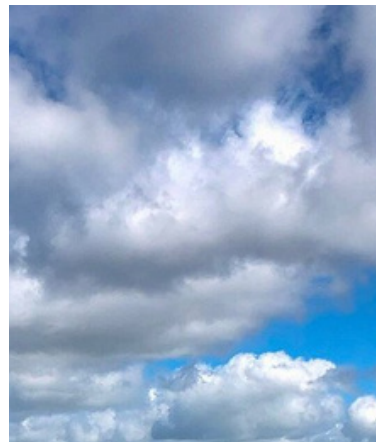




*Monterey Bay Air  
Resources District*

# FY 2023-2024 BUDGET







# **FY 2023-24 FINAL BUDGET**

**June 21, 2023**

24580 Silver Cloud Court, Monterey, CA 93940  
(831) 647-9411  
[www.mbard.org](http://www.mbard.org)

MONTEREY BAY AIR RESOURCES DISTRICT

**BOARD OF DIRECTORS**

NAME AND JURISDICTION	AREA OF REPRESENTATION
 <p>Zach Friend, Chair Supervisor, Santa Cruz County District Budget Committee Member</p>	Santa Cruz County
 <p>Chris Lopez, Vice Chair Supervisor, Monterey County District Budget Committee Member</p>	Monterey County
 <p>Wendy Root Askew Supervisor, Monterey County</p>	Monterey County
 <p>Sandy Brown Councilmember, City of Santa Cruz</p>	Santa Cruz County Cities
 <p>Mary Ann Carbone Mayor, Sand City District Budget Committee Member</p>	Monterey Peninsula Cities
 <p>Glenn Church Supervisor, Monterey County</p>	Monterey County
 <p>Felipe Hernandez Supervisor, Santa Cruz County District Budget Committee Alternate Member</p>	Santa Cruz County
 <p>Kollin Kosmicki Supervisor, San Benito County</p>	San Benito County
 <p>Mike LeBarre Mayor, King City District Budget Committee Member</p>	South Monterey County Cities
 <p>Dolores Morales Councilmember, City of Hollister District Budget Committee Member</p>	San Benito County Cities (rotates with Santa Cruz County Cities)
 <p>Orlando Osornio Councilmember, City of Salinas</p>	City of Salinas

Richard A. Stedman, Air Pollution Control Officer



# Monterey Bay Air Resources District Fiscal Year 2023-2024 Budget

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## **FY 2023-2024 BUDGET ADOPTION SCHEDULE**

- April 10, 2023 – Budget Workshops  
11:00 am – San Benito County  
Board of Supervisors Chambers, 481 4<sup>th</sup> St., Hollister  
  
3:00 pm – Monterey County  
MBARD Board Chambers, 24580 Silver Cloud Court, Monterey
- April 11, 2023 – Budget Workshops  
11:00 am – Santa Cruz County  
Watsonville Public Library, 275 Main St., Suite 100, Watsonville
- April 19, 2023: Review first Draft with Budget and Personnel Committee  
12:30 pm– Monterey Bay Air Resources District  
MBARD Board Chambers, 24580 Silver Cloud Court, Monterey  
  
First Board of Directors Hearing  
1:30 pm– Monterey Bay Air Resources District  
MBARD Board Chambers, 24580 Silver Cloud Court, Monterey
- June 21, 2023: Second Board of Directors Hearing and Adoption of Final Budget  
1:30 pm– Monterey Bay Air Resources District  
MBARD Board Chambers, 24580 Silver Cloud Court, Monterey
- July 1, 2023 – District Fiscal Year Begins



## **AIR POLLUTION CONTROL OFFICER'S BUDGET MEMORANDUM**

Date: June 21, 2023

Dear Chair Friend, Board Members,

I respectfully submit to you the Fiscal Year 2023-2024 (FY 23-24) 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 23-24 budget.

MBARD's FY 23-24 budget is estimated at \$20.3 million, consisting of \$7.5 million in operational and \$12.8 million in non-operational (Grant Programs) costs. This represents an overall decrease of approximately twenty-five percent from the FY 22-23 budget. Operational costs are approximately the same as the previous fiscal year's budget. Due to disbursement and new accounting methods for grant revenues, the non-operational costs have decreased by approximately seven million dollars as compared to the previous fiscal year. This fiscal year, the number of personnel will decrease by one position as two supervisor positions will be combined into one.

The following lists some of the more important aspects of the proposed FY 23-24 budget:

- Permit fee increase of three percent, which is below the 4.9 percent Consumer Price Index.
- A three percent cost of living allowance for staff.
- A per capita fee increase from \$.50 to \$.52.
- Cost recovery for the stationary Source Permitting Program will be 76 percent. Cost recovery for the Title V Air Operating Permit and Asbestos programs will be at 117 percent and 79 percent, respectively.
- \$11 million for grant funding to reduce emissions for MBARD's ongoing AB2766, AB923, Carl Moyer, Community Air Protection (CAPP), Funding Agricultural Replacement Measures (FARMER) programs, and Central Coast Community Energy electric bus grant program.
- \$1 million to continue MBARD's Plug-In Monterey Bay program to install electric vehicle stations throughout Monterey, Santa Cruz, and San Benito counties. In addition, MBARD will continue its electric vehicle incentive program for residents in the three-county jurisdiction.



- \$242,000 to reduce PM<sub>2.5</sub> wood smoke emissions through MBARD's Wood Stove Change Out Program.

MBARD's commitment to protecting our air while balancing economic considerations is reflected in this proposed budget. Our focus is on core programs and maintaining strong internal controls to minimize financial risks. We seek the most economical and effective air quality management solutions on behalf of residents and businesses in Monterey, Santa Cruz, and San Benito counties. MBARD strives to collaborate with the community, industry, and regional partners to find reasonable and cost-effective approaches to protect air quality throughout the North Coast Central Air Basin.

Respectfully,



Richard A. Stedman  
Air Pollution Control Officer

## **ADMINISTRATIVE DIVISION**

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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, Workplace 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 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 23-24, the Administrative Division will continue working closely with the Engineering and Compliance Divisions to complete the implementation of the permitting database program. The Division uses the document management system to store accounts payable related files.

Another important function of the Finance and Accounting Division is to assist each year with the audit of the MBARD finances. The financial audit for FY 21-22 was successfully completed in January 2023 with MBARD receiving a “clean” audit with no significant deficiencies or material weaknesses identified.

### **MBARD Boards**

The Division provides support to the MBARD Board of Directors, Hearing Board and Advisory Committee. This support and assistance include 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 MBARD in civil litigation, variance cases, abatement actions and permit revocations before the Hearing Board.

## AIR MONITORING DIVISION

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The Air Monitoring Division consists of one Supervising Air Monitoring Specialist, two Senior Air Monitoring Specialists, and one Air Quality Technician. In FY 23-24 MBARD expects to continue to look for ways to lower expenditures by increasing network efficiencies. The Division performs the following functions:

### **Ambient Air Monitoring**

MBARD staff operate a monitoring network to determine compliance with state and federal ambient air quality standards within the North Central Coast Air Basin (NCCAB). MBARD also operates special purpose monitoring networks related to smoke management of outdoor burning, wildfire smoke, and fine particle emissions from home heating with wood. These networks deliver measurements which are presented online to provide the public with characterizations of air quality based on the EPA's Air Quality Index (AQI). They also support MBARD's online pollutant forecasting and wood smoke curtailment programs.

### **Ozone**

The NCCAB is currently in attainment with the state and federal eight-hour ozone ambient air quality standards (AAQS). Ozone is monitored at six air monitoring stations within MBARD's jurisdiction. One of these monitors is operated by the National Parks Service at the Pinnacles National Park. Even though this is not a MBARD operated station, ozone measurements from this site are used to determine MBARD's attainment status. A majority of the ozone precursor emissions are from the San Francisco Bay Area.

### **Particulate Matter**

"PM<sub>10</sub>" refers to particles that are 10 micrometers or less in aerodynamic diameter (about 1/25 the diameter of a human hair). MBARD conducts PM<sub>10</sub> monitoring using continuous measurement devices at the Hollister, King City, and San Juan Bautista 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 PM<sub>10</sub> exceeds a 24-hour average of 50µg/m<sup>3</sup>. 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 NCCAB is in attainment of the federal AAQS for PM<sub>10</sub>, however, it continues to be in non-attainment with the state 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 other PM<sub>10</sub> monitors, located in Hollister and San Juan Bautista, may be susceptible to high readings during Santa Ana wind events during late Autumn.

"PM<sub>2.5</sub>" refers to particles that are 2.5 micrometers or less in aerodynamic diameter (about 1/70<sup>th</sup> the diameter of a human hair). MBARD monitors PM<sub>2.5</sub> at stations located in Salinas, Santa Cruz, Hollister, Carmel Valley, King City, and Felton. The NCCAB is currently in attainment with the state and federal PM<sub>2.5</sub> AAQS.

PM<sub>2.5</sub> is also monitored in support of MBARD's Smoke Management Program. Temporary networks may be installed to detect PM<sub>2.5</sub> from burns conducted at the former Fort Ord or other large, prescribed burns. A low-cost sensor network has been established throughout the NCCAB with sensors set up in all incorporated municipalities, unincorporated populated areas, and the San Lorenzo Valley Smoke Sensitive Area.

### **Other Criteria Pollutants**

Nitrogen dioxide, nitric oxide, oxides of nitrogen, and carbon monoxide air pollutants are monitored at the Salinas station. MBARD is in attainment of both state and federal AAQS for these pollutants.

#### **FY 22-23 Major Accomplishments**

- Met all EPA and ARB data collection, reporting and quality assurance requirements at all stations.
- MBARD continues the operation and maintenance of the PM<sub>10</sub> network located within the Hollister Hills Recreational Vehicle Park. MBARD receives direct compensation for this work.
- Refined operations and modernized air monitoring resources.
- Updated PM<sub>2.5</sub> monitors in Santa Cruz and Salinas.
- In process of updating ozone monitors in Hollister and Salinas.
- Continued to support wood smoke reduction efforts in the San Lorenzo Valley by monitoring PM<sub>2.5</sub> levels during the winter home heating season.
- Maintained a low-cost sensor network throughout the NCCAB to monitor smoke impacts on population centers. Data collected has been tabulated and graphed to be submitted in various reports.
- Maintain and evolve an electronic logbook system currently used for stations, monitors, and transfer standards.

### FY 23-24 Objectives

- Continue to meet all ARB and EPA monitoring requirements.
- Continue modernization activities and apply benefits to expand more efficient operations.
- Continue to optimize and tailor new data acquisition system capabilities to increase automation and remote-control capabilities for air monitoring tasks.
- Update PM<sub>2.5</sub> monitor in Hollister.
- Update ozone monitors in King City and Santa Cruz.
- Update ozone and flow transfer standards.
- Move the Carmel Valley Air Monitoring Station to a site that meets state and federal monitoring requirements.
- Maintain the low-cost sensor network and expand coverage as needed.
- Continue monitoring in the San Lorenzo Valley to support efforts to reduce PM<sub>2.5</sub> levels from wood smoke and backyard burning as part of the low-cost sensor network.

### **Meteorological Monitoring**

The Air Monitoring 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 MBARD 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 by using portable air monitoring equipment.

### FY 22-23 Major Accomplishments

- Met all data collection, reporting, and quality assurance objectives.
- Applied meteorological measurements at special study and temporary monitoring sites.
- Continued the use of radiosondes for atmospheric vertical profiling to support smoke management projects.
- Establish and maintain a low-cost PM<sub>2.5</sub> sensor network at various locations throughout the NCCAB.

FY 23-24 Objectives

- Continue meteorological monitoring.
- Upgrade meteorological monitoring systems as needed.
- Maintain the low-cost sensor network and possibly expand it where needed.

## COMPLIANCE DIVISION

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The Compliance Division staff consists of an Engineering and Compliance Manager (0.5 FTE), a Supervising Inspector, seven 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 MBARD regulations, and state and federal laws.

Air quality violations trigger investigations and enforcement actions. To ensure compliance with MBARD 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 MBARD's inspection policy, inspections are assigned based on various factors, including whether the facility has a federal operating permit, potential for air quality impact, or responsibilities under agreements with the California Air Resources Board (CARB) such as the agreement to conduct annual inspections for oil and gas facilities subject to CARB's oil and gas regulation.

### **Observation of Source Tests**

Inspectors oversee source tests conducted at stationary sources. Staff reviews the source test protocol prior to the test and ensures the source test contractor has the proper equipment and certification to conduct the test. Staff observe source tests to ensure the source test contractor follows the correct test procedures and staff reviews the source test results to ensure the data is properly reported and to act promptly on any compliance issues related to the testing.

### **Complaint Investigations**

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

### **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.

During calendar year 2022, which covered part of FY21-22 and part of FY22-23, the Division performed 1,253 inspections of permitted equipment, responded to 239 public complaints, and addressed 21 reported facility equipment breakdowns.

FY 22-23 Major Accomplishments	FY 23-24 Objectives
<ul style="list-style-type: none"> <li>• Successfully transitioned to a new permit database with Accela.</li> <li>• Completed all major source inspections and report reviews.</li> <li>• Conducted inspections and enforced the California Air Resources Board Oil and Gas Regulation on the oil and gas industry. Observed and photographed gas leaks from the lens of the FLIR camera where these gas leaks are not visible by the naked eye.</li> <li>• Provided one-on-one help to businesses and individuals to ensure understanding of MBARD requirements.</li> <li>• Successfully onboarded and trained new Air Quality Technician (0.50 FTE).</li> <li>• Responded to 207 public records requests in calendar year 2022.</li> <li>• Continued to expanded use of administrative assistance to perform office-based duties to allow field-based inspection staff to remain in the field conducting inspections. This includes responding to residential chimney smoke complaints.</li> <li>• Initiated automating chimney smoke complaint letters in Accela to streamline creation of these documents.</li> <li>• Began a project to allow for electronic compliance data transfer from the Accela database to the EPA's ICIS-AIR database.</li> </ul>	<ul style="list-style-type: none"> <li>• Continue improvements in efficiency and further streamlining of functions to meet new mandates without increasing staffing levels.</li> <li>• Continue to develop new policies/procedures and amend existing policies/procedures to enhance consistency and efficiency.</li> <li>• Continue to look for opportunities to reduce unnecessary redundancies and continue to expand the use of administrative assistance.</li> <li>• Continue to review source test protocols and test results and monitor source testers methods through source test observations.</li> <li>• Increase availability of MBARD information for stakeholders and the general public on the website.</li> <li>• Evaluate compliance assistance methods and apply findings towards improvement of MBARD customer support efforts.</li> <li>• Continue identifying unpermitted sources.</li> <li>• Cross-train Compliance Division staff to ensure continuity of operations.</li> <li>• Transition to paperless submission, processing, and review of reports.</li> <li>• Complete the online complaint system and automated transfer of complaint data into the Laserfiche system.</li> <li>• Complete project to allow for electronic compliance data transfer from the Accela database to the EPA's ICIS-AIR database.</li> </ul>



**Smoke Management Program**

The Division oversees MBARD’s smoke management activities. The Division handles complaints and enforcement actions on fireplace smoke, backyard burns, and prescribed burns and agricultural burns.

FY 22-23 Major Accomplishments	FY 23-24 Objectives
<ul style="list-style-type: none"><li>• Staff responded to public inquiries concerning Rule 438 (Open Outdoor Fires) regulation, including providing compliance assistance brochures.</li><li>• Mailed 18 fireplace smoke complaint letters and educational materials to residents.</li></ul>	<ul style="list-style-type: none"><li>• Enforce MBARD rules governing excessive smoke and related nuisances.</li><li>• Examine response objectives and continue to develop ways to effectively handle fireplace smoke complaints.</li><li>• Expand partnerships with Fire Protection Agencies that issue burn permits to meet Rule 438 standards.</li></ul>

**Hearing Board**

The Hearing Board is comprised of five members appointed by MBARD’s Board of Directors. The Compliance Division staff may represent MBARD at variance hearings. Staff prepare draft orders, reports, and may provide testimony for variance hearings. Staff will track compliance with Hearing Board orders. During FY22-23, the Hearing Board issued one variance to a permitted facility and denied a variance to Rule 426 Architectural Coatings.

**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 fiber releases and exposures associated with disturbing asbestos containing building materials during renovations and/or demolitions. This is conducted by compliance assistance, routine inspections, 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 and industrial facilities, 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 is identified, staff in the program work to achieve compliance by working with stakeholders such as contractors, city and county building departments, and/or facility owners to correct issues as soon as possible to protect public health.

FY 22-23 Major Accomplishments	FY 23-24 Objectives
<ul style="list-style-type: none"> <li>• Received and reviewed 341 project notifications and conducted 278 inspections.</li> <li>• Offered compliance assistance and conducted inspections of the asbestos removal at Units 6 &amp; 7 at the Moss Landing Power Plant as well as large projects in Soledad, CA and Lockheed Martin in Santa Cruz Mountains.</li> <li>• Continuing to be a statewide resource for information, assistance, and training to other air districts and attended meetings with regards to the Federal EPA Asbestos NESHAP regulation.</li> <li>• Offered compliance assistance, attended meetings, conducted inspections for several large asbestos abatement and demolition projects of hundreds of former military buildings at the former Fort Ord, Including, Chartwell School, Shea Home Site (II), City Park of Marina, and Cypress Knolls.</li> <li>• Conducted asbestos investigations and complaint response at several regulated facilities in the jurisdiction.</li> <li>• Worked closely with City building and Environmental Health departments on compliance assistance, investigations, complaints, emergency cleanups, and project permitting issues.</li> <li>• Offered compliance assistance, attended meetings and conducted inspections of the Taylor Farms asbestos and demolition fire cleanup in Salinas, CA.</li> <li>• Conducted compliance assistance with Storm related cleanup activities with the Capitola Building Department.</li> <li>• Established Asbestos NESHAP Storm Cleanup Information for the public and distributed information and compliance resource assistance to County Environmental Health and Office of Emergency Services.</li> <li>• Continued to actively participate in the Tri-County Environmental Task Force.</li> </ul>	<ul style="list-style-type: none"> <li>• Continue to provide assistance to ensure compliance with facility personnel, contractors, and consultants of the continuing asbestos abatement and demolition of Units 6 &amp; 7 at the Moss Landing Power Plant.</li> <li>• Continue to ensure compliance with cities, consultants, and contractors on large scale upcoming building demolition projects at the Former Fort Ord.</li> <li>• Continue to maintain and build relationships with City/County Building and Environmental Health Departments to help assure compliance with asbestos regulations and permit requirements as part of the construction permit process.</li> <li>• Continue to assist and be a resource for other air districts throughout the State of California with the Federal EPA Asbestos NESHAP Program.</li> <li>• Continue to enhance the asbestos section of the MBARD website.</li> <li>• Continue to work on and finalize development of the Asbestos Program Rule for the objective of clearing up ambiguities, language, definitions, and enforceability.</li> <li>• Continue to conduct routine inspections to assure compliance of regulated projects.</li> </ul>

**Mutual Settlement Program**

The Mutual Settlement Program resolves violations of air quality regulations without formal legal proceedings. The program is administered by staff in the Compliance Division. Notices of Violation are usually settled by mutual agreement between MBARD and the respondent. Cases of significant air quality violations may be referred to the local Attorney’s Office for prosecution.

During calendar year 2022, which covered part of FY21-22 and part of FY22-23, Compliance staff issued 34 Notices of Violation and negotiated over \$118,265.00 in penalties.

FY 22-23 Major Accomplishments	FY 23-24 Objectives
<ul style="list-style-type: none"> <li>• Worked to identify and maintain consistent penalties for violations at gasoline stations.</li> <li>• Provided compliance assistance and outreach through our website.</li> <li>• Worked with violators to promote better work practices and improve compliance.</li> <li>• Worked with local building departments to provide MBARD information to permit applicants.</li> <li>• Negotiated significant settlements involving operation without a permit and source testing violations.</li> </ul>	<ul style="list-style-type: none"> <li>• Expand coordination with local building departments to assure permit applicants are aware of MBARD requirements for both operating permits and asbestos program requirements.</li> <li>• Continue participation in Environmental Task Force meeting and coordinate joint inspections at recalcitrant business with stakeholder agencies.</li> <li>• Reduce the time between discovery of noncompliance and settlements that include corrective actions that promote future compliance.</li> <li>• Continue to review current Mutual Settlement procedures and consider improvements to program.</li> <li>• Consider creating a protocol to implement flat penalties for less complex violations to improve efficiency and provide an additional enforcement tool to inspectors.</li> </ul>

**Portable Equipment Inspections**

In addition to inspecting permitted portable equipment, 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

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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). In addition, the Division is proposing to include an Air Quality Technician (0.5 FTE) as part of the FY 23-24 budget. This position would help with implementation of the emission reporting requirements discussed below.

The Division performs the following functions:

### **Permitting**

MBARD'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 3,214 active Permits to Operate, including the annual renewal process. During calendar year 2022, which covered part of FY21-22 and part of FY22-23, the Division issued 179 Authorities to Construct, 251 Permits to Operate, four Agricultural Diesel Engine Registrations, two Initial Title V Permits and one Title V Permit modification.

To meet state requirements, the Division maintains a registration program for diesel engines used in agricultural operations. Currently, 450 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 22-23 Major Accomplishments

- Updated active small fleet Tier 2 diesel engine permits to enforce and implement the revisions to CARB's Airborne Toxic Control Measure (ATCM) for Diesel Particulate Matter from Portable Engines.
- Participated in CAPCOA, CARB and CalRecycle's Compost Workgroup to find innovative approaches to air quality permitting to achieve the organic diversion mandate of SB1383, Short Lived Climate Pollutant Strategy.
- Evaluated and issued an Alternative Compliance Option for semi-continuous operation of a landfill gas collection and flare system to address the permitted closed landfill's decline in gas quality and quantity.
- Evaluated and issued two new Title V facility permit applications, and one Title V permit major modification renewal.
- 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.
- Provided one-on-one assistance to businesses pursuing pyrolysis of wood waste and gasification of medical waste to ensure understanding of all local, State, and federal requirements.

### FY 23-24 Objectives

- Continue to work with the Environmental Protection Agency (EPA) Region 9, as they review Subpart EEEE - New Source Performance Standards (NSPS) for Other Solid Waste Incineration Units applicability determinations for proposed pyrolysis and gasification projects in our jurisdiction.
- Update active propulsion and auxiliary diesel engine permits to enforce and implement the revisions to CARB's Airborne Toxic Control Measure (ATCM) for Commercial Harbor Craft.
- Initiate the process to automate uploading of AB 617 Criteria Pollutant and Toxic Emissions Reporting (CTR) data to CARB reporting database.
- Issue Federal Title V facility permit renewals and modifications.
- Continue to develop an automated permit application form system to streamline the transfer of data into the MBARD's Accela permitting database.
- 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.
- Continue to participate on CAPCOA, CARB and CalRecycle's Compost Workgroup to find innovative approaches to air quality permitting to achieve the organic diversion mandate of SB1383, Short Lived Climate Pollutant Strategy.

## **Rule Development Program**

The process of developing and amending MBARD 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 MBARD Advisory Committee, and participate in public hearings and MBARD Board of Directors meetings.

### **FY 22-23 Major Accomplishments**

- Prepared for public workshops on District fee rules, Rule 300 (District Fees), Rule 301 (Fee Schedule), and Rule 306 (Asbestos NESHAP). Prepared the draft rules and staff report for Board adoption.

### **FY 23-24 Objectives**

- Consider Best Available Retrofit Control Technology (BARCT) for lime kilns, as required by CARB AB 617 BARCT Implementation Schedule.
- 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 modify offsetting requirements.
- Finalize resolution of CARB's issues regarding Rule 201 (Sources Not Requiring Permits).
- 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

## **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). The "Hot Spots" Program requires businesses to develop and update an emissions inventory of toxic air pollutants every four years for sources of intermediate risk, high risk and significant changes. Businesses with high risk are required to perform a health risk assessment. The health risk assessments are based upon computer air quality modeling analysis to determine the potential air quality impacts using highly specialized software, which simulates the movement and dispersion of air pollutants.

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, Rule 1003 was revised in 2017 to reflect the updated OEHHA Health Risk Assessment Guidelines and the updated CAPCOA Facility Prioritization Guidelines.

Since 2018, MBARD has completed the re-evaluation of all sources emitting greater than 10 tons per year of total organic gases, particulate matter, nitrogen oxides, or sulfur oxides, and facilities listed in an MBARD air toxic emissions survey inventory or report. In 2019, we began our next step to develop toxic emission plans and inventories for the less than 10 ton per year sources starting with the following: aggregate operations, hospitals, small and large waste-water treatment facilities, small and large military installations, and wineries.

In 2020, we continued to receive and review emission plans and inventories for the facilities listed above. Due to the impacts of COVID-19, we experienced delays in receiving information from some facilities. In addition, the wildfires in 2020 also impacted the ability of some facilities to provide operational data in addition to the economic hardship of COVID-19. Aware of the pending Office of Administrative Law's (OAL) October 2021 final adoption of CARB's programmatic regulatory amendments, MBARD paused the phasing-in of the less than 10 ton per year sources to submit data, so as to re-align our program with the new requirements and extended inventory deadlines outlined in the final adopted regulatory amendments, described in more detail below.

The Engineering Division is also responsible for the implementation of AB 617 Criteria Air Pollutant and Toxic Air Contaminants Reporting (CTR) regulation as a requirement of California Air Resources Board (CARB) Community Air Protection Program. The CTR requires the annual reporting of criteria and toxic air contaminant emissions by facilities subject to the applicability requirements. The emissions inventory data is critical to understanding the sources of emissions that may contribute to adverse health risks or other impacts at the local, regional, and statewide level. Most recently, in November 2020 CARB adopted amendments to the CTR. The CTR amendments will substantially expand the applicability requirements to increase the number and types of facilities subject to the annual emissions data reporting and are effective January 1, 2022.

To align the "Hots Spots" program with the CTR requirements, the State of California Air Resources Board also adopted amendments to the Emissions Inventory Criteria and Guidelines (EICG) Report to expand the number and types of facilities that must submit quad-annual "Hots Spots" reports. These amendments will also require the phase-in of an additional 900 chemicals to be reviewed under both the CTR and "Hots Spots" programs.

Accordingly, MBARD will be re-positioning its toxic programs to conform to the facility sector review schedule as mandated in the revised CTR. Specifically, facilities identified in the first sector phase will be required to submit 2024 emission inventories in reporting year 2025.

### FY 22-23 Major Accomplishments

- Conducted preliminary health risk assessments for retail gasoline dispensing facilities to determine an industry-wide threshold for triggering the reporting requirements of the “Hots Spots” program.
- Participated in the California Air Pollution Control Officers Association (CAPCOA) Air Toxics and Risk Managers Committee (TARMAC).
- Organized and provided Hot Spots Analysis & Reporting Program (HARP) training to air district staff throughout the State through TARMAC.
- Served on the TARMAC Diesel Engine Industry-Wide Guidelines and Auto Body Shop Industry-Wide Guidelines Workgroups.

### FY 23-24 Objectives

- Develop a plan to implement the Sector Phase I Emission Reporting under the AB 617 Criteria Air Pollutant and Toxic Air Contaminants Reporting (CTR) regulation as a requirement of California Air Resources Board (CARB) Community Air Protection Program.
- Initiate the process to automate uploading of AB 617 Criteria Pollutant and Toxic Emissions Reporting (CTR) data to the CARB reporting database.
- Provide public outreach and workshops to inform sources of the amendments to the CTR and Emission Inventory Criteria and Guidelines Report (EICG) for the Air Toxic “Hot Spots” Program.
- Continue to re-evaluate sources already in the review process per the AB 588 Hot Spots Program to include the OHHEA updated Health Risk Assessment Guidelines, and CAPCOA updated Facility Prioritization Guidelines.
- 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).
- Review Health Risk Assessments for the implementation of the “Hots Spots” program.

### Hearing Board

The Hearing Board is comprised of five citizens appointed by MBARD’s Board of Directors. The Engineering Division staff represents MBARD at the variance hearings and provides testimony for variance applications received. The Engineering Division may also provide support to the Compliance Division in preparing draft orders, staff reports, and tracking variances to ensure sources comply with variances and other Hearing Board orders.



### **Technical Assistance**

The Division provides technical assistance for a broad range of internal actions, including review of State of California and Federal program developments, rule development and implementation, 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.

### **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 MBARD needs.

## PLANNING DIVISION

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The Planning Division includes one Planning and Air Monitoring Manager, four 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 23-24 Objectives**

- Prepare documentation to identify exceptional events which may have caused exceedances of federal PM<sub>2.5</sub> and the state ozone ambient air quality 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 (NCCAB). 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 MBARD's website several times each week.

### **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 MBARD's *CEQA Air Quality Guidelines* to reflect current requirements of CEQA statute and CEQA Guidelines.

#### **FY 23-24 Objectives**

- Continue reviews and comments on environmental documents.
- Develop guidance for addressing greenhouse gas emissions in environmental documents.
- Update CEQA Guidelines.

## **Implementation of Grant Programs**

The Division manages grant programs funded by the State of California such as the Carl Moyer Memorial (Moyer) Program, the Funding Agricultural Replacement Measures for Emission Reductions (FARMER) Program, and the Community Air Protection Program (CAPP). Funds for AB 2766 and AB 923 grants come from local DMV fees. Grant funds are directed to various emission reduction projects such as replacements of agricultural tractors and engines in marine vessels in exchange for cleaner burning equipment.

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 housing project located just outside the City of Marina are used in conjunction with other MBARD grant programs on emission reduction projects including the replacement of older agricultural pump engines with electric motors and to purchase electric school buses for schools in the region.

### **FY 22-23 Major Accomplishments**

- Continued development of an online application system to implement grant funding for FARMER, CAPP, and Moyer.
- Managed grant projects under the AB2766, AB923, FARMER, EG, and Moyer Programs; Projects are evaluated based on emission reductions and availability of grant funds.
- Received and reviewed eligible emission reduction grant applications and medium duty electric vehicle replacement applications for AB2766.
- Continued the electric vehicle (EV) purchase assistance program for public agencies.
- Administered the EV incentive program which is open to the public.
- Continued the electric bicycle incentive program.
- Completed another cycle of the Wood Stove Change Out Program.
- Coordinated the Zero Emissions School Bus Program (ZESBP) which administers applications for electric school buses and awards grants to schools throughout the NCCAB.

### **FY 23-24 Objectives**

- Manage AB2766, AB923, Moyer, FARMER, EG, ZESBP, and CAP Programs.
- Manage the Plug-In Monterey Bay EV Infrastructure Program.
- Implement the Wood Stove Change Out program.
- Rank and select projects to award AB2766 funds.
- 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.

## **Transportation Planning**

The Division coordinates with the Association of Monterey Bay Area Governments (AMBAG), the Transportation Agency of Monterey County (TAMC) and other transportation planning agencies in regional transportation planning efforts.

FY 22-23 Major Accomplishments

- Participated in regular AMBAG and TAMC meetings.
- Participated in regular TAMC Technical Advisory Committee meetings.

**Participation in California Air Pollution Control Officers Association’s Committees**

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

FY 23-24 Objectives

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

FY 23-24 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.

**Education and Outreach Program**

The Division manages MBARD’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 22-23 Major Accomplishments

- Improved MBARD’s presence in social media through posting of information to MBARD’s Facebook and Instagram pages.
- Expanded public outreach to support FARMER, CAPP, Moyer, and AB2766 programs.
- Established an air sensor network at public schools throughout the NCCAB.
- Conducted workshops to receive public input for the CAPP.
- Participated in a Ride and Drive event at the Salinas Transit Center to promote MBARD efforts to reduce motor vehicle emissions.

#### FY 23-24 Objectives

- Participate in community events.
- Continue to expand public outreach to publicize grant programs.
- Expand air sensor network at schools, hospitals, daycare/eldercare facilities and other locations.
- Continue expanding the use of the MBARD's website and social media accounts.

### **Smoke Management Program (SMP)**

The Division coordinates MBARD's agricultural and prescribed burning SMP which includes analysis and technical assistance for open burn projects. Agricultural and backyard burn permits are issued through MBARD's online permit systems and larger, broadcast burn projects are tracked and reviewed through the Air Resources Board's Prescribed Fire Incident Reporting System (PFIRS). The Division provides technical assistance and comments to other agencies whose prescribed burn projects have the potential to cause smoke impacts across the region. MBARD's SMP is continuously improved to make the program more protective of public health and more user friendly to the public.

#### FY 22-23 Major Accomplishments

- Assisted with planning, implementation, and monitoring of prescribed burns.
- Continued implementation and improvements to the online agricultural and backyard burn application systems.
- Worked with land managers to evaluate burn areas prior to planned burns.
- Used grant funding from CARB to administer the SMP.
- Increased staff training for implementation of the SMP with reimbursable funding from CAPCOA.

#### FY 23-24 Objectives

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

### **Special Projects**

#### **San Lorenzo Valley PM<sub>2.5</sub> Reduction Project**

The San Lorenzo Valley (SLV) is a narrow river valley located in Santa Cruz County. In past winter seasons MBARD has measured PM<sub>2.5</sub> concentrations above the federal 24-hour standard within the SLV. The primary source of PM<sub>2.5</sub> emissions is smoke from wood burning for home heating. The Division implements programs to reduce PM<sub>2.5</sub> emissions during Fall and Winter, including a Spare the Air program which asks residents in the SLV to voluntarily use an alternative fuel, other than wood, for heating their homes when meteorological conditions are unfavorable for air quality.

#### FY 22-23 Major Accomplishments

- Continued the Woodstove Change-Out Program.
- Continued Spare the Air alerts, a voluntary program which lets residents know when poor meteorological conditions develop in the SLV so they can choose cleaner burning options other than wood to heat their homes.

#### FY 23-24 Objectives

- Continue PM<sub>2.5</sub> reduction efforts in the SLV.
- Continue administering 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**

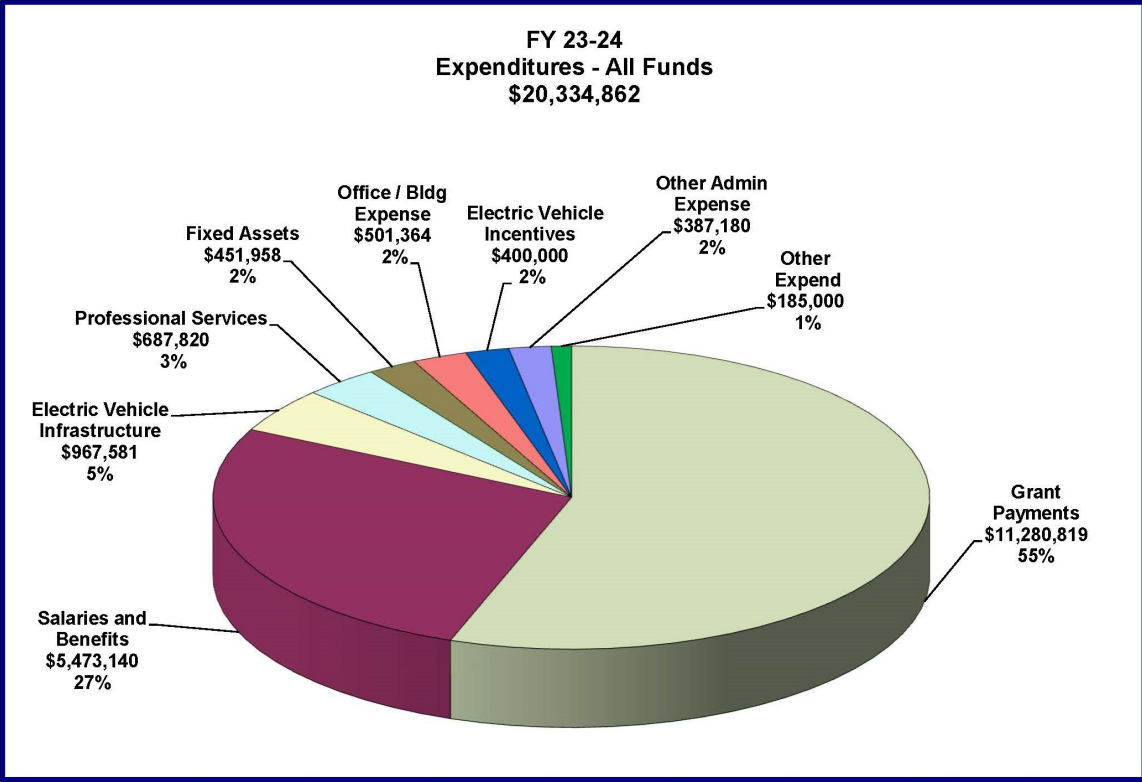
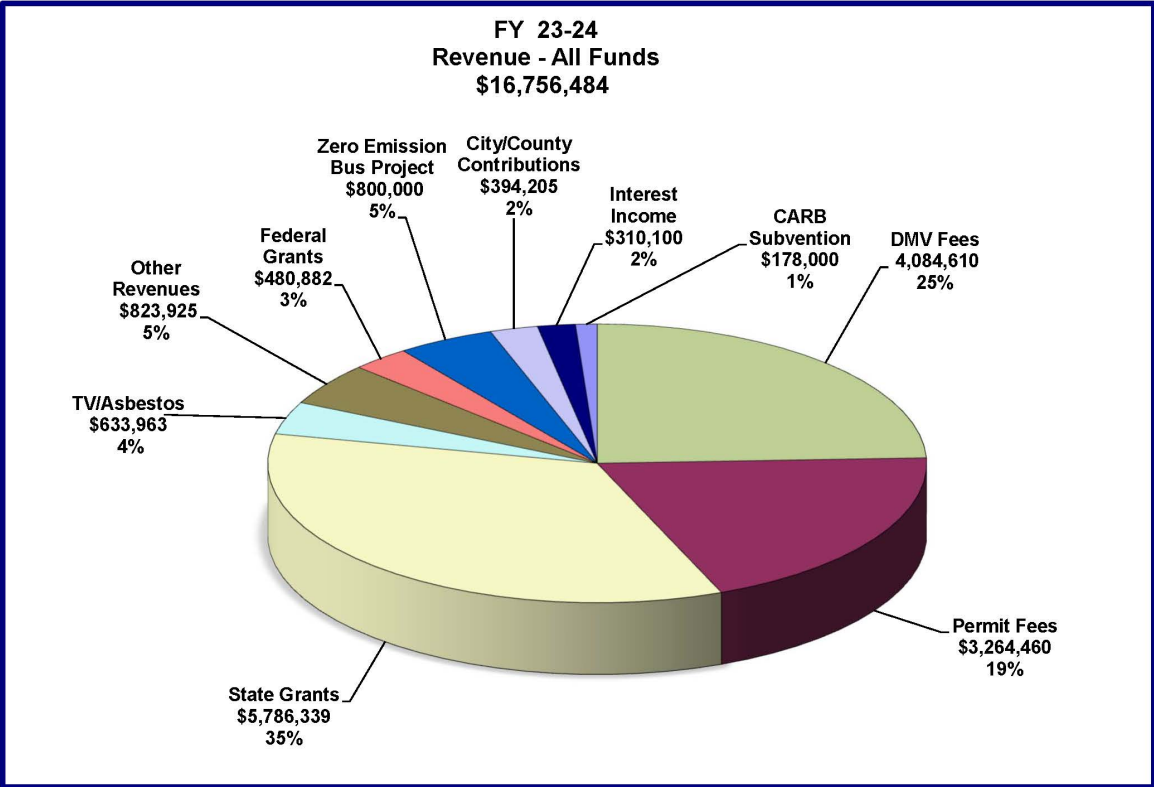


► **Fiscal Year 23-24 Budget in Brief** ◀

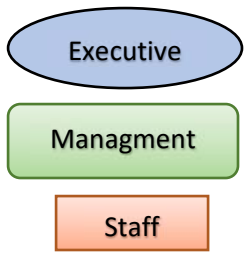
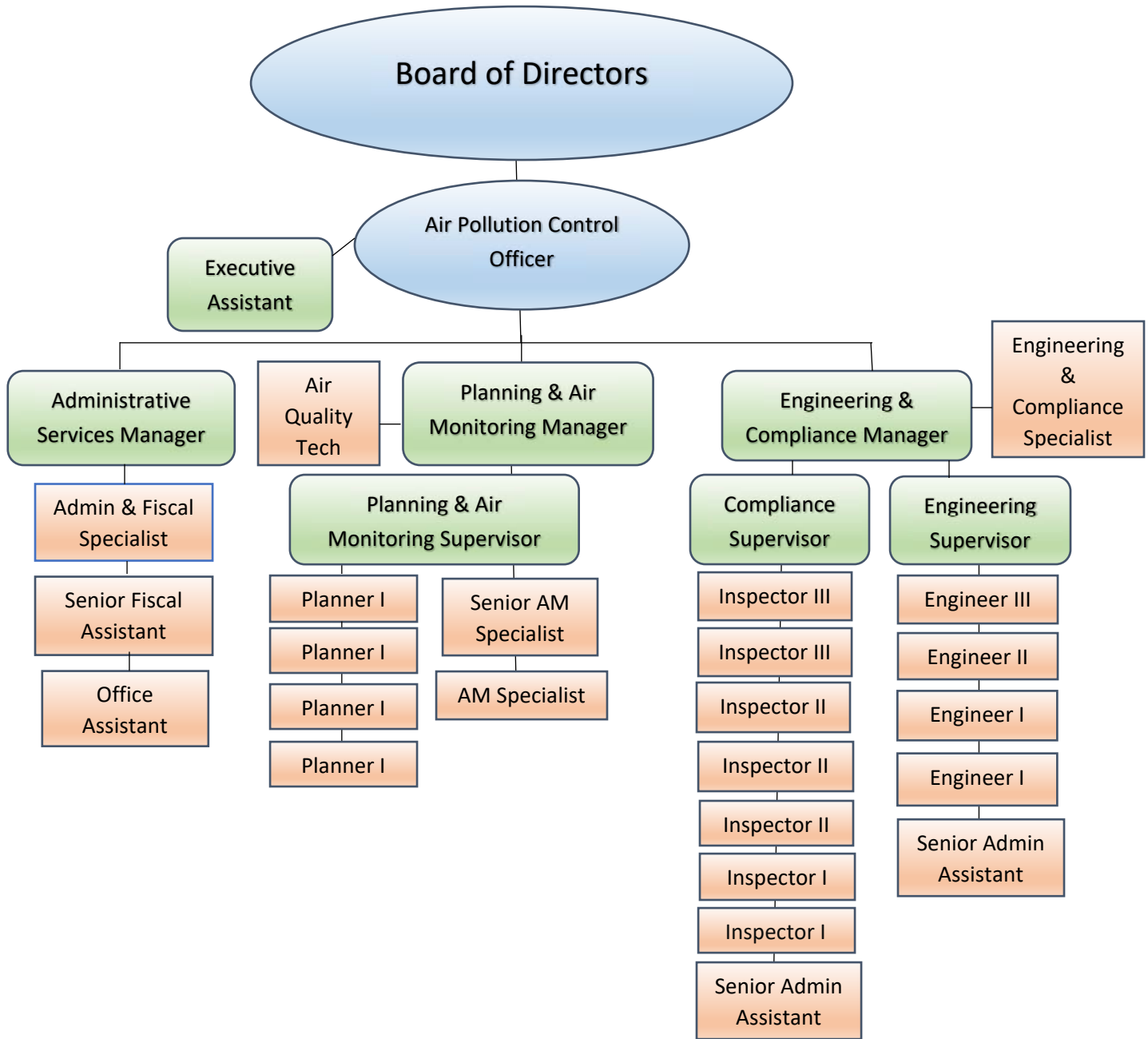
*The following are budgetary highlights:*

- ❖ Total budget of \$20.3 million consisting of:
  - Operational Budget \$ 7.5 million
  - Non-Operational Budget (Grant Programs) \$ 12.8 million
- ❖ Total budget decreased from FY 22-23 by approximately 25%. Grant revenues are deferred until grant projects are completed. There continues to be manufacturing delays due to the COVID-19 pandemic.
- ❖ Proposed fee changes:
  - Permit fee increase of 3%
  - City and County per capita fees increase of 3% from \$.50 to \$.52.
- ❖ Total of 32 full time employees in the Personnel Schedule. We are proposing to combine the Planning Supervisor and Air Monitoring Supervisor positions into a new position, Planning and Air Monitoring Supervisor.
- ❖ Fixed Asset purchases of \$452,000 include parking lot resurfacing, three vehicle replacements, and air monitoring equipment.
- ❖ Deposit of \$45,000 to MBARD's Other Post Employment Benefit (OPEB) Trust plus estimated \$75,000 to MBARD's Pension Trust funded by the General Fund reserve designated for post-employment benefits and pension obligations.
- ❖ \$11 million for grant payments to reduce emissions for MBARD's ongoing AB2766, AB923, Carl Moyer, Community Air Protection (CAPP), Funding Agricultural Replacement Measures (FARMER) programs, and East Garrison programs and Central Coast Community Energy electric bus grant program.
- ❖ \$1 million to continue the Plug-In Monterey Bay program to install electric vehicle stations throughout Monterey, Santa Cruz, and San Benito counties. In addition, MBARD will continue its electric vehicle and electric bike incentive program for the Tri-County residents.
- ❖ Continued assistance towards reducing PM<sub>2.5</sub> emissions in the San Lorenzo Valley, including estimated \$242,000 for Woodstove Changeout grants.





# **ORGANIZATIONAL STRUCTURE**



## Personnel Schedule

<u>Division/Position</u>	<b>Revised Budget FY 22-23</b>	<b>Additions/ Deletions</b>	<b>Proposed Budget FY 23-24</b>
<b><u>ADMINISTRATIVE</u></b>			
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	6.00	0.00	6.00
<b><u>COMPLIANCE</u></b>			
Division Manager <sup>1</sup>	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
Air Quality Technician (vacant) <sup>3</sup>	0.50	(0.50)	0.00
Inspector I	2.00		2.00
Inspector II	3.00		3.00
Inspector III	2.00		2.00
Subtotal	11.00	(0.50)	10.50
<b><u>ENGINEERING</u></b>			
Division Manager <sup>1</sup>	0.50		0.50
Division Supervisor	1.00		1.00
Senior Admin Assistant	1.00		1.00
Air Quality Technician (vacant) <sup>3</sup>	0.00	0.50	0.50
Engineer I	1.00	1.00	2.00
Engineer II	2.00	(1.00)	1.00
Engineer III	1.00		1.00
Subtotal	6.50	0.50	7.00
<b><u>PLANNING</u></b>			
Division Manager <sup>2</sup>	0.50		0.50
Division Supervisor (vacant) <sup>2</sup>	1.00	(0.50)	0.50
Air Quality Technician (vacant) <sup>3</sup>	0.50		0.50
Planner I	3.00	1.00	4.00
Planner II	1.00	(1.00)	0.00
Planner III	0.00		0.00
Subtotal	6.00	(0.50)	5.50
<b><u>AIR MONITORING</u></b>			
Division Manager <sup>2</sup>	0.50		0.50
Division Supervisor (vacant) <sup>2</sup>	1.00	(0.50)	0.50
Air Monitoring Specialist	1.00	1.00	1.00
Senior Air Monitoring Specialist	1.00	(1.00)	1.00
Subtotal	3.50	(0.50)	3.00
<b>Total Number of Positions</b>	<b>33.00</b>	<b>(1.00)</b>	<b>32.00</b>

**Notes:**

- 1) Position oversees both Compliance & Engineering divisions.
- 2) Position oversees both Planning and Air Monitoring divisions.
- 3) Position will work with Planning and Engineering divisions

**Monterey Bay Air Resources District**  
**Monthly Salaries for Staff Positions (All Full-Time)**  
**Effective 7/10/23 (based on SEIU labor contract 7/1/21-6/30/26)**

Job Title	Step 1	Step 2	Step 3	Step 4	Step 5	Step 6
Office Assistant	\$ 4,291.73	\$ 4,506.67	\$ 4,732.00	\$ 4,969.47	\$ 5,217.33	\$ 5,739.07
Administrative Assistant	\$ 4,465.07	\$ 4,688.67	\$ 4,922.67	\$ 5,168.80	\$ 5,427.07	\$ 5,969.60
Fiscal Assistant	\$ 4,647.07	\$ 4,879.33	\$ 5,123.73	\$ 5,380.27	\$ 5,648.93	\$ 6,214.00
Sr. Admin Assistant (hired after 12/31/14)	\$ 4,931.33	\$ 5,177.47	\$ 5,435.73	\$ 5,707.87	\$ 5,993.87	\$ 6,593.60
Sr. Fiscal Assistant	\$ 5,132.40	\$ 5,388.93	\$ 5,657.60	\$ 5,940.13	\$ 6,236.53	\$ 6,860.53
Sr. Admin Assistant (hired prior to 1/1/15)	\$ 5,612.53	\$ 5,893.33	\$ 6,188.00	\$ 6,498.27	\$ 6,822.40	\$ 7,505.33
Air Quality Technician	\$ 5,666.27	\$ 5,948.80	\$ 6,246.93	\$ 6,558.93	\$ 6,886.53	\$ 7,574.67
Air Monitoring Specialist	\$ 5,778.93	\$ 6,068.40	\$ 6,371.73	\$ 6,690.67	\$ 7,025.20	\$ 7,727.20
Engineering and Compliance Specialist	\$ 5,895.07	\$ 6,189.73	\$ 6,500.00	\$ 6,825.87	\$ 7,167.33	\$ 7,884.93
Air Quality Compliance Inspector I	\$ 6,134.27	\$ 6,441.07	\$ 6,763.47	\$ 7,101.47	\$ 7,456.80	\$ 8,202.13
Air Quality Planner I	\$ 6,642.13	\$ 6,974.93	\$ 7,323.33	\$ 7,689.07	\$ 8,073.87	\$ 8,881.60
Senior Air Monitoring Specialist	\$ 6,708.00	\$ 7,044.27	\$ 7,396.13	\$ 7,765.33	\$ 8,153.60	\$ 8,968.27
Air Quality Compliance Inspector II	\$ 7,125.73	\$ 7,482.80	\$ 7,857.20	\$ 8,250.67	\$ 8,663.20	\$ 9,529.87
Air Quality Planner II	\$ 7,342.40	\$ 7,709.87	\$ 8,094.67	\$ 8,500.27	\$ 8,924.93	\$ 9,817.60
Air Quality Engineer I	\$ 7,416.93	\$ 7,787.87	\$ 8,177.87	\$ 8,586.93	\$ 9,016.80	\$ 9,918.13
Air Quality Compliance Inspector III	\$ 7,794.80	\$ 8,184.80	\$ 8,593.87	\$ 9,023.73	\$ 9,474.40	\$ 10,422.53
Air Quality Planner III	\$ 8,110.27	\$ 8,515.87	\$ 8,942.27	\$ 9,389.47	\$ 9,859.20	\$ 10,845.47
Air Quality Engineer II	\$ 8,607.73	\$ 9,037.60	\$ 9,490.00	\$ 9,964.93	\$ 10,462.40	\$ 11,509.33
Air Quality Engineer III	\$ 9,415.47	\$ 9,886.93	\$ 10,380.93	\$ 10,899.20	\$ 11,443.47	\$ 12,587.47

**Management & Confidential Employees Monthly Salary Ranges (All Full-Time) - Effective 7/10/23**

Job Title	Low	High
Air Pollution Control Officer (APCO)	\$ 18,025.42	\$ 19,495.00 (per employment agreement)
Engineering & Compliance Manager	\$ 10,916.67	\$ 14,973.14
Administrative Services Manager	\$ 10,416.67	\$ 12,057.50
Engineering Supervisor	\$ 10,333.33	\$ 14,089.44
Planning and Air Monitoring Manager	\$ 10,000.00	\$ 13,523.17
Planning and Air Monitoring Supervisor	\$ 10,000.00	\$ 10,937.50
Supervising Air Quality Compliance Inspector	\$ 8,583.33	\$ 11,383.87
Executive Assistant	\$ 6,666.67	\$ 8,645.00
Administrative & Fiscal Specialist	\$ 5,416.67	\$ 6,939.66

**BUDGET**

**SCHEDULES**

**Monterey Bay Air Resources District  
Operating Budget**

	ACTUALS FY 21-22	REVISED BUDGET FY 22-23	ESTIMATED ACTUALS FY 22-23	PROPOSED BUDGET FY 23-24
<b><u>Operating Revenues</u></b>				
EPA Grants	\$ 341,024	\$ 409,776	\$ 422,468	\$ 480,882
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	3,169,974	3,196,082	3,212,464	3,264,460
Special Fees (Title V and Asbestos)	644,346	567,790	627,432	633,963
Penalties and Fines	255,401	200,000	134,746	161,500
CARB Subvention	178,054	180,000	175,251	178,000
City and County Contributions <sup>1</sup>	365,740	382,885	382,880	394,205
Contract Revenues (Source Air Monitoring)	114,992	80,000	114,000	115,000
Woodstove Change Out Admin Funds <sup>4</sup>	-	12,500	12,500	27,897
Moyer Grant Revenues-Oper Rev	162,219	381,635	111,931	150,000
Other Grant Revenues (CA Energy Commission)	-	-	-	110,310
Oil and Gas Revenues (CARB) <sup>2</sup>	60,000	60,000	60,000	60,000
Emission Inventory Funding (CARB) <sup>2</sup>	12,583	12,583	12,583	12,583
CAPP Grant (AB617 Funding) <sup>2</sup>	94,191	93,959	93,959	93,960
CARB Prescribed Burn Funding	58,900	61,400	-	61,400
Community Air Protection (CAPP) Funds-Oper Rev <sup>2</sup>	31,855	200,000	26,750	135,000
Funding Agric Replacement Measures for Emission Reductions (FARMER) Funds-Oper Rev <sup>2</sup>	29,220	267,750	65,842	129,000
Other Revenues	143,756	157,032	143,891	148,158
Interest Income (Gen Fund)	30,766	25,000	100,775	100,000
<b>Total Operating Revenues</b>	<b>\$ 6,853,022</b>	<b>\$ 7,448,392</b>	<b>\$ 6,857,471</b>	<b>\$ 7,416,318</b>
<b><u>Expenditures by Division:</u></b>				
Administrative	\$ 1,629,669	\$ 2,329,917	\$ 2,076,905	\$ 2,219,105
Air Monitoring	627,067	754,899	695,398	738,347
Compliance	1,558,201	1,922,297	1,573,056	1,906,682
Engineering	1,210,770	1,420,700	1,191,510	1,579,787
Planning	736,268	1,212,618	853,933	1,092,541
<b>Total Operating Expenditures</b>	<b>\$ 5,761,975</b>	<b>\$ 7,640,431</b>	<b>\$ 6,390,801</b>	<b>\$ 7,536,462</b>
<b>Net Surplus (Deficit)</b>	<b>\$ 1,091,047</b>	<b>\$ (192,039)</b>	<b>\$ 466,670</b>	<b>\$ (120,144)</b>
<b><u>Expenditures by Type:</u></b>				
Salaries and Benefits	\$ 4,627,282	\$ 5,403,283	\$ 4,837,413	\$ 5,473,140
Maintenance, Equipment, and Supplies	228,804	352,440	238,005	334,575
Legal and Professional Services	474,052	678,701	352,423	687,820
Contractual Svcs	-	-	-	-
Utilities & Office Rent	149,138	157,820	157,852	166,789
Insurance	112,514	127,148	125,603	145,840
Training, Travel, District Board Exp	46,406	166,178	58,320	167,665
Fixed Assets <sup>3</sup>	52,247	633,406	546,054	451,958
Sponsorships	1,500	22,000	3,000	22,000
Transfers to Other Funds (to Clean Air Fund)	35,000	52,600	44,880	35,000
Other	35,031	46,855	27,250	51,675
<b>Total Operating Expenditures</b>	<b>\$ 5,761,975</b>	<b>\$ 7,640,431</b>	<b>\$ 6,390,801</b>	<b>\$ 7,536,462</b>

**Notes:**

(1) FY 23-24 City and County contributions include per capita assessment increase from \$.50 to \$.52

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

(3) FY 23-24 Fixed Assets include: \$200,000 for repaving, \$120K for new vehicle, \$132K for air monitoring equipment

(4) FY 23-24 Woodstove Changeout will be funded by CA Air Resources Board

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

	ACTUALS FY 21-22	REVISED BUDGET FY 22-23	ESTIMATED ACTUALS FY 22-23	PROPOSED BUDGET FY 23-24
<b><u>Non-Operating Revenues</u></b>				
AB2766 DMV Fees and Interest	\$ 1,674,009	\$ 1,653,000	\$ 1,678,220	\$ 1,708,000
AB923 DMV Fees and Interest	1,329,244	1,319,500	1,342,610	1,342,610
Moyer Grants and Interest	355,643	2,678,448	764,400	1,227,233
Community Air Protection (CAPP) Grant Funds/Int <sup>1</sup>	6,542	1,406,500	19,234	1,244,441
Funding Agric Replacement Measures for Emission Reductions (FARMER) Grant Funds and Interest <sup>1</sup>	1,947	1,874,550	593,828	2,716,995
Woodstove Change Out Grant Funds <sup>6</sup>	29,324	87,500	87,500	263,787
Offsite Mitigation/CCCE Fees/Interest <sup>2</sup>	524,265	831,890	2,300	801,500
Transfer from Gen Fund to Clean Air Fund + Interest	35,276	52,950	45,500	35,600
<b>Total Non-Operating Revenues</b>	<b>\$ 3,956,249</b>	<b>\$ 9,904,338</b>	<b>\$ 4,533,592</b>	<b>\$ 9,340,166</b>
<b><u>Expenditures by Division:</u></b>				
Planning (grant payments only)	\$ 2,937,086	\$ 17,857,671	\$ 2,395,511	\$ 11,280,819
Planning - Electric Vehicle Rebates	492,688	400,000	400,000	400,000
Planning - Electric Vehicle Infrastructure Proj <sup>2</sup>	791,207	1,012,682	367,650	967,581
Administrative - OPEB & Pension Liability Funding	120,000	120,000	120,000	120,000
Clean Air Fund	128,766	30,000	30,000	30,000
District Building Improvements	-	-	-	-
<b>Total Non-Operating Expenditures</b>	<b>\$ 4,469,747</b>	<b>\$ 19,420,353</b>	<b>\$ 3,313,161</b>	<b>\$ 12,798,400</b>
<b>Net Surplus (Deficit)</b>	<b>\$ (513,497)</b>	<b>\$ (9,516,015)</b>	<b>\$ 1,220,431</b>	<b>\$ (3,458,234)</b>
<b><u>Expenditures by Type:</u></b>				
AB2766 DMV Grants - Current Year <sup>3</sup>	\$ -	\$ 1,200,000	\$ -	\$ 200,000
AB2766 DMV Grants - Prior Year <sup>3</sup>	1,886,838	3,979,338	973,033	2,725,681
Moyer Grants <sup>3</sup>	297,557	3,448,250	763,160	1,177,233
AB923 Grants <sup>3</sup>	234,691	3,806,441	87,158	2,056,469
AB923 Electric Vehicle Infrastructure Project <sup>4</sup>	791,207	1,012,682	367,650	967,581
CAPP Grants	-	2,528,642	-	1,225,441
FARMER Grants	-	1,874,250	571,160	2,703,995
General Grants-Offsite Mitigation Grants <sup>2</sup>	400,000	800,000	-	950,000
Electric Vehicle Incentives	492,688	400,000	400,000	400,000
Woodstove Changeout Grants	118,000	218,750	1,000	242,000
Public Education Grants	-	2,000	-	-
Clean Air Fund Projects	128,766	30,000	30,000	30,000
Building Remodel/Improvement Projects	-	-	-	-
OPEB & Pension Trust Account Deposits <sup>5</sup>	120,000	120,000	120,000	120,000
<b>Total Non-Operating Expenditures</b>	<b>\$ 4,469,747</b>	<b>\$ 19,420,353</b>	<b>\$ 3,313,161</b>	<b>\$ 12,798,400</b>

**Notes:**

- (1) Revenues funded by State of California for diesel engine emission reduction  
(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. CCCE funding for zero emission school bus program delayed from previous FY  
(3) Assumption for FY 21-22 & 22-23 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 54% of budget.  
(4) Plug-In Monterey Bay electric vehicle infrastructure project using AB923 funds.  
(5) OPEB Trust \$45K, Pension Trust \$75K  
(6) FY 21-22 Woodstove Changeout funded by Clean Air Fund. FY 23-24 will be funded by CA Air Resources Board



**Monterey Bay Air Resources District  
Funds Relationships to Divisions and Programs  
FY 23-24**

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 and Central Coast Community Power used for school buses and replacements/retrofits of agricultural pumps.

**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**

	ACTUALS FY 21-22	REVISED BUDGET FY 22-23	ESTIMATED ACTUALS FY 22-23	PROPOSED BUDGET FY 23-24
<b>BEGINNING FUND BALANCE</b>	<b>\$ 7,659,616</b>	<b>\$ 8,215,447</b>	<b>\$ 8,215,447</b>	<b>\$ 8,338,778</b>
<b>Revenues</b>				
EPA Grants	\$ 341,024	\$ 409,776	\$ 422,468	\$ 480,882
Permit Fees <sup>5</sup>	3,169,974	3,196,082	3,212,464	3,264,460
Special Fees (Title V and Asbestos)	644,346	567,790	627,432	633,963
Penalties and Fines	255,401	200,000	134,746	161,500
CARB Subvention	178,054	180,000	175,251	178,000
City and County Contributions <sup>1</sup>	365,740	382,885	382,880	394,205
Contract Revenues (Source Air Monitoring)	114,992	80,000	114,000	115,000
Woodstove Change Out Grant Funds <sup>6</sup>	29,324	250,000	-	291,684
Other Grant Revenues (CA Energy Commission)	-	-	-	110,310
Oil and Gas Revenues (CARB) <sup>2</sup>	60,000	60,000	60,000	60,000
Emission Inventory Funding (CARB) <sup>2</sup>	12,583	12,583	12,583	12,583
CAPP Grant (AB617 Funding) <sup>2</sup>	94,191	93,959	93,959	93,960
Prescribed Burn Funding (CARB) <sup>2</sup>	58,900	61,400	-	61,400
Other Revenues (PERP fees, cost recoveries, misc income)	72,140	85,416	72,275	76,542
Rental Income	71,616	71,616	71,616	71,616
Interest Income	30,766	25,000	100,775	100,000
<b>Total General Fund Revenues</b>	<b>\$ 5,499,050</b>	<b>\$ 5,676,507</b>	<b>\$ 5,480,448</b>	<b>\$ 6,106,105</b>
<b>Expenditures by Division:</b>				
Administrative (incl OPEB & Pension Trust Acct deposits)	\$ 1,507,861	\$ 2,127,922	\$ 1,958,348	\$ 2,040,278
Air Monitoring	235,055	295,600	283,458	310,446
Compliance	1,558,201	1,922,297	1,573,056	1,906,682
Engineering	1,210,770	1,420,700	1,191,510	1,579,787
Planning	431,333	713,252	350,745	656,506
<b>Total General Fund Expenditures</b>	<b>\$ 4,943,219</b>	<b>\$ 6,479,771</b>	<b>\$ 5,357,117</b>	<b>\$ 6,493,699</b>
<b>Net Surplus (Deficit)</b>	<b>\$ 555,831</b>	<b>\$ (803,264)</b>	<b>\$ 123,331</b>	<b>\$ (387,594)</b>
<b>ENDING FUND BALANCE</b>	<b>\$ 8,215,447</b>	<b>\$ 7,412,183</b>	<b>\$ 8,338,778</b>	<b>\$ 7,951,184</b>
<b>Expenditures by Type:</b>				
Salaries and Benefits <sup>4</sup>	\$ 3,806,255	\$ 4,264,435	\$ 3,901,620	\$ 4,470,137
Maintenance, Equipment, and Supplies	184,650	274,258	197,161	265,986
Legal and Professional Services	370,829	556,403	261,564	538,717
Utilities & Office Rent	114,401	123,387	125,217	130,199
Insurance	95,637	110,620	108,725	126,880
Training, Travel, District Board Exp	35,919	126,213	52,745	118,043
Fixed Assets <sup>3</sup>	29,527	589,280	517,554	399,397
Grants-Woodstove Changeouts	118,000	218,750	1,000	242,000
OPEB & Pension Trust Account Deposits	120,000	120,000	120,000	120,000
Transfers Out (to Clean Air Fund)	35,000	52,600	44,880	35,000
Other	33,001	43,825	26,650	47,340
<b>Total General Fund Expenditures</b>	<b>\$ 4,943,219</b>	<b>\$ 6,479,771</b>	<b>\$ 5,357,117</b>	<b>\$ 6,493,699</b>

**Notes:**

(1) FY 22-23 City and County contributions includes per capita assessment increase from \$.50 to \$.52

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

(3) FY 23-24 Fixed Assets include: \$200K for repaving parking lots, \$115K for vehicle replacements, \$84K for air monitoring equipment

(4) Increase reflects 3% CPI wage increase, increase in PERS and WC rates, filling vacant positions

(5) Permit fee increase of 3%, based on salary increase cap per MOU.

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

	ACTUALS FY 21-22	REVISED BUDGET FY 22-23	ESTIMATED ACTUALS FY 22-23	PROPOSED BUDGET FY 23-24
<b>BEGINNING FUND BALANCE</b>	<b>\$ 7,318,168</b>	<b>\$ 6,840,336</b>	<b>\$ 6,840,336</b>	<b>\$ 7,313,423</b>
<b>Revenues</b>				
AB2766 DMV Fees-Operating	\$ 1,100,000	\$ 1,100,000	\$ 1,100,000	\$ 1,100,000
AB2766 DMV Fees-Non-Operating	1,645,293	1,633,000	1,603,220	1,633,000
AB2766 Fund Interest Income	28,716	20,000	75,000	75,000
<b>Total AB2766 Fund Revenues</b>	<b>\$ 2,774,009</b>	<b>\$ 2,753,000</b>	<b>\$ 2,778,220</b>	<b>\$ 2,808,000</b>
<b>Expenditures by Division:</b>				
Administrative	\$ 241,808	\$ 321,995	\$ 238,557	\$ 298,827
Air Monitoring	392,013	459,299	411,939	427,901
Compliance	-	-	-	-
Engineering	-	-	-	-
Planning <sup>2</sup>	2,618,021	5,746,784	1,654,637	3,499,109
<b>Total AB2766 Fund Expenditures</b>	<b>\$ 3,251,841</b>	<b>\$ 6,528,078</b>	<b>\$ 2,305,133</b>	<b>\$ 4,225,837</b>
<b>Net Surplus (Deficit)</b>	<b>\$ (477,832)</b>	<b>\$ (3,775,078)</b>	<b>\$ 473,087</b>	<b>\$ (1,417,837)</b>
<b>ENDING FUND BALANCE</b>	<b>\$ 6,840,336</b>	<b>\$ 3,065,259</b>	<b>\$ 7,313,423</b>	<b>\$ 5,895,586</b>
<b>Expenditures by Type<sup>4</sup>:</b>				
Salaries and Benefits	\$ 636,730	\$ 607,078	\$ 717,947	\$ 523,296
Maintenance, Equipment, and Supplies	44,046	69,582	40,594	59,189
Legal and Professional Services	103,189	114,798	86,371	146,103
Utilities & Office Rent	34,737	34,433	32,635	36,590
Insurance	16,877	16,528	16,878	18,960
Training, Travel, District Board Expenses	10,487	36,165	5,575	39,122
Sponsorships <sup>1</sup>	1,500	22,000	3,000	22,000
Fixed Assets <sup>5</sup>	22,720	44,126	28,500	52,561
Grants-Public Educations	-	2,000	-	-
Grants-AB2766 (Current & Prior Years) <sup>2</sup>	1,886,838	5,179,338	973,033	2,925,681
Electric Vehicle Incentives <sup>3</sup>	492,688	400,000	400,000	400,000
Other	2,030	2,030	600	2,335
<b>Total AB2766 Fund Expenditures</b>	<b>\$ 3,251,841</b>	<b>\$ 6,528,078</b>	<b>\$ 2,305,133</b>	<b>\$ 4,225,837</b>

**Notes:**

(1) Includes sponsoring the annual Clean Air awards and electric vehicle events.

(2) Assumption for FY 22-23 & 23-24 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 54% of budget.

(3) Incentives offered to Tri-County residents for purchasing all-electric, plug-in hybrids, hydrogen fuel cell vehicles and electric bikes.

(4) Expense allocations are based on the percentage of mobile source emission inventory as compared to stationary sources.

(5) FY 23-24 Fixed Assets include portion of admin (\$5200) and air monitoring equipment (\$47K)

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

	<u>ACTUALS FY 21-22</u>	<u>REVISED BUDGET FY 22-23</u>	<u>ESTIMATED ACTUALS FY 22-23</u>	<u>PROPOSED BUDGET FY 23-24</u>
<b><i>BEGINNING FUND BALANCE</i></b>	<b><i>\$ 3,666,529</i></b>	<b><i>\$ 4,000,405</i></b>	<b><i>\$ 4,000,405</i></b>	<b><i>\$ 4,936,446</i></b>
<b><u>Revenues</u></b>				
AB923 Fees/ - Operating	\$ 60,000	\$ 60,000	\$ 60,000	\$ 60,000
AB923 Fees/Interest -Non-Operating	1,312,647	1,306,500	1,291,610	1,291,610
AB923 Fund Interest Income	16,597	13,000	51,000	51,000
<b>Total AB923 Fund Revenues</b>	<b><u>\$ 1,389,244</u></b>	<b><u>\$ 1,379,500</u></b>	<b><u>\$ 1,402,610</u></b>	<b><u>\$ 1,402,610</u></b>
<b><u>Expenditures by Division:</u></b>				
Planning <sup>1</sup>	\$ 1,055,368	\$ 4,882,175	\$ 466,569	\$ 3,113,871
<b>Total AB923 Fund Expenditures</b>	<b><u>\$ 1,055,368</u></b>	<b><u>\$ 4,882,175</u></b>	<b><u>\$ 466,569</u></b>	<b><u>\$ 3,113,871</u></b>
<b>Net Surplus (Deficit)</b>	<b><u>\$ 333,876</u></b>	<b><u>\$ (3,502,675)</u></b>	<b><u>\$ 936,041</u></b>	<b><u>\$ (1,711,261)</u></b>
<b><i>ENDING FUND BALANCE</i></b>	<b><u><u>\$ 4,000,405</u></u></b>	<b><u><u>\$ 497,730</u></u></b>	<b><u><u>\$ 4,936,446</u></u></b>	<b><u><u>\$ 3,225,185</u></u></b>
<b><u>Expenditures by Type:</u></b>				
Salaries and Benefits	\$ 29,470	\$ 59,452	\$ 11,761	\$ 87,421
Supplies, Travel, Training	-	2,600	-	400
Electric Vehicle Infrastructure Project <sup>1</sup>	791,207	1,012,682	367,650	967,581
Grants-AB923 <sup>2</sup>	234,691	3,806,441	87,158	2,056,469
Other	-	1,000	-	2,000
<b>Total AB923 Fund Expenditures</b>	<b><u><u>\$ 1,055,368</u></u></b>	<b><u><u>\$ 4,882,175</u></u></b>	<b><u><u>\$ 466,569</u></u></b>	<b><u><u>\$ 3,113,871</u></u></b>

**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 22-23 & 23-24 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 54% of budget.

## Monterey Bay Air Resources District Moyer Fund Budget

	ACTUALS FY 21-22	REVISED BUDGET FY 22-23	ESTIMATED ACTUALS FY 22-23	PROPOSED BUDGET FY 23-24
<b><i>BEGINNING FUND BALANCE</i></b>	<b><u>\$ 373,112</u></b>	<b><u>\$ 467,881</u></b>	<b><u>\$ 467,881</u></b>	<b><u>\$ 466,470</u></b>
<b><u>Revenues</u></b>				
Moyer Grant-Non Operating	\$ 345,383	\$ 2,671,448	\$ 715,400	\$ 1,177,233
Moyer Grant - Operating	132,999	381,635	111,931	150,000
Moyer Interest	10,260	7,000	49,000	50,000
<b>Total Moyer Fund Revenues</b>	<b><u>\$ 488,642</u></b>	<b><u>\$ 3,060,083</u></b>	<b><u>\$ 876,331</u></b>	<b><u>\$ 1,377,233</u></b>
<b><u>Expenditures by Division:</u></b>				
Planning <sup>1</sup>	\$ 393,873	\$ 3,646,030	\$ 877,742	\$ 1,324,124
<b>Total Moyer Fund Expenditures</b>	<b><u>\$ 393,873</u></b>	<b><u>\$ 3,646,030</u></b>	<b><u>\$ 877,742</u></b>	<b><u>\$ 1,324,124</u></b>
<b>Net Surplus (Deficit)</b>	<b><u>\$ 94,769</u></b>	<b><u>\$ (585,947)</u></b>	<b><u>\$ (1,411)</u></b>	<b><u>\$ 53,109</u></b>
<b><i>ENDING FUND BALANCE</i></b>	<b><u>\$ 467,881</u></b>	<b><u>\$ (118,066)</u></b>	<b><u>\$ 466,470</u></b>	<b><u>\$ 519,579</u></b>
<b><u>Expenditures by Type:</u></b>				
Salaries and Benefits	\$ 96,173	\$ 189,880	\$ 109,924	\$ 139,391
Professional Services	35	5,000	4,473	2,000
Supplies, Travel, Training	108	2,900	185	5,500
Grants - Moyer <sup>1</sup>	297,557	3,448,250	763,160	1,177,233
<b>Total Moyer Fund Expenditures</b>	<b><u>\$ 393,873</u></b>	<b><u>\$ 3,646,030</u></b>	<b><u>\$ 877,742</u></b>	<b><u>\$ 1,324,124</u></b>

**Notes:**

(1) Assumption for FY 22-23 & 23-24 budget columns is that all outstanding grants are paid out during the fiscal period.

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

	<b>ACTUALS FY 21-22</b>	<b>REVISED BUDGET FY 22-23</b>	<b>ESTIMATED ACTUALS FY 22-23</b>	<b>PROPOSED BUDGET FY 23-24</b>
<b><i>BEGINNING FUND BALANCE</i></b>	<b><u>\$ 171,285</u></b>	<b><u>\$ 295,433</u></b>	<b><u>\$ 295,433</u></b>	<b><u>\$ 297,718</u></b>
<b><u>Revenues</u></b>				
Offsite Mitigation Fees/Revenue <sup>1</sup>	\$ 107,250	\$ 27,900	\$ -	\$ -
Offsite Mitigation Oper Fees - Admin <sup>1</sup>	\$ 15,321	\$ 3,490	\$ -	\$ -
Zero Emission Bus Project Revenue <sup>2</sup>	\$ 400,000	\$ 800,000	\$ -	\$ 800,000
Zero Emission Bus Project Oper - Adm <sup>2</sup>	\$ 1,066	\$ -	\$ -	\$ -
General Grants Interest	\$ 628	\$ 500	\$ 2,300	\$ 1,500
<b>Total General Grants Fund Revenues</b>	<b><u>\$ 524,265</u></b>	<b><u>\$ 831,890</u></b>	<b><u>\$ 2,300</u></b>	<b><u>\$ 801,500</u></b>
<b><u>Expenditures by Division:</u></b>				
Planning	\$ 400,118	\$ 801,964	\$ 15	\$ 955,490
<b>Total General Grants Fund Expenditures</b>	<b><u>\$ 400,118</u></b>	<b><u>\$ 801,964</u></b>	<b><u>\$ 15</u></b>	<b><u>\$ 955,490</u></b>
<b>Net Surplus (Deficit)</b>	<b><u>\$ 124,148</u></b>	<b><u>\$ 29,926</u></b>	<b><u>\$ 2,285</u></b>	<b><u>\$ (153,990)</u></b>
<b><i>ENDING FUND BALANCE</i></b>	<b><u><u>\$ 295,433</u></u></b>	<b><u><u>\$ 325,359</u></u></b>	<b><u><u>\$ 297,718</u></u></b>	<b><u><u>\$ 143,728</u></u></b>
<b><u>Expenditures by Type:</u></b>				
Salaries and Wages	118	1,964	15	5,490
Grants <sup>1,2</sup>	\$ 400,000	\$ 800,000	\$ -	\$ 950,000
<b>Total General Grants Fund Expenditures</b>	<b><u><u>\$ 400,118</u></u></b>	<b><u><u>\$ 801,964</u></u></b>	<b><u><u>\$ 15</u></u></b>	<b><u><u>\$ 955,490</u></u></b>

**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.

(2) Funded by Central Coast Community Energy (CCCE) for zero emission buses. Funding delayed due to manufacturing delays

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

	<b>ACTUALS FY 21-22</b>	<b>REVISED BUDGET FY 22-23</b>	<b>ESTIMATED ACTUALS FY 22-23</b>	<b>PROPOSED BUDGET FY 23-24</b>
<b><i>BEGINNING FUND BALANCE</i></b>	<b><i>\$ 208,765</i></b>	<b><i>\$ 216,081</i></b>	<b><i>\$ 216,081</i></b>	<b><i>\$ 234,011</i></b>
<b><u>Revenues</u></b>				
CAPP Funding-Non Operating	\$ -	\$ 1,400,000	\$ -	\$ 1,225,441
CAPP Funding-Operating	31,855	200,000	26,750	135,000
CAPP Fund Interest	6,542	6,500	19,234	19,000
<b>Total CAPP Fund Revenues</b>	<b><u>\$ 38,397</u></b>	<b><u>\$ 1,606,500</u></b>	<b><u>\$ 45,984</u></b>	<b><u>\$ 1,379,441</u></b>
<b><u>Expenditures by Division:</u></b>				
Planning <sup>1</sup>	\$ 31,081	\$ 2,663,986	\$ 28,054	\$ 1,359,503
<b>Total CAPP Fund Expenditures</b>	<b><u>\$ 31,081</u></b>	<b><u>\$ 2,663,986</u></b>	<b><u>\$ 28,054</u></b>	<b><u>\$ 1,359,503</u></b>
<b>Net Surplus (Deficit)</b>	<b><u>\$ 7,316</u></b>	<b><u>\$ (1,057,486)</u></b>	<b><u>\$ 17,930</u></b>	<b><u>\$ 19,938</u></b>
<b><i>ENDING FUND BALANCE</i></b>	<b><u><u>\$ 216,081</u></u></b>	<b><u><u>\$ (841,405)</u></u></b>	<b><u><u>\$ 234,011</u></u></b>	<b><u><u>\$ 253,949</u></u></b>
<b><u>Expenditures by Type:</u></b>				
Salaries and Benefits	\$ 31,081	\$ 131,444	\$ 28,004	\$ 126,562
Professional Services	-	500	-	1,000
Supplies, Travel, Training	-	3,400	50	6,500
Grants <sup>1</sup>	-	2,528,642	-	1,225,441
<b>Total CAPP Fund Expenditures</b>	<b><u><u>\$ 31,081</u></u></b>	<b><u><u>\$ 2,663,986</u></u></b>	<b><u><u>\$ 28,054</u></u></b>	<b><u><u>\$ 1,359,503</u></u></b>

**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**

	ACTUALS FY 21-22	REVISED BUDGET FY 22-23	ESTIMATED ACTUALS FY 22-23	PROPOSED BUDGET FY 23-24
<b><i>BEGINNING FUND BALANCE</i></b>	<b><u>\$ 74,966</u></b>	<b><u>\$ 78,678</u></b>	<b><u>\$ 78,678</u></b>	<b><u>\$ 99,017</u></b>
<b><u>Revenues</u></b>				
FARMER Funding-Non Operating	\$ -	\$ 1,874,250	\$ 580,000	\$ 2,703,995
FARMER Funding-Operating	29,220	267,750	65,842	129,000
FARMER Fund Interest	1,947	300	13,828	13,000
<b>Total FARMER Fund Revenues</b>	<b><u>\$ 31,167</u></b>	<b><u>\$ 2,142,300</u></b>	<b><u>\$ 659,670</u></b>	<b><u>\$ 2,845,995</u></b>
<b><u>Expenditures by Division:</u></b>				
Planning <sup>1</sup>	\$ 27,455	\$ 2,028,780	\$ 639,332	\$ 2,832,338
<b>Total FARMER Fund Expenditures</b>	<b><u>\$ 27,455</u></b>	<b><u>\$ 2,028,780</u></b>	<b><u>\$ 639,332</u></b>	<b><u>\$ 2,832,338</u></b>
<b>Net Surplus (Deficit)</b>	<b><u>\$ 3,712</u></b>	<b><u>\$ 113,520</u></b>	<b><u>\$ 20,338</u></b>	<b><u>\$ 13,657</u></b>
<b><i>ENDING FUND BALANCE</i></b>	<b><u>\$ 78,678</u></b>	<b><u>\$ 192,198</u></b>	<b><u>\$ 99,017</u></b>	<b><u>\$ 112,674</u></b>
<b><u>Expenditures by Type:</u></b>				
Salaries and Benefits	\$ 27,455	\$ 149,030	\$ 68,142	\$ 120,843
Professional Services	-	2,000	15	1,000
Supplies, Travel, Training	-	3,500	15	6,500
Grants <sup>1</sup>	-	1,874,250	571,160	2,703,995
<b>Total FARMER Fund Expenditures</b>	<b><u>\$ 27,455</u></b>	<b><u>\$ 2,028,780</u></b>	<b><u>\$ 639,332</u></b>	<b><u>\$ 2,832,338</u></b>

**Notes:**

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



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

	<u>ACTUALS</u> FY 21-22	<u>REVISED</u> <u>BUDGET</u> FY 22-23	<u>ESTIMATED</u> <u>ACTUALS</u> FY 22-23	<u>PROPOSED</u> <u>BUDGET</u> FY 23-24
<b><i>BEGINNING FUND BALANCE</i></b>	<b><u>\$ 100,579</u></b>	<b><u>\$ 7,089</u></b>	<b><u>\$ 7,089</u></b>	<b><u>\$ 22,589</u></b>
<b><u>Clean Air Fund</u></b>				
Transfers from General Fund	\$ 35,000	\$ 52,600	\$ 44,880	\$ 35,000
Interest	276	350	620	600
<b>Total Clean Air Fund Revenues</b>	<b><u>\$ 35,276</u></b>	<b><u>\$ 52,950</u></b>	<b><u>\$ 45,500</u></b>	<b><u>\$ 35,600</u></b>
<b><u>Expenditures by Type:</u></b>				
Special Air Quality Projects authorized per District Policy B.12	\$ 128,766	\$ 30,000	\$ 30,000	\$ 30,000
<b>Total Clean Air Fund Expenditures</b>	<b><u>\$ 128,766</u></b>	<b><u>\$ 30,000</u></b>	<b><u>\$ 30,000</u></b>	<b><u>\$ 30,000</u></b>
<b>Surplus (Deficit)</b>	<b><u>\$ (93,490)</u></b>	<b><u>\$ 22,950</u></b>	<b><u>\$ 15,500</u></b>	<b><u>\$ 5,600</u></b>
<b><i>ENDING FUND BALANCE</i></b>	<b><u>\$ 7,089</u></b>	<b><u>\$ 30,039</u></b>	<b><u>\$ 22,589</u></b>	<b><u>\$ 28,189</u></b>

**Notes:**

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

	<b>ACTUALS FY 21-22</b>	<b>ESTIMATED ACTUALS FY 22-23</b>	<b>PROPOSED BUDGET FY 23-24</b>
Support and Operations (1)	\$ 1,552,055	\$ 1,999,449	\$ 2,108,181
Public Education	77,614	77,456	110,924
Permitting (2)	2,577,586	2,537,146	3,187,494
Title V	141,353	147,702	235,239
Asbestos	259,585	246,572	294,239
Air Monitoring AB2766	392,013	411,939	427,901
Air Monitoring PM 2.5	43,339	116,789	79,943
Planning General	277,341	348,557	359,569
Planning AB2766 (3)	2,618,021	1,654,637	3,499,109
AB 923 Grant Program (3)	1,055,368	466,569	3,113,871
Moyer Grant Program (3)	393,873	877,742	1,324,124
Offsite Mitigation Grants/CCCE (4)	400,118	15	955,490
Community Air Protection Grant Program (5)	31,081	28,054	1,359,503
Funding Agric Replacement Measures Grant Program (5)	27,455	639,332	2,832,338
Woodstove Changeout Program	136,155	2,003	296,937
Clean Air Fund Projects	128,766	30,000	30,000
Debt Reduction (6)	120,000	120,000	120,000
<b>Total-All Programs</b>	<b><u>\$ 10,231,721</u></b>	<b><u>\$ 9,703,962</u></b>	<b><u>\$ 20,334,862</u></b>

**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 23-24 budget is that all outstanding grants are paid out during the fiscal period. Over the last five fiscal periods, actual grant reimbursements have averaged 54% of budget.

(4) Offsite mitigation grants funded from East Garrison Project / Electric School Bus grants funded by CCCE

(5) Grant programs to reduce emissions, funded by recent State legislation.

(6) Debt reduction is for deposits to Other Post Employment Benefit (OPEB) and Pension Trusts for retiree health benefits.

**Monterey Bay Air Resources District  
Stationary Source Programs  
FY 23-24 Budget**

	<b>Program</b>		
	<b>Permitting</b>	<b>Title V</b>	<b>Asbestos</b>
<b>Estimated Revenues:</b>			
Permitting Fees	\$ 3,267,540	\$ 320,872	\$ 313,091
Cost Recoveries	\$ 2,500	\$ -	\$ 7,500
<b>Total Estimated Revenues</b>	<b>\$ 3,270,040</b>	<b>\$ 320,872</b>	<b>\$ 320,591</b>
<b>Estimated direct expenditures</b>			
Engineering Division	\$ 1,456,331	\$ 83,456	\$ -
Compliance Division	1,500,660	111,783	294,239
Air Monitoring Division	221,334	-	-
Planning Division	-	-	-
<b>Subtotal - Direct Expenditures</b>	<b>\$ 3,178,325</b>	<b>\$ 195,239</b>	<b>\$ 294,239</b>
<b>Estimated overhead allocations</b>			
Engineering Division	\$ 484,689	\$ 31,305	\$ -
Compliance Division	549,386	47,741	109,953
Air Monitoring Division	69,906	-	-
Planning Division	-	-	-
<b>Subtotal - Overhead Allocations</b>	<b>\$ 1,103,981</b>	<b>\$ 79,046</b>	<b>\$ 109,953</b>
<b>Total Expenditures + Overhead</b>	<b>\$ 4,282,306</b>	<b>\$ 274,285</b>	<b>\$ 404,192</b>
<b>Revenues less Expenditures:</b>			
<b>Surplus or (deficit)</b>	<b>\$ (1,012,266)</b>	<b>\$ 46,587</b>	<b>\$ (83,601)</b>
<b>Cost Recovery Rate</b>	<b>76%</b>	<b>117%</b>	<b>79%</b>

**Notes :**

*Deficits in 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 23-24**

<b>Description</b>	<b>Estimated Cost</b>
Air Monitoring Equipment	\$ 131,958
Parking Lot Resurfacing	\$ 200,000
Vehicle replacements (Admin/Compliance/Engineering)	\$ 120,000
<b>Grand Total</b>	<b><u>\$ 451,958</u></b>

## ADMINISTRATIVE DIVISION

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

- MBARD 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 21-22	REVISED BUDGET FY 22-23	ESTIMATED ACTUALS FYE 6/30/23	PROPOSED BUDGET FY 23-24
<b><u>Expenditures by Type:</u></b>				
Salaries and Benefits	\$ 909,275	\$ 911,741	\$ 896,018	\$ 959,573
Maintenance, Equipment, and Supplies	138,202	205,632	155,312	179,612
Legal and Professional Services	281,207	301,600	251,876	428,620
Utilities & Office Rent	96,300	102,800	109,669	111,400
Insurance	112,514	127,148	125,603	145,840
Training, Travel, District Board Expenses	30,312	66,635	36,407	60,085
Fixed Assets	-	502,906	422,400	240,000
Sponsorships	500	20,000	2,000	20,000
Transfers Out	35,000	52,600	44,880	35,000
OPEB/Pension Trust Acct Deposits	120,000	120,000	120,000	120,000
Grants and Other	26,358	38,855	32,740	38,975
<b>Totals</b>	<b><u>\$ 1,749,669</u></b>	<b><u>\$ 2,449,917</u></b>	<b><u>\$ 2,196,905</u></b>	<b><u>\$ 2,339,105</u></b>

## 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 Planning and Air Monitoring Specialist (.5 FTE), one Senior Air Monitoring Specialist, and one Air Monitoring Specialist.

	ACTUALS FY 20-21	REVISED BUDGET FY 21-22	ESTIMATED ACTUALS FY 21-22	PROPOSED BUDGET FY 22-23
<b><i>Expenditures by Type:</i></b>				
Salaries and Benefits	\$ 455,885	\$ 514,372	\$ 488,157	\$ 450,549
Maintenance, Equipment, and Supplies	50,989	49,118	30,871	59,026
Professional Services	57,740	55,751	54,750	59,150
Utilities & Office Rent	28,738	30,295	27,002	31,764
Training & Travel	2,592	9,863	5,963	5,900
Fixed Assets	31,123	95,500	88,654	131,958
<b>Totals</b>	<b>\$ 627,067</b>	<b>\$ 754,899</b>	<b>\$ 695,398</b>	<b>\$ 738,347</b>
	\$ 627,067	\$ 754,899	\$ 695,398	\$ 738,347

## 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 MBARD 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 21-22	REVISED BUDGET FY 22-23	ESTIMATED ACTUALS FY 22-23	PROPOSED BUDGET FY 23-24
<b><i>Expenditures by Type:</i></b>				
Salaries and Benefits	\$ 1,461,759	\$ 1,726,452	\$ 1,470,122	\$ 1,761,947
Maintenance, Equipment, and Supplies	13,692	27,140	19,703	26,530
Utilities & Office Rent	22,939	21,725	20,531	22,125
Professional Services	34,080	95,000	21,200	38,000
Training & Travel	4,607	16,980	6,500	18,080
Fixed Assets	21,124	35,000	35,000	40,000
Other	-	-	-	-
<b>Totals</b>	<b>\$ 1,558,201</b>	<b>\$ 1,922,297</b>	<b>\$ 1,573,056</b>	<b>\$ 1,906,682</b>

## 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> FY 21-22	<u>REVISED</u> <u>BUDGET</u> FY 22-23	<u>ESTIMATED</u> <u>ACTUALS</u> FYE 6/30/23	<u>REQUESTED</u> <u>BUDGET</u> FY 23-24
<b><u>Expenditures by Type:</u></b>				
Salaries and Benefits	\$ 1,119,149	\$ 1,244,500	\$ 1,172,385	\$ 1,376,080
Maintenance, Equipment, and Supplies	3,091	13,400	3,000	12,400
Utilities	368	1,000	250	1,000
Professional Services	75,903	119,400	10,150	107,707
Training & Travel	770	22,400	2,225	22,600
Other	11,489	20,000	3,500	\$ 20,000
<b>Totals</b>	<b><u>\$ 1,210,770</u></b>	<b><u>\$ 1,420,700</u></b>	<b><u>\$ 1,191,510</u></b>	<b><u>\$ 1,539,787</u></b>



## 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), a Planning and Air Monitoring Supervisor (.5 FTE), four Air Quality Planners and an Air Quality Technician (.5 FTE).

	ACTUALS FY 21-22	REVISED BUDGET FY 22-23	ESTIMATED ACTUALS FY 22-23	PROPOSED BUDGET FY 23-24
<i><b>Expenditures by Type:</b></i>				
Salaries and Benefits	\$ 681,213	\$ 1,006,218	\$ 810,732	\$ 924,991
Maintenance, Equipment, and Supplies	6,816	21,600	10,823	19,850
Professional Services	829,279	1,137,182	391,338	1,042,081
Utilities & Office Rent	792	2,000	400	500
Training & Travel	8,125	57,500	7,290	69,700
Sponsorships	1,000	2,000	1,000	2,000
Grants-AB2766	1,886,838	5,179,338	973,033	2,925,681
Grants-Moyer	297,557	3,448,250	763,160	1,177,233
Grants-AB923	234,691	3,806,441	87,158	2,056,469
Grants-CAPP	-	2,528,642	-	1,225,441
Grants-FARMER	-	1,874,250	571,160	2,703,995
Electric Vehicle Incentives	492,688	400,000	400,000	400,000
Grants-Woodstove Changeouts	118,000	218,750	1,000	242,000
Grants-Offsite Mitigation	-	-	-	150,000
Grants-CCCE	400,000	800,000	-	800,000
Other	250	800	-	1,000
<b>Totals</b>	<b>\$ 4,957,249</b>	<b>\$ 20,482,971</b>	<b>\$ 4,017,094</b>	<b>\$ 13,740,941</b>

# **FUND BALANCES**

# Monterey Bay Air Resources District Fund Balances

	General Fund			AB2766 Fund			AB923 Fund			Moyer Fund			General Grant Fund		
	ACTUALS FY 21-22	ESTIMATED ACTUALS FY 22-23	PROPOSED BUDGET FY 23-24	ACTUALS FY 21-22	ESTIMATED ACTUALS FY 22-23	PROPOSED BUDGET FY 23-24	ACTUALS FY 21-22	ESTIMATED ACTUALS FY 22-23	PROPOSED BUDGET FY 23-24	ACTUALS FY 21-22	ESTIMATED ACTUALS FY 22-23	PROPOSED BUDGET FY 23-24	ACTUALS FY 21-22	ESTIMATED ACTUALS FY 22-23	PROPOSED BUDGET FY 23-24
<b>Beginning Fund Balance, July 1st</b>	\$ 7,659,616	\$ 8,215,447	\$ 8,338,778	\$ 7,318,168	\$ 6,840,336	\$ 7,313,423	\$ 3,666,529	\$ 4,000,405	\$ 4,936,446	\$ 373,112	\$ 467,881	\$ 466,470	\$ 171,285	\$ 295,433	\$ 297,718
<b>Revenues</b>	5,499,050	5,480,448	6,106,105	2,774,009	2,778,220	2,808,000	1,389,244	1,402,610	1,402,610	488,642	876,331	1,377,233	524,265	2,300	801,500
<b>Expenditures (1)</b>	(4,943,219)	(5,357,117)	(6,493,699)	(3,251,841)	(2,305,133)	(4,225,837)	(1,055,368)	(466,569)	(3,113,871)	(393,873)	(877,742)	(1,324,124)	(400,118)	(15)	(955,490)
<b>Net Increase (Decrease) in Fund Balance</b>	\$ 555,831	\$ 123,331	\$ (387,594)	\$ (477,832)	\$ 473,087	\$ (1,417,837)	\$ 333,876	\$ 936,041	\$ (1,711,261)	\$ 94,769	\$ (1,411)	\$ 53,109	\$ 124,148	\$ 2,285	\$ (153,990)
<b>Projected Ending Fund Balance, June 30th</b>	\$ 8,215,447	\$ 8,338,778	\$ 7,951,184	\$ 6,840,336	\$ 7,313,423	\$ 5,895,586	\$ 4,000,405	\$ 4,936,446	\$ 3,225,185	\$ 467,881	\$ 466,470	\$ 519,579	\$ 295,433	\$ 297,718	\$ 143,728
<b>Reserves &amp; Unreserved Fund Balance:</b>															
Reserved for Grants															
Designated for Economic Uncertainties (2)	\$ 1,604,750	\$ 1,867,133	\$ 1,865,676	\$ 4,100,173	\$ 3,652,341	\$ 4,393,614	\$ 4,000,405	\$ 4,936,446	\$ 3,225,185	\$ 467,881	\$ 466,470	\$ 519,579	\$ 295,433	\$ 297,718	\$ 143,728
Designated for Building & Facilities	100,000	100,000	100,000												
Designated for Other Post Employment Benefits (OPEB)	30,000	30,000	30,000												
Designated for Pension Obligations Prefunding	500,000	50,000	500,000												
Designated for Special Projects per District Policy B.12															
Unreserved Fund Balance	6,480,697	6,341,645	5,455,508	2,740,163	3,661,082	1,501,972									
<b>Projected Total- Reserved &amp; Unreserved Fund Balance</b>	\$ 8,715,447	\$ 8,388,778	\$ 7,951,184	\$ 6,840,336	\$ 7,313,423	\$ 5,895,586	\$ 4,000,405	\$ 4,936,446	\$ 3,225,185	\$ 467,881	\$ 466,470	\$ 519,579	\$ 295,433	\$ 297,718	\$ 143,728

**Notes:**  
(1) Assumption for 23-24 is that all outstanding grants are paid out during the fiscal period. Over the last five fiscal periods, actual grant expenditures have averaged 54% 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		ESTIMATED ACTUALS		PROPOSED BUDGET	
	FY 21-22	FY 22-23	FY 23-24	FY 23-24	FY 21-22	FY 22-23	FY 23-24	FY 23-24	FY 21-22	FY 22-23	FY 23-24	FY 23-24
<b>Beginning Fund Balance, July 1st</b>	\$ 208,765	\$ 216,081	\$ 234,011	\$ 234,011	\$ 74,966	\$ 78,678	\$ 99,017	\$ 99,017	\$ 100,579	\$ 7,089	\$ 7,089	\$ 22,589
<b>Revenues</b>	38,397	45,984	1,379,441	1,379,441	31,167	659,670	2,845,995	2,845,995	35,276	45,500	45,500	35,600
<b>Expenditures (1)</b>	(31,081)	(28,054)	(1,359,503)	(1,359,503)	(27,455)	(639,332)	(2,832,338)	(2,832,338)	(128,766)	(30,000)	(30,000)	(30,000)
<b>Net Increase (Decrease) in Fund Balance</b>	\$ 7,316	\$ 17,930	\$ 19,938	\$ 19,938	\$ 3,712	\$ 20,338	\$ 13,657	\$ 13,657	\$ (93,490)	\$ 15,500	\$ 15,500	\$ 5,600
<b>Projected Ending Fund Balance, June 30th</b>	\$ 216,081	\$ 234,011	\$ 253,949	\$ 253,949	\$ 78,678	\$ 99,017	\$ 112,674	\$ 112,674	\$ 7,089	\$ 22,589	\$ 22,589	\$ 28,189
<b>Reserves &amp; Unreserved Fund Balance:</b>												
Reserved for Grants	\$ 216,081	\$ 234,011	\$ 253,949	\$ 253,949	\$ 78,678	\$ 99,017	\$ 112,674	\$ 112,674	\$ 7,089	\$ 22,589	\$ 22,589	\$ 28,189
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												
<b>Projected Total- Reserved &amp; Unreserved Fund Balance</b>	\$ 216,081	\$ 234,011	\$ 253,949	\$ 253,949	\$ 78,678	\$ 99,017	\$ 112,674	\$ 112,674	\$ 7,089	\$ 22,589	\$ 22,589	\$ 28,189

# RESOLUTION

**RESOLUTION 23-010**

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

Adopt the Fiscal Year (FY) 2023-2024 Budget in the Amount of \$20,334,862 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, 2023 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 \$20,334,862 for FY 2023-2024 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 2023-2024.

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 2023-2024 shall be fifty-two cents (\$.52).

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-Hayward Consumer Price Index as available to adjust general regulatory fees.

PASSED AND ADOPTED this 21st day of June, 2023, upon motion of Director Askew, seconded by Director Carbone, and carried by the following vote, to wit:


AYES: Directors Askew, Brown, Carbone, Church, Friend, Hernandez, Lopez, Morales, and Alternate Director Dom Zanger (Alternate Member for Director Kosmicki)

NOES:

ABSENT: Directors Kosmicki and LeBarre

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 21, 2023.

By:   
Sirie Thongchua, Executive Assistant

Approved:   
Richard A. Stedman, APCO

**Table 1. Fee Schedule**

Rule 300 (Part 3, Permit Fees)

Permit Fees	<del>Rule 300 (FY 2022-2023)</del>	<b>Rule 300 (FY 2023-2024)</b>
Section 3.1 Filing Fee	\$ <del>230</del>	\$ <b>237</b>
Section 3.4.1 Synthetic Minor Permit Filing Fee	\$ <del>339</del>	\$ <b>349</b>
Section 3.4.2 Synthetic Minor Permit Evaluation Fee	\$ <del>1,353</del>	\$ <b>1,394</b>

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

Source Category	<del>Rule 300 (FY 2022-2023)</del>	<b>Rule 300 (FY 2023-2024)</b>
Dry Cleaner	<del>\$363</del>	<b>\$374</b>
Emergency Diesel Fueled Internal Combustion Engine (fee code 202)	<del>\$396</del>	<b>\$408</b>
Emergency Diesel Fueled Internal Combustion Engine (historical fee code 501)	<del>\$269</del>	<b>\$277</b>
Emergency Non-Diesel Fueled Internal Combustion Engine	<del>\$269</del>	<b>\$277</b>
Fume Hood	<del>\$246</del>	<b>\$253</b>
Fossil Fueled Power Plant Gas Turbine Maximum Rated Heat Input (Moss Landing Power Plant Only)	<del>\$58 per MMBtu/hr</del>	<b>\$60 per MMBtu/hr</b>
Lime Processing Facility (3-year average kiln annual production rates):		
-Kiln production rate < 100,000 short tons per year	<del>-\$0.58 per short ton</del>	<b>\$0.60 per short ton</b>
-Kiln production rate > 100,000 short tons per year	<del>-\$0.82 per short ton</del>	<b>\$0.84 per short ton</b>
Cannabis Cultivation/Manufacturing/Processing Operations and Odors	<del>\$642</del>	<b>\$661</b>
Synthetic Minor Permit	<del>\$47 per ton</del>	<b>\$48 per ton</b>

**Table 1. Fee Schedule****Rule 300 (Annual Renewal Fees , Section 4.4)**

<b>Billable Emission per Permit; Tons per Year</b>	<b>Rule 300 (FY 2022-2023)</b>	<b>Rule 300 (FY 2023-2024)</b>
0 - < 0.1	\$ 229	\$ 236
0.1 - < 1	\$ 344	\$ 354
1 - < 2	\$ 429	\$ 442
2 - < 5	\$ 614	\$ 632
5 - < 8	\$ 843	\$ 868
8 - < 10	\$ 1,613	\$ 1,661
10 - < 20	\$ 2,383	\$ 2,454
20 - < 30	\$ 4,133	\$ 4,257
30 - < 45	\$ 5,881	\$ 6,057
45 - < 60	\$ 7,190	\$ 7,406
60 - < 80	\$ 8,502	\$ 8,757
80 - < 100	\$ 9,361	\$ 9,642
100 - < 150	\$ 10,207	\$ 10,513
150 - < 200	\$ 12,361	\$ 12,732
200 - < 250	\$ 14,514	\$ 14,949
> 250	\$ 18,028	\$ 18,569

**Rule 300 (Annual Renewal Fee Determination, Section 4.5)**

<b>Fees</b>	<b>Rule 300 (FY 2022-2023)</b>	<b>Rule 300 (FY 2023-2024)</b>
Section 4.5.1	\$ 1,118	\$ 1,152
Section 4.5.2	\$ 561	\$ 578
Section 4.5.3	\$ 561	\$ 578

**Rule 300 (Gasoline Throughput Fees, Section 4.6)**

<b>Gasoline Fuel Throughput; Gallons per Year</b>	<b>Rule 300 (FY 2022-2023)</b>	<b>Rule 300 (FY 2023-2024)</b>
Section 4.6		
Per Nozzle Fee	\$ 56	\$ 58
Throughput "b"		
0 - < 120,000	\$ 274	\$ 282
120,000 - < 400,000	\$ 439	\$ 452
400,000 - < 600,000	\$ 648	\$ 667
600,000 - < 1,200,000	\$ 863	\$ 889
1,200,000 - < 1,600,000	\$ 1,074	\$ 1,106
1,600,000 - < 2,000,000	\$ 1,389	\$ 1,431
2,000,000 - < 3,000,000	\$ 2,108	\$ 2,171
3,000,000 - < 4,000,000	\$ 2,808	\$ 2,892
4,000,000 - < 5,000,000	\$ 3,508	\$ 3,613
5,000,000 - < 6,000,000	\$ 4,209	\$ 4,335
6,000,000 - < 7,000,000	\$ 4,909	\$ 5,056
7,000,000 - < 8,000,000	\$ 5,610	\$ 5,778
8,000,000 - < 9,000,000	\$ 6,310	\$ 6,499
9,000,000 - < 10,000,000	\$ 7,011	\$ 7,221
10,000,000 - < 11,000,000	\$ 7,711	\$ 7,942
Greater than 11,000,000	\$ 8,411	\$ 8,663



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

<b>Average Flow; Gallons per Day</b>	<b><del>Rule 300</del> (FY 2022-2023)</b>	<b>Rule 300 (FY 2023-2024)</b>
0- <9,999,999	\$ 222	\$ 229
10,000,000 - 20,000,000	\$ 2,777	\$ 2,860
>20,000,000	\$ 7,220	\$ 7,437

**Rule 300 (Other Annual Renewal Fee Determination)**

<b>Fees</b>	<b><del>Rule 300</del> (FY 2022-2023)</b>	<b>Rule 300 (FY 2023-2024)</b>
Section 4.8 Annual Renewal Fee for NESHAP Sources	\$ 18,028	\$ 18,569
Section 4.9 Methyl Bromide Fumigation Chambers	\$ 205	\$ 211
Section 4.10 Authorities to Construct	\$ 205	\$ 211
Section 4.11 Toxic Program Sources	\$ 107	\$ 110
Section 6.1 ERC Registry Fee	\$ 680	\$ 700
Section 6.1.2 Annual Regsitry Fee	\$ 227	\$ 234

**Rule 300 (Delinquency Penalties)**

<b>Fees</b>	<b><del>Rule 300</del> (FY 2022-2023)</b>	<b>Rule 300 (FY 2023-2024)</b>
Section 5.1.7.2 Revocation Initiation	\$ 579	\$ 596
Section 5.1.7.3 Reinstatement	\$ 874	\$ 900

**Table 1. Fee Schedule**

Rule 301 ( Permit Fee Schedules)

	Fee Schedules	<del>Rule 300</del> (FY 2022-2023)	Rule 300 (FY 2023-2024)
	Hourly Staff Rate	\$ <del>164</del>	\$ 169
Schedule 1	General Permit Fee	<del>\$1,028 plus the hourly staff rate</del>	\$1,059 plus the hourly staff rate
Schedule 2	Administrative Amendment	<del>\$333 plus the hourly staff rate</del>	\$343 plus the hourly staff rate
Schedule 3	Equipment that Lost Permit Exemption	<del>\$333 plus the hourly staff rate</del>	\$343 plus the hourly staff rate
Schedule 4	Complex Permit Applications Hourly Staff Rate	\$ <del>164</del>	\$ 169
Schedule 5	Emission Fees	\$ <del>229</del>	\$ 236
Schedule 6	Toxic Air Contaminants	\$ <del>230</del>	\$ 237
Schedule 7	Public Notification	\$ <del>698</del>	\$ 719
Schedule 8	Public Record Request		
	Paper Photocopies	<del>\$0.10 per page</del>	\$0.10 per page
	Scanned Copies	<del>\$0.10 per page</del>	\$0.10 per page
	Electronic Media	\$ <del>7</del>	\$ 7
Schedule 9	Mutual Settlement Program Base Rate	\$ <del>217</del>	\$ 224

**Table 1. Fee Schedule**

Rule 302 ( Source Testing and Analyses)

	Type of Test	<del>Rule 302 (FY 2022-2023)</del>	Rule 302 (FY 2023-2024)
Section 4.1	Visible emission evaluation test or observation of source testing	<del>-\$164 + \$164 per hour for every staff hour in excess of one staff hour</del>	\$169 + \$169 per hour for every staff hour in excess of one staff hour

Rule 305 (AB2588 Implementation Fees)

	Fee Determination	<del>Rule 305 (FY 2022-2023)</del>	Rule 305 (FY 2023-2024)
Hourly Staff Rate for:			
Section 3.1.2-3.1.3	Emission Inventory, Public Notification, Audit and Plan, Supplemental Risk Assessment	\$ <del>164</del>	\$ 169
Section 3.3.5.1	Revocation Initiation	\$ <del>579</del>	\$ 596
Section 3.3.5.2	Reinstatement	\$ <del>874</del>	\$ 900

**Table 1. Fee Schedule**

Rule 306 (Asbestos NESHAP Fees)

Fee	<del>Rule 306</del> (FY 2022-2023)	Rule 306 (FY 2023-2024)
Demolition (cost per structure) Section 4.2 (Including Where No Asbestos Present)	\$ <del>483</del>	\$ 497
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	<del>Rule 306</del> (FY 2022-2023)	Rule 306 (FY 2023-2024)
160-999 OR Equal to or Greater than 35 cubic feet	\$ <del>840</del>	\$ 865
1,000-1,499	\$ <del>1,084</del>	\$ 1,117
1,500-1,999	\$ <del>1,325</del>	\$ 1,365
2,000-3,999	\$ <del>1,561</del>	\$ 1,608
4,000-9,999	\$ <del>1,788</del>	\$ 1,842
10,000-19,999	\$ <del>1,958</del>	\$ 2,017
20,000-29,999	\$ <del>2,441</del>	\$ 2,514
30,000-39,999	\$ <del>2,925</del>	\$ 3,013
40,000-49,999	\$ <del>3,408</del>	\$ 3,510
Equal to or Greater than 50,000	\$ <del>3,892</del>	\$ 4,009

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

<b>Title V Fees</b>		<del>Rule 308</del> <del>(FY 2022-2023)</del>	<b>Rule 308</b> <b>(FY 2023-2024)</b>
Section 3.1.1	Filing Fee for an initial Federal Operating Permit, renewal, or modification	\$ 469	\$ 483
Section 3.1.2	Filing Fee for Change of Ownership	\$ 164	\$ 169
Section 3.3	Evaluation Hourly Fee	\$ 164	\$ 169
Section 4.1.1	Minimum Annual Federal Operating Permit Fee (AFOPF)	\$ 1,118	\$ 1,152
Section 4.1.2.1	AFPOF for landfill gas emissions per ton	\$ 3.41	\$ 3.51

**Rule 309 (Hearing Board Fees)**

<b>Hearing Board Fees</b>		<del>Rule 309</del> <del>(FY 2022-2023)</del>	<b>Rule 309</b> <b>(FY 2023-2024)</b>
Section 3.1.1-3.1.10	Fee for Each Additional Hearing	\$ 544	\$ 560
<b>Application Fees:</b>			
Section 3.1.1	Length of variance exceeds 90 days	\$ 1,085	\$ 1,118
Section 3.1.1	Length of variance does not exceed 90 days	\$ 760	\$ 783
Section 3.1.2	Modifying a variance		
Section 3.1.3	Modify a Variance's Schedule of Increments of Progress or Final Compliance Date		
Section 3.1.4	Approval of Schedule of Increments of Progress	\$ 544	\$ 560
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)	\$ 0.73	\$ 0.75
Section 3.3.1	Excess Visible Emission	\$ 2.08	\$ 2.14
Section 3.4	Minimum Fees	\$ 544	\$ 560

**Table 1. Fee Schedule**

Rule 310 ( Agricultural Diesel Engine Registration Fees)

Ag Engine Fees	<del>Rule 310</del> (FY 2022-2023)	Rule 310 (FY 2023-2024)
Application Fees:		
Initial in-use or new registration	\$ 230	\$ 237
Section 3.1.1		
Additional Engine Fee	\$ 164	\$ 169
Section 3.1.2		
Section 3.2 Operational Annual Registration Fees	\$ 85	\$ 88
Non-Operational Annual Registration Fees	\$ 44	\$ 45
Section 3.3 Transfer of Owner/Change of Location	\$ 230	\$ 237

The proposed fee increase is 3%.

# **GLOSSARY**

**MONTEREY BAY AIR RESOURCES DISTRICT  
FY 2023-24 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 \$.50 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.



**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.

**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.