

LASSEN COUNTY AIR POLLUTION CONTROL DISTRICT GOVERNING BOARD

GOVERNING BOARD

Kevin Stafford, *Chairman*

Chris Gallagher, *Vice Chairman*

Tom Hammond

Jeff Hemphill

Quincy McCourt

Brian Moore

Staff

Erik Edholm

Air Pollution Control Officer

Angelina Chamblee

Administrative Staff Assistant

LASSEN COUNTY AIR POLLUTION CONTROL DISTRICT GOVERNING BOARD MEETING

City Council Chambers
66 N. Lassen Street, Susanville, CA 96130

Agenda
Tuesday, February 9, 2021

1:00 p.m.

ADDRESSING THE BOARD

* Any person desiring to address the Board shall first secure permission of the presiding officer.

* Matters under the jurisdiction of the Board, and not on the Agenda, may be addressed by the Public at the time provided in the Agenda under Public Comment.

* The Board of Directors will not take action on any subject that is not on the Agenda.

A. CALL TO ORDER

B. ROLL CALL OF BOARD OF DIRECTORS

C. AGENDA APPROVAL

D. APPROVAL OF MINUTES FOR THE MEETINGS OF: DECEMBER 8, 2020

E. BOARD MEMBER ISSUES/REPORTS

F. CORRESPONDENCE

G. PUBLIC COMMENT

(Any person may address the Board at this time to comment on any subject not on the agenda. However, the Board may not take action other than to direct staff to agendaize the matter at a future meeting).

H. MATTERS FOR BOARD CONSIDERATION

1. Subject: Election of Chair and Vice Chair for 2021

Recommendation: Conduct Election

- | | | | |
|--------|-----------|------------------------|--|
| PG. 5 | 2. | Subject: | Report on District Activities |
| | | Recommendation: | Information only/Receive Report |
| PG. 7 | 3. | Subject: | District Financial Report |
| | | Recommendation: | Information only/Receive Report |
| PG. 9 | 4. | Subject: | Auditor's Report for Year Ended June 30, 2020 |
| | | Recommendation: | Approve Resolution 21-01 accepting the Basic Financial Statements and Independent Auditor's Report for year ended June 30, 2020 |
| PG. 41 | 5. | Subject: | Application for Carl Moyer 23 nd Cycle Funding |
| | | Recommendation: | Approve Resolution 21-02 committing the District to participate in the Carl Moyer Program, accepting Program Funds, and follow the requirements of the Program |
| PG. 47 | 6. | Subject: | Amend Fiscal Year 2020-2021 Budget to accommodate additional Carl Moyer and FARMER Program Expenditures |
| | | Recommendation: | Approve Resolution 21-03 amending the Fiscal Year 2020-2021 Budget |

I. ADJOURN

NEXT SCHEDULED GOVERNING BOARD MEETING APRIL 13, 2021.

**UNAPPROVED MINUTES
LASSEN COUNTY AIR POLLUTION CONTROL DISTRICT
GOVERNING BOARD
12-8-2020**

The Board convened in regular session at 1:00 P.M. in City of Susanville Council Chambers, located at 66 N. Lassen St., Susanville, CA, with; Chairman Stafford, Vice Chairman Gallagher, Directors Brian Moore, Quincy McCourt present. Also present were: Erik Edholm, Air Pollution Control Officer (APCO) and Angelina Chamblee, Administrative Staff Assistant. Director Tom Hammond and Jeff Hemphill absent.

C. AGENDA APPROVAL

Motion by Vice Chairman Gallagher, second by Director McCourt, to approve the December 8, 2020 agenda. Motion carried. Directors Tom Hammond and Jeff Hemphill absent.

D. APPROVAL OF MINUTES:

Motion for approval of the minutes for the meeting of October 13, 2020 by Director McCourt second by Director Moore. Motion carried. Directors Tom Hammond and Jeff Hemphill absent.

E. BOARD ISSUES / REPORTS:

NO BOARD ISSUES / REPORTS

F. CORRESPONDENCE:

NO CORRESPONDENCE

G. PUBLIC COMMENT:

NO COMMENTS

H. MATTERS FOR BOARD CONSIDERATION:

1. Report on District Activities

Carl Moyer / FARMER Related Activities:

Mr. Edholm advised the Board on inspections for FARMER and Carl Moyer projects, stating three of the five projects that were awarded have been completed.

Wood Stove Replacement Program:

Mr. Edholm stated 28 vouchers have been issued of the District's Wood Stove Replacement Program. There had 21 standard vouchers and 7 enhanced issued. Due to the enhanced vouchers now only being available to lower income households and not also to households in low income communities, the program is able to replace more wood stoves.

New Inspector Training:

Mr. Edholm informed the Board regarding training of an existing City of Susanville employee as a possible new inspector.

2. Financial Reports:

Mr. Edholm presented the Financial reporting from September 2020 through November 2020. He explained the reports detail the revenue and expenditures of the District. He also described the type of revenue sources the District receives and outlined expenditures the District incurs monthly. The net ending balance in November 2020 is \$176,269.12.

3. Carl Moyer Agricultural Equipment Replacement Program-Mulroney Ranch:

Motion to approve Resolution 20-10 authorizing the APCO to execute grant agreement 18-22-CMP-07 in the amount of \$35,000 with Mulroney Ranch by Vice Chairman Gallagher, second by Director Moore. Motion carried. Directors Tom Hammond and Jeff Hemphill absent.

4. Portable Environmental Beta-Attenuation Mass Monitor (E-BAM) Purchase:

Motion to approve Resolution 20-11 allocating \$24,000 in funding to purchase E-BAM smoke monitor and additional calibration and maintenance equipment by Vice Chairman Gallagher, second by Director Moore. Motion carried. Directors Tom Hammond and Jeff Hemphill absent.

L. ADJOURN 1:15 P.M.

Motion by Vice Chairman Gallagher, second by Director Moore, to adjourn the December 8, 2020 Lassen County Air Pollution Control District Governing Board Meeting. Motion carried. Directors Tom Hammond and Jeff Hemphill absent.

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 Angelina Chamblee
Administrative Staff Assistant

Meeting of February 9, 2021

To: Governing Board

From: Erik Edholm, APCO

Subject: Report on District Activities

The District has been involved in the following since the last meeting:

- Carl Moyer/FARMER Related Activities
 - o Respond to various questions
 - o Review existing agreements
 - o Completed Projects
 - o Equipment inspections
- Wood Stove Replacement Program
 - o 32 Vouchers issued
 - o 23 Standard Vouchers (\$1500)
 - o 9 Enhanced Vouchers (\$3000)
 - o 24 Projects completed
- Renew Existing Permits
- Permit Modifications
- Asbestos NESHAP

Some of these items will likely become the subject of future agenda items for Board discussion.

Staff can answer questions about any of these items as necessary.

Respectfully Submitted,

Erik Edholm
 Air Pollution Control Officer

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Administrative Staff Assistant

Meeting of February 9, 2021

To: Governing Board

From: Erik Edholm, APCO

Subject: December 2020 Financial Report

Opening Balance:	\$ 176,269.08
CCI Woodsmoke Program	\$ 7,602.73
Carl Moyer Program Balance	\$ 148,094.58
Net Beginning Balance:	\$ 331,966.43

Permits	\$ 3,223.23
DMV Fee Revenue	\$ 0.00
Property Tax	\$ 0.00
Farmers Program	\$ 0.00
AB 617	\$ 0.00
CCI Woodsmoke Reduction Program	\$ 0.00
Interest (Fair Market Value Adjustment)	\$ 0.00
Total Revenue	\$ 3,223.23

Expenditures:

Contract Services – City of Susanville	
Salaries and Benefits	\$ 16,556.00
Services and Supplies	\$ 1,986.00
Carl Moyer Grant	\$ 70,000.00
Farmer Grants	\$ 0.00
LCAPCD Wood Stove Replacement Program	\$ 17,897.23
CCI Woodsmoke Program	\$ 7,602.77
Total Expenditures	\$ 114,042.00

Ending Balance	\$ 221,147.66
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Carl Moyer Program Balance	\$ 78,094.58
CCI Woodsmoke Program	\$ 0.00
Net Ending Balance:	\$ 143,053.08

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Administrative Staff Assistant

Meeting of February 9, 2021

To: Governing Board

From: Erik Edholm, APCO

Subject: January 2021 Financial Report

Opening Balance:	\$ 143,053.08
Carl Moyer Program Balance	\$ 78,094.58
Net Beginning Balance:	\$ 221,147.66

Revenue:

Permits	\$ 311.35
DMV Fee Revenue	\$ 13,331.74
Property Tax	\$ 0.00
Subvention	\$ 34,400.00
FARMERS Program	\$ 483,002.32
AB 617	\$ 0.00
Interest (Fair Market Value Adjustment)	\$ 0.00
Total Revenue	\$ 543,114.23

Expenditures:

Contract Services – City of Susanville	
Salaries and Benefits	\$ 16,556.00
Services and Supplies	\$ 1,986.00
Carl Moyer Grant	\$ 25,830.00
Farmer Grants	\$ 0.00
LCAPCD Wood Stove Replacement Program	\$ 15,000.00
Total Expenditures	\$ 59,372.00

Ending Balance	\$ 704,889.89
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Carl Moyer Program Balance	\$ 52,264.58
Net Ending Balance:	\$ 652,625.31

LASSEN COUNTY AIR POLLUTION CONTROL DISTRICT GOVERNING BOARD**GOVERNING BOARD**

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Meeting of February 9, 2021

To: Governing Board

From: Erik Edholm, APCO

Subject: Auditor's Report for Year Ended June 30, 2020

The City of Susanville contracted the services of Van Lant & Fankhanel, LLP to provide an independent audit report on the financial statements of the Lassen County Air Pollution Control District for year ended June 30, 2020.

Van Lant & Fankhanel, LLP has submitted the attached Basic Financial Statements and Independent Auditor's Report for year ended June 30, 2020.

Recommendation:

Approve Resolution 21-01 accepting the Basic Financial Statements and Independent Auditor's Report for year ended June 30, 2020.

Respectfully Submitted,

Erik Edholm
Air Pollution Control Officer

RESOLUTION NO. 21-01

**A RESOLUTION BY THE BOARD OF DIRECTORS FOR THE LASSEN COUNTY AIR
POLLUTION CONTROL DISTRICT ACCEPTING 2019-20 BASIC FINANCIAL STATEMENTS
AND INDEPENDENT AUDITOR'S REPORT**

WHEREAS, the Lassen County Air Pollution Control District is a Local Air Pollution Control District that permits stationary sources of Air Pollution, administers and disperses funds through various State grant programs, and enforces, local, state, and federal rules and regulations; and

WHEREAS, pursuant to California Health and Safety Code section 40701(f), the Lassen County Air Pollution Control District entered in an agreement with the City of Susanville to provide administrative services;

WHEREAS, pursuant to the Agreement between the Lassen County Air Pollution Control District and City of Susanville Concerning Administrative Services the City of Susanville provides staff person(s), payroll, personnel, purchasing, warrant preparation, general accounting services, auditing services, and office space under the terms set forth herein; and

WHEREAS, the City of Susanville has contracted with Van Lant & Fankhanel, LLP to provide an Independent Auditor's Report of Lassen County Air Pollution Control District financial statements of the governmental activities and the general fund for year ended June 30, 2020; and

WHEREAS, Van Lant & Fankhanel, LLP has submitted to the Governing Board the Lassen County Air Pollution Control District Independent Auditor's Report for year ended June 30, 2020; and

NOW, THEREFORE, BE IT RESOLVED that the Governing Board hereby accepts the Lassen County Air Pollution Control District Independent Auditor's Report for year ended June 30, 2020 as depicted in Exhibit A:

The foregoing resolution was approved and adopted by the following vote of the Board on
February 9, 2021.

AYES:

NOES:

ABSTAIN:

ABSENT:

Kevin Stafford, Chairman
Lassen County Air Pollution Control District

ATTEST:

Erik Edholm
Air Pollution Control Officer

December 22, 2020

To the Members of the Board of Directors
of the Lassen County Air Pollution Control District
Susanville, California

We have audited the financial statements of the governmental activities and the general fund of the Lassen County Air Pollution Control District for the year ended June 30, 2020. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards and *Government Auditing Standards*, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated December 9, 2020. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the District are described in Note 1 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during the fiscal year. We noted no transactions entered into by the District during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. There were no significant estimates used in the preparation of the financial statements.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to each opinion unit's financial statements taken as a whole.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated December 22, 2020.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the District's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the District's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Matters

We applied certain limited procedures to the Management's Discussion and Analysis, which are required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

We were engaged to report on supplementary information, as listed in the table of contents, which accompany the financial statements but are not RSI. With respect to this supplementary information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our

audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

This information is intended solely for the use of the District's Board of Directors and management of the District and is not intended to be, and should not be, used by anyone other than these specified parties.

Very truly yours,

Van Lant & Fankhauser, LLP

**LASSEN COUNTY AIR
POLLUTION CONTROL DISTRICT
SUSANVILLE, CALIFORNIA**

**BASIC FINANCIAL STATEMENTS
AND INDEPENDENT AUDITOR'S REPORT**

Year Ended June 30, 2020

**Lassen County Air Pollution Control District
Financial Statements
Year Ended June 30, 2020**

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INDEPENDENT AUDITOR'S REPORT

To the Members of the Board of Directors
of the Lassen County Air Pollution Control District
Susanville, California

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities and the general fund of the Lassen County Air Pollution Control District (District), as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to error or fraud.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the governmental activities and the general fund of the Lassen County Air Pollution Control District, as of June 30, 2020, and the changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

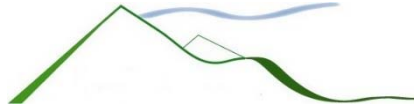
Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison schedule be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued a report dated December 22, 2020 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and on compliance.

Van Lant & Frankhamel, LLP

December 22, 2020



Lassen County Air Pollution Control District
MANAGEMENT'S DISCUSSION AND ANALYSIS
AS OF AND FOR THE YEAR ENDED JUNE 30, 2020

Our discussion and analysis of the Lassen County Air Pollution Control District's (the District) financial performance provides an overview of the financial activities for the fiscal year ended June 30, 2020. This report is to be read in conjunction with the basic financial statements.

FINANCIAL HIGHLIGHTS

- The assets of the District exceeded its liabilities at the close of the most recent fiscal year by \$642,357 (net position). Of this amount, \$125,066 are restricted for grant programs and other purposes.
- The District's total net position decreased by (\$232,789) from the prior year.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis serves as an introduction to the District's financial statements. The District's financial statements are comprised of three components: 1) Government-wide financial statements; 2) Fund Financial Statements; and 3) Notes to the Financial Statements. This report also contains other supplementary information in addition to the basic financial statements.

Government-wide Financial Statements – The government-wide financial statements are designed to provide readers with a broad overview of the District's finances, in a manner similar to a private sector business.

The *Statement of Net Position* presents information on all of the District's assets and deferred outflows of resources and liabilities, and deferred inflows of resources with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating. The Statement of Net Position combines and consolidates governmental funds' current financial resources (short-term spendable resources) with capital assets and long-term obligations. Other nonfinancial factors should also be taken into consideration, such as changes in the District's revenue base, to assess the overall health or financial condition of the District.

The *Statement of Activities* presents information showing how the District's net position changed during the most recent fiscal year. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods.

The governmental-wide financial statements include all the governmental activities of the District. The governmental activities of the District include administration, engineering/compliance, air monitoring, planning and grants. The District does not operate any business-type activities.

Fund Financial Statements – A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The fund financial statements provide detailed information about the most significant funds, not the District as a whole. The District has one fund, the General Fund, which is a governmental fund type. The General Fund includes all of the sub-funds the District maintains, including the individual grant program funds such as AB2766, Carl Moyer Grant funding, and the Wood Stove Replacement funding. Fund financial statements report essentially the same functions as those reported in the government-wide financial statements. However, unlike the government-wide financial statements, fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year.

Because the focus of the governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented in the government-wide financial statements. Both the governmental fund Balance Sheet and the governmental fund Statement of Revenues, Expenditures and Changes in Fund Balance provide a reconciliation to facilitate the comparison between governmental funds and government-wide statements. The fund financial statements can be found in the Basic Financial Statements.

Notes to Basic Financial Statements – The notes provide additional information that is essential to the full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found following the Basic Financial Statements.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

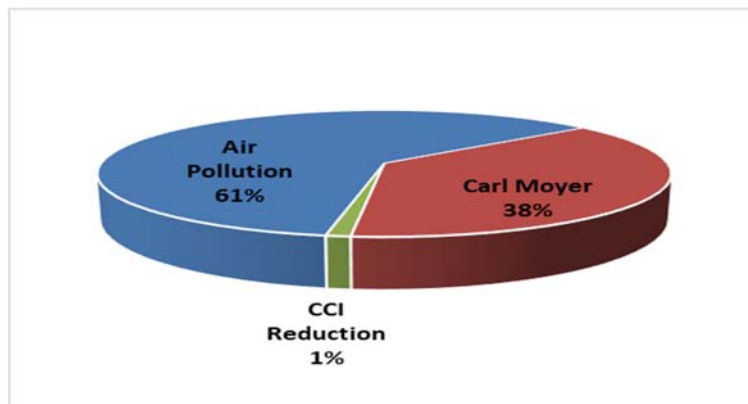
Summary of Net Position For the Year Ended June 30

	<u>2020</u>	<u>2019</u>	<u>Change</u>
Assets			
Cash and investments	\$ 620,411	\$ 255,108	\$ 365,303
Receivables:			
Accounts receivable	26,868	33,018	(6,150)
Interest receivable	1,830	1,958	(128)
Total assets	<u>649,109</u>	<u>289,774</u>	<u>359,335</u>
Liabilities			
Accounts Payable	6,752	6,000	752
Total liabilities	<u>6,752</u>	<u>6,000</u>	<u>752</u>
Net Position			
Restricted for grants	248,697	125,066	123,631
Unrestricted	393,660	158,708	234,952
Total net position	<u>\$ 642,357</u>	<u>\$ 283,774</u>	<u>\$ 358,583</u>

Net position may serve over time as a useful indicator of the District's financial position. At the close of the fiscal year ended June 30, 2020, the District's assets exceeded its liabilities by \$642 thousand dollars.

Approximately 96% of the District's assets consist of cash and investments.

The ending net position of the District is presented in the basic financial statements as one combined number. The District however separates the Carl Moyer Grant funding and the CCI Woodsmoke Reduction Program in their reports to the board. Carl Moyer represents 38% of the District's net position.



**Revenues,
Expenditures and Changes in Fund Balance
For the Year Ended June 30**

	<u>2020</u>	<u>2019</u>	<u>Change</u>
Revenues:			
Program Revenues:			
Charges for services	\$ 67,041	\$ 56,242	\$ 10,799
Intergovernmental	1,052,803	251,637	801,166
General Revenues:			
Property taxes	\$ 15,240	\$ 15,004	\$ 236
Investment Income	9,799	10,127	(328)
 Total Revenues	 \$ <u>1,144,883</u>	 \$ <u>333,010</u>	 \$ <u>811,873</u>
Expenses:			
Public Works	203,197	222,504	(19,307)
Grants	583,103	343,295	239,808
 Total Expenses	 <u>786,300</u>	 <u>565,799</u>	 <u>220,501</u>
Net change in net position	358,583	(232,789)	591,372
Net position, beginning of year	<u>283,774</u>	<u>516,563</u>	<u>(232,789)</u>
Net position, end of year	<u>\$ 642,357</u>	<u>\$ 283,774</u>	<u>\$ 358,583</u>

The District's revenues increased over the previous year by approximately 244%. This increase is primarily due to receiving \$341,537 from the State of California for the Farmer's Program, a decrease of (\$8,061) in the CCI Woodsmoke reduction program and an increase of \$439,639 from the Carl Moyer program in the 2018-2019 fiscal year. The Intergovernmental revenues also includes \$71,968 in DMV AB 2766 fees, \$34,400 in State Air Resources Subvention funds, \$26,850 in administration for AB 197.

Expenses for the year totaled \$786,300, an increase of 39% as compared to the previous year. This increase is primarily due to an increase of \$216,656 in Farmers Program grant awards, a decrease of (\$7,500) in Wood Stove replacement grants and an increase in Carl Moyer grant awards of \$63,802. In Fiscal Year 2019-20, the District awarded 3 Farmers grants, 37 Woodstove replacement grants and 8 Carly Moyer grants. Expenses for the District include \$203,197 for contract services with the City of Susanville, \$98,811 in grant funding for Wood Stove replacements, \$216,656 in Farmers grants, and \$267,636 in Carl Moyer grant awards. The District contracts with the City to provide staffing, payroll, personnel, purchasing, accounts payable, general accounting services, auditing services and office space.

Overall, the District's net position increased by \$358,583 bringing the net position to \$642,357 as of June 30, 2020.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

The District currently owns a 2013 Ford Escape with a depreciated value of \$0 and has not issued any debt.

FINANCIAL ANALYSIS OF THE GOVERNMENT FUNDS

The focus of the District's governmental fund is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the District's financing

requirements.

The General Fund balance at June 30, 2020 was \$642,357, an increase of \$358,853 from the prior year. The increase was primarily due to the net of the following factors:

- Funding allocations from the State of California in excess of grant awards.

BUDGETARY HIGHLIGHTS

BUDGET VARIANCES IN THE GENERAL FUND

	<i>Original Budget</i>	<i>Final Budget</i>	<i>Difference</i>	<i>Actual</i>	<i>Variance vs Final Budget</i>
Revenues	\$ 457,155	\$ 928,701	\$ 471,546	\$ 1,134,413	\$ 205,712
Expenditures	(511,723)	(950,023)	(438,300)	(786,300)	163,723
Net change in fund balance	<u>\$ (54,568)</u> =====	<u>\$ (21,322)</u> =====	<u>\$ 33,246</u> =====	<u>\$ 348,113</u> =====	<u>\$ 369,435</u> =====

Revenues

The actual revenues total of \$1,134,413 were higher as compared to the final budget of \$928,701 by \$205,712. The categories with the largest favorable budget variances were:

- Interest Revenue, \$7,716, more than budget.
- Carl Moyer Allocation, \$239,640 more than budget
- Real Property Taxes, \$2,240 more than budget.
- CCI Woodsmoke Reduction, \$12,815 more than budgeted

Expenditures

Actual expenditures for the year totaled \$786,300 as compared to the final budget of \$950,023. The primary reason for the significant budget variance is fewer grant awards for the Farmers Program, Prescribed Burning Program and AB 617 Air Protection Program.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

The FY 2020-21 budget was prepared with the assumption that revenues would be about 1% lower than the previous year. DMV fees, and property taxes were projected to remain about the same with a decrease to Air Pollution Permits of (\$5,000) decrease to the Woodsmoke Reduction Program (\$23,403), additions of two new revenue sources AB 617 Admin \$29,752 and Prescribed Burn Admin \$30,753 and an increase if the Farmer Admin of \$33,617. The budget assumes the same contract amount for staffing with Carl Moyer grants remaining the same, a decrease in Farmers Program grants of (\$306,096) and a decrease to the Woodsmoke Reduction Program of (\$102,111). The budget was adopted at the Governing Board meeting of June 9, 2020 by Resolution 19-16.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the District's finances for all those with an interest. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Lassen County Air Pollution Control District, 720 South Street, Susanville California or eedholm@cityofsusanville.org.

BASIC FINANCIAL STATEMENTS

GOVERNMENT-WIDE FINANCIAL STATEMENTS

Lassen County Air Pollution Control District
Statement of Net Position
June 30, 2020

	<u>Governmental Activities</u>
ASSETS	
Current Assets:	
Cash	\$ 620,411
Accounts Receivable	26,868
Interest Receivable	<u>1,830</u>
Total Current Assets	<u>649,109</u>
Total Assets	<u>649,109</u>
LIABILITIES	
Current Liabilities:	
Accounts Payable	<u>6,752</u>
Total Current Liabilities	<u>6,752</u>
Total Liabilities	<u>6,752</u>
NET POSITION	
Restricted	248,697
Unrestricted	<u>393,660</u>
Total Net Position	<u><u>\$ 642,357</u></u>

The accompanying notes are an integral part of this statement.

Lassen County Air Pollution Control District
Statement of Activities
Year Ended June 30, 2020

Functions/Programs	Expenses	Program Revenues			Governmental Activities Net (Expenses) Revenues
		Charges for Services	Operating Grants and Contributions	Total	Governmental Activities
Governmental Activities:					
Public Works	\$ 786,300	\$ 67,041	\$ 1,052,803	\$ 1,119,844	\$ 333,544
Total Governmental Activities	<u>\$ 786,300</u>	<u>\$ 67,041</u>	<u>\$ 1,052,803</u>	<u>\$ 1,119,844</u>	<u>333,544</u>
General Revenues:					
Property Taxes					15,240
Investment Income					<u>9,799</u>
Total General Revenues					<u>25,039</u>
Change in Net Position					358,583
Net Position - Beginning					<u>283,774</u>
Net Position - Ending					<u>\$ 642,357</u>

The accompanying notes are an integral part of this statement.

GOVERNMENTAL FUND FINANCIAL STATEMENTS

Lassen County Air Pollution Control District
Balance Sheet
Governmental Fund
June 30, 2020

	General Fund
ASSETS	
Cash	\$ 620,411
Accounts Receivable	26,868
Interest Receivable	<u>1,830</u>
Total Assets	<u><u>\$ 649,109</u></u>
LIABILITIES	
Accounts Payable	<u>\$ 6,752</u>
Total Liabilities	<u>6,752</u>
DEFERRED INFLOWS OF RESOURCES	
Unavailable Revenues - Grants	<u>10,470</u>
Total Liabilities	<u>10,470</u>
FUND BALANCES	
Restricted for Grants	238,227
Unassigned	<u>393,660</u>
Total Fund Balances	<u>631,887</u>
Total Liabilities and Fund Balances	<u><u>\$ 638,639</u></u>

The accompanying notes are an integral part of this statement.

**Lassen County Air Pollution Control District
Reconciliation of the Governmental Fund Balance Sheet to the
Government-Wide Statement of Net Position
June 30, 2020**

Fund balances - total governmental fund	\$ 631,887
Amounts reported for governmental activities in the statement of net position are different because:	
In governmental funds, other long-term assets are not available to pay for current period expenditures and, therefore, are deferred in the funds	<u>10,470</u>
Net Position of Governmental Activities	<u><u>\$ 642,357</u></u>

The accompanying notes are an integral part of this statement.

Lassen County Air Pollution Control District
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Fund
Year Ended June 30, 2020

	General Fund
REVENUES	
Property Taxes	\$ 15,240
Licenses and Permits	67,041
Intergovernmental	1,042,333
Investment Income	9,799
	<hr/>
Total Revenues	1,134,413
	<hr/>
EXPENDITURES	
Current:	
Public Works	786,300
	<hr/>
Total Expenditures	786,300
	<hr/>
Net Change in Fund Balances	348,113
Fund Balance, Beginning of Year	283,774
	<hr/>
Fund Balance, End of Year	\$ 631,887
	<hr/> <hr/>

The accompanying notes are an integral part of this statement.

Lassen County Air Pollution Control District
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund
Balance of Governmental Fund to the Statement of Activities
Year Ended June 30, 2020

Net change in fund balances - governmental fund	\$ 348,113
Amounts reported for governmental activities in the Statement of Activities are different because:	
Revenues reported in the statement of activities, which are not considered available to finance current expenditures, are not reported as revenues in the governmental funds.	<u>10,470</u>
Change in net position of governmental activities	<u><u>\$ 358,583</u></u>

The accompanying notes are an integral part of this statement.

**Lassen County Air Pollution Control District
Notes to Financial Statements
Year Ended June 30, 2020**

1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Lassen County Air Pollution Control District (District) is a Local Air District governing the Lassen County Region. Lassen County is located in North Eastern California and is part of the Northeastern Plateau Air Basin. The District Board is a six member board comprised of three members from the Lassen County Board of Supervisors and three members from the City of Susanville, City Council. The following is a summary of the significant accounting policies of the Lassen County Air Pollution Control District (the District) in conformity with accounting principles generally accepted in the United States of America.

A. Relationship to the City of Susanville

The City of Susanville provides administrative and accounting services for the District and acts in a fiduciary capacity for the District. The District's activities are accounted for in an agency fund on the City of Susanville's financial statements.

B. Basis of Accounting and Measurement Focus

The accounts of the District are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund balance, revenues, and expenditures, as appropriate. Governmental resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The accounting records of the District are recorded in the General Fund. The General Fund is used to account for all financial resources except those required to be accounted for in another fund. Since the District is not required to account for activity in another fund, all activity of the District is recorded in the General Fund.

Government-wide Financial Statements

The District's government-wide financial statements include a Statement of Net Position and a Statement of Activities and Changes in Net Position. These financial statements present summaries of activities for the District.

The Government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all of the nonfiduciary activities of the primary government and its component units. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are expenses that are clearly identifiable with a specific program, project, function or segment. Program revenues of the District

**Lassen County Air Pollution Control District
Notes to Financial Statements
Year Ended June 30, 2020**

1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

include: 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

The government-wide financial statements are presented on an *economic resources* measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

Governmental Fund Financial Statements

Governmental fund financial statements include a Balance Sheet and a Statement of Revenues, Expenditures and Changes in Fund Balance for all governmental funds. All governmental funds are accounted for on a spending or *current financial resources* measurement focus and the modified accrual basis of accounting. Accordingly, only current assets and current liabilities are included on the balance sheets. The Statement of Revenues, Expenditures and Changes in Fund Balance presents increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets.

Under the modified accrual basis of accounting, revenues are recognized in the accounting period in which they become both measurable and available to finance expenditures of the current period. Accordingly, revenues are recorded when received in cash, except that revenues subject to accrual (generally 60 days after year-end) are recognized when due. Expenditures are recorded in the accounting period in which the related fund liability is incurred. The Reconciliations of the Fund Financial Statements to the Government-Wide Financial Statements are provided to explain the differences created by the integrated approach of GASB Statement No. 34.

Charges for services, intergovernmental revenues, and interest associated with the current fiscal period are all considered to be susceptible to accrual, and therefore have been recognized as revenues within the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received.

The District reports a single governmental fund – the general fund.

C. Cash and Investments

The District's cash and investments consist of cash and investments pooled with the City of Susanville.

**Lassen County Air Pollution Control District
Notes to Financial Statements
Year Ended June 30, 2020**

1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

D. Net Position

In the Government-Wide Financial Statements, net position is classified as follows:

Invested in Capital Assets - This amount consists of capital assets net of accumulated depreciation.

Restricted Net Position - This amount is restricted by external creditors, grantors, contributors, laws or regulations of other governments.

Unrestricted Net Position - This amount represents net position that does not meet the definition of *Invested in Capital Assets* or *Restricted Net Position*.

E. Fund Balance

Fund balances in governmental funds are reported in classifications that comprise a hierarchy based primarily on the extent to which the District is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. Sometimes the District will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements a flow assumption must be made about the order in which the resources are considered to be applied. It is the District's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

The following classifications describe the relative strength of the spending constraints placed on the purposes for which resources can be used:

Nonspendable Fund Balance - Amounts that cannot be spent either because they are in nonspendable form or are required to be maintained intact.

Restricted Fund Balance - Amounts that are constrained to specific purposes by state or federal laws, or externally imposed conditions by grantors or creditors.

Committed Fund Balance - Amounts that may be specified by the Board of Directors by ordinance or resolution to formally commit part of the fund balance or future revenues for a specific purpose(s) or program. To change or repeal any such commitment will require an additional formal Board of Director's action utilizing the same type of action that was originally used.

**Lassen County Air Pollution Control District
Notes to Financial Statements
Year Ended June 30, 2020**

1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

Assigned Fund Balance - Amounts that are constrained by the Board's intent to use specified financial resources for specific purposes, but are neither restricted nor committed.

Unassigned Fund Balance - These are either residual positive net resources of the Fund in excess of what can properly be classified in one of the other four categories, or negative balances.

F. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents consumption of net position that applies to future period(s) and so will not be recognized as an outflow of resources (expense) until then. The District currently has no items that qualify for reporting in this category.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The District currently has no items that qualify for reporting in this category.

G. Net Position Flow Assumption

Sometimes the District will fund outlays for a particular purpose from both restricted (e.g. restricted grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted net position and unrestricted net position in the statement of net position, a flow assumption must be made about the order in which the resources are considered to be applied. It is the District's policy to consider restricted net position to have been depleted before unrestricted net position.

K. Use of Estimates

The preparation of basic financial statements in conformity with generally accepted accounting principles requires District management to make estimates and assumptions that affect certain amounts and disclosures. Accordingly, actual results could differ from those estimates.

L. Property Taxes

California Constitution Article XIII A, limits the combined property tax rate to one percent of a property's assessed valuation. Additional taxes may be imposed with voter approval. Assessed value is calculated at one hundred percent of a property's fair value, as defined by Article XIII A, and may be increased no more than two percent per year unless a change in ownership occurs.

Lassen County Air Pollution Control District
Notes to Financial Statements
Year Ended June 30, 2020

1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

The state legislature has determined the method of distributing the one percent tax levy among the various taxing jurisdictions. Property tax revenues are recognized in the fiscal year for which taxes have been levied and collected within sixty days of fiscal year end.

The following are significant dates relating to the City's property taxes:

	Secured	Unsecured
Valuation/lien dates	January 1	January 1
Levy dates	July 1	July 1
Due dates	November 1 and February 1	August 1
Delinquency dates	December 10 and April 10	August 31

2) CASH AND INVESTMENTS

The City of Susanville (City) maintains a cash and investment pool used by all funds of the City, including the District. The District does not own specifically identifiable securities of the City's pool. The District's portion of this pool is reported on the financial statements as "cash and investments". Investment policies and associated risk factors applicable to the District's funds are those of the City of Susanville and are included in the City's Comprehensive Annual Financial Report. Cash and investments are reported as follows:

Equity in City Cash and Investment Pool	\$	620,411
---	----	---------

The District currently does not maintain any other deposits or investments.

Equity in the Cash and Investment Pool of the City of Susanville

The District has equity in the cash and investment pool managed by the City of Susanville. The District is a voluntary participant in that pool. This pool is governed by and under the regulatory oversight of the Investment Policy adopted by the City Council of the City of Susanville. The District has not adopted an investment policy separate from that of the City of Susanville. The fair value of the District's investment in this pool is reported in the accompanying financial statements at amounts based upon the District's pro-rata share of the fair value calculated by the City for the entire City portfolio. The balance available for withdrawal is based on the accounting records maintained by the City, which are recorded on an original cost basis.

3) COMMITMENTS AND CONTINGENCIES

The District is subject to litigation arising in the normal course of business. In the opinion of the District's management, there is no pending litigation that is likely to have a material adverse effect on the financial position of the District.

As of June 30, 2020, in the opinion of District management, there were no other outstanding matters that would have a significant effect on the financial position of the District.

REQUIRED SUPPLEMENTARY INFORMATION

**Lassen County Air Pollution Control District
Required Supplementary Information (Unaudited)
Budgetary Comparison Schedule
For the Year Ended June 30, 2020**

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget Positive/ (Negative)
REVENUES				
Property Taxes	\$ 13,000	\$ 13,000	\$ 15,240	\$ 2,240
Licenses and Permits	70,000	70,000	67,041	(2,959)
Intergovernmental	373,155	844,701	1,042,333	197,632
Investment Income	1,000	1,000	9,799	8,799
	<u>457,155</u>	<u>928,701</u>	<u>1,134,413</u>	<u>205,712</u>
EXPENDITURES				
Current:				
Public Works	<u>511,723</u>	<u>950,023</u>	<u>786,300</u>	<u>163,723</u>
	<u>511,723</u>	<u>950,023</u>	<u>786,300</u>	<u>163,723</u>
Net Change in Fund Balance	(54,568)	(21,322)	348,113	369,435
Fund Balance, Beginning of Year	<u>283,774</u>	<u>283,774</u>	<u>283,774</u>	
Fund Balance, End of Year	<u>\$ 229,206</u>	<u>\$ 262,452</u>	<u>\$ 631,887</u>	<u>\$ 369,435</u>

Budget Reporting

The District adopted an annual budget prepared on the modified accrual basis for the General Fund, which is consistent with accounting principles generally accepted in the United States of America.

**Independent Auditor's Report on Internal Control over Financial Reporting and
on Compliance and Other Matters Based on an Audit of Financial Statements
Performed in Accordance with *Government Auditing Standards***

Board of Directors
Lassen County Air Pollution Control District
Susanville, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities and the general fund of the Lassen County Air Pollution Control District (District), as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated December 22, 2020.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Van Lant & Fankhauser, LLP

December 22, 2020

LASSEN COUNTY AIR POLLUTION CONTROL DISTRICT GOVERNING BOARD**GOVERNING BOARD**Kevin Stafford, *Chairman*Chris Gallagher, *Vice Chairman*

Tom Hammond

Jeff Hemphill

Quincy McCourt

Brian Moore

Staff

Erik Edholm

Air Pollution Control Officer

Angelina Chamblee

Administrative Staff Assistant

Meeting of February 9, 2021

To: Governing Board

From: Erik Edholm, APCO

Subject: Application for Carl Moyer 23rd Cycle Funding

Attached is the application for the District to receive 23rd Cycle Carl Moyer funding in the tentative amount of \$200,000. An amount of \$25,000 would be allowed for administrative fees (staff time, advertising, etc). The District would continue to use these funds to support retrofit, repower and replacement projects for agriculture, commercial, and municipal projects as applicable.

The application requires adoption of a Board Resolution (attached) committing the District to participate in the Carl Moyer Program, accepting Program Funds, and follow the requirements of the Program.

Recommendation:

Approve Resolution 21-02 committing the District to participate in the Carl Moyer Program, accepting Program Funds, and follow the requirements of the Program.

Respectfully Submitted,

Erik Edholm

Air Pollution Control Officer

RESOLUTION NO. 21-02

A RESOLUTION BY THE BOARD OF DIRECTORS FOR THE LASSEN COUNTY AIR POLLUTION CONTROL DISTRICT ACCEPTING CARL MOYER PROGRAM FUNDS FROM THE CALIFORNIA AIR RESOURCES BOARD.

WHEREAS, California Health and Safety Code sections 44275-44299.2 authorize the California Air Resources Board (ARB) to allocate Carl Moyer Program (CMP) funds to local air quality districts to provide financial incentives to both the public and private sectors to implement eligible projects to reduce emissions from on-road, marine, locomotive, agricultural, and off-road engines;

WHEREAS, Lassen County Air Pollution Control District (LCAPCD) has successfully implemented Carl Moyer Program projects in past years to reduce emissions and improve air quality in Northeast Plateau and seeks to continue to reduce emissions from diesel engines through clean air projects;

WHEREAS, California Health and Safety Code section 44287 requires air districts participating in the Carl Moyer Program to provide match funding, and Carl Moyer Program Guidelines (CMP Guidelines) have established a match requirement of 15 percent of State funds received, with an exemption from this requirement for districts receiving the minimum grant award of \$200,000;

WHEREAS, the District may also have projects that qualify for grant funds through the “Rural District Assistance Program” (RAP);

WHEREAS, the District may also have projects that qualify for multidistrict grant funds under the Truck Improvement/Modernization Benefitting Emission Reductions (TIMBER) Program;

WHEREAS, the District may be invited to accept Carl Moyer Program funds from other districts through inter-district transfer;

NOW, THEREFORE, BE IT RESOLVED that the LCAPCD does hereby approve the District’s continued participation in the Carl Moyer Program, and the acceptance of funds allocated and awarded to the District for eligible projects and program administration each year until 2022, in accordance with the terms and conditions of CMP grant agreements; and

BE IT FURTHER RESOLVED that the LCAPCD will comply with Carl Moyer Program requirements as specified in sections 44275 through 44299.2 of the Health and Safety Code, the applicable CMP Guidelines, and the District’s CMP Policies and Procedures;

BE IT FURTHER RESOLVED that the LCAPCD commits to provide sufficient funds to meet the match requirements specified in the CMP Guidelines, as applicable, each year until 2022; and

BE IT FURTHER RESOLVED that the LCAPCD authorizes the parties specified below to accept qualified projects, grant funds, and administrative funds awarded to the District through the RAP funding program each year until 2022; and

BE IT FURTHER RESOLVED that the LCAPCD authorizes the parties specified below to accept multidistrict grant funds and administrative funds awarded to the District for TIMBER projects each year until 2022 and

BE IT FURTHER RESOLVED that the Air Pollution Control Officer/Executive Officer [and/or other individual(s) or positions named herein is/are] authorized to execute on behalf of the District grant agreements with ARB, and all other necessary documents to implement and carry out the purposes of this resolution, each year until 2022.

The foregoing resolution was approved and adopted by the following vote of the Board on February 9, 2021.

AYES:

NOES:

ABSTAIN:

ABSENT:

Kevin Stafford, Chairman
Lassen County Air Pollution Control District

ATTEST:

Erik Edholm
Air Pollution Control Officer

ATTACHMENT 2: CARL MOYER PROGRAM APPLICATION

MSCD/ITAB-099 (REV. 12/2020) PAGE 1 OF 3

The California Air Resources Board must receive this application by the due date specified in the Solicitation Memo <https://ww2.arb.ca.gov/administrative-forms-carl-moyer-program-community-air-protection-incentives>.

Send the Air District's signed application to MSCD Grants at MSCDGrants@arb.ca.gov.

SECTION 1: APPLICANT AIR DISTRICT

Air District Name: Lassen County Air Pollution Control District	
Street Address: 720 South Street	City/Zip Code: Susanville, 96130
Contact Person: Erik Edholm	Telephone Number: 530-252-4247
E-mail: eedholm@cityofsusanville.org	
The address provided above matches the address provided on the Air District's Data Record Form (STD 204) or <u>Government Agency Tax Payer ID Form</u> <input checked="" type="checkbox"/> Yes <input type="checkbox"/> If no, the Air District will be submitting a corrected STD. 204 or Government Agency Tax Payer ID Form to CARB.	

SECTION 2: AIR DISTRICT REQUEST OF CARL MOYER PROGRAM FUNDING

Moyer Year: 23	Fiscal Year: 2020/2021
-------------------	---------------------------

Check one box and enter the dollar amount (if applicable).

<input type="checkbox"/> Tentative allocation ("Total Allocation" amount from Attachment 1):	\$	
<input type="checkbox"/> Greater amount than tentative allocation, if available:	\$	
Sum of tentative allocation plus greater amount:	\$	
<input checked="" type="checkbox"/> Minimum allocation of \$200,000 (no match required).		
<input type="checkbox"/> Minimum allocation and authorizes the funds be designated to the Rural District Assistance Program (RAP) for the current fiscal year.		
<input type="checkbox"/> Tentative allocation and authorizes the funds be designated to a lead air district for the current fiscal year. Identify the lead air district:		
<input type="checkbox"/> No Carl Moyer Program funds. Air District declines all funding for this fiscal year.		

ATTACHMENT 2: CARL MOYER PROGRAM APPLICATION

MSCD/ITAB-099 (REV. 12/2020) PAGE 2 OF 3

SECTION 3: AIR DISTRICT MATCHING FUNDS
(15% OF FUNDING REQUEST, FOR APPLICATIONS OVER \$200,000)

The Total Air District Match is based on the:

- ☐ Tentative allocation
☐ Request Allocation (Tentative allocation plus greater amount)
☐ Other

Total Air District Match:

Specify match funding by Source and Amount:

Source of Funding	Dollar Amount

Match Funds Subtotal:

Estimated In-Kind Administration: (Up to 15% of Total District Match)

SECTION 4: PROGRAM ADMINISTRATION

Check the box with the percentage for program administration that best applies to the Air District. If the Air District wishes to request a program administration grant percentage lower than the 6.25% or 12.5% allowed under statute (H&SC § 44299.1) check last box and enter the percentage.

☐ 6.25% (Air District with one million or more inhabitants)

☒ 12.5% (Air District under one million inhabitants)

☐ The Air District requests program administration funds be included in this grant at a lower portion than allowed by statute.

Percent of the total grant:

ATTACHMENT 2: CARL MOYER PROGRAM APPLICATION

MSCD/ITAB-099 (REV. 12/2020) PAGE 3 OF 3

SECTION 5: BOARD RESOLUTION

Check one box and complete the date (if applicable).

<input type="checkbox"/> This application has been duly approved and authorized by the Air District governing board, as specified in the attached resolution.
<input checked="" type="checkbox"/> This application is scheduled to go before the Air District Board. Date scheduled to go before the Air District Board: 02/09/2021

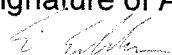
SECTION 6: AIR DISTRICT CONTACT INFORMATION

Air District Air Pollution Control Officer	Telephone Number	Email Address
Erik Edholm	530-252-4247	eedholm@cityofsusanville.org

Air District Carl Moyer Program Manager	Telephone Number	Email Address
Erik Edholm	530-252-4247	eedholm@cityofsusanville.org

SECTION 7: AIR DISTRICT APCO/EO APPROVED SIGNATURE

To the best of my knowledge and belief, the information in this application is true and correct. Unless my Air district has declined or designated these grant funds, an up-to-date Carl Moyer Program District Policies and Procedures Manual, based on current Carl Moyer Program Guidelines, is maintained at the Air District's office.

Signature of Air Pollution Control Officer: 	Date of Signature: 01/15/2021
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LASSEN COUNTY AIR POLLUTION CONTROL DISTRICT GOVERNING BOARD**GOVERNING BOARD**

Kevin Stafford, *Chairman*
Chris Gallagher, *Vice Chairman*
Tom Hammond
Jeff Hemphill
Quincy McCourt
Brian Moore

Staff

Erik Edholm
Air Pollution Control Officer
Angelina Chamblee
Administrative Staff Assistant

Meeting of February 9, 2021

To: Governing Board

From: Erik Edholm, APCO

Subject: Amend Fiscal Year 2020-2021 Budget to accommodate additional Carl Moyer and FARMER Program Expenditures

When preparing the 2020-2021 budget, Carl Moyer and FARMER Program expenditures were estimated for the projected projects to be awarded. The district currently has \$52,264.58 in Carl Moyer funding and \$364,800.00 in FARMER funding remaining. The remaining program funding for both Carl Moyer and FARMER, is exceeding the amount remaining in the expenditures budget. To expend all the funding available this fiscal year, the District will need to increase expenditures for both the Carl Moyer and FARMER program.

Staff proposes to increase expenditures in the amount of \$44,170 for Carl Moyer Program and \$28,585 for FARMER Program funding.

Recommendation:

Approve Resolution 21-03 amending the Fiscal Year 2020-2021 Budget

Respectfully Submitted,

Erik Edholm
Air Pollution Control Officer

RESOLUTION NO. 21-03

**A RESOLUTION BY THE BOARD OF DIRECTORS FOR THE LASSEN COUNTY AIR
POLLUTION CONTROL DISTRICT AMENDING THE FISCAL YEAR 20/21 BUDGET.**

WHEREAS, LCAPCD annually adopts a budget for its administrative and operational costs;

WHEREAS, the LCAPCD Governing Board approved and adopted the 2020-2021 Fiscal Year Budget on June 9, 2020, by Resolution No. 19-16;

WHEREAS, the LCAPCD finds it necessary to amend the 2019-2021 Fiscal Year Budget as follows:

- 1) Increase Carl Moyer Program Expenditure Line Item by \$44,170 to a total of \$197,081 for fiscal year 2020-21.
- 2) Increase FARMER Program Expenditure Line Item by \$28,585 to a total of \$872,817 for fiscal year 2020-21.

NOW, THEREFORE, BE IT RESOLVED, by the LCAPCD Governing Board the 2020-2021 Fiscal Year Budget is hereby amended as detailed above.

The foregoing resolution was approved and adopted by the following vote of the Board on February 9, 2021.

AYES:

NOES:

ABSTAIN:

ABSENT:

Kevin Stafford, Chairman
Lassen County Air Pollution Control District

ATTEST:

Erik Edholm
Air Pollution Control Officer