180,200	153,375	26,825	<i>Adjustments - travel & training budget</i>
Transportation	36,900	36,900	-	
Rent & Utilities	811,287	811,287	-	
Insurance	99,225	99,225	-	
Software & Maintenance	157,811	157,811	-	
Repairs & Maintenance	74,000	74,000	-	
Legal Expenses	45,000	45,000	-	
Printing	11,500	11,500	-	
Merchant & Bank Fees	79,200	79,200	-	
Subtotal - Operating Expenses	6,492,531	5,356,206	1,136,325	
Tenant Improvements	-	-	-	
Computer & Office Equipment	71,611	71,611	-	
Vehicles	85,000	85,000	-	
Technical/Scientific Equipment	105,000	105,000	-	
Subtotal - Equipment	261,611	261,611	-	
Total Expenses	16,974,265	15,837,940	1,136,325	
Net Before Appropriations	(3,294,728)	(3,224,500)	(70,229)	
Appropriations from (Contributions to) Fund Balances				
Per Capita Draw (Contr) - Operations	523,310	496,819	26,492	<i>Mostly due to emissions inventory contract carryover</i>
Per Capita Draw - Dept Reserves	-	-	-	
General Fund Reserve	50,000	50,000	-	
Civil Penalty Collections	-	-	-	
Civil Penalties Draw - Recurring	22,808	22,808	-	
Civil Penalties Draw - Programs	89,000	74,000	15,000	<i>Addition to WSRP education & outreach</i>
Civil Penalties -Transfers	1,000,000	1,000,000	-	
Subtotal - Discretionary Funds	1,685,118	1,643,627	41,492	
Fee Programs	1,242,610	1,213,873	28,737	
Equipment Reserve	-	-	-	
Compliance Reserve	-	-	-	
Department Reserves	-	-	-	
Legal Dept Reserve	-	-	-	
Interest Income Fund	367,000	367,000	(0)	
Employer Retirement Fund	-	-	-	
Pension & OPEB Funds	-	-	-	
Other	-	-	(0)	
Subtotal - Appropriations (Contributions)	3,294,728	3,224,500	70,228	
Net	-	-	(1)	
FTEs	69.72	69.72	-	

Puget Sound Clean Air Agency
Proposed FY22 Budget (June) Compared to Draft FY22 Budget (May)

	Proposed FY22 Budget	Draft FY22 Budget	Variance
Ending Fund Balances			
Per Capita (carryover) Fund	880,305	890,770	(10,465)
General Fund Reserve	694,808	694,808	-
Civil Penalty Fund	616,690	631,690	(15,000)
Interest Income Fund	318,205	318,205	-
Discretionary Funds	2,510,008	2,535,473	(25,465)
Per Capita - Reserve for second half of calendar year	1,769,643	1,769,643	-
Fee Program Funds	3,163,606	3,192,343	(28,737)
Equipment Reserve	184,337	184,337	-
Department & Legal Reserves	50,000	50,000	-
Employer Retirement Reserve	265,122	265,122	-
Unemployment Reserve	183,294	183,294	-
Other Funds	17,064	17,064	-
Funds (excludes state pension & OPEB liabilities)	8,143,074	8,197,275	(54,201)

Totals may not add due to rounding

Puget Sound Clean Air Agency
Fiscal Year 2022
Proposed Budget

June 17, 2021

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Strategic Plan Goals

The agency's Board adopted the 2014-2020 Strategic Plan in February of 2014. The goals and strategies are summarized below and are the continuing driving factors for the development of the FY22 Budget. Due to the delay in the development process for the next strategic plan period, we have not incorporated major investments for work under the new strategic plan.

1. Protect public health and the environment from air pollution
 - 1.1 Meet National Ambient Air Quality Standards
 - 1.2 Reduce transportation emissions, especially diesel particulate, in highly impacted locations
 - 1.3 Reduce emissions and exposures from wood smoke and outdoor burning
 - 1.4 Prevent, reduce, and control emissions and exposure from significant stationary sources of air pollution
 - 1.5 Characterize and communicate air quality throughout the region, with the active participation of the public
 - 1.6 Reduce inequities in air pollution exposure
2. Become the most climate-friendly region in the United States
 - 2.1 Reduce emissions of greenhouse gases from transportation
3. Employ the best people, policies, and practices to achieve our work
 - 3.1 Attract, retain, and inspire exceptional staff
 - 3.2 Develop a culture that integrates environmental justice and equity principles into our day-to-day work and decisions
 - 3.3 Engage in meaningful dialogue and outreach with all sectors of the public
 - 3.4 Build the agency's long-term financial strength and ensure accountability
 - 3.5 Be a model of environmental sustainability

Key Assumptions – FY22 Budget

The key assumptions in the agency's FY22 Budget and FY23-FY24 projections include:

Our primary goals for the development of the FY22 budget are to:

- Continue our strong work in pollution regulation (fee programs), wood smoke abatement (woodstove removal/replacement program funded by state grants and per capita), diesel emissions reductions (grant work funded by federal and state grants), air quality monitoring & communication, equity efforts, and community outreach on air quality issues (funded by per capita and small grants), and
- Develop a balanced FY22 budget and fiscally responsible expenditure levels in the out years.

Revenue Outlook

We expect the federal core grant funding to be flat except for a \$200k one-time addition in FY23 due to an increase in EPA funding that Congress has already appropriated. For the state core grant, we expect a reallocation of funding to local air agencies, starting in FY23, due to the new state population numbers which will most likely favor our four-county jurisdiction. As we have done in the past, we've assumed a gradual increase there as Ecology phases in reductions to other local air agencies.

Compliance fee programs include the recent increased fee structure (averaging about 10%) for Notice of Construction (NOC) permit revenues. We anticipate some increase in Operating Permit fees in the outyears to cover increased costs – these fees have not been changed since the 2013 annual billings.

FY22 and the projection years include Woodstove Removal/Replacement grants. These are highly likely given the state capital budget adoption and our historical awards. We assume ongoing funding from Ecology for the PM_{2.5} (Section 103) support for monitoring work and the Woodsmoke Education & Enforcement grant for education and outreach supporting the agency's woodsmoke reduction work.

For EPA diesel emissions reduction act (DERA) grants, we included a new DERA grant from EPA in FY22 as well as a runout of the existing multi-year grants for marine engine replacements and electrification of cargo handling equipment. We also included one new diesel emissions grant of \$100k in FY22 – historically, the agency has been awarded grants in excess of this amount on an annual basis and we will continue applying for these emission reduction grants. We also included the multi-year EPA grant for assessing trends and risks of air toxics in Seattle and Tacoma.

For the fourth year in a row, we have not included an increase in per capita rates for CY22. However, we reflected the impact of a 1.45% population increase in the total \$3.5 million revenue amount for FY22. Population increases in the outyears of about .8% are from the April 2021 Washington State economic forecast. While our largest expense (personnel) has steadily increased each year due to cost-of-living adjustments, we have underspent budgets due to difficulty in filling certain positions as well as a conscious reduction of non-personnel expenses during Covid. This has resulted in carryover funds which are used in the subsequent year funding and that somewhat mask the effect of continually rising expenses. The projections show us moving back

to inflationary one cent increases in the per capita rate in FY23 and FY24. The projections do not include the costs of initiatives that would come out of the new Strategic Plan development.

Personnel

Personnel costs are our largest expense since we provide services. We have had several open, unfilled positions that have built up in recent years and the projections anticipate filling most of these positions throughout the fiscal year 2022 – the table below shows the schedule to fill 9 positions. Additionally, in the second quarter of FY23, we have tentatively scheduled recruitment for two Air Quality Program positions. These are positions supporting our climate work and were included in the approved FY21 budget. The scope of future work will be determined by the new strategic plan.

Open Positions Projected to be Filled				
	FY22 Draft Budget	FY23 Projection	FY24 Projection	Total
Inspection	1			1
Engineering	2			2
Air Resource Specialist (Technical Analysis)	1			1
IT Developers	2			2
Equity & Engagement	1			1
Air Resource Specialist/Assoc (Clean Air Initiatives)		2		2
Total	7	2	0	9

For FY22, we have used the Consumer Price Index (CPI) data from 2020-2021 for the cost-of-living adjustments for staff (1.7%) and managers (1.6%). For the outyears, we relied on the April 2021 Washington State economic forecast for the Seattle CPI in the range of 1.5% to 1.6%. We projected some budget relief from a projected decrease in the employer pension contribution rate (State Actuary projections). This rate is expected to decrease from 13% in FY21 to the 9.4% - 10.3% range in the outyears - a one percentage point change in this rate is about \$75k in personnel benefits costs.

Workplans

Each year, the agency includes workplans which are specific expenditures related to grant work or specific initiatives that we are proposing for the budget year – outyear requests would be re-evaluated at the start of each year’s budget development. Grant pass-through payments to partners or subrecipients typically constitute the majority of these expenses (77% in FY22). We are proposing to draw down about \$150k (\$50k in FY22) from the General Fund Reserve to pay for Zero Emission Vehicle (ZEV) projects – this would reduce the General Fund Reserve from \$745k (15% of discretionary revenues) to \$595k (11% of discretionary revenues). Pre-Covid, the Board set a target of a 10% reserve, which was increased last year out of caution. The following table shows the breakdown of proposed workplan expenditures and their funding sources:

Workplans - FY22 to FY24			
	FY22 Proposed Budget	FY23-24	Funding
Grant Pass-through Payments to Partners	\$ 2,379,033	688,714	Federal & State Grants
Equity & Engagement Projects	249,000	220,000	Per Capita
Communication & Outreach - Compliance Programs	50,000	100,000	Asbestos, Registration and Operating Permit Fees
Communication & Outreach - General agency, Diesel programs, & web	60,000	109,550	Per Capita
Wood Stove Survey	40,000	-	Per Capita
Outreach & Education - Woodstove program	65,000	40,000	Civil Penalties
Mobility Project (Seattle partnership)	20,000	40,000	Per Capita
Zero Emission Vehicle (ZEV) Projects	50,000	100,000	General Fund Reserve
Low-Income Electric Vehicle (EV) Carshare Pilot	165,000	70,000	Per Capita
Wildfire Incident Contingency (Filter Fans)	24,000	-	Civil Penalties
Total	\$ 3,102,033	\$ 1,368,264	

Professional Services

The proposed FY22 budget includes \$1.8 million for professional services. \$235k of this expense includes recurring professional services that support operations (payroll processing, audit, HR contracts, temporary staffing, etc.) and that are funded by all agency funds. Non-typical expenses in this category in FY22 include:

- \$200k for strategic plan consulting – funded from the interest income fund
- \$100k for executive director recruitment - all agency funded
- \$1 million for legal fees – funded from previously collected civil penalties
- \$207k for IT related professional fees (SharePoint Implementation, financial applications, records retention, temp developer) – funded from the interest income fund
- \$30k for the emissions inventory contract in conjunction with King County – per capita funded

FY23 and FY24 projected professional fees are expected to be a more modest amount of about \$500k per year.

Equipment Purchases & Software Subscriptions

We plan to invest \$262k in equipment in FY22, including the following:

- \$105k for new monitoring equipment (BAM, aethalometer, ceilometer) and special mobile monitoring equipment
- \$85k for inspection and monitoring vehicle replacements
- \$72k for computer equipment

In recent years, the agency has moved from purchasing software to software subscriptions as the market has shifted in this direction. The FY22 budget includes \$166k for software subscriptions and maintenance to support operations – we expect this level of expense to continue in FY23 and FY24.

Funds – Proposed Draws and Balances

The table below shows the impact of the FY22 budget on the FY23 and FY24 projected financial performance and fund balances. We have included reasonable estimates of some future revenues – the one-time increase in the federal (EPA) core grant in FY23, increased state core grant revenues from reallocation, a new biennial woodstove grant, a new small DERA grant, some minor projected compliance fee increases, and inflationary per capita rate increases in FY23 and FY24. We have used reserves to balance the FY22 budget and outyears, particularly per capita carryover from expenditure savings and previously collected civil penalties prior to FY22.

Additionally, we propose drawing from certain reserves to fund one-time or short-lived expenditures. These include drawing \$407k from the interest income fund (estimated balance at FYE21 is \$685k) to fund strategic plan and IT professional fees in FY22. In addition, as noted above, FY21, the agency increased the general fund reserve for potential Covid-19 costs. We propose reducing this back to 11% of discretionary revenues.

Proposed FY22 Budget, Projected FY23-FY24

	FY22 Proposed Budget	FY23 Projection	FY24 Projection
Federal Core Grant (EPA/Ecology)	\$ 941,600	\$ 1,140,600	\$ 941,600
Sec 103 Grant (Ecology)	87,425	87,425	87,425
State Core Grant (Ecology)	672,712	686,090	686,090
Woodstove Grants (Ecology)	476,572	476,573	476,573
Diesel & Air Quality Grants	2,274,224	175,373	33,448
Federal and State Grants	4,452,533	2,566,061	2,225,136
Per Capita Revenues	3,514,054	3,574,283	3,645,303
Fee Program Revenues	5,672,950	5,761,775	5,761,775
Other Revenues	40,000	330,000	300,000
Total Revenues	13,679,537	12,232,119	11,932,214
Personnel Expenses	10,220,124	10,727,408	10,896,629
Work Plan Expenses	3,102,033	725,964	642,300
Operating & Equipment Expenses	3,652,108	2,203,230	2,231,769
Total Expenses	16,974,265	13,656,603	13,770,697
Net Surplus (Deficit)	\$ (3,294,728)	\$ (1,424,484)	\$ (1,838,483)
Full-Time Equivalents	69.7	71.5	72.0
# of Positions	71.0	73.0	73.0
Breakdown of Net Surplus (Deficit):			
Net Surplus (Deficit) - Fee Programs	(1,242,610)	(1,133,320)	(1,209,060)
Net Surplus (Deficit) - Non-fee Programs	(2,052,118)	(591,163)	(929,423)
Civil Penalty Collections	-	300,000	300,000
Net Surplus (Deficit)	(3,294,728)	(1,424,483)	(1,838,483)
Funding:			
Net draws from (contributions to) fee reserves	1,242,610	1,133,320	1,209,060
Net draws from (contributions to) non-fee reserves	483,310	248,355	606,615
Draws from General Fund Reserve	50,000	50,000	50,000
Draws from Interest Income Fund	407,000	-	-
Draws from civil penalty fund balance	1,111,808	292,808	272,808
Civil Penalty Collections (contributions to)	-	(300,000)	(300,000)
Net Draws (Contributions)	3,294,728	1,424,484	1,838,483
Fund Balances (fiscal year-end):			
Per Capita (carryover) Fund	880,305	601,950	(4,666)
General Fund Reserve	694,808	644,808	594,808
Civil Penalty Fund ¹	616,690	623,882	696,690
Interest Income Fund	318,205	348,205	348,205
Discretionary Funds	2,510,008	2,218,845	1,635,037
Per Capita - Reserve for second half of calendar year	1,769,643	1,804,640	1,840,663
Fee Program Funds	3,163,606	2,030,286	821,225
Equipment Reserve	184,337	184,337	184,337
Department & Legal Reserves	50,000	50,000	50,000
Employer Retirement Reserve	265,122	265,122	265,122
Unemployment Reserve	183,294	183,294	183,294
Other Funds	17,064	17,064	17,064
Funds (excludes state pension & OPEB liabilities)²	\$ 8,143,074	\$ 6,753,587	\$ 4,996,743

1. Projected civil penalty collections are not included in estimated revenues for FY22 budget; however, we have included estimated revenues of likely collections for FY23-FY24 similar to average historical levels (\$300k)

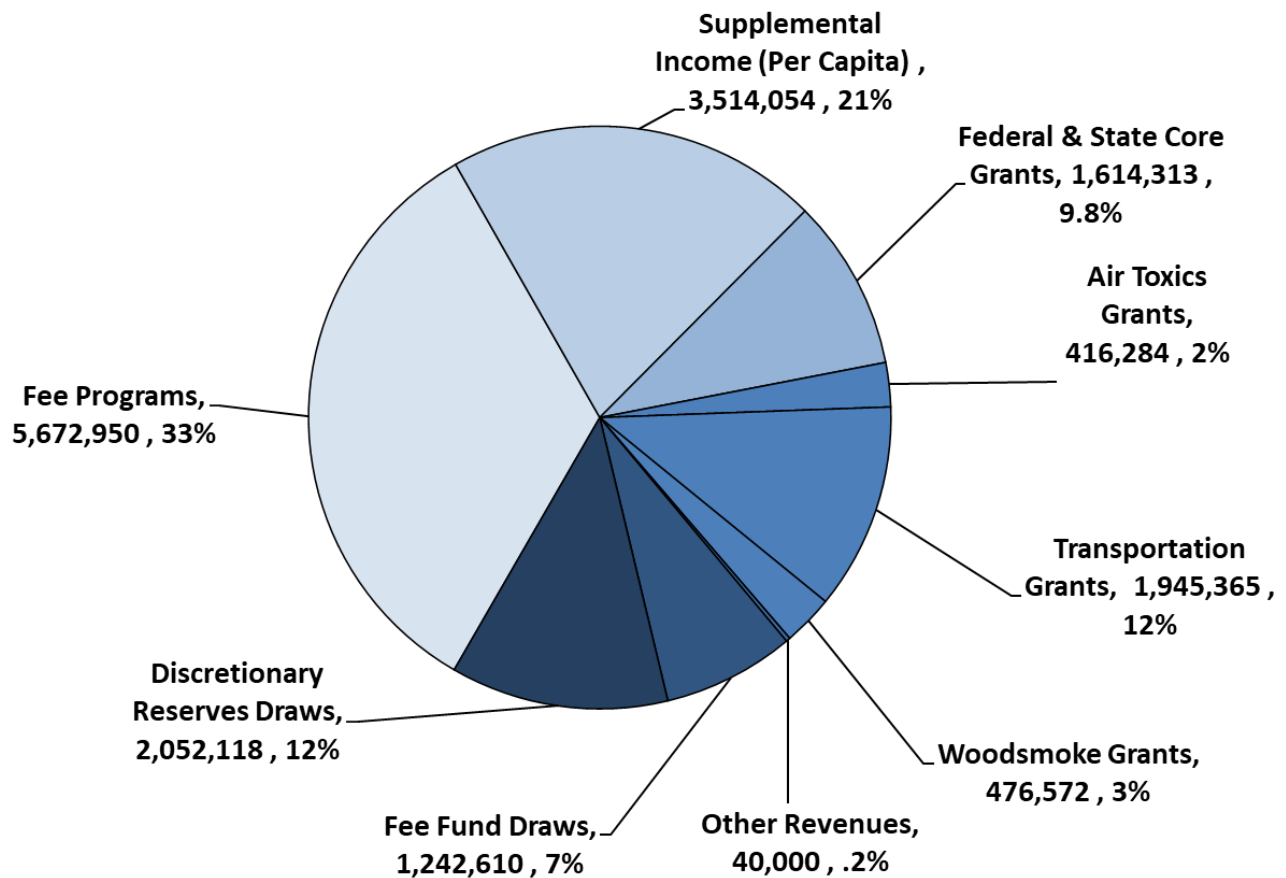
2. Excludes the book entries for the Pension and OPEB Liability Funds - the combined amount for FY21 was \$7 million (negative fund balances)

3. Totals may not add due to rounding

FY22 Funding Sources and Expenses

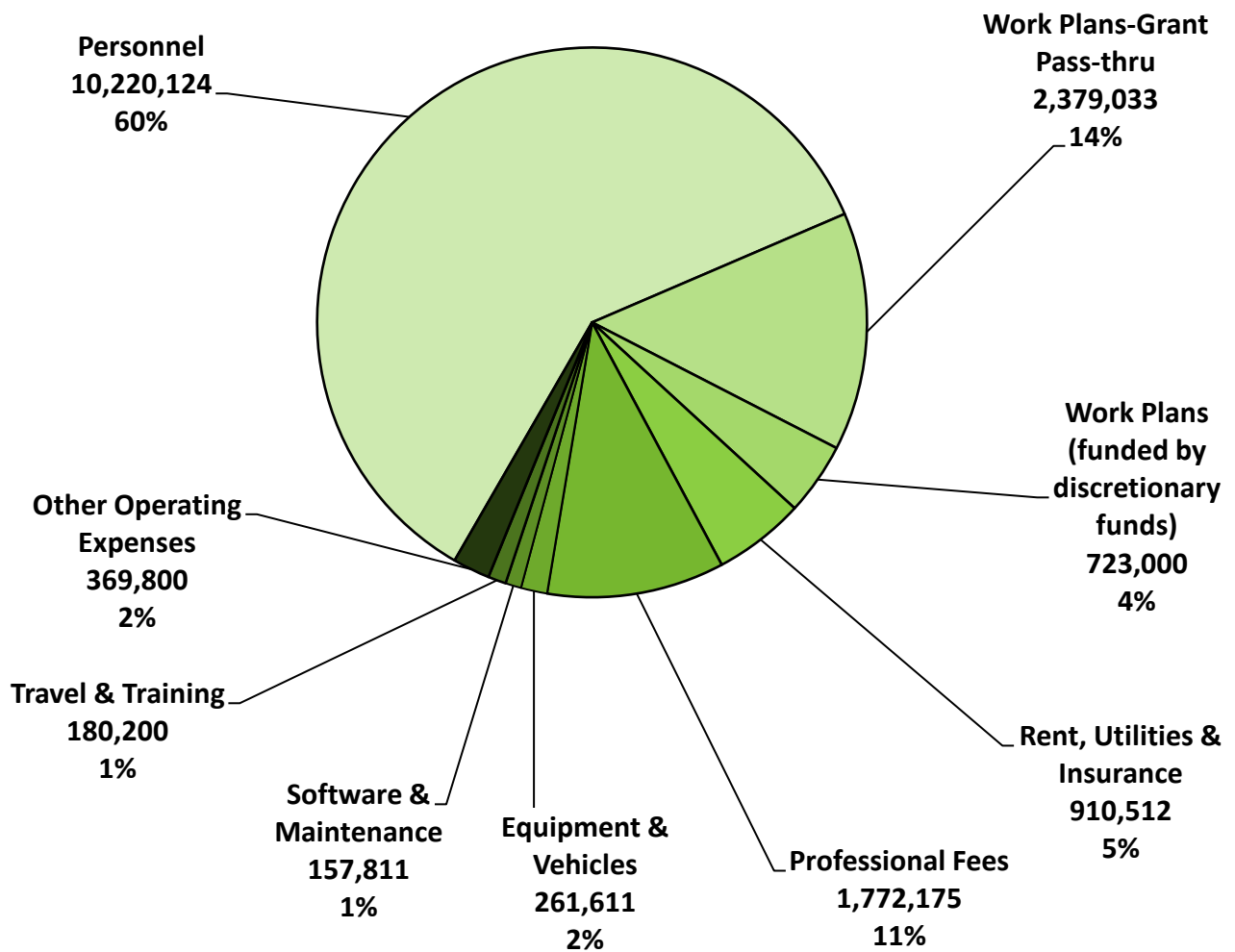
The agency has diversified funding sources – we budgeted total funding of \$17 million for the FY22 budget. The primary funding (33%) is from Compliance Fee program revenues for the regulatory work on pollution sources – these are self-funded programs whose fee revenues only support the regulatory work of the agency. Supplemental income (per capita) comes from an annual assessment (83¢ per person in the four-county jurisdiction) that comprises about 21% of our funding and is used for other air pollution mitigation, public education and outreach, pollution monitoring and forecasting, and overhead support. Federal and state core grants (9.8% of total funding), that are awarded through the Washington State Department of Ecology, also fund the same initiatives as the supplemental income. Transportation and woodsmoke grants (15% of funding) are used for specific diesel emissions or woodsmoke reduction projects in our four-county jurisdiction (King, Kitsap, Snohomish, and Pierce). Discretionary fund draws of \$2.1 million are draws from per capita carryover balances and from previously collected civil penalties. Other fund draws of \$1.2 million are mostly from the Compliance Fee programs fund reserves for operations during the fiscal year.

FY22 Proposed Budget - Funding Sources



The revenues and reserve draws identified above will fund \$17 million in expenses in the FY22 budget. Personnel expenses (\$10.2 million) are our most significant operating expense at 60% of total expenses. Personnel expenses are expected to increase by \$.9 million from FY21 estimated expenses – most of this increase is due to filling open positions that were unfilled during FY21 and the balance is the result of cost-of-living increases in the range of 1.6% to 1.7%. Work plan grant pass-thru expenses (14% of total expenses) are pass-thru payments to grant partners, beneficiaries, or sub-recipients, from carryover and new grants. The work plan expenses funded by draws from discretionary funds (civil penalty fund balances collected in prior years, per capita carryover, and general fund reserves) are supporting community incentive and support programs, electric vehicle promotions, communications related to specific programs, and community engagement and outreach. Professional fees of \$1.8 million are higher than typical years due to legal expenses related to an ongoing enforcement cases, IT-related support contracts, and strategic plan consulting (for the new strategic plan). Rent increases are per our lease agreement. Other expenses are in line with expectations.

FY22 Proposed Budget - Expenses



FY22 Detailed Budget

The detailed FY22 budget is shown on the following pages. Highlights include:

- Budget revenues are projected to be about \$13.8 million, about 9% higher than 2021. This is primarily due to increase in federal diesel emissions reduction and air toxics monitoring grants. We also expect to have a small increase in state grants for diesel emissions projects in FY22.
- The per capita rate charged to our four-county jurisdiction is remaining flat at 83¢; however, total assessments increased due to the 1.45% increase in population in the four counties (King, Pierce, Snohomish and Kitsap).
- The Fee programs are self-funded from fees charged to pollution sources. We do not target these revenues (\$5.7 million) and they are used only to fund the costs of the Asbestos, Notice of Construction, Registration and Operating Permit programs. Notice of Construction fee increases averaging about 10% are set to go into effect in FY22 – these were approved by the Board in FY21. We are not increasing fees for the other programs at this time; however, there is some indication that operating permit fees may be increased in outyears.
- The agency does not set targets in the budget year for civil penalty collections and these are not included in the FY22 budget year. We anticipate interest income, earned on reserves invested in the King County Investment Pool, to be about \$40k in FY22.
- The FY22 budget for personnel expenses (\$10.2 million) is about 10% higher than the previous year mainly due to filling positions that were budgeted in FY21 but were fully or partially vacant. Cost-of-living adjustments (1.6% to 1.7%) contributed to this increase.
- Workplan expenses of \$3.1 million are \$1.9 million higher than the previous year due to the increased pass-through payments related to grants. In addition, work plans expenditures for equity and community engagement and electric vehicle projects increased in FY22.
- Professional services are budgeted to increase to support strategic plan consulting, IT-related contracts and legal expenses.
- Equipment expenses are budgeted to increase in FY22 to include additional/replacement computer equipment, investment in additional monitoring equipment and replacement of two fleet vehicles.

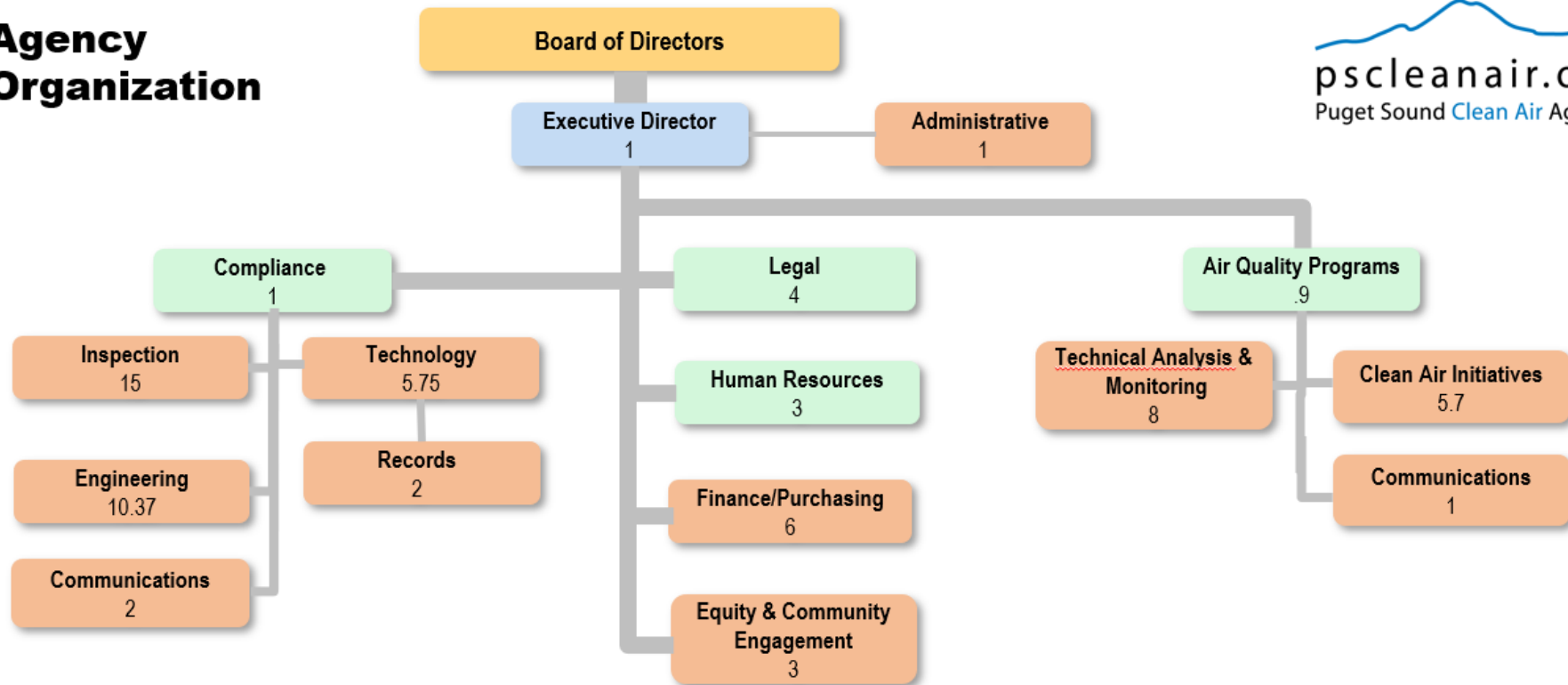
Proposed FY22 Budget

	Proposed FY22 Budget	
Federal Grants:		
105 Grant - Federal Core (EPA/Ecology)	\$ 941,600	<i>Flat projection for FY22</i>
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Marine Eng Repl - DERA/ECOL (00024)-Fedl	264,939	<i>Carryover multi-year grant from FY21</i>
Air Toxics 2020 (EPA)	328,859	<i>Carryover multi-year grant from FY21</i>
Marine Eng Repl - DERA/EPA (DE-01J40801)	55,000	<i>Carryover multi-year grant from FY21</i>
School Bus-Propane (DERA/EPA)	13,500	<i>Carryover multi-year grant from FY21</i>
New DERA 2022 (EPA)	997,000	<i>New grant in FY22 - certain</i>
eCHE Crgo Hdlg Equipment (DERA/EPA) Ecol-00042	338,300	<i>Carryover multi-year grant from FY21</i>
Subtotal - Federal Grants	3,026,623	
State Grants:		
State Core (Ecology)	672,712	<i>Flat projection for FY22</i>
Marine Eng Repl - DERA/ECOL (00024)-State	176,626	<i>Carryover multi-year grant from FY21</i>
New Grant-State Diesel Funding	100,000	<i>New grant from DERA funding - likely</i>
Woodstove Repl/Removal (Ecol)	393,500	<i>New state biennial grant</i>
WoodStove Educ & Enforcement Grant (Ecology)	83,072	<i>Flat projection for FY22</i>
Subtotal - State Grants	1,425,910	
Supplemental Income:		
Per Capita - Cities and Counties	3,514,054	<i>Based on flat per capita rate of 83 cents and a 1.45% population increase</i>
Subtotal - Supplemental Income	3,514,054	
Program Fees:		
Asbestos	675,000	<i>Flat projection for FY22</i>
Notice of Construction	418,000	<i>New NOC fees assumed - 10% avg increase</i>
Registration	2,803,450	<i>Flat projection for FY22</i>
Operating Permits	1,776,500	<i>Flat projection for FY22</i>
Subtotal - Program Fees	5,672,950	
Other Revenues:		
Civil Penalty Collections	-	<i>Not bugeted</i>
Interest Income	40,000	<i>Based on projected yields from the King County Investment Pool and average reserves</i>
Miscellaneous Revenues	-	
Subtotal - Other Revenues	40,000	
Total Revenues	13,679,537	

Personnel Expenses:		
Salaries & Wages	7,516,708	<i>Based on 69.7 FTEs, COLAs at 1.7% (staff) and 1.6% (managers)</i>
Benefits	2,703,416	
Total Personnel Expenses	10,220,124	
Work Plan Expenses	3,102,033	<i>See page 6</i>
Operating Supplies	40,300	
Professional Services	1,772,175	<i>See page 6</i>
Telephone	65,400	
Postage	14,000	
Meetings	3,500	
Travel & Training	180,200	
Transportation	36,900	
Rent & Utilities	811,287	<i>Per office lease and equipment lease schedules</i>
Insurance	99,225	
Software & Maintenance	157,811	<i>See page 6</i>
Repairs & Maintenance	74,000	
Legal Expenses	45,000	
Printing	11,500	
Merchant & Bank Fees	79,200	
Subtotal - Operating Expenses	6,492,531	
Tenant Improvements	-	
Computer & Office Equipment	71,611	
Vehicles	85,000	
Technical/Scientific Equipment	105,000	
Subtotal - Equipment	261,611	<i>See page 6</i>
Total Expenses	16,974,265	
Net Before Appropriations	\$ (3,294,728)	

Appropriations from (Contributions to) Fund		
Per Capita Draw (Contr) - Operations	523,310	<i>Draw on per capita carryover</i>
Per Capita Draw - Dept Reserves	-	
General Fund Reserve	50,000	<i>Draw to fund electric vehicle workplan</i>
Civil Penalty Collections	-	
Civil Penalties Draw - Recurring	22,808	
Civil Penalties Draw - Programs	89,000	
Civil Penalties -Transfers	1,000,000	<i>Transfer to legal fund</i>
Subtotal - Discretionary Funds	1,685,118	
Fee Programs	1,242,610	<i>Draw on reserves</i>
Equipment Reserve	-	
Compliance Reserve	-	
Department Reserves	-	
Legal Dept Reserve	-	
Interest Income Fund	367,000	<i>Draw of \$407k to fund Strategic Plan and IT professional fees netted against \$40k interest income</i>
Employer Retirement Fund	-	
Pension & OPEB Funds	-	
Other	-	
Subtotal - Appropriations (Contributions)	3,294,728	
Net	-	
FTEs	69.72	
Ending Fund Balances		
Per Capita (carryover) Fund	880,305	
General Fund Reserve	694,808	
Civil Penalty Fund	616,690	
Interest Income Fund	318,205	
Discretionary Funds	2,510,008	
Per Capita - Reserve for second half of calendar year	1,769,643	
Fee Program Funds	3,163,606	
Equipment Reserve	184,337	
Department & Legal Reserves	50,000	
Employer Retirement Reserve	265,122	
Unemployment Reserve	183,294	
Other Funds	17,064	
Funds (excludes state pension & OPEB liabilities)	\$ 8,143,074	

Agency Organization



Employees		
FY21 Estimate	FY22 Budget	Change from Prior Year
63.7 FTEs	69.7 FTEs	6 FTEs
<u>Budgeted 71 Positions</u>	70 Positions	-1 Position
Explanation of changes:		
<ul style="list-style-type: none"> • 6 open FTE positions filled in FY22 – Compliance (3.25), IT (1.75), HR (.5), and Equity & Engagement (.5) 		

FY22 Fund Balances

Agency fund balances at fiscal year-end (June 30th) are a combination of reserves defined in our Financial Policies (pgs. 18-26) and funds committed for the following fiscal year budget. For example, fees for the Registration and Operating Permit programs are billed in November for the calendar year beginning in January. At June 30th, these fund balances include six months' worth of revenues committed to the second half of the calendar year (or the first half our new fiscal year) as well as financial policy stabilization reserves.

A significant change to our reporting of fund balances has been the implementation of Government Accounting Standards Board (GASB) requirements regarding the recognition of each government's portion of the state retirement plan's unfunded pension liability and the net liability for retiree benefits. These amounts are measured and reported at each fiscal year end. For FY21, this resulted in our reporting a "negative" fund balance of \$7.1 million for the agency's portion of the net liabilities. The pension liability is an estimate of the net assets (investments and future earnings) and liabilities (projected retirement payouts) and is reviewed by the state actuary each year and reported by the state Department of Retirement Systems. The retiree benefits liability is the result of discounted medical premiums offered to retirees.

The schedule of funds on the next page shows the funds and their projected balances at fiscal year-end (June 30th) 2021 through 2022. This schedule also indicates the section of the financial policies in this document that determine fund uses and reserves.

FY22 Proposed Budget - Fund Balances at Fiscal Year-End

	FY21 Estimated Ending Balance	FY22 Proposed Budget	See Financial Policy Section	Comments
Per Capita Carryover	1,409,857	880,305	II.B.1.	<i>Carryover of per capita funds - used to fund a following year deficit</i>
General Fund Reserve	744,808	694,808	IV.B.4	<i>This fund was increased by \$250k from expense savings in FY20-FY21 from 10% to 15% of discretionary revenues; the FY22 budget proposes to use \$50k in FY22 for workplan expenditures (11% reduced target)</i>
Civil Penalties	1,704,287	592,479	II.D.	<i>FY22 spending from these previously collected penalties supports the specific uses as described in the FY22 Financial Policies - most of the decrease is due to a transfer of funds to the legal reserve</i>
Subtotal - Discretionary	3,858,952	2,167,592		
Per Capita	1,744,411	1,769,643	II.B.1.	<i>Reserve for second half of calendar year - 50% of the calendar year billings (the increase is solely due to the population increase)</i>
Civil Penalties - Committed	24,211	24,211	II.D.	<i>These are fund balances from settlements that are committed to specific uses</i>
Asbestos	387,439	214,081	II.B.2.	<i>The stabilization reserve target for this fund is approximately \$423k</i>
Notice of Construction	71,825	38,068	II.B.2.	<i>The stabilization reserve target for this fund is approximately \$225k - the projected fund balance may not fully reflect NOC fee increases at the beginning of FY22</i>
Registration	2,610,690	2,183,558	II.B.2.	<i>The target reserve for this fund is \$2.4 million</i>
Operating Permits	1,140,583	527,899	II.B.2.	<i>The target reserve for this fund is \$1.8 million</i>
Equipment Reserve	184,337	184,337	Appendix 2	<i>This reserve is for unplanned equipment, vehicle or software requirements during the fiscal year.</i>
Department/Division Reserves	243,127	250,000	IV.B.3.	<i>Includes \$200k for the Compliance Division reserve and \$50k for other non-fee department reserves</i>
Legal Reserve	-	-	Determined during budget development	<i>This reserve is funded in FY22 by a transfer of \$1 million from previously collected civil penalties</i>
Employer Retirement Reserve	265,122	265,122	II.E.	<i>This balance is reserved for future employer rate increases for the Public Employee's Retirement System</i>
Unemployment Reserve	183,294	183,294	IV.B.5.	<i>This fund is used to fund the agency's self-insured unemployment claims.</i>
Interest Income Fund	685,205	318,205	II.E.	<i>This fund can be used for one-time non-personnel expenditures approved by the Board</i>
Other Funds	17,064	17,064		<i>Miscellaneous funds</i>
Subtotal - Fund balances	\$ 11,416,260	\$8,143,074		<i>Fund balances before Pension and OPEB net liability recognition</i>
Pension and OPEB Liabilities	(7,101,381)	(7,101,381)		<i>The agency's proportionate share of the state retirement plan's net pension plus post-employment benefits liabilities (required by GASB)</i>
Total Balance at June 30th	\$ 4,314,879	\$1,041,693		

Fiscal Year 2022 – Puget Sound Clean Air Agency Adopted Financial Policies

I. Planning Policies

A. Balanced Budget

As required by RCW 70.94.092, on or before the fourth Monday in June of each year, the Board of Directors adopts a budget for the following fiscal year (July 1 – June 30). The budget is a balanced budget and contains adequate funding and provides for staff sufficient to carry out the provisions of all applicable resolutions and regulations related to air pollution reduction, prevention, and control.

The Board takes action to amend the budget when unanticipated funding is received such as grants, or in the event of other significant unforeseen events that may affect the budget.

B. Multi-Year Planning

Sound fiscal management and planning are important to the health of the agency. To this end, the agency engages in multi-year planning each year to assess and evaluate items such as the financial implications of current and proposed operating and capital budgets, the fund balance, financial policies, issues related to state and federal funding, the agency's vision and strategic plans, and other foreseeable trends and issues that may affect the future of the agency. Strategic plans may include vision statements, multi-year strategies and annual work plans. The information developed during long-range planning is used in preparing the annual budget.

C. Asset Inventory

To safeguard agency assets purchased with public funds and to ensure adequate internal controls are maintained, the agency inventories and assesses the condition of all major capital assets. Agency assets are used only for agency business purposes. (See Appendix 1, Asset Capitalization, and Inventory Procedures).

Asset inventory information is used to plan for the ongoing financial commitments and future needs of the agency.

II. Revenue Policies

A. Revenue Diversification

To the extent feasible, the agency maintains a diversified and stable revenue system to improve its ability to handle fluctuations in any individual source of funding. The agency does not rely solely on state and federal funds and consistently seeks additional sources of revenue.

B. Per Capita and Fee Revenues

1. Per Capita (Proportion of Supplemental Income) - Cities, towns and counties are required by state law to contribute annually to the agency's operations. RCW 70.94.093 stipulates various methods

for determining the proportion of supplemental income of this per capita revenue. During the annual budget process, the Board determines which method to use. In addition, the Board annually reviews the amount of the per capita assessment, considering such factors as the rate of inflation compared with the rates of population growth and/or assessed valuation of property, the agency's revenue needs for programs and/or equipment that cannot be fully supported by other funds, whether or not programs requiring funding are mandatory, and appropriate equitable factors. For each annual budget, the budget amount of Per Capita revenues (Supplemental Income) will be determined by combining 50% of the prior calendar year per capita assessment amount along with 50% of the budget calendar year amount.

2. *Fee-Based Revenues* - Revenues collected for a specific fee-based program are retained within that program in the fund balance. Fees collected for one fee-based program cannot be spent on a different program. Annual increases may be adopted to ensure that each program remains self-supporting in current and future years and that fee reserve fund balances are retained. Fees may also include temporary surcharges to reflect technological advances or mandated requirements for a specific program.

Fee-based programs are self-supporting and as required by law, the amount of the fees may only cover the cost of administering the program. See RCW 70.94.151 (registration fees), 70.94.152 (notice of construction fees), and 70.94.162 (operating permit fees).

C. Use of Funds

1. *Use of One-Time and Unpredictable Revenues* - To the extent feasible, the agency uses one-time revenues for one-time expenditures and unpredictable revenues for a specific purpose and not to finance ongoing programs or operations.

2. *Federal Section 103 Funds* - These funds are provided by EPA to pay for a specific project. Currently, the Federal Section 103 grant pays for the costs contained in the agency's annual contract with the Department of Ecology for PM2.5 monitoring.

3. *Federal Section 105 Funds (Base Grant)* - These funds support activities required by EPA through the grant agreement for the federal priorities that are not supported by fees. This includes protecting human health by reducing emissions of PM2.5, ozone, and other criteria and toxic air pollutants; and characterizing the health consequences of air pollution, collecting data that has the greatest benefit for public health, and increasing the public understanding of the health effects and costs of pollution.

4. *Other Grants (Special Project or Sub-Recipient)* - When the agency receives grant funds for specific projects, staff time and operational expenses necessary to administer the grants are normally charged against the grants.

5. *State Wood Stove Account Funds* - The state wood stove funds are required to be spent on wood stove education and enforcement. The education program may include raising awareness of impaired air quality burn bans, the effects of wood stove emissions on health and air quality, methods of achieving better efficiency and emission performance from wood stoves, which wood

stoves are approved by Ecology, or the benefits of replacing inefficient wood stoves with new stoves. The enforcement program may include air quality monitoring, developing air quality forecast products, and enforcement of impaired air quality burn bans.

6. *State Grant (Core)* - The highest priority for these funds is to implement state requirements not covered by fees, the federal Section 105 grant or the wood stove account funds. This includes managing indoor and outdoor burning regulations and burn bans and working with fire departments and other partners to help people understand outdoor burning restrictions, where applicable, and cleaner alternatives to yard debris disposal where burning is still allowed.

7. *Local Supplemental Income (Per Capita)* - The highest priority for these funds is to address local and state priorities not paid for by other sources of funds. This includes, but is not limited to, elements of the agency strategic plan not funded by other sources, for example environmental justice, climate protection, policy advocacy, and regional transportation planning.

D. Civil Penalty Revenues

As a result of its compliance activities, the agency receives civil penalty revenues. To ensure the agency is not perceived as assessing civil penalties to support its operations, revenue from civil penalties collected goes directly to a separate fund to be used in accordance with Section III B. of this policy. In preparing budgets, the agency does not include an amount of projected civil penalty revenue for the next fiscal year, but does include expenditures of civil penalty revenues, in accordance with this policy, previously received.

E. Interest Income Revenues

Unless otherwise provided in this section, the agency allocates earned interest income revenues to all fund cash accounts every month based on the cash in each fund at the end of the month, with the exception of certain grant funds due to audit restrictions.

For FY22 interest income and investment recaptures (from previous investment losses) during the year will be transferred to the Interest Income Fund. The Interest Income Fund balance of \$7k is reserved for potential impaired investment write-offs from the King County Investment Pool. The excess balance above this amount, from interest income earned, can be used, with Board approval, for unforeseen one-time non-personnel expenditure needs that may arise in the fiscal year, for short-term bridge funding for a budget year, or for operational expenses related to Covid-19 impacts.

III. Expenditure Policies

A. Operating/Capital Expenditures

The agency periodically compares actual expenditures to budget and decides upon any actions needed to bring the budget into balance. To this end, quarterly financial statements are prepared for and reviewed by agency management, and quarterly financial information is provided to the Board of Directors.

B. Civil Penalties

Revenue from civil penalties collected may be expended only for the purposes described in this policy. These purposes include support for:

- establishing and maintaining strategic partnerships;
- promotional and outreach activities (to include communication tools, services and materials) that support our vision;
- efforts to address inequities in air pollution exposure;
- community-focused air quality characterization or improvement projects;
- voluntary and incentive-based programs that produce quantifiable climate, toxics or criteria pollutant benefits; and
- atypical or unusual legal expenses.

Such projects are budgeted annually based on the agency's objectives and the availability of previously collected funds. The agency may also use a portion of a specific civil penalty to reimburse a fee-based program where there are extraordinary costs associated with a particular enforcement action. Also, the agency may negotiate non-financial civil penalty settlements, such as requiring in-kind support or direct education and outreach activities as Supplemental Environmental Projects.

C. Debt Issuance

As authorized by RCW 70.94.091, the agency may levy additional taxes in excess of the constitutional and/or statutory tax limitations for any authorized purpose.

IV. Fund Balance Policies

A. Contingency Account

The agency maintains a contingency account that would be used in the event the agency was forced to close its doors permanently. The account includes funds to pay any agency obligations for employees at retirement and other legally required amounts. The agency maintains sufficient funds in this account to meet these obligations to the extent such obligations are reasonably foreseeable. The contingency accounts are reviewed each year as part of the budget process.

This account shall include funds sufficient to cover one hundred percent of the potential excess compensation owed to the Washington State Department of Retirement Systems for PERS 1 retirees, one hundred percent of the potential liability for accrued employee vacation and any potential liability for one-third of accrued employee sick leave.

B. Stabilization Accounts

The agency maintains a prudent level of financial resources to strive to protect against the need to reduce service levels or raise fees due to temporary revenue shortfalls, unforeseen one-time

expenditures, or cash flow needs. Funds that have been set aside for future or special use are set aside in the designated funds balance. This includes the Clean Air Act Reserve Accounts, Capital Equipment, Software Applications, and IT Services Reserve, Department Reserve Accounts and General Fund Reserve. The stabilization accounts are reviewed each year as part of the budget process.

1. *Clean Air Act Reserve Accounts* - Each fee-based program has a separate reserve account and these fee reserve balances are reviewed on an annual basis. For the Asbestos and Notice of Construction programs, the reserve balance should be approximately 50% of the annual cost of the program. For the Registration and Operating Permit programs, the reserve balance should be approximately 25% of the annual cost of the program. A portion (\$200,000) of the fee program fund balances is reserved as the Compliance Division Reserve for unanticipated expenses relating to fee program work that occurs during a fiscal year. This reserve will be replenished by appropriate fee funds each year.

2. *Capital Equipment, Software Applications, and IT Services Reserve*

- To the extent practical, the agency budgets for routine capital equipment, software, and IT services needs each year through current revenues rather than use of funds in reserve accounts. However, the agency maintains a capital equipment, software applications and IT services reserve account (see Appendix 2) to minimize fluctuations due to large or unanticipated purchases and because the agency does not have the ability to borrow funds from other entities.

A plan for reimbursement of the funds must be submitted prior to withdrawal of the funds. The Board may adjust account balance limits during the Agency's annual budget process. Surplus income from the sale of assets is transferred to the reserve unless the equipment was funded with grant or fee funds with certain restrictions.

3. *Department/Division Reserves* - The agency maintains a small reserve account for each department. These reserves are for unanticipated expenses relating to particular departmental work that occurs during the fiscal year. The presence or use of the reserve accounts does not in any way lessen or eliminate the need for appropriate planning by each department during the annual budget process. The amounts for each reserve will not exceed the amount originally established for the account and will be reviewed each year as part of the budget process. The accounts will be replenished each year by appropriate funding sources for each department.

4. *General Fund Reserve* – This reserve is established for non-fee program related items such as unanticipated items in the budget fiscal year, emergency funding for deferred maintenance, insurance deductibles in the event of a major loss, bridge funding for inter-grant periods, and as an additional offset for inter-month negative cash balances. The targeted balance for this reserve is 10% (reached in FY10) of the general fund revenues (composed of per capita revenues, the federal core grant and the state core grant). In FY21, this reserve was increased by \$250,000 from expenditure reductions in FY20. If necessary, this reserve is funded or replenished from interest income, investment recaptures (from previous investment losses) and other discretionary (unrestricted) funds resulting from better-than-planned budget performance (see section II.E.). The Board must approve withdrawals from the general fund reserve, as part of the annual budget or through a budget amendment. The approval must include a plan for reimbursing the reserve.

5. Unemployment Reserve – The agency operates on a reimbursement basis with the Employment Securities Department (ESD) rather than paying quarterly unemployment taxes. The agency has minimal control over the timing, duration and amount of unemployment charges. The purpose of this reserve is to provide for unemployment expenditures. The amount of this reserve will be assessed as needed and funded accordingly.

C. Civil Penalty Account

The revenue collected from civil penalties goes directly to the Civil Penalty Account to be used in accordance with Section III B. of this policy. In preparing annual budgets, the agency only includes expenditures of civil penalty revenues previously received. The balances in this account may be used to offset periodic negative inter-month cash balances created by grant-related receivable balances.

Appendix 1 – Asset capitalization and inventory procedures

Categories of Assets, Risk Ratings, Frequency of Physical Inventory, Capitalization Amount.

Category	Risk (loss) Rating	Capitalization Amount	Frequency of Physical Inventory
Transportation Equipment	High	\$5,000	1 year
Computer Equipment	High	\$5,000	1 year
Communication/ Audio visual Equipment	High	\$5,000	1 year
Site/Shop Equipment	Medium	\$5,000	2 years (Odd FY)
Lab Equipment	Low	\$5,000	2 years (Odd FY)
Office Furniture	Low	\$5,000	2 years (Even FY)
Leasehold Improvements	Low	\$5,000	2 years (Even FY)

Capitalization of Assets

The Agency follows the Federal Common Rule of property management requirements for the acquisition, management and disposition of capitalized assets. At this time, the threshold amount is \$5,000. Assets under this threshold will be tagged, inventoried, and tracked but not listed on the Agency financial statements as capital assets.

Inventory System

The Finance Department maintains an inventory system that includes tagging, inventorying and tracking agency equipment and capitalized assets. The system includes the asset purchase date, amount or current valuation, manufacturer description, asset identification number, department assignment, asset location, physical inventory date, and future surplus disposition.

Physical Inventory of Assets – Capitalized and Non-Capitalized

The Manager of Finance and Purchasing schedules a physical inventory of department assets with each department manager. This inventory is based on risk ratings, the value of the item and probability of theft and/or misuse. Each department completes a physical inventory of the department assets by the end of the fiscal year.

Tagging of Assets

Assets are identified with a permanent tag that provides accurate agency and category identification. Assets purchased with federal funding are also identified with a permanent tag and an additional reference in the Asset Tracking System to indicate title to the equipment. The Finance Department keeps asset tags and assigns a tag to each department after each purchase.

Sale or Surplus of Assets

The Board of Directors must approve by resolution a list of capitalized assets scheduled for sale, surplus and disposal.

Appendix 2 – Capital Equipment, Software Applications, and IT Services Reserve

Purpose

We strive to meet our routine capital equipment needs each year from current revenues. To minimize fluctuations in the need for revenues due to large or unanticipated capital purchases, and because the Agency does not have the ability to borrow funds from other entities, a capital equipment reserve account is included in our finance management system. The purpose of this policy is to describe how this reserve account is derived and used.

The Agency maintains a reserve account that helps fund the following types of purchases:

- Vehicles
- Air Monitoring/Scientific Equipment and applications
- Computer Systems and applications
- Office Machines and Tenant Improvements
- Specialized Information Technology Consulting Services

Principles

General

- The reserve target should reflect a prudent amount of funds necessary to pay for the intended use. The target is \$170,000 which includes amounts previously accumulated separately for air monitoring/scientific equipment and applications and for the Agency Telephone system replacements but no longer needed to be earmarked in the balance.
- The Board may adjust account balance limits during the Agency's annual budget process.
- Expenditures from the Capital Equipment Reserve are normally made to:
 - Fund large non-routine capital or applications expenditures
 - Meet high priority needs not envisioned during the budget process
- The reserve is not funded by federal or state grant dollars.

Withdrawals

- The Board must approve withdrawals that exceed \$50,000 from the reserve account, as part of the annual budget or through a budget amendment.

- The Executive Director may approve withdrawals from the reserve account in the amount of \$ 50,000 or less.
- When funds are withdrawn from the reserve account in any amount the responsible manager must provide a written schedule for reimbursing the account and identify the source of the funds for the reimbursement.

CY22 Supplemental Income (Per Capita Assessment)

The Washington State Clean Air Act, at RCW 70.94.093, requires that the Board of Directors of the Agency:

1. Shall select a method of determining the apportionment of supplemental income based on one of the following: 1) the population method (Method 1), which allocates the per capita fees to each jurisdiction based on their respective populations; 2) the assessed property value method (Method 2), which allocates the per capita fees to each jurisdiction based on their respective share of the total assessed property values; or 3) the 50:50 method (Method 3), which blends the population and assessed value methods in allocating the per capita fees to jurisdictions; and,
2. Shall certify by the fourth Monday in June of each year the share of the Agency's supplemental income budget that shall be paid in the next calendar year by each city and county located in the Agency's jurisdictional area.

During each fiscal year's budget cycle, we present information to the Board that compares the budget year per capita assessment, under the various methods of apportionment, to the prior year's actual assessment (see the table on pages 29-31) and apportionment. This information shows the impact on the various jurisdictions from changes in population and assessed property values combined with the change in the per capita rate. The pure population (Method 1) or assessed property value method (Method 2) can cause more dramatic swings in the apportionment from year to year depending on the relative population growth or influences of the economy on property values. The 50:50 method (Method 3) averages the first two methods so that there are more moderate annual changes.

In April 2021, the Board adopted the per capita rate of 83¢ (no increase since 2019) and the 50:50 method (Method 3) of apportioning the total assessment for calendar year 2022. The overall per capita assessment revenues would increase by \$50k, from \$3,488,822 in CY2021 to \$3,539,286 in CY2022. All of this increase is due to the 1.45% population increase in the four-county jurisdiction (King, Pierce, Snohomish and Kitsap).

The FY22 budgeted supplemental income of \$3,514,054 reflects only six months of the \$50k increase because the agency's fiscal year ends June 30th and, therefore, we only budget half of the calendar year increase.

The table on the page 28 shows the adopted CY22 supplemental income (per capita) by jurisdiction using 83¢ as the rate and applying the 50:50 method of apportionment. The agency issues notifications to each of the jurisdictions each year in June, following budget adoption, regarding the next calendar year's assessment.

CITY/COUNTY:	KING	Amount	CITY/COUNTY:	PIERCE	Amount
Algona		\$ 2,594	Auburn (Part)		\$ 6,670
Auburn (Part)		\$ 50,905	Bonney Lake		\$ 15,218
Beaux Arts Village		\$ 500	Buckley		\$ 3,467
Bellevue		\$ 188,063	Carbonado		\$ 421
Black Diamond		\$ 4,136	Du Pont		\$ 7,445
Bothell (Part)		\$ 25,108	Eatonville		\$ 1,803
Burien		\$ 36,280	Edgewood		\$ 9,058
Carnation		\$ 1,664	Fife		\$ 9,448
Clyde Hill		\$ 6,644	Fircrest		\$ 4,742
Covington		\$ 14,022	Gig Harbor		\$ 10,843
Des Moines		\$ 22,032	Lakewood		\$ 39,316
Duvall		\$ 6,025	Milton (Part)		\$ 4,632
Enumclaw		\$ 8,581	Orting		\$ 5,290
Federal Way		\$ 63,460	Pacific (Part)		\$ 478
Hunts Point		\$ 2,324	Puyallup		\$ 30,835
Issaquah		\$ 37,751	Roy		\$ 482
Kenmore		\$ 19,183	Ruston		\$ 1,015
Kent		\$ 97,536	South Prairie		\$ 305
Kirkland		\$ 94,786	Steilacoom		\$ 4,721
Lake Forest Park		\$ 11,622	Sumner		\$ 10,925
Maple Valley		\$ 19,262	Tacoma		\$ 146,101
Medina		\$ 9,582	University Place		\$ 23,000
Mercer Island		\$ 37,467	Wilkeson		\$ 306
Milton (Part)		\$ 990	Total Incorporated Pierce County		\$ 336,521
Newcastle		\$ 12,244			
Normandy Park		\$ 6,095	CITY/COUNTY:	SNOHOMISH	Amount
North Bend		\$ 6,418	Arlington		\$ 14,500
Pacific (Part)		\$ 4,088	Bothell (Part)		\$ 17,399
Redmond		\$ 77,238	Brier		\$ 5,529
Renton		\$ 81,313	Darrington		\$ 901
Sammamish		\$ 62,356	Edmonds		\$ 38,311
Sea-Tac		\$ 25,081	Everett		\$ 84,135
Seattle		\$ 781,350	Gold Bar		\$ 1,334
Shoreline		\$ 45,092	Granite Falls		\$ 2,807
Skykomish		\$ 145	Index		\$ 122
Snoqualmie		\$ 11,992	Lake Stevens		\$ 23,581
Tukwila		\$ 22,863	Lynnwood		\$ 31,010
Woodinville		\$ 13,501	Marysville		\$ 45,987
Yarrow Point		\$ 2,992	Mill Creek		\$ 16,822
Total Incorporated King County		\$ 1,913,285	Monroe		\$ 13,750
			Mountlake Terrace		\$ 15,786
CITY/COUNTY:	KITSAP	Amount	Mukilteo		\$ 18,994
Bainbridge Island		\$ 27,385	Snohomish		\$ 7,506
Bremerton		\$ 25,158	Stanwood		\$ 4,974
Port Orchard		\$ 10,100	Sultan		\$ 3,487
Poulsbo		\$ 8,655	Woodway		\$ 1,969
Total Incorporated Kitsap County		\$ 71,298	Total Incorporated Snohomish County		\$ 348,904
Unincorporated King County		\$ 196,138	Incorporated King County		\$ 1,913,285
Unincorporated Kitsap County		\$ 121,339	Incorporated Kitsap County		\$ 71,298
Unincorporated Pierce County		\$ 281,879	Incorporated Pierce County		\$ 336,521
Unincorporated Snohomish County		\$ 269,922	Incorporated Snohomish County		\$ 348,904
Total Unincorporated Counties:		\$ 869,278	Total Incorporated Counties:		\$ 2,670,008
Total CY2022 Prop Share of Support:		\$ 3,539,286			

Per Capita Assessment - Actual CY2021 Compared to Proposed CY2022

									Change in Per Capita Assessment from 2021 Actual to 2022 under each method					
Actual CY2021 - at 83 cents			Proposed CY2022 - at 83 cents						50:50 Method		Population Method		Assessed Value Method	
Population	Assessed Property Values	50:50 Method	Population	Assessed Property Values	50:50 Method	Population Method	Assessed Value Method	\$ Change in Per Capita Fees	% Change	\$ Change in Per Capita Fees	% Change	\$ Change in Per Capita Fees	% Change	
Per Capita Rate		\$ 0.83			\$ 0.83	\$ 0.83	\$ 0.83							
Jurisdiction														
Algona	3,190	635,541,724	\$ 2,484	3,210	710,798,052	\$ 2,594	\$ 2,664	\$ 2,524	\$ 110	4.4%	\$ 180	7.3%	\$ 40	1.6%
Auburn (Part)	71,740	11,011,486,530	49,872	71,960	11,849,437,204	50,905	59,727	42,084	1,033	2.1%	9,855	19.8%	(7,788)	-15.6%
Beaux Arts	300	208,491,757	505	300	211,188,580	500	249	750	(5)	-1.0%	(256)	-50.7%	245	48.5%
Bellevue	145,300	68,318,402,917	185,006	148,100	71,293,126,396	188,063	122,923	253,202	3,057	1.7%	(62,083)	-33.6%	68,196	36.9%
Black Diamond	4,525	1,010,636,846	3,723	5,205	1,112,933,931	4,136	4,320	3,953	413	11.1%	597	16.0%	230	6.2%
Bothell (Part)	28,570	7,157,203,764	24,921	29,730	7,191,391,210	25,108	24,676	25,541	187	0.8%	(245)	-1.0%	620	2.5%
Burien	52,000	7,877,912,707	35,960	52,300	8,207,791,119	36,280	43,409	29,151	320	0.9%	7,449	20.7%	(6,809)	-18.9%
Carnation	2,220	402,535,850	1,656	2,265	407,950,576	1,664	1,880	1,449	8	0.5%	224	13.5%	(207)	-12.5%
Clyde Hill	3,055	3,025,493,616	6,790	3,055	3,027,322,750	6,644	2,536	10,752	(146)	-2.2%	(4,254)	-62.7%	3,962	58.3%
Covington	20,280	2,870,055,119	13,655	20,530	3,098,266,122	14,022	17,040	11,004	367	2.7%	3,385	24.8%	(2,651)	-19.4%
Des Moines	31,580	4,748,403,120	21,773	32,260	4,867,556,097	22,032	26,776	17,287	259	1.2%	5,003	23.0%	(4,486)	-20.6%
Duvall	7,840	1,470,525,425	5,938	7,950	1,534,857,512	6,025	6,599	5,451	87	1.5%	661	11.1%	(487)	-8.2%
Enumclaw, part	12,200	1,689,726,791	8,147	12,610	1,885,408,835	8,581	10,466	6,696	434	5.3%	2,319	28.5%	(1,451)	-17.8%
Federal Way	97,840	12,075,445,354	62,646	98,340	12,754,309,543	63,460	81,622	45,298	814	1.3%	18,976	30.3%	(17,348)	-27.7%
Hunts Point	420	1,242,616,557	2,443	420	1,210,732,654	2,324	349	4,300	(119)	-4.9%	(2,094)	-85.7%	1,857	76.0%
Issaquah	37,590	12,007,393,649	37,518	38,690	12,217,010,326	37,751	32,113	43,390	233	0.6%	(5,405)	-14.4%	5,872	15.6%
Kenmore	23,320	5,324,117,730	19,396	23,450	5,322,258,745	19,183	19,464	18,902	(213)	-1.1%	68	0.3%	(494)	-2.5%
Kent	129,800	23,002,042,032	95,854	130,500	24,427,645,579	97,536	108,315	86,756	1,682	1.8%	12,461	13.0%	(9,098)	-9.5%
Kirkland	88,940	31,652,672,725	94,688	90,660	32,190,057,111	94,786	75,248	114,325	98	0.1%	(19,440)	-20.5%	19,637	20.7%
Lake Forest Park	13,250	3,455,657,267	11,807	13,280	3,441,434,665	11,622	11,022	12,222	(185)	-1.6%	(785)	-6.6%	415	3.5%
Maple Valley	26,180	4,337,773,278	18,783	26,630	4,623,843,141	19,262	22,103	16,422	479	2.6%	3,320	17.7%	(2,361)	-12.6%
Medina	3,245	4,714,784,383	9,953	3,300	4,624,684,427	9,582	2,739	16,425	(371)	-3.7%	(7,214)	-72.5%	6,472	65.0%
Mercer Island	24,470	15,199,083,170	37,899	24,690	15,328,872,435	37,467	20,493	54,442	(432)	-1.1%	(17,406)	-45.9%	16,543	43.6%
Milton (Part)	1,195	175,843,995	817	1,595	184,775,294	990	1,324	656	173	21.2%	507	62.0%	(161)	-19.7%
Newcastle	12,450	3,694,577,615	11,911	12,870	3,886,990,612	12,244	10,682	13,805	333	2.8%	(1,229)	-10.3%	1,894	15.9%
Normandy Park	6,610	1,809,616,438	6,046	6,625	1,883,894,859	6,095	5,499	6,691	49	0.8%	(547)	-9.1%	645	10.7%
North Bend	6,965	1,720,587,323	6,031	7,455	1,872,100,728	6,418	6,188	6,649	387	6.4%	157	2.6%	618	10.2%
Pacific(Part)	6,875	662,770,089	4,063	6,895	690,597,048	4,088	5,723	2,453	25	0.6%	1,660	40.9%	(1,610)	-39.6%
Redmond	65,860	25,913,357,771	74,633	69,900	27,159,726,862	77,238	58,017	96,460	2,605	3.5%	(16,616)	-22.3%	21,827	29.2%
Renton	104,700	20,038,161,673	80,028	105,500	21,134,581,379	81,313	87,565	75,061	1,285	1.6%	7,537	9.4%	(4,967)	-6.2%
Sammamish	64,410	20,095,772,302	63,412	65,100	19,900,870,078	62,356	54,033	70,679	(1,056)	-1.7%	(9,379)	-14.8%	7,267	11.5%
Sea Tac	29,180	7,002,893,467	24,893	29,180	7,304,721,195	25,081	24,219	25,943	188	0.8%	(674)	-2.7%	1,050	4.2%
Seattle	747,300	257,958,280,787	780,999	761,100	262,134,061,774	781,350	631,713	930,987	351	0.0%	(149,286)	-19.1%	149,988	19.2%
Shoreline	56,370	11,764,631,816	44,868	56,980	12,076,248,955	45,092	47,293	42,890	224	0.5%	2,425	5.4%	(1,978)	-4.4%
Skykomish	205	36,158,842	151	205	34,008,812	145	170	121	(6)	-4.0%	19	12.7%	(30)	-20.0%
Snoqualmie	13,670	3,473,387,729	12,013	13,680	3,555,931,322	11,992	11,354	12,629	(21)	-0.2%	(659)	-5.5%	616	5.1%
Tukwila	20,930	7,351,976,382	22,106	21,360	7,883,057,562	22,863	17,729	27,997	757	3.4%	(4,377)	-19.8%	5,891	26.6%
Woodinville	12,410	4,507,431,729	13,378	12,790	4,614,051,396	13,501	10,616	16,387	123	0.9%	(2,762)	-20.6%	3,009	22.5%
Yarrow Point	1,040	1,477,785,215	3,129	1,030	1,444,452,931	2,992	855	5,130	(137)	-4.4%	(2,274)	-72.7%	2,001	64.0%
Total Incorp. King County	1,978,025	591,121,235,484	1,899,895	2,011,700	607,298,947,817	1,913,285	1,669,711	2,156,863	13,390	0.7%	(230,184)	-12.1%	256,968	13.5%
Total Unincorp. King County	248,275	51,369,256,560	196,805	249,100	52,235,933,520	196,138	206,753	185,519	(667)	-0.3%	9,948	5.1%	(11,286)	-5.7%
Total King County	2,226,300	642,490,492,044	2,096,700	2,260,800	659,534,881,337	2,109,423	1,876,464	2,342,382	12,723	0.6%	(220,236)	-10.5%	245,682	11.7%

	Actual CY2021 - at 83 cents			Proposed CY2022 - at 83 cents					50:50 Method		Population Method		Assessed Value Method	
	Population	Assessed Property Values	50:50 Method	Population	Assessed Property Values	50:50 Method	Population Method	Assessed Value Method	\$ Change in Per Capita Fees	% Change	\$ Change in Per Capita Fees	% Change	\$ Change in Per Capita Fees	% Change
Bainbridge Island	24,520	9,222,192,924	27,010	25,070	9,562,650,167	27,385	20,808	33,962	375	1.4%	(6,202)	-23.0%	6,952	25.7%
Bremerton	42,080	4,001,032,935	24,767	41,750	4,410,485,289	25,158	34,653	15,664	391	1.6%	9,886	39.9%	(9,103)	-36.8%
Port Orchard	14,390	2,072,895,477	9,756	14,770	2,236,031,476	10,100	12,259	7,941	344	3.5%	2,503	25.7%	(1,815)	-18.6%
Poulsbo	11,180	2,030,684,280	8,346	11,550	2,174,433,432	8,655	9,587	7,723	309	3.7%	1,241	14.9%	(623)	-7.5%
Total Incorp. Kitsap County	92,170	17,326,805,616	69,879	93,140	18,383,600,364	71,298	77,306	65,291	1,419	2.0%	7,427	10.6%	(4,588)	-6.6%
Total Unincorp. Kitsap County	177,930	24,821,380,269	119,149	179,060	26,483,488,586	121,339	148,620	94,058	2,190	1.8%	29,471	24.7%	(25,091)	-21.1%
Total Kitsap County	270,100	42,148,185,885	189,028	272,200	44,867,088,950	192,637	225,926	159,348	3,609	1.9%	36,898	19.5%	(29,680)	-15.7%
Auburn (part)	9,980	1,338,843,282	6,586	9,980	1,423,822,610	6,670	8,283	5,057	84	1.3%	1,697	25.8%	(1,529)	-23.2%
Bonney Lake	21,060	3,304,031,819	14,771	21,390	3,570,936,322	15,218	17,754	12,682	447	3.0%	2,983	20.2%	(2,089)	-14.1%
Buckley	4,885	694,731,250	3,295	5,080	764,921,896	3,467	4,216	2,717	172	5.2%	921	28.0%	(578)	-17.6%
Carbonado	665	68,633,788	401	685	76,902,980	421	569	273	20	5.0%	168	41.8%	(128)	-31.9%
Du Pont	9,425	1,786,146,155	7,172	9,525	1,966,531,226	7,445	7,906	6,984	273	3.8%	734	10.2%	(188)	-2.6%
Eatonville	2,970	288,138,482	1,759	3,010	311,865,201	1,803	2,498	1,108	44	2.5%	739	42.0%	(651)	-37.0%
Edgewood	11,390	1,997,528,056	8,373	12,070	2,280,297,881	9,058	10,018	8,099	685	8.2%	1,645	19.6%	(274)	-3.3%
Fife	10,140	2,791,019,594	9,303	10,200	2,936,518,069	9,448	8,466	10,429	145	1.6%	(837)	-9.0%	1,126	12.1%
Fircrest	6,770	984,627,839	4,607	6,790	1,083,449,810	4,742	5,636	3,848	135	2.9%	1,029	22.3%	(759)	-16.5%
Gig Harbor	10,770	3,183,696,881	10,281	11,240	3,478,997,723	10,843	9,329	12,356	562	5.5%	(952)	-9.3%	2,075	20.2%
Lakewood	59,670	7,456,764,386	38,374	60,030	8,111,198,629	39,316	49,825	28,807	942	2.5%	11,451	29.8%	(9,567)	-24.9%
Milton(Part)	6,735	918,820,561	4,472	6,805	1,018,339,336	4,632	5,648	3,617	160	3.6%	1,176	26.3%	(855)	-19.1%
Orting	8,380	868,366,873	5,063	8,635	961,158,709	5,290	7,167	3,414	227	4.5%	2,104	41.6%	(1,649)	-32.6%
Pacific(Part)	35	247,290,016	466	30	262,067,458	478	25	931	12	2.6%	(441)	-94.7%	465	99.7%
Puyallup	41,570	6,928,321,607	29,898	42,700	7,385,296,569	30,835	35,441	26,229	937	3.1%	5,543	18.5%	(3,669)	-12.3%
Roy	820	74,692,640	477	820	79,551,659	482	681	283	5	1.0%	204	42.7%	(194)	-40.8%
Ruston	1,005	299,778,877	964	1,040	328,529,699	1,015	863	1,167	51	5.3%	(101)	-10.5%	203	21.0%
South Prairie	480	51,533,526	293	500	55,032,113	305	415	195	12	4.1%	122	41.6%	(98)	-33.3%
Steilacoom	6,450	1,041,399,405	4,578	6,505	1,138,541,303	4,721	5,399	4,044	143	3.1%	821	17.9%	(534)	-11.7%
Sumner	10,120	3,492,589,446	10,575	10,360	3,731,166,761	10,925	8,599	13,251	350	3.3%	(1,976)	-18.7%	2,676	25.3%
Tacoma	211,400	29,781,934,614	142,094	213,300	32,426,115,141	146,101	177,039	115,164	4,007	2.8%	34,945	24.6%	(26,930)	-19.0%
University Place	33,090	4,643,905,624	22,209	33,310	5,167,407,710	23,000	27,647	18,352	791	3.6%	5,438	24.5%	(3,857)	-17.4%
Wilkeson	490	51,060,985	297	495	56,822,235	306	411	202	9	3.0%	114	38.3%	(95)	-32.1%
Total Incorp. Pierce County	468,300	72,293,855,706	326,308	474,500	78,615,471,040	336,521	393,835	279,208	10,213	3.1%	67,527	20.7%	(47,100)	-14.4%
Total Unincorp. Pierce County	420,000	53,540,566,348	272,031	426,200	59,132,289,437	281,879	353,746	210,012	9,848	3.6%	81,715	30.0%	(62,019)	-22.8%
Total Pierce County	888,300	125,834,422,054	598,339	900,700	137,747,760,477	618,400	747,581	489,220	20,061	3.4%	149,242	24.9%	(109,119)	-18.2%

	Actual CY2021 - at 83 cents			Proposed CY2022 - at 83 cents					50:50 Method		Population Method		Assessed Value Method	
	Population	Assessed Property Values	50:50 Method	Population	Assessed Property Values	50:50 Method	Population Method	Assessed Value Method	\$ Change in Per Capita Fees	% Change	\$ Change in Per Capita Fees	% Change	\$ Change in Per Capita Fees	% Change
Arlington	19,740	3,007,053,360	13,681	20,600	3,351,354,351	14,500	17,098	11,903	819	6.0%	3,417	25.0%	(1,778)	-13.0%
Bothell (Part)	18,180	5,228,696,561	17,089	18,670	5,434,479,533	17,399	15,496	19,301	310	1.8%	(1,593)	-9.3%	2,212	12.9%
Brier	6,665	1,489,770,735	5,485	6,760	1,533,889,564	5,529	5,611	5,448	44	0.8%	126	2.3%	(37)	-0.7%
Darrington	1,410	164,222,083	885	1,420	175,363,294	901	1,179	623	16	1.8%	294	33.2%	(262)	-29.6%
Edmonds	42,170	11,011,221,440	37,600	42,470	11,648,792,913	38,311	35,250	41,371	711	1.9%	(2,350)	-6.2%	3,771	10.0%
Everett	111,800	20,056,364,230	83,007	112,700	21,040,865,174	84,135	93,541	74,728	1,128	1.4%	10,534	12.7%	(8,279)	-10.0%
Gold Bar	2,150	223,523,348	1,300	2,195	238,099,341	1,334	1,822	846	34	2.6%	522	40.1%	(454)	-35.0%
Granite Falls	3,900	474,152,402	2,484	4,425	546,424,783	2,807	3,673	1,941	323	13.0%	1,189	47.9%	(543)	-21.9%
Index	175	24,516,167	117	175	27,615,079	122	145	98	5	4.3%	28	24.1%	(19)	-16.2%
Lake Stevens	33,080	4,923,888,286	22,716	34,150	5,298,584,282	23,581	28,345	18,818	865	3.8%	5,629	24.8%	(3,898)	-17.2%
Lynnwood	39,600	7,503,860,299	30,131	40,690	7,953,751,038	31,010	33,773	28,248	879	2.9%	3,642	12.1%	(1,883)	-6.2%
Marysville	67,820	8,863,283,518	44,324	69,180	9,729,494,216	45,987	57,419	34,555	1,663	3.8%	13,095	29.5%	(9,769)	-22.0%
Mill Creek	20,590	4,454,155,944	16,675	20,590	4,661,388,455	16,822	17,090	16,555	147	0.9%	415	2.5%	(120)	-0.7%
Monroe	19,250	2,884,711,378	13,254	19,800	3,115,841,466	13,750	16,434	11,066	496	3.7%	3,180	24.0%	(2,188)	-16.5%
Mountlake Terrace	21,590	3,565,803,521	15,469	21,660	3,827,637,924	15,786	17,978	13,594	317	2.0%	2,509	16.2%	(1,875)	-12.1%
Mukilteo	21,350	5,444,416,654	18,798	21,360	5,704,037,281	18,994	17,729	20,258	196	1.0%	(1,069)	-5.7%	1,460	7.8%
Snohomish	10,200	1,676,400,322	7,293	10,240	1,833,886,262	7,506	8,499	6,513	213	2.9%	1,206	16.5%	(780)	-10.7%
Stanwood	7,020	1,044,541,349	4,820	7,125	1,135,631,876	4,974	5,914	4,033	154	3.2%	1,094	22.7%	(787)	-16.3%
Sultan	5,180	599,658,156	3,244	5,530	671,346,408	3,487	4,590	2,384	243	7.5%	1,346	41.5%	(860)	-26.5%
Woodway	1,350	761,967,333	1,951	1,360	790,704,157	1,969	1,129	2,808	18	0.9%	(822)	-42.1%	857	43.9%
Total Incorp. Snohomish County	453,220	83,402,207,086	340,323	461,100	88,719,187,397	348,904	382,713	315,092	8,581	2.5%	42,390	12.5%	(25,231)	-7.4%
Total Unincorp. Snohomish County	365,480	61,772,530,193	264,432	369,400	65,673,202,067	269,922	306,602	233,243	5,490	2.1%	42,170	15.9%	(31,189)	-11.8%
Total Snohomish County	818,700	145,174,737,279	604,755	830,500	154,392,389,464	618,826	689,315	548,335	14,071	2.3%	84,560	14.0%	(56,420)	-9.3%
Grand Total	4,203,400	\$ 955,647,837,262	\$ 3,488,822	4,264,200	\$ 996,542,120,228	\$ 3,539,286	\$ 3,539,286	\$ 3,539,286	\$ 50,464	1.4%	\$ 50,464	1.4%	\$ 50,464	1.4%

\$ 3,488,822

\$ 3,539,286

The CY22 assessment is based on population estimates for 2020 (April 2020 - WA Office of Financial Management Population Trends report)

The CY22 assessment is based on 2020 assessed property values from county assessors for the 2021 tax year

RESOLUTION NO. 1436

RESOLUTION OF THE BOARD OF DIRECTORS OF THE PUGET SOUND CLEAN AIR AGENCY APPROVING THE BUDGET FOR THE FISCAL YEAR OF 2022 WITH A PER CAPITA RATE OF EIGHTY-THREE CENTS – JULY 1, 2021 TO JUNE 30, 2022

WHEREAS, the Washington Clean Air Act at RCW 70.94.092 requires the budget for the Puget Sound Clean Air Agency to be adopted on or before the fourth Monday in June of each year for the following fiscal year; and

WHEREAS, such action is a necessary and routine matter, consistent with the Governor's Proclamations 20-05, 20-28 as originally issued and amended; and

WHEREAS, the Board of Directors has considered and estimated the financial needs for the operation of the Agency during the Fiscal Year of 2022 (July 1, 2021 to June 30, 2022) and determined the revenues needed to meet such financial needs, including the proportion of supplemental income to be paid by the various cities, towns and counties at a per capita rate of eighty-three cents,

WHEREAS, the Board of Directors does now desire to adopt the budget for the Puget Sound Clean Air Agency for the Fiscal Year of 2022, therefore,

BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE PUGET SOUND CLEAN AIR AGENCY:

Section 1: The budget for the Puget Sound Clean Air Agency for the Fiscal Year of 2022 (July 1, 2021 to June 30, 2022) including attached Fiscal Year 2022 Budget Documents and financial schedules is adopted as attached hereto and incorporated herein by reference.

PASSED AND APPROVED by the Board of Directors at a regular meeting of the Board on this 17th day of June, 2021.

PUGET SOUND CLEAN AIR AGENCY

By _____
Paul Roberts
Chair, Board of Directors

Attest:

By _____
Craig T. Kenworthy
Executive Director

Approved as to form:

By _____
Jennifer Dold
General Counsel