

**Funding Alternative:
Address underbilling for indirect expenses**

Utilizing a "Multiplier," as is commonly done in service and other industries, the full direct and indirect cost of application review and permit issuance can be corrected to the appropriate level.

Construction Application and Permitting Program

Construction Application and Permitting Program

2018 Staffing Distribution Estimated				
Staff	Minor	Major	total	percentage
Eng	3.50	10.50	14	71%
Other	1.44	4.31	5.75	29%
Total	4.94	14.81	19.75	
Percentage	25%	75%		100%

\$127,000 Salary, expenses Average/staff

\$179,000 Revenue per billable staff to cover billable and indirect staff costs

Minor Source Construction Applications and Permit Issuance

Minor Source Construction Applications and Permit Issuance

Minor Source Construction Applications	Current FY18	Full support FY18
Direct Hours	1000	1000
Indirect Hours	1080	1080
Number of application review staff	3.5	3.5
Number of Indirect Staff	1.44	1.44
Carry Forward	\$0	\$0
Fee Revenue Generated	\$193,000	\$487,500
State & Federal Funds Match	\$289,500	\$202,650
Net Revenue	\$482,500	\$690,150
Expenses	\$627,380	\$627,380
Difference	-\$144,880	\$62,770
Change in number of staff	(1.15)	

	Application Rate	Multiplier	Percent contribution	
Applicant	\$385.00	\$590.00	71%	\$975.00
State/Federal Match	\$160.00	\$246.00	29%	\$406.00
	39%	61%		\$1,381.00

The Minor Source Application flat rate covers all applicability determinations and dispersion modeling if needed.
Average actual costs for Minor Source Permit issuance was

**Calculated funding for Minor Source Construction
Permit Application and Issuance Program with the Multiplier**

	FY18	FY19	FY20	FY21	FY22	FY23
Carry Forward		\$62,770	\$50,222	\$37,424	\$24,369	\$11,054
Revenues	\$690,150	\$690,150	\$690,150	\$690,150	\$690,150	\$690,150
Expenses	\$627,380	\$639,928	\$652,726	\$665,781	\$679,096	\$692,678
Difference	\$62,770	\$50,222	\$37,424	\$24,369	\$11,054	-\$2,528

**Funding Alternative:
Address underbilling for indirect expenses**

Major Source Construction Applications and Permit Issuance	Current FY18	Full support FY18
Direct Hours	1000	1000
Indirect Hours	1080	1080
Number of application review staff	10.50	9.50
Number of Indirect Staff	4.31	4.31
Carry Forward	\$46,000	\$46,000
Application Fee Revenue	\$1,207,500	\$1,710,000
Dispersion Modeling Fee Revenue	\$30,000	\$30,000
Title V Emission Fees	\$53,000	\$53,000
Net Revenue	\$1,336,500	\$1,839,000
Expenses	\$1,880,870	\$1,753,870
Difference	-\$544,370	\$85,130
<i>Change in number of staff</i>	<i>(4.27)</i>	

Construction Permitting Program (Major and Minor) Summary

Total Permitting Staff	14.00	13.00
Total Indirect Staff	5.75	5.75
Total Construction Permitting Staffing	19.75	18.75
Total Construction Permitting Program Revenue	\$1,819,000	\$2,529,150
Total Construction Permitting Program Expenses	\$2,508,250	\$2,381,250
Balance	-\$689,250	\$147,900

Major Source Construction Applications and Permit Issuance

Optimal Permitting staffing to maintain current level of	14.00
Other staffing	5.75
Total	19.75

Hourly rate	Multiplier	
\$115.00	\$65.00	*A "multiplier" is used to cover indirect charges.

**Calculated funding for Major Source Construction
Permit Application and Issuance Program with the Multiplier**

	FY18	FY19	FY20	FY21	FY22	FY23
Carry forward		\$85,130	\$135,183	\$149,456	\$127,235	\$67,790
Rev	\$1,839,000	\$1,839,000	\$1,839,000	\$1,839,000	\$1,839,000	\$1,839,000
Exp	\$1,753,870	\$1,788,947	\$1,824,726	\$1,861,221	\$1,898,445	\$1,936,414
Difference	\$85,130	\$135,183	\$149,456	\$127,235	\$67,790	-\$29,624

Calculation Details

Anticipated Title V application staffing ratios

Staff	Major	percentage
Permit staff	8.00	84%
Other	1.50	16%
Total	9.50	100%

Per staff costs - Individually and supporting non-billing staff costs:

\$102,470 Average Salary , benefits

\$133,400 Revenue per billable staff to cover billable and indirect staff costs

With planned reductions in indirect activities, the number of hours annually available for staff work on permits will rise to between 853 and 1000. Even at the higher level, each staff person will only have the capacity to pay for 75% of the cost of their salary, benefits, and indirect costs, plus a proportion of the salaries of the staff providing administrative support.

**Funding Alternative:
Address underbilling for indirect expenses**

Title V Application and Permit Issuance Program

Title V Applications	Current FY18	Full Support FY18
Direct Hours	291	853
Indirect Hours	1789	1227
Number of application review staff	10	8
Number of indirect staff	1.5	1.5
Carryforward	-\$219,000	-\$219,000
Fee Revenue Generated	\$225,000	\$1,023,360
Emissions Fees	\$358,000	\$358,000
Total Revenues	\$364,000	\$1,162,360
Expenses	\$1,235,000	\$973,465
Difference	-\$871,000	\$188,895
Change in number of staff	(8.50)	

Title V Application and Permit Issuance Program

Hourly rate	Multiplier
\$100.00	\$50.00

Calculated funding for Title V Operating Permit Application and Issance Program with the Multiplier

	FY18	FY19	FY20	FY21	FY22	FY23
Carry Forward		\$188,895	\$207,066	\$187,207	\$166,951	\$146,290
Rev	\$1,162,360	\$1,200,000	\$1,200,000	\$1,200,000	\$1,200,000	\$1,200,000
Exp	\$973,465	\$992,934	\$1,012,793	\$1,033,049	\$1,053,710	\$1,074,784
Difference	\$188,895	\$207,066	\$187,207	\$166,951	\$146,290	\$125,216

Direct Hrs	853	1000	1000	1000	1000	1000
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Optimal application staffing:	8
Other staffing	1.5
Total	9.5