

Budget and Economic Outlook Update

Board Meeting

August 7, 2020



Presentation Topics

- Economic Indicators
- South Coast AQMD Metrics and Economic Implications
- Summary Charts

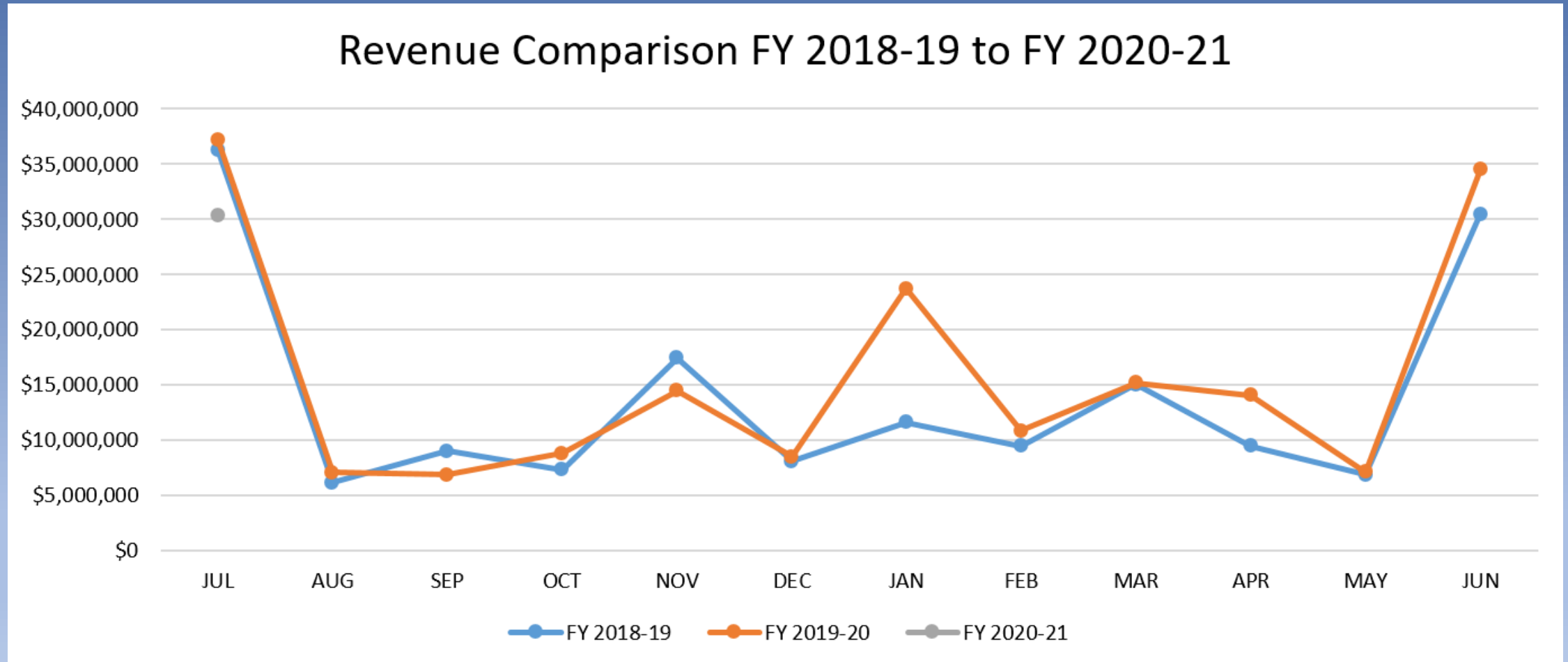
Summary of Metrics – Monthly

Metric			
State Economic Indicators	June 2019	June 2020	Notes
<i>Statewide Refinery Activity (Million Barrels Crude Oil Input)</i>	47	34	
<i>Port TEU Throughput (Million TEUs)</i>	1.4	1.3	
<i>Statewide Unemployment %</i>	4.0 %	14.9 %	
South Coast AQMD	July 2019	July 2020	
<i>Revenue</i>	\$37.2 million	\$30.4 million	
<i>Expenditures</i>	\$18.1 million	\$22.9 million	
<i>Vacancy Rate (end July)</i>	18.0 %	16.0 %	
<i>Permit Applications Received</i>	456	450	July preliminary data
<i>Expired Permits</i>	83	468 (worst case)	1 year to reinstate
<i>Fee Review Requests</i>	2	7	
<i>CEQA Activity</i>	56	58	

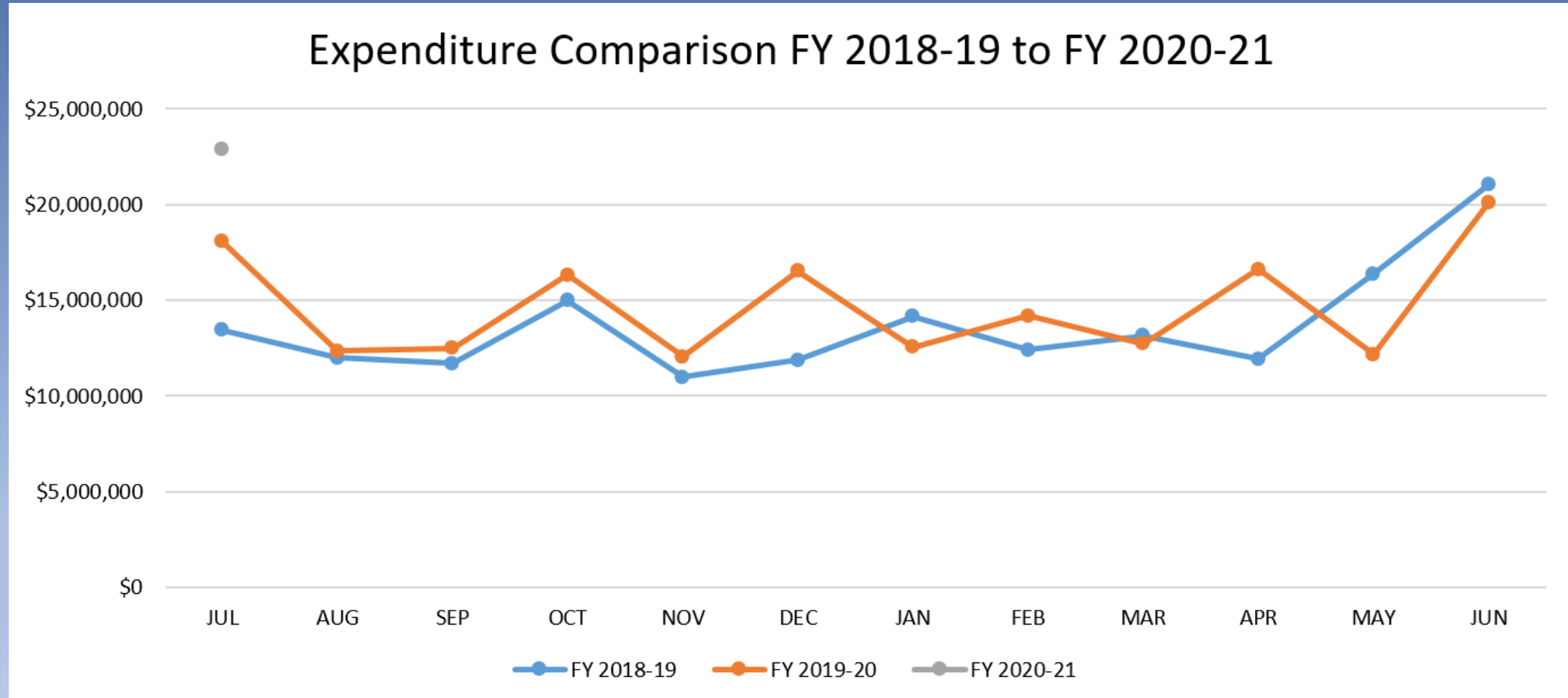
Summary of Metrics – Year to Date

Metric	Jan. - June 2019	Jan. - June 2020	Notes
U.S. GDP (2nd Quarter, \$ trillions)	21.3	19.4	GDP as of 7-30-20
State Economic Indicators			
<i>Refinery Activity (Million Barrels Crude Oil Input)</i>	295	251	
<i>Port TEU Throughput (Million TEUs)</i>	8.2	7.2	
South Coast AQMD	Jan. - July 2019	Jan. – July 2020	
<i>Revenue</i>	\$120.2 million	\$135.9 million	
<i>Expenditures</i>	\$107.1 million	\$111.2 million	
<i>Vacancy Rate, end July</i>	18.0 %	16.0 %	
<i>Permit Applications Received</i>	4,704	4,086	July 2020 preliminary data
<i>Expired Permits</i>	667	1,601	Have 1 yr. to reinstate
<i>Fee Review Requests</i>	22	92	
<i>CEQA Activity</i>	391	277	

Revenue



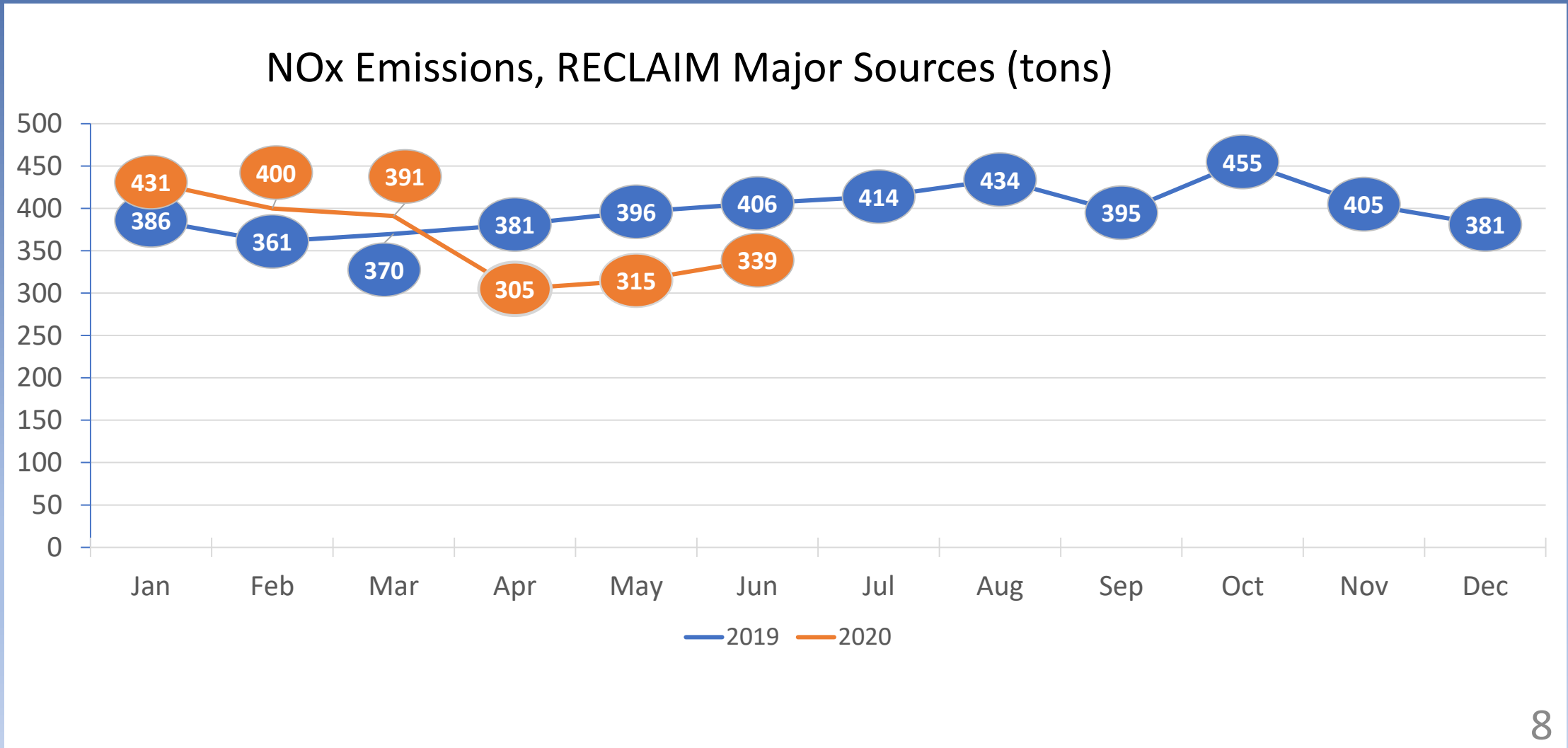
Expenditures



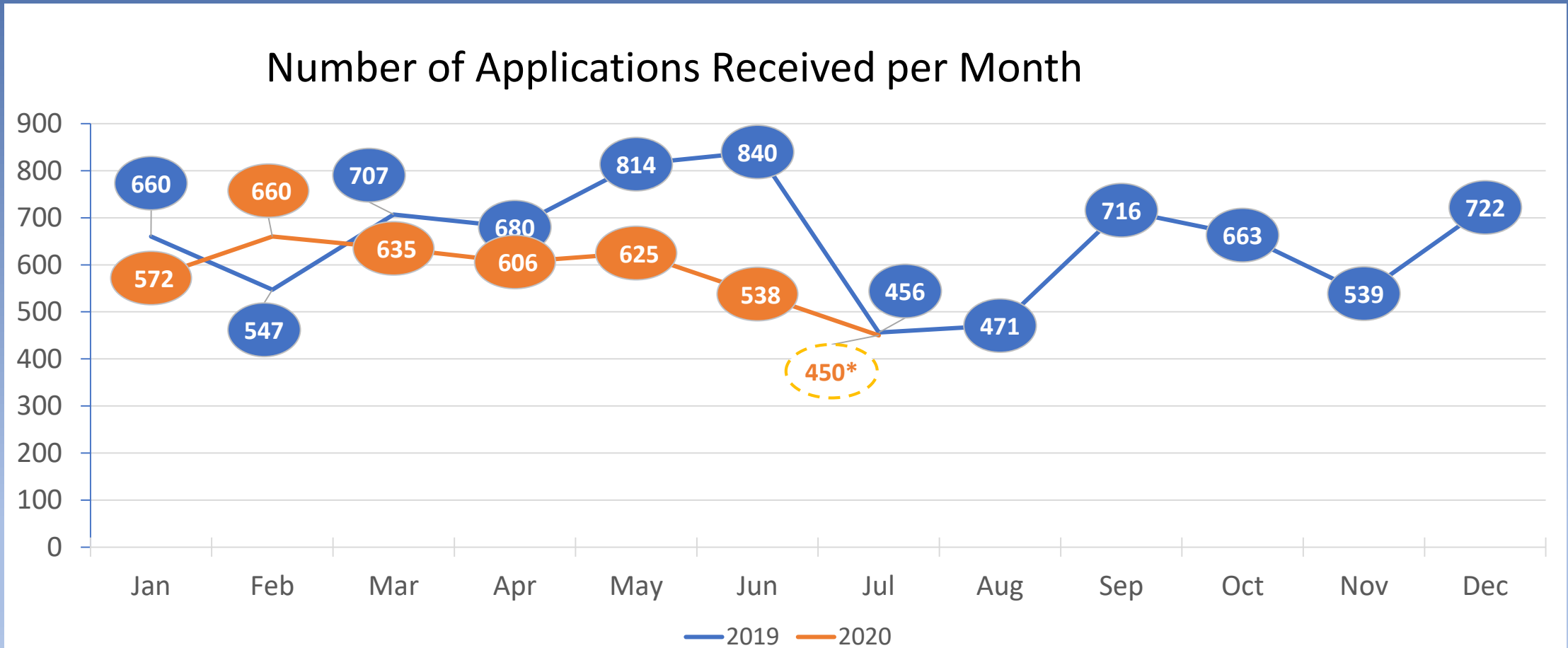
Staffing Levels as of 8/4/20

- 945 budgeted FTEs
- 151 vacant positions
- 794 filled positions
- 16.0 % vacancy rate
- Increased retirements
 - Impacted by California Supreme Court decision issued July 30 regarding pension calculation
 - Decision is under review by SBCERA

Emission Trends

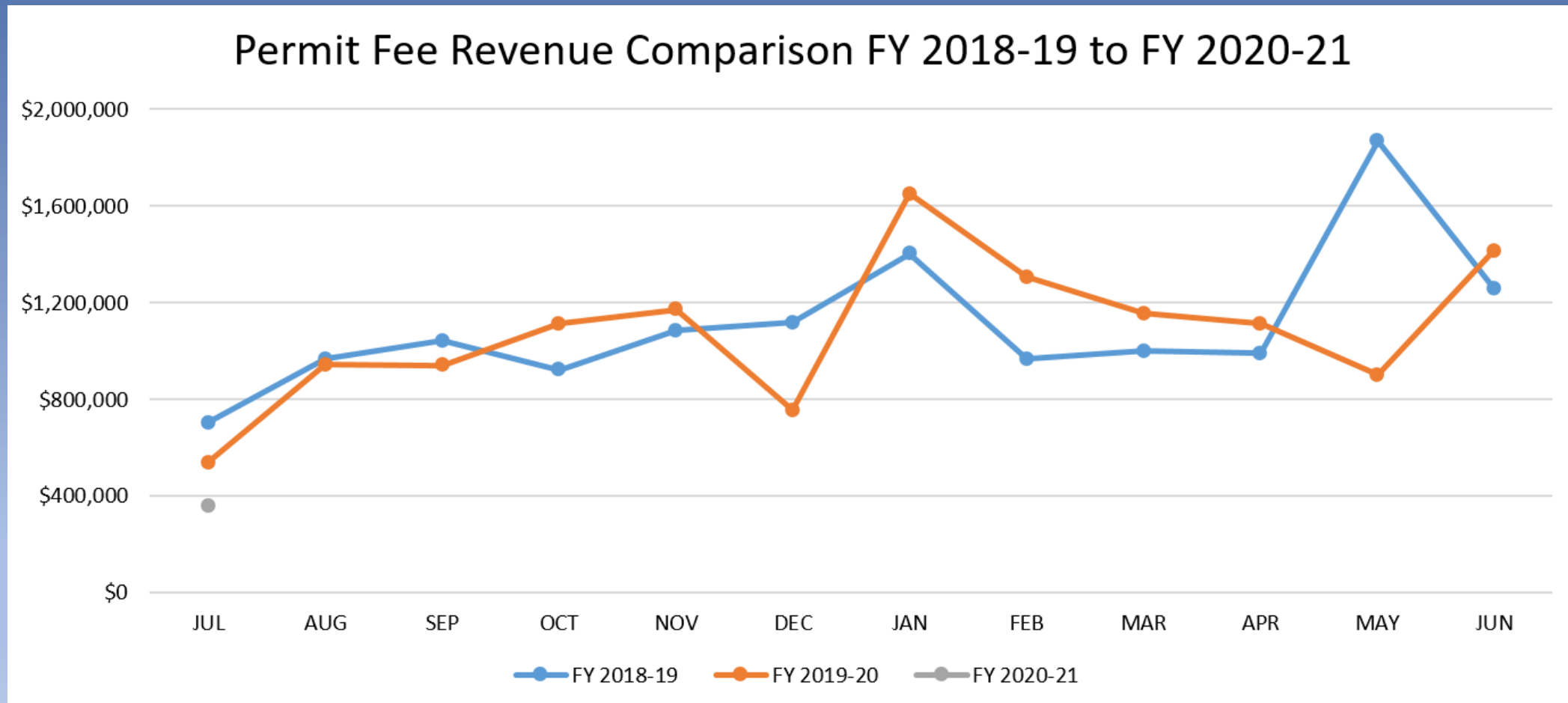


Permit Activity

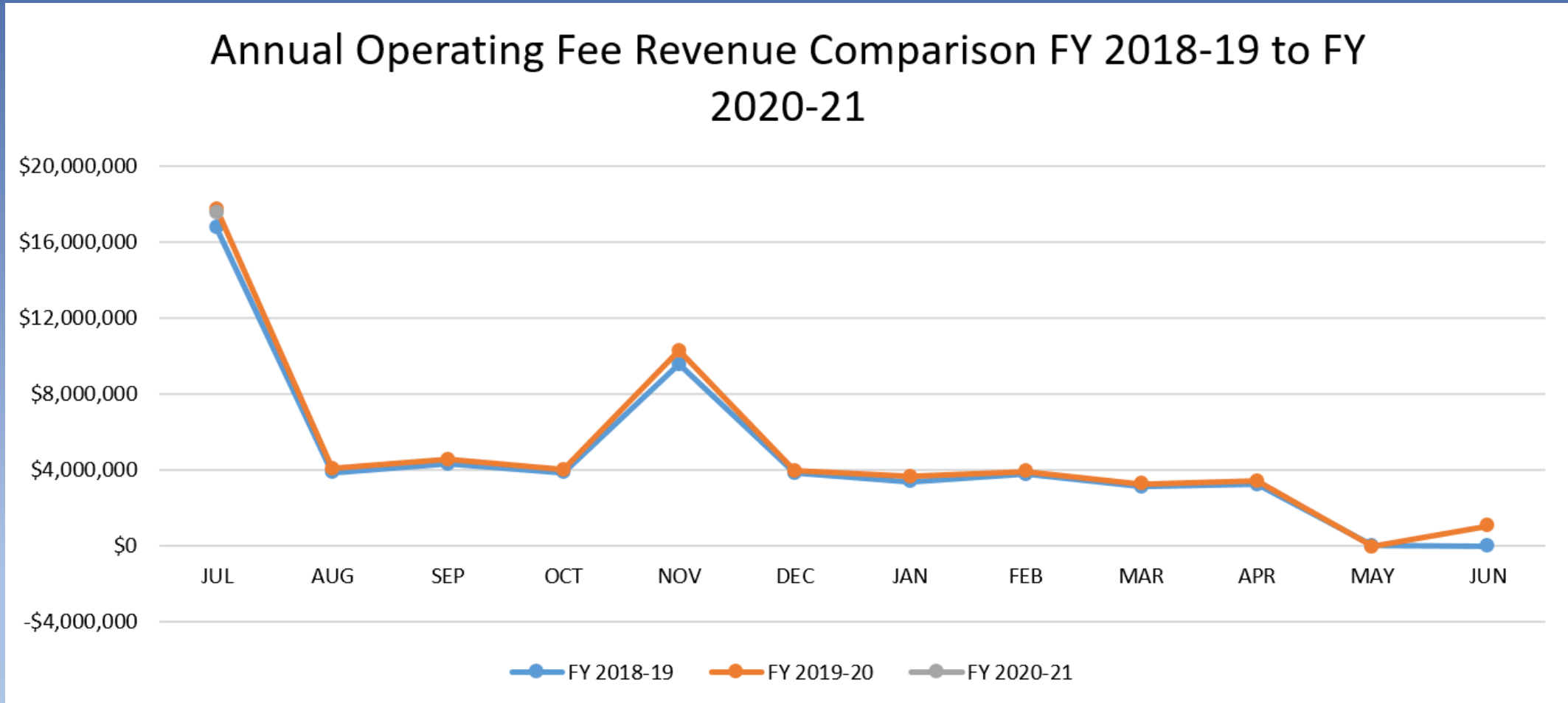


*July 2020 numbers preliminary

Permit Revenue

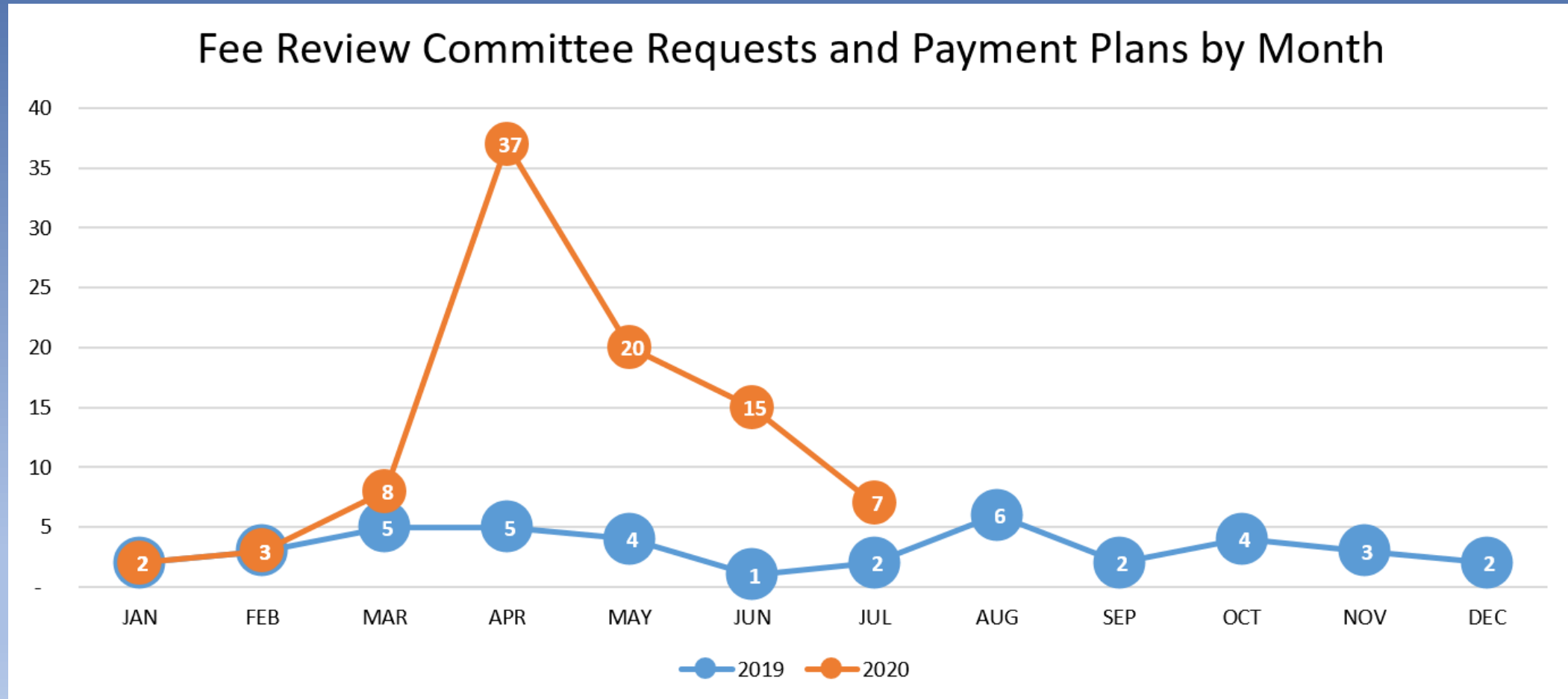


Annual Operating Fee Revenue

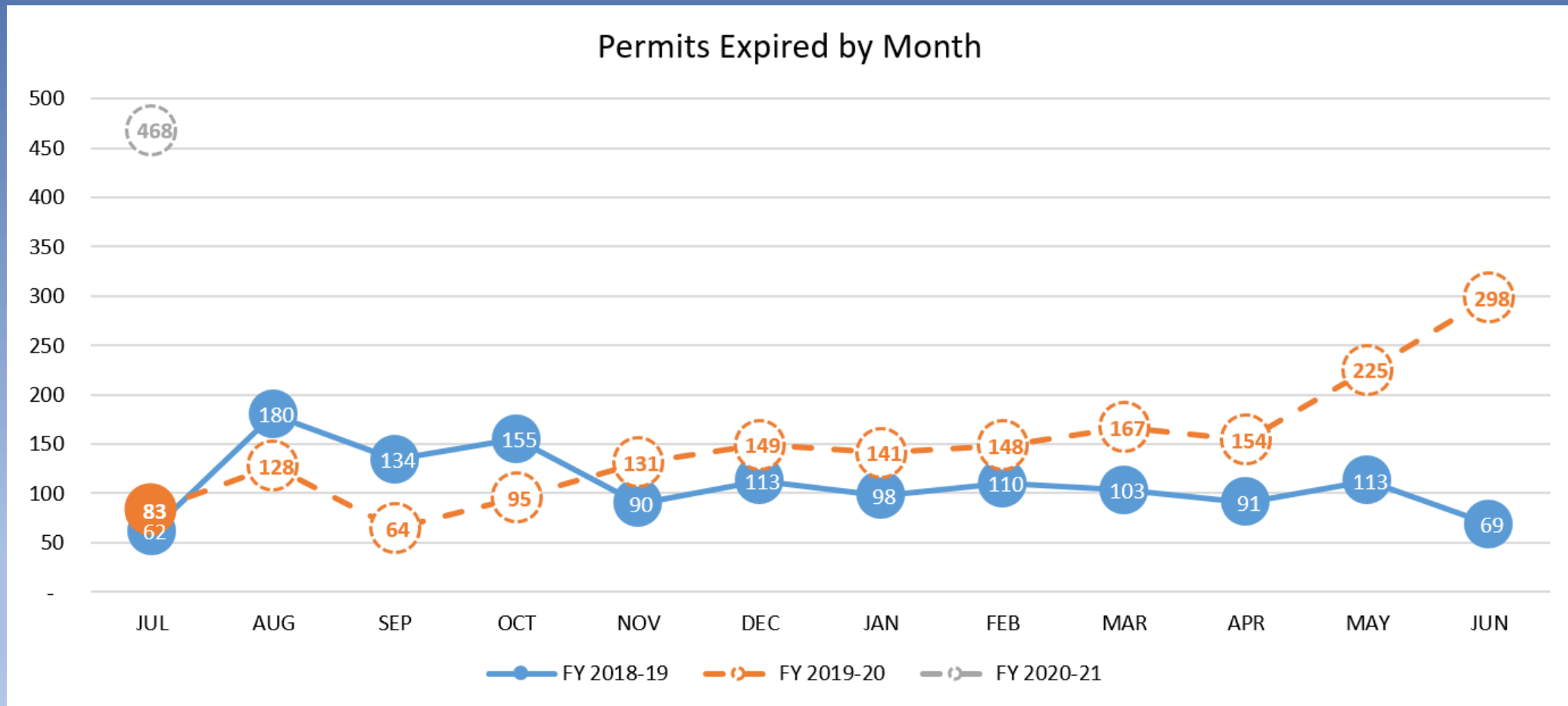


Annual operating fees are billed 60 days in advance. Invoices generated in May & June are recognized as revenue in July
Annual RECLAIM fee invoices are sent in November of each fiscal year

Fee Review Committee Requests



Expired Permits



Dotted lines represent permits that have time to be reinstated

Expired Permits, cont.

- 12 month reinstatement period after 90 day invoice
- Late fee is 50 % or set amount, whichever is lower
- Payment plans can be approved
- Administrative Committee did not recommend extending grace period but asked for fee options

Annual Renewal and Late Fees



Schedule A, B

*~ \$200 - \$400

Spray Booths, Emergency
Electric Generators

***Late Fee \$100 - \$200**



Schedule C, D

*~\$1,500

Boilers, Landfill Gas
Collection, Turbines

***Max. Late Fee \$260**



Schedule E, F, G, H

*~\$ 3,600

+ hourly if applicable
Refinery Equipment

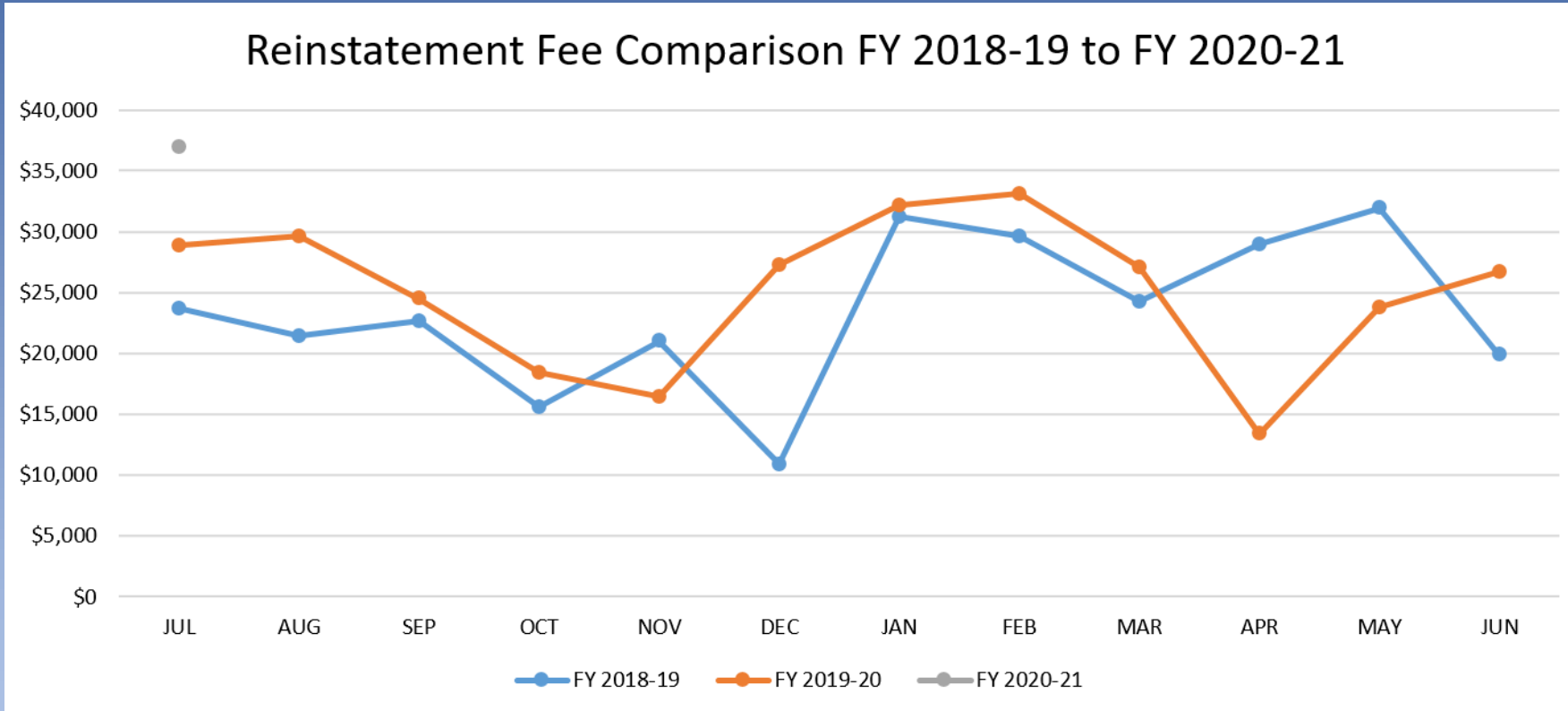
***Max. Late Fee \$260**

* Title V fees ~ 25% higher

Other Air Districts

- Invoices
 - South Coast AQMD – 90 days
 - Most other large and medium districts – 30 to 60 days
- Reinstatement period ranges from 6 to 12 months
- Late fees
 - Bay Area 10% up to 30 days, then 25%
 - San Diego lesser of 30% or \$250 first month, + 10% each additional month
 - 50%: Yolo Solano (after 30 days); San Joaquin (after 71 days), Santa Barbara (after 6 months); Great Basin, Mojave, Placer, Sacramento

South Coast AQMD Reinstatement Fees

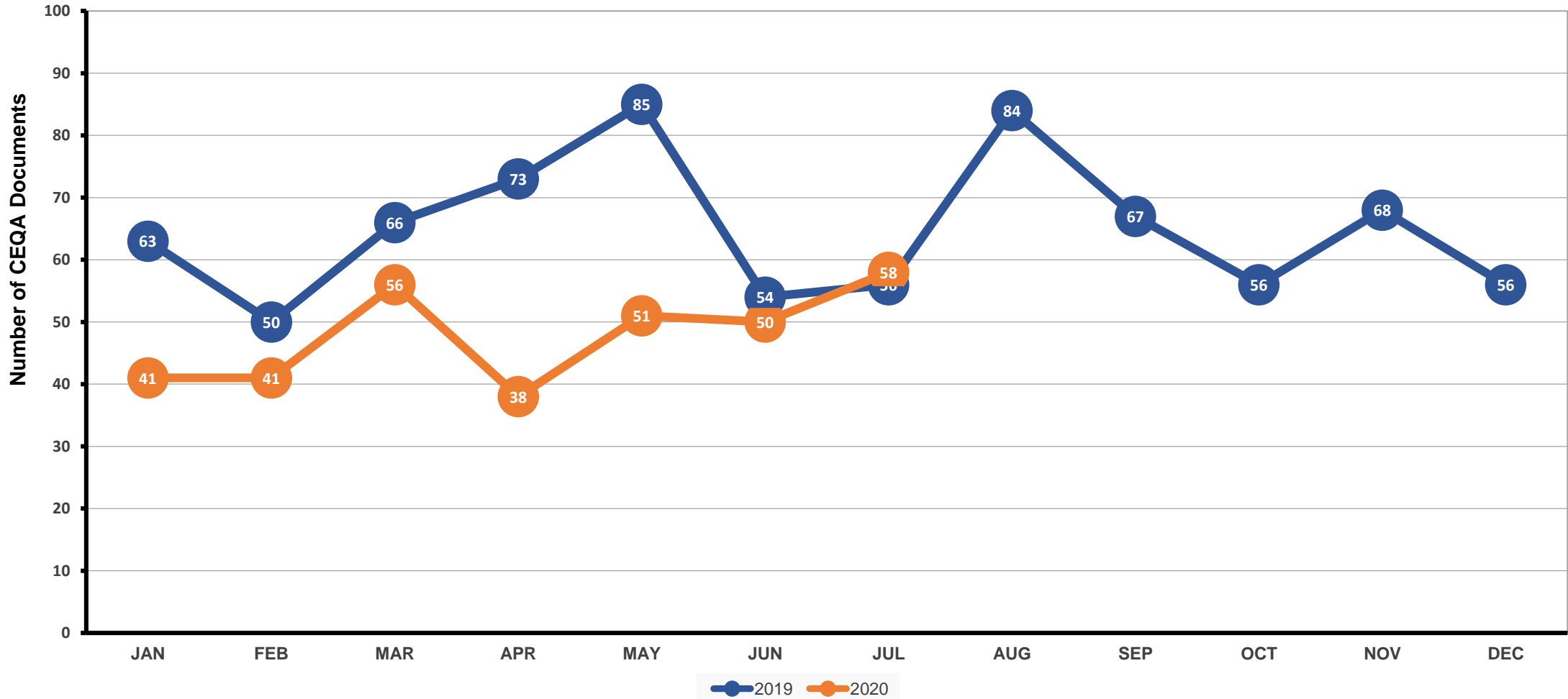


Revenue ~\$300,000 per year

Rule change would be required to change fees

Historical CEQA Activity

Number of CEQA Documents Received by Month



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