

Title V Committee Meeting

October 10th, 2024



DELAWARE DEPARTMENT OF
NATURAL RESOURCES AND
ENVIRONMENTAL CONTROL

Agenda

- Introductions 15 Min.
- 2023 A Year in Review Report 30 Min.
 - Program Costs
 - Billing & Fees
 - Delinquent Facilities
 - Revenue
 - Carryover Balance
 - Staffing Levels
- 2024-2026 Title V Legislation 15 Min.
- 2024 Billing Update 15 Min.
- Open Discussion (Q & A) 15 Min.
- Closing Comments 15 Min.



Committee Introductions



2023 A Year In Review



2023 Overall Program Costs

Salary	\$2,574,593.82
Travel	\$7,744.18
Contractual ²	\$183,554.55
Supplies	\$35,676.47
Capital Outlay	\$10,254.30
Additional Support Services ³	\$546,748.16
Total	\$3,358,571.48

² Items covered under the “Contractual” category include: Fleet charges (vehicle rental), building rent, utilities, vendor payments, temp services, and the upkeep of some air monitoring equipment.

³ Items covered under “Additional Support Services” include: Information Technology (**\$21,705.57**), the Environmental Crimes Unit (**\$502,792.59**) and Office of the Secretary Support (**\$22,250.00**).



2023 Overall Program Costs Considerations

Note: While the state operates on a fiscal year (FY) basis (July 1 - June 30), the Title V fees are billed and spent on a calendar year (CY) basis. Consequently, some “Additional Support Services” costs, charged by other programs/organizations, may be expended outside of CY 2023 cost factors.

Note: In 2020 and 2021 DAQ was able to supplement ECU cost with another funding source. In 2019 (and other previous years) ECU costs (\$459K) are comparable to 2023 ECU costs (\$502K). The increase noted in 2022 is due to ECU salary increases.

Note: 2023 Title V Monthly statement in upcoming slide #11.

2023 Fees Collected

□ 116 Facilities Billed

- 69 SM
- 47 TV

□ \$3,763,765.61 billed

- Includes previous years' back fees

□ \$3,721,735.25 collected

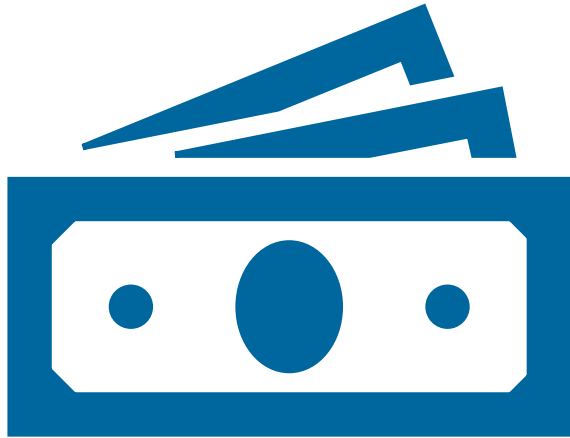
- \$42,030.36 overdue
- Two facilities had non-payment of fees
 - These facilities received 2% late fees applied to the account for each delinquent month.



2023 Delinquent Facility Status

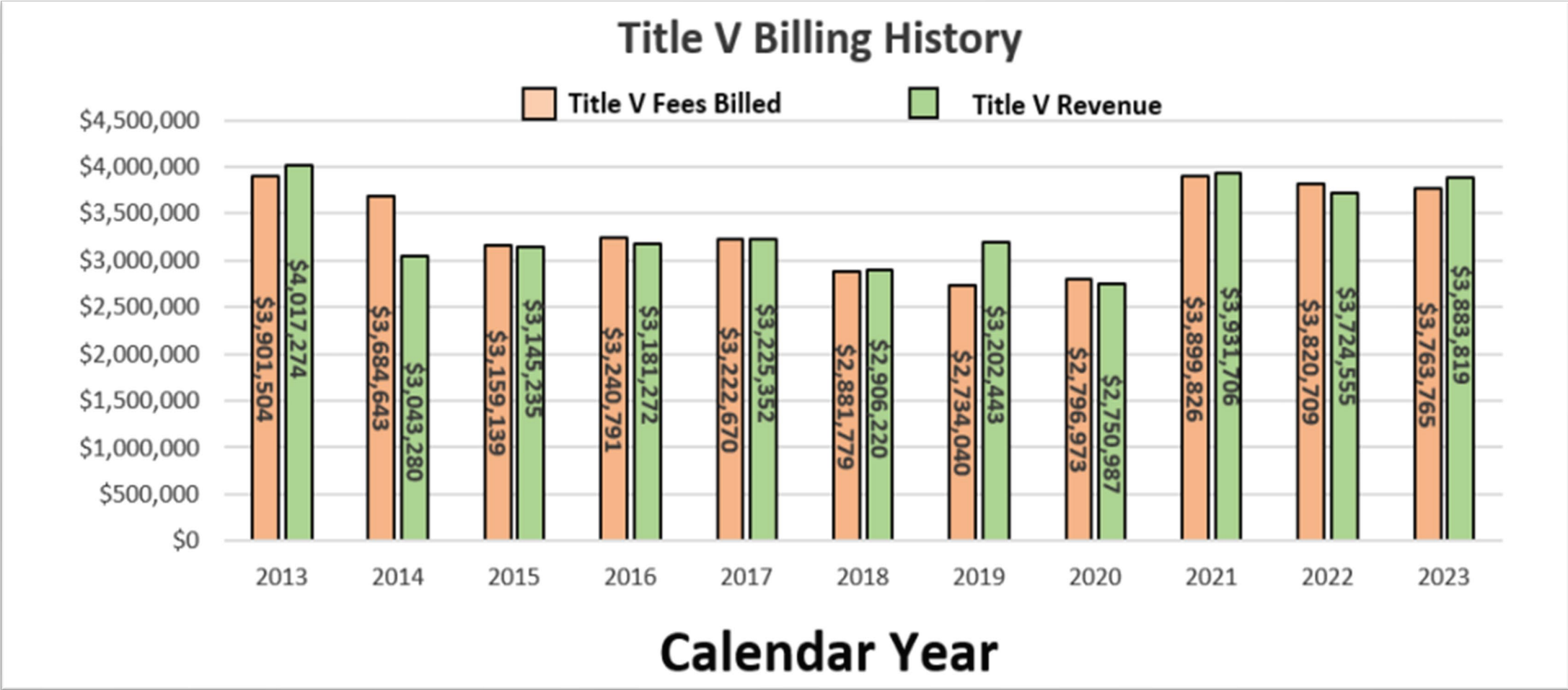
Facility Name	Amount Due	Recovery Actions
Coker Concrete	\$29,066.16	Source did not pay a portion of 2022 and 2023 fees. Notified source of delinquency and late fee assessed due to delinquency. Payment expected as soon as possible.
Micropore Inc.	\$12,964.20	Source did not pay 2023 fees. Notified source of delinquency and late fee assessed due to delinquency. Payment received for 2023 fees and balance paid in full.
TOTAL	\$42,030.36	

2023 Title V Revenue



- ❑ Title V Revenue was **\$3,883,819.00**
Determined by the actual monies deposited into the account during a calendar year (CY).
- The final revenue is impacted by
 - Interest gained
 - Quarterly payments
 - Late payments

Title V Billing and Revenue History (2013-2023)



2023 Title V Monthly Expenses & Revenue

MONTH	EXPENSES						INTEREST	REVENUE
	Salary	Energy	Travel	Contractual	Supplies	Capital Outlay		
January	\$149,873.12	\$0.00	\$0.00	\$16,187.59	\$4,332.44	\$0.00	\$0.00	\$250.00
February	\$174,784.27	\$0.00	\$0.00	\$555,166.39	\$457.52	\$10,254.30	\$0.00	\$1,588,642.05
March	\$198,827.98	\$0.00	\$922.19	\$2,995.55	\$16,692.23	\$0.00	\$5,752.94	\$796,420.00
April	\$270,556.29	\$0.00	-\$224.08	\$1,700.92	\$2,931.67	\$0.00	\$12,555.69	\$751,069.00
May	\$224,710.18	\$0.00	\$8,152.14	\$17,670.02	\$2,252.63	\$0.00	\$12,643.32	\$339,610.00
June	\$209,163.29	\$0.00	-\$2,384.93	\$35,886.84	\$1,453.19	\$0.00	\$15,606.90	\$2,899.98
July	\$189,052.58	\$0.00	\$0.00	\$5,446.94	\$546.84	\$0.00	\$0.00	\$17,045.00
August	\$201,983.50	\$0.00	\$404.89	\$5,475.23	\$1,557.30	\$0.00	\$39,946.04	\$198,029.20
September	\$221,798.31	\$0.00	\$169.47	\$23,514.42	\$4,386.00	\$0.00	\$15,107.31	\$17,045.00
October	\$211,458.89	\$0.00	\$3.00	\$12,857.30	\$0.00	\$0.00	\$8,691.82	\$29,755.00
November	\$209,625.83	\$0.00	\$701.50	\$47,616.80	\$1,066.65	\$0.00	\$1,860.06	\$12,964.20
December	\$312,759.58	\$0.00	\$0.00	\$5,784.71	\$0.00	\$0.00	\$17,925.08	\$0.00
2023 Totals	\$2,574,593.82	\$0.00	\$7,744.18	\$730,302.71	\$35,676.47	\$10,254.30	\$130,089.16	\$3,753,729.43
2023 Total Expenses	\$3,358,571.48							

Note: Air Quality (AQ) energy costs are supported by other funding sources. This is a line item that must be funded. AQ will continue to report on energy costs with an added footnote regarding funding utilized.



Carryover Balance

- On December 31, 2023, the Title V cash carryover balance was **\$4,836,897.00**

	2023
2022 Carryover Cash Balance	\$4,311,649.00
2023 Title V Fee Revenue	\$3,883,819.00
Sub-Total	\$8,195,468.00
2023 Total Expenses	-\$3,358,571.00
2023 Actual Carryover Balance	\$4,836,897.00

Title V Carryover Balance History (2019-2023)

	2019	2020	2021	2022	2023
Total Title V Fee Revenue	\$3,202,443.00	\$2,750,987.00	\$3,931,707.00	\$3,724,555.00	\$3,883,819.00
Total Expenses	-\$3,247,684.00	-\$2,885,136.00	-\$2,853,809.00	-\$2,977,095.00	-\$3,358,571.00
Actual Carryover Balance	*\$2,793,092.00	\$2,658,942.00	\$3,736,840.00	\$4,311,649.00	\$4,836,897.00

*Corrected 2019 Carryover balance

CY 2024 Title V Carryover Balance Projection

	2024 Prediction
2023 Actual Carryover Balance	\$4,836,897.00
Estimated 2024 Title V Fee Revenue	\$2,974,826.00
Estimated 2024 Total Expenses	- \$3,692,191.00
2024 Projected Carryover Balance	\$4,119,532.00

Estimation Factors

- Actual fees billed for 2024 (include overdue fees from previous year).
- Actual 2024 salary expenses with an average staffing level of 98%.
- For additional expense categories, the five-year average plus an additional 2.5% cost of living expense used in 2024.

Note: The average Division staffing level in **CY 2023** was **87%**.

2023 Staffing Levels

Section/Group	Authorized	Occupied	Staffing Level
Director's Staff	2	2	100%
Analytical Support Group	2	2	100%
Operations Support Group (OSG)	4	4	100%
Engineering & Compliance Section	24	22	92%
Planning Section	30	24	80%
Total	62	54	87%
Temporary Positions	2.0	0.0	0%
Seasonal Positions	2.0	1.0	50%

- During CY 2023, five full-time employees separated and twelve full-time employees were hired.
- AQ received three additional authorized positions under the planning section in FY24 budget.
- Two of these positions were approved for hire at the end of CY23.
- All three positions are funded under grants and general funds.
- CY2023 AQ authorizations were increased from 60 to 62 full time positions.

2023 Hiring Actions

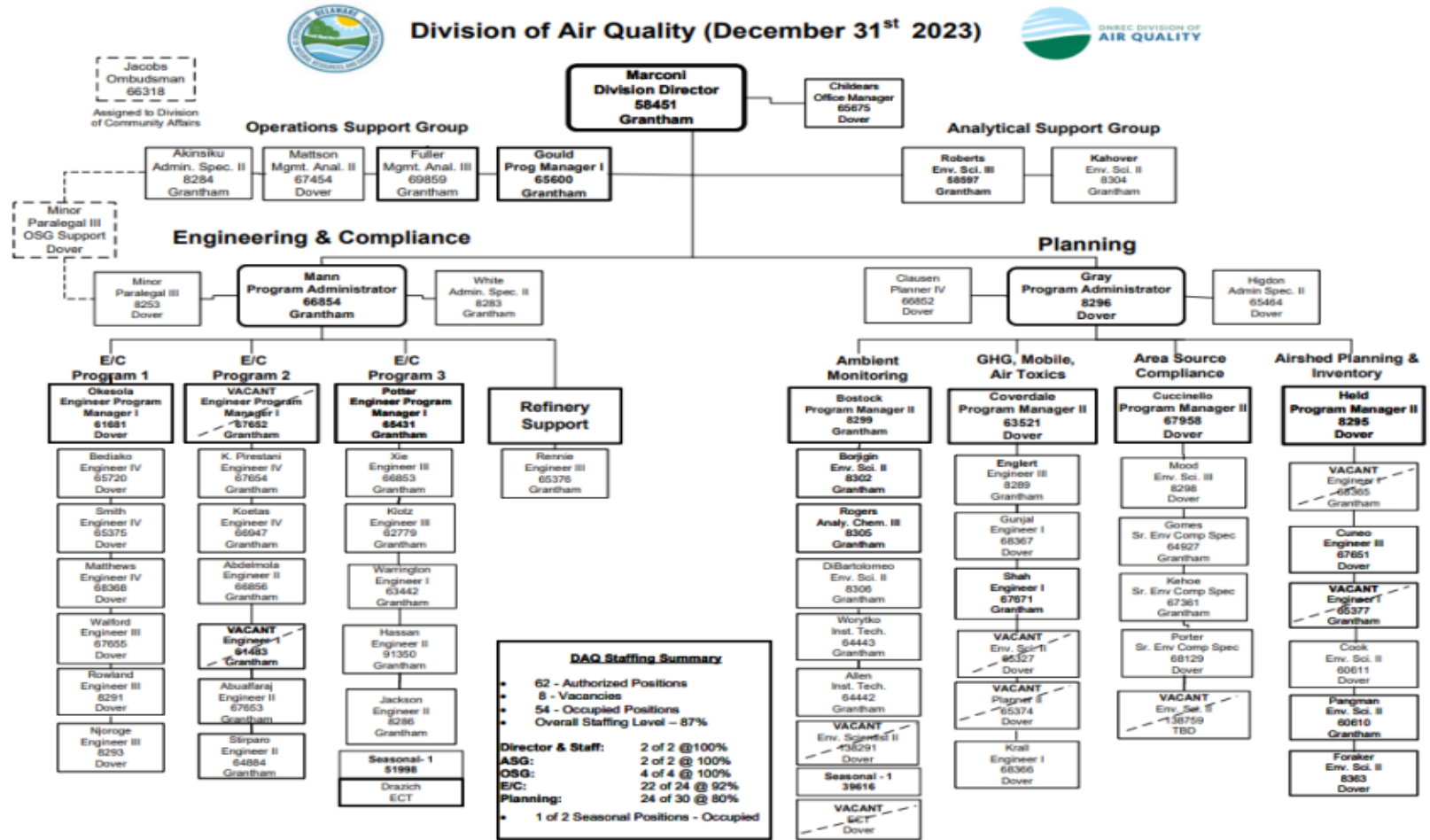
Date	Name	Source	Position	Section	Funding
1/1/2023	Mandula Borijingin	External	Environmental Scientist II	Planning	Grant / TV
1/17/2023	Rick Drazich	External	Engineer IV	E/C*	TV
1/30/2023	Paul Kaznica	External	Environmental Scientist II	Planning	Grant/TV
2/13/2023	Fatmaelzahraa Abdelmola	External	Engineer II	E/C	Grant / TV
2/27/2023	Olayiwola Okesola	External	Eng. Program Manager I	E/C	Grant / TV
3/13/23	Mia White	External	Administrative Specialist II	E/C	Grant / TV
4/24/23	Deanna Cuccinello	Internal	Env. Program Manger II	Planning	Grant
4/24/23	Yagna Shah	External	Engineer I	Planning	Grant
5/8/23	Ramy Hassan	External	Engineer II	E/C	Grant / TV
7/17/23	Monica Dibartolomeo	External	Environmental Scientist II	Planning	Grant / TV
7/31/23	David Potter	External	Eng. Program Manager I	E/C	Grant / TV
8/28/23	Sae Gunjal	External	Engineer I	Planning	Grant / TV
9/11/23	Kevin Kahover	External	Environmental Scientist II	ASG	Grant/ TV
9/24/23	Taylor Englert	Internal	Engineer III	Planning	Grant

*E/C = Engineering and Compliance

- Above table lists CY2023 hiring actions taken.



Air Quality Organizational Chart (December 31, 2023)



2024-2026

Title V Legislation



2024-2026 Title V Legislation

- ❑ Introduced House Bill No. 171
- ❑ Bill Sponsored by:
 - ❑ Senator Trey Paradee
 - ❑ Senator Stephanie L. Hansen
 - ❑ Representative Debra Heffernan
 - ❑ Representative Stephanie T. Bolden
 - ❑ Passed the House 6/15/23
 - ❑ Passed the Senate 6/27/2023
 - ❑ Signed by the Governor 7/21/23
 - ❑ 2024-2026 Fee schedule effective 1/1/2024

- ❑ 2024-2026 Title V Fee Structure:
 - ❑ User and Base Fee remain the same
 - ❑ Program Fee reduced to 5% of the user and base fee

- ❑ The primary factors for decreasing program costs include:
 - ❑ Reduce the Title V Carryover balance (\$4.3M on 12/31/22)
 - ❑ Target = six-months of operating funds (\$2,000,000)



2024-2026 Base and User Fees

Fee Type	Category	Category Description	2024-2026 Fees
Base Fee	A	> 6,000 Hours	\$277,020
Base Fee	B	5,001-6,000 Hours	\$108,300
Base Fee	C	4,001-5,000 Hours	\$93,480
Base Fee	D	3,001-4,000 Hours	\$80,940
Base Fee	E	2,001-3,000 Hours	\$57,000
Base Fee	F	1,501-2,000 Hours	\$42,180
Base Fee	G	1,001-1,500 Hours	\$28,500
Base Fee	H	667-1,000 Hours	\$18,240
Base Fee	I	334-666 Hours	\$9,120
Base Fee	J	0-333 Hours Hours	\$5,700
Separator			
User Fee	1	> 2,000 Tons	\$350,000
User Fee	2	1,001-2,000 Tons	\$100,000
User Fee	3	501-1,000	\$60,000
User Fee	4	201-500 Tons	\$28,000
User Fee	5	101-200 Tons	\$12,000
User Fee	6	51-100 Tons	\$9,000
User Fee	7	26-50 Tons	\$6,000
User Fee	8	6-25 Tons	\$4,100
User Fee	9	0-5 Tons	\$3,950

2024-2026 Program Fees

2024-2026 Program Fees		
Category	Total Base & User Fee	Program Fee Amount
PF 1	> \$125,000	\$6,250
PF 2	\$100,000-\$124,999	\$5,625
PF 3	\$50,000-\$99,999	\$3,750
PF 4	\$25,000-\$49,999	\$1,875
PF 5	\$15,000-\$24,999	\$1,000
PF 6	\$10,000-\$14,999	\$625
PF 7	< \$10,000 will pay	\$500

2024 Title V Billing Update

As of September 2024



2024 Billing Update (September 2024)

113 Facilities Billed

- 67 SM
- 46 TV

☐ 2024 Total Amount Billed: **\$2,979.081.00**

☐ Status as of September 20th, 2024:

- Fully Paid: 111 of 113 (98.2%)
- No Payment: 2 of 113 (1.7%)
- Fees Collected: **\$2,898,830.00**



Q&A Open Discussion



Closing Comments



Summary

- Introductions 15 Min.
- 2023 A Year in Review Report 30 Min.
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