



AGENDA

LANE REGIONAL AIR PROTECTION AGENCY
BUDGET COMMITTEE MEETING
MONTHLY BOARD OF DIRECTORS MEETING

THURSDAY MARCH 12, 2026

11:00 A.M.

Virtual Participation

[Join the meeting now](#)

Meeting ID: 249 549 848 574 17

Passcode: 4cJ3Z9MJ

In-Person Participation

LRAPA

1010 Main Street

Springfield, Oregon 97477

[Note: Start times for agenda items are approximate.]

BUDGET COMMITTEE MEETING

1. **Call to Order/Roll Call (11:00 a.m.)**
2. **Public Participation**
3. **Introductions (11:05 a.m.)**
4. **Election of Budget Chair & Vice-Chair (11:10 a.m.)** *Action*
5. **Proposed Budget Presentation (11:15 a.m.)** *Information*
6. **Q & A (11:30 a.m.)** *Discussion*
7. **Consideration of Budget Approval (11:55 a.m.)** *Action*
8. **Adjournment of LRAPA Budget Committee Meeting (12:00 p.m.)**

We endeavor to provide public accessibility to LRAPA services, programs, and activities for people with disabilities. People needing special accommodations to participate in LRAPA public hearings such as assistive listening devices or accessible formats such as large print, Braille, electronic documents, or audio tapes, should please contact the LRAPA office as soon as possible, but preferably at least 72 hours in advance. For people requiring language interpretation services, including qualified ASL interpretation, please contact the LRAPA office as soon as possible, but preferably at least 5 business days in advance so that LRAPA can provide the most comprehensive interpretation services available. Please contact the LRAPA Nondiscrimination Coordinator at accessibility@lrapa-or.gov or by calling the LRAPA office at 541-736-1056.

Nos esforzamos por proporcionar accesibilidad pública a los servicios, programas y actividades de LRAPA para personas con discapacidades. Las personas que necesiten adaptaciones especiales, como dispositivos de asistencia auditiva, formatos accesibles como letra grande, Braille, documentos electrónicos o cintas de audio, deben comunicarse con la oficina de LRAPA con al menos 72 horas de anticipación. Para las personas que requieren servicios de interpretación de idiomas, incluyendo la interpretación calificada de ASL, comuníquese con la oficina de LRAPA al menos con 5 días laborables de anticipación para que LRAPA pueda proporcionar los servicios de interpretación que sean lo más completos disponibles. Para todas las solicitudes, envíe un correo electrónico al Coordinador de Antidiscriminatoria de LRAPA a accessibility@lrapa-or.gov o llame a la oficina de LRAPA al 541-736-1056.

Annual Budget



FY 2026-2027

Proposed Budget



LRAPA
Lane Regional Air Protection Agency

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Table of Contents

LRAPA’S GUIDING PRINCIPALS.....	4
LRAPA’S BUDGET MESSAGE.....	5
LRAPA BUDGET COMMITTEE.....	6
LRAPA OVERVIEW.....	7
PERSONNEL.....	8
BASIS OF BUDGETING.....	11
FUND ACCOUNTING.....	11
BUDGET PROCESS.....	12
CONSOLIDATED SCHEDULE of RESOURCES, EXPENDITURES, and FUND BALANCES.....	13
REVENUE – All Funds.....	14
EXPENDITURES – All Funds.....	15
GENERAL FUND.....	16
SPECIAL REVENUE FUNDS (TITLE V).....	20
GRANT FUNDS.....	23
CLOSED FUNDS.....	26
CAPITAL OUTLAY – ALL FUNDS – FY 2026-27.....	27
THREE-YEAR FINANCIAL FORECASTS.....	28
APPENDIX.....	31
GLOSSARY.....	31
ACRONYMS.....	37

LRAPA'S GUIDING PRINCIPALS

LRAPA's MISSION:

To protect public health, quality of life, and the environment as a leader and advocate for the continuous improvement of air quality in Lane County.

LRAPA VALUES:

- Honesty, integrity & trust
- Open communication
- Accessible, accurate, and understandable information and data
- Timeliness
- Cost effectiveness

AGENCY OPERATIONS & GOALS

LRAPA's Four Core Operational Tasks:

1. Regulatory Compliance, Permitting, and Industrial Emissions Management;
2. Regional Air Monitoring and Analysis;
3. Public Health Protection and Air Quality Education;
4. Partnerships and Interagency Coordination.

These core operational tasks ensure LRAPA fulfills its mandate as the region's air quality authority implementing the Clean Air Act.

In addition to delivering on our operational core tasks, LRAPA established four goals to address organizational challenges and act on opportunities to enhance our value and service to the citizens of Lane County:

1. Financial Sustainability and Transparency;
2. Organizational Excellence/Succession Planning and Board Development;
3. Strengthened Partnerships and Stakeholder Engagement;
4. Enhanced Wildfire Smoke Response and Preparedness.

These goals strengthen public trust, enhance service for Lane County, while addressing emerging challenges impacting all Lane County residents.

LRAPA'S BUDGET MESSAGE

Esteemed Board of Director Chair, Howard Saxion, members of the Lane Regional Air Protection Agency (LRAPA) Board of Directors, members of the Budget Committee, Citizens Advisory Committee, and citizens of Lane County, the following is a summary of the proposed budget for the 2026-27 fiscal year.

LRAPA's 2026-27 fiscal year budget, July 1, 2026, through June 30, 2027, was prepared pursuant to Oregon's Budget Law for Councils of Government (ORS 294.915 and 294.920) and LRAPA's Financial Policies. All financial calculations reflect analysis of economic indicators, including Consumer Price Index trends, inflation forecasts, and confirmed commitments for grant funding.

The proposed 2026-27 LRAPA budget expenditures total **\$ 6,018,653**, which is comprised of:

- General Fund budget expenditures: **\$ 3,362,148**
- Special Revenue (Title V) Fund budget expenditures: **\$ 793,862**
- Grant Fund budget expenditures: **\$ 1,862,643**

BUDGET HIGHLIGHTS

LRAPA is financially stable, and our grant portfolio also remains strong. Thanks to the leadership of our Financial Manager, LRAPA has developed cost allocation methodologies to more accurately calculate transfers between funds, specifically the utilization of Title V funds. This stability in financial policy, accounting, and organization has enabled the Executive Director to contemplate bigger strategic actions for the 2026-27 budget forward.

Currently LRAPA has multiple tenured employees with 25 or more years of service, making succession planning a critical step to ensure LRAPA can smoothly transition their knowledge and skills before long-tenured staff retire in the coming years. These tasks include an array of air monitoring requirements necessary to meet agency obligations with DEQ and EPA, stationary source permitting, code enforcement, and asbestos regulation. Additionally, there are emerging needs pertaining to wildfire smoke, outdoor burning, and home wood heating impacts on air quality across Lane County that requires sustained or increasing staff attention.

To address these needs, in the coming year we anticipate minor position and organizational structure improvements. The intent of adjustments is to have adequate resources to avoid permitting backlogs and implementing Cleaner Air Oregon, while addressing the need for enhanced smoke management. Each year presents new challenges, and we believe this budget addresses ongoing and emerging challenges while also preparing the organization for the future.

THANK YOU

Travis Knudsen
Executive Director

Christina Ward
Finance Manager & Budget Officer

LRAPA BUDGET COMMITTEE

BUDGET COMMITTEE

Board of Directors:

Howard Saxion, Board Chair, Eugene
Matt Keating, Eugene
Dylan Plummer, Eugene
Michael Johnston, Eugene
David Loveall, Vice Chair, Lane County
Alan Stout, Springfield
Jared Hensley, Springfield
Jim Settlemeyer, Cottage Grove
Bryan Cutchen, Oakridge

Appointees:

Ruth Linoz, Springfield, Chair
Steve Schmunk, Springfield, Vice-Chair
Adam Rue, Eugene
Zach Mulholland, Eugene
JoJo Breslin, Eugene
Vacant, Eugene
Paul Metzler, Lane County
Vacant, Cottage Grove
Thaddeus Carter, Oakridge

LRAPA Executive Director

Travis Knudsen

Budget Officer

Christina Ward

Management Team

Lance Giles, Technical Services Manager
Max Hueftle, Operations Manager
Rachelle Nicholas, Administrative Manager
Matt Sorensen, Public Affairs Manager
Colleen Wagstaff, Asbestos & Enforcement Manager
Christina Ward, Finance Manager

Coordinator

Heather Gravelle

LRAPA OVERVIEW

ABOUT

The Lane Regional Air Protection Agency (LRAPA) is the local air authority responsible for monitoring Lane County's air and administering programs that protect and improve air quality. LRAPA was founded in 1968 as an intergovernmental agreement between the cities of Springfield and Eugene. Today's intergovernmental agreement includes Lane County and the cities of Cottage Grove, Eugene, Oakridge, and Springfield.

OVERSIGHT

LRAPA receives direction and oversight from three independent committees who represent the diverse interests of Lane County's communities: the Board of Directors, the Citizens Advisory Committee, and the Budget Committee. These groups' meetings are open to the public and include an opportunity for public comment.

LRAPA is governed by a 9-member Board of Directors who represent the diverse interests of their respective locality. Board members are appointed by their corresponding LRAPA councils and the Lane County Board of Commissioners. Board seats are divided based upon population size. The first seat from a supportive partner must be held by an elected official from its governing body but may appoint subsequent seats from the public within its jurisdiction. Board members serve three-year terms and can be reappointed. The Board meets monthly, usually at noon on the second Thursday of each month. Most years no meetings are scheduled in August and December.

LRAPA's Board of Directors has established a Citizens Advisory Committee to advise the Board in matters pertaining to the region, particularly on methods and procedures for the protection of public health and welfare and of property, from the adverse effects of air pollution. This volunteer committee is made up of 7-15 local Lane County residents from various backgrounds including: public health, agriculture, industry, community planning, fire suppression, and general public. Citizens Advisory Committee members serve three-year terms and can be reappointed. Meetings are usually at noon on the last Tuesday of each month. Most years no meetings are scheduled in August and December.

The State of Oregon mandates that all local governments establish Budget Committees made up of citizen members and elected officials. The purpose of the Budget Committee in Oregon is to promote efficiency and economy in the expenditure of public funds. The Budget Committee's role is to help assure that LRAPA's budget document and fiscal practices address priorities that the LRAPA Board approves.

The LRAPA Budget Committee consists of the LRAPA Board of Directors, plus nine board-appointed citizens representing the same jurisdiction as the board members. Budget Committee members serve three-year terms and can be reappointed.

The Budget Committee meets ahead of the Board meetings in the Spring to review and approve LRAPA’s proposed budget document for referral to the Board of Directors for public hearing and adoption at the Board’s May or June meeting.

PERSONNEL

SUMMARY

The budget includes a total of 19 full-time equivalent positions. The positions below are shown by the FTE staffed in each department.

LRAPA has worked throughout the year on addressing workflow inequities in combination with additional workflow demands. LRAPA’s staffing has varied over the years as annual budgets were adjusted to account for economic fluctuations. In 2008, LRAPA had the highest staffing level with 23 FTE employees.

Salaries and benefits constitute the major portion of expenditures in LRAPA’s budget. The salary and benefits line items in the budget reflect an increase of 8% for the upcoming fiscal year, which includes single-step merit increases and a 3% cost-of-living increase, merit raises, and an increase in medical insurance premiums.

FULL-TIME EQUIVALENT (FTE’S) EMPLOYEES

A schedule of the full-time equivalent positions by department for the past three years and proposed budget year is presented below.

Department	2023-24	2024-25	2025-26	2026-27
Administration	5.0	6.0	5.0	2.0
Enforcement	n/a	n/a	n/a	1.0
Finance	3.0	3.0	3.0	2.0
Monitoring	2.0	4.0	2.0	2.0
Operations	9.0	6.0	9.0	9.0
Public Affairs	n/a	n/a	n/a	3.0
Total FTE's	19.0	19.0	19.0	19.0

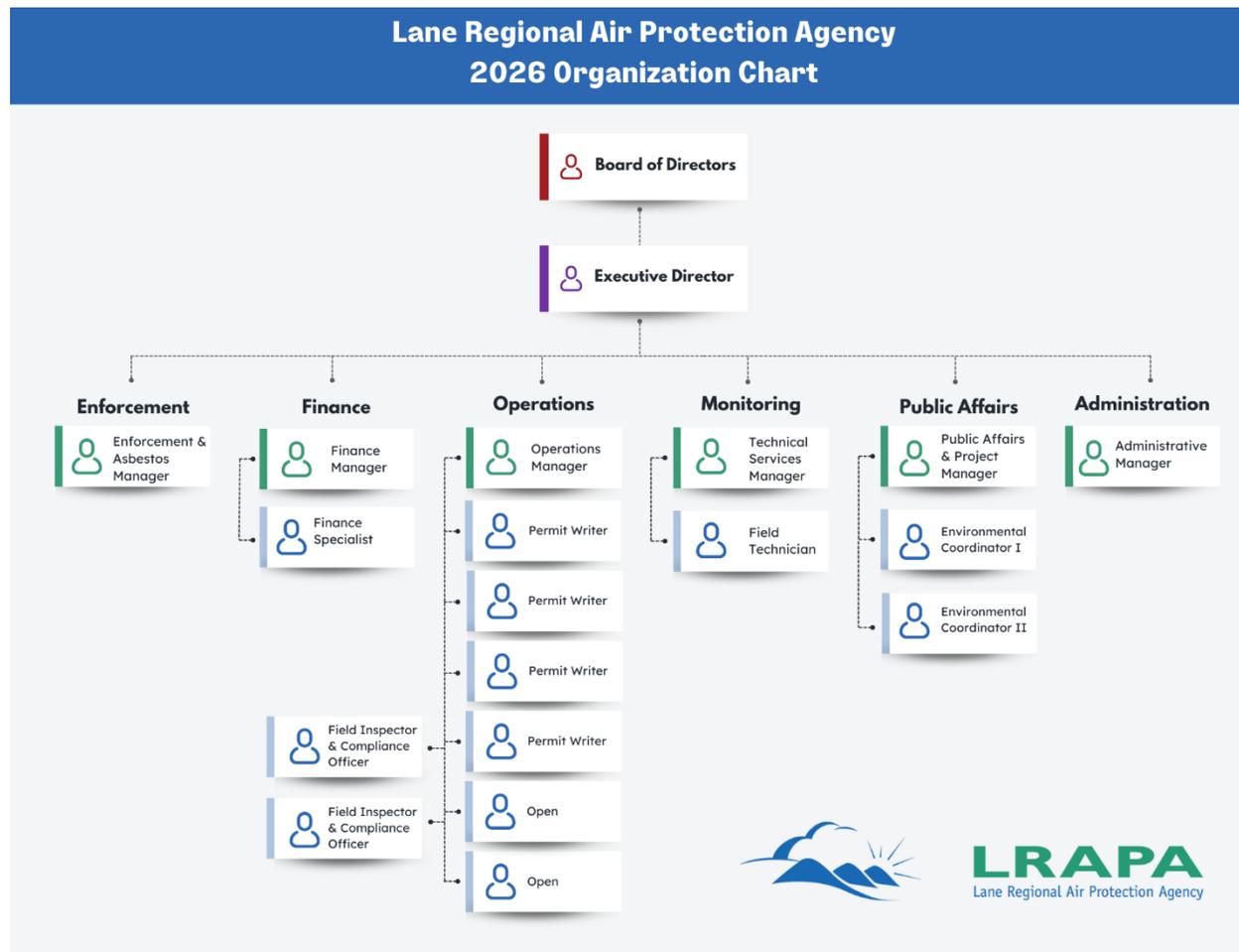
The allocation of the expenditure for each position is different by fund based on level of effort. The expenditure for the FTE will be provided in each fund’s budget.

Fund	2023-24	2024-25	2025-26	2026-27
General Fund	13.8	14.2	14.85	14.25
Special Revenue Fund (Title V)	4.0	3.9	3.75	4.5
Grant Fund	0.4	0.9	0.4	0.25
Enterprise Fund (AirMetrics)	1.8	0.0	0.0	0.0
Total FTE's	19.0	19.0	19.0	19.0

CHANGES FROM PREVIOUS YEAR

The FY 2026-27 budget includes 19 FTEs. While the organizational chart includes the movement of certain positions to report to other managers, the number and type of positions remain the same.

ORGANIZATIONAL STRUCTURE



PROPOSED SALARY SCHEDULE – FISCAL YEAR 2026-2027

Range	Position Title	Annual Salary	
		*Minimum	Maximum
15	Environmental Coordinator I	\$ 63,029.41	\$ 93,537.18
15	Air Monitoring Specialist I	\$ 63,029.41	\$ 93,537.18
16	Environmental Specialist II	\$ 66,157.31	\$ 98,229.04
16	Air Quality Specialist I	\$ 66,157.31	\$ 98,229.04
16	Air Quality Specialist I	\$ 66,157.31	\$ 98,229.04
17	Environmental Coordinator II	\$ 69,456.61	\$ 103,135.14
17	Finance Specialist	\$ 69,456.61	\$ 103,135.14
18	Environmental Specialist II	\$ 72,948.72	\$ 108,276.90
18	Environmental Specialist II	\$ 72,948.72	\$ 108,276.90
18	Environmental Engineer II	\$ 72,948.72	\$ 108,276.90
18	OPEN Position TBD	\$ 72,948.72	\$ 108,276.90
18	OPEN Position TBD	\$ 72,948.72	\$ 108,276.90
19	Public Affairs Manager	\$ 76,590.80	\$ 113,718.59
19	Asbestos & Enforcement Manager	\$ 76,590.80	\$ 113,718.59
24	Finance Manager	\$ 97,757.71	\$ 145,104.75
24	Administrative Manager	\$ 97,757.71	\$ 145,104.75
24	Technical Service Manager	\$ 97,757.71	\$ 145,104.75
25	Operations Manager	\$ 102,663.81	\$ 152,367.49
26	Executive Director	\$ 152,196.10	\$ 225,937.50

**Current salary schedule has 17 steps between minimum and maximum pay. The proposed salary schedule includes a 3% COLA increase from prior year.*

BASIS OF BUDGETING

SUMMARY

LRAPA uses a modified accrual accounting approach where revenues are counted when they become available (within 180 days of the fiscal year end) and expenses are recorded when they are incurred, with certain exceptions like depreciation and accrued leave that are not included in the budget. This conservative approach helps ensure accurate financial planning and transparent reporting of the agency's resources and obligations.

Proposed revenues and appropriations for authorized spending are provided for all three of LRAPA’s funds: General Fund, Special Revenue Fund (Title V) and Grant Fund. The estimated revenue and appropriations amounts are presented in the “Proposed Budget” column of the budget summaries presented for each fund.

FUND ACCOUNTING

SUMMARY

For accounting purposes, local government agencies are required to use fund accounting. A fund is a fiscal and accounting entity with self-balancing accounts to record cash and other financial resources, related liabilities, balances, and changes, all segregated for specific activities and objectives.

FUND STRUCTURE

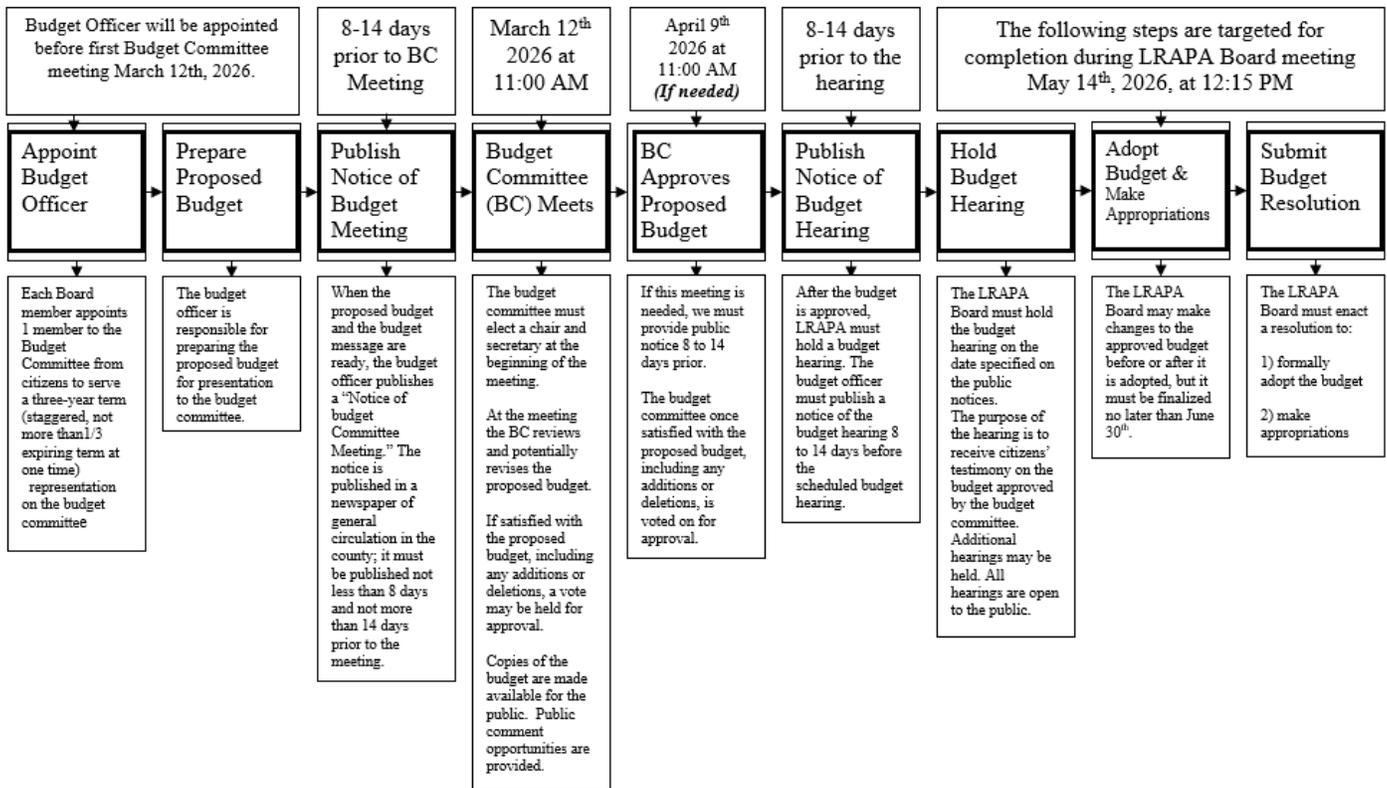
The LRAPA budget has three funds. All funds with budgetary appropriations in FY 2026-27 are presented with the fund structure and the main revenue sources listed below.

The Special Revenue Fund is mandated by federal law under the Clean Air Act to be a self-sustaining entity, financed by fees collected from major pollution sources. This requirement ensures that the program, which regulates and monitors major air pollutants, operates without relying on general funding, thereby upholding air quality standards and public health independently.

Fund Structure & Major Revenue Sources		
Governmental Funds		
General Fund	Special Revenue Fund	Grant Fund
EPA PM2.5 Grant	Title V Fees	TAG 2
EPA Section 105 Base Grant		
DEQ General Fund Grant		
Cleaner Air Oregon (Oregon DEQ & LRAPA program)		
Local Partner Fees		
Permits & Fees		

BUDGET PROCESS

The 9 Steps of Budget Process for Council of Governments



SUMMARY

A budget is a financial plan outlining estimated revenues and expenditures for a specific period or purpose, such as a fiscal year. LRAPA, as a Council of Governments under Oregon Revised Statutes (ORS 294.900-930), prepares a balanced budget where total resources, including beginning balances and incoming revenues, must equal total outlays, including current year expenses, capital investments, transfers, other financial obligations, and reserves.

Budgeting plays a pivotal role by compelling organizations to scrutinize their plans and set priorities within the confines of their financial capabilities. As a Council of Governments formed through intergovernmental agreement, LRAPA follows specific budget requirements designed for regional agencies that provide direct services while operating independently of any single member government entity.

The LRAPA Budget Committee consists of the Board of Directors members and an equal number of Board appointed representatives. All committee members have equal voting rights, and appointive members serve staggered three-year terms. In accordance with ORS 294.915, LRAPA publishes notice of Budget Committee meetings and hearings in newspapers of general circulation within Lane County. These meetings and hearings are open to the public, allowing

community members to discuss proposed programs with the committee. Following committee review, LRAPA holds a public hearing on the approved budget. After the hearing, the budget is submitted to the Board of Directors for formal adoption. Should circumstances require modifications during the fiscal year, changes can be made through a supplemental budget process under specific conditions outlined in ORS 294.925, such as pressing necessities or newly available funding sources that were not foreseeable during initial budget preparation.

LRAPA maintains prior years’ budget records, including the adopted budget, published notices, and adoption resolution, ensuring transparency and accountability in financial planning.

CONSOLIDATED SCHEDULE of RESOURCES, EXPENDITURES, and FUND BALANCES

ALL FUNDS – FISCAL YEARS 2023-2024 THROUGH 2026-2027

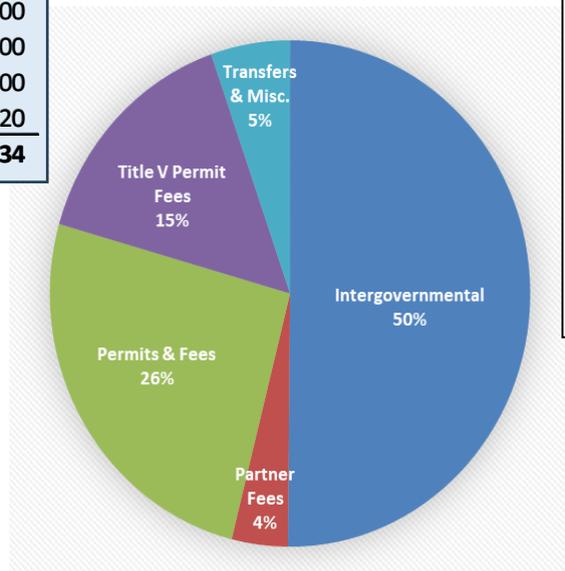
	23-24 Actuals	24-25 Unaudited Actuals	25-26 Projected Actuals	26-27 Proposed Budget
Beginning Fund Balance	3,597,974	3,226,515	2,313,861	2,427,387
Intergovernmental	2,123,462	2,595,031	2,412,817	2,910,157
Partner Fees	199,048	203,500	211,807	218,857
Permits & Fees	1,251,655	1,440,090	1,441,705	1,480,400
Title V Permit Fees	644,627	805,369	860,228	885,000
AirMetrics Revenue	347,252	-	-	-
Miscellaneous	95,670	181,582	122,275	125,000
Transfers In	1,129,534	96,235	150,000	184,220
Total Revenue	5,791,248	5,321,807	5,198,832	5,803,634
Personnel	2,383,900	2,333,605	2,689,288	2,904,904
Materials and Services	1,898,277	2,342,300	2,216,019	2,792,529
Capital Outlay	349,315	1,421,626	30,000	80,000
Transfers Out	1,269,043	96,235	150,000	184,220
Contingency	-	-	-	57,000
Total Expenditures	5,900,535	6,193,767	5,085,307	6,018,653
<i>Revenue minus Expenditures</i>	(109,287)	(871,960)	113,525	(215,019)
Ending Fund Balance	3,488,687	2,354,555	2,427,387	2,212,368

ALL FUNDS – FISCAL YEAR 2026-2027

The LRAPA’s total proposed budget for fiscal year 2026-27 is **\$8,231,020**. Budgeted Revenues total \$5,803,634. Budgeted expenditures total \$6,018,653 which includes transfers from the Special Revenue Fund and Grant Fund to the General Fund of \$184,220. The projected reserves at the close of FY '27 will be \$2,212,368.

REVENUE – All Funds

Intergovernmental	2,910,157
Partner Fees	218,857
Permits & Fees	1,480,400
Title V Permit Fees	885,000
Miscellaneous	125,000
Transfers In	184,220
Total Revenue	5,803,634



Note: The Intergovernmental revenue category includes approximately **\$2.3 million** in funds from the TAG 2 grant and the NWAirQuest passthrough, which do not directly support general operations but are managed by LRAPA, for the benefit of Lane County and the PNW region.

INTERGOVERNMENTAL Revenue

LRAPA receives funding from the U.S. Environmental Protection Agency (EPA) and the Oregon Department of Environmental Quality (DEQ). This funding supports LRAPA's core mission of protecting public health and the environment through air quality monitoring, permitting, enforcement, and education.

PARTNER FEES Revenue

As part of an IGA, originally established in 1968, LRAPA receives local partner funding from the Cities of Cottage Grove, Eugene, Oakridge, Springfield, and Lane County. These fees are essential for supporting LRAPA's operations and meeting the matching requirements for federal grants. Partner fees are set annually by the LRAPA Board of Directors. Affirmed by the Board in FY 2026, partner dues are calculated using a per-capita rate adjusted annually by the average Consumer Price Index (CPI) for Lane County, applied to each partner's population as reported by the U.S. Census Bureau.

PERMITS and FEES Revenue

LRAPA generates revenue through various permit fees, including Air Contaminant Discharge Permits (ACDP), Cleaner Air Oregon (CAO) program fees, Title V Permits, asbestos notification fees, and outdoor burning permits. These fees support LRAPA's regulatory oversight and ensure that industrial facilities and other regulated entities comply with air quality standards. Permit fees are reviewed and adjusted periodically to reflect the cost of providing services and to maintain consistency with DEQ's fee schedule.

GRANTS Revenue

LRAPA utilizes grant funding to support special projects and initiatives that further its mission. The second EPA Targeted Airshed Grant (TAG) provides funding for a comprehensive program that includes residential woodstove replacements, weatherization, and community education, with the goal of reducing woodsmoke emissions in the Oakridge-Westfir area.

MISCELLANEOUS Revenue

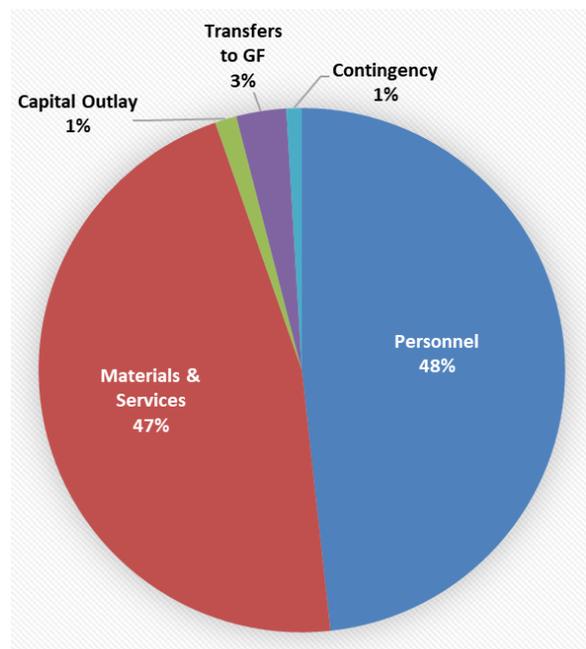
LRAPA earns interest on its fund balances invested in the Local Government Investment Pool (LGIP) managed by the Oregon State Treasury.

TRANSFERS IN

Annually, a transfer from the Special Revenue Fund (Title V Fund) to the General Fund and periodically, transfers from the Grant Fund to the General Fund are completed for any accrued indirect costs. The allocation methodologies are described in the fund expenditure narratives.

EXPENDITURES – All Funds

Personnel	2,904,904
Materials and Services	2,792,529
Capital Outlay	80,000
Transfers Out	184,220
Contingency	57,000
Total Expenditures	6,018,653



PERSONNEL Expenditure

Personnel expenditures comprise the majority of LRAPA's budgeted expenses. LRAPA's staff of 19 FTE deliver the agency's core services across permitting, compliance, monitoring, public affairs, and administration. The proposed salary schedule includes a 3.0% cost-of-living adjustment. Employees eligible for merit-based step increases may receive up to one step increase per review cycle, with each step representing a 2.5% salary increase. Together, cost-of-living and merit adjustments account for the primary increase in personnel costs over the prior year. Health insurance cost assumptions also contribute to the increase, reflecting current market trends in employer-sponsored coverage. Employer contributions to the Public Employees Retirement System (PERS) range from 12.57% for OPSRP members to 18.27% for Tier 1 and Tier 2 members, with the next biennial rate adjustment scheduled for FY 2028.

MATERIALS & SERVICES Expenditure

LRAPA's proposed budget for FY 2026-27 includes the following Materials & Services amounts:

- General Fund = \$1,042,700
- Grant Fund = \$1,749,454

CAPITAL OUTLAY Expenditure

LRAPA's proposed budget for FY 2026-27 includes one fleet vehicle replacement and monitoring equipment with total capital expenditures of \$80,000.

TRANSFERS OUT Expenditure

Annually, a transfer from the Special Revenue Fund (Title V Fund) to the General Fund is completed for any accrued indirect costs. The allocation methodology considers each General Fund line item indirectly supporting Title V efforts, such as utilities and office space use. Periodically, transfers from the Grant Fund to the General Fund are completed for any accrued indirect costs. The methodology is determined by the grant terms and approved grant budget.

CONTINGENCY Expenditure

LRAPA uses conservative contingencies for both the General Fund and Special Revenue Fund, totaling \$57,000. The Grant Fund operates on an expense reimbursement process which does not require budgeting for contingencies.

GENERAL FUND

SUMMARY

The General Fund is the primary operating fund for LRAPA, with revenue sources that include permit fees for Air Contaminant Discharge Permits (ACDP) and Cleaner Air Oregon, federal grants from the Environmental Protection Agency (EPA), state funding through contracts with the

Department of Environmental Quality (DEQ), local intergovernmental partner funding, interest income, and miscellaneous fees. ACDP permit fees cover sources such as greenhouse gas emitters and gas dispensing facilities. The EPA Clean Air Act Section 105 base grant requires local maintenance of effort and consistent service levels and also includes pass-through funding for the Northwest AirQuest program. EPA provides additional funding for PM_{2.5} monitoring through a contract with DEQ. The long-standing Intergovernmental Agreement between LRAPA and its local partners—the Cities of Cottage Grove, Eugene, Oakridge, and Springfield, and Lane County—is a critical component of the General Fund revenue.

HIGHLIGHTS

The General Fund's ending fund balance for fiscal year 2026-2027 is projected to be \$1,529,190. LRAPA currently oversees approximately 275 sources with Air Contaminant Discharge Permits (ACDPs). Annually we oversee approximately 100 asbestos abatement inspections, and over 400 asbestos removal notifications. The number of civil penalties issued range from 5 to 20 each year. The number of complaints received annually ranges from 400 – 650, with the majority related to outdoor burning followed by industry-related issues.

CHANGES FROM PREVIOUS YEARS

Staffing changes have occurred within the agency, and LRAPA ended the processing of payroll for DEQ Employee Operators in July 2024, allowing the agency to focus on its core mission.

The PERS (retirement plan) employer portion increased from 11.08% - 17.38% in FY24 to 12.57% - 18.27% in FY '26, with the next biennial 2% increase scheduled for FY '28. The low end of the range applies to OPSRP employees and the high end of the range applies to Tier One & Tier Two employees.

REVENUES

The General Fund revenue for fiscal year 2026-27 is budgeted to increase 3% compared to the 2025-26 estimated revenues. Partner fees are budgeted with a 3% increase which is crucial for supporting the maintenance of effort (MOE) requirement for the EPA base grant, as this grant funding is contingent upon LRAPA meeting the MOE.

EXPENDITURES

Budgeted expenditures for the General Fund total \$3,362,148, representing a decrease of 4% compared to the FY 2025-26 budget. A proposed 3% cost of living increase is also included.

GENERAL FUND STAFFING

The General Fund sustains LRAPA's workforce of 19 FTE, and the FY 2026-27 proposed budget remains steady at 19 FTE. A total of approximately 14.25 FTE are funded by the General Fund. The proposed salary schedule includes a 3% cost of living increase, which is essential for LRAPA's staff recruitment and retention efforts.

GENERAL FUND BUDGET

Description	23-24	24-25	25-26	26-27
	Actuals	Unaudited Actuals	Projected Actuals	Proposed Budget
Resources				
BEGINNING FUND BALANCE	2,390,770	3,087,029	1,928,496	1,835,347
30 - Beginning Fund Balance	2,390,770	3,087,029	1,928,496	1,835,347
DEQ State General Fund Contributions	269,514	257,514	263,514	263,514
DEQ PM 10 Grant		20,000		
DEQ Remote Operators	105,288	10,677		
DEQ PM 2.5 103 Grant	100,161	193,831	64,000	64,000
EPA Federal 105 Base Grant	294,503	300,000	300,000	300,000
EPA Fed Base Grant AIRQUEST	346,507	419,351	420,000	420,000
31- Intergovernmental	1,115,973	1,201,373	1,047,514	1,047,514
City of Eugene	93,573	92,000	98,851	102,325
City of Springfield	30,143	33,700	33,942	35,016
City of Cottage Grove	5,665	5,900	5,903	6,118
City of Oakridge	1,692	1,700	1,781	1,807
Lane County	67,975	70,200	71,329	73,590
32- Partner Fees	199,048	203,500	211,807	218,857
Contaminant Discharge (ACDP)	637,876	750,776	758,971	785,000
Cleaner Air Or (CAO) Permit	340,316	340,813	336,428	345,000
Asbestos Notification Fees	198,108	220,537	175,000	175,000
Outdoor Burning Letter Permit	4,250	11,170	8,870	8,000
Registered Sources Fees		600	904	900
Greenhouse Gas Permit	71,104	74,938	132,032	137,000
Enforcement Fees		41,256	29,500	29,500
35-Permits & Fees	1,251,655	1,440,090	1,441,705	1,480,400
Interest	89,524	121,521	120,000	120,000
Miscellaneous Revenues	6,146	60,061	2,275	5,000
36-Other Reveunes	95,670	181,582	122,275	125,000
Administraton Transfers from Specialty Rev. & Grant Fund	1,129,534	96,235	150,000	184,220
37-Transfers	1,129,534	96,235	150,000	184,220
Total Revenue	3,791,880	3,122,780	2,973,301	3,055,991
Total General Fund Resources	6,182,650	6,209,809	4,901,797	4,891,338

General Fund Budget Continued on next page.

General Fund Budget Continued:

Expenditures	23-24 Actuals	24-25	25-26	26-27
		Unaudited Actuals	Projected Actuals	Proposed Budget
Personnel				
Salaries	1,136,449	1,344,060	1,519,900	1,577,980
Part-Time Wages	76,666	8,328		
Payroll Taxes	142,734	117,199	136,791	126,238
Health/Dental Benefits	163,877	174,005	211,266	216,972
Fringe Benefits	132,125	7,438	10,639	7,890
Retirement -PERS	103,975	122,142	180,130	252,477
Retirement -VOYA	7,910	6,880	15,199	7,890
Workers Comp	5,571	2,674		
Total	1,756,791	1,782,727	2,073,925	2,189,448
Materials & Services				
Marketing & Advertising	2,188	11,493	7,500	7,500
Website Fees	4,880	4,009	3,400	3,400
Public Education	1,189	30,034	5,000	5,000
Public Notices	2,002	2,214	1,500	2,500
Postage	737	177	500	500
Printing	-	2,243	2,500	2,500
Computer Hardware	34,413	20,687	15,000	50,000
Computer Software	34,701	79,680	50,000	50,000
Financial Software	40,399	32,839	40,000	40,000
Equipment Lease & Usage	8,889	9,579	9,000	9,600
Equipment & Furniture <\$5000	5,655	6,325	6,000	10,000
Insurance	35,746	32,607	39,300	39,300
Bank Fees & Charges	2,313	2,223	2,000	2,300
Legal Fees	101,949	9,698	15,000	20,000
Audit Fees	26,750	32,000	33,600	35,000
Supplies -Monitoring	22,679	10,355	37,500	35,000
Supplies -Office	16,362	13,952	7,500	10,000
Professional Dues	6,290	3,390	6,815	7,500
Contract Services	243,077	88,381	65,000	100,000
Grant Contract Srvc-Pass Thru	275,212	419,351	420,000	420,000
Enf. Fees due to Lane County		41,256	29,500	29,500
Asbestos Sampling		405	2,000	2,000
Telephones	11,925	9,395	10,000	10,000
Telephones-Monitoring	5,456	6,011	5,000	5,000
Utilities	20,312	22,265	20,100	20,100
Utilities- Monitoring	9,384	8,055	9,000	9,000
Training	17,703	19,705	9,000	6,000
Travel	5,766	24,185	9,810	32,000
Building Maintenance	28,398	74,022	83,500	60,000
Vehicle Fuel	5,384	4,098	3,000	4,000
Vehicle Maintenance/Repair	1,097	1,768	6,500	6,500
Office & Storage Rent	1,400	8,774		
Miscellaneous	3,723	696	1,500	1,500
Staff/Volunteer Appreciation	1,023	3,091	6,500	7,000
Total	739,319	1,034,959	962,525	1,042,700

General Fund Budget Continued on next page.

General Fund Budget Continued:

Expenditures	23-24 Actuals	24-25 Unaudited Actuals	25-26 Projected Actuals	26-27 Proposed Budget
Capital Outlay				
Capital Building Improvements	139,793	1,289,990	-	-
Capital Landscape Improvements	142,915	-	-	-
Capital Ops software system		40,400	5,000	-
Capital Equipment	66,608	91,236	25,000	80,000
Total	349,315	1,421,626	30,000	80,000
Contingency				
General Contingency	-	-	-	40,000
General Contingency-PERS	-	-	-	10,000
Total	-	-	-	50,000
TOTAL EXPENDITURES	2,845,426	4,239,312	3,066,450	3,362,148

SPECIAL REVENUE FUNDS (TITLE V)

SUMMARY

LRAPA's Special Revenue Fund is used to account for the Title V Operating Permit program, which is a federal requirement under the Clean Air Act. The Title V program regulates major air pollution sources and is designed to be self-sustaining through permit fees. LRAPA aligns its Title V fees by Rule with those set by the Oregon Department of Environmental Quality (DEQ) to maintain consistency across the state. The Special Revenue Fund tracks revenues and expenditures related to the Title V program, with any excess funds maintained as a reserve balance.

HIGHLIGHTS

The Title V Operating Permit program, which regulates major air pollution sources, is a key component of LRAPA's mission to protect public health and the environment. In the current fiscal year, LRAPA oversees 15 Title V sources, ensuring that these facilities comply with the federal Clean Air Act requirements and maintain their permits in good standing.

LRAPA's Title V permit program continues to perform well, with the agency maintaining the lowest permit backlog rates among Oregon air quality programs. While some fluctuation is expected as complex sources come up for renewal in the coming year, the operations team has demonstrated capacity to keep pace with permit demand. By staying current with renewals and modifications, LRAPA ensures that Lane County's largest air pollution sources operate under up-to-date, enforceable permit conditions.

CHANGES FROM PREVIOUS YEAR

LRAPA's Title V permit fees are set at the rates adopted by the Oregon Legislature for the DEQ Title V program. Over the previous two fiscal years, legislatively approved fee increases resulted in an 83% increase in Title V permit revenue. This additional revenue has stabilized the Special Revenue Fund, which had historically been underfunded relative to the actual costs of administering the Title V program. The fund is now positioned to fully support Title V program costs, including personnel, compliance activities, and the indirect cost allocation to the General Fund.

REVENUE

Title V revenue for FY 2026-27 is budgeted based on the fee structure approved by the legislature. These fees support the program's operations and ensure that LRAPA can effectively regulate major air pollution sources in Lane County.

EXPENDITURES

Budgeted expenditures for the Special Revenue Fund total \$793,862, representing an increase of 17% compared to the FY 2025-26 budget. The primary driver of this increase is LRAPA's refined and improved allocation methodology for the calculation of the program's indirect costs and annual transfer to the General Fund.

Budgeted expenditures for the Special Revenue Fund are primarily allocated to personnel costs, with a smaller portion dedicated to materials and services. The revenue from the Title V fund is vital in supporting the program's expenditures and helping maintain a reserve balance of four months' operating expenses.

SPECIAL REVENUE FUND STAFFING

The Title V program is staffed by a combination of personnel from the Operations, Compliance, and Technical Services departments. While no FTEs are solely dedicated to the Special Revenue Fund, the equivalent of approximately 4.5 FTE contribute to the Title V program through permit writing, inspections, compliance monitoring, and technical support.

SPECIAL REVENUE BUDGET

Description	23-24 Actuals	24-25 Unaudited Actuals	25-26 Projected Actuals	26-27 Proposed Budget
Resources				
Beginning Fund Balance	54,277	139,486	385,365	592,039
Beginning Fund Balance	54,277	139,486	385,365	592,039
Title V Permit Fees	644,627	805,369	860,228	885,000
Permit Fees	644,627	805,369	860,228	885,000
Total Revenue	644,627	805,369	860,228	885,000
Total Resources	698,904	944,855	1,245,594	1,477,039
Requirements				
Salaries	287,983	356,537	382,520	473,144
Payroll Taxes	26,445	27,890	34,427	37,852
Health/Dental Benefits	50,425	43,718	53,170	65,057
Fringe Benefits	46,052	1,136	2,678	2,366
Retirement -PERS	30,330	33,848	46,905	75,703
Retirement -VOYA	2,886	892	1,913	2,366
Workers Comp	79	64		
Personnel Total	444,201	464,087	521,612	656,487
Public Notices	-	307	300	300
Public Education	180			
Postage	-	39		
Computer Software	-	50	75	75
Supplies -Office	-	3,135		
Professional Dues	12,133	744		
Contract Services	-	240		
Telephones	56	-		
Training	1,525	1,461	3,790	
Travel	756	5,807	12,777	
Vehicle Fuel	27			
Vehicle Maintenance/Repair	-	388		
Materials & Services Total	14,677	12,170	16,942	375
Transfer to Gen Fund	84,458	83,233	115,000	130,000
Transfers Total	84,458	83,233	115,000	130,000
Contingency	-	-	-	7,000
Other Requirements Total	-	-	-	7,000
Total Requirements	543,336	559,490	653,554	793,862

GRANT FUNDS

SUMMARY

LRAPA's Grant Fund is dedicated to special restricted grants that further the agency's mission. The fund currently includes a Targeted Airshed Grants (TAG 2).

TAG 2, awarded in 2021 with a total budget of \$2,739,425, is an extension of the initiatives under TAG 1. This grant supports the home intervention efforts in the Oakridge-Westfir area, such as woodstove replacements, ductless heat pump installations, and weatherization upgrades. Additionally, TAG 2 includes funding for community outreach and education to raise awareness about the benefits of these interventions and encourage participation in the program.

HIGHLIGHTS

- TAG 1 concluded on November 30, 2025.
- TAG 2 will end on August 31, 2027, and these funds will be fully utilized by this date.

CHANGES FROM PREVIOUS YEAR

- TAG 1 is removed due to its conclusion in November of 2025.
- LRAPA was awarded a one-year extension on the TAG 2 grant, and these funds will continue to be accessed through August 31, 2027.

REVENUE

LRAPA's programmatic and administrative support of the Grant Fund remains the same, and the total grant amounts awarded remain unchanged. Revenue is received once expenses are incurred through a reimbursement process.

EXPENDITURES

TAG 2 expenditures for FY 2026-27 will be accelerated now that TAG 1 has concluded. For the Grant Fund, all expenditures are reimbursed by the grant after they are incurred.

GRANT FUND STAFFING

The Executive Director and Public Affairs Manager are the primary staff members engaged in programmatic grant management, with the Finance Department closely involved in financial management and grant reporting. In total, about 0.25 FTE are designated for Grant Fund support.

GRANT FUND BUDGET

	23-24 Actuals	24-25 Unaudited Actuals	25-26 Projected Actuals	26-27 Proposed Budget
Resources				
TAG 1	819,642	1,222,629	702,060	
TAG 2	187,847	124,052	663,243	1,862,643
EJGEG		46,976		
Intergovernmental	1,007,489	1,393,657	1,365,303	1,862,643
Total Revenue	1,007,489	1,393,657	1,365,303	1,862,643
Total Resources	1,007,489	1,393,657	1,365,303	1,862,643
Expenditures				
TAG1 - Salaries	57,562	39,435	18,832	
TAG1 - Payroll Taxes	3,990	3,372	1,454	
TAG1 - Health/Dental Benefits	7,646	5,601	2,398	
TAG1 - Fringe Benefits	2,192	140	88	
TAG1 - Retirement -PERS	4,985	3,733	2,332	
TAG1 - Retirement -VOYA	-	87	172	
TAG1 - Workers Comp	13	8	-	
TAG2 - Salaries		14,546	50,000	42,500
TAG2 - Payroll Taxes		1,111	4,500	3,400
TAG2 - Health/Dental Benefits		2,007	6,950	5,844
TAG2 - Fringe Benefits		37	350	213
TAG2 - Retirement -PERS		1,327	6,174	6,800
TAG2 - Retirement -VOYA		60	500	213
TAG2 - Workers Comp		2		
EJG2G - Salaries		11,848		
EJG2G - Payroll Taxes		905		
EJG2G - Health/Dental Benefits		1,462		
EJG2G - Fringe Benefits		33		
EJG2G - Retirement -PERS		1,038		
EJG2G - Retirement -VOYA		37		
EJG2G - Workers Comp		2		
Personnel	76,390	86,791	93,751	58,969

Grant Fund budget continued on next page.

Grant Fund Budget Continued:

Expenditures Continued

TAG1 - PM 2.5 Sampling	-	10,797	-	
TAG1 - Woodsmoke Mitigation	51,606	119,374	50,049	
TAG1 - RUC (SWS Contract)	165,464	176,415	137,986	
TAG1 - Weatherization	186,253	290,018	275,831	
TAG1 - Wood Stoves	106,565	215,716	189,053	
TAG1 - CFP - other	20,742	71,382	-	
TAG1 - Code Enforcement	87,000	-	-	
TAG1 - Cleaner Indoor Air	1,937	69	-	
TAG1 - Outside Education	35,237	58,588	-	
TAG1 - Purchase of DHP	84,873	193,156	180,024	
TAG1 - Energy Audit	-	40,461	-	
TAG1 - Travel	1,293	-	-	
TAG1 - Equipment < \$5,000	8,205	-	-	
TAG2 - Advertisement	3,957	1,927	-	20,000
TAG2 - Text Msg Program	1,451	1,361	750	1,000
TAG2 - Equipment < \$5,000	8,135	9,552	3,450	-
TAG2 - Grant Program Management	-	-	34,410	160,590
TAG2 - RUC (SWS Contract)	-	-	80,000	334,000
TAG2 - Weatherization	1,195	-	100,000	330,805
TAG2 - Wood Stoves	225	-	60,000	209,775
TAG2 - Woodshed Program	24,347	54,028	5,000	5,000
TAG2 - Outreach Coordinator	19,309	-	-	101,000
TAG2 - DHP	-	-	120,000	150,000
TAG2 - OU Research	97,643	-	-	48,884
TAG2 - Energy Audit	-	-	-	69,300
TAG2 - Asbestos Test & Abate	-	-	-	69,000
TAG2 - Health Data Analysis Sub Award	-	-	-	20,000
TAG2 - School & Community Education	-	-	-	56,000
TAG2 - RUC Supported Outreach	-	-	-	149,100
TAG2 - Travel	-	-	-	25,000
TAG2 - Equip Capital Outlay	20,054	24,946		
EJG2G- Program Coord/Collab Support		4,441		
EJG2G- Subaward SWS		22,656		
EJG2G- Subaward LCPH		284		
Materials and Services	925,490	1,295,170	1,236,553	1,749,454
TAG1 - Transfer to GF (IDCR)	9,715	470	10,000	
TAG2 - Transfer to GF (IDCR)		8,262	25,000	54,220
EJG2G- Transfer to GF (IDCR)		4,271		
Transfers to Gen Fund	9,715	13,003	35,000	54,220
Total Requirements	1,011,595	1,394,964	1,365,303	1,862,643

CLOSED FUNDS

ENTERPRISE FUND (AirMetrics)

At the December 2023 board meeting, the LRAPA Board unanimously voted to sell AirMetrics and close its enterprise fund due to organizational changes and limited buyer interest in the AirMetrics MiniVol sampler (which had an expired patent and trademark). LRAPA sold AirMetrics to Turnbull Precision Manufacturing for \$24,770, which included transferring all remaining AirMetrics inventory to the new owner; Turnbull assumed all warranty and parts support. The Board approved the sale and passed Resolution 2024-01 to transfer the remaining fund balance, approximately \$1.2 million, to the LRAPA general fund. The Enterprise Fund has no remaining activity but continues to appear in the budget as required under Oregon local budget law until the fund is formally closed in the accounting system. FY 2027-28 is expected to be the final year the Enterprise Fund is presented in the budget document.

Description	23-24 Actuals	24-25 Actuals	25-26 Projected Actuals	26-27 Proposed Budget
Resources				
Beginning Fund Balance	1,152,927	-	-	-
Beginning Fund Balance	1,152,927	-	-	-
Revenue	318,716	-	-	-
Misc. Revenue	28,536	-	-	-
Total Revenue	347,252	-	-	-
Total Resources	1,500,179	-	-	-
Requirements				
Personnel	106,519	-	-	-
Material & Services	218,790	-	-	-
Transfers	1,174,870	-	-	-
Total Requirements	1,500,179	-	-	-
Ending Fund Balance	(0)			

NOTE: FY2027-28 will be the final year that the Enterprise Fund will be included in the budget.

CAPITAL OUTLAY – ALL FUNDS – FY 2026-27

SUMMARY

The following schedules summarize the various capital investments, by fund, for FY 2026-27. A description of the project, funding source(s), priority on a scale of 0 – continued from previous year to 3 – identified but not funded, amount, and impact on operating budget (and whether debt service is incurred) is noted.

With respect to anticipated impact on operating budget, the following terms are used:

Terms utilized	Definition
Replacement – reduced	Notes items that will be acquired to replace aging assets; operating costs are anticipated to decrease
None	Item does not create any maintenance costs
Limited	Items are anticipated to increase operating costs; however, the impact is expected to be marginal
Modernization – nominal	Costs are anticipated to increase; however, the impact is not anticipated to be increased beyond normal inflationary adjustments
Sustain	Improvements are part of regular maintenance program

General Fund

Description	Funding Source	Priority	Amount	Impact on operating costs
Capital Equipment (monitoring equip)	Gen Fund	1	30,000	Limited
Capital Equipment (vehicle purchase)	Gen Fund	2	50,000	Replacement
Total			80,000	

Special Revenue Fund

Description	Funding Source	Priority	Amount	Impact on operating costs
None	N/A	0	-	none

Grant Fund

Description	Funding Source	Priority	Amount	Impact on operating costs
None	N/A	0	-	none

LRAPA Consolidated TOTAL

80,000

THREE-YEAR FINANCIAL FORECASTS

SUMMARY

LRAPA's three-year financial forecasts demonstrate the agency's commitment to maintaining a stable financial position while effectively carrying out its mission to protect public health and the environment. The forecasts, which cover the General Fund and Special Revenue Funds, are based on the belief that LRAPA's revenues are healthy and that recurring expenditures are being managed responsibly.

A factor contributing to LRAPA's financial stability is the stabilization of Title V program and Special Revenue Fund. This fund had been facing significant challenges in recent years, and a 2-year fee increase passed by the Oregon legislature in 2022 has been crucial for maintaining the overall financial health of the program and agency.

While these forecasts have been prepared amidst some uncertainty regarding the impact of the current economic climate on revenues over the next 12 months, LRAPA remains confident in its ability to adapt and maintain a balanced budget while delivering high-quality services to the community.

Our consolidated financial reserves are healthy and stable, with a projected reserve balance of just under \$2.2 million at the close of FY 2026-27. This ending balance equates to 6.5 months of operating expenses. The following table shows the three-year forecast for our consolidated financial reserves.

CONSOLIDATED RESERVES - GF & TV FORCASTING				
	2026-27	2027-28	2028-29	2029-30
Combined Ending Fund Balances	2,192,248	1,953,314	1,691,109	1,491,429
Combined monthly ave expenses	335,501	343,956	357,558	371,460
Approx. months of reserves on hand	6.5	5.7	4.7	4.0

Note: The desired fund balance equals 4 months of reserves.

ASSUMPTIONS

ALL FUNDS

The three-year financial forecasts for all funds are based on a set of consistent assumptions that take into account various economic factors and the agency's operational needs. These assumptions include:

- **Salaries:** A 3.0% cost-of-living adjustment (COLA) increase per year, with an additional 2.5% increase for employees who are eligible for merit-based step increases.
- **Health Insurance:** A 10% increase in health insurance costs, reflecting the general trend of rising healthcare expenses.
- **PERS Retirement:** Contribution rates are assumed to have a 2% increase every 2 years, in line with the biennial adjustment cycle for PERS rates.

- **Materials and Services:** The programmatic needs for the year were considered in this category's estimates, with no standard default increase.
- **Capital Projects:** All planned capital projects have been thoroughly reviewed and scheduled to ensure they align with the agency's priorities and financial resources.
- **Interest Earnings Rate:** A 4% annual interest earnings rate has been assumed for all reserves which are held in the Local Government Investment Pool (LGIP).

GENERAL FUND

General Fund 3 yr Forecast	Proposed Budget	Forecast	Forecast	Forecast
Description	2026-27	2027-28	2028-29	2029-30
<u>Resources</u>				
Beginning Fund Balance	1,835,347	1,509,070	1,209,640	921,497
<u>Revenues</u>				
Intergovernmental Total	1,047,514	1,047,514	1,047,514	1,089,415
Local Partner Dues Total	218,857	226,796	235,028	243,564
Permit Fees Total	1,479,500	1,535,230	1,646,344	1,802,915
Other Revenues Total	125,000	131,000	137,300	143,915
Transfers Total	165,000	143,000	157,300	173,030
Total Revenues	3,035,871	3,083,540	3,223,486	3,452,839
TOTAL Resources & Revenues	4,871,218	4,592,610	4,433,126	4,374,336
<u>Expenditures</u>				
Personnel Total	2,189,448	2,295,981	2,413,423	2,531,998
Materials & Supplies Total	1,042,700	1,006,989	1,018,206	1,029,780
Capital Outlay Total	80,000	30,000	30,000	30,000
Contingency Total	50,000	50,000	50,000	50,000
Total Expenditures	3,362,148	3,382,970	3,511,629	3,641,777
<i>Total Revenue - Expenditures:</i>	<i>(326,277)</i>	<i>(299,430)</i>	<i>(288,143)</i>	<i>(188,938)</i>
Total Resources	4,871,218	4,592,610	4,433,126	4,374,336
Total Requirements	3,362,148	3,382,970	3,511,629	3,641,777
Ending Fund Balance	1,509,070	1,209,640	921,497	732,559

Assumptions – General Fund

The three-year forecast for the General Fund includes the following specific assumptions:

- **Partner Fees:** Annual increases of 3% are projected annually. These increases are based on the average CPI.
- **All Other Recurring Revenue:** An annual increase ranging from 0.0% to 4.0% is assumed for all other recurring revenue sources, based on historical trends & current economic climate.

SPECIAL REVENUE FUND

Specialty Revenue Fund	Proposed			
3 yr Forecast	Budget	Forecast	Forecast	Forecast
<u>Description</u>	<u>2026-27</u>	<u>2027-28</u>	<u>2028-29</u>	<u>2029-30</u>
<u>Resources</u>				
Beginning Fund Balance	592,039	683,177	743,674	769,612
<u>Revenues</u>				
Permit Fees				
Title V Permit Fees	885,000	885,000	885,000	885,000
Total Revenue (Title V Permit Fees)	885,000	885,000	885,000	885,000
Total Resources	1,477,039	1,568,177	1,628,674	1,654,612
<u>Expenditures</u>				
Personnel Total	656,487	676,129	696,386	717,338
Materials & Supplies Total	375	375	375	375
Transfers Total	130,000	143,000	157,300	173,030
Contingency				
Contingency	7,000	5,000	5,000	5,000
Contingency Total	7,000	5,000	5,000	5,000
Total Expenditures	793,862	824,504	859,061	895,743
Ending Fund Balance	683,177	743,674	769,612	758,870

Assumptions – Special Revenue Fund

The three-year forecast for the Special Revenue Fund includes the following specific assumption:

- **Fees:** Annual fees are determined by legislative action. No increase is assumed, as it is too hard to predict the timing and amount of the next increase.

APPENDIX

GLOSSARY

Appropriations

A legal authorization made by the Board of Directors to incur obligations and make expenditures for specific purposes; shall be limited to a single fiscal year.

Balanced Budget

A budget is considered balanced when the fund's total resources of the beginning fund balance or working capital, revenues and other financing sources is equal to the total of expenditures, other financing uses and ending fund balance, contingency or working capital.

Budget

A written report showing the local government's comprehensive financial plan for one fiscal year. It must include a balanced statement of actual revenues and expenditures during each of the last two years, and estimated revenues and expenditures for the current and upcoming year.

Budget Committee

A fiscal planning board of a local government, consisting of the governing body plus an equal number of legal voters.

Budget Document

The estimates of expenditures and budget resources as set forth on the estimated sheets, tax levy and the financial summary.

Capital Improvements Program (CIP)

A plan for capital expenditures to be incurred each year over a period of years to meet capital needs arising from the long-term work program.

Capital Outlay

Items with a value of \$5,000 or more which generally have a useful life of one or more years, such as machinery, land, furniture, equipment, or buildings. These items are recorded in the LRAPA's fixed asset system and depreciated over their useful lives.

Chart of Accounts

All authorized General Ledger accounts. Defines Fund, Organization, Division, Program, Object, and Classification.

Contracted Services

Expense of services rendered under contract by personnel who are not on the payroll of the jurisdiction, including all related expenses covered by the contract.

Cost-benefit Analysis

An approach for comparing programs and alternatives when benefits and costs can be valued in dollars.

Current Liabilities

Liabilities due within one year.

Current Year

The fiscal year in progress.

Cost Allocation

Various administrative services including LRAPA management, finance, human resources, public works staffing, and their related costs are allocated to the various funds that receive the benefit of these services via a cost allocation methodology.

Cost Center

An organizational budget/operating unit within each LRAPA department.

Division Expenditures

Expenses related to personnel, material and services and capital expenditures.

Discretionary Revenue

Revenue that is not dedicated or restricted for a specific purpose. Employee Benefits. Amounts paid on behalf of employees; amounts are not included in the gross salary. They are fringe benefit payments, and, while not paid directly to employees, they are part of total compensation. For example, health and life insurance, deferred compensation, social security taxes, workers' compensation, and unemployment insurance.

Encumbrance

An obligation chargeable to an appropriation and for which part of the appropriation is reserved.

Enterprise Funds

A fund established to account for operations that are financed and operated in a manner similar to private business enterprise in that the costs of providing services to the general public on a continuing basis are recovered primarily through user charges.

Expenditures

Total amount incurred if accounts are kept on an accrual basis; total amount paid if accounts are kept on a cash basis. Budget Law also defines expenditures as the categories of personnel, material and services, capital expenditures and debt service payments. Fund Expenditures. Unallocated (non-departmental) personnel, material and services and capital expenditures, along with debt service payments owed by the Fund.

Fiscal Year

A 12-month period designated as the operating year for accounting and budgeting purposes in an organization. LRAPA's fiscal year is July 1 through June 30.

Fringe Benefits

Benefits are comprised of payments made to the LRAPA's 401k retirement plan, PERS retirement system, social security, Medicare, unemployment insurance, and Oregon's paid leave. The fringe benefits line item also includes the agency's Benefit Plan that covers health, dental, long-term disability (LTD) and life insurance.

Full-Time Equivalent

A calculation that is used to convert part-time hours to equivalent full-time positions. Full-time employee salaries are based on 2,080 hours per year. The full-time equivalent of a part-time employee is calculated by dividing the number of hours budgeted by 2,080.

Fund Structure

A fund is a fiscal and accounting entity of self-balancing accounts to record cash and other financial resources and related liabilities all segregated for specific regulated activities and objectives to ensure compliance with state and federal laws and regulation, charters, local government resolutions, agreements, and ordinances, and the principles of good accounting. Fund accounting allows the Agency to control the use of restricted or dedicated revenues. LRAPA adopts a balanced, annual appropriated budget for each of its funds. In this year's proposed budget, LRAPA presents three (3) distinct funds: General Fund, Special Revenue Fund, used for the Title V Program, and the Grant Fund.

Fund Balance

The balance of net financial resources that is spendable or available for appropriation.

General Fund

A fund used to account for financial operations of the Agency which are not accounted for in any other fund. The primary sources of revenue are general funding from the federal, state, and local shared revenues, permitting activities, and charges for services provided to other funds.

General Ledger

Financial accounting system for recording and reporting actual expense and revenue activity.

Goal

A statement of broad direction, purpose, or intent; the purpose toward which an endeavor is directed.

Governmental Funds

Funds are generally used to account for program specific activities. There are five different types of governmental funds: the general fund, special revenue funds, debt service funds, capital projects funds, and permanent funds. LRAPA uses a general fund and special revenue funds to account for Title V and grants.

Governing Body

Board of Directors or other governing board of a local government unit.

Grant

A donation or contribution by one governmental unit to another unit. The donation or contribution may be made to aid in the support of a specified purpose or function or general purpose.

Liabilities

Probable future sacrifices of economic benefits, arising from present obligation to transfer assets or provide service to other entities in the future as a result of past transactions or events; does not include encumbrances.

Line-Item Budget

The traditional form of budgeting is where expenditures are based on individual objects of expense within a department or division.

Local Budget Law

Oregon Revised Statutes dictate local government budgeting practices in Oregon.

Major Fund

Governmental fund or enterprise fund reported as a separate column in the basic fund financial statements and subject to a separate opinion in the independent auditor's report.

Mandates

A requirement by a higher level of government that a lower level of government perform a task or provide a service, do so in a particular way, or meet a particular standard.

Materials and Services

Accounts which establish expenditures for the operating expenses of agency departments and programs. Materials & services are comprised of: 1) payments for those services that are

provided by persons or entities not employed by LRAPA, 2) repair and maintenance of assets, 3) telephone, copying, and postage expenses, 4) travel and training cost, 5) the cost of day-to-day office and lab supplies. Major expense items that may be recorded in this category are grant contracts or special projects (pass-thru) for programs such as Northwest Air Quest, which is funded through EPA's base grant.

Net Working Capital

As used in expenditure classification, includes article purchased in the form of land, buildings, equipment and vehicles, or services obtained, as distinguished from the results obtained from the expenditures.

Object Class

Classification of expenditures, such as personal services, materials and services, capital outlay, debt services, and other types of requirements.

Objective

A statement of specific direction, purpose or intent based on the needs of the community and the goals established for a given program.

Obligations

The amounts of orders placed, contracts and subgrants awarded, goods and services received, and similar transactions during a given period that will require payment during the same or a future period.

Operating Budget

The portion of the budget that pertains to daily operations providing basic governmental services. The operating budget contains appropriations for such expenditures as personal services, supplies, utilities, materials, and capital outlay.

Operational Contingency

Any operating fund may establish an appropriated contingency line item for unforeseen expenditures that may become necessary.

Ordinance

A formal legislative decree enacted by the governing body of a municipality.

Organizational Unit

Any administrative subdivision of the local government, especially one charged with carrying on one or more specific function (such as a department, office, or division).

Public Employees Retirement System (PERS)

A State of Oregon defined benefit pension plan to which both employees and employer contribute.

Personnel Services

Payroll expenses, such as wages, Social Security, medical and dental insurance benefits, and retirement contributions.

Proposed Budget

Financial and operating plan prepared by the Budget Officer. It is submitted to the budget committee and the public for review for approval.

Resolution

A formal order of a governing body, lower legal status than an ordinance.

Resources

Includes revenue, inter-fund transfers, borrowing proceeds and beginning fund balance.

Revenues

Funds that the government receives as income such as fees for specific services, receipts from other governments, forfeitures, grants, shared revenues, and interest income.

Risk Management

An organized attempt to protect a government's assets against accidental loss in the most economical manner.

Special Revenue Funds

A fund used to account for the proceeds of specific revenue sources (other than special assessments, expendable trusts, or major capital projects) that are legally restricted to expenditure for specific purposes.

Supplemental Budget

Modifications to an Adopted Budget for the purpose of adding to or subtracting from current appropriations. Supplemental Budgets require legal notice and Budget Committee review prior to final action by the Board of Commissioners and cannot be used to levy tax.

Transfers

Amounts distributed from one fund to finance activities in another fund. Shown as a requirement in the originating fund and a revenue in the receiving fund.

ACRONYMS

ACA	Affordable Care Act
ACDP	Air Contaminant Discharge Permit
ACW	Asbestos Containing Waste
AOC	Association of Oregon Counties
APM	Administrative Procedures Manual
AQI	Air Quality Index
AV	Assessed Value
BCC	Board of County Commissioners
BLM	Bureau of Land Management
CA	Compliance Assistance
CAA	Clean Air Act
CAAD	Clean Air Action Day Program
CAC	Citizens Advisory Committee
CAO	Cleaner Air Oregon Program
CEMS	Continuous Emission Monitoring System
CFR	Code of Federal Regulations
CIP	Capital Improvement Plan
CO	Carbon Monoxide
COMS	Continuous OpaLRAPA Monitoring System
DEQ	State of Oregon Department of Environmental Quality (ODEQ)
EPA	U.S. Environmental Protection Agency
EJG2G	2014 Environmental Justice Government to Government grant – EPA
EQC	Environmental Quality Commission
GDF	Gasoline Dispensing Facilities
GF	General Fund
GFOA	Government Finance Officers Association
GHG	Greenhouse Gas
HAP	Hazardous Air Pollutant
LCOG	Lane Council of Governments
LRAPA	Lane Regional Air Protection Agency
MACT	Maximum Achievable Control Technology

NAAQS	National Ambient Air Quality Standards
NACAA	National Association of Cleaner Air Agencies
NESHAP	National Emissions Standard for Hazardous Air Pollutants
NO	Nitrogen Oxide
NSR	New Source Review
NW AirQuest	Northwest Modeling for Weather
O ₃	Ozone
ODOT	Oregon Department of Transportation
OHA	Oregon Health Authority
PEMS	Predictive Emissions Monitoring Systems
PM	Particulate Matter
PM10	Diameter less than or equal to a nominal 10 micrometers
PM2.5	Diameter less than or equal to a nominal 2.5 micrometers
P2	Pollution Prevention
PSD	Prevention of Significant Deterioration
QAPP	Quality Assurance Project Plan/Program
QA/QC	Quality Assurance/Quality Control
QC	Quality Control
QMP	Quality Management Plan
SBA	Small Business Assistance
SIP	State Implementation Plan
TAG 1	2019 Targeted Airshed Grant – EPA
TAG 2	2019 Targeted Airshed Grant – EPA
TIPs	Transportation Improvement Programs
TITLE V (TV)	Federal Title V Facility – Major source air emissions facility
USDA	United States Department of Agriculture
UGB	Urban growth boundary
VOC	Volatile Organic Compound