



Monterey Bay Air Resources District
 24580 Silver Cloud Court, Monterey, CA 93940

MEETING DATE:	May 20, 2020	REGULAR AGENDA
TO:	The Air Pollution Control Board	
FROM:	Rosa Rosales, Administrative Services Manager	
SUBJECT:	Hold a First Public Hearing on Proposed Budget for Fiscal Year 2020-21 and Provide Direction to Staff	

RECOMMENDATION

Hold a first Public Hearing on the proposed budget for fiscal year 2020-21 and provide direction to staff.

DISCUSSION

The proposed budget for fiscal year 2020-21 includes the following assumptions:

- Per the direction of the Budget, Personnel, and Nominating Committee at the April 15, 2020 meeting, the District is proposing no fee increases for Fiscal Year 2020-2021 due to the financial impacts of the COVID-19 pandemic on the economy.
- City and County per capita contribution rate will remain at \$.47 per capita per direction of the Budget, Personnel, and Nominating Committee at the April 15, 2020 meeting. The population figures for calculating the per capita fees were updated per the California Department of Finance’s May 1, 2020 population report.
- Salaries and benefits decrease of about \$227,151 as compared to the FY 19-20 budget based on staffing of 32 full-time positions. The budget reflects two vacant positions per the direction of the Budget, Personnel, and Nominating Committee at the April 15, 2020 meeting. Although the District has experienced salary savings due to attrition, retirement costs due to its CALPERS employer rate continue to increase, from 28.589% to 33.672%.
- \$86,800 for FY 20-21 for the completion of the new database program replacing the existing TRAKiT software, which is currently in progress.
- Other Post-Employment Benefits (OPEB) Trust deposit estimate of \$100,000 that can be funded by the reserve designated for the OPEB liability.
- Grant expenditures of :
 - \$4.6 million for AB2766 grants (\$3 million prior year, \$1.6 million new)
 - \$400,000 for electric vehicle rebates
 - \$2.05 million of AB923 expenditures for the District’s Plug-In Monterey Bay Electric Vehicle Infrastructure Project
 - \$2.17 million for AB923 grants
 - \$1.1 million for Carl Moyer grants
 - \$556,000 in FARMER grants to reduce agricultural sector emissions

AGENDA ITEM NO. 14

- \$1.6 million in CAPP grants to reduce air pollution in disadvantaged and low income areas
- \$1 million for replacement/retrofit of agricultural engines and school buses using East Garrison offsite mitigation fees
- \$1.2 million for electric school buses for new monies from Monterey Bay Community Power
- \$160,000 for Woodstove Changeout grants using State revenues

The General Fund draft budget shows a \$128,624 deficit with fairly conservative revenue estimates. Within the General Fund, the Stationary Source Program is estimated to show a deficit of about \$896,000 with a cost recovery rate of 76%. The District supplements the Stationary Source program with other sources of revenues including CARB Subvention funds and EPA grants.

With the exception of the CAPP Grant Fund, the six grant funds show projected deficits with the assumption that all outstanding grants are paid out during the fiscal period. Historical results show that actual grant disbursements average 43% of budget as some grant projects take longer to complete than anticipated. In addition, the draft budget includes the Clean Air Fund which was established with Resolution 18-030 that approved the *MBARD Clean Air Fund Policy*. The Clean Air Fund provides monies for special projects that support the District's mission of protecting public and environmental health by promoting clean air and reducing emissions within its jurisdiction.

The Budget, Personnel, and Nominating reviewed a summary of the draft budget on April 15, 2020 and at today's Committee meeting. Since that date, budget revenue estimates were decreased to account for no permit fee increases, no per capita rate increases, no wage increases and a hiring freeze resulting in two vacant positions.

In April, a public workshop was held remotely in the District office. No requests for budget changes have been received from the public.

Today's Board of Director's meeting is a first public hearing of the budget with the second public hearing and final adoption scheduled for the June 17, 2020 Board of Directors' meeting.

ATTACHMENTS

FY 2020-21 Draft Budget



FY 2020-21 BUDGET

DRAFT BUDGET

24580 Silver Cloud Court, Monterey, CA 93940
(831) 647-9411
www.montereybaycleanair.org

MONTEREY BAY AIR RESOURCES DISTRICT

BOARD OF DIRECTORS

NAME AND INFORMATION	AREA OF REPRESENTATION
Steve McShane, Chair Councilmember, City of Salinas District Budget Committee Chair	City of Salinas
Ryan Coonerty, Vice Chair Supervisor, District 3 - Santa Cruz County District Budget Committee Vice Chair	Santa Cruz County
Anthony Botelho Supervisor, District 2 - San Benito County	San Benito County
Mary Ann Carbone Mayor, Sand City District Budget Committee Member	Monterey County
Zach Friend Supervisor, District 2 - Santa Cruz County District Budget Committee Member (alt.)	Santa Cruz County
Jack Dilles Councilmember, City of Scotts Valley	Santa Cruz County Cities
Fred Ledesma Mayor, City of Soledad	South Monterey County Cities
Chris Lopez Supervisor – District 3, Monterey County District Budget Committee Member	Monterey County
Jane Parker Supervisor, District 4 – Monterey County	Monterey County
John Phillips Supervisor, District 2 - Monterey County	Monterey County
Honor Spencer Councilmember, City of Hollister District Budget Committee Member	San Benito County Cities (Rotates every two years with Santa Cruz County Cities)

Richard A. Stedman, Air Pollution Control Officer

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- 1. **FY 2020-21 Administrative Draft Release**..... **Week of April 3, 2020**

- 2. **Budget Workshop #1** **April 7, 2020**
11:00 a.m. – Monterey Bay Air Resources District
Board Chambers – via Zoom
24580 Silver Cloud Court, Monterey, California

- 3. **First Board Hearing** **May 20, 2020**
1:30 p.m. -- Monterey Bay Air Resources District
Board Chambers – via Zoom
24580 Silver Cloud Court, Monterey, California

- 4. **Second Board Hearing and Adoption of Final Budget** **June 17, 2020**
1:30 p.m. -- Monterey Bay Air Resources District
Board Chambers
24580 Silver Cloud Court, Monterey, California

- 5. **District Fiscal Year Begins**..... **July 1, 2020**



AIR POLLUTION CONTROL OFFICER'S BUDGET MEMORANDUM

Date: May 20, 2020

Dear Chair McShane, Board members,

I respectfully submit to you the Fiscal Year 2020-2021 (FY 20-21) proposed budget for the Monterey Bay Air Resources District (MBARD). This budget was prepared according to the state and federal legal requirements as well as policy framework and direction provided by the Board of Directors and the Budget Personnel and Nominating Committee. The following represents the highlights for revenue and expenditures in MBARD's FY 20-21 budget.

MBARD's FY 20-21 budget represents a total of \$21.1 million, consisting of \$6.1 million in operational costs and \$15 million in non-operational (Grant Programs) costs. Operational costs are approximately three percent lower than the previous fiscal year. Due mainly to grant programs recently offered by the California Air Resources Board, the non-operational budget has increased by more than \$3 million over the previous fiscal year. Staffing level (32 full time employees) remains unchanged from the prior fiscal year, however, two currently vacant positions will not be filled in FY 20-21.

This budget is significantly different from the budget prepared immediately prior to the COVID-19 outbreak. Due to the pandemic, only one public budget workshop was held by Zoom teleconference on April 7, 2020. The following list the budget highlights in light of the COVID-19 outbreak:

- No fee increases in for businesses
- No cost of living increase for staff
- No increase in city or county per capita fees
- No purchase of fixed assets (vehicles and building improvement projects)
- Hiring freeze

Without a fee increase, the cost recovery for our Stationary Source Permitting Program will be at 76%. Cost recovery for our Title V Air Operating Permit and Asbestos programs will be at 97% and 81%, respectively.

For MBARD's Grant Programs, the following expenditures are planned for FY 20-21:

- \$12.2 million for grant payments to reduce emissions for the District's ongoing AB2766, AB923, Carl Moyer, Community Air Protection (CAPP) and Funding Agricultural Replacement Measures (FARMER) programs.

- \$2.45 million to continue District's Plug-In Monterey Bay program to install electric vehicle stations throughout Monterey, Santa Cruz, and San Benito counties. In addition, the District will continue its electric vehicle incentive program for residents in the District's three-county jurisdiction.
- Continued assistance towards reducing PM2.5 emissions in the San Lorenzo Valley, including \$175,000 for Woodstove Change -Out grants.

MBARD's commitment to protecting our air while balancing economic considerations is reflected in this proposed budget. We focus on core programs and maintain strong internal controls to avoid financial risks. We seek the most cost-effective solutions on behalf of local residents and businesses. We strive every day to work with the community, industry, and regional partners to find reasonable and cost effective solutions to protect air quality throughout the North Coast Central Air Basin.

Respectfully,



Richard A. Stedman
Air Pollution Control Officer

ADMINISTRATIVE DIVISION

The Administrative Division consists of the Air Pollution Control Officer (APCO), an Administrative Services Manager, an Executive Assistant, an Administrative and Fiscal Specialist, a Senior Fiscal Assistant, and an Office Assistant. The Division performs the following functions:

General Operations

The Division is responsible for all premises management including building and grounds, vehicle fleet management, District Safety Program, administrative support, telephone systems, reception duties, mailroom, copy functions and office supplies. General Operations also includes human resource management and benefit administration for the District's 32 budgeted positions.

Finance and Accounting

The accounting section is responsible for all general accounting functions including accounts receivable, accounts payable, payroll, fixed asset management, grants, risk management, and related financial reporting.

An important function of this section is the preparation and tracking of the annual budget. All managers participate in a collaborative effort with the APCO and the Administrative Services Manager in compiling and presenting the annual proposal. Additional responsibilities include preparation of annual audit schedules and risk management.

In FY 20-21, the Administrative Division will continue working closely with the Engineering and Compliance Divisions to implement a new permitting database program. The Division will also be part of a District-wide team to implement a new document management system.

Another important function of the Finance and Accounting Division is to assist each year with the audit of the District's finances. The District's financial audit for FY 18-19 was successfully completed in January 2020 with the District receiving a "clean" audit with no significant deficiencies or material weaknesses identified.

District Boards

The Division provides support to the District's Board of Directors, Hearing Board and Advisory Committee. This support and assistance includes distribution and publication of agendas, notices and minutes and processing of public inquiries and information requests.

Monterey County Counsel provides contracted legal advice to the Board of Directors and its committees, the Advisory Committee, APCO and staff as well as representing the District in civil litigation, variance cases, abatement actions and permit revocations before the Hearing Board.

AIR MONITORING DIVISION

The Air Monitoring Division consists of one Supervising Air Monitoring Specialist, two Senior Air Monitoring Specialists, and one Air Monitoring Technical Assistant. In FY 20-21 the District expects to continue to look for ways to lower expenditures including staff costs through attrition and reorganization. The Division performs the following functions:

Ambient Air Monitoring

The District operates a monitoring network to determine compliance with California and federal ambient air quality standards within a three county jurisdiction known as the North Central Coast Air Basin (NCCAB). The District also operates special purpose monitoring networks related to smoke management of outdoor burning and fine particle emissions from home heating with wood. These networks deliver near real-time measurements that are presented online in order to provide the public with characterizations of air quality based on the EPA's Air Quality Index (AQI). They also support the District's online pollutant forecasting and wood smoke curtailment programs.

Ozone

Ozone is monitored at six air monitoring stations within the District. One of these monitors is operated by the National Parks Service. The District is in attainment with the federal eight-hour ozone ambient air quality standard (AAQS) at all of these stations. The District is currently not attaining the California eight-hour ozone AAQS due to pollution levels monitored at Pinnacles National Park.

The Division provides technical assistance and collaborates with the National Park Service at the Pinnacles National Park monitoring station. Even though this is not a District operated station, ozone measurements from this site can be used to determine the District's attainment status. These measurements are most reflective of emission reduction benefits from the ozone precursor source region; the San Francisco Bay Area.

Particulate Matter

"PM₁₀", or PM Coarse, refers to particles that are 10 micrometers or less in aerodynamic diameter (about $\frac{1}{25}$ the diameter of a human hair). The Division conducts PM₁₀ monitoring using continuous measurement devices at the Hollister and King City stations. These sites show periodic exceedances of the California standard caused by fugitive dust emissions on windy days. A violation of the state standard occurs when PM₁₀ exceeds a 24-hour average of 50 $\mu\text{g}/\text{m}^3$. An exceedance does not necessarily indicate a violation of the standard if the exceedance is caused by an exceptional event such as smoke from a wildfire.

The North Central Coast Air Basin is in attainment of the federal AAQS for PM₁₀, however, it continues to be in non-attainment with the California AAQS. This status is a result of exceedances at the King City station in Monterey County due to dust from plowed agricultural fields in the Salinas Valley. The only other PM₁₀ monitor, located in Hollister, is in attainment for both the federal and state AAQS.

PM_{2.5} or "PM Fine"

The Division monitors PM_{2.5} at stations located in Salinas, Santa Cruz, Hollister, Carmel Valley, King City, and Felton. The North Central Coast Air Basin is currently in attainment of the PM_{2.5} federal and

California AAQS. "PM_{2.5}" refers to particles that are 2.5 micrometers or less in aerodynamic diameter (about 1/70th the diameter of a human hair).

PM_{2.5} is also monitored in support of the District's Smoke Management Program. Temporary networks are established to detect fine particle emissions from burns conducted at the former Fort Ord, other large prescribed burns, wildfires, and in the San Lorenzo Valley for wood smoke from wood stoves and fireplaces.

Other Criteria Pollutants

Pollutants such as nitrogen dioxide, nitric oxide, oxides of nitrogen, and carbon monoxide are monitored at the Salinas station. The District is in attainment of both federal and state AAQS for these pollutants.

FY 2019 – 20 Major Accomplishments

- Met all EPA and ARB data collection, reporting and quality assurance requirements at all stations.
- Received additional 105 Grant funds which offset materials costs of monitoring activities in the San Lorenzo Valley.
- The District continues the operation and maintenance of the PM₁₀ network located within the Hollister Hills Recreational Vehicle Park. The District receives direct compensation for this work.
- Refined operations and modernized air monitoring resources.
- Completed Beach Monitoring Study for Carmel-by-the-Sea.
- Continued to support wood smoke reduction efforts in the San Lorenzo Valley by monitoring PM_{2.5} levels during the winter home heating season.

FY 2020 - 21 Objectives

- Continue to meet all ARB and EPA monitoring requirements.
- Continue modernization activities and apply benefits to expand more efficient operations to meet District needs.
- Continue to optimize and tailor new data acquisition system capabilities to increase automation and remote control capabilities for air monitoring tasks.
- Continue monitoring in the San Lorenzo Valley to support District endeavors to reduce PM fine levels from wood smoke and backyard burning. This includes the continued use of an Aethelometer at the SLV Middle School Station in Felton to quantify the wood smoke component of PM_{2.5} in this area.

Meteorological Monitoring

The Division monitors and reports hourly meteorological data at sites in Salinas, Hollister, Santa Cruz, King City, Carmel Valley, and Felton. Parameters recorded are wind speed, wind direction, and ambient temperature. Meteorological measurements are critical to understanding air quality. These measurements directly affect and support District air quality forecasting and smoke management programs. Meteorological data is also used to understand pollutant flux in the air basin and when responding to citizen complaints.

Source Specific Monitoring

The Division supports remote smoke monitoring instruments to detect smoke emissions from controlled burns, wildfires, and prolonged large structure fires. The Division may also assist in complaint response through the use of portable air monitoring equipment

FY 2019 - 20 Major Accomplishments

- Met all data collection, reporting, and quality assurance objectives.
- Applied meteorological measurements at special study and temporary monitoring sites.
- Continued use of radiosondes for atmospheric vertical profiling to support smoke management projects.

FY 2020 - 21 Objectives

- Continue meteorological monitoring to meet District needs.
- Continue to upgrade meteorological monitoring systems as needed.
- Establish a sensor network at various locations throughout the District.

COMPLIANCE DIVISION

The Compliance Division staff consists of an Engineering and Compliance Manager (0.5 FTE), a Supervising Inspector, seven field Air Quality Compliance Inspectors, one Senior Administrative Assistant, and one Engineering & Compliance Specialist (0.75 FTE).

The Division performs the following functions:

Inspections of Stationary Sources

Compliance inspectors conduct unannounced inspections of over 3,000 permits to assure compliance with all of the permit requirements, applicable District regulations, and state and federal laws.

Air quality violations trigger investigations and enforcement actions. To ensure compliance with District permit and/or other regulatory requirements, the Division uses a suite of corrective actions including direct remediation, education, supplemental environmental projects and monetary penalties.

Under the District's inspection policy, inspections are assigned based on various factors, including a source's compliance and complaint history, potential for air quality impact, frequency of equipment use, and the presence of toxic air contaminants.

During calendar year 2019, the Division performed 1,643 inspections of permitted equipment, responded to 285 public complaints, and addressed 19 reported facility equipment breakdowns.

FY 19-20 Major Accomplishments

- Developed and updated policies and procedures that improved consistency of enforcement actions.
- Implemented and enforced the California Air Resources Board (CARB) Refrigerant Management Program.
- Worked closely with CARB and the oil and gas industry on the implementation and enforcement of the new state regulation targeting GHG emissions from the oil and gas industry.
- Allowed electronic submittal of Title V Reports.
- Streamlined reporting of required information by EPA in their Air Facility Subsystem. Completed all major source inspections and majority of minor source inspections.
- Met all EPA requirements for inspection, reporting, and enforcement of sources covered by federal agreements.
- Continued to streamline inspection process and populated District's paperless workflow system.
- Continued to expanded use of administrative assistances to perform office-based duties to allow field-based inspection staff to remain in the field conducting inspections.
- Searched for businesses operating without required permits under the Unpermitted Source Identification Program.
- Cross-trained in the Mutual Settlement, Asbestos, and Vapor Recovery programs.

FY 20-21 Objectives

- Continue improvements in efficiency and further streamlining of functions to meet new mandates without increasing staffing levels.
- Continue to develop new policies/procedures and amend existing policies/procedures to enhance consistency and efficiency.
- Continue to look for opportunities to reduce unnecessary redundancies with inspection paperwork and to continue to expand the use of administrative assistances.
- Increase availability of District information for stakeholders and the general public.
- Continue Unpermitted Source Identification Program.
- Continue cross-training of Division Staff.

Observation of Source Tests

District inspectors oversee approximately 200 source tests conducted at stationary sources. Staff reviews the source test protocol prior to the test, reviews the protocol to ensure the proper test is conducted and that the source test contractor has the proper equipment and certification to conduct the test, witnesses the test to ensure the source test contractor follows the correct test procedures, and reviews the source test results to ensure the data is properly reported and to act promptly on any compliance issues related to the testing.

FY 19-20 Major Accomplishments

- Held source testers accountable for following the test methods and for providing the necessary documentation in the test reports to verify compliance.

FY 20-21 Objectives

- Develop a Source Test Procedures document to compliant existing permit conditions

Complaint Investigations

The Division receives several hundred complaints each year. Timely responses and investigations of alleged sources of non-compliance are top priorities.

FY 19-20 Major Accomplishments

- Continued to refine the complaint response process to allow more efficient use of staff time while continuing to provide the same level of service to the public.
- Provided timely responses to complaints and investigations of alleged sources of non-compliance.

FY 20-21 Objectives

- Evaluate complaint response procedures and apply findings towards improving District efforts.
- Develop an Online Complaint Submittal process.

Smoke Management Program

The Division actively contributes to the District's smoke management activities. The Division handles complaints and enforcement actions on fireplace smoke, backyard burns, and prescribed burns and agricultural burns.

FY 19-20 Major Accomplishments

- Staff responded to public inquiries concerning Rule 438 (Open Outdoor Fires) regulation, including providing compliance assistance brochures.
- Provided revision feedback for Rule 438 – Open Outdoor Fires, based on field experience.
- Mailed 53 fireplace smoke complaint letters and educational materials to residents of smoky chimneys.

FY 20-21 Objectives

- Continue to revise Rule 438 in conjunction with Planning Division Prior to submission to District Board.
- Enforce District rules governing excessive smoke and related nuisances.
- Examine response objectives and continue to develop ways to effectively handle fireplace smoke complaints.
- Expand coalitions with Fire Protection Agencies that issue burn permits to meet Rule 438 standards.

Compliance Assistance

The Division devotes considerable resources to assist the public and regulated sources with their understanding of regulatory requirements. The primary focus of these activities is to notify, educate and offer solutions to avoid potential compliance problems and achieve the best possible air quality.

FY 19-20 Major Accomplishments

- Provided one-on-one help to businesses and individuals to ensure understanding of District requirements.

FY 20-21 Objectives

- Evaluate compliance assistance methods and apply findings towards improvement of District customer support efforts.
- Continue to make Compliance policies available on the District's website for stakeholder to use to assist them with complying with District requirements. Update District Website as new or modified policies are developed to ensure availability of current information.

Hearing Board

The Hearing Board is comprised of five citizens appointed by the District's Board of Directors. The District's Compliance Division staff represents the District at variance hearings. Staff prepares draft orders, staff reports, and provides testimony for all variance applications received. Staff also tracks variances to ensure sources comply with variances and other Hearing Board orders. During calendar year 2019 one variance to District operating permits were issued by the Hearing Board.

Asbestos Program

The Division is the delegated authority to enforce the federal EPA Asbestos NESHAP program (National Emission Standards of Hazardous Air Pollutants). The mission of the program is to prevent and protect public health from unnecessary asbestos fibers releases and exposures from renovation, demolition and asbestos removal projects. This is conducted by compliance assistance, routine inspections, investigations, and complaint response.

Projects range from renovation asbestos removal to multi-structure demolition projects. Typically, projects that would be regulated by the program are schools, commercial, industry, and residential facilities. Stand-alone single family dwellings are typically not regulated by the program.

The program partners with other governmental agencies such as city and county building departments, county environmental health departments, Cal/OSHA, Contractor State Licensing Board, and other Air Districts to help ensure compliance to protect public health.

When non-compliance has been determined, the program works to get the non-compliance corrected as soon as possible to protect public health. Severe enforcement cases of non-compliance are referred to District Attorney offices for appropriate prosecution.

FY19-20 Major Accomplishments

- District received and reviewed 318 project notifications and conducted 151 inspections.
- Helped several regulated residential facilities in the jurisdiction with compliance assistance involving submission of annual notification for emergency, non-scheduled repair work
- Conducted asbestos investigations and complaint response at several regulated facilities in the jurisdiction.
- Conducted presentation on Asbestos Enforcement Tools at the State of California Environmental Symposium in Sacramento.
- Conducted presentations at the 15th Annual Monterey County Environmental Symposium and at EPA Region IX Asbestos Task Force Meetings.
- Conducted presentations on asbestos regulations, and compliance assistance, with several building departments.
- Coordinated with a new analytical California based laboratory to conduct analysis of District asbestos evidence sampling.
- Enhanced asbestos section of the District website.

FY 20-21 Objectives

- Continue to meet with and partner with building departments and other permitting agencies to help assure compliance with asbestos regulations on construction projects.
- Continue assistance and ensure compliance on several large scale demolition projects scheduled to occur in various locations in the jurisdiction.
- Continue to enhance the Asbestos section of the District Website. Include a Frequently Asked Question section to help better serve the public.
- Creation of 3-by-fold asbestos information pamphlets and fact sheet to be distributed to building departments and other permitting agencies for information assistance of the asbestos and notification regulations during the planning/permit process for construction projects/equipment installation.
- Continue to work on and finalize development of the Asbestos Program Rule for the objective of clearing up ambiguities, language, definitions, and enforceability.
- Continue to conduct routine inspections to assure compliance with regulated.

Mutual Settlement Program

The Mutual Settlement Program resolves violations of air quality regulations without formal legal proceedings. Notices of Violation are usually settled by mutual agreement between the District and the respondent.

The program is administered by the Enforcement Division Management and settles Notices of Violation through negotiations with respondents. Cases of significant merit may be referred to the local District Attorney's Office for prosecution.

During 2019, the District issued 59 Notices of Violation and negotiated over \$\$62,830.00 in penalties, including a violation at a cannabis facility for \$6,259.00, a gasoline facility for \$4080.00, and an asbestos violation for \$3,468.00.

FY 19-20 Major Accomplishments

- Worked with District Attorney's Office to reach judgement on significant Asbestos Cases.
- Modified case routing and use of new database to improve efficiency and tracking during case settlement.
- Provided compliance assistance and outreach through our website.
- Worked with violators to promote better work practices and improve compliance.
- Worked with local building departments to provide District information to permit applicants.

FY 20-21 Objectives

- Coordinate with local building departments to assure permit applicants are aware of District requirements for both operating permits and asbestos program requirements.
- Utilize new District database to identify trends of noncompliance and promote compliance assistance.
- Reduce the time between discovery of noncompliance and settlements that include corrective actions that promote future compliance.
- Review current Mutual Settlement procedures and propose improvements to program protocol.
- Create and test documentation alternatives for simple cases to speed settlement.

Portable Equipment Inspections

In addition to inspecting portable equipment permitted with the District, the Division also inspects portable equipment registered in the State of California's registration program. There are several portable equipment units that need inspection every year.

Examples of the types of portable equipment inspected include engines that power electrical generators, portable concrete batch plants, oil well service equipment, and engines that power sandblasting/painting operations. This equipment can move many times during the course of the year. Inspections are conducted at large storage yards or in the field when the equipment is in operation.

ENGINEERING DIVISION

The Engineering Division staff consists of an Engineering & Compliance Manager (0.5 FTE), a Supervising Engineer, four Permit Engineers, one Senior Administrative Assistant, and an Engineering & Compliance Specialist (0.25 FTE). The Division performs the following functions:

Permitting

The District's permit system is the primary tool to ensure businesses comply with air quality control requirements. Two types of permits issued are Authorities to Construct and Permits to Operate.

Authorities to Construct are preconstruction permits issued after evaluation of project emissions and necessary control technologies and determination of criteria and toxic pollutant regulatory compliance.

Permits to Operate are issued after construction is completed and the equipment is found to be operating in compliance with all terms and conditions of the Authority to Construct and with all applicable regulatory requirements.

The Division oversees 3,123 active Permits to Operate, including the annual renewal process. During calendar year 2019, the Division issued 171 Authorities to Construct, 344 Permits to Operate, 4 Agricultural Diesel Engine Registrations, 2 Title V Permit modifications, and 1 Emission Reduction Credit.

In order to meet state requirements, the Division maintains a registration program for diesel engines used in agricultural operations. Currently, 512 agricultural engines are registered.

The Division also oversees implementation of the Title V Federal Operating Permit program. There are 15 active Title V facility permits within our jurisdiction that are renewed on a five-year cycle.

FY 19-20 Major Accomplishments

- Updated 58 portable Tier 1 diesel engine permits to enforce and implement the revisions to CARB's Airborne Toxic Control Measure (ATCM) for Diesel Particulate Matter from Portable Engines.
- Completed the structural development and went "Live" with the District's new website.
- Evaluated and issued two Title V facility permit modifications.
- Participated on California Air Resources Board (CARB) AB 617, Community Air Protection Program subcommittees to develop a Technology Clearinghouse for Best Available Retrofit Control Technology and a State-Wide Emissions Inventory Tool.
- Worked with cannabis operators to develop and review a cost effectiveness analysis of best available control technology (BATC) for hash oil extraction operations.
- Served on EPA's working group for the new Title V Electronic Reporting Program.
- Processed projects involving on-going installation and/or modification of Enhanced Vapor Recovery and In-Station Diagnostic systems at gasoline stations.
- Processed projects subject to EPA's New Source Performance Standards (NSPS) for Crude Oil and Natural Gas Facilities.

FY 20-21 Objectives

- Commence processing of projects to meet the emission inventory reporting requirements of California Air Resources Board (CARB) AB 617, Community Air Protection Program.
- Create forms and a system for distributing annual reporting forms to collect prior calendar year data.
- Issue Federal Title V facility permit renewals and modifications.
- Implement a new permit database with Accela, and an Air Quality Meteorological Information System (AQMIS) with Lakes Environmental.
- Implement an electronic filing system.
- Process projects involving on-going installation and/or modification of Enhanced Vapor Recovery and In-Station Diagnostic systems at gasoline stations.
- Work with the wine industry, EPA, and CARB to address the variety of issues regarding fermentation emission best available control technology (BACT).
- Participate and stay informed on CARB and CalRecycle's efforts to find innovative approaches to air quality permitting to achieve the organic diversion mandate of SB1383, Short Lived Climate Pollutant Strategy.
- Conduct an annual permit review of all landfills, and update permits to include the applicable and enforceable requirements of CARB's Methane Emissions from Municipal Solid Waste Landfills.

Rule Development Program

The process of developing and amending District regulations is achieved through the Rule Development Program. The Engineering and Planning Divisions share this responsibility. Through this program, Divisions detail development of proposed regulations, prepare notification formalities, provide presentations at public workshops and the District Advisory Committee, and participate in public hearings and District Board of Directors meetings.

FY 19-20 Major Accomplishments

- Developed an adopted Rule 441, a Best Available Retrofit Control Technology (BARCT) rule for boilers, steam generators, and process heaters, as required by California Air Resources Board (CARB) AB 617, Community Air Protection Program.

FY 20-21 Objectives

- Propose revisions to Rule 207 (Review of New or Modified Sources), develop required Senate Bill 288 (SB288) findings, conduct CEQA analysis, and hold California Air Resources Board (CARB) public hearing to increase offset threshold from 137 pounds per day to 25 tons per year.
- Finalize resolution of CARB's issues regarding Rule 201 (Sources Not Requiring Permits).
- Develop a Best Available Retrofit Control Technology (BARCT) rule for engines, as required by California Air Resources Board (CARB) AB 617, Community Air Protection Program.
- Incorporate and adopt CARB's revisions to the Suggested Control Measure for Architectural Coatings into District Rule 426 (Architectural Coatings).
- Analyze existing regulations for consistency and conformity with applicable requirements, and initiate rule revisions as necessary.
- Adopt rule to reduce landfill gas emissions from municipal solid waste landfills by implementing provisions of EPA's Title 40 Code of Federal Regulations Part 60, Subpart Cf.

Toxics Programs

The Engineering Division is responsible for the implementation of the State of California Air Toxics Hot Spots Information and Assessment Act of 1987 (AB 2588). Up until 2017, the program transitioned into a maintenance effort for sources previously inventoried, with Division reviews occurring at a minimum of every four years for sources of intermediate risk and significant changes.

However, in 2015 the Office of Environmental Health Hazard Assessment (OEHHA) updated the methodology used to assess health risks to incorporate childhood exposure to air toxics. Evaluations based upon the updated OEHHA methodology for the same level of emissions and conditions are anticipated to show an increase in potential cancer risk. In addition, the California Air Pollution Control Officers Association (CAPCOA) updated the Facility Prioritization Guidelines in 2016. Based upon these changes, the District revised Rule 1003 in 2017 to reflect the updated OEHHA Health Risk Assessment Guidelines and the updated CAPCOA Facility Prioritization Guidelines.

The District strives to be current on toxic air contaminant actions by the State of California Air Resources Board, the Department of Toxics Substance Control, and OEHHA. In 2018, the District implemented its plan to re-evaluate all sources under the AB 2588 “Hot Spots” program over the next three years.

FY 19-20 Major Accomplishments

- Researched toxic emission factors, prepared and/or approved Toxic Emission Inventory Plans (TEIP) for 27 sources from the following source categories with criteria pollutant emissions less than 10 tons per year (TPY) per the Air Toxics “Hots Spots” Information and Assessment Act of 1987 (AB2588): wastewater treatment plants, aggregate operations, and wineries.
- Prepared and/or reviewed Toxic Emission Inventory Plans (TEIP) for 5 sources with criteria pollutant emissions \geq 10 TPY.
- Completed and calculated prioritization scores for 20 facilities with criteria pollutant emissions \geq 10 TPY, and 10 facilities with criteria pollutant emissions $<$ 10 TPY.
- Reviewed two (2) Health Risk Assessments for the implementation of the “Hots Spots” program.
- Participated in the California Air Pollution Control Officers Association (CAPCOA) Air Toxics and Risk Managers Committee (TARMAC).
- Served on the TARMAC Diesel Engine Industry-Wide Guidelines and Auto Body Shop Industry-Wide Guidelines Workgroups.

FY 20-21 Objectives

- Participate in the development of industry-wide risk assessment guidelines for gasoline dispensing facilities, diesel-fired internal combustion engines, and auto body shops, via the California Air Pollution Control Officers Association (CAPCOA) Air Toxics and Risk Managers Committee (TARMAC).
- Create and distribute annual reporting forms to collect calendar year 2019 process data for the next selected subset of facilities within the less than 10 TPY criteria pollutant emissions category, to be reviewed under the “Hots Spots” program.
- Review Health Risk Assessments for the implementation of the “Hots Spots” program.
- Develop a plan and implement a program to evaluate toxic emissions as a requirement of California Air Resources Board (CARB) AB 617, Community Air Protection Program.

Technical Assistance

The Division provides technical assistance for a broad range of internal District actions, including review of State of California and Federal program developments, rule development and implementation, hearing board actions, emissions inventory, and California Environmental Quality Act evaluations.

The Division responds to inquiries from the public regarding permit and regulatory requirements, source information, and general air pollution questions, as well as participating on CAPCOA committees.

Ongoing Objectives

- Collaborate with the California Air Resources Board on implementation of actions in AB 617 such as uniform emissions inventory reporting and BARCT implementation.
- Review and evaluate technical assistance priorities.
- Propose and initiate changes that reflect District needs.

PLANNING DIVISION

The Planning Division includes one Planning and Air Monitoring Manager, three Air Quality Planners, and one Air Quality Technician.

The Division performs the following functions:

Preparation of State and Federal Plans

The Division prepares regional air quality plans to show how the region will comply with ambient air quality standards in the future. Plans include technical analysis, growth projections, and attainment strategies based on feasible control measures.

FY 2020 - 21 Objectives

- Develop the 2016-2019 Air Quality Management Plan to evaluate progress on meeting the state ambient air quality standards for ozone.
- Prepare documentation to identify exceptional events which caused exceedances of federal PM2.5 and the state ozone standards during wildfires.

Air Emissions Inventories

The Division summarizes estimates of air pollutant emissions from stationary, area and mobile sources in the North Central Coast Air Basin. Inventories are used to identify sources subject to further control, and as input data for computer models to simulate dispersion of pollutants into the atmosphere.

The Division reviews pollutant concentrations and weather conditions to predict future pollutant levels at local and regional scales. Planning staff update the air quality forecast on the District's website several times each week.

FY 2020 - 21 Objectives

- Prepare emissions inventory for development of 2016-2019 Air Quality Management Plan.
- Maintain mobile source emissions inventory based on AMBAG's regional transportation demand model and California Air Resources Board's (CARB) EMFAC2017 model.
- Develop an inventory of PM2.5 emissions from residential heating with wood.

Land-Use Planning

The Division provides guidance and assistance to lead agencies, consultants and others concerning air quality and greenhouse gas analyses prepared in accordance with the California Environmental Quality Act (CEQA).

The Division reviews and provides comments on land-use project environmental documents and periodically updates the District's *CEQA Air Quality Guidelines* to reflect current requirements of CEQA statute and CEQA Guidelines.

FY 2019 - 20 Major Accomplishments

- Reviewed and commented on more than 20 environmental documents.

FY 2019 - 20 Objectives

- Continue reviews and comments on environmental documents.
- Develop guidance for addressing greenhouse gas emissions in environmental documents.
- Coordinate with CARB to meet requirements of the Community Air Protection Program (CAPP).

Implementation of Grant Programs

The Division manages grant programs funded by the State of California such as the Carl Moyer Memorial (Moyer) Program, DMV fees (AB 2766 and AB 923), the Funding Agricultural Replacement Measures for Emission Reductions (FARMER) Program and the CAPP.

The Division also manages the East Garrison (EG) mitigation fee grant program. Under this program, fees collected for the construction of each new home in the EG project is used to incentivize the replacement of older agricultural pump engines with cleaner engines or electric motors, and to replace old school buses with all-electric models.

FY 2019 - 20 Major Accomplishments

- Developed programs to implement grant funding for FARMER and CAPP.
- Managed more than 60 active grant projects under the AB2766, AB923, FARMER, EG and Moyer Programs.
- Reviewed eligible emission reduction grant applications and electric vehicle replacement applications for AB2766 FY19 funds.
- Continued the electric vehicle (EV) voucher program for public agencies and an EV incentive program open to the public through the AB2766 grant program. Worked with Monterey Bay Community Power to coordinate similar programs. Developed online application system through the use of Laserfiche
- Awarded approximately \$1.6 million in AB 2766 funds to six emission reduction projects and seven public agency electric vehicle vouchers, and \$400K for 300 EV incentives to general public.
- Awarded \$1.05 million for five diesel engine equipment replacement projects through the Carl Moyer program. These projects are evaluated based on emission reductions and availability of grant funds.
- Awarded AB923 grant funds for five CNG fuel tank replacements.
- Wood Stove Change-Out Program expanded to all three counties with \$425,000 from California Climate Investments; 250 old wood burning devices were replaced throughout the District.
- Worked with Caltrans and Envision Solar to complete installation of electric vehicle DC fast charge stations at two rest areas on Highway 101 near Camp Roberts.
- Managed and finalized the \$300K CEC Grant, EV Fleet Accelerator Project.
- Developed the Zero Emissions School Bus Program (ZESBP) which administers applications for electric school buses and awards grants depending on the most applicable grant fund: AB923, EG, Moyer, or CAPP:
- Worked with Monterey County Planning staff to amend the use of East Garrison mitigation funds to follow the District's Car Moyer Grant Program Guidelines.

FY 2020 - 21 Objectives

- Manage AB2766, AB923, Moyer, FARMER, EG, ZESBP and CAP Programs.
- Manage the Plug-In Monterey Bay EV Infrastructure Program.
- Implement Wood Stove Change-Out program with \$175,000 in funds from California Climate Investments;
- Rank and select projects to award AB2766 funds.
- Obligate Moyer Program funds to selected projects.
- Administer applications for electric school buses per the ZESBP.
- Manage the EG mitigation fee projects and award funds to additional projects.
- Continue to offer an Electric Vehicle Incentive Program through AB2766.

AGENDA ITEM NO. 14

The Division participates with the Association of Monterey Bay Area Governments (AMBAG) and regional transportation planning agencies in regional transportation planning efforts. Staff participates in committees as well as being a member of the Monterey Bay Electric Vehicle Alliance.

FY 2019 - 20 Major Accomplishments

- Participated in regular transportation agency meetings.
- Participated in regular MBEVA meetings.

FY 2020 - 21 Objectives

- Continue to participate in local and regional transportation planning agency committees.
- Continue to support AMBAG's efforts in regional transportation planning.

Participation in California Air Pollution Control Officers Association's Committees

The Division participates in two of the California Air Pollution Control Officers Association's (CAPCOA) committees: Planning Managers, Grants and Incentives, and Climate Protection.

FY 2019 - 20 Major Accomplishments

- Planning and Air Monitoring Manager began participating in the Climate Protection Committee.

FY 2020 - 21 Objectives

- Continue to participate in the Planning Managers, and Grants and Incentives committees.

Rule Development

The Division conducts rule development for rules that address programs the Division manages.

FY 2019 - 20 Major Accomplishments

- Started development of revisions to Rule 438, Open Burning

FY 2020 - 21 Objectives

- Develop a rule to require the change-out of non-EPA certified wood stoves when residential properties are sold.
- Complete development of revisions to Rule 438, Open Burning

Education and Outreach Program

The Division manages the District's outreach program including participation in regional events, public education, press releases, advertisements, Air Quality Awareness week in April, and Clean Air Month in May.

FY 2018 - 19 Major Accomplishments

- Participated in community events such as student fairs, community festivals, and local college events.
- Improved the District's presence in social media through posting to the District's Facebook page.
- Expanded public outreach to support FARMER, CAPP, Moyer Program, and AB2766.
- Participated in San Lorenzo Valley (SLV) Student Art Contest by judging student art and providing awards.

FY 2020 - 21 Objectives

- Continue participation in community events.
- Continue to expand public outreach to publicize grant programs.
- Modify and expand education programs for local schools to teach about air quality, air monitoring and sensor technology.
- Establish an air sensor network at schools, hospitals, daycare/eldercare facilities and other locations.
- Continue expanding the use of the new version of the District's website.

Smoke Management Program

The Division is continuously improving the District's Smoke Management Program (SMP) in order to make the program more protective of public health and more user friendly to the public.

The Division coordinates the District's agricultural and prescribed burning SMP which includes analysis and technical assistance for burn projects. Also, the Division is responsible for the backyard burning smoke management program.

Agricultural and backyard burn permits are issued through the District's online permit systems. Broadcast burn projects are tracked and reviewed through the Prescribed Fire Information Reporting System (PFIRS).

The Division provides technical assistance and comments to other agencies whose land-use projects have the potential to cause smoke impacts.

The Division also administers a contract with the State Department of Toxic Substances Control for District work on the former Fort Ord Burn Program.

FY 2019 - 20 Major Accomplishments

- Assisted with planning, implementation, and monitoring of prescribed burns.
- Worked with land managers to evaluate burn areas prior to planned burns.
- Accepted \$35,000 of grant funding for the smoke management program from CARB
- Increased staff training for implantation of SMP with reimbursable funding from CAPCOA.

FY 2020 - 21 Objectives

- Assist with planning, implementation, and monitoring of prescribed burns.
- Improve District website to effectively report smoke impacts from prescribed burns and wildfires.

Special Projects**San Lorenzo Valley PM2.5 Reduction Project**

The San Lorenzo Valley (SLV) is a narrow river valley located in Santa Cruz County. In past winter seasons the District has measured PM2.5 concentrations above the federal 24-hour standard. The primary source of PM2.5 emissions is smoke from wood burning for home heating. The Division implements programs to reduce PM2.5 emissions during Fall and Winter, including a Spare the Air

AGENDA ITEM NO. 14

program which asks residents in the SLV to voluntarily use an alternative fuel, other than wood, for heating their homes when meteorological conditions are poor for air quality.

FY 2019 - 20 Major Accomplishments

- Continued the Woodstove Change-Out Program which was expanded to all three counties.
- Participated in the SLV Student Art Contest by judging student art and providing awards.
- Continued the “Spare the Air” program for SLV.

FY 2019 - 20 Objectives

- Continue PM2.5 reduction efforts in SLV.
- Continue a Wood Stove Change-Out Program.
- Seek continuous improvements for implementation of the “Spare the Air” program to reduce localized impacts from wood burning stoves and fireplaces.

BUDGET

IN

BRIEF

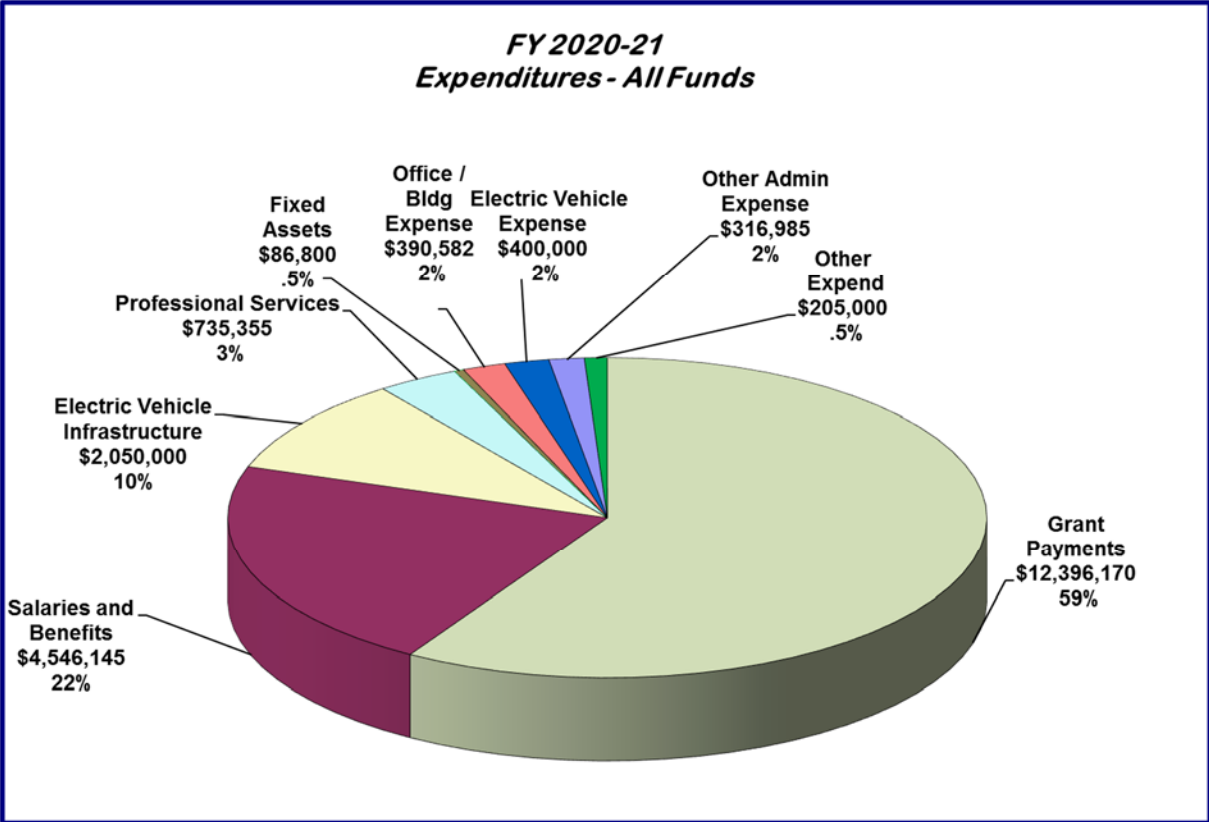
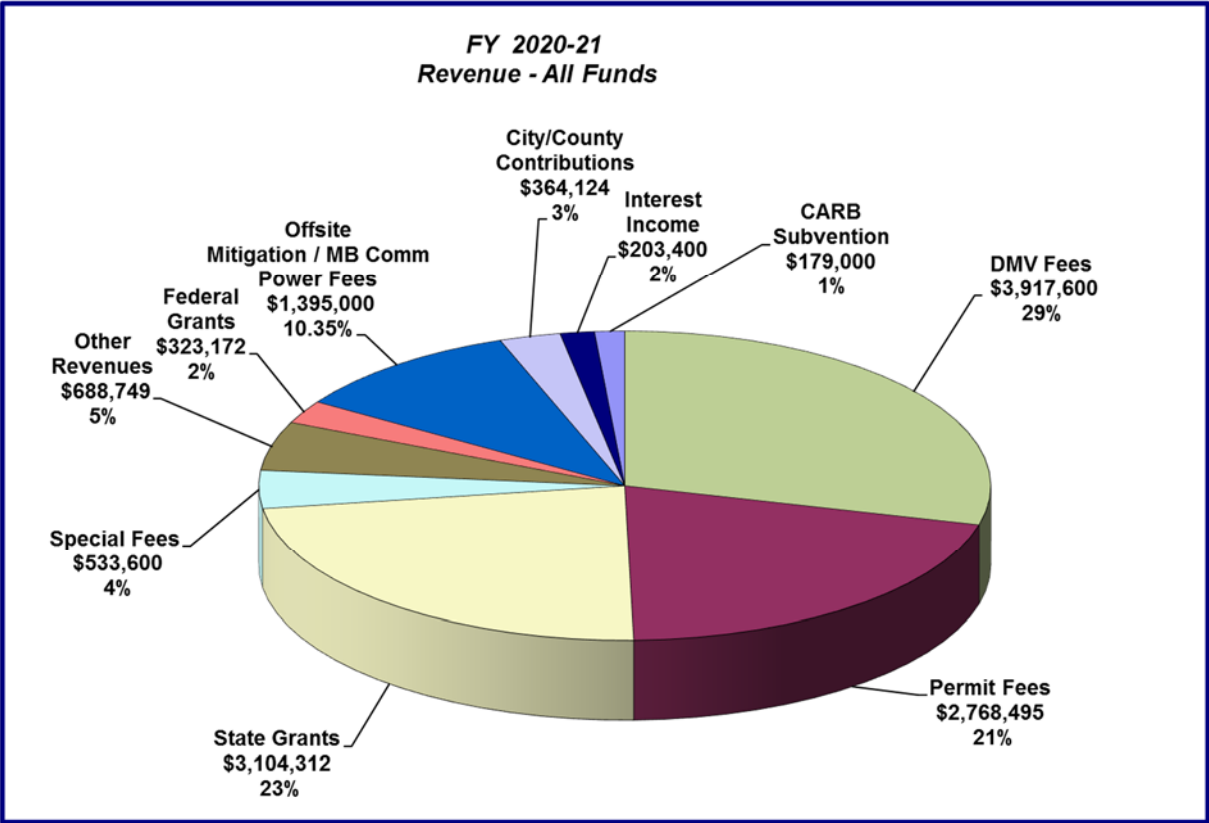


► **Fiscal Year 2020-21 Budget in Brief** ◀

The following are budgetary highlights:

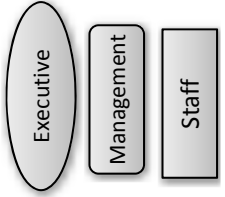
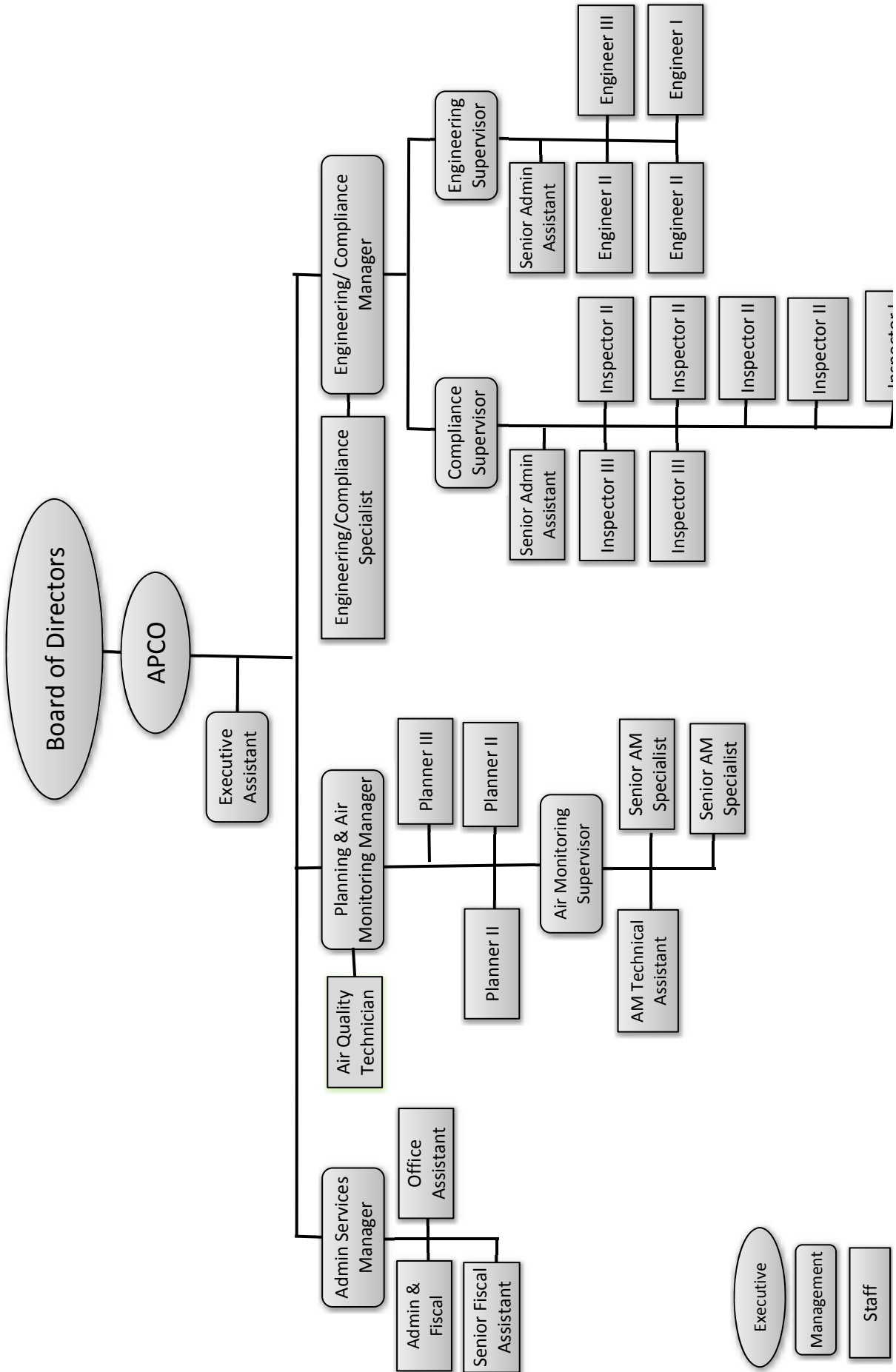
- ❖ Total budget of \$21.1 million consisting of:

Operational Budget	\$ 6.1 million
Non-Operational Budget (Grant Programs)	\$ 15 million
- ❖ Proposed fee changes:
 - Due to COVID-19, there will be no fee increases for permit fees.
- ❖ City and County per capita fees remain at \$.43.
- ❖ Total of 32 full time employees in the Personnel Schedule. Two positions were not budgeted for due to COVID-19.
- ❖ Purchases of \$86,800 are to complete the new permitting and compliance database programs that are currently in progress.
- ❖ Estimated \$100,000 deposit to the District's Other Post Employment Benefit (OPEB) Trust, funded by the General Fund reserve designated for post-employment benefits.
- ❖ \$12.2 million for grant payments to reduce emissions for the District's ongoing AB2766, AB923, Carl Moyer, Community Air Protection (CAPP), Funding Agricultural Replacement Measures (FARMER) programs, and East Garrison programs and the new Monterey Bay Community Power electric bus grant program.
- ❖ \$2.45 million to continue District's Plug-In Monterey Bay program to install electric vehicle stations throughout Monterey, Santa Cruz, and San Benito counties. In addition, the District will continue its electric vehicle incentive program for District's residents.
- ❖ Continued assistance towards reducing PM2.5 emissions in the San Lorenzo Valley, including \$175,000 for Woodstove Changeout grants.



ORGANIZATIONAL STRUCTURE

Monterey Bay Air Resources District
 Organization Chart - FY 2020-21
 Draft Budget





Personnel Schedule

Division/Position	Revised Budget FY 2019-20	Additions/ Deletions	Proposed Budget FY 2020-21
<u>ADMINISTRATIVE</u>			
APCO	1.00		1.00
Executive Assistant	1.00		1.00
Admin Services Manager	1.00		1.00
Office Assistant	1.00		1.00
Admin and Fiscal Specialist	1.00		1.00
Senior Fiscal Assistant	1.00		1.00
Subtotal	<u>6.00</u>	<u>0.00</u>	<u>6.00</u>
<u>COMPLIANCE</u>			
Division Manager (1)	0.50		0.50
Division Supervisor	1.00		1.00
Senior Admin Assistant	1.00		1.00
Engineering and Compliance Specialist	1.00		1.00
Inspector I (3)	1.00		1.00
Inspector II	4.00		4.00
Inspector III	2.00		2.00
Subtotal	<u>10.50</u>	<u>0.00</u>	<u>10.50</u>
<u>ENGINEERING</u>			
Division Manager (1)	0.50		0.50
Division Supervisor	1.00		1.00
Senior Admin Assistant	1.00		1.00
Engineer I	1.00		1.00
Engineer II	2.00		2.00
Engineer III	1.00		1.00
Subtotal	<u>6.50</u>	<u>0.00</u>	<u>6.50</u>
<u>PLANNING</u>			
Division Manager (2)	0.50		0.50
Air Quality Technician	1.00		1.00
Planner II	2.00		2.00
Planner III	1.00		1.00
Subtotal	<u>4.50</u>	<u>0.00</u>	<u>4.50</u>
<u>AIR MONITORING</u>			
Division Manager (2)	0.50		0.50
Division Supervisor	1.00		1.00
AM Technical Assistant (Vacant)	1.00		1.00
Senior Air Monitoring Specialist	2.00		2.00
Subtotal	<u>4.50</u>	<u>0.00</u>	<u>4.50</u>
Total Number of Positions	<u><u>32.00</u></u>	<u><u>0.00</u></u>	<u><u>32.00</u></u>

Notes:

- 1) Position oversees both Compliance & Engineering divisions.
- 2) Position oversees both Planning and Air Monitoring divisions.
- 3) Position currently vacant due to COVID-19 hiring freeze



**Monterey Bay Air Resources District
 Monthly Salaries for Staff Positions (All Full-Time)
 Effective 7/1/19 (based on SEIU labor contract 7/1/18-6/30/20)**

Job Title	Step 1	Step 2	Step 3	Step 4	Step 5	Step 6
Office Assistant	\$ 3,964.13	\$ 4,161.73	\$ 4,371.47	\$ 4,589.87	\$ 4,820.40	\$ 5,302.27
Administrative Assistant	\$ 4,126.22	\$ 4,332.53	\$ 4,549.16	\$ 4,776.61	\$ 5,015.44	\$ 5,516.99
Fiscal Assistant	\$ 4,292.03	\$ 4,506.63	\$ 4,731.96	\$ 4,968.56	\$ 5,216.98	\$ 5,738.68
Sr. Admin Assistant (hired after 12/31/14)	\$ 4,556.07	\$ 4,783.88	\$ 5,023.07	\$ 5,274.22	\$ 5,537.93	\$ 6,093.46
Air Monitoring Technical Asst (hired after 12/31/14)	\$ 4,649.38	\$ 4,881.85	\$ 5,127.68	\$ 5,384.06	\$ 5,653.26	\$ 6,218.59
Sr. Fiscal Assistant	\$ 4,744.57	\$ 4,980.06	\$ 5,229.07	\$ 5,490.52	\$ 5,765.05	\$ 6,341.55
Air Monitoring Technical Asst (hired prior to 1/1/15)	\$ 5,083.35	\$ 5,339.25	\$ 5,606.22	\$ 5,886.53	\$ 6,180.85	\$ 6,800.67
Sr. Admin Assistant (hired prior to 1/1/15)	\$ 5,185.53	\$ 5,446.54	\$ 5,718.87	\$ 6,004.81	\$ 6,305.05	\$ 6,937.29
Air Quality Technician	\$ 5,238.13	\$ 5,499.87	\$ 5,773.73	\$ 6,063.20	\$ 6,366.53	\$ 7,002.67
Air Monitoring Specialist	\$ 5,342.66	\$ 5,609.79	\$ 5,890.28	\$ 6,184.79	\$ 6,492.30	\$ 7,141.53
Engineering and Compliance Specialist	\$ 5,450.04	\$ 5,724.28	\$ 6,008.76	\$ 6,309.20	\$ 6,624.66	\$ 7,287.12
Air Quality Compliance Inspector I	\$ 5,671.34	\$ 5,954.90	\$ 6,254.38	\$ 6,565.37	\$ 6,893.64	\$ 7,583.00
Air Quality Planner I	\$ 6,141.24	\$ 6,448.31	\$ 6,770.72	\$ 7,110.99	\$ 7,464.81	\$ 8,211.29
Senior Air Monitoring Specialist	\$ 6,204.39	\$ 6,514.61	\$ 6,838.61	\$ 7,180.54	\$ 7,539.56	\$ 8,293.52
Air Quality Compliance Inspector II	\$ 6,584.35	\$ 6,917.04	\$ 7,262.89	\$ 7,626.03	\$ 8,007.33	\$ 8,808.07
Air Quality Planner II (hired after 12/31/14)	\$ 6,787.33	\$ 7,124.96	\$ 7,482.95	\$ 7,857.09	\$ 8,249.95	\$ 9,076.68
Air Quality Engineer I	\$ 6,855.20	\$ 7,196.23	\$ 7,557.78	\$ 7,939.13	\$ 8,336.09	\$ 9,169.70
Air Quality Compliance Inspector III	\$ 7,199.69	\$ 7,563.14	\$ 7,941.30	\$ 8,336.63	\$ 8,755.19	\$ 9,630.71
Air Quality Planner III (hired after 12/31/14)	\$ 7,493.76	\$ 7,870.18	\$ 8,261.96	\$ 8,673.32	\$ 9,108.72	\$ 10,019.59
Air Quality Planner II (hired prior to 1/1/15)	\$ 7,796.35	\$ 8,187.91	\$ 8,597.30	\$ 9,027.17	\$ 9,480.26	\$ 10,430.02
Air Quality Engineer II	\$ 7,956.53	\$ 8,352.62	\$ 8,771.98	\$ 9,210.58	\$ 9,672.85	\$ 10,640.13
Air Quality Planner III (hired prior to 1/1/15)	\$ 8,528.74	\$ 8,956.91	\$ 9,403.02	\$ 9,874.91	\$ 10,366.92	\$ 11,403.61
Air Quality Engineer III	\$ 8,703.64	\$ 9,137.08	\$ 9,593.94	\$ 10,073.63	\$ 10,577.32	\$ 11,635.05

Management & Confidential Employees Monthly Salary Ranges (All Full-Time) - Effective 7/1/19

Job Title	Low	High
Air Pollution Control Officer (APCO)	\$ 16,846.17	\$ 18,530.79 (per employment agreement)
Engineering & Compliance Manager	\$ 10,916.67	\$ 14,025.00
Administrative Services Manager	\$ 10,416.67	\$ 13,383.34
Engineering Supervisor	\$ 10,333.33	\$ 13,383.34
Planning and Air Monitoring Manager	\$ 10,000.00	\$ 12,925.00
Supervising Air Quality Compliance Inspector	\$ 8,583.33	\$ 11,000.00
Supervising Air Monitoring Specialist	\$ 7,833.33	\$ 10,083.34
Executive Assistant	\$ 6,666.67	\$ 9,166.67
Administrative & Fiscal Specialist	\$ 5,416.67	\$ 6,966.67

BUDGET

SCHEDULES

Monterey Bay Air Resources District Operating Budget

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	ACTUALS FY 18-19	REVISED BUDGET FY 19-20	ESTIMATED ACTUALS FY 19-20	PROPOSED BUDGET FY 20-21
<u>Operating Revenues</u>				
EPA Grants	\$ 317,420	\$ 302,000	\$ 302,000	\$ 323,172
AB2766 DMV Fees	1,100,000	1,100,000	1,100,000	1,100,000
AB923 DMV Fees	60,000	60,000	60,000	60,000
Permit Fees	2,883,677	2,994,319	2,961,835	2,768,495
Special Fees (Title V and Asbestos)	619,009	538,600	576,100	533,600
Penalties and Fines	172,091	160,000	272,600	110,000
CARB Subvention	178,865	179,000	179,469	179,000
City and County Contributions (1)	334,210	367,815	367,813	364,124
Contract Revenues	110,077	113,000	113,000	113,000
Woodstove Smoke Reduction Admin Funds	36,338	19,000	16,471	16,000
Moyer Grant Revenues-Oper Rev	246,463	135,395	135,395	140,645
California Energy Commission EV Grants (2)	162,285	34,948	34,948	-
Oil and Gas Revenues (CARB) (3)	-	60,000	60,000	60,000
Emission Inventory Funding (CARB) (3)	23,640	12,583	10,000	12,583
CAPP Grant (AB617 Funding) (3)	-	245,000	150,000	95,000
CARB Prescribed Burn Funding	-	33,000	35,185	33,000
Community Air Protection (CAPP) Funds-Oper Rev (3)	7,687	204,758	204,758	-
Funding Agric Replacement Measures for Emission Reductions (FARMER) Funds-Oper Rev (3)	30,024	156,717	327,582	77,229
Other Revenues	404,536	241,683	194,730	224,541
Interest Income (Gen Fund)	128,308	90,000	90,000	45,000
Total Operating Revenues	\$ 6,814,628	\$ 7,047,818	\$ 7,191,886	\$ 6,255,389
<u>Expenditures by Division:</u>				
Administrative	\$ 1,708,709	\$ 1,955,247	\$ 1,600,898	\$ 1,767,767
Air Monitoring	644,099	647,926	563,848	646,940
Compliance	1,501,113	1,792,068	1,579,224	1,560,658
Engineering	1,034,311	1,311,972	1,145,424	1,284,548
Planning	902,937	860,314	779,964	843,207
Total Operating Expenditures	\$ 5,791,168	\$ 6,567,527	\$ 5,669,358	\$ 6,103,120
Net Surplus (Deficit)	\$ 1,023,460	\$ 480,291	\$ 1,522,528	\$ 152,269
<u>Expenditures by Type:</u>				
Salaries and Benefits	\$ 4,641,072	\$ 4,773,296	\$ 4,378,377	\$ 4,546,145
Maintenance, Equipment, and Supplies	286,195	311,742	237,796	254,031
Legal and Professional Services	269,893	629,505	502,605	735,355
Contractual Svcs - Calif Energy Comm EV Grants (2)	139,872	25,000	24,729	-
Utilities & Office Rent	120,262	142,992	129,777	133,804
Insurance	84,320	83,700	81,700	108,700
Training, Travel, District Board Exp	90,769	143,560	95,649	150,990
Fixed Assets (4)	10,957	372,000	146,192	86,800
Sponsorships	20,263	21,500	12,500	22,000
Transfers to Other Funds (to Clean Air Fund)	110,000	30,000	30,000	30,000
Other	17,565	34,232	30,032	35,295
Total Operating Expenditures	\$ 5,791,168	\$ 6,567,527	\$ 5,669,358	\$ 6,103,120

Notes:

(1) FY 20-21 City and County contributions includes per capita assessment remained at \$.47.

(2) California Energy Commission Grant expired 12/31/19.

(3) State funded revenues based on AB617, AB134, AB197, & SB1260.

(4) FY 20-21 Fixed Assets include: \$86,800 for new database program currently in progress

**Monterey Bay Air Resources District
Non-Operating Budget**

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	ACTUALS FY 18-19	REVISED BUDGET FY 19-20	ESTIMATED ACTUALS FY 19-20	PROPOSED BUDGET FY 20-21
<u>Non-Operating Revenues</u>				
AB2766 DMV Fees and Interest	\$ 1,759,123	\$ 1,786,000	\$ 1,786,000	\$ 1,584,900
AB923 DMV Fees and Interest	1,415,868	1,438,000	1,433,000	1,297,700
Moyer Grants and Interest (incl NOx Remediation)	1,478,645	956,767	962,767	991,533
Community Air Protection (CAPP) Grant Funds (1)	3,794	1,436,304	1,440,304	1,240,304
Funding Agric Replacement Measures for Emission Reductions (FARMER) Grant Funds (1)	537,702	1,102,018	1,108,018	545,601
Woodstove Smoke Reduction Grant Funds (1)	382,500	175,000	158,824	159,000
Offsite Mitigation Fees/Interest (2)	282,285	265,000	195,000	195,000
Transfer from Gen Fund to Clean Air Fund + Interest	111,362	30,500	31,400	31,400
Total Non-Operating Revenues	\$ 5,971,280	\$ 7,189,589	\$ 7,115,313	\$ 6,045,438
<u>Expenditures by Division:</u>				
Planning (grant payments only)	\$ 3,603,307	\$ 9,290,000	\$ 5,998,124	\$ 12,396,170
Planning - Electric Vehicle Rebates	400,000	400,000	400,000	400,000
Planning - Electric Vehicle Infrastructure Proj (2)	1,060,608	2,650,000	2,500,000	2,050,000
Administrative - OPEB Liability Funding	100,000	100,000	100,000	100,000
Clean Air Fund	-	100,000	50,000	75,000
District Building Improvements	142,996	110,000	112,000	-
Total Non-Operating Expenditures	\$ 5,306,911	\$ 12,650,000	\$ 9,160,124	\$ 15,021,170
Net Surplus (Deficit)	\$ 664,369	\$ (5,460,411)	\$ (2,044,812)	\$ (8,975,732)
<u>Expenditures by Type:</u>				
AB2766 DMV Grants - Current Year (3)	\$ 80,501	\$ 2,429,600	\$ 450,000	\$ 1,600,000
AB2766 DMV Grants - Prior Year (3)	1,286,248	1,470,400	800,000	3,000,000
Moyer Grants (3)	1,035,340	1,200,000	1,000,000	1,107,531
AB923 Grants (3)	37,305	1,000,000	1,202,944	2,168,777
AB923 Electric Vehicle Infrastructure Project (4)	1,060,608	2,650,000	2,500,000	2,050,000
CAPP Grants	-	615,000	466,180	1,581,187
FARMER Grants	529,766	1,400,000	1,679,000	555,945
General Grants-Offsite Mitigation Grants (2)	252,148	1,000,000	275,000	2,220,730
Electric Vehicle Incentives	400,000	400,000	400,000	400,000
Woodstove Changeout Grants	382,000	175,000	125,000	160,000
Public Education Grants	-	-	-	2,000
Clean Air Fund Projects	-	100,000	50,000	75,000
Building Remodel/Improvement Projects (5)	142,996	110,000	112,000	-
OPEB Trust Account Deposit (6)	100,000	100,000	100,000	100,000
Total Non-Operating Expenditures	\$ 5,306,911	\$ 12,650,000	\$ 9,160,124	\$ 15,021,170

Notes:

- (1) New revenues from the State of California based on recent legislation.
- (2) Funded by mitigation fees from the East Garrison project in Marina. Monies to be granted for retrofits/replacements of agricultural pumps and school buses.
- (3) Assumption for FY 19-20 & 20-21 budget columns is that all outstanding grants are paid out during the fiscal period. Over the last five fiscal periods, actual grant reimbursements have averaged 43% of budget.
- (4) Plug-In Monterey Bay electric vehicle infrastructure project using AB923 funds.
- (5) FY 17-18 thru 19-20: District's building 3rd floor remodel project costs incl and exterior painting.
- (6) Funded from reserve designated for OPEB liability. Reserve current balance is \$175,000.



**Monterey Bay Air Resources District
Funds Relationships to Divisions and Programs
FY 2020-21**

Division/Program	Funded By						
	General	AB2766	AB923	Moyer	General Grants	CAPP Grants	FARMER Grants
Administrative							
District Boards	X						
Finance	X	X					
Operations	X	X					
Information Systems	X	X					
Public Education		X					
Engineering							
Permitting	X						
Title V	X						
Rule Development	X						
Compliance							
Permitting	X						
Title V	X						
Asbestos	X						
Complaints	X						
Air Monitoring							
General Air Monitoring	X	X					
PM 2.5 Monitoring	X						
Planning							
Planning & Grant Programs	X	X	X	X	X	X	X
Electric Vehicle Incentives		X					
Burn Program	X						
Rule Development	X						

The District's finances are reported in separate funds. The table above portrays the District's divisions and programs and how the programs are funded. Below is a brief description of each fund:

General - Funds collected from permit fees, Title V fees, asbestos fees, EPA grants, City/County per capita fees, CARB subvention, certain State grants, penalties, special contracts and other revenue.

AB2766 - DMV Fees collected from the \$4.00 per vehicle registration surcharge program.

AB923 - DMV Fees collected from the \$2.00 per vehicle registration surcharge program.

Moyer - The Carl Moyer Grant program established by the California Air Resources Board as an emission-reduction incentive program administered by air districts.

General Grants - Funds from construction projects offsite mitigation fees used for replacements/retrofits of agricultural pumps and school buses.

Community Air Protection Program (CAPP) Grants - Established by AB617 and funded by AB134, grants are intended to reduce air pollution in disadvantaged or low-income areas.

Funding Agricultural Replacement Measures for Emission Reductions (FARMER) Grants - Funded by AB134 and AB109, grants are to be used to reduce agricultural sector emissions.

**Monterey Bay Air Resources District
General Fund Budget**

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	ACTUALS FY 18-19	REVISED BUDGET FY 19-20	ESTIMATED ACTUALS FY 19-20	PROPOSED BUDGET FY 20-21
<i>BEGINNING FUND BALANCE</i>	<i>\$ 6,214,702</i>	<i>\$ 6,641,187</i>	<i>\$ 6,641,187</i>	<i>\$ 7,119,645</i>
<u>Revenues</u>				
EPA Grants	\$ 317,420	\$ 302,000	\$ 302,000	\$ 323,172
Permit Fees (6)	2,883,677	2,994,319	2,961,835	2,768,495
Special Fees (Title V and Asbestos)	619,009	538,600	576,100	533,600
Penalties and Fines	172,091	160,000	272,600	110,000
CARB Subvention	178,865	179,000	179,469	179,000
City and County Contributions (1)	334,210	367,815	367,813	364,124
Source AM Contract Revenues	110,077	113,000	113,000	113,000
Woodstove Smoke Reduction Program Revenues	418,838	194,000	175,294	175,000
California Energy Commission Grants (2)	162,285	34,948	34,948	-
Oil and Gas Revenues (CARB) (3)	-	60,000	60,000	60,000
Emission Inventory Funding (CARB) (3)	23,640	12,583	10,000	12,583
CAPP Grant (AB617 Funding) (3)	-	245,000	150,000	95,000
Prescribed Burn Funding (CARB) (3)	-	33,000	35,185	33,000
Other Revenues (PERP fees, cost recoveries, misc inc)	341,216	166,783	124,650	116,550
Rental Income	77,400	77,400	72,580	71,616
Interest Income	128,308	90,000	90,000	45,000
Total General Fund Revenues	<i>\$ 5,767,034</i>	<i>\$ 5,568,448</i>	<i>\$ 5,525,474</i>	<i>\$ 5,000,140</i>
<u>Expenditures by Division:</u>				
Administrative (including OPEB Trust Acct deposits)	\$ 1,614,734	\$ 1,860,412	\$ 1,564,962	\$ 1,542,392
Air Monitoring	200,753	201,472	181,732	202,627
Compliance	1,501,113	1,792,068	1,579,224	1,560,658
Engineering	1,034,311	1,311,972	1,145,424	1,284,548
Planning	989,638	513,456	575,674	538,539
Total General Fund Expenditures	<i>\$ 5,340,549</i>	<i>\$ 5,679,380</i>	<i>\$ 5,047,016</i>	<i>\$ 5,128,764</i>
Net Surplus (Deficit)	<i>\$ 426,485</i>	<i>\$ (110,932)</i>	<i>\$ 478,458</i>	<i>\$ (128,624)</i>
<i>ENDING FUND BALANCE</i>	<i>\$ 6,641,187</i>	<i>\$ 6,530,255</i>	<i>\$ 7,119,645</i>	<i>\$ 6,991,021</i>
<u>Expenditures by Type:</u>				
Salaries and Benefits (5)	\$ 3,938,971	\$ 3,911,522	\$ 3,735,797	\$ 3,723,420
Maintenance, Equipment, and Supplies	223,287	239,936	188,161	173,772
Legal and Professional Services	199,347	524,455	411,005	624,555
Contractual Services - Calif Energy Comm Grant (2)	139,872	25,000	24,729	-
Utilities & Office Rent	89,516	110,267	99,422	100,699
Insurance	70,828	72,000	70,000	91,300
Training, Travel, District Board Exp	77,075	119,675	82,174	117,847
Fixed Assets (4)	93,542	439,840	252,992	75,516
Grants-Woodstove Changeouts	382,000	175,000	125,000	160,000
OPEB Trust Account Deposit	-	-	-	-
Transfers Out (to Clean Air Fund)	110,000	30,000	30,000	30,000
Other	16,111	31,685	27,735	31,655
Total General Fund Expenditures	<i>\$ 5,340,549</i>	<i>\$ 5,679,380</i>	<i>\$ 5,047,016</i>	<i>\$ 5,128,764</i>
Net Surplus (Deficit) Without Bldg Remodel Project	<i>\$ 1,384,248</i>	<i>\$ (65,120)</i>	<i>\$ 524,270</i>	<i>\$ (128,624)</i>

Notes:

- (1) FY 20-21 City and County contributions includes per capita assessment remained at \$.47.
- (2) California Energy Commission Grant expired 12/31/19.
- (3) State funded revenues based on AB617, AB134, AB197, & SB1260.
- (4) FY 20-21 Fixed Assets include: \$75,516 for portion of new database program currently in progress.
- (5) Decrease reflects 2 unfilled positions (AQ Inspector, Engineer), no wage increase, increase in PERS rate.
- (6) No permit fee increases, anticipated reduction in revenue due to COVID-19

**Monterey Bay Air Resources District
AB2766 Fund Budget**

	ACTUALS FY 18-19	REVISED BUDGET FY 19-20	ESTIMATED ACTUALS FY 19-20	PROPOSED BUDGET FY 20-21
<i>BEGINNING FUND BALANCE</i>	<u>\$ 5,469,316</u>	<u>\$ 5,645,476</u>	<u>\$ 5,645,476</u>	<u>\$ 6,109,474</u>
<u>Revenues</u>				
AB2766 DMV Fees-Operating	\$ 1,100,000	\$ 1,100,000	\$ 1,100,000	\$ 1,100,000
AB2766 DMV Fees-Non-Operating	1,651,276	1,711,000	1,711,000	1,539,900
AB2766 Fund Interest Income	107,847	75,000	75,000	45,000
Total AB2766 Fund Revenues	<u>\$ 2,859,123</u>	<u>\$ 2,886,000</u>	<u>\$ 2,886,000</u>	<u>\$ 2,684,900</u>
<u>Expenditures by Division:</u>				
Administrative	\$ 336,970	\$ 304,835	\$ 247,936	\$ 327,375
Air Monitoring	443,346	446,454	382,116	444,313
Compliance	-	-	-	-
Engineering	-	-	-	-
Planning (2)	1,902,647	4,477,655	1,791,950	5,205,576
Total AB2766 Fund Expenditures	<u>\$ 2,682,963</u>	<u>\$ 5,228,944</u>	<u>\$ 2,422,002</u>	<u>\$ 5,977,264</u>
Net Surplus (Deficit)	<u>\$ 176,160</u>	<u>\$ (2,342,944)</u>	<u>\$ 463,998</u>	<u>\$ (3,292,364)</u>
<i>ENDING FUND BALANCE</i>	<u>\$ 5,645,476</u>	<u>\$ 3,302,532</u>	<u>\$ 6,109,474</u>	<u>\$ 2,817,110</u>
<u>Expenditures by Type (4):</u>				
Salaries and Benefits	\$ 644,545	\$ 637,171	\$ 561,265	\$ 678,886
Maintenance, Equipment, and Supplies	61,538	65,706	46,910	75,606
Legal and Professional Services	70,071	93,050	89,100	103,800
Utilities & Office Rent	30,745	32,725	30,355	33,105
Insurance	13,491	11,700	11,700	17,400
Training, Travel, District Board Expenses	13,694	22,385	12,675	30,543
Sponsorships (1)	20,263	21,500	12,500	22,000
Fixed Assets (5)	60,412	42,160	5,200	11,284
Grants-Public Educations	-	-	-	2,000
Grants-AB2766 (Current & Prior Years) (2)	1,366,749	3,900,000	1,250,000	4,600,000
Electric Vehicle Incentives (3)	400,000	400,000	400,000	400,000
Other	1,454	2,547	2,297	2,640
Total AB2766 Fund Expenditures	<u>\$ 2,682,963</u>	<u>\$ 5,228,944</u>	<u>\$ 2,422,002</u>	<u>\$ 5,977,264</u>

Notes:

- (1) Includes sponsoring the annual Clean Air awards and electric vehicle events.
- (2) Assumption for FY 19-20 & 20-21 budget columns is that all outstanding grants are paid out during the fiscal period. Over the last five fiscal periods, actual grant reimbursements have averaged 43% of budget.
- (3) Incentives offered to Tri-County residents for purchasing all-electric, plug-in hybrids, or hydrogen fuel cell vehicles.
- (4) Expense allocations are based on the percentage of mobile source emission inventory as compared to stationary sources.
- (5) FY 20-21 Fixed Assets include portion of data base program currently in progress (AB2766 allocation).

**Monterey Bay Air Resources District
AB923 Fund Budget**

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	ACTUALS FY 18-19	REVISED BUDGET FY 19-20	ESTIMATED ACTUALS FY 19-20	PROPOSED BUDGET FY 20-21
<i>BEGINNING FUND BALANCE</i>	<u>\$ 4,923,348</u>	<u>\$ 5,251,949</u>	<u>\$ 5,251,949</u>	<u>\$ 2,987,955</u>
<u>Revenues</u>				
AB923 Fees/ - Operating	\$ 60,000	\$ 60,000	\$ 60,000	\$ 60,000
AB923 Fees/Interest -Non-Operating	1,315,638	1,353,000	1,353,000	1,217,700
AB923 Fund Interest Income	100,230	85,000	80,000	80,000
Total AB923 Fund Revenues	<u>\$ 1,475,868</u>	<u>\$ 1,498,000</u>	<u>\$ 1,493,000</u>	<u>\$ 1,357,700</u>
<u>Expenditures by Division:</u>				
Planning (1)	\$ 1,147,267	\$ 3,757,149	\$ 3,756,994	\$ 4,304,953
Total AB923 Fund Expenditures	<u>\$ 1,147,267</u>	<u>\$ 3,757,149</u>	<u>\$ 3,756,994</u>	<u>\$ 4,304,953</u>
Net Surplus (Deficit)	<u>\$ 328,601</u>	<u>\$ (2,259,149)</u>	<u>\$ (2,263,994)</u>	<u>\$ (2,947,253)</u>
<i>ENDING FUND BALANCE</i>	<u><u>\$ 5,251,949</u></u>	<u><u>\$ 2,992,800</u></u>	<u><u>\$ 2,987,955</u></u>	<u><u>\$ 40,702</u></u>
<u>Expenditures by Type:</u>				
Salaries and Benefits	\$ 48,251	\$ 105,749	\$ 53,450	\$ 82,576
Supplies, Travel, Training	1,104	1,400	600	2,600
Electric Vehicle Infrastructure Project (1)	1,060,608	2,650,000	2,500,000	2,050,000
Grants-AB923 (2)	37,305	1,000,000	1,202,944	2,168,777
Other	-	-	-	1,000
Total AB923 Fund Expenditures	<u><u>\$ 1,147,267</u></u>	<u><u>\$ 3,757,149</u></u>	<u><u>\$ 3,756,994</u></u>	<u><u>\$ 4,304,953</u></u>

Notes:

- (1) Plug-In Monterey Bay electric vehicle Infrastructure Project to install and operate EV charge stations in the Monterey, Santa Cruz, and San Benito Counties.
- (2) Assumption for FY 19-20 & 20-21 budget columns is that all outstanding grants are paid out during the fiscal period. Over the last five fiscal periods, actual grant reimbursements have averaged 43% of budget.

Monterey Bay Air Resources District Moyer Fund Budget

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	<u>ACTUALS</u> FY 18-19	<u>REVISED</u> <u>BUDGET</u> FY 19-20	<u>ESTIMATED</u> <u>ACTUALS</u> FY 19-20	<u>PROPOSED</u> <u>BUDGET</u> FY 20-21
<i>BEGINNING FUND BALANCE</i>	<i>\$ 447,607</i>	<i>\$ 1,069,578</i>	<i>\$ 1,069,578</i>	<i>\$ 906,720</i>
<u>Revenues</u>				
Moyer Grant-Non Operating	\$ 1,279,373	\$ 947,767	\$ 947,767	\$ 984,533
Moyer Grant - Operating	234,850	135,395	135,395	140,645
NOx Remediation Grant-Non Operating	181,933	-	-	-
NOx Remediation Grant - Operating	11,613	-	-	-
Moyer Interest	17,339	9,000	15,000	7,000
Total Moyer Fund Revenues	<u>\$ 1,725,108</u>	<u>\$ 1,092,162</u>	<u>\$ 1,098,162</u>	<u>\$ 1,132,178</u>
<u>Expenditures by Division:</u>				
Planning (1)	\$ 1,103,138	\$ 1,491,231	\$ 1,261,020	\$ 1,177,133
Total Moyer Fund Expenditures	<u>\$ 1,103,138</u>	<u>\$ 1,491,231</u>	<u>\$ 1,261,020</u>	<u>\$ 1,177,133</u>
Net Surplus (Deficit)	<u>\$ 621,971</u>	<u>\$ (399,069)</u>	<u>\$ (162,858)</u>	<u>\$ (44,955)</u>
<i>ENDING FUND BALANCE</i>	<i><u>\$ 1,069,578</u></i>	<i><u>\$ 670,509</u></i>	<i><u>\$ 906,720</u></i>	<i><u>\$ 861,765</u></i>
<u>Expenditures by Type:</u>				
Salaries and Benefits	\$ 67,306	\$ 97,831	\$ 75,200	\$ 62,902
Professional Services	475	9,000	2,000	5,000
Supplies, Travel, Training	17	2,400	1,820	1,700
Grants - Moyer and NOx Remediation (1)	1,035,340	1,382,000	1,182,000	1,107,531
Total Moyer Fund Expenditures	<u>\$ 1,103,138</u>	<u>\$ 1,491,231</u>	<u>\$ 1,261,020</u>	<u>\$ 1,177,133</u>

Notes:

(1) Assumption for FY 19-20 & 20-21 budget columns is that all outstanding grants are paid out during the fiscal period.
Over the last five fiscal periods, actual grant reimbursements have averaged 43% of budget.

**Monterey Bay Air Resources District
Community Air Protection Program (CAPP) Fund Budget**

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	ACTUALS FY 18-19	REVISED BUDGET FY 19-20	ESTIMATED ACTUALS FY 19-20	PROPOSED BUDGET FY 20-21
<i>BEGINNING FUND BALANCE</i>	\$ -	\$ 2,940	\$ 2,940	\$ 1,171,147
<u>Revenues</u>				
CAPP Funding-Non Operating	\$ -	\$ 1,433,304	\$ 1,433,304	\$ 1,233,304
CAPP Funding-Operating	7,687	204,758	204,758	-
CAPP Fund Interest	3,794	3,000	7,000	7,000
Total CAPP Fund Revenues	\$ 11,481	\$ 1,641,062	\$ 1,645,062	\$ 1,240,304
<u>Expenditures by Division:</u>				
Planning (1)	\$ 8,541	\$ 658,296	\$ 476,855	\$ 1,622,234
Total CAPP Fund Expenditures	\$ 8,541	\$ 658,296	\$ 476,855	\$ 1,622,234
Net Surplus (Deficit)	\$ 2,940	\$ 982,766	\$ 1,168,207	\$ (381,930)
<i>ENDING FUND BALANCE</i>	\$ 2,940	\$ 985,706	\$ 1,171,147	\$ 789,217
<u>Expenditures by Type:</u>				
Salaries and Benefits	\$ -	\$ 42,196	\$ 10,250	\$ 38,847
Professional Services	-	-	-	-
Supplies, Travel, Training	-	1,100	425	2,200
Grants (1)	-	615,000	466,180	1,581,187
Total CAPP Fund Expenditures	\$ -	\$ 658,296	\$ 476,855	\$ 1,622,234

Notes:

(1) Grants to reduce air pollution in disadvantaged and low income areas. Grants to be administered based on Carl Moyer Grant Program guidelines.

Monterey Bay Air Resources District
Funding Agricultural Replacement Measures
for Emission Reductions (FARMER) Fund Budget

DRAFT

	ACTUALS FY 18-19	REVISED BUDGET FY 19-20	ESTIMATED ACTUALS FY 19-20	PROPOSED BUDGET FY 20-21
<i>BEGINNING FUND BALANCE</i>	\$ -	\$ 4,253	\$ 4,253	\$ 593,718
<u>Revenues</u>				
FARMER Funding-Non Operating	\$ 529,766	\$ 1,097,018	\$ 1,973,478	\$ 540,601
FARMER Funding-Operating	30,024	156,717	327,582	77,229
FARMER Fund Interest	7,937	5,000	11,000	5,000
Total FARMER Fund Revenues	\$ 567,727	\$ 1,258,735	\$ 2,312,060	\$ 622,830
<u>Expenditures by Division:</u>				
Planning (1)	\$ 563,474	\$ 1,484,527	\$ 1,722,595	\$ 618,212
Total FARMER Fund Expenditures	\$ 563,474	\$ 1,484,527	\$ 1,722,595	\$ 618,212
Net Surplus (Deficit)	\$ 4,253	\$ (225,792)	\$ 589,465	\$ 4,618
<i>ENDING FUND BALANCE</i>	\$ 4,253	\$ (221,539)	\$ 593,718	\$ 598,336
<u>Expenditures by Type:</u>				
Salaries and Benefits	\$ 33,708	\$ 78,827	\$ 42,415	\$ 56,767
Professional Services	-	3,000	500	2,000
Supplies, Travel, Training	-	2,700	680	3,500
Grants (1)	529,766	1,400,000	1,679,000	555,945
Total FARMER Fund Expenditures	\$ 563,474	\$ 1,484,527	\$ 1,722,595	\$ 618,212

Notes:

(1) Grants to reduce agricultural sector emissions by replacing farm equipment, irrigation pumps, and heavy duty trucks.

Monterey Bay Air Resources District General Grants Fund Budget

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	ACTUALS FY 18-19	REVISED BUDGET FY 19-20	ESTIMATED ACTUALS FY 19-20	PROPOSED BUDGET FY 20-21
<i>BEGINNING FUND BALANCE</i>	\$ 1,155,469	\$ 1,211,397	\$ 1,211,397	\$ 1,146,397
<u>Revenues</u>				
Offsite Mitigation Fees/Revenue (1)	\$ 282,285	\$ 265,000	\$ 195,000	\$ 195,000
Offsite Mitigation Oper Fees - Admin (1)	\$ -	\$ -		\$ 24,375
Mty Bay Community Power Revenue (2)				\$ 1,200,000
Mty Bay Community Power Oper - Admin (2)				\$ 12,000
General Grants Interest	\$ 25,790	\$ 15,000	\$ 15,000	\$ 13,000
Total General Grants Fund Revenues	\$ 308,075	\$ 280,000	\$ 210,000	\$ 1,444,375
<u>Expenditures by Division:</u>				
Administrative	\$ -	\$ -	\$ -	\$ -
Air Monitoring	-	-	-	-
Compliance	-	-	-	-
Engineering	-	-	-	-
Planning	\$ 252,148	\$ 1,000,000	\$ 275,000	\$ 2,220,730
Total General Grants Fund Expenditures	\$ 252,148	\$ 1,000,000	\$ 275,000	\$ 2,220,730
Net Surplus (Deficit)	\$ 55,928	\$ (720,000)	\$ (65,000)	\$ (776,355)
<i>ENDING FUND BALANCE</i>	\$ 1,211,397	\$ 491,397	\$ 1,146,397	\$ 370,042
<u>Expenditures by Type:</u>				
Salaries and Wages	0	0	0	20,730
Grants (1)	\$ 252,148	\$ 1,000,000	\$ 275,000	\$ 2,200,000
Total General Grants Fund Expenditures	\$ 252,148	\$ 1,000,000	\$ 275,000	\$ 2,220,730

Notes:

(1) Funded by developer mitigation fees from the East Garrison project in Marina. Monies to be granted for retrofits/replacements of agricultural pumps and school buses.

**Monterey Bay Air Resources District
 Clean Air Fund Budget**

	<u>ACTUALS</u> FY 18-19	<u>REVISED</u> <u>BUDGET</u> FY 19-20	<u>ESTIMATED</u> <u>ACTUALS</u> FY 19-20	<u>PROPOSED</u> <u>BUDGET</u> FY 20-21
<i>BEGINNING FUND BALANCE</i>	<u>\$ -</u>	<u>\$ 100,862</u>	<u>\$ 100,862</u>	<u>\$ 82,262</u>
<u>Clean Air Fund</u>				
Transfers from General Fund	\$ 110,000	\$ 30,000	\$ 30,000	\$ 30,000
Interest	1,362	500	1,400	1,400
Total Clean Air Fund Revenues	<u><u>\$ 111,362</u></u>	<u><u>\$ 30,500</u></u>	<u><u>\$ 31,400</u></u>	<u><u>\$ 31,400</u></u>
 <u>Expenditures by Type:</u>				
Special Air Quality Projects authorized per District Policy B.12	<u>\$ 10,500</u>	<u>\$ 100,000</u>	<u>\$ 50,000</u>	<u>\$ 75,000</u>
Total Clean Air Fund Expenditures	<u><u>\$ 10,500</u></u>	<u><u>\$ 100,000</u></u>	<u><u>\$ 50,000</u></u>	<u><u>\$ 75,000</u></u>
Surplus (Deficit)	<u><u>\$ 100,862</u></u>	<u><u>\$ (69,500)</u></u>	<u><u>\$ (18,600)</u></u>	<u><u>\$ (43,600)</u></u>
 <i>ENDING FUND BALANCE</i>	 <u><u>\$ 100,862</u></u>	 <u><u>\$ 31,362</u></u>	 <u><u>\$ 82,262</u></u>	 <u><u>\$ 38,662</u></u>

Monterey Bay Air Resources District Direct Expenditures by Program - All Funds

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	ACTUALS FY 18-19	ESTIMATED ACTUALS FY 19-20	PROPOSED BUDGET FY 20-21
Support and Operations (1)	\$ 1,737,545	\$ 1,620,610	\$ 1,633,766
Public Education	114,160	92,288	136,001
Permitting (2)	2,228,952	2,561,721	2,562,748
Title V	218,945	61,719	177,902
Asbestos	288,795	251,467	290,338
Air Monitoring AB2766	443,346	382,116	444,313
Air Monitoring PM 2.5	36,887	33,223	37,816
Planning General	507,753	392,100	295,455
Planning AB2766 (3)	1,902,647	1,791,950	5,205,576
AB 923 Grant Program (3)	1,147,267	3,756,994	4,304,953
Moyer Grant Program (3) Offsite Mitigation Grants/Monterey Bay Community Power (4)	1,103,138	1,261,020	1,177,133
Community Air Protection Grant Program (5)	252,148	275,000	2,220,730
Funding Agric Replacement Measures Grant Program (5)	8,541	476,855	1,623,234
Woodstove Changeout Program	563,474	1,722,595	618,212
Clean Air Fund Projects	480,706	179,095	222,113
Debt Reduction (6)	10,500	50,000	75,000
	100,000	100,000	100,000
Total-All Programs	\$ 11,144,804	\$ 15,008,753	\$ 21,125,290

Notes:

- (1) Support and Operations include all overhead expenses, including building remodel expenses.
- (2) Permitting program includes stationary source program expenditures for Engineering & Compliance divisions, rule development, complaints, burn permits, and air monitoring.
- (3) Assumption for FY 20-21 budget is that all outstanding grants are paid out during the fiscal period. Over the last five fiscal periods, actual grant reimbursements have averaged 43% of budget.
- (4) Offsite mitigation grants funded from East Garrison Project / Electric School Bus grants funded by Monterey Bay Community Power.
- (5) Grant programs to reduce emissions, funded by recent State legislation.
- (6) Debt reduction is for deposits to Other Post Employment Benefit (OPEB) Trust for retiree health benefits.

**Monterey Bay Air Resources District
Stationary Source Programs
FY 2020-21 Budget**

DRAFT

	Program		
	Permitting	Title V	Asbestos
Estimated Revenues:			
Permitting Fees	\$ 2,768,495	\$ 247,600	\$ 286,000
Cost Recoveries	\$ 12,500	\$ -	\$ 37,500
Total Estimated Revenues	\$ 2,780,995	\$ 247,600	\$ 323,500
Estimated direct expenditures			
Engineering Division	\$ 1,187,156	\$ 97,392	\$ -
Compliance Division	1,189,810	80,510	290,338
Air Monitoring Division	164,811	-	-
Planning Division	20,971	-	-
Subtotal - Direct Expenditures	\$ 2,562,748	\$ 177,902	\$ 290,338
Estimated overhead allocations			
Engineering Division	\$ 453,369	\$ 33,397	\$ -
Compliance Division	503,020	44,343	108,716
Air Monitoring Division	58,403	-	-
Planning Division	99,674	-	-
Subtotal - Overhead Allocations	\$ 1,114,466	\$ 77,739	\$ 108,716
Total Expenditures + Overhead	\$ 3,677,214	\$ 255,641	\$ 399,054
Revenues less Expenditures:			
Surplus or (deficit)	\$ (896,219)	\$ (8,041)	\$ (75,554)
Cost Recovery Rate	76%	97%	81%

Notes : *Deficits in the Stationary Source and Asbestos Programs are funded with the use of unrestricted General Funds.*

Deficits in the Title V Program are offset by surpluses in prior fiscal years.

**Monterey Bay Air Resources District
Fixed Assets
Proposed Budget
FY 2020-21**

Description	Estimated Cost
Document management- Software as a Service Cloud Licenses	\$ 25,000
Permit Database - Software as a Service Cloud licenses	\$ 61,800
Grand Total	\$ 86,800



ADMINISTRATIVE DIVISION

Under two programs, Support and Operations and Public Education, the Division performs the following functions:

- District Boards
- General Operations, including building and vehicle maintenance
- Finance and Accounting
- Personnel Administration
- Risk Management
- Information System Services
- Public Education

The Administrative Division consists of the Air Pollution Control Officer (APCO), an Administrative Services Manager, an Executive Assistant to the APCO/Clerk of the Boards, an Administrative and Fiscal Specialist, a Senior Fiscal Assistant, and an Office Assistant.

	ACTUALS FY 2018-19	REVISED BUDGET FY 2019-20	ESTIMATED ACTUALS FYE 6/30/20	PROPOSED BUDGET FY 2020-21
<u>Expenditures by Type:</u>				
Salaries and Benefits	\$ 902,857	\$ 920,544	\$ 796,041	\$ 888,267
Maintenance, Equipment, and Supplies	224,377	184,603	160,965	129,964
Legal and Professional Services	255,051	283,355	258,455	340,305
Utilities & Office Rent	72,544	90,105	81,175	80,471
Insurance	84,320	83,700	81,700	108,700
Training, Travel, District Board Expenses	43,058	59,680	46,850	55,910
Fixed Assets	125,331	365,000	221,192	86,800
Sponsorships	18,263	20,000	12,000	20,000
Transfers Out	110,000	30,000	30,000	30,000
OPEB Trust Acct Deposit	95,000	100,000	100,000	100,000
Grants and Other	20,904	28,260	24,520	29,350
Totals	\$1,951,705	\$2,165,247	\$1,812,898	\$1,869,767



AIR MONITORING DIVISION

The Air Monitoring Division performs the following functions:

- Ambient Air Monitoring from stations in Salinas, Hollister, Santa Cruz, King City, Carmel Valley, and Felton.
- Meteorological Monitoring
- Enforcement Monitoring in response to complaints
- Data acquisition, data display, and data quality control

The Air Monitoring Division consists of a Planning and Air Monitoring Manager (.5 FTE), a Supervising Air Monitoring Specialist, two Senior Air Monitoring Specialists, and an Air Monitoring Technical Assistant (vacant position).

	ACTUALS FY 18-19	REVISED BUDGET FY 19-20	ESTIMATED ACTUALS FY 19-20	PROPOSED BUDGET FY 20-21
<i>Expenditures by Type:</i>				
Salaries and Benefits	\$ 546,612	\$ 498,220	\$ 487,372	\$ 547,784
Maintenance, Equipment, and Supplies	25,724	46,249	30,029	46,019
Professional Services	9,724	15,000	14,150	15,000
Utilities & Office Rent	27,125	28,457	26,697	28,637
Training & Travel	6,292	8,000	3,600	9,500
Fixed Assets	28,622	52,000	2,000	-
Totals	\$ 644,099	\$ 647,926	\$ 563,848	\$ 646,940



COMPLIANCE DIVISION

The Compliance Division performs the following major functions:

- Enforcement of all applicable local, state, and federal laws and regulations in the District
- Burn Program for open and prescribed burns
- Compliance Assistance Program to ease and facilitate compliance by regulated sources
- Asbestos Program to enforce federal NESHAP regulations
- Representation at District's Hearing Board
- Management of Mutual Settlement Program
- Source Testing observations of stack emissions

The Compliance Division consists of an Engineering and Compliance Manager (.5 FTE), a Supervising Inspector, seven field Inspectors, an Engineering and Compliance Specialist (.75 FTE), and a Senior Administrative Assistant.

	ACTUALS FY 18-19	REVISED BUDGET FY 19-20	ESTIMATED ACTUALS FY 19-20	PROPOSED BUDGET FY 20-21
<i>Expenditures by Type:</i>				
Salaries and Benefits	\$1,445,474	\$1,539,046	\$1,424,297	\$1,434,592
Maintenance, Equipment, and Supplies	19,262	23,912	17,722	26,590
Utilities & Office Rent	19,553	21,430	20,605	21,696
Professional Services	1,999	120,000	66,000	59,500
Training & Travel	14,823	22,680	15,599	18,280
Fixed Assets	-	65,000	35,000	-
Other	-	-	-	-
Totals	\$1,501,113	\$1,792,068	\$1,579,224	\$1,560,658



ENGINEERING DIVISION

The Engineering Division performs the following major functions:

- Permitting to ensure that businesses comply with air quality control requirements
- Rule Development including proposed regulations and regulatory changes pertaining to engineering activities
- Toxics Program
- Technical Assistance including review of federal and state programs and emission inventory

The Engineering Division staff consists of an Engineering and Compliance Manager (.5 FTE), a Supervisor, four Permit Engineers, an Engineering and Compliance Specialist (.25 FTE), and a Senior Administrative Assistant.

	<u>ACTUALS</u> <u>FY 2018-19</u>	<u>REVISED</u> <u>BUDGET</u> <u>FY 2019-20</u>	<u>ESTIMATED</u> <u>ACTUALS</u> <u>FYE 6/30/20</u>	<u>REQUESTED</u> <u>BUDGET</u> <u>FY 2020-21</u>
<u>Expenditures by Type:</u>				
Salaries and Benefits	\$ 1,015,877	\$ 1,101,672	\$ 986,602	\$ 984,348
Maintenance, Equipment, and Supplies	2,995	16,328	8,150	13,300
Utilities	93	1,000	500	1,000
Professional Services	3,658	164,600	126,700	254,500
Training & Travel	11,653	19,400	14,500	21,400
Other	35	8,972	8,972	\$ 10,000
Totals	<u>\$1,034,311</u>	<u>\$1,311,972</u>	<u>\$1,145,424</u>	<u>\$1,284,548</u>



PLANNING DIVISION

The Planning Division performs the following functions:

- Preparation of Federal and State regional air quality plans
- Development of Emission Inventories from stationary, area, and mobile sources
- Analysis of air quality problems
- CEQA guidance to Lead Agencies, consultants, and others
- Grants and contractual programs
- Educational programs for the general public

The Planning Division consists of a Planning and Air Monitoring Manager (.5 FTE), three Air Quality Planners and an Air Quality Technician.

	ACTUALS FY 18-19	REVISED BUDGET FY 19-20	ESTIMATED ACTUALS FY 19-20	PROPOSED BUDGET FY 20-21
<u>Expenditures by Type:</u>				
Salaries and Benefits	\$ 735,251	\$ 713,814	\$ 684,065	\$ 709,137
Maintenance, Equipment, and Supplies	4,029	14,300	6,755	12,600
Professional Services	1,204,992	2,740,600	2,568,150	2,136,100
Utilities & Office Rent	947	2,000	800	2,000
Training & Travel	16,076	37,300	16,815	52,300
Sponsorships	2,000	1,500	500	2,000
Grants-AB2766	1,366,749	3,900,000	1,250,000	4,600,000
Grants-Moyer	1,035,340	1,382,000	1,182,000	1,107,531
Grants-AB923	37,305	1,000,000	1,202,944	2,168,777
Grants-CAPP	-	615,000	466,180	1,581,187
Grants-FARMER	529,766	1,400,000	1,679,000	555,945
Electric Vehicle Incentives	400,000	400,000	400,000	400,000
Grants-Woodstove Changeouts	382,000	175,000	125,000	160,000
Grants-Offsite Mitigation	252,148	1,000,000	275,000	1,000,000
Grants-Mty Bay Community Power	-	-	-	1,200,000
Other	250	800	150	800
Totals	\$ 5,966,852	\$ 13,382,314	\$ 9,857,359	\$ 15,688,377

FUND BALANCES

Monterey Bay Air Resources District Fund Balances

	General Fund			AB2766 Fund			AB923 Fund			Moyer Fund			General Grant Fund		
	ESTIMATED ACTUALS FY 18-19	PROPOSED BUDGET FY 20-21		ESTIMATED ACTUALS FY 18-19	PROPOSED BUDGET FY 20-21		ESTIMATED ACTUALS FY 18-19	PROPOSED BUDGET FY 20-21		ESTIMATED ACTUALS FY 18-19	PROPOSED BUDGET FY 20-21		ESTIMATED ACTUALS FY 18-19	PROPOSED BUDGET FY 20-21	
Beginning Fund Balance, July 1st	\$ 6,214,702	\$ 6,641,187	\$ 7,119,645	\$ 5,469,316	\$ 6,109,474	\$ 6,109,474	\$ 4,923,348	\$ 5,251,949	\$ 2,987,955	\$ 447,607	\$ 1,069,578	\$ 906,720	\$ 1,155,469	\$ 1,211,397	\$ 1,146,397
Revenues	5,767,034	5,625,474	5,000,140	2,859,123	2,886,000	2,684,900	1,475,868	1,493,000	1,357,700	1,725,108	1,098,162	1,132,178	308,075	210,000	1,444,375
Expenditures (1)	(5,340,549)	(5,047,016)	(5,128,764)	(2,682,963)	(2,422,002)	(5,977,264)	(1,147,267)	(3,756,994)	(4,304,953)	(1,103,138)	(1,261,020)	(1,177,133)	(252,148)	(275,000)	(2,220,730)
Net Increase (Decrease) in Fund Balance	\$ 426,485	\$ 478,458	\$ (128,624)	\$ 176,160	\$ 463,998	\$ (3,292,364)	\$ 328,601	\$ (2,263,994)	\$ (2,947,253)	\$ 621,971	\$ (162,858)	\$ (44,955)	\$ 55,928	\$ (65,000)	\$ (776,355)
Projected Ending Fund Balance, June 30th	\$ 6,641,187	\$ 7,119,645	\$ 6,991,021	\$ 5,645,476	\$ 6,109,474	\$ 2,817,110	\$ 5,251,949	\$ 2,987,955	\$ 40,702	\$ 1,069,578	\$ 906,720	\$ 861,765	\$ 1,211,397	\$ 1,146,397	\$ 370,042
Reserves & Unreserved Fund Balance:															
Reserved for Grants				\$ 2,882,655	\$ 2,800,000	\$ 1,800,000	\$ 4,816,582	\$ 2,987,955	\$ 40,702	\$ 447,607	\$ 906,720	\$ 861,765	\$ 887,199	\$ 1,146,397	\$ 370,042
Designated for Economic Uncertainties (2)	\$ 1,604,750	\$ 1,604,750	\$ 191												
Designated for Building & Facilities	100,000	100,000	100,000												
Designated for Other Post Employment Benefits (OPEB)	175,000	75,000	(25,000)												
Designated for Pension Obligations Prefunding	500,000	500,000	500,000												
Designated for Special Projects per District Policy B.12															
Unreserved Fund Balance	4,761,437	5,339,895	6,415,850	2,762,821	3,309,474	1,017,110									
Projected Total-Reserved & Unreserved Fund Balance	\$ 7,141,187	\$ 7,619,645	\$ 6,991,021	\$ 5,645,476	\$ 6,109,474	\$ 2,817,110	\$ 4,816,582	\$ 2,987,955	\$ 40,702	\$ 447,607	\$ 906,720	\$ 861,765	\$ 887,199	\$ 1,146,397	\$ 370,042

AGENDA ITEM NO. 14

Notes:
 (1) Assumption for 20-21 is that all outstanding grants are paid out during the fiscal period. Over the last five fiscal periods, actual grant expenditures have averaged 43% of budget.
 (2) Per the District's Reserve Policy, the minimum level is 25% of the current year's Operating Budget.

Monterey Bay Air Resources District Fund Balances

	Community Air Protection Program (CAPP)				Funding Agric Replacement Measures (FARMER)				Clean Air Fund						
	ESTIMATED ACTUALS		PROPOSED BUDGET		ESTIMATED ACTUALS		PROPOSED BUDGET		ACTUALS		ESTIMATED ACTUALS		PROPOSED BUDGET		
	FY 18-19	FY 19-20	FY 20-21	FY 18-19	FY 19-20	FY 20-21	FY 18-19	FY 19-20	FY 20-21	FY 18-19	FY 19-20	FY 20-21	FY 18-19	FY 19-20	FY 20-21
Beginning Fund Balance, July 1st	\$ -	\$ 2,940	\$ 1,171,147	\$ -	\$ -	\$ 4,253	\$ 593,718	\$ -	\$ -	\$ 121,862	\$ 103,262				
Revenues	11,481	1,645,062	1,240,304	567,727	2,312,060	622,830			111,362	31,400	31,400				
Expenditures (1)	(8,541)	(476,855)	(1,622,234)	(563,474)	(1,722,595)	(618,212)			10,500	(50,000)	(75,000)				
Net Increase (Decrease) in Fund Balance	\$ 2,940	\$ 1,168,207	\$ (381,930)	\$ 4,253	\$ 589,465	\$ 4,618			\$ 121,862	\$ (18,600)	\$ (43,600)				
Projected Ending Fund Balance, June 30th	\$ 2,940	\$ 1,171,147	\$ 789,217	\$ 4,253	\$ 593,718	\$ 598,336			\$ 121,862	\$ 103,262	\$ 59,662				
Reserves & Unreserved Fund Balance:															
Reserved for Grants	\$ 466,182	\$ 1,171,147	\$ 789,217	\$ 4,253	\$ 593,718	\$ 598,336									
Designated for Economic Uncertainties (2)															
Designated for Building & Facilities															
Designated for Other Post Employment Benefits (OPEB)															
Designated for Pension Obligations Prefunding															
Designated for Special Projects per District Policy B.12															
Unreserved Fund Balance									\$ 121,862	\$ 103,262	\$ 59,662				
Projected Total-Reserved & Unreserved Fund Balance	\$ 466,182	\$ 1,171,147	\$ 789,217	\$ 4,253	\$ 593,718	\$ 598,336			\$ 121,862	\$ 103,262	\$ 59,662				

RESOLUTION

RESOLUTION 20-__

BEFORE THE AIR POLLUTION CONTROL BOARD OF THE MONTEREY BAY AIR RESOURCES DISTRICT

- Adopt the Fiscal Year (FY) 19-20 Budget in the Amount of \$21,125,290 and)
- Authorize the Purchase of Specified Fixed Assets; and)
- Approve the Per Capita Assessment per the District’s Unification Agreement; and)
- Approve Permit Fees Effective July 1, 2019 Per the Attached Fee Schedule; and)
- Approve Direction to Staff for Development of Future District Budgets.....)

BE IT RESOLVED, a budget figure in the amount of \$21,125,290 for FY 20-21 is hereby adopted for the Monterey Bay Air Resources District and the Air Pollution Control Officer is hereby directed to implement the Budget accordingly.

BE IT FURTHER RESOLVED, the Air Pollution Control Officer is authorized and hereby directed to negotiate and sign the final supplemental applications for potential Federal grant and State subvention funds for FY 20-21.

BE IT FURTHER RESOLVED, the Air Pollution Control Officer is hereby authorized to purchase the fixed assets included in the budget at costs not to exceed funds in the total fixed asset account.

BE IT FURTHER RESOLVED, by majority vote, this Board determined the per capita assessment imposed and paid by all cities and counties within the District, as stipulated in the District’s Unification Agreement. The per capita assessment for FY 20-21 shall remain at forty-seven cents (\$.47).

BE IT FURTHER RESOLVED, by majority vote, this Board approves the attached permit fee schedule and directs staff to develop future budgets recognizing a consistent index of inflation. As needed, the Budget will be prepared for the Board’s consideration using the San Francisco-Oakland-San Jose Consumer Price Index as available to adjust general regulatory fees.

PASSED AND ADOPTED this 17th day of June, 2020, upon motion of Director _____, seconded by Director _____, and carried by the following vote, to wit:

AYES:

NOES:

ABSENT:

I hereby certify that the foregoing is a true and correct Resolution as duly adopted by the Board of Directors of the Monterey Bay Air Resources District on June 17, 2020.

By: _____
Ann O’Rourke, Executive Assistant

Approved: _____
Richard A. Stedman, APCO

Table 1. Fee Schedule

Rule 300 (Part 3, Permit Fees)

Permit Fees	Rule 300 (FY 2019-2020)	Rule 300 (FY 2020-2021)
Section 3.1 Filing Fee	\$ 217	\$ 217
Section 3.4.1 Synthetic Minor Permit Filing Fee	\$ 319	\$ 319
Section 3.4.2 Synthetic Minor Permit Evaluation Fee	\$ 1,273	\$ 1,273

Rule 300 (Annual Renewal Fees for Source Specific Categories, Section 4.3)

Source Category	Rule 300 (FY 2019-2020)	Rule 300 (FY 2020-2021)
Dry Cleaner	\$341	\$341
Emergency Diesel Fueled Internal Combustion Engine (fee code 202)	\$373	\$373
Emergency Diesel Fueled Internal Combustion Engine (historical fee code 501)	\$253	\$253
Emergency Non-Diesel Fueled Internal Combustion Engine	\$253	\$253
Fume Hood	\$231	\$231
Fossil Fueled Power Plant Gas Turbine Maximum Rated Heat Input (Moss Landing Power Plant Only)	\$55 per MMBtu/hr	\$55 per MMBtu/hr
Fossil Fueled Power Plant Boiler (Moss Landing Power Plant Only)	\$27 per MMBtu/hr	\$27 per MMBtu/hr
Lime Processing Facility (3-year average kiln annual production rates):		
-Kiln production rate < 100,000 short tons per year	\$0.55 per short ton	\$0.55 per short ton
-Kiln production rate > 100,000 short tons per year	\$0.77 per short ton	\$0.77 per short ton
Cannabis Cultivation/Manufacturing/Processing Operations and Odors	\$494	\$604
Cannabis Cultivation/Manufacturing/Processing- Odors	\$110	
Synthetic Minor Permit	\$44 per ton	\$44 per ton

Table 1. Fee Schedule

Rule 300 (Annual Renewal Fees , Section 4.4)

Billable Emission per Permit; Tons per Year	Rule 300 (FY 2019-2020)	Rule 300 (FY 2020-2021)
0 - < 0.1	\$ 216	\$ 216
0.1 - < 1	\$ 324	\$ 324
1 - < 2	\$ 404	\$ 404
2 - < 5	\$ 577	\$ 577
5 - < 8	\$ 793	\$ 793
8 - < 10	\$ 1,518	\$ 1,518
10 - < 20	\$ 2,242	\$ 2,242
20 - < 30	\$ 3,888	\$ 3,888
30 - < 45	\$ 5,533	\$ 5,533
45 - < 60	\$ 6,765	\$ 6,765
60 - < 80	\$ 7,999	\$ 7,999
80 - < 100	\$ 8,808	\$ 8,808
100 - < 150	\$ 9,604	\$ 9,604
150 - < 200	\$ 11,630	\$ 11,630
200 - < 250	\$ 13,656	\$ 13,656
> 250	\$ 16,962	\$ 16,962

Rule 300 (Annual Renewal Fee Determination, Section 4.5)

Fees	Rule 300 (FY 2019-2020)	Rule 300 (FY 2020-2021)
Section 4.5.1	\$ 1,052	\$ 1,052
Section 4.5.2	\$ 527	\$ 527
Section 4.5.3	\$ 527	\$ 527

Rule 300 (Gasoline Throughput Fees, Section 4.6)

Gasoline Throughput; Gallons per Year	Rule 300 (FY 2019-2020)	Rule 300 (FY 2020-2021)
Section 4.6 Per Nozzle Fee	\$ 53	\$ 53
Throughput "b"		
0 - < 100,000	\$ 258	\$ 258
100,000 - < 400,000	\$ 413	\$ 413
400,000 - < 800,000	\$ 610	\$ 610
800,000 - < 1,200,000	\$ 812	\$ 812
1,200,000 - < 1,600,000	\$ 1,011	\$ 1,011
1,600,000 - < 2,000,000	\$ 1,307	\$ 1,307
2,000,000 - < 3,000,000	\$ 1,983	\$ 1,983
3,000,000 - < 4,000,000	\$ 2,642	\$ 2,642
4,000,000 - < 5,000,000	\$ 3,301	\$ 3,301
5,000,000 - < 6,000,000	\$ 3,960	\$ 3,960
6,000,000 - < 7,000,000	\$ 4,619	\$ 4,619
7,000,000 - < 8,000,000	\$ 5,278	\$ 5,278
8,000,000 - < 9,000,000	\$ 5,937	\$ 5,937
9,000,000 - < 10,000,000	\$ 6,596	\$ 6,596
10,000,000 - < 11,000,000	\$ 7,255	\$ 7,255
Greater than 11,000,000	\$ 7,914	\$ 7,914

Table 1. Fee Schedule**Rule 300 (Wastewater Treatment Facilities Fees, Section 4.7)**

Average Flow; Gallons per Day	Rule 300 (FY 2019-2020)	Rule 300 (FY 2020-2021)
0- <9,999,999	\$ 209	\$ 209
10,000,000 - 20,000,000	\$ 2,613	\$ 2,613
>20,000,000	\$ 6,793	\$ 6,793

Rule 300 (Other Annual Renewal Fee Determination)

Fees	Rule 300 (FY 2019-2020)	Rule 300 (FY 2020-2021)
Section 4.8 Annual Renewal Fee for NESHP Sources	\$ 16,962	\$ 16,962
Section 4.9 Methyl Bromide Fumigation Chambers	\$ 193	\$ 193
Section 4.10 Authorities to Construct	\$ 193	\$ 193
Section 4.11 Toxic Program Sources	\$ 101	\$ 101
Section 6.1 ERC Registry Fee	\$ 640	\$ 640
Section 6.1.2 Annual Regsity Fee	\$ 214	\$ 214

Rule 300 (Delinquency Penalties)

Fees	Rule 300 (FY 2019-2020)	Rule 300 (FY 2020-2021)
Section 5.1.7.2 Revocation Initiation	\$ 545	\$ 545
Section 5.1.7.3 Reinstatement	\$ 823	\$ 823

AGENDA ITEM NO. 14

Table 1. Fee Schedule

Rule 301 (Permit Fee Schedules)

	Fee Schedules	Rule 301 (FY 2019-2020)	Rule 301 (FY 2020-2021)
	Hourly Staff Rate	\$ 154	\$ 154
Schedule 1	General Permit Fee	\$968 plus the hourly staff rate	\$968 plus the hourly staff rate
Schedule 2	Administrative Amendment	\$314 plus the hourly staff rate	\$314 plus the hourly staff rate
Schedule 3	Equipment that Lost Permit Exemption		
Schedule 4	Gasoline Dispensing Facilities-Complex Permit Applications Hourly Staff Rate	\$	154
	Phase I	\$ 956	-
	Phase II	\$ 956	-
	Phase II per nozzle fee	\$ 53	-
	Phase I + Phase II	\$1274 + \$113 for each nozzle	-
	Installation of InStation Diagnostics System	\$ 1,361	-
	Throughput Fees (gallons per year)		-
	1 Nozzle (0 < 100,000)	\$ 258	-
	2 Nozzles (100,000 < 400,000)	\$ 413	-
	3 Nozzles (400,000 < 800,000)	\$ 610	-
	4 Nozzles (800,000 < 1,200,000)	\$ 812	-
	5 Nozzles (1,200,000 < 1,600,000)	\$ 1,011	-
	6 Nozzles (1,600,000 < 2,000,000)	\$ 1,307	-
	More than 7 Nozzles (2,000,000 or greater)	\$ 1,983	-
Schedule 5	Emission Fees	\$ 216	\$ 216
Schedule 6	Toxic Air Contaminants	\$ 217	\$ 217
Schedule 7	Public Notification	\$ 657	\$ 657
Schedule 8	Public Record Request		
	Paper Photocopies	\$0.10 per page	\$0.10 per page
	Scanned Copies	\$0.10 per page	\$0.10 per page
	Electronic Media	\$ 7	\$ 7
Schedule 9	Mutual Settlement Program Base Rate	\$ 204	\$ 204

Table 1. Fee Schedule

Rule 302 (Source Testing and Analyses)

	Type of Test	Rule 302 (FY 2019-2020)	Rule 302 (FY 2020-2021)
Section 4.1.2	Visible emission evaluation test or observation of source testing	\$154 + \$154 per hour for every staff hour in excess of one staff hour	\$154 + \$154 per hour for every staff hour in excess of one staff hour

Rule 305 (AB2588 Implementation Fees)

	Fee Determination	Rule 305 (FY 2019-2020)	Rule 305 (FY 2020-2021)
Hourly Staff Rate for:			
Section 3.1.2-3.1.3	Emission Inventory, Public Notification, Audit and Plan, Supplemental Risk Assessment	\$ 154	\$ 154
Section 3.3.5.1	Revocation Initiation	\$ 545	\$ 545
Section 3.3.5.2	Reinstatement	\$ 823	\$ 823

AGENDA ITEM NO. 14

Table 1. Fee Schedule

Rule 306 (Asbestos NESHAP Fees)

Fee	Rule 306 (FY 2019-2020)	Rule 306 (FY 2020-2021)	
Demolition (cost per structure) (Including Where No Asbestos Present)	\$ 464	\$ 464	
Schedule of Fees for Removal of Asbestos-Containing Materials			
Demolition or Renovation involving Regulated Asbestos Containing Material (RACM) (fees apply to the material quantity in the highest fee category):			
Square Feet	Linear Feet	Rule 306 (FY 2019-2020)	Rule 306 (FY 2020- 2021)
160-999 OR Equal to or Greater than 35 cubic feet	260-499	\$ 806	\$ 806
1,000-1,499	500-749	\$ 1,040	\$ 1,040
1,500-1,999	750-999	\$ 1,272	\$ 1,272
2,000-3,999	1,000-1,999	\$ 1,498	\$ 1,498
4,000-9,999	2,000-2,999	\$ 1,716	\$ 1,716
10,000-19,999	3,000-4,999	\$ 1,879	\$ 1,879
20,000-29,999	5,000-6,999	\$ 2,343	\$ 2,343
30,000-39,999	7,000-9,999	\$ 2,807	\$ 2,807
40,000-49,999	10,000-11,999	\$ 3,271	\$ 3,271
Equal to or Greater than 50,000	Equal to or Greater than 12,000	\$ 3,735	\$ 3,735
Cancellation Fee		\$ 164	\$ 164

Table 1. Fee Schedule**Rule 308 (Title V Fees)**

	Title V Fees		Rule 308 (FY 2019-2020)		Rule 308 (FY 2020-2021)
Section 3.1.1	Filing Fee for an initial Federal Operating Permit, renewal, or modification	\$	441	\$	441
Section 3.1.2	Filing Fee for Change of Ownership	\$	154	\$	154
Section 3.3	Evaluation Fee	\$	154	\$	154
Section 4.1.1	Minimum Annual Federal Operating Permit Fee (AFOPF)	\$	1,052	\$	1,052
Section 4.1.2.1	AFPOF for landfill gas emissions per ton	\$	3.21	\$	3.21

Rule 309 (Hearing Board Fees)

	Hearing Board Fees		Rule 309 (FY 2019-2020)		Rule 309 (FY 2020-2021)
Section 3.1.1-3.1.10	Fee for Each Additional Hearing	\$	512	\$	512
Application Fees:					
	Length of variance exceeds 90 days	\$	1,021	\$	1,021
Section 3.1.1					
	Length of variance does not exceed 90 days	\$	715	\$	715
Section 3.1.2					
Section 3.1.3	Modifying a variance				
Section 3.1.4	Modify a Variance's Schedule of Increments of Progress or Final Compliance Date				
Section 3.1.5	Approval of Schedule of Increments of Progress	\$	512	\$	512
Section 3.1.6	Emergency Variance				
Section 3.1.7	Permit Denial				
Section 3.1.8	Issuance of Permit				
Section 3.1.9	Suspension of Permit				
Section 3.1.10	Intervention in a Pending Variance				
Section 3.2	Excess Emissions per pound of excess emissions)	(\$ \$)	0.69	\$	0.69
Section 3.3.1	Excess Visible Emission	\$	1.96	\$	1.96
Section 3.4	Minimum Fees	\$	512	\$	512

AGENDA ITEM NO. 14

Table 1. Fee Schedule

Rule 310 (Agricultural Diesel Engine Registration Fees)

Ag Engine Fees		Rule 310 (FY 2019-2020)	Rule 310 (FY 2020-2021)	
Application Fees:				
Section 3.1.1.1	In-use diesel engine Initial in-use or new registration	\$436 + \$217 for each additional engine-	\$	217
Section 3.1.2	New Diesel Engine Additional Engine Fee	\$217 + \$109 for each additional engine-	\$	109
Section 3.2	Operational Annual Registration Fees	\$	80	\$ 80
	Non-Operational Annual Registration Fees	\$	41	\$ 41
Section 3.3	Transfer of Owner/Change of Location	\$	217	\$ 217

GLOSSARY

**MONTEREY BAY AIR RESOURCES DISTRICT
FY 2019-20 BUDGET
GLOSSARY OF TERMS & ACRONYMS**

AB2766 Fees: Department of Motor Vehicle (DMV) surcharge fees collected through California's vehicle registration program, pursuant to the 1990 California Assembly Bill (AB) 2766. The fee collected is \$4.00 per vehicle.

AB923 Fees: Department of Motor Vehicle (DMV) surcharge fees collected through California's vehicle registration program, pursuant to the 2004 California Assembly Bill (AB) 923. The fee collected is \$2.00 per vehicle.

AMBAG: Association of Monterey Bay Area Governments serving as both a federally designated Metropolitan Planning Organization and a Council of Governments for the Monterey, San Benito, and Santa Cruz Counties region.

APCO: Air Pollution Control Officer who serves as executive director for the District.

CAPCOA: California Air Pollution Control Officers Association, a non-profit association of the air pollution control officers from all 35 local air quality agencies throughout California. The District is a member of this association.

CAPP: Community Air Protection Program, State funding to implement Assembly Bill 617. Funding is used to deploy community air monitoring systems and to reduce exposure in communities most impacted by air pollution.

CARB: California Air Resources Board, the State agency charged with protecting the public from the harmful effects of air pollution and developing programs and actions to fight climate change.

CARB Subvention: Funds provided to the District pursuant to Section 39800 et seq. of the California Health and Safety Code. Subvention funds are provided to districts of up to \$1 for every dollar budgeted, as long as the subvention does not exceed \$.23 per capita.

CITY AND COUNTY CONTRIBUTIONS: Each city and county in the District's Tri-County jurisdiction contributes \$.47 per capita to the District based on a Unification Agreement. The contributions are paid in lieu of each city and county creating and maintaining its own air quality program.

DMV: Department of Motor Vehicles.

EPA: Environmental Protection Agency, a federal agency whose mission is to protect human health and safeguard the environment. The District receives funding from the EPA.

EVR: Enhanced Vapor Recovery refers to a new generation of clean nozzles and equipment that control emissions at gasoline dispensing facilities in California.

Glossary of Terms and Acronyms
Page Two

FARMER: Funding Agricultural Replacement Measures for Emission Reductions, State funding to reduce agricultural sector emissions by providing grants, rebates, and other financial incentives for agricultural harvesting equipment, heavy-duty trucks, agricultural pump engines, tractors, and other equipment used in agricultural operations.

FTE: Full-time equivalent position scheduled to work 40 hours per week.

FUND: Can be thought of as a separate set of books for a specific purpose.

FUND BALANCE: The excess of assets over liabilities; a negative fund balance is sometimes called a deficit.

GENERAL FUND: Consists of all District revenue and matching expenditures except that which is restricted to specific use by statute or Board action.

NESHAP: National Emission Standards for Hazardous Air Pollutants which are stationary source standards for pollutants that are known or suspected to cause cancer or other serious health effects.

NON-OPERATING BUDGET: Consists of revenue collected from the State and passed on to other entities in the form of grants for emission reducing projects.

OEHHA: Office of Environmental Health Hazard Assessment which is a California State department responsible for developing and providing risk managers in state and local government agencies with toxicological and medical information relevant to decisions involving public health.

OPEB: Other Post Employment Benefits which are retiree benefits other than pensions. The District's pays for a portion of health care premiums for retirees who participate in the District's medical plans.

OPERATING BUDGET: Primarily uses the General Fund to pay for all expenditures incurred in the day-to-day operations of the District.

PERP: Owners or operators of portable engines and other types of equipment can register their units under the CARB Statewide Portable Equipment Registration Program (PERP) in order to operate their equipment throughout California without having to obtain individual permits from local air districts. The State collects the fees and remits them to the District.

PM: Particulate matter, a criteria pollutant.

PROGRAM: Categories of services or activities the District engages in.

TAMC: Transportation Agency for Monterey County which funds and implements transportation projects in Monterey County.

Glossary of Terms and Acronyms
Page Three

TCM: Traffic control measures.

TITLE V Program: Title V of the Federal Clean Air Act requires the collection annual federal permit fees for stationary sources based on annual emissions. This program generally applies to the District's major sources.