



Yakima Regional Clean Air Agency

*Yakima Regional Clean Air Agency
Agencia Regional de Aire Limpio de Yakima*

Meeting of the Board of Directors May 2024

Reunión de la Junta Directiva
Mayo 2024

May 9, 2024

9 de mayo de 2024

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Los miembros del público pueden enviar comentarios a la Junta por: a) hablando en persona o de forma remota (ver a continuación) durante el período de comentarios públicos de cualquier reunión; b) enviándolos por correo a 186 Iron Horse Ct. Ste. 101, Yakima, WA 98901; o c) enviándolos por correo electrónico a admin@yrcaa.org.

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Regular Meeting of the Board of Directors

May 9, 2024 – 2:00 P.M.

Yakima City Hall; 129 N Second Street; Yakima, Wash.

Duration – 1 hour (estimated)

AGENDA

- 1. Call to Order**
- 2. Roll Call**
- 3. Changes to the Agenda**
- 4. Public Comments**

The public may address any matter relevant to the business of the Board at this time. Please state your name and the item you wish to address. Comments are limited to three (3) minutes per person.
- 5. Public Hearing**
 - Fiscal Year 2024-25 Budget
- 6. Board Meeting Minutes for April 11, 2024**
- 7. Vouchers and Payroll Transfers for April 2024**
- 8. Fiscal Year 2024-25 Budget**
- 9. Executive Director's Report**
- 10. Adjournment**

Zoom information
URL: <https://us06web.zoom.us/j/6058007569>

Meeting ID: 605 800 7569
Phone number: 253-215-8782 or 253-205-0468

If you wish to attend the YRCAA board meeting and require an accommodation due to a disability or need interpretation or translation services, call 509-834-2050 ext. 100 or send an email to admin@yrcaa.org.

Reunión Ordinaria de la Junta Directiva

9 de mayo de 2024 – 2:00 P.M.

Ayuntamiento de Yakima; 129 N Second Street; Yakima, Wash.

Duración – 1 hora (estimativo)

AGENDA

- 1. Llamar al Orden**
- 2. Registo de Asistencia**
- 3. Cambios en el Orden del Día**
- 4. Comentarios Públicos**
El público puede abordar cualquier asunto relacionado con los asuntos de la Junta en este momento. Indique su nombre y el artículo que desea abordar. Los comentarios están limitados a tres (3) minutos por persona.
- 5. Audiencia Pública para Comentarios**
 - Presupuesto del Año Fiscal 2024-25
- 6. Acta de la Reunión de la Junta Directiva del 11 de abril de 2024**
- 7. Comprobantes y Transferencias de Nómina para abril de 2024**
- 8. Presupuesto del Año Fiscal 2024-25**
- 9. Informe de los Directores Ejecutivos**
- 10. Cierre**

Zoom información

URL: <https://us06web.zoom.us/j/6058007569>

ID de reunión: 605 800 7569

Número de teléfono: 253-215-8782 or 253-205-0468

Si desea asistir a la reunión de la junta de YRCAA y requiere una adaptación debido a una discapacidad o necesita servicios de interpretación o traducción, llame al 509-834-2050 ext. 100 o envíe un correo electrónico admin@yrcaa.org.

1. **Call to Order**

Chairperson DeVaney called the meeting to order at 2:02 p.m. in the council chambers, Yakima City Hall; 129 N Second St.; Yakima, Washington.

2. **Roll Call**

Roberson conducted roll call and declared a quorum present.

Board members: Amanda McKinney, County Representative, Present
Steven Jones, Ph.D., County Representative, Present
Janice Deccio, Large City Representative, Present
Jose Trevino, Small City Representative, Absent
Jon DeVaney, Member-at-Large, Present

Staff present: Marc Thornsbury, Executive Director
Jocelyn Roberson, Acting Clerk of the Board

3. **Changes to the Agenda**

DeVaney asked if there were any changes to the agenda. None were requested.

4. **Public Comment**

DeVaney asked if there were any public comments. None were offered.

5. **Board Meeting Minutes for March 2024**

DeVaney asked if there were any corrections or changes to the minutes. McKinney moved to approve the minutes as presented. Deccio seconded. Motion passed 3-0.

6. **Vouchers and Payroll Transfers for March 2024**

DeVaney asked if there were any questions. Deccio moved to approve the vouchers and payroll transfers for March 2024. McKinney seconded. Motion passed 3-0.

7. **Fiscal Year 2024-25 Budget**

Thornsbury introduced the draft budget for fiscal year (FY) 2024-25, noting his primary objective was to solicit input and questions from the Board which can then be addressed at the next meeting. He explained the draft document presents three columns with the first (left) being the adopted budget from FY 2023-24 without change. Thornsbury added the second (center) figures are very rough estimates of the projected actual expenses for FY 2023-24, but cautioned that, as a result of not having processed all expenses for the third quarter, the amounts appearing in the proposed budget presented at the next meeting would likely be altered—in some cases substantially. He continued, stating the third (right) figures are not final budget amounts and will see minor alterations, but not the substantial changes expected for the projected actual amounts.

Thornsbury explained the draft budget is very similar to the FY 2023-24 budget with a few notable exceptions such as the significant increase in the biennial grant funds awarded to the

Agency for the wood stove replacement program. He noted a large portion of these funds have already been used in the first half of the biennium and explained the Agency has, in the past, received an additional allocation of funds unused by others. Thornsbery explained this would not occur until near the end of the biennium and cautioned that because the Agency had received a larger amount this time, the amount of funds unused by others may be reduced, limiting the amount available for reallocation to the Agency relative to prior years.

Thornsbery explained other significant changes included the funds received as a result of the increase in registration fees—which, he noted, had been discussed previously—and the corresponding increase in wages and benefits which was the purpose for the changes to registration and other fees as pointed out by Dr. Jones in the December 2023 meeting.

McKinney asked if Thornsbery had taken note of any change in financial condition he would characterize as alarming. Thornsbery responded he had not. He added that at some point in the future, but beyond the budget year in question, there may be need for a discussion regarding the resources necessary either to bring the area into compliance if it should be deemed out of attainment or to prevent the area from falling out of compliance in the event it is close to exceeding the National Ambient Air Quality Standard for PM_{2.5}—an outcome Thornsbery stated he believes to be more likely.

Jones asked about the change in revenue for “Title V” (major) sources. Thornsbery explained one of these sources previously elected to voluntarily limit its operations so as to move from a major source to a synthetic minor source, ultimately reducing the number of major sources by one. Thornsbery stated there had been no other changes.

Jones noted wages and benefits had increased six percent (6%) in FY 2022-23 and sixteen and one-half percent (16.5%) in FY 2023-24 with a projected increase in FY 2024-25 of twenty-nine and seven tenths percent (29.7%) and stated his belief this is “quite high”. He added when only wages are considered the increase was thirteen percent (13%) in FY 2023-24 with a projected increase in FY 2024-25 of twenty-three percent (23%) for a total of just over thirty-five percent (35%). Jones stated the proposed salary increases should be pared back and expressed concern the salary survey conducted in 2022 included information from areas with a higher standard of living and where finding workers may be more difficult. He added he believes the median wage previously accepted by the board is high for the area.

Thornsbery explained the salary survey did account for differences between locations by collecting wage and benefit costs for a standard set of positions—from Vice President to Janitor—in various areas, including Yakima, and calculating a localization factor based on the average difference between the same set of positions in each location and Yakima. When the wage for a specific position in a location was used, it was multiplied by the localization factor for that location to determine the Yakima equivalent.

Jones noted the consultant also included wages from private industry and stated he does not believe the Agency should compete with private industry, adding the private industry wages were generally slightly higher than public service wages. He restated his position the pay increases in the draft budget are higher than what the Agency needs to do.

McKinney stated she is fiscally conservative and agreed public agencies should not compete with the private sector. She cautioned the loss of Agency staff is indicative of a broadly felt issue in government concerning vacancies and noted there is an obligation on the part of agencies to provide a minimum level of mandated services. McKinney remarked that government agencies, including Yakima County, have had to become creative with wage increases, signing bonuses, and other recruitment incentives in order to fill positions that are needed, adding newer generations of workers do not necessarily see the kind of jobs in question as glamorous or desirable.

McKinney stated that while she agreed with Jones' sentiment, she had not observed wastefulness in the proposed increases and that it appeared considerable thought had been put into their development. She added the Agency needs to be competitive so it can attract people into positions where they are needed and cautioned that failing to do so could expose the Agency to accusations it is not performing its duties and provide an opening for the State of Washington to assume its responsibilities. McKinney explained her primary interest is ensuring the Agency meets its obligations and that doing so requires good staff able to produce competent work upon which the Board can rely.

Jones asked if McKinney believed the Agency had fulfilled its mission. McKinney responded in the affirmative and noted the work of remaining staff and that of recent hires has been commendable. She added she did not believe anything had been done that would be a poor reflection on the Agency and expressed her desire to avoid such a result by ensuring the Agency has sufficient staff.

Jones asked if McKinney believed a twenty-three percent (23%) increase in salaries was necessary to retain Agency staff. McKinney noted that after a similar assessment by Yakima County, some positions received a forty percent (40%) increase and cautioned that looking only at a year-to-year increase does not address the extent to which a position was already underpaid and what is required to bring it in line with the current labor market. She added in some cases positions at the County were not being filled and their responsibilities reassigned to other positions resulting in increased workloads and compensation. Deccio interjected the situation could result in burnout. McKinney concurred and noted that, as a small organization, Agency staff must wear many hats and take on added responsibilities, particularly when there are vacancies and that is not always accurately reflected in a line-by-line cost comparison.

Deccio noted similar circumstances exist at the City of Yakima. Jones and McKinney noted the private sector is also experiencing such conditions. McKinney stated the twenty-three

percent (23%) increase in wages and salaries was not surprising. Jones interjected this was in addition to the increased cost of benefits. McKinney remarked the cost of benefits has seen substantial increases and noted the increase in health insurance costs alone has been incredible.

Deccio asked if the twenty-three percent (23%) included benefits. Jones replied it did not, adding that if benefits are included, the increase is twenty-nine and seven tenths percent (29.7%). He added this is in addition to the sixteen percent (16%) increase in the prior year. Deccio asked Thornsby if the increase was due to a need to play catch-up to get wages to the right level. Thornsby replied that depended upon one's definition of the right level and explained the figures used were based on the results of the compensation survey conducted in 2022 and the rate of inflation during the intervening year-and-a-half.

Thornsby noted McKinney's remark concerning prior substandard wages and cautioned the evaluation of an increase cannot be based entirely on the raw number and must also take into account the relative level of the prior wage rate. He added the Agency has two positions vacant and after having posted one of them for two weeks, it has received zero applicants. Thornsby remarked that regardless of any individual perspective concerning what constitutes an appropriate rate of pay, there comes a point when it becomes impossible to operate the Agency without adequate staff and if they cannot be hired because the level of compensation is not competitive—not meaning hyper-competitive, then the most effective option for the executive director is to voluntarily eliminate the highest salary for the Agency.

Jones remarked it is not up to the board to make individual salary recommendations for employees as that is the responsibility of the executive director. Thornsby concurred, adding the wages and salaries proposed are consistent with the findings of the salary survey and do not exceed the level generally agreed by the Board in late 2022 plus the rate of inflation since. McKinney concurred. Thornsby stated he is not proverbially putting his thumb on the scale.

DeVaney suggested there is a difference between actual amounts and budgeted amounts with the latter addressing potential rather than expected outcomes. He explained, for example, in his organization one employee might elect to decline medical coverage and when they leave, a new person may elect to be covered, substantially altering the organization's health insurance costs without any change in its employment policies. DeVaney suggested it might be helpful to have additional information concerning inflation with respect to health insurance costs and how staff turnover has affected this.

Thornsby explained the draft budget assumes the Agency has all positions filled with fully-qualified individuals that elect to participate in all of the benefits available. He added it does not attempt to divine what positions may be empty or for how long, the number of staff in training or their advancement, or employees that may change their insurance coverage. Thornsby noted there is a tension between developing a budget that represents what is and

a budget that covers what might be and explained he prefers to budget expenses liberally and revenues conservatively to avoid an unexpected shortfall the Board would then have to scramble to cover.

DeVaney suggested additional supporting documentation for the budget would be necessary for the next meeting. Thornsby requested clarification. DeVaney asked for information concerning the percentage change in health insurance costs and the financial effect of changes in staffing.

Thornsby explained there have been no substantive changes in job titles or responsibilities apart from an internal reassignment of certain duties as people have changed and in regard to their unique capabilities. He added the latter have had no financial impact and there have been no wholesale changes to the type and cost of positions within the Agency.

McKinney noted the cumulative effect of small changes to employee responsibilities over time can reach the point where they require a change in compensation because the demands of the position, and the skills required for it, have substantively changed. Thornsby concurred, but noted the changes that occurred had not resulted in the condition described.

DeVaney added information concerning the wages and benefits offered to employees of Washington State might be helpful as several former employees had been hired by the State. McKinney noted the challenge in balancing between what the Agency can afford and preventing it from serving as a place where people are trained only to go elsewhere—as has recently been the case. Deccio concurred, noting there is a cost associated with training staff only to have them leave that does not appear as a line item in the budget. Thornsby added while there may not be a dollar cost, there is a negative impact on Agency capability.

Jones asked if there had been a change in the number of staff members holding certain positions such as additional compliance staff. Thornsby stated there had been no changes since the initial reassignment of certain administrative staff to compliance, shifting from a 60% administrative and 40% operations split to 40% administrative and 60% operations, adding the change occurred in 2023 and is accounted for in the draft budget. He explained there have been no similar changes since and noted while the reassignments in 2023 altered the duties for some staff members, they did not alter workloads or have a financial impact.

Jones asked if the titles on the Agency web site are similar to those listed in the 2022 compensation survey. Thornsby pointed out that each organization and each position is unique so an exact comparison is almost never possible, however the positions within the Agency are reasonably similar to those considered in the survey.

McKinney stated it appears inflation may begin increasing again. Thornsby remarked it appeared to have stabilized. DeVaney added it did seem to have stabilized, but recent reports suggest it is increasing again. Thornsby noted the issue could be a factor in the budget for

FY 2025-26, but expressed his belief it will remain near the four and one-half percent (4.5%) cost-of-living-adjustment included in the draft budget.

Thornsbury asked for confirmation the Board wished to have additional information on the increase in health insurance premiums and the impact, if any, of changes to individual coverages and compensation information on comparable positions with the Wash. Dept. of Ecology.

Deccio asked how many people had left the Agency in the last year and how many positions have not been filled. Thornsbury replied two positions are open and the status of a third is indeterminate. He added the Agency had lost approximately five employees in as many years to Ecology and noted other employee losses were due to various factors such as retirement. Thornsbury commented the Agency is not attempting to compete with Ecology and the draft budget is consistent with that position.

DeVaney confirmed Thornsbury's understanding and suggested including any assumptions upon which the budget is based.

8. **Board Meeting Alternate Schedule**

Jones asked if action needed to be taken. Thornsbury explained the two meetings in the Lower Yakima Valley were held by the Board as a pilot to ascertain whether there was sufficient interest to consider a permanent change, but had taken no action to change the status quo. He added if the Board did not feel there was adequate interest to alter the meeting schedule, no action was necessary.

McKinney noted there was no marked difference in attendance at the two meetings in question and suggested the Board maintain the status quo, adding the Board can reconsider at any time if circumstances warrant. Deccio reminded the Board the meetings are broadcast when taking place at the current venue. McKinney expressed her opinion it was important for the Board to have conducted the pilot to determine the potential impact on attendance. DeVaney concurred and noted the alternate venues required sacrificing accessibility via the Yakima Public Access Channel (Y-PAC). He expressed support for maintaining the status quo and added a special meeting at another location could always be called for issues where there may be significant, localized interest.

9. **Executive Director's Report**

Thornsbury explained that, due to the current staffing shortage, everyone at Agency is taking on added responsibilities and noted while the long hours necessary are possible in the short term, they are not sustainable.

DeVaney noted many organizations are facing recruiting challenges and suggested it may be necessary to budget for more entry-level positions. He explained many young graduates do not have any work experience and the employment policies of many organizations do not reflect this market reality and added the Agency may need to consider alternatives.

Thornsbury explained the last two recruitments by the Agency have loosened the criteria needed to be considered for a position, expanding the salary range to allow entry-level prospects and shifting certain elements from requirements to preferences so the door is open to candidates that might not be able to come with a full skill set but are willing to accept a lower salary in exchange for gaining knowledge and experience. He added the Agency is aware of the circumstances described by DeVaney and is working to identify creative ways to recruit staff.

Jones asked for the names of the two companies to whom the Agency issued Orders of Approval. Thornsbury stated he could not recall their names. Jones stated the Agency should promote the businesses that receive permits. He expressed his belief it is also important the Agency promotes the work that it does.

DeVaney noted the Agency had recently been involved with issuing some significant and controversial permits and remarked Agency permits can be difficult to understand even by those involved and suggested the public likely find it difficult to understand what conditions and requirements are included. He suggested the Agency should review whether its permits are clearly written and intelligible to the permittee and the general public who are reading them. DeVaney added when considering positions and duties, the Agency should ensure it has the ability to translate technical language and requirements into something understandable. DeVaney noted he personally found the Agency's permits hard to follow at times. McKinney concurred and expressed concern some provisions may exceed, or appear to exceed, the authority of the Agency and this could lead to confusion. Thornsbury stated he would look into the matter.

10. Adjournment

McKinney moved to adjourn. DeVaney seconded. Motion passed 3-0.

DeVaney adjourned the meeting at 2:48 p.m.

Jon DeVaney, Chairperson

Jocelyn Roberson, Acting Clerk of the Board



04/08/2024

Accounts Payable

YRCAA Fund: 614-6140
Enterprise Fund: 614-1410

<u>Name</u>	<u>Warrant No.</u>	<u>GL No.</u>	<u>Amount</u>	<u>Date</u>
509 Ductless*	35895	4105	6,000.00	04/09/2024
Alliant Communications	35896	Various	380.98	04/09/2024
Armstrong's Stove & Spa Yakima*	35897	4105	39,575.61	04/09/2024
Charter Communications	35898	4201	316.52	04/09/2024
Coleman Oil Company	35899	3201	282.35	04/09/2024
Fosseen's Home & Hearth*	35900	4105	4,531.49	04/09/2024
Hahn Business Products	35901	3101	285.58	04/09/2024
Intermountain Cleaning Service, Inc.	35902	4802	425.00	04/09/2024
Invisible Ink	35903	4201	90.00	04/09/2024
Iron Horse Real Estate & Property Mgt	35904	4501	4,956.53	04/09/2024
KeyBank	35905	Various	195.33	04/09/2024
Pacific Power	35906	4701	195.98	04/09/2024
Precision Sheet Metal*	35907	4105	11,993.40	04/09/2024
Rowdy Construction*	35908	4105	1,819.44	04/09/2024
StorageMax**	35909	4506	75.00	04/09/2024
Sunnyside Sun	35910	4401	44.00	04/09/2024
Valley Publishing Co.	35911	4401	86.00	04/09/2024
Westside Commons	35912	4506	325.00	04/09/2024
Yakima County Public Services-Utility Di	35913	4701	23.59	04/09/2024

Total **\$71,601.80**

* Grant Reimbursement

** NOC/Enterprise

I hereby certify the invoices and warrants described above for the Yakima Regional Clean Air Agency have been examined, audited, and approved for payment.

Jocelyn Roberson (DATE)
Primary Auditing Officer

Marc Thornsby (DATE)
Secondary Auditing Officer

Jon DeVaney (DATE)
Board Chairperson



04/15/2024

Accounts Payable

YRCAA Fund: 614-6140
Enterprise Fund: 614-1410

<u>Name</u>	<u>Warrant No.</u>	<u>GL No.</u>	<u>Amount</u>	<u>Date</u>
Abadan Reprographics	35914	3101	119.07	04/16/2024
Joshua Akehurst*	35915	4105	1,600.00	04/16/2024
Paul & Chelsea Ashley*	35916	4105	1,050.00	04/16/2024
Carl Brookshire**	35917	4306	514.00	04/16/2024
Cascade Natural Gas Corporation	35918	4701	151.29	04/16/2024
Coastal*	35919	4105	3,979.35	04/16/2024
Mark Edler**	35920	4306	327.00	04/16/2024
Jose Gutierrez**	35921	4306	514.00	04/16/2024
Iron Horse Real Estate & Property Mgt	35922	4802	709.35	04/16/2024
NTH Degree Environmental Engineering Sol	35923	4101	4,200.00	04/16/2024
Pacific Power	35924	4701	199.27	04/16/2024
Rowdy Construction*	35925	4105	2,761.65	04/16/2024
Terrace Heights Sewer District	35926	4701	114.00	04/16/2024
Anthony Veiga*	35927	4105	1,600.00	04/16/2024
Yakima Herald Republic	35928	4401	183.60	04/16/2024

Total **\$18,022.58**

* Grant Reimbursement

** NOC/Enterprise

I hereby certify the invoices and warrants described above for the Yakima Regional Clean Air Agency have been examined, audited, and approved for payment.

Jocelyn Roberson (DATE)
Primary Auditing Officer

Marc Thornsbury (DATE)
Secondary Auditing Officer

Jon DeVaney (DATE)
Board Chairperson



**Payroll Reimbursement
May 2024**

Gross Wages		\$	33,371.07
ER Taxes Paid	\$	5,737.06	
ER Medical Paid		8,798.03	
Pers 1 ER Paid		-	
Pers 2 ER Paid		4,391.48	
Pers 3 ER Paid		2,303.98	
SUTA		295.46	
L & I		1,195.54	
Benefits		\$	22,721.55
Bank Charges	\$	-	
Other		-	
Miscellaneous		\$	-
Total Payroll		\$	56,092.62

Jocelyn Roberson (DATE)
Primary Auditing Officer

Marc Thornsbury (DATE)
Secondary Auditing Officer

Jon DeVaney (DATE)
Board Chairperson

STAFF REPORT

Date: April 17, 2024
To: YRCAA Board of Directors
From: Marc Thornsbury, Executive Director
Subject: FY 2024-25 Proposed Budget

Summary

Based on a sample of current openings at the Wash. Dept. of Ecology, the proposed wages for Agency employees would be near, but consistently just below, those for similar positions at Ecology, creating an environment in which it is less likely staff would depart to secure a substantially better position elsewhere. By applying an adjustment factor calculated on the average difference in wages for a standard set of positions in different areas, wages in the compensation survey were localized before being reported. A sample of open positions in the private sector similar to Agency positions indicates the proposed Agency wages would not exceed those paid by private industry (thus the Agency would not be outcompeting the private sector).

Health insurance premiums have risen twenty-five percent (25%) to thirty percent (30%) since 2015, but the coverage selected by employees has not substantially changed (though pending staff changes could significantly affect this). Because the wages reported in the compensation study were for positions that offered participation in Social Security, some form of alternative was necessary for the Agency to remain competitive in the labor market.

Much of the proposed increase in compensation is necessary to keep up with inflation over the many years the Agency allowed wages to stagnate. A rough estimate suggests less than fifteen percent (15%) of the proposed adjustment would go to increasing wages in excess of inflation. Adopting the proposed budget would be consistent with public statements previously made concerning the need for fee increases in 2023 and 2024. However, if the Board deems achieving wage parity with the market to be excessive, it should consider eliminating the Executive Director position, use the funds saved to fill open positions and retain existing staff, and assume direct management of the Agency.

Recommendation

None.

Background

During its meeting held April 11, 2024, the Board discussed the draft budget for FY 2024-25 with particular focus on costs related to wages and benefits. Staff subsequently reviewed the questions posed and statements made in order to respond to the Board.

Analysis

The following sections address the various issues involved in the Board's discussion.

Department of Ecology

The Board requested comparative information regarding wages and benefits for the Wash. Dept. of Ecology. Each organization has its own unique positions, duties, and requirements so a precise one-to-one comparison is not possible. However, a number of similar positions were identified that are currently open and for which Ecology is actively recruiting. These are listed below along with the annual salary range assigned to the position (as shown in the job posting).

For comparison, similar positions within the Agency are also shown along with the annual salary range as anticipated in the draft budget. The latter are **not** current and represent **what would take effect July 1, 2024**, if the proposed budget were adopted. If the proposed budget is not adopted, the annual salary range for YRCAA positions would be substantially lower than that shown. Because the annual increase for Ecology is unknown at this time, and to ensure the figures provided are comparable, no cost-of-living adjustment is included for either agency. In addition, the Ecology positions listed are located in one of the following five counties: King, Spokane, Thurston, Yakima, and Whatcom. Ecology pays a five percent (5%) bonus above the amounts show for positions in King County.

<u>Entity*</u>	<u>Position / Title</u>	<u>Salary Range</u>	<u>Period</u>
ECY	Environmental Engineer 5 (Ph.D./PE)	\$88,416 – \$118,932	Current
YRCAA	Lead Engineer (Ph.D./PE)	\$83,809 – \$111,745	Proposed
ECY	Environmental Engineer 3	\$78,120 – \$105,096	Current
ECY	Environmental Specialist 5	\$70,800 – \$95,184	Current
ECY	Environmental Engineer 2	\$50,088 – \$90,624	Current
YRCAA	Air Quality Engineer	\$66,986 – \$89,314	Proposed
ECY	Environmental Specialist 4	\$64,092 – \$86,208	Current
ECY	Environmental Specialist 3	\$45,552 – \$74,376	Current
ECY	Monitoring Field Lead	\$53,964 – \$72,552	Current
ECY	Administrative Assistant 5	\$51,384 – \$69,072	Current
ECY	Outreach Specialist 3	\$50,088 – \$67,380	Current
ECY	Environmental Specialist 2	\$38,640 – \$61,056	Current
YRCAA	Air Quality Specialist	\$45,607 – \$60,809	Proposed
ECY	Administrative Assistant 3	\$40,512 – \$53,964	Current
ECY	Environmental Specialist 1	\$40,572 – \$53,952	Current
YRCAA	Admin. Assistant	\$40,100 – \$53,467	Proposed
ECY	Customer Service 2	\$37,740 – \$50,088	Current
ECY	Office Assistant 3	\$35,280 – \$46,596	Current
YRCAA	Client Services Rep.	\$32,627 – \$43,503	Proposed
ECY	Office Assistant 1	\$34,500 – \$42,444	Current

* ECY – Wash. Dept. of Ecology
YRCAA – Yakima Regional Clean Air Agency

For both the Agency and Ecology, lower wages within a range are generally paid to persons that do not fully meet the education and/or experience requirements of the position (sometimes

referred to as “trainees”). These people move higher within the salary range as they successfully complete training and gain more education and/or experience.

As shown above, the range used by Ecology is similar to that used by the Agency. The average difference between the low and high amounts for the Ecology positions listed is twenty-eight percent (28%) while the average for the Agency positions is twenty-five percent (25%). The average low amount for Ecology is three percent (3%) below the average low amount for the Agency and the average high amount for Ecology is one percent (1%) above the average high amount for the Agency.

The data above indicate with the proposed adjustments to wages, the Agency would approach parity with similar positions at Ecology while consistently falling just short of achieving it. Though the Agency has no position for which it offers a top wage at or above that offered by Ecology, it is believed the proposed budget would be close enough to parity to reduce the kind of staff losses recently experienced.

The State of Washington (including Ecology) also offers non-wage benefits. A comparison with Agency non-wage benefits is shown below:

<u>Benefit</u>	<u>State</u>	<u>Agency</u>
Medical, dental, & vision insurance	Yes	Yes
Life insurance	Basic	Basic
Accidental Death/Dismemberment	Basic	Basic
Long-term disability	Yes*	Yes*
Social Security	Yes	Similar
Public Emp. Retirement	Yes	Yes
Deferred compensation	Yes*	Yes*
Flexible spending account	Yes*	Yes*
Dependent care assistance	Yes*	Yes*
Student loan forgiveness	Possible	No
Flexible schedule	Possible	No
Telecommuting	Partial	No

* Available at employee cost

Localization / Geographic Disparity

As it did previously in October 2022, the Board questioned whether comparative wage and salary data from various locations had been adjusted to account for differences in the cost of living, market demand, availability of qualified labor, and other factors that could affect wage and salary comparability and artificially inflating the median wage calculations for Yakima.

To avoid this (previously explained in a staff report dated November 3, 2022) the firm retained by the Agency to conduct the compensation survey equalized wages across geographic areas using the Economic Research Institute’s Geographic Assessor (ERIGA). The ERIGA compares the cost of labor between different localities by collecting wage and benefit costs in multiple areas from various employers across a broad range of jobs—from Janitor to Chief Executive Officer and averages these for each area to calculate its cost of labor. Comparing this cost of

labor for two locations results in a percentage difference that is then applied to the wage for a specific position in another location in order to calculate the equivalent wage for that position in Yakima County.

Thus, if the aggregate average wage for 500 different positions in city X were \$100,000 per year (Cost of Labor X) and the aggregate average wage for the same positions in city Y were \$80,000 per year (Cost of Labor Y), the adjustment factor for city Y would be -20%. For example:

<u>Position</u>	<u>Seattle</u>	<u>Spokane</u>	<u>Olympia</u>	<u>Vancouver</u>	<u>Yakima</u>
General Manager	\$150,000	\$138,000	\$145,000	\$142,000	\$138,000
Finance Director	116,500	112,300	120,000	115,800	104,600
Sales Manager	92,800	84,100	88,400	87,000	79,800
I.T. Technician	88,200	85,000	86,700	84,800	82,800
Office Manager	64,000	57,500	60,700	60,900	53,400
Executive Assistant	47,600	43,000	46,100	43,700	40,700
Customer Serv. Rep.	41,300	39,400	40,800	38,300	37,000
Maintenance Tech.	35,800	34,200	35,200	34,600	34,100
Janitor	34,900	34,200	34,700	34,500	33,900
Average	\$74,456	\$69,689	\$73,067	\$71,289	\$67,244
Yakima Adjustment Factor	-10.7%	-3.6%	-8.7%	-6.0%	

* Note: The figures shown above are not actual amounts and are used only to illustrate how the adjustment factor was calculated.

Thus (in this example), when looking at wages for Air Quality/Environmental Specialists in other organizations located in the greater Seattle (King County), Spokane (Spokane County), Olympia (Thurston County), and Vancouver (Clark County) areas, the equivalent Yakima County wage would be as follows (using the above figures):

<u>Location</u>	<u>Median Wage</u>	<u>Yakima Equivalent</u>
Seattle (-10.7%)	58,700	52,419
Spokane (-3.6%)	56,900	54,852
Olympia (-8.7%)	57,200	52,224
Vancouver (-6.0%)	55,400	52,076
Average	57,050	52,893

It is assumed that increases in the cost of living are reflected through increases in the cost of labor over time as employees demand higher wages, union contracts are renegotiated, and adjustments are made by organizations to remain competitive in the labor market. Because these take time to implement, the cost of labor is typically more stable than the cost of living which can fluctuate substantially from month to month depending on the extent of shifts in the cost of select goods and/or commodities (as has been amply demonstrated in recent years).

In addition to the steps described above to address localization, to prevent the results of the survey from being skewed, data were collected from a large number of similar positions in sister agencies, other public sector entities, various industries, and multiple private organizations.

Consequently, the results are not biased by virtue of having been based predominantly on a specific title, a particular industry, other air pollution control authorities, the public sector, or the private sector.

Private Industry

If funds received involuntarily from private industry are used by a collecting agency to offer compensation substantially greater than that offered by the former, the agency is effectively outcompeting the private organization by using its own money against it. Were that occurring in this situation, there would be legitimate cause for concern, but a representative sample of comparable positions in the private-sector does not appear to support such a conclusion. To the contrary, even with the proposed increase, Agency wages appear to remain comfortably below those paid for similar positions in the private sector that are currently open and for which the entity is actively recruiting as shown below:

<u>Entity</u>	<u>Position</u>	<u>Published Range</u>	<u>Period</u>
Private	Environ./Civil Engineer (Bellingham)	\$90,000 – \$160,000	Current
Private	Environ. Engineer (Bellevue)	\$93,288 – \$145,425	Current
Private	Environ. Engineer—Air (Moses Lake)	\$90,000 – \$120,000	Current
Private	Environ. Engineer (Seattle)	\$90,000 – \$115,000	Current
YRCAA	Lead Engineer (Ph.D./PE)	\$83,809 – \$111,745	Proposed
Private	Environ. Engineer (Kalama)	\$89,100 Starting	Current
Private	Environ. Engineer (Olympia)	\$70,000 – \$100,000	Current
YRCAA	Air Quality Engineer	\$79,202 – \$93,179	Proposed
Private	Admin. Assistant (Vancouver)	\$56,160 – \$61,880	Current
YRCAA	Air Quality Specialist	\$51,936 – \$61,101	Proposed
Private	Admin. Assistant (Edmonds)	\$45,094 – \$58,240	Current
YRCAA	Admin. Assistant	\$40,100 – \$53,467	Proposed
Private	Office Coordinator	\$41,392 – \$51,750	Current
Private	Reception/Front Office (Yakima)	\$39,520 – \$49,920	Current
Private	Receptionist (Yakima)	\$45,760	Current
Private	Receptionist (Yakima)	\$39,520 – \$45,760	Current
Private	Admin. Assistant (Milton)	\$41,621 – \$45,760	Current
YRCAA	Client Services Rep.	\$32,627 – \$43,503	Proposed

It has been stated the Agency should not compete with the private sector. If this is intended to mean the Agency should ensure it does not achieve parity with it, the Board should understand this would effectively relegate the Agency to employing persons lacking the skills, education, knowledge, and/or experience needed to secure a better position elsewhere.

Members of the public regularly question the competence of government employees and this would only serve to further undermine public confidence and leave an Agency in which the employees who lack the qualifications to secure employment in a similar, but better compensated, position within the private sector remain while more competent employees repeatedly depart at the first opportunity.

Health Insurance

Additional information concerning health insurance was requested and is primarily located in the notes to the budget under “533702001 — Benefits”. However, for added context, monthly premium costs for the highest and lowest cost health insurance plans available in 2015 (the earliest year for which such information could be found) are provided below and compared with current (2024) premium costs.

Plan	Highest Cost Plan			Lowest Cost Plan		
	2015	Incr.	2024	2015	Incr.	2024
Employee Only	759.30	30.8%	1,096.70	669.75	25.8%	902.12
Employee +Spouse	1,372.70	25.6%	1,844.94	1,184.39	28.0%	1,645.77
Employee +Children	1,219.35	32.3%	1,801.40	1,070.31	27.4%	1,474.44
Full Family	1,832.75	33.1%	2,741.00	1,526.62	29.3%	2,159.77

Insurance Coverage

In July 2023, one employee declined medical coverage, seven had employee-only coverage, and two employees had employee and spouse coverage. As of April 2024, five employees had employee-only coverage, one employee had employee and spouse coverage, and one employee had employee and child(ren) coverage. The future coverage for three positions is unknown at this time.

The cost of health insurance is challenging to predict because it is determined, in part, by employees who may change coverage, decline or enroll in coverage, or elect different coverage at the time of employment compared to the employee they are replacing. The proposed budget assumes eight employees with employee-only coverage, one employee with employee and spouse coverage, and one employee with employee and child(ren) coverage. However, if any existing employees select different coverage or the three unknown positions select coverage beyond employee-only, the actual cost will be different from the budgeted amount. Given the budget amount is currently low relative to potential costs, any change is most likely to increase the cost to the Agency above the budgeted amount rather than decrease it (though the latter is technically possible).

Social Security Equivalent

Comment was made that a notable portion of the increased cost of benefits was due to the addition of Social Security. As explained previously in late 2022, the comparable wages set forth in the compensation survey were based on positions in organizations that participate in Social Security. As an exception to that, the Agency is placed at a disadvantage with respect to recruitment and retention unless this shortcoming is addressed which requires actual participation in Social Security, directly increasing wages by an equivalent amount (though this entails negative tax consequences), or implementing a program that mimics the benefits of Social Security (which is what the Board elected to do).

Inflation

It has been noted the planned wage and salary increases over FY 2023-24 and FY 2024-25 equal nearly thirty-six (36%). Looking at those two fiscal years alone, it is a significant adjustment. However, from 2014 to 2022 the Agency did not alter its fee structure and, as a result, wages

remained largely stagnant. For the period January 2014 to September 2022 when the compensation analysis was completed, inflation (as determined by the U.S. Bureau of Labor Statistics) was fifteen and two-tenths percent (15.2%). Again, from 2007 to the modest adjustments that took place in 2013, fees and wages remained largely stagnant. Looking at the period January 2007 to September 2022, inflation was thirty-one and eight tenths percent (31.8%).

Assuming the occasional minor wage adjustments that occurred during the period in question totaled approximately ten percent (10%) and reduced the impact of inflation by the same percentage, keeping up with inflation, alone, would consume twenty-one and eight tenths percent (21.8%) of the thirty-six percent (36%) increase leaving fourteen and two tenths percent (14.2%) to correct the substantially below-market wages identified in the compensation survey.

Public Perception

In the meeting held December 14, 2023, Dr. Jones stated, “I would just like to make it clear that one of the reasons that we are addressing these fees at this time is simply a timing issue and these fees are based on the need for more revenue to support additional salary increases for agency staff and it’s important to know that we have already implemented several improvements in salaries and benefits for the staff and we have one more anticipated so that is the reason that these fees to going up and I think it’s important the public knows that’s why these fees are being raised.” At the time, Commissioner McKinney stated, “I would concur with that absolutely and that this is not a revenue generating scheme to make sure that the regional clean air authority has a whole bunch of money sitting in a bank account accruing interest, this is to make sure that we’re covering operations.”

Though the above in no way prevents the Board from taking any action it may deem fit and proper regarding the budget, these statements may have left the public with an impression the revenue from the fee increase implemented in January 2024 would be used predominantly—if not exclusively—for “improvements in salaries and benefits for the staff” (and the proposed budget is consistent with that objective). If the Board were to substantially reduce the referenced “improvements” (or abandon them altogether), there is some risk it could be interpreted negatively by the public.

Agency Future

As has been previously noted, the Agency provides a service, not a product. As a result, it is heavily dependent not on machines and systems, but on people. Without qualified, competent, and capable individuals the Agency cannot be effective or efficient and will ultimately return to its previous condition. It is not up to staff to determine the future of the Agency, that is the responsibility of the Board and the decisions it makes will largely determine that future—whether for better or for worse.

If the Board considers bringing wages and salaries in line with the market to be excessive, then the Agency has no more need for an Executive Director than the Titanic had need for a Cruise Director and the Board should eliminate the position without delay and use the funds saved to complete, to the extent possible, the last portion of planned wage increases for the remaining employees so they can be retained and the currently empty positions filled. It should also

consider designating one of the front office positions as Office Manager responsible for the administrative aspects of the Agency, appoint the Compliance Supervisor or Engineering Supervisor as the Air Pollution Control Officer, and institute reports from all three positions at each Board meeting to allow for direct management of the Agency by the Board.



Yakima Regional Clean Air Agency

Fiscal Year 2024-25 Budget

PROPOSED

May 9, 2024

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YRCAA Proposed FY 2024-25 Budget

The Yakima Regional Clean Air Agency (YRCAA) is required to have an annual budget that “contain[s] adequate funding and provide[s] for staff sufficient to carry out the provisions of all applicable ordinances, resolutions, and local regulations related to the reduction, prevention, and control of air pollution” pursuant to RCW 70A.15.1590. The following budget meets these requirements, aligns all expenditures with their appropriate revenue sources, and contains an itemized accounting of both with respect to the Agency’s base, grant, and enterprise operations.

YRCAA Comparative Budget FY 2024-25	Adopted Budget FY 2023-24	Projected Actual FY 2023-24	Proposed Budget FY 2024-25
<u>REVENUE – Base Operations</u>			
<u>Stationary Sources</u>			
32199001 Minor Sources	\$ 251,097	\$ 350,161	\$ 357,164
32199002 New Source Review	39,848	35,052	36,000
32199004 Complex Minor Sources	44,926	0	0
32199005 Synthetic Minor Sources	37,193	34,643	37,936
32290001 Title V Sources	<u>72,000</u>	<u>98,460</u>	<u>98,500</u>
<i>Subtotal – Stationary Sources</i>	<i>\$ 445,064</i>	<i>\$ 518,316</i>	<i>\$ 529,600</i>
<u>Burn Permits</u>			
32290005 Residential Burn Permits	\$ 53,500	\$ 63,639	\$ 60,000
32290007 Agricultural Burn Permits	21,128	19,860	15,500
32290011 Conditional Use Burn Permits	<u>2,150</u>	<u>1,720</u>	<u>1,500</u>
<i>Subtotal – Burn Permits</i>	<i>\$ 76,778</i>	<i>\$ 85,219</i>	<i>\$ 77,000</i>
<u>Compliance</u>			
32199003 Asbestos Removal Fees	\$ 26,229	\$ 27,803	\$ 26,000
32199007 Construction Dust Control Fees	<u>7,632</u>	<u>7,625</u>	<u>6,500</u>
<i>Subtotal – Compliance</i>	<i>\$ 33,861</i>	<i>\$ 35,428</i>	<i>\$ 32,500</i>
<u>Core Grants (CAA Section 105)</u>			
33366001 EPA Core	\$ 106,545	\$ 113,275	\$ 113,275
33403101 Ecology Local Partner Core	<u>77,153</u>	<u>75,516</u>	<u>75,516</u>
<i>Subtotal – Base Grants</i>	<i>\$ 183,698</i>	<i>\$ 188,791</i>	<i>\$ 188,791</i>
<u>Fines and Penalties</u>			
35990001 Fines and Penalties	\$ 0	\$ 37,767	\$ 0
<i>Subtotal – Fines and Penalties</i>	<i>\$ 0</i>	<i>\$ 37,767</i>	<i>\$ 0</i>
<u>Supplemental Income</u>			
36850003 Supplemental Income	\$ 94,597	\$ 94,735	\$ 132,575
<i>Subtotal – Supplemental Income</i>	<i>\$ 94,597</i>	<i>\$ 94,735</i>	<i>\$ 132,575</i>
<u>Other Income</u>			
36111001 Interest	\$ 7,000	\$ 11,241	\$ 11,200
36991011 Miscellaneous	<u>400</u>	<u>781</u>	<u>500</u>
<i>Subtotal – Other Income</i>	<i>\$ 7,400</i>	<i>\$ 12,023</i>	<i>\$ 11,700</i>
<i>Subtotal – Base Operations</i>	<i>\$ 841,398</i>	<i>\$ 972,278</i>	<i>\$ 972,166</i>
<u>REVENUE – Grant Operations</u>			
<u>Wood Smoke Education</u>			
33403105 Wood Smoke Education	\$ 4,906	\$ 5,129	\$ 5,129
<i>Subtotal – Wood Smoke Education</i>	<i>\$ 4,906</i>	<i>\$ 5,129</i>	<i>\$ 5,129</i>
<u>Wood Smoke Reduction</u>			
33403107 Wood Smoke Reduction	\$ 687,500	\$ 932,778	\$ 317,223
<i>Subtotal – Wood Smoke Reduction</i>	<i>\$ 687,500</i>	<i>\$ 932,778</i>	<i>\$ 317,223</i>

YRCAA Comparative Budget FY 2024-25	Adopted Budget FY 2023-24	Projected Actual FY 2023-24	Proposed Budget FY 2024-25
Particulate Matter (CAA Section 103)			
33403108 Ecology Local Partner PM 2.5	\$ 21,050	\$ 21,051	\$ 36,000
<i>Subtotal – Particulate Matter</i>	<u>\$ 21,050</u>	<u>\$ 21,051</u>	<u>\$ 36,000</u>
<i>Subtotal – Grant Operations</i>	\$ 713,456	\$ 958,957	\$ 358,352
REVENUE – Enterprise Operations			
Visible Emission Certification			
34517001 Visible Emission Certification	\$ 75,000	\$ 42,040	\$ 73,200
<i>Subtotal – Visible Emission Certification</i>	<u>\$ 75,000</u>	<u>\$ 42,040</u>	<u>\$ 73,200</u>
<i>Subtotal – Enterprise Operations</i>	\$ 75,000	\$ 42,040	\$ 80,000
Total Revenue	\$ 1,629,854	\$ 2,018,615	\$ 1,410,517
EXPENSES – Base Operations			
Wages and Benefits			
553701001 Wages and Salaries	\$ 462,031	\$ 417,893	\$ 680,822
553702001 Benefits	182,880	\$ 143,462	\$ 330,945
553703001 Overtime	2,000	\$ 0	\$ 2,000
<i>Subtotal – Wages and Benefits</i>	<u>\$ 646,911</u>	<u>\$ 561,355</u>	<u>\$ 1,013,767</u>
Supplies			
533703101 Office Supplies	\$ 7,000	\$ 5,425	\$ 7,000
533703102 Safety Equipment	1,000	0	1,000
533703201 Vehicles	5,500	2,680	4,000
533703501 Small Tools and Equipment	4,500	0	3,000
533703502 Technology Systems	5,000	5,102	5,000
533703503 Office Furnishings	750	2,513	750
<i>Subtotal – Supplies</i>	<u>\$ 23,750</u>	<u>\$ 15,720</u>	<u>\$ 20,750</u>
Services			
553704101 Professional Services	\$ 46,000	\$ 50,032	\$ 40,000
553704102 Laboratory Analyses	500	236	500
553704192 Yakima County Services	1,000	0	0
553704201 Communications and Technology	9,800	10,020	10,500
553704202 Postage and Freight	1,800	1,947	2,000
553704301 Travel and Related	5,000	435	5,000
553704401 Public Notices and Education	8,000	1,512	6,000
553704501 Rents and Leases	62,000	62,057	64,000
553704601 Insurance	16,000	16,184	17,500
553704701 Utilities	6,000	4,800	6,200
553704801 Maintenance – Vehicles/Equipment	2,000	2,239	2,700
553704802 Maintenance – Building	4,700	2,835	1,200
553704901 Miscellaneous	17,200	11,695	15,000
553704902 Ecology Oversight and Admin. Fee	2,700	3,148	3,500
<i>Subtotal – Services</i>	<u>\$ 182,700</u>	<u>\$ 167,140</u>	<u>\$ 179,100</u>
Capital Projects/Fixed Assets			
594536401 Capital Projects/Fixed Assets	\$ 0	\$ 0	\$ 0
<i>Subtotal – Base Operations</i>	<u>\$ 853,361</u>	<u>\$ 744,215</u>	<u>\$ 1,213,617</u>
EXPENSES – Grant Operations			
Wood Smoke Education			
Wages and Benefits			
553701002 Wages and Salaries	\$ 3,186	\$ 3,106	\$ 3,106
553702002 Benefits	1,120	1,375	1,375
553703002 Overtime	0	0	0
<i>Subtotal – Wages and Benefits</i>	<u>\$ 4,306</u>	<u>\$ 4,481</u>	<u>\$ 4,481</u>

YRCAA Comparative Budget FY 2024-25		Adopted Budget FY 2023-24	Projected Actual FY 2023-24	Proposed Budget FY 2024-25
Supplies				
553703103	Office Supplies	\$ 0	\$ 0	\$ 0
	<i>Subtotal – Supplies</i>	\$ 0	\$ 0	\$ 0
Services				
553704139	Professional Services	\$ 600	\$ 750	\$ 750
553704203	Postage	0	0	0
	<i>Subtotal – Services</i>	\$ 600	\$ 750	\$ 750
	<i>Subtotal – Wood Smoke Education</i>	\$ 4,906	\$ 5,231	\$ 5,231
Particulate Matter				
Wages and Benefits				
553701003	Wages and Salaries	\$ 15,577	\$ 35,000	\$ 17,970
553702003	Benefits	5,473	7,100	8,421
553703003	Overtime	0	0	0
	<i>Subtotal – Wages and Benefits</i>	\$ 21,050	\$ 42,100	\$ 26,391
Supplies				
553703104	Office Supplies	\$ 0	\$ 0	\$ 0
	<i>Subtotal – Supplies</i>	\$ 0	\$ 0	\$ 0
Services				
553704104	Professional Services	\$ 0	\$ 0	\$ 0
	<i>Subtotal – Services</i>	\$ 0	\$ 0	\$ 0
	<i>Subtotal – PM 2.5</i>	\$ 21,050	\$ 42,100	\$ 26,391
Wood Smoke Reduction				
Wages and Benefits				
553701004	Wages and Salaries	\$ 127,188	\$ 133,127	\$ 45,274
553702004	Benefits	44,688	53,429	18,170
553703004	Overtime	0	0	0
	<i>Subtotal – Wages and Benefits</i>	\$ 171,876	\$ 186,556	\$ 63,445
Supplies				
553703105	Office Supplies	\$ 0	\$ 0	\$ 0
	<i>Subtotal – Supplies</i>	\$ 0	\$ 0	\$ 0
Services				
553704105	Professional Services	\$ 515,625	\$ 746,222	\$ 253,778
	<i>Subtotal – Services</i>	\$ 515,625	\$ 746,222	\$ 253,778
	<i>Subtotal – Wood Smoke Reduction</i>	\$ 687,501	\$ 932,778	\$ 317,223
	<i>Subtotal – Grant Operations</i>	\$ 713,457	\$ 980,109	\$ 348,845
EXPENSES – Enterprise Operations				
Visible Emission Certification				
Wages and Benefits				
553701005	Wages and Salaries	\$ 13,320	\$ 52,100	\$ 17,087
553702005	Benefits	4,680	8,290	7,109
553703005	Overtime	0	0	0
	<i>Subtotal – Wages and Benefits</i>	\$ 18,000	\$ 60,390	\$ 24,195
Supplies				
553703106	Office Supplies	\$ 100	\$ 850	\$ 925
553703206	Vehicles	1,200	937	1,400
553703506	Small Tools and Equipment	50	0	50
	<i>Subtotal – Supplies</i>	\$ 1,350	\$ 1,787	\$ 2,375

YRCAA Comparative Budget FY 2024-25	Adopted Budget FY 2023-24	Projected Actual FY 2023-24	Proposed Budget FY 2024-25
Services			
553704106 Professional Services	\$ 1,000	\$ 296	\$ 325
553704206 Postage	100	0	100
553704306 Travel and Transportation	8,500	4,500	6,500
553704506 Rents and Leases	4,000	2,501	3,500
553704806 Maintenance – Vehicles/Equipment	800	170	800
553704906 Miscellaneous	0	0	0
Subtotal – Services	\$ 14,400	\$ 7,467	\$ 11,225
Capital Projects/Fixed Assets			
553706406 Capital Projects/Fixed Assets	\$ 0	\$ 0	\$ 0
Subtotal – Capital Projects/Fixed Assets	\$ 0	\$ 0	\$ 0
Subtotal – Enterprise Operations	\$ 33,750	\$ 69,644	\$ 37,795
Total Expenses	\$ 1,600,568	\$ 1,793,968	\$ 1,600,257
Summary			
Total Revenue	\$ 1,629,854	\$ 2,018,615	\$ 1,410,517
Total Expenses	1,600,568	1,793,968	1,600,257
Contribution to Reserves	\$ 29,286	\$ 224,648	\$ (189,740)
Beginning Reserve Balance	\$ 1,020,617	\$ 1,208,748	\$ 1,433,396
Contribution to Reserves	29,286	224,648	(189,740)
Ending Reserve Balance	\$ 1,049,903	\$ 1,433,396	\$ 1,243,655
Reserve Fund Allocation			
Operating Reserve (min. 25% of base operating exp.)	\$ 225,000	\$ 225,000	\$ 300,700
Legal Reserve (min. \$200,000)	250,000	0	250,000
Capital Reserve (min. 10% of asset replacement cost)	30,000	30,000	30,000
Vehicle Replacement	65,000	65,000	120,000
Major Vehicle Repairs	0	0	0
Equipment Acquisition	0	0	5,000
Building Acquisition	450,000	450,000	500,000
Employee Cash-out Liability	0	0	7,000
Grant Balancing	0	300,000	0
Unallocated	\$ 29,903	\$ 113,396	\$ 30,955

Budget Notes

The following notes describe the accounts used by the Agency, the revenues and expenses they represent, and any significant factors affecting, or expected to affect, them during the budget year. The reader should understand the Projected Actual FY 2023-24 figures provided are comprised of actual amounts for the first nine months of the fiscal year (July 1 through March 31) plus a projected amount for the remaining three months (April 1 through June 30). The projected amount may be based on an actual amount if the future revenue/expense is known and not subject to change, a percentage of the prior nine months revenue/expense equal to that of the previous fiscal year if the revenue/expense is seasonal, an estimate if the future revenue/expense is largely known but subject to change, another reasonable basis upon which to anticipate the final revenue/expense for special circumstances, or simply one third of the prior nine months revenue/expense if no other basis for calculation exists.

Revenue – Base Operations

Stationary Sources

Because minor, complex minor, and synthetic minor source fees are billed on a calendar year basis and due in the first half of the calendar year, this revenue will be realized in the second half of fiscal year (FY) 2024-25. A two-phase registration fee increase was planned in CY 2022 with the first phase implemented in CY 2023 (the latter half of FY 2022-23) and the second in CY 2024 (the latter half of FY 2023-24). This accounts for the difference between the adopted budget and projected actual figures for FY 2023-24.

The implementation of an annual fee adjustment will help prevent future large increases (such as those in FY 2022-23 and FY 2023-24) made necessary by multiple years in which no change is made. The modest increase in revenue budgeted for FY 2024-25 is based on an anticipated annual adjustment of two percent (2%) which is expected to be slightly less than the rate of inflation. A new minor source classification system was also adopted and implemented in late CY 2023 and while this change affected the allocation of fees amongst individual registrants, it did not substantially alter the total revenue received by the Agency from these sources.

32199001 — Minor Sources

Revenue from sources not otherwise classified as Synthetic Minor and collected pursuant to Revised Code of Washington (RCW) 70A.15.2200, Washington Administrative Code (WAC) 173-400-099, and Yakima Regional Clean Air Agency (YRCAA) Regulation 1 Section 4.01. The amount shown reflects a substantial increase resulting from the inclusion of revenues previously reported separately as complex minor sources as a result of the adoption and implementation of a new minor source classification system at the end of CY 2023 as well as the annual fee increases noted above.

32199002 — New Source Reviews

Revenue from stationary sources subject to a New Source Review (NSR) pursuant to Chapter 173-400 WAC, Chapter 173-460 WAC, 40 Code of Federal Regulations (CFR) Part 60, and 40 CFR Part 61.

32199004 — Complex Minor Sources

No projected actual or proposed budget amount is allocated to complex minor sources due to the adoption and implementation of a new minor source classification system at the end of CY 2023. Under this system, complex minor sources are included with all other minor sources—typically with a higher classification—and no longer exist as a separate revenue category.

32199005 — Synthetic Minor Sources

Revenue from sources that have chosen to avoid classification as a major (aka Title V) source by accepting restrictive operating and permit conditions that limit emissions.

32290001 — Title V Sources

Revenue from major sources that directly emit, or have the potential to emit, 100 tons per year (TPY) or more of any air pollutant as defined in 40 CFR Part 70. The Agency currently has three (3) major sources and does not anticipate any change in FY 2024-25.

Burn Permits

32290005 — Residential Burn Permits

Revenue from residential burn permits pursuant to RCW 70A.15.5070, Chapter 173-425 WAC, and YRCAA Regulation 1 Section 3.03.

32290007 — Agricultural Burn Permits

Revenue from agricultural burn permits pursuant to RCW 70A.15.5090, Chapter 173-430 WAC, and YRCAA Regulation 1 Section 3.03. Rates are established by the Agricultural Burning Practices and Research Task Force pursuant to RCW 70A.15.5090(6) and have not been adjusted for several years. Agricultural burn permit revenue has declined over several years from a high of approx. \$47,000 in FY 2019-20. Following this trend, the figure shown includes a small reduction in revenue. It should be noted the prevalence of agricultural burning from year to year is significantly influenced by the availability and financial feasibility of alternatives and market demand for chipped vegetative material.

32290011 — Conditional Use Burn Permits

Revenue from conditional use burn permits issued for burning that is not residential or agricultural in nature (e.g. firefighter training and land clearing).

Compliance

32199003 — Asbestos Removal

Revenue from fees required pursuant to the National Emission Standards for Hazardous Air Pollutants (NESHAP) and YRCAA Regulation 1, Section 3.07 used to process notifications and conduct inspections of demolition and renovation activity with the potential to release asbestos fibers.

32199007 — Construction Dust Control Plans

Revenue from dust control plans (including master and site plans) pursuant to WAC 173-400-040 and YRCAA Regulation 1 Section 3.08.

Core Grants

33366001 — EPA Core

Funds awarded through the federal Performance Partnership Grant (PPG) program pursuant to federal Clean Air Act Section 105. These funds support the Agency's core air quality programs and are distributed through the Wash. Dept. of Ecology on behalf of the U.S. Environmental Protection Agency. This grant is biennial and the figure shown is one-half the amount awarded for the two-year period.

33403101 — Ecology Local Partner Core

Funds awarded through the federal Performance Partnership Grant (PPG) program pursuant to federal Clean Air Act Section 105. These funds are a portion of the monies granted to the State of Washington by the U.S. Environmental Protection Agency.

Fines and Penalties

35990001 — Civil Penalties

Civil penalties assessed for violations of air pollution regulations with amounts determined on a case-by-case basis depending upon various factors including the type and severity of the violation, culpability of the source, and the potential impact on human health. Although most years see receipts for penalties, the Agency objective is for full compliance resulting in zero civil penalties. As a result, no amount is budgeted for this item. When received, penalties are used to provide additional financial support for compliance, education, outreach, and other one-time expenses.

Supplemental Income

36850003 — Supplemental Income

Assessments paid to YRCAA by cities, towns, and Yakima County pursuant to RCW 70A.15.1590 and RCW 70A.15.1600. The proportionate share of supplemental income for each entity is shown in the appendix. In December 2022, the Board adopted a 20% increase to be implemented over two years with the first half effective for CY 2024. The amount shown reflects a second part increase to \$0.46 per capita population to be effective for CY 2025. State law directs the Agency to bill on a quarterly basis so it can only project the receipt of one half the revenue anticipated in CY 2025 (which will be billed in the last half of FY 2024-25).

However, some entities pay the entire annual amount in the first half of the calendar year (rather than spread out over four quarters). As a result, a portion of this revenue that would otherwise be budgeted for receipt in the second half of CY 2025 (in next budget year or FY 2025-26) will actually be received in the first half of CY 2025 (in this budget year or FY 2024-25). This results in what appears to be a discrepancy as the Agency budgets only half the anticipated CY revenue in the second half of a FY, but cannot fully budget the remaining half in the first half of the following FY where payment has already been made in full. In the example above, the excess revenue received in the second half of FY 2024-25 over the budgeted amount should equal the shortfall in revenue received in the first half of FY 2025-26.

Other Income

36111001 — Interest

Interest income earned on funds (primarily reserve funds) held by the Agency. The amount shown reflects high interest rates that are expected to remain relatively stable through the fiscal year in tandem with more active investment management of the Agency's reserve funds.

36991011 — Miscellaneous

Revenue not otherwise allocated such as tax-deductible donations or fees related to public records requests.

Revenue – Grant Operations

33403105 — Wood Smoke Education

Grant funds provided by the Wash. Dept. of Ecology supporting the Agency's wood smoke education program including advertising and public service announcements concerning the dangers of smoke, fine particulate matter, and alternatives to burning.

33403107 — Wood Smoke Reduction

Grant funds provided by the Wash. Dept. of Ecology to support the Agency's Wood Stove Replacement program. The program provides rebates for, or fully funds for low-income persons, replacement of older, polluting wood-burning stoves with new EPA-certified wood stoves or other heating devices.

Despite the Agency having received a substantial increase in the amount awarded the Agency in the FY 2023-25 biennium (versus the FY 2021-23 biennium), the figure shown appears to be smaller. This is due to the Agency having performed an unusually high number of device replacements in FY 2023-24 so that a greater percentage of the amount awarded was received/used in the first half of the biennium. As a result, a smaller amount (the unspent balance) will be available for FY 2024-25.

33403108 — Ecology Local Partner PM 2.5

Funds awarded through the Wash. Dept. of Ecology pursuant to federal Clean Air Act Section 103 and used to operate and maintain two air quality monitor systems (located in the cities of Yakima and Sunnyside) that measure fine particulate matter equal to or smaller than 2.5 microns (PM_{2.5}). The figure shown includes an increase resulting from the Agency taking on responsibility for the monitor in Sunnyside) as well as a short-term increase that will be in effect for four years ending April 2028.

Revenue – Enterprise Operations

34517001 — Visible Emissions Certification

Revenue from training and registration fees paid by persons participating in the Agency’s Northwest Opacity Certification (NOC) program. The NOC program provides training, testing, and certification for participants who must be certified to conduct Visible Emission Evaluations in accordance with Method 9 and Method 22 as described in 40 CFR 60. Certification must be renewed every six months.

34517002 — Other Revenue

Revenue from any other enterprise operation.

Expenses – Base Operations

Wages and Benefits

553701001 — Wages and Salaries

Expenses for wages and salaries paid to full-time and part-time employees of the Agency. The amount shown assumes all ten (10) positions within the Agency are filled with employees fully qualified for the position held and, therefore, making the target wage for that position. In practice, employees change so that, in any given year, one or more positions may be vacant for a period of time. Furthermore, new employees may not be fully qualified at the time of hire—reaching that point only after completing training and gaining experience.

When, and to the extent, one or both of these circumstances conditions exist, the actual wages and benefits expense in any given fiscal year will be lower than the budgeted amount. However, as positions are filled and/or qualifications are gained, the total expense for wages and benefits will grow until it reaches the budgeted amount. If the budget were based only on the actual wages and benefits expenses at the beginning of the fiscal year and projected forward, there would be insufficient funds available when, during the budget period, replacement personnel are hired or pay is adjusted for advancement in the training program.

The amount shown also incorporates the second, planned wage and salary increase for all positions (except that of executive director) resulting from a market compensation analysis completed in September 2022 and tentatively approved by the Board in December 2022. This increase was to be implemented over two years with the second portion expected to occur in FY 2024-25. No increase in wages and benefits for the position of executive director is contemplated in the proposed budget (beyond the cost-of-living-adjustment noted below).

The budget also includes an estimated four and one-half percent (4.5%) annual cost-of-living-adjustment (COLA) for all positions. The purpose of a COLA is to help ensure wages remain competitive with the general labor market during the period between compensation analyses and to help prevent wages from falling behind over time resulting in the need for substantial future increases.

The median wages determined by the September 2022 analysis serve as the basis for the proposed wages and benefits implemented in FY 2023-24 and anticipated in FY 2024-25. At the time the analysis was completed, the Consumer Price Index (CPI) as calculated by the U.S. Bureau of Labor Statistics was 296.808. However, during the intervening months through February 2024 (the most recent month with stable data) the CPI grew to 310.326—an increase of four and thirty-five hundredths percent (4.35%). It is estimated this percentage will have increased slightly by the end of the current fiscal year.

533702001 — Benefits

Expenses for employment benefits including employer contributions for medical and dental insurance, unemployment insurance, Medicare, Social Security or similar program, industrial insurance (aka Workers’ Compensation), and Public Employees Retirement System (PERS). CY 2024 health insurance costs rose seven percent (7%) over CY 2023 costs. The amounts shown include an estimated five percent (5%) increase in health insurance premiums expected to be effective January 1, 2025 (for the last half of FY 2024-25). Calendar year 2023 and 2024 premiums are shown below:

Plan / Monthly Premium	Employee Only		Employee +Spouse		Employee +Children		Full Family	
	2023	2024	2023	2024	2023	2024	2023	2024
Kaiser Permanente WA Classic	\$1,001.31	\$1,096.70	\$1,844.94	\$2,036.30	\$1,634.03	\$1,801.40	\$2,477.66	\$2,741.00
Kaiser Permanente WA Value	928.83	1,082.51	1,699.98	2,007.91	1,507.19	1,776.56	2,278.34	2,701.97
Kaiser Permanente WA CDHP	864.62	902.12	1,569.78	1,645.77	1,408.07	1,474.44	2,054.90	2,159.77
Uniform Medical Plan Classic	970.10	994.82	1,782.52	1,832.54	1,579.42	1,623.11	2,391.84	2,460.83
Uniform Medical Plan Select	893.87	929.75	1,630.06	1,702.41	1,446.01	1,509.24	2,182.20	2,281.90
Uniform Medical Plan Plus	931.69	979.64	1,705.70	1,802.18	1,512.20	1,596.55	2,286.21	2,419.09
Uniform Medical Plan CDHP	869.16	910.93	1,578.86	1,663.40	1,416.02	1,489.87	2,067.39	2,184.01
<i>Maximum</i>	<i>\$1,001.31</i>	<i>\$1,096.70</i>	<i>\$1,844.94</i>	<i>\$2,036.30</i>	<i>\$1,634.03</i>	<i>\$1,801.40</i>	<i>\$2,477.66</i>	<i>\$2,741.00</i>
<i>Average</i>	<i>\$922.80</i>	<i>\$985.21</i>	<i>\$1,687.41</i>	<i>\$1,812.93</i>	<i>\$1,500.42</i>	<i>\$1,610.17</i>	<i>\$2,248.36</i>	<i>\$2,421.22</i>

The amount paid by the Agency is shown below:

	Enrolled Employees	Maximum Premium	Agency Percentage	Agency Contribution
Employee (only)	8	\$1,096.70	95%	\$1,041.87
Employee and spouse	1	\$2,036.30	65%	\$1,323.60
Employee and child(ren)	1	\$1,801.40	70%	\$1,260.98
Employee full family	0	\$2,741.00	55%	\$1,507.55
<i>Agency Monthly Cost</i>				<i>\$10,919.54</i>
<i>Agency Annual Cost</i>				<i>\$131,034.48</i>

533703001 — Overtime

Expenses for overtime (or time worked in excess of 40 hours in a work week). The Agency typically limits overtime to urgent and special situations. The amount shown reflects potential overtime costs resulting from unexpected events (e.g. compliance, enforcement, and complaint response) occurring during non-working hours.

Supplies

533703101 — Office Supplies

Expenses for consumables and other supplies valued at less than \$5,000 and not otherwise allocated to the capital asset account including toilet paper, light bulbs, toner, writing instruments, paper, etc. The amount shown reflects a minor increase resulting from a continuing need for organizing supplies (e.g. hanging files, file folders, labels, etc.).

533703102 — Safety Equipment

Expenses for safety equipment such as boots, eye protection, safety vests, etc. used for compliance inspections and other field work.

533703201 — Vehicles

Expenses for consumables related to vehicle operation such as gasoline, wiper blades, wiper fluid, etc.

533703501 — Small Tools and Equipment

Expenses for small tools and equipment not otherwise allocated to another account. The amount shown reflects costs for the potential acquisition of equipment that may be needed to support the Agency's compliance, inspection, and enforcement efforts.

533703502 — Technology Systems

Expenses for computer software (such as applications, upgrades, user licenses, etc.), computer hardware (such as computers, monitors, keyboards, network, devices, printers, etc.), printers, scanners, phone system equipment (such as desksets, software, blades, etc.), and other similar equipment. The amount shown reflects the need to replace several workstations—some of which have been in service for over a decade.

533703503 — Office Furnishings

Expenses for office and conference room furnishings (such as task chairs, desks, file cabinets, chair mats, guest seating, tables, white boards, projection screens, etc.). It is expected additional funding will be required in future years to acquire needed furnishings—particularly with respect to planned improvements to paper file management and needed repair/replacement of some conference room chairs.

Services

553704101 — Professional Services

Expenses for all professional services including legal services, technical support, janitorial services, engineering review, and other similar services. A majority of the expenses incurred in the prior year were related to legal costs associated with two state court cases involving all local clean air agencies in Washington. One of these cases remains active to date. In addition, the Agency has an Order of Approval that has been appealed to the Pollution Control Hearings Board and a handful of pending Orders of Approval, all of which may result in increased attorney's fees during the fiscal year.

553704102 — Laboratory Analyses

Expenses for laboratory analyses of various samples as needed. Costs have typically involved analysis of potential asbestos containing materials (PACM).

553704192 — Yakima County Services

Expenses for any service provided to the Agency by Yakima County, typically through an intergovernmental agreement. No need for such services is anticipated at this time.

553704201 — Communications and Technology

Expenses (typically recurring) for communications services including telephone service, Internet service, web site hosting, e-mail hosting, anti-virus, consulting, and other similar services.

553704202 — Postage and Freight

Expenses for stamps, postage, express mail, freight carrier (UPS, FedEx) services, etc.

553704301 — Travel and Related

Expenses for transportation including travel costs (e.g. meals and lodging), private vehicle use reimbursement, and other travel costs except where they are more appropriately included as part of another charge allocated elsewhere.

553704401 — Public Notices and Education

Expenses for required publication of notices, announcements, or reports (including public notices concerning board and administrative meetings as well as public hearings) and public education (such as print, radio, and television advertisements).

533704501 — Rents and Leases

Expenses related to the rent or lease of (primarily office) equipment not otherwise allocated to another account (e.g. copiers, binding machines, postage machines, etc.) and office space including fire insurance, property taxes, and common area and certain landscape maintenance costs.

533704601 — Insurance

Expenses for public liability, property and casualty, errors and omissions, and money insurance policies. Coverage protects and Agency from loss due to accident, fire, theft, burglary, vandalism, auto accident, theft of funds, mistakes, and negligence. The amount shown reflects a modest increase consistent with the trend for annual insurance rates.

553704701 — Utilities

Expenses for utilities including water, sewer, electric power, natural gas, and garbage disposal. The amount shown reflects a modest increase consistent with expected rate increases for these services.

553704801 — Maintenance – Vehicles/Equipment

Expenses for maintaining and repairing vehicles, field equipment, technology systems, and other office equipment not allocated to another maintenance account (e.g, office furnishings, copy machines, etc.).

553704802 — Maintenance – Building

Expenses for carpet cleaning, electrical, mechanical, and other maintenance and repair work on the office building.

533704901 — Miscellaneous

Expenses for Agency membership in regulatory, professional, and other associations and organizations; staff education, training, seminars, and other professional development; bank service charges, interest charges, etc.; and other miscellaneous expenses. The amount shown reflects the expectation of additional training expenses related to (relatively) new staff and continuing inspection efforts.

533704902 — Ecology Oversight and Admin. Fee

Expenses for the Ecology oversight and administration fee for Air Operating Permit (aka Title V) sources.

Capital Projects/Fixed Assets

594536401 — Capital Projects/Fixed Assets

Expenses for the acquisition of tangible property valued at \$5,000 or more with a useful life of at least two years. Assets are depreciated over the useful life of the asset.

Expenses – Grant Operations

Wood Smoke Education

553701002 — Wages and Salaries

Expenses for wages and salaries paid to full-time and part-time employees of the Agency as permitted under the terms of the grant.

553702002 — Benefits

Expenses for employment benefits including employer contributions for employee health insurance, unemployment insurance, Medicare, Social Security or other supplemental retirement savings, industrial insurance (aka Workers' Compensation), and Public Employees Retirement System (PERS) as permitted under the terms of the grant.

553703002 — Overtime

Expenses for overtime (or time worked in excess of 40 hours in a work week) as permitted under the terms of the grant.

553703103 — Office Supplies

Expenses for office supplies. These are typically used in such small quantities as to make tracking and cost allocation impractical.

553704139 — Professional Services

Expenses for various professional or special services as permitted under the terms of the grant.

553704203 — Postage

Expenses for stamps, postage, and similar delivery costs as permitted under the terms of the grant.

PM 2.5

553701003 — Wages and Salaries

Expenses for wages and salaries paid to full-time and part-time employees of the Agency as permitted under the terms of the grant.

553702003 — Benefits

Expenses for employment benefits including employer contributions for employee health insurance, unemployment insurance, Medicare, Social Security or other supplemental retirement savings, industrial insurance (aka Workers' Compensation), and Public Employees Retirement System (PERS) as permitted under the terms of the grant.

553703003 — Overtime

Expenses for overtime (or time worked in excess of 40 hours in a work week) as permitted under the terms of the grant.

553703104 — Office Supplies

Expenses for office supplies. These are typically used in such small quantities as to make tracking and cost allocation impractical.

553704104 — Professional Services

Expenses for various professional or special services as permitted under the terms of the grant.

Wood Smoke Reduction

553701004 — Wages and Salaries

Expenses for wages and salaries paid to full-time and part-time employees of the Agency as permitted under the terms of the grant.

553702004 — Benefits

Expenses for employment benefits including employer contributions for employee health insurance, unemployment insurance, Medicare, Social Security or other supplemental retirement savings, industrial insurance (aka Workers' Compensation), and Public Employees Retirement System (PERS) as permitted under the terms of the grant.

553703004 — Overtime

Expenses for overtime (or time worked in excess of 40 hours in a work week) as permitted under the terms of the grant.

553703105 — Office Supplies

Expenses for office supplies. These are typically used in such small quantities as to make tracking and cost allocation impractical.

553704105 — Professional Services

Expenses for various professional or special services as permitted under the terms of the grant. This is comprised primarily of payments to third-party vendors for the replacement or conversion of older wood burning devices (including acquisition, permitting, and installation) under the low-income wood stove change-out program.

Expenses – Enterprise Operations

Visible Emission Certification

553701005 — Wages and Salaries

Expenses for wages and salaries paid to full-time and part-time employees of the Agency.

553702005 — Benefits

Expenses for employment benefits including employer contributions for employee health insurance, unemployment insurance, Medicare, Social Security or other supplemental retirement savings, industrial insurance (aka Workers' Compensation), and Public Employees Retirement System (PERS).

553703005 — Overtime

Expenses for overtime (or time worked in excess of 40 hours in a work week).

553703106 — Office Supplies

Expenses for office supplies.

533703206 — Vehicles

Expenses for consumables related to vehicle operation such as gasoline, wiper blades, wiper fluid, etc.

533703506 — Small Tools and Equipment

Expenses for small tools and equipment needed to operate the mobile testing facility.

553704106 — Professional Services

Expenses for various professional or special services.

553704206 — Postage

Expenses for stamps, postage, and similar delivery costs.

553704306 — Travel and Transportation

Expenses for travel (e.g. meals and lodging) incurred as a result of providing training and testing.

533704506 — Rents and Leases

Expenses related to the rent or lease of space to conduct training and testing in various locations throughout Washington and Oregon as well as storage space for the mobile testing equipment.

553704806 — Maintenance – Vehicles/Equipment

Expenses for maintaining and repairing vehicles and equipment related to, and used in, the Visible Emissions Certification program.

533704906 — Miscellaneous

Expenses for other various expenses related to the Visible Emissions Certification program and not otherwise allocated.

Capital Projects/Fixed Assets

553706406 — Capital Projects/Fixed Assets

Expenses for the acquisition of tangible property valued at \$5,000 or more with a useful life of at least two years. Assets are depreciated over the useful life of the asset.

Contribution to Reserves

In years with higher revenues, this amount increases the reserves held by the Agency while in years with higher expenses, this amount is drawn from reserves.

Reserve Fund Allocation

Operating Reserve

The Board has set a minimum operating reserve equal to 25% of the Agency's base operating expenses. The amount shown meets this requirement. These funds are used to cover Agency operating expenses during periods of significant, unanticipated economic impact such as the loss of grant funds or reduced revenues.

Legal Reserve

These funds are held to pay unanticipated legal service fees such as those related to an appeal regarding an order of approval, a lawsuit regarding an enforcement action, or to compel compliance with Agency regulations. Staff recommends a \$250,000 balance with a minimum of \$200,000.

Capital Reserve

The Board has set a minimum capital reserve equal to 10% of the Agency's asset replacement cost. The amount shown meets that requirement and adds approximately \$19,000. These funds are used to replace capital items (e.g. desks, file cabinets, and other capitalized assets) lost or destroyed and not otherwise covered by insurance or at the end of their useful life.

Vehicle Replacement

Plans call for replacement of the Agency's aging vehicles in the near future. It is expected these new vehicles will be fuel-efficient models that meet the statutory requirements pertaining to public agency vehicles and are better able to operate in areas without paved roads and (particularly) in winter weather conditions. These funds are held to pay for acquisition these vehicles and any related items (such as markings, safety equipment, charging infrastructure, etc.).

Major Vehicle Repairs

These funds are held to pay for major vehicle repairs. With pending replacement of the Agency fleet, funds will not be required until the vehicles have aged.

Equipment Acquisition

These funds are held to acquire specialized equipment necessary to carry out the mission of the Agency.

Building Acquisition

These funds are held to acquire the building the agency occupies or another building in the event the Board elects to do so (at a future date).

Employee Cash-out Liability

Under Agency policy, departing employees may be entitled to cash-out a defined portion of the unused sick and vacation leave they have accrued. Employee departures are not typically planned sufficiently in advance to allow for inclusion in the budget and these funds assist in meeting what can be a sudden and unexpected demand for funds to meet the Agency's obligation.

Grant Balancing

Because many grants are awarded over a period of time (typically two to four years) and funded activities do not necessarily occur equally throughout the grant period, excess funds received early in the grant period are stored here so they may be used to cover a later shortfall.

Unallocated

Any funds held in reserve and not otherwise allocated for a specific purpose. These funds may be used in tandem with other allocated reserve funds to, take advantage of unique opportunities, provide match funds in support of grant applications, address emergency circumstances (such as theft or vandalism), or provide additional monies to other budget line items or for any other purpose approved by the Board.

Appendix A

YRCAA CY 2025 Supplemental Income Assessments

Per Capita Rate:	\$ 0.56		
City / Town	Population	Assessment	% of Total
Grandview	11,020	\$ 6,171.20	4.24%
Granger	3,740	2,094.40	1.44%
Harrah	580	324.80	0.22%
Mabton	1,975	1,106.00	0.76%
Moxee	4,665	2,612.40	1.79%
Naches	1,125	630.00	0.43%
Selah	8,365	4,684.40	3.22%
Sunnyside	16,500	9,240.00	6.35%
Tieton	1,505	842.80	0.58%
Toppenish	8,870	4,967.20	3.41%
Union Gap	6,640	3,718.40	2.55%
Wapato	4,615	2,584.40	1.78%
Yakima (city)	98,200	54,992.00	37.78%
Zillah	3,195	1,789.20	1.23%
Unincorporated Yakima County	88,955	49,814.80	34.22%
Total	259,950	\$ 145,572.00	100%

Asset Disposal Report

The Agency Board of Directors is hereby notified the following items owned by the Agency have been declared by the Executive Director to be "surplus" and no longer needed for Agency operations in conformance with the delegation of authority adopted by the Board in Resolution 2024-01. The items identified below were disposed on the date set forth, in the manner described, and for the reason(s) specified.

Desk Chair - Black High-back Executive		Asset Type: Furnishings	Tag No.: 0212
Manufacturer: Office Depot	Model Name/No.:	Serial No.:	
Purchased 2007 by (unknown)	Purchase Amount: \$119	Expected Life: (unknown)	
Disposed 4/29/2024 by Marc Thornsbury	Salvage Value: \$0	Receiver: Yakima Waste Systems	
Disposal Method: Discarded	Notes: Mechanism broken with damaged fabric and not ergonomic		
Desk Chair - Brown High-back Executive		Asset Type: Furnishings	Tag No.: 0301
Manufacturer: Office Depot	Model Name/No.:	Serial No.:	
Purchased 2011 by (unknown)	Purchase Amount: \$140	Expected Life: (unknown)	
Disposed 4/29/2024 by Marc Thornsbury	Salvage Value: \$0	Receiver: Yakima Waste Systems	
Disposal Method: Discarded	Notes: In poor condition with cosmetic damage and not ergonomic		
Monitor - 18.5-inch Wide LCD		Asset Type: Office Equip.	Tag No.: 0199
Manufacturer: HP	Model Name/No.: w1858	Serial No.: CNC94000Y9	
Purchased 2007 by (unknown)	Purchase Amount: \$180	Expected Life: (unknown)	
Disposed 4/29/2024 by Marc Thornsbury	Salvage Value: \$0	Receiver: City Recycle	
Disposal Method: Recycled	Notes: Screen size too small and device beyond useful life		
Monitor - 18.5-inch Wide LCD		Asset Type: Office Equip.	Tag No.: 0208
Manufacturer: HP	Model Name/No.: w1858	Serial No.: CNC93904CG	
Purchased 2007 by (unknown)	Purchase Amount: \$180	Expected Life: (unknown)	
Disposed 4/29/2024 by Marc Thornsbury	Salvage Value: \$0	Receiver: City Recycle	
Disposal Method: Recycled	Notes: Not operational (screen does not turn on)		
Printer - Color Multi-function		Asset Type: Office Equip.	Tag No.: 0222
Manufacturer: HP	Model Name/No.: LaserJet Pro M477fnw	Serial No.: VNB8j8YFQ6	
Purchased 2011 by (unknown)	Purchase Amount: \$325	Expected Life: (unknown)	
Disposed 4/29/2024 by Marc Thornsbury	Salvage Value: \$0	Receiver: City Recycle	
Disposal Method: Recycled	Notes: Not operational (broken transfer belt)		
Desk Chair - Black High-back Executive		Asset Type: Furnishings	Tag No.: 0269
Manufacturer: Alera	Model Name/No.:	Serial No.:	
Purchased 2009 by (unknown)	Purchase Amount: \$108	Expected Life: (unknown)	
Disposed 4/29/2024 by Marc Thornsbury	Salvage Value: \$0	Receiver: Yakima Waste Systems	
Disposal Method: Discarded	Notes: Mechanism broken with damaged fabric and not ergonomic		

Stapler - Standard Desk		Asset Type: Accessories	Tag No.: none
Manufacturer: Stanley-Bostitch	Model Name/No.: B660	Serial No.:	
Purchased by (unknown)	Purchase Amount: \$	Expected Life: (unknown)	
Disposed 4/29/2024 by Marc Thornsbury	Salvage Value: \$0	Receiver: Yakima Waste Systems	
Disposal Method: Discarded	Notes: Does not properly fold staples		
Stapler - Standard Hand-held		Asset Type: Accessories	Tag No.: none
Manufacturer: Univeral	Model Name/No.:	Serial No.:	
Purchased by (unknown)	Purchase Amount: \$	Expected Life: (unknown)	
Disposed 4/29/2024 by Marc Thornsbury	Salvage Value: \$0	Receiver: Yakima Waste Systems	
Disposal Method: Discarded	Notes: Damaged and cannot be repaired		
Entry Mat - 5ft x 3ft - Black		Asset Type: Furnishings	Tag No.: none
Manufacturer:	Model Name/No.:	Serial No.:	
Purchased by (unknown)	Purchase Amount: \$	Expected Life: (unknown)	
Disposed 4/29/2024 by Marc Thornsbury	Salvage Value: \$0	Receiver: Yakima Waste Systems	
Disposal Method: Discarded	Notes: Edge of rubber backing deteriorated and fabric separating from backing		

Declared By: Marc Thornsbury, Exec. Dir.

Acknowledged By: Jon DeVaney, Board Chair.

(SIGNATURE)

(DATE)

(SIGNATURE)

(DATE)



STAFF REPORT

Date: May 02, 2024
To: YRCAA Board of Directors
From: Jocelyn Roberson, Staff Accountant
Subject: Fiscal Program Report

Issue: Fiscal Reports

Analysis: April 2024 Accounts Payable (AP) and Payroll Authorizations for the months of April is enclosed for your approval. The Supplemental Income document is included as an informational item.

Recommendation: Accept and approve by minute action the April 2024 AP Fiscal Vouchers, totaling \$89,624.38, and the April 2024 Payroll Authorization, totaling \$56,092.62.

YAKIMA REGIONAL CLEAN AIR AGENCY
SUPPLEMENTAL INCOME STATUS for CY 2024 on May 01, 2024
CY 2024 \$.48 PER CAPITA (Rounded Amounts)

City/Town	Past Due	Assessment Amount	Total Amt Due	Date Received	Amount Received	Balance Due	Responses
Grandview	\$ -	\$ 5,290	\$ 5,290	2/20/2024	\$ 1,323	\$ 3,968	Paid 1st quarter
Granger	\$ -	\$ 1,795	\$ 1,795	2/28/2024	\$ 449	\$ 1,346	Paid 1st quarter
Harrah	\$ -	\$ 278	\$ 278	2/21/2024	\$ 278	\$ -	Paid in full
Mabton	\$ -	\$ 948	\$ 948	2/21/2024	\$ 237	\$ 711	Paid 1st quarter
Moxee	\$ -	\$ 2,239	\$ 2,239	2/14/2024	\$ 560	\$ 1,679	Paid 1st quarter
Naches	\$ -	\$ 540	\$ 540	2/21/2024	\$ 135	\$ 405	Paid 1st quarter
Selah	\$ -	\$ 4,015	\$ 4,015	2/21/2024	\$ 1,004	\$ 3,011	Paid 1st quarter
Sunnyside	\$ -	\$ 7,920	\$ 7,920	2/27/2024	\$ 1,980	\$ 5,940	Paid 1st quarter
Tieton	\$ -	\$ 722	\$ 722	2/20/2024	\$ 181	\$ 542	Paid 1st quarter
Toppenish	\$ -	\$ 4,258	\$ 4,258	2/20/2024	\$ 1,065	\$ 3,194	Paid 1st quarter
Union Gap	\$ -	\$ 3,187	\$ 3,187	4/15/2024	\$ 797	\$ 2,390	Paid 1st quarter
Wapato	\$ 1,011	\$ 2,215	\$ 2,215			\$ 2,215	
City of Yakima	\$ -	\$ 47,136	\$ 47,136	2/22/2024	\$ 11,784	\$ 35,352	Paid 1st quarter
Zillah	\$ -	\$ 1,534	\$ 1,534	2/22/2024	\$ 384	\$ 1,151	Paid 1st quarter
Yakima Co.	\$ -	\$ 42,698	\$ 42,698	2/21/2024	\$ 10,675	\$ 32,024	Paid 1st quarter
Totals:	\$ 1,011	\$ 124,775	\$ 124,775		\$ 30,849	\$ 93,927	

Executive Memorandum

Date of Release: May 2, 2024
Date of Consideration: May 9, 2024
To: Honorable YRCAA Board of Directors and Alternates
From: Office of Engineering and Planning Division
Subject: April's Compliance, Engineering and Planning Division Report

Issue:

Monthly activities report to the Board of Directors of YRCAA.

Discussion:

The following summarizes some of the activities for the month of April including some additional related information:

- Working on the registration program;
- Registered 11 sources in April;
- Working on New Source Reviews (NSR) permits;
- Reviewed/responded to 26 SEPA's projects;
- Working on Title V renewals;
- Issued 10 agricultural burn permits;
- Reviewed/approved 7 Notifications of Demolition / Renovation (NODR);
- Worked on the daily weather forecasts for the burn status and agricultural burn allocation;
- Issued 4 Dust Control Plan (DCP);
- Issued 2 Conditional use permits;
- No burn bans were called for the month of April
- We expect no exceedances during the month of April as shown in the graphs below;
- Working on several permitting and compliance issues sources;
- Collected and shipped for analysis approximately 15 Air Monitoring Samples and completed 6 Quality Control (QC) checks on 5 Air Monitors. Investigated 29 complaints for the month of April. Issued 5 Notices of Violations (NOV) and two Notices of Violations;

The following Table itemizes, by type, the number of complaints received and the number of NOV's issued, for the month of April 2024:

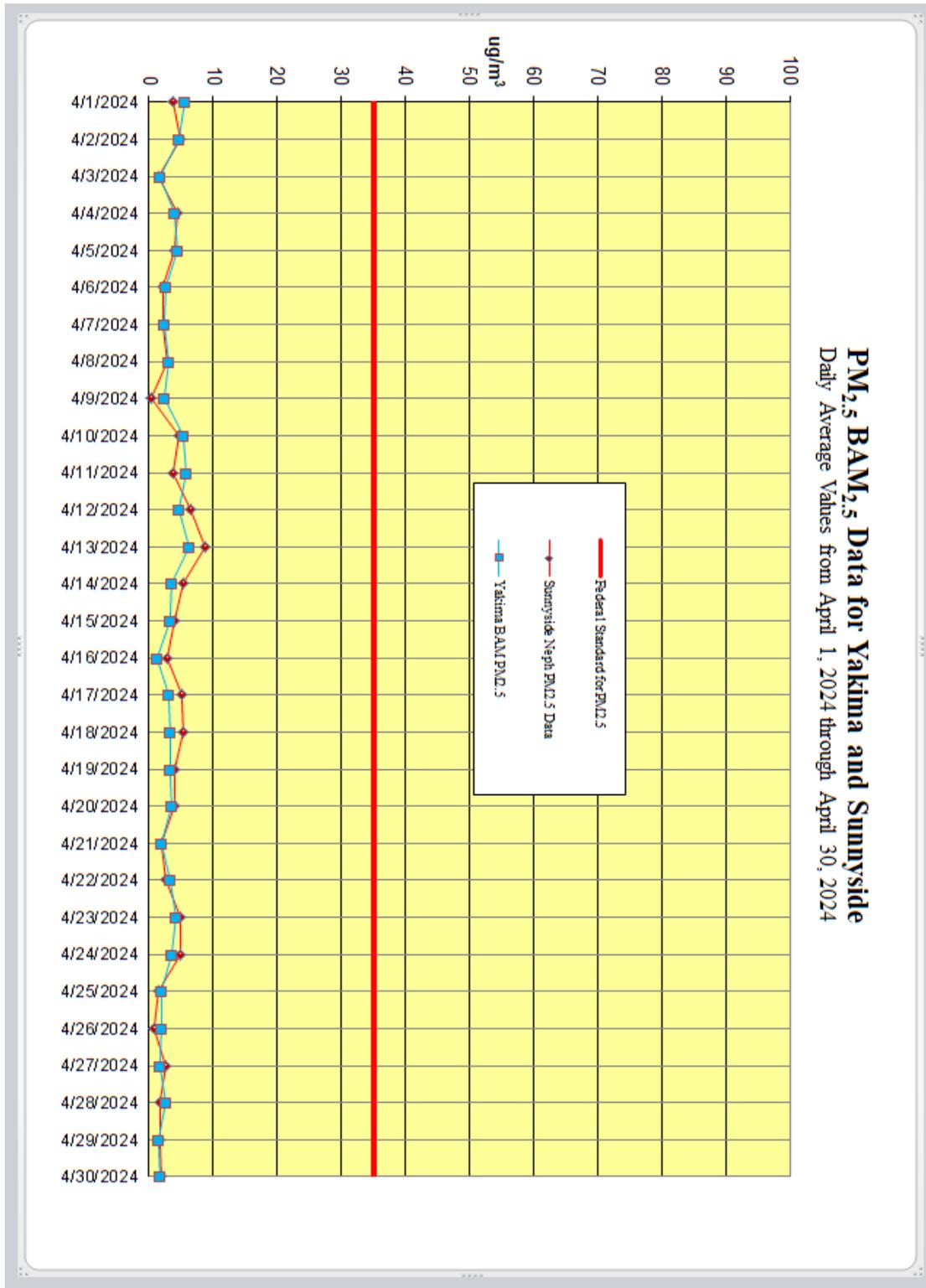
Type of Complaint	Number of Complains	Number of NOV's*	Number of AOD's**
Residential Burning	23	2	
Agricultural Burning	3	2	
Other Burning and SFBD***			
Fugitive / Construction Dust			
Agricultural Dust			
Agricultural Odor			
Other Dust	1		
Surface Coating			
Odor	2	1	
Asbestos			
Others and NSR****			
Registration			
Industrial Sources			
TOTALS	29	5	0

- * NOV- Notice of Violation
- ** AOD- Assurance of Discontinues
- *** Solid Fuel Burning Device **** New Source Review

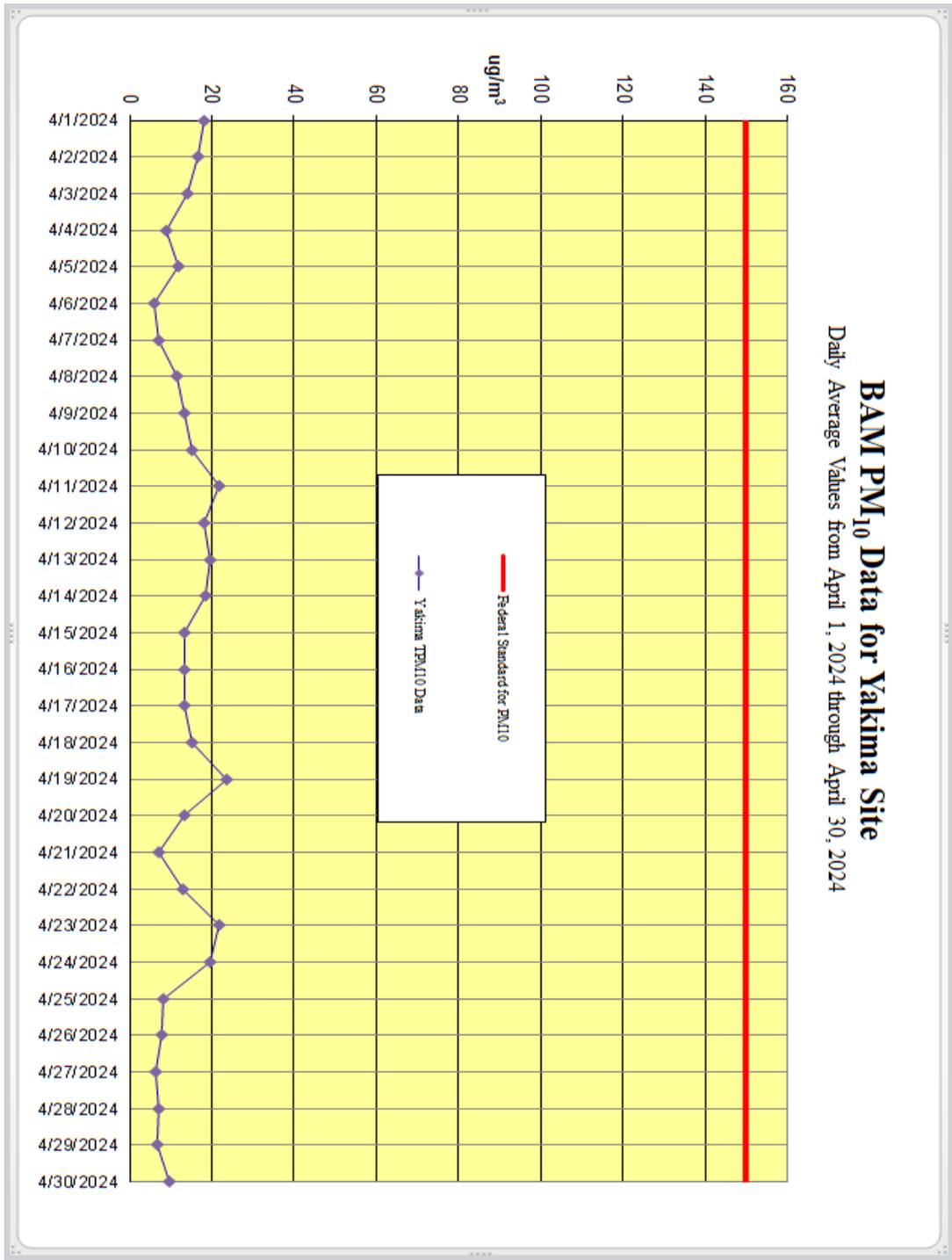
Attachments:

- ✓ *PM_{2.5} Monitor Data for the month of April 2024 and the annual graphs.*
- ✓ *PM₁₀ Monitor Data for the month of April 2024.*

- **PM_{2.5} Data**
 - We expect no PM_{2.5} exceedances for the month of April.

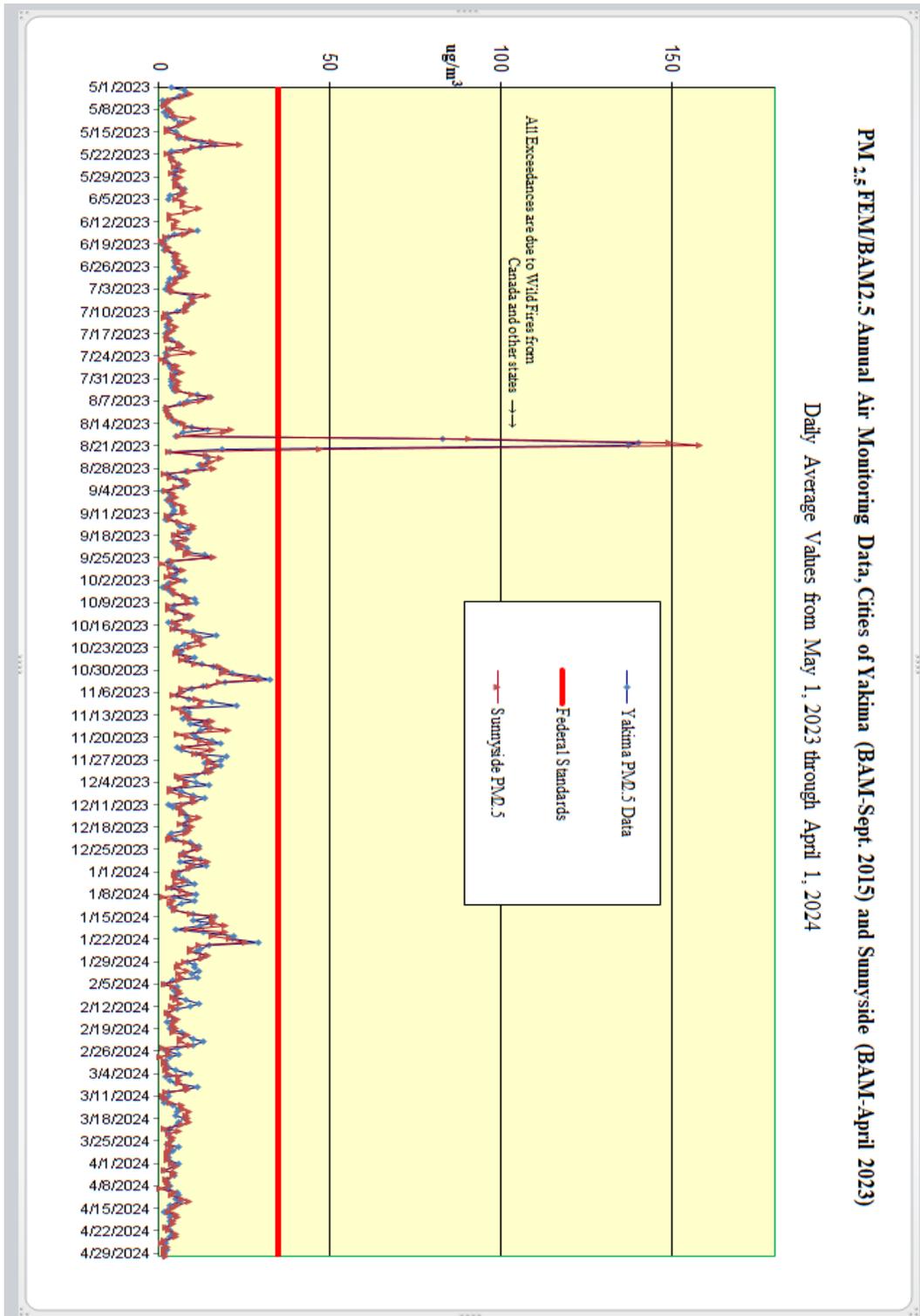


- **PM₁₀**
- We expect no PM₁₀ exceedance for the month of April.



- **Annual PM_{2.5} Data**

- Annual PM_{2.5} for Yakima and Sunnyside monitors for the specified periods.



Date of Release: May 2, 2024
Date of Consideration: May 9, 2024
To: Honorable YRCAA Board of Directors and Alternates
From: Office of the Interim Executive Director
Subject: Monthly Activity Report

Current Quarter

Activity	FY23 Total	Feb FY24	Mar FY24	Apr FY24	FY24 Total to Date
Minor Source Inspections	156	0	0	4	24
Complaints Received	161	38	11	29	156
NOVs Issued	77	2	11	5	26
AODs Issued	4	2	1	1	4
Warning Notices Issued	2	5	1	1	7
NOPs Issued	19	2	0	2	5
SEPA Reviews	297	24	27	26	216
AOP Applications Received	0	0	1	0	1
AOPs Issued or Renewed	1	1	0	0	2
Deviations/Upsets Reported	16	2	2	1	16
AOP Inspections	2	0	0	0	0
Public Workshops	2	0	0	0	2
Media Events	3	0	0	0	2
Media Contacts	8	0	0	0	3
Education Outreach Events	0	0	0	0	2
Sources Registered	375	97	124	11	238
NSR Applications Received	12	0	2	0	9
NSR Approvals Issued-Temporary	0	0	0	0	0
NSR Approvals Issued-Permanent	16	1	2	0	9
NODRs Received	180	1	10	7	85
Agricultural Burn Permits Issued	40	8	9	10	36
Conditional Use Permits Issued	5	0	3	2	6
Residential Burn Permits Issued	852	0	274	184	458
Burn Ban Days	34	0	0	0	16
Public Records Requests Fulfilled	29	0	2	0	18

Acronyms:

AOP - Air Operating Permit; **NODR** - Notification of Demolition and Renovation; **NOP** - Notice of Penalty; **NOV** - Notice of Violation; **NSR** - New Source Review; **SEPA** - State Environmental Policy Act

AGENDA ITEM 6.2