



DEQ Fiscal Year 2026 Budget

AIR QUALITY ADVISORY COUNCIL MEETING
OCTOBER 16, 2025

Fee	FY25 Projections	FY26 Projections	Variance
Nontitle V Operating Fees	\$5,187,287	\$5,035,915	\$(151,372)
Title V Operating Fees	4,781,360	4,722,907	(58,453)
Nontitle V Application Fees	500,000	500,000	0
Title V Application Fees	700,000	700,000	0
Tire Fees	3,000,000	3,000,000	0
Lead Abatement Certification Fees	35,000	35,000	0
Total Projections	\$14,203,647	\$13,993,822	\$(209,825)

Total AQD FY2025 collections were \$14,748,513 (103.8%) of projections.



AIR QUALITY DIVISION

REVENUE PROJECTIONS

(FY25 AND FY26)

Air Quality Division Budget All Funding Sources



Revolving funds if 100% projected received for FY26	\$13,993,822
Federal Grants (Could change during FY)	8,424,058
VW Settlement Funds	10,292,084
Total Funds	\$32,709,964
<u>AQD Distribution of Funds:</u>	
FY26 AQD Proposed Budget	(\$28,344,424)
FY26 ECLS AQD Projects	(431,465)
FY26 SELS AQD Projects	(188,157)
FY26 Indirect Costs (applied to AQD FTEs @ 29.47%)	(3,745,918)
Difference	\$0

Air Quality Division FY25 and FY26 Budget Comparison

	FY25	FY26	Variance
Salaries and other Compensation Expenses ¹	\$12,028,418	\$12,710,955	\$682,537
Professional Services ²	1,941,368	1,521,398	(419,970)
Travel Expenses	104,331	52,950	(51,381)
Administrative Expenses	1,921,312	1,110,663	(810,649)
Lab Equipment, Furniture, Building Construction, and Air Monitoring Sites	1,833,988	1,323,950	(510,038)
Local Governments & Non-Profit Projects and Programs ³	2,077,013	11,624,508	9,547,495
	\$19,906,430	\$28,344,424	\$8,437,994

1. Increased due to six (6) additional FTEs being added and possible pay for performance increases.
2. Decrease due to one-time project in FY 2025.
3. Increase in DERA and Volkswagen Settlement fund projects expected.



FY26 AIR QUALITY DIVISION REPORT

AS OF
9/30/2025

FY26 Revenue Status Report

As of September 30, 2025

Division	Current Fiscal Year Activity (FY2026)				Comparison to Previous Year (FY2025)			
	FY2026 Projections	FY2026 Collections 7/1 to 9/30	% of Total Projections	Projected Revenue Remaining	FY2025 Projections	Collections Same Time Period	% of Total Projections	Variance
Nontitle V Operating Fees	\$5,035,915	\$4,919,500	97.7%	(\$116,415)	\$5,187,287	\$4,872,758	93.9%	\$46,742
Title V Operating Fees	4,722,907	4,343,960	92.0%	(378,948)	4,781,360	4,071,722	85.2%	272,237
Nontitle V Application Fees	500,000	135,500	27.1%	(364,500)	500,000	206,022	41.2%	(70,522)
Title V Application Fees	700,000	141,225	20.2%	(558,775)	700,000	399,396	57.1%	(258,171)
Tire Fees	3,000,000	660,458	22.0%	(2,339,542)	3,000,000	634,008	21.1%	26,450
Lead Abatement Certification Fees	35,000	10,363	29.6%	(24,638)	35,000	12,288	35.1%	(1,925)
	\$13,993,822	\$10,211,005	73.0%	(\$3,782,817)	\$14,203,647	\$10,196,194	71.8%	\$14,811

AIR QUALITY DIVISION FY26 BUDGET STATUS AS OF SEPTEMBER 30, 2025

Expenditure Category	Budget	Expenses	Encumbered	Remaining
Salaries and other Compensation Expenses	12,710,955	2,726,034	9,777,658	207,263
Professional Services	1,521,398	27,782	693,939	799,676
Travel Expenses	52,950	7,544	-	45,406
Administrative Expenses	682,876	151,411	447,232	84,232
Lab Equipment, Furniture & Building Construction, and	1,323,950	60,926	309,862	953,163
Local Governments & Non-Profit Projects and Programs	11,624,508	834,266	6,269,909	4,520,333
Total Expenses	27,916,637	3,807,963	17,498,600	6,610,073

FUNDING SOURCES					
20000	Revolving Fund	9,200,495	2,793,070	6,407,425	-
40000	Federal Funds	8,424,058	187,590	4,145,582	4,090,887
40500	Environmental Settlement Fund (Federal)	10,292,084	827,304	6,945,594	2,519,187
TOTAL FUNDING SOURCES		27,916,637	3,807,963	17,498,600	6,610,073

