




Agenda Item: D-4
Agenda Date: June 15, 2023
Agenda Placement: Admin.
Estimated Time: N/A
Continued Item: Yes

Board Agenda Item

TO: Air Pollution Control District Board

FROM: Aeron Arlin Genet, Air Pollution Control Officer 

CONTACT: Kristina Aguilar, CPA, Administrative Division Manager, (805) 979-8288

SUBJECT: Adoption of the Fiscal Year (FY) 2023-24 Budget

RECOMMENDATION:

Consider the Fiscal Year 2023-24 Budget as Follows:

1. Hold a public hearing to consider and adopt the budget for Fiscal Year 2023-24, as presented in the *Fiscal Year 2023-24 Proposed Budget* document (Attachment A); and
2. Adopt the following:
 - a. Budget Resolution (Attachment B) approving the Fiscal Year 2023-24 District Budget; and
 - b. Salary Resolution (Attachment C) amending the Classification and Salary Plan to adjust the salaries for all staff based on the collective bargaining agreements and the Management Personnel Benefits Resolution previously approved by your Board on August 18, 2022.

DISCUSSION:

We recommend that your Board, as part of holding a public hearing, adopt the attached Budget Resolution and Salary Resolution for Fiscal Year 2023-24.

ATTACHMENTS:

Attachment A - Proposed Budget for Fiscal Year 2023-24

On May 18, 2023, your Board held the first of two required public hearings on the District's budget for Fiscal Year 2023-24. The purpose of that hearing was to solicit additional public comment and receive direction from your Board. Prior to that hearing, staff held a public workshop on April 18, 2023. There have been no changes to the proposed budget that was presented to your Board in May. The total budget from the proposed budget in May was \$19,637,884. You may adopt this

budget as presented in the *Fiscal Year 2023-24 Proposed Budget* document, or as modified by your Board.

Attachment B – Budget Resolution

The attached budget resolution formalizes the adoption of the Fiscal Year 2023-24 budget, incorporating by reference the budget documents presented, hearing proceedings, and decisions by the Board in making any final budget adjustments. It also authorizes the Air Pollution Control Officer and Auditor-Controller to make adjustments to the adopted budget during the fiscal year for ministerial items, such as items required by financial reporting pronouncements and administrative efficiencies.

Attachment C – Salary Resolution

The attached salary resolution amends the original Salary Resolution No. 97-05, as amended. This is an incremental process as personnel actions are brought before your Board. This resolution recognizes the Job Class Table on page 14 of the *Fiscal Year 2023-24 Proposed Budget* document (Attachment A) as superseding all previous modifications to Section 4 of the original Salary Resolution No. 97-05.

ATTACHMENT A

Proposed Budget for
Fiscal Year 2023-24

June 15, 2023

Santa Barbara County Air Pollution Control District
Board of Directors

260 San Antonio Road, Suite A
Santa Barbara, California 93110

air pollution control district
SANTA BARBARA COUNTY



Proposed Budget

Fiscal Year 2023-24

Aeron Arlin Genet, Air Pollution Control Officer

 (805) 979-8050

 260 N. San Antonio Rd., Ste. A Santa Barbara, CA 93110

 ourair.org

  @OurAirSBC

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SANTA BARBARA COUNTY AIR POLLUTION CONTROL DISTRICT BOARD OF DIRECTORS

Supervisor Das Williams

First District

Santa Barbara County Board of Supervisors

Supervisor Laura Capps, Vice-Chair

Second District

Santa Barbara County Board of Supervisors

Supervisor Joan Hartmann

Third District

Santa Barbara County Board of Supervisors

Supervisor Bob Nelson

Fourth District

Santa Barbara County Board of Supervisors

Supervisor Steve Lavagnino

Fifth District

Santa Barbara County Board of Supervisors

Mayor Dave King

Alternate – Vice-Mayor John Sanchez

City of Buellton

Mayor Al Clark

Alternate – Councilmember Wade Nomura

City of Carpinteria

Mayor Paula Perotte

Alternate – Mayor Pro Tem Kyle Richards

City of Goleta

Mayor Ariston Julian

Alternate – Councilmember Christina
Hernandez

City of Guadalupe

Councilmember Gilda Cordova

Alternate – Mayor Jenelle Osborne

City of Lompoc

Mayor Randy Rowse

Alternate – Councilmember Eric Friedman

City of Santa Barbara

Mayor Alice Patino, Chair

Alternate – Councilmember Maribel
Aguilera-Hernandez

City of Santa Maria

Mayor Mark Infanti

Alternate – Councilmember Claudia Orona

City of Solvang

AIR POLLUTION CONTROL OFFICER'S BUDGET MEMORANDUM

May 18, 2023

The Governing Board of the Santa Barbara County Air Pollution Control District

Dear Chair Hartmann and Board Members:

The Fiscal Year (FY) 2023-24 Proposed Budget was prepared according to the policy framework and direction provided by the Board and the Air Pollution Control District Strategic Plan.

Budget Overview

This budget is planned for FY 2023-24, which runs from July 1, 2023, through June 30, 2024. The budget adoption process is specified in California Health and Safety Code Section 40131 and includes requirements for two public hearings and notification to all fee payers. In addition, the District conforms to the provisions of the County Budget Act of 2010, Revision 1, effective January 1, 2013, and starting with Government Code Section 29000.

Every year our budget process begins with the programming of revenues. The District projects total revenue from the previous years' actual revenues after making any known or anticipated adjustments. After revenues are forecasted, expenses (including salaries and benefits) are programmed to match revenues, thus making a balanced budget. Therefore, planned revenues cover all operational expenses. Periodic expenses (e.g., capital improvements) are paid through fund balance accounts (i.e., savings) specifically designated for those items.

The majority of the FY 2023-24 revenues will be generated by two sources: 1) funds earned by employees (predominately engineers and air quality specialists) who complete work products such as permits, inspections, evaluations, planning, and reviews for regulated sources, and 2) federal and state grants with uses prescribed by the agency providing the funds. The work products generated by grant funding are air quality monitoring, data acquisition, clean air plans, environmental planning documents, incentive programs, and public outreach. Expense line items are thoroughly reviewed each year to keep costs down.

The District's mission is to protect the people and environment of Santa Barbara County from the effects of air pollution.

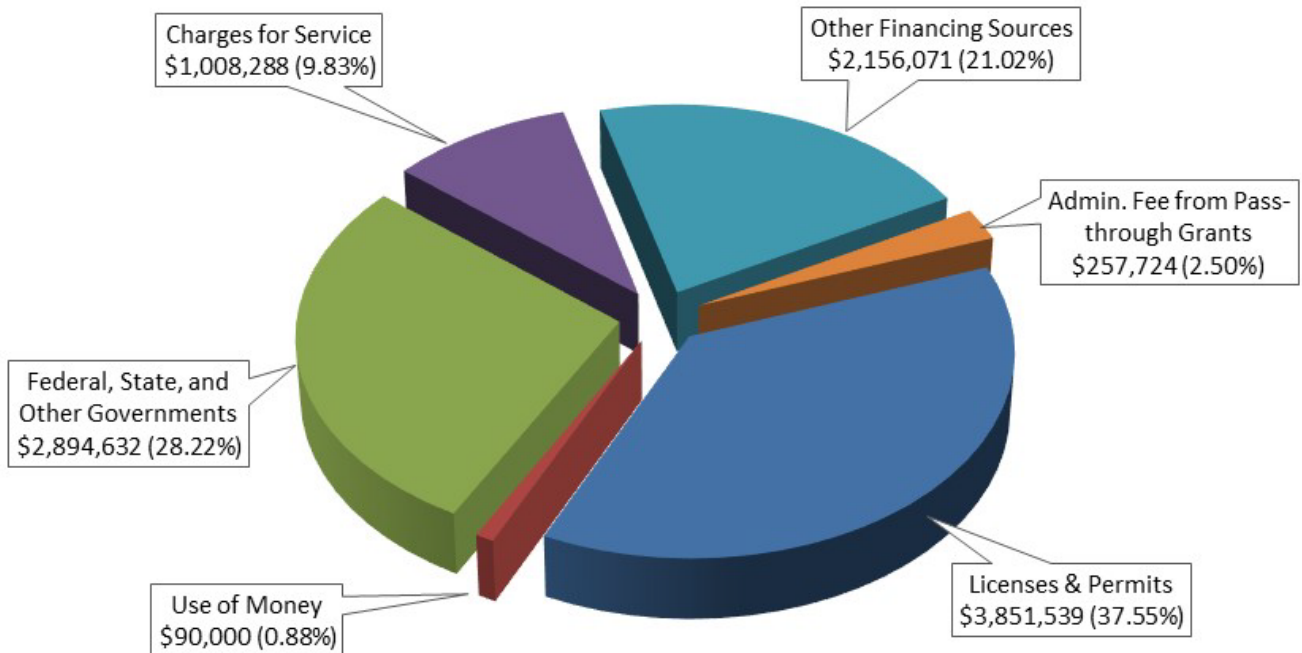
The FY 2023-24 budget was built to ensure continued mission success and progress toward our vision: Clean Air.

FY 2023-24 Budget at a Glance

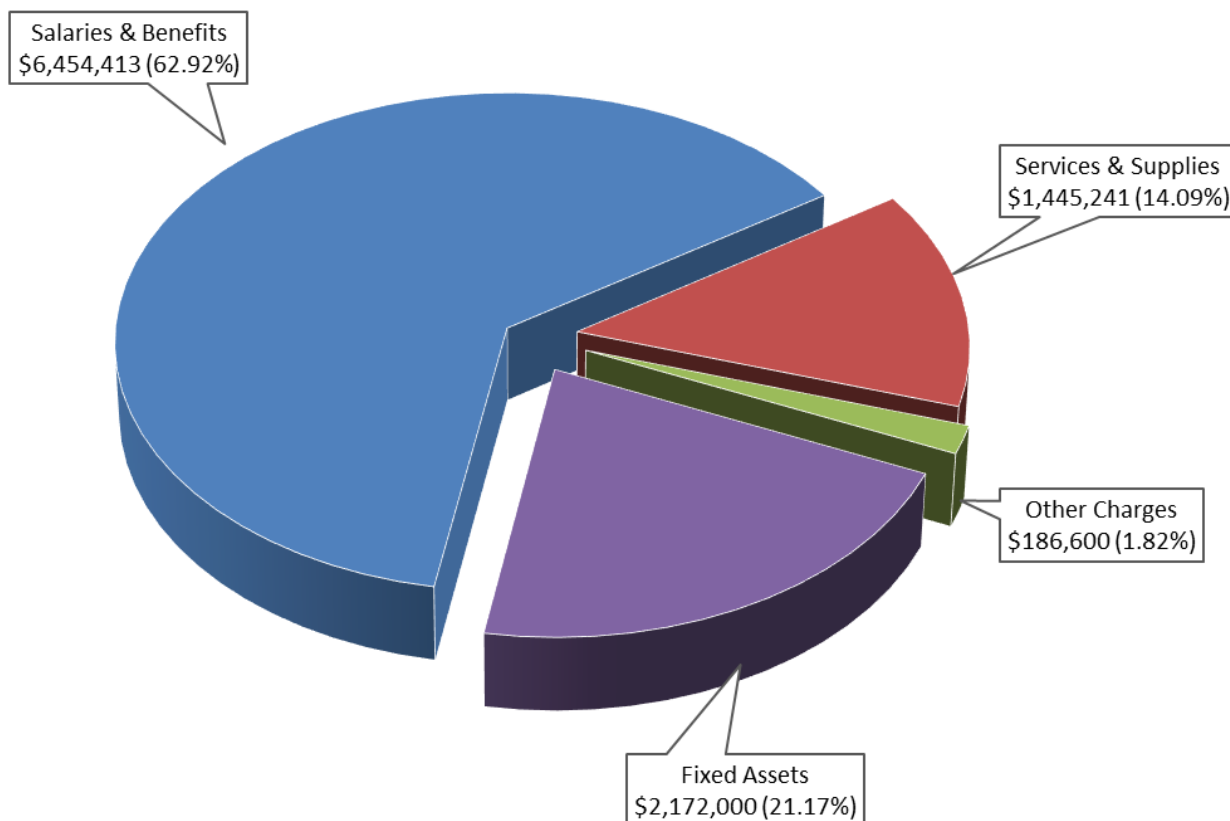
The District’s balanced proposed budget for FY 2023-24 totals \$19,637,884, a 10% increase from the current year’s adopted budget. Almost 50% (i.e., 47.4% or \$9,310,168) of the proposed budget are pass-through funds, which are received by a recipient government (District) and distributed to a third party for voluntary emission-reduction grant projects. These funds have specified uses and are not eligible to cover District operations. To best illustrate the budget that falls within the District’s purview to cover operating expenses, the summary figures below depict the District Revenues and Expenditures with the exclusion of pass-through funds — a total operating revenue of \$10,258,254 (an approximately 2% increase from FY 2022-23). Expenditures continue to be dominated by salaries and benefits, which total \$6,454,412. The proposed budget, and requested funding level, will provide the resources needed by the District to maintain core and mandated air quality programs.

The District is well-prepared for unforeseen expenses in that our fund balances provide an adequate reserve. Our fund balance total is forecasted to be \$3,618,510 (approximately 44% of the total operating budget), and of that total, \$1,500,000 has been set aside by our Board as strategic reserve to be used during a fiscal emergency.

Total Operating Revenue \$10,258,254



Total Operating Expenditures \$10,258,254



Revenue & Expenditure Changes

The total operating budget is estimated to increase 2.1% (\$209,019) compared to the current year (FY 2022-23). This increase is primarily attributed to the high year of the three-year re-evaluation cycle. A one-time fixed asset expenditure to renovate the District's newly purchased office building in Santa Maria will be rolled to FY 2023-24 due to timing of when the anticipated construction will start. The following outlines significant factors influencing the FY 2023-24 budget:

- **Pass-Through Grant Fund Revenues:**

The state Legislature, through the budget adoption process, continues to place a strong emphasis on the use of funding for voluntary emission-reduction programs through the network of local air districts. This action resulted in more than \$3 million of new money for Santa Barbara County projects in FY 2023-24, approximately \$2.3 million less than the prior fiscal year. These funds will be used to continue expanding the reach of the grant programs, including the Carl Moyer, Community Air Protection, FARMER, Electrified Landscaping Equipment and Wood Smoke Changeout programs. The grant funds help local businesses and organizations take advantage of cleaner technologies to secure immediate emission reductions. Project categories include agricultural equipment,

marine vessels, school and transit buses, old passenger cars and trucks, and electric vehicle infrastructure. Efforts during the 2022 Legislative Session resulted in reauthorization of the Carl Moyer and \$2 DMV Grant Programs being extended an additional ten years beyond the previous December 30, 2023, sunset date. Throughout FY 2023-24, these one-time revenue sources will provide \$327,186 in administrative funds to implement the grant programs, a portion of these administrative funds will be used for grant administration for future years. See detail of pass-through revenue on page 19 of this document.

- **Fee Revenues:**

The District has not proposed an increase in the Rule 210 fee schedule for regulated sources since 1991 other than the annual adjustment for Consumer Price Index (CPI) change allowed in our rules, which, for FY 2023-24, is 7.7%. While the CPI applied in FY 2023-24 budget was larger than previous years, it was offset by a reduction in fee revenue due to the changing landscape of some of the District's larger sources.

- **Salaries and Benefits:**

The District negotiated a three-year agreement with the two employee bargaining units in FY 2022-23. The first year saw a cost of living adjustment (COLA) for District employees of 3.5%, which was effective August 18, 2022. The second year of that agreement provides District staff with a 2% COLA as of July 1, 2023.

- **One-time Expenditures Included in this Year's Budget:**

Last year, the District had budgeted to use a portion of fund balance to remodel the newly purchased office building in northern Santa Barbara County for our north county staff. With the anticipation of demolition and building renovations, \$1,600,000 was allocated in FY 2022-23; however, only approximately \$225,000 will be spent for building design and demolition by the end of June 2023. The leftover renovation budget of \$1,375,000 is being rolled over into this budget, along with another \$625,000 to fully renovate the space and bring it up to the District's standards. When the office building is fully renovated, it will house the District's north county fleet and it will offer a fully equipped monitoring lab for staff as well as a space for the District to hold public workshops. The plan for the renovation includes resiliency for the District's IT/air monitoring networks as well as sustainable building practices, with a goal of being a net-zero energy-efficient building. Fund balance reserves are being proposed for this project with the idea that in future years the District will replenish the monies to levels appropriate for the District's size.

Fund Balances

The District designates two categories of fund balances. Each category has "savings" accounts with monies set aside for specific purposes. The total fund balance amount for FY 2023-24 is forecasted to be \$3,618,510 (approximately 44% of the total operating budget).

- **Restricted Funds:**

Restricted fund balances are those where law prescribes use. These savings accounts are created by grant allocations received from federal and state agencies, such as the state's Carl Moyer Grant Program. Monies in these accounts are for multi-year grant programs that are managed by our Planning Division and pass through the District for qualified projects as defined by the funding source. Each year the District strives to spend all these monies; however, based on the grant allocation process, it is common for residual funds to be carried into the next year's budget if some of the clean air projects aren't completed and paid out in this fiscal year.

- **Committed Funds:**

Committed fund balances are monies set aside for specific categorized expenditures, such as capital replacement, retiree health subsidy, and the data acquisition system (DAS), which feeds hourly air quality information to the District website. In addition, within committed fund balances, there are discretionary dollars available for spending at planned intervals or when unforeseen circumstances arise requiring a withdrawal. Discretionary fund balances consist of our strategic reserve, re-evaluation fee cycle, and an account for unforeseen operational requirements. For FY 2023-24, committed fund balances designated as discretionary is \$2,268,439.

Long-Range Outlook

Each year when developing the budget, in addition to compiling the proposed revenue and expenditures for the upcoming year, significant effort is also devoted to the long-range fiscal outlook to ensure the District is positioned to respond to changes in the traditional revenue streams and has adequate resources to successfully fulfill our mission and mandates. The reorganization efforts included in the FY 2018-19 budget have been implemented, resulting in a total of 34 full-time employees (down from 43). This effort was driven by the anticipated change in oil and gas activities throughout the county that would ultimately result in a reduction in revenue and workload. The District proactively initiated a reorganization to better operate within our parameters while maintaining highly skilled staff to carry out the agency's work. Structural changes have provided the District with tools to optimize the agency's resources and retain and recruit highly skilled professional employees while living within our budgetary means. With a reduction in the number of staff and the focus on efficiency practices, the District is better positioned to operate in an era of changing revenue and associated workload.

Each budget cycle, the District conducts a five-year forecast to identify changes to the revenue and expenditures to ensure the agency is well positioned to move into a new era, beyond traditional revenue streams. The goal of this proactive approach is to safeguard the District's long-term stability and necessary resources to implement our mission and mandates.

The decommissioning process for several oil and gas platforms offshore from the county is anticipated to take more than 10 years to complete. During this transition, District workload will remain at a steady or even at a slightly elevated level when assisting with these activities. However, in the long-term, workload associated with these sources — such as source testing, air monitoring, permit re-evaluations, inspections, and compliance tasks — will decrease. With this long-term pending change to local pollution sources and associated impact to revenue and workload, the District will continue assessing efficiency measures and long-term funding needs to ensure adequate resources are available to attain and maintain clean air standards. This effort includes working with state and federal agencies to ensure funds are maintained to allow the District to implement required programs.

Over the past year, the District worked with Matrix Consulting to develop a Cost Recovery and Fee Analysis. The purpose of the Fee Study is to determine the District's ability to recover the costs associated with administering its regulatory programs and requirements. Results of this study will help the District identify, evaluate, and address the potential impacts to our long-term revenue and workload due to changes in the industries we regulate. For programs that do not achieve full cost-recovery, it will be important to set fees at levels that recover costs but are not prohibitive to the industries we regulate. As we move into FY 2023-24, the District will present a Long-Range Fiscal Strategy to the Board to develop a road map of critical steps to ensure a fiscally sound agency into the future. This effort will include changes to Rule 210 to address issues identified above and to improve its ease of use.

Conclusion

The FY 2023-24 proposed budget represents thoughtful consideration of impacts, consequences, alternatives, and workforce levels. The District was optimistically cautious in generating a revenue forecast and total expenses by carefully deliberating the need for each expenditure. The District is well-positioned to address uncertainties by closely monitoring funding sources, our retirement plan, and actual expenditures, and is prepared to make timely resource allocation adjustments as warranted. Ongoing tracking of the District's performance metrics and assessments made with each annual budget process is critical to assessing the effectiveness of the agency. With this budget, I am confident the District can meet our mission requirements throughout the year. We are committed to clean air and to protecting the health of the people and the environment.

Very Respectfully,



Aeron Arlin Genet
Air Pollution Control Officer

SANTA BARBARA COUNTY HISTORICAL AIR QUALITY

Ozone

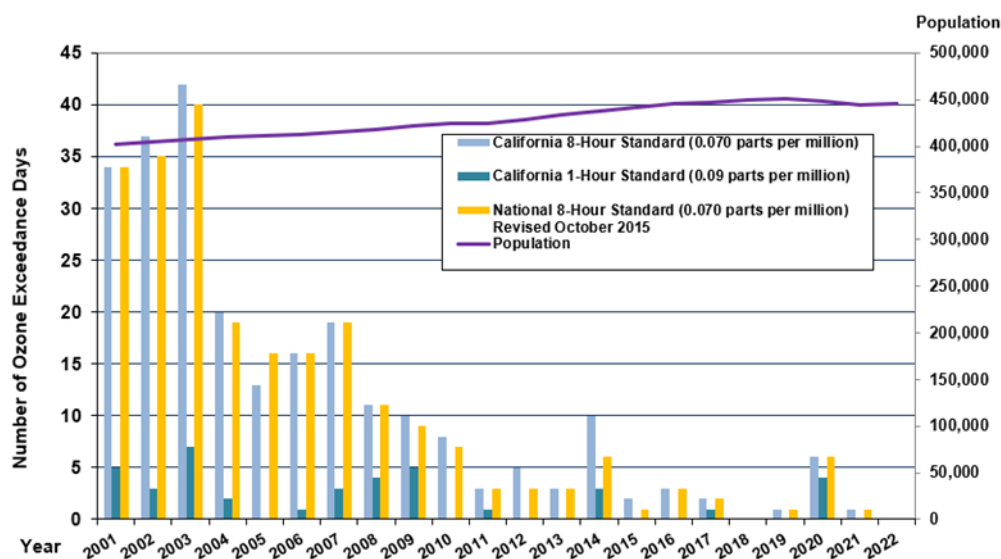
Ozone forms in the atmosphere when precursor pollutants such as nitrogen oxides (NO_x) and reactive organic compounds (ROCs) undergo complex chemical reactions in the presence of sunlight. Factors that contribute to high ozone levels include intense and prolonged heat, and stagnant air. Santa Barbara County's air quality has historically violated ambient air quality standards for ozone that were established by the state and federal Clean Air Acts. Ozone concentrations above these standards adversely affect public health, diminish the production and quality of many crops, reduce visibility, and damage native and ornamental vegetation.

In 1970, when the District was formed, the air in Santa Barbara County did not meet the federal one-hour ozone standard. For 30 years, our efforts focused on attaining that standard. In August 2003, Santa Barbara County was officially designated attainment for the federal one-hour ozone standard. Furthermore, the United States Environmental Protection Agency (USEPA) has designated Santa Barbara County as attainment for the 2008 federal eight-hour ozone standard (0.075 parts per million). The eight-hour standard replaced the previous federal one-hour standard. In December 2015, the USEPA strengthened the federal eight-hour ozone standard to 0.070 ppm; Santa Barbara County was designated unclassifiable/attainment for the revised standard in April 2018.

The District has made tremendous progress toward meeting the two California ozone standards; a one-hour standard of 0.09 ppm (established in 1988), and an eight-hour standard of 0.070 ppm (established in 2005). The number of recorded exceedances of these standards has trended down over time while population has increased, as demonstrated in the chart below. In fact, ozone measurements for the three-year data set from 2016 to 2018 were so low that the District was designated as attainment in 2020. Unfortunately, two measured values during 2019 during hot and stagnant conditions led to two violations of the 8-hour standard. In February 2021, the California Air Resources Board took action to redesignate Santa Barbara County as nonattainment for the state ozone standards, based on the three-year data set from 2017 to 2019. This setback highlights the challenges for the District and the state in meeting these standards given changing weather and climate patterns.

In 2022, the county once again measured no exceedances of the state and federal 8-hour ozone standards. The number of recorded annual exceedances continues to remain low, and in January 2023, the California Air Resources Board took action to designate Santa Barbara County as nonattainment-transitional for the state ozone standards, based on the three-year data set from 2019-2021.

Santa Barbara County Ozone Exceedance Days 2001-2022



Particulate Matter

The state and federal particulate matter (PM) air quality standards fall under two different size ranges — PM₁₀, which represents particles less than 10 microns in diameter, and PM_{2.5}, which represents particles less than 2.5 microns in diameter. Both PM₁₀ and PM_{2.5} are small enough to be inhaled; however, PM_{2.5} particles can be inhaled more deeply into the lungs and can also enter the bloodstream, causing serious health effects.

Historically, the county has experienced regular exceedances of the state 24-hour PM₁₀ standard. Santa Barbara County is designated attainment for the federal PM₁₀ standard (150 µg/m³) and nonattainment for the state PM₁₀ standard (50 µg/m³). Exceedances of the state standard typically occur during windy and/or dry conditions and occur more frequently in the northern portion of the county. During regional wind events, such as Santa Ana or Sundowner wind conditions, the entire county may experience elevated PM₁₀ levels.

Santa Barbara County has historically experienced wildfires that cause high particle measurements in the form of both PM_{2.5} (primarily related to smoke) and PM₁₀ (primarily related to ash and post-fire re-entrainment of ash). In recent history, wildfire season has grown longer, leading to increased levels of exposure to PM more frequently and for longer periods of time. Wildfire events in other areas of California have also contributed to high PM levels here in Santa Barbara County. While these events affect local air quality, the state and federal Clean Air Acts provide mechanisms for excluding unusually high values such as these from the data sets that are used to determine the region’s official attainment status for the applicable air quality standards. District staff continue to track these occurrences and collect and store information to support “exceptional events” demonstrations, when needed.

ABOUT THE DISTRICT

What is the District?

The Santa Barbara County Air Pollution Control District (District) is an independent special district charged with protecting human health by improving and protecting Santa Barbara County's air quality. In 1970, the California Legislature gave local governments the primary responsibility for controlling air pollution from all sources except motor vehicles and consumer products. In response, the District was established to adopt measures to control local sources of pollution, issue permits, monitor air quality, maintain an inventory of pollution sources, and manage other pertinent activities. District staff members have expertise in engineering, chemistry, planning, environmental sciences, field inspection, air monitoring, public outreach, data processing, accounting, information technology, human resources, and administration.

The 13-member governing board of the District consists of the five County Board of Supervisors and one elected representative (a mayor or city councilmember) from each of the eight incorporated cities within the county.

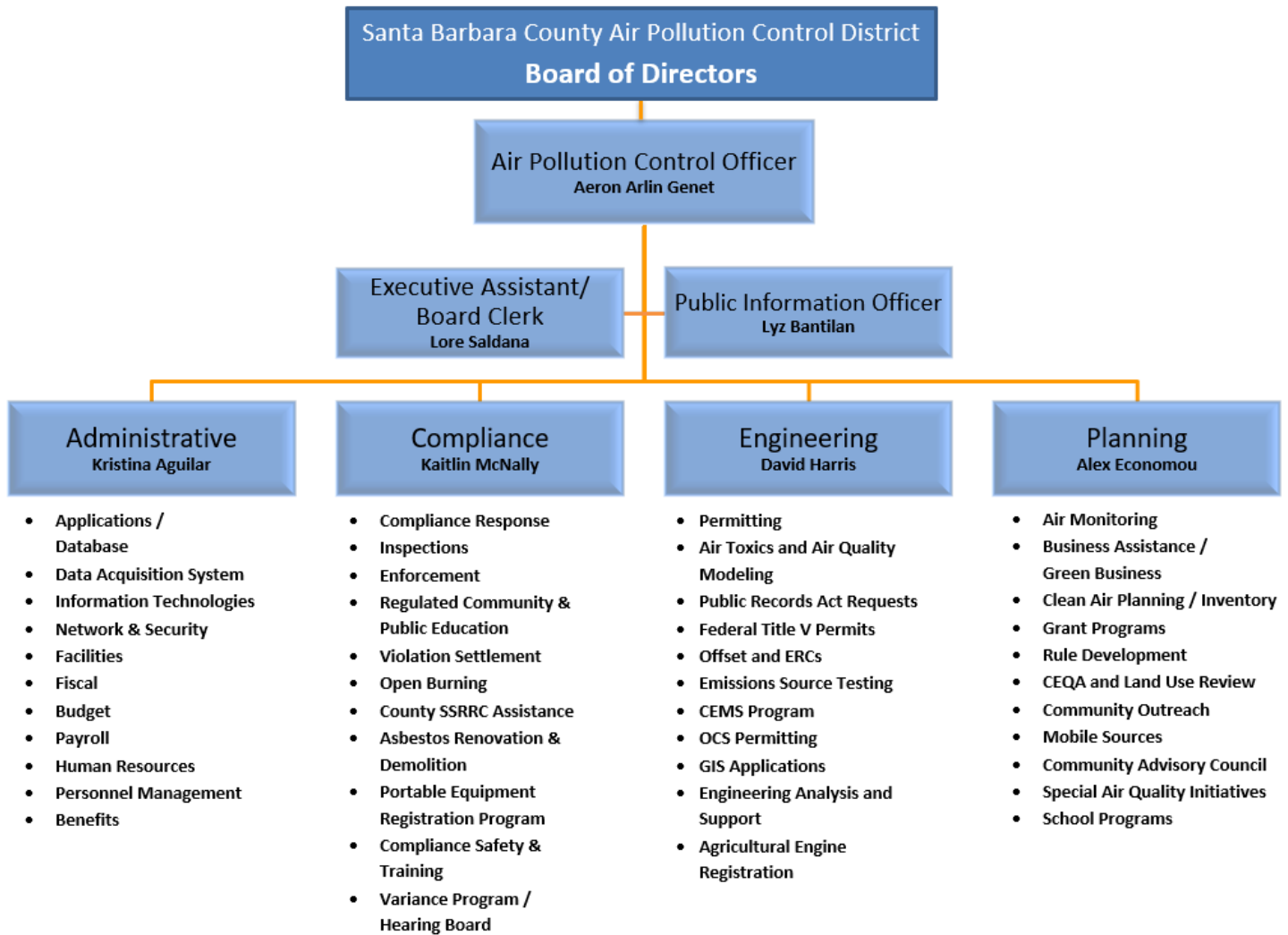
The District's Mission

The District's mission is to protect the people and the environment of Santa Barbara County from the effects of air pollution. We accomplish this mission by implementing state and federal air pollution control laws in order to attain all ambient air quality standards and to minimize public exposure to airborne toxins and nuisance odors. In carrying out this mission, the District always strives to demonstrate excellence and leadership in the field of air pollution control.

Our goal is to provide consistent, high-quality, cost-effective professional services to the public and regulated community. In striving toward our goal, the District embraces the attributes of accessibility, accountability, diversity, equity, inclusivity, and transparency.

The District's mission is to protect the people and the environment of Santa Barbara County from the effects of air pollution.

Organizational Chart



FY 2023-24 Job Class Table (Effective June 15, 2023)

Position Number	Classification Title	Adopted FY 2022-23	Additions / Deletions	Proposed FY 2023-24	Monthly Equivalent Salary Range (A-E)	Representation Unit
Funded Positions						
170	OFFICE TECHNICIAN	2.00		2.00	4437-5308	23
179	EXECUTIVE ASSISTANT/BOARD CLERK	1.00		1.00	7198-8643	32
180/181	ACCOUNTING TECHNICIAN I/II	1.00		1.00	4380-6024	24
182	ACCOUNTING TECHNICIAN III	1.00		1.00	5775-6954	24
400/401	PERMIT TECHNICIAN I/II	1.00		1.00	5148-6764	28
435/436	AIR QUALITY ENGINEER I/II	1.00		1.00	7027-9289	28
437	AIR QUALITY ENGINEER III	4.00		4.00	8607-10367	28
438	DIVISION SUPERVISOR	4.00		4.00	9701-11673	32
453/454	AIR QUALITY SPECIALIST I/II	1.00		1.00	5877-7671	28
443	AIR QUALITY SPECIALIST III	10.00		10.00	7180-8633	28
445	PRINCIPAL MONITORING SPECIALIST	1.00		1.00	7901-9553	28
446	PUBLIC INFORMATION OFFICER	1.00		1.00	7218-8668	32
503	HUMAN RESOURCES ANALYST I/II	1.00		1.00	6829-9008	32
600	DIVISION MANAGER	4.00		4.00	11057-13316	43
670	AIR POLLUTION CONTROL OFFICER	1.00		1.00	19,847	41
TOTAL NUMBER OF FUNDED POSITIONS		34.00	0.00	34.00		
TOTAL NUMBER OF UNFUNDED POSITIONS		11.00	0.00	11.00		
TOTAL NUMBER OF POSITIONS		45.00	0.00	45.00		

The Job Classification Table (above) depicts the positions needed to meet the District’s mission requirements. The 34 individuals who fill these positions are organized into four Divisions making up a dedicated District team of professionals. The District Staff Directory listing the employees filling these positions can be found at <https://www.ourair.org/apcd/apcd-staff-directory/>.

STRATEGIC PLAN

This section presents a strategic vision of the District for the future, including the programs and services to be provided, goals and objectives, the resources needed to achieve these goals, and metrics for success. Below are the priorities, goals, and objectives of the District.

Priority 1: Protection of Public Health through Air Quality Improvement

Goal: Continue to implement programs that directly reduce emissions.

Objectives:

- As necessary, adopt new rules and regulations that cost-effectively reduce emissions.
- Emphasize alternatives to “command-and-control” regulations, such as pollution prevention, incentives, and social responsibility.
- Develop partnership initiatives to introduce innovative or other low-polluting technologies in areas not currently regulated or where technology recipients agree to go beyond regulatory requirements.
- Involve the community in pollution-reduction efforts through grant programs, public education, and recognition of outstanding pollution-reduction efforts.
- Maintain a fair and consistent compliance program, with emphasis on educating the regulated community.
- Ensure a contribution by all emission sources toward emission reductions.
- Use penalties to act as a deterrent and to place emphasis on compliance.

Goal: Maintain a strong, science-based program.

Objectives:

- Place a high priority on staff training and professional advancement.
- Base decisions on well-documented data that has been subject to critical and open review.
- Maintain a sound and robust emission inventory and air quality monitoring system.
- Maintain and update the Clean Air Plans using the latest data and control techniques. Use the best available resources in developing programs, rules, and permit analyses.

Goal: Ensure that the District’s mission and actions are aligned and routinely reviewed.

Objectives:

- Maintain and periodically update the Strategic Plan.
- Develop and adopt annual goals and track progress.

Goal: Ensure adequacy of resources.

Objectives:

- Improve efficiency by taking advantage of technological advances and improving District systems and processes for improvements.
- Broaden the District’s funding base by actively pursuing additional sources of revenue.
- Review our financial status to ensure financial stability.

Priority 2: Community Involvement

Goal: Involve the community in air quality protection.

Objectives:

- Initiate collaborative efforts and partnerships with the community around equity-based air quality and environmental goals.
- Offer timely information, in multiple languages, on air quality issues and upcoming events via the District’s website, social media, and public information process.
- Provide the public with additional informational resources, including presentations and printed materials.
- Support the District’s Community Advisory Council to provide input on rules and clean air plans and to foster open communication and a collaborative approach to air quality planning.
- Conduct workshops on new rules, plans, and the budget to obtain community input.
- Reach out to community partners and the media for additional opportunities to inform the public.
- Participate in community events.
- Support students and teachers in efforts to learn about air quality and the environment.

Priority 3: Continuously Improve Service

Goal: Maintain and improve relationships with all constituents.

Objectives:

- Keep the Board well-informed.
- Provide opportunities for public input on decisions affecting them.
- Train staff in customer service and reward good service.
- Survey constituents regarding the quality of service received.
- Tap employee expertise, reward high performance, and push decisions down to the lowest level at which they can be competently made.

FISCAL YEAR 2023-24 DISTRICT BUDGET

Revenue Plan

REVENUE PLAN				
	Actual	Adopted	Est. Act.	Proposed
	FY 2021-22	FY 2022-23	FY 2022-23	FY 2023-24
<i>Licenses & Permits</i>				
Evaluation Fees	\$ 317,367	\$ 331,742	\$ 419,729	\$ 358,031
Asbestos Notification Fees	77,362	75,907	110,128	86,752
Reevaluation Fees	795,154	686,630	869,575	1,237,452
Air Toxics (AB 2588)	2,138	3,704	3,704	3,468
Application Fees	117,034	124,796	138,424	140,000
Annual Emission Fees	688,817	798,098	783,931	796,846
Notice of Violation	288,840	225,000	257,650	275,000
Inspection Fees	23,747	25,298	25,298	27,246
Source Test Fees	112,686	92,844	99,722	123,029
DAS	307,430	323,562	323,562	261,554
Monitoring	456,880	565,347	565,347	540,161
<i>Use of Money</i>				
Interest	(257,680)	75,000	90,000	90,000
<i>Federal, State, and Other Governments</i>				
Federal - EPA Grant	562,490	625,000	646,494	670,400
Motor Vehicle \$4	1,531,630	1,546,356	1,529,308	1,546,356
Motor Vehicle \$2	765,815	773,178	764,654	773,178
State-PERP	61,714	52,200	52,625	55,330
State-ARB	353,124	419,757	287,884	355,546
Other Governments	258,629	310,000	256,800	267,000
<i>Charges for Services</i>				
Environmental Review	6,902	5,000	5,000	6,000
AQAP Fees	405,382	397,538	407,022	339,996
CARB Grant Programs	2,174,344	4,648,938	4,626,389	2,290,895
Reimbursable Charges	698,779	669,785	787,477	662,292
<i>Miscellaneous Revenue</i>	(28,071)	2,000	5,000	2,000
Revenue Total	9,720,513	12,777,680	13,055,723	10,908,532
<i>Other Financing Sources</i>				
Decrease in Fund Balance	1,531,781	5,044,838	566,831	8,729,351
Revenue Plan Total	<u>\$ 11,252,293</u>	<u>\$ 17,822,518</u>	<u>\$ 13,622,554</u>	<u>\$ 19,637,884</u>

Expenditure Plan

EXPENDITURE PLAN				
	Actual FY 2021-22	Adopted FY 2022-23	Est. Act. FY 2022-23	Proposed FY 2023-24
<i>Expenditures</i>				
Administration	\$ 4,389,229	\$ 4,992,020	\$ 3,503,752	\$ 5,365,631
Engineering	1,356,274	1,354,210	1,348,204	1,397,461
Compliance	1,387,001	1,334,425	1,341,169	1,330,339
Planning	4,128,320	9,182,599	3,220,174	11,544,453
Expenditure Total	11,260,824	16,863,254	9,413,300	19,637,884
<i>Other Financing Uses</i>				
Increase in Fund Balance	601,465	959,264	4,791,347	-
Expenditure Plan Total	<u>\$ 11,862,289</u>	<u>\$ 17,822,518</u>	<u>\$ 14,204,647</u>	<u>\$ 19,637,884</u>

Character of Expenditures

CHARACTER OF EXPENDITURES				
	Actual FY 2021-22	Adopted FY 2022-23	Est. Act. FY 2022-23	Proposed FY 2023-24
<i>Expenditures</i>				
Regular Salaries	\$ 4,022,127	\$ 4,087,430	\$ 4,087,430	\$ 4,347,764
Overtime	62	-	-	-
Benefits	2,198,602	2,006,713	2,006,713	2,106,648
Salaries & Benefits Total	6,220,791	6,094,142	6,094,143	6,454,412
Services & Supplies	3,610,157	8,610,991	2,517,763	10,824,871
Other Charges	176,917	179,600	177,873	186,600
Fixed Assets	1,252,959	1,978,521	623,521	2,172,000
Expenditure Total	11,260,824	16,863,254	9,413,300	19,637,884
<i>Other Financing Uses</i>				
Increase in Fund Balance	601,465	959,264	4,791,347	-
Expenditure Plan Total	<u>\$ 11,862,289</u>	<u>\$ 17,822,518</u>	<u>\$ 14,204,647</u>	<u>\$ 19,637,884</u>

Revenue Breakout by Category

TOTAL REVENUE

	Adopted FY 2022-23	Proposed FY 2023-24	Budget to Budget Var.	% Budget to Budget Var.
Revenue Total	\$ 12,777,680	\$ 10,908,532	\$ (1,869,148)	-14.6%
Use of Fund Balance	5,044,838	8,729,351	3,684,513	73.0%
Revenue Plan Total	<u>\$ 17,822,518</u>	<u>\$ 19,637,884</u>	<u>\$ 1,815,366</u>	<u>10.2%</u>

GRANTS/PASS THROUGH REVENUE

	Adopted FY 2022-23	Proposed FY 2023-24	Budget to Budget Var.	% Budget to Budget Var.
<i>Grant Revenues</i>				
CARB Grants (Moyer and Other)	\$ 4,648,938	\$ 2,290,895	\$ (2,358,043)	-50.7%
Motor Vehicle \$2	773,178	773,178	-	0.0%
	5,422,116	3,064,073	(2,358,043)	-43.5%
<i>Administrative portion of Grant</i>				
Admin Fee- General Fund	(621,978)	(327,186)	294,793	-47.4%
<i>Use of Grant Fund Balances</i>	2,636,672	6,573,280	3,936,608	149.3%
Revenue Plan Total	<u>\$ 7,436,810</u>	<u>\$ 9,310,168</u>	<u>\$ 1,873,358</u>	<u>25.2%</u>

OPERATING REVENUE

	Adopted FY 2022-23	Proposed FY 2023-24	Budget to Budget Var.	% Budget to Budget Var.
Operating Revenue	\$ 7,355,564	\$ 7,844,459	\$ 488,895	6.6%
Pass-through Admin Fee	621,978	327,186	(294,793)	-47.4%
Grant Admin fee being used for future year's grant administration	(336,473)	(69,461)	267,012	0.0%
Use of operating fund balances	2,408,166	2,156,071	(252,095)	-10.5%
Total Operating Budget	<u>\$ 10,049,235</u>	<u>\$ 10,258,254</u>	<u>\$ 209,019</u>	<u>2.1%</u>

Expenditure Breakout by Category

TOTAL EXPENDITURES

	Adopted FY 2022-23	Proposed FY 2023-24	Budget to Budget Var.	% Budget to Budget Var.
Salaries and Benefits	\$ 6,094,141	\$ 6,454,412	\$ 360,271	5.9%
Services and Supplies	8,610,992	10,824,871	2,213,879	25.7%
Other Charges	179,600	186,600	7,000	3.9%
Capital Assets	1,978,521	2,172,000	193,479	9.8%
Increase to Fund Balance	959,264	-	(959,264)	-100.0%
Expenditure Total	<u>\$ 17,822,518</u>	<u>\$ 19,637,884</u>	<u>\$ 1,815,366</u>	<u>10.2%</u>

GRANTS/PASS THROUGH EXPENDITURES

	Adopted FY 2022-23	Proposed FY 2023-24	Budget to Budget Var.	% Budget to Budget Var.
<i>Grant Expenditures</i>				
Salaries and Benefits	\$ -	\$ -	\$ -	
Services and Supplies	7,011,837	9,379,629	2,367,792	33.8%
Other Charges	-	-	-	
Capital Assets	-	-	-	
Increase to Fund Balance	761,446	-	(761,446)	6552%
Grant Expenditure Total	<u>\$ 7,773,283</u>	<u>\$ 9,379,629</u>	<u>\$ 1,606,346</u>	<u>20.7%</u>

OPERATING EXPENDITURES

	Adopted FY 2022-23	Proposed FY 2023-24	Budget to Budget Var.	% Budget to Budget Var.
<i>Operating Expenditures</i>				
Salaries and Benefits	\$ 6,094,141	\$ 6,454,412	\$ 360,271	5.9%
Services and Supplies	1,599,155	1,445,241	(153,914)	-9.6%
Other Charges	179,600	186,600	7,000	3.9%
Capital Assets	1,978,521	2,172,000	193,479	9.8%
Increase to Fund Balance	197,818	-	(197,818)	-100.0%
Total Operating Expenditures Budget	<u>\$ 10,049,235</u>	<u>\$ 10,258,254</u>	<u>\$ 209,019</u>	<u>2.1%</u>

DISTRICT DIVISION SUMMARIES

The District operates with 34 positions from two office locations (one in Santa Barbara and one in Santa Maria) and is organized into four Divisions: Administrative, Engineering, Compliance, and Planning.

Administrative Division

Administrative includes administrative overhead, fiscal and executive services, human resources, and information technology services.

Administrative Overhead

Administrative Overhead represents agency-wide operational costs not attributable to any one program, such as building maintenance, janitorial services, lease costs, insurance, and utilities.

Fiscal and Executive Services

Fiscal and Executive Services is responsible for the activities of the Board of Directors and related committees. It is also responsible for the proper accounting and reporting of resources, and the administration of District facilities, fleet, and operations. In addition to payroll, payables, and receivables, Fiscal and Executive Services manages electronic timecard submittals and provides fiscal reports by department, project, activity, and permit number.

Human Resources

Human Resources is responsible for recruitment, employee and labor relations, benefits administration, classification and compensation, collaborative bargaining, workers' compensation, training, diversity, equity and inclusion, and compliance oversight for state and federal employment law requirements.

Public Information

The multi-lingual Public Information Program includes production and distribution of printed and digital materials, videos, an electronic newsletter, and other educational materials; the program also includes maintenance and management of the District website and social media accounts. Our Public Information Officer maintains media relations and promotes awareness of District programs. During wildfires and other events that affect air quality, staff coordinate with local agencies to inform the public of air quality impacts.

Information Technology Services

Information Technology (IT) Services is responsible for managing, developing, operating, cyber security, training, and maintaining information systems at the District. Our systems include a computing network providing engineering and office automation, an integrated database system, and a data acquisition system to manage real-time air monitoring data from monitoring stations operated by the District and industry-operated monitoring stations, as

well as data collection and verification of continuous emission monitoring of large facilities. Additionally, we program IT solutions that streamline our processes, creating cost reductions, timesaving efficiencies, and increased productivity.

Engineering Division

The Engineering Division provides initial and ongoing permitting, air toxics, and permit compliance services to applicants and operators of stationary sources of air pollution. The Division also coordinates all Public Records Act requests and supports lead agency requests for technical review of new projects. Permits are required for a broad range of activities, from small businesses such as dry cleaners to large petroleum production and mining operations. The Division manages permits for approximately 1,400 permitted or registered stationary facilities of small, medium, and large size, with a broad range of air pollution-emitting activities. The Division also is responsible for the emission offsets program, including the Emission Reduction Credit Source Register.

The District ensures that operators of such facilities abide by federal, state, and local air pollution laws and regulations. Larger facilities also require federal (Part 70) operating and Prevention of Significant Deterioration (PSD) permits in accordance with the federal Clean Air Act. Engineering Division staff also review detailed Plans and Reports from our larger sources, including the review of semi-annual Compliance Verification Reports from the Part 70 Sources.

Public Records Act Requests

The Engineering Division is responsible for coordinating the agency's response to all Public Records Act requests in a timely and transparent manner, often responding to the request the same day. The District routinely responds to approximately 125 requests per year.

Permitting

The review of new sources of pollution entails detailed engineering analyses of permit applications; evaluating applications for compliance with local, state, and federal rules and regulations; issuing the mandated authority to construct permits; and, if compliance with applicable air regulations and permit conditions is met, issuing the permits to operate. Reevaluations of existing permits, as required by law, are performed every three years to review the project descriptions, equipment lists, and conditions and to bring the permits current with any new or revised rules and regulations. Larger sources require federal operating permits in addition to the District's permitting requirements. The District also regulates and permits 15 federal Outer Continental Shelf (OCS) oil and gas offshore platforms under a delegation agreement with the USEPA. Engineering staff coordinate with other agencies to ensure that the permit holder complies with all permit conditions, applicable rules and regulations, performance standards, the California Health & Safety Code, and the federal Clean Air Act.

Air Toxics

The air toxics function includes implementation of the state’s Air Toxics “Hot Spots” (AB 2588) Program, the review of applications to ensure no sources of significant toxic risk are permitted, and the tracking and implementing of requirements of state and federal air toxic regulations. Computer air quality modeling analyzes potential air quality impacts of proposed projects using highly specialized software, which simulate the movement and dispersion of air pollutants, including the preparation of health risk analyses in certain cases. This modeling is also used in our larger permit applications to ensure compliance with state and national Ambient Air Quality Standards and Increments. The “Hot Spots” Program requires businesses to develop and update an emission inventory of toxic air pollutants, and some businesses are required to perform a health risk assessment. The State of California develops Air Toxic Control Measures for categories of sources that emit toxic air contaminants, and the District implements these measures locally. The USEPA also develops air toxic control requirements, known as National Emission Standards for Hazardous Air Pollutants, and these are implemented locally by the District via a delegation agreement. We utilize GIS tools in our permitting and air toxics programs to ensure sensitive receptors (e.g., schools) are properly notified.

Permit Compliance

Once a District permit to operate is issued, Engineering Division staff provide ongoing support for the more detailed and complex data submittals, source test plans/reports, and continuous emissions monitoring plans/reports. This may also include site assessments in the field. The source testing function is the physical measurement of pollutants from emission points at a facility and is used to determine compliance with applicable rules and permit conditions. Staff also prepare compliance reports for input into USEPA’s Integrated Compliance Information System, participate in the County’s System Safety and Reliability Review Committee, review Breakdown Reports, oversee the District’s Leak Detection and Repair (LDAR) program, develop tools to implement new and existing permit compliance programs, and review Part 70 Semi-Annual Compliance Verification Reports.

Compliance Division

The Compliance Division provides initial and ongoing inspection and enforcement services to applicants and operators of stationary sources of air pollution. Inspectors perform inspections at a broad range of operations, from small businesses such as dry cleaners to large petroleum production and mining operations. Facility inspections are performed at different frequencies based on the facility’s potential to emit, actual emissions, and compliance history. All permitted facilities are inspected at least once every three years, with most inspections occurring more frequently (e.g., once per quarter, once every six months, once per year, or once every two years). The Division also performs random surveillance inspections; replies to public nuisance complaints regarding odors, smoke, and dust; implements the federal asbestos program; inspects equipment under the Statewide Portable Equipment Registration Program (PERP); inspects local

agricultural engine registrations; and in coordination with the Santa Barbara County Fire Department, implements our open burning programs (e.g., agricultural burns, prescribed burns). Compliance staff annually inspect approximately 650 permitted or registered stationary facilities of small, medium, and large size, with a broad range of air pollution-emitting activities.

Inspector Duties

The field inspectors verify compliance by conducting and documenting site inspections, reviewing records, accessing on-site monitoring data, and evaluating pollution levels. A large part of the inspector's role is to educate the sources on what is required and expected of them; inspectors provide in-the-field compliance assistance and instruction. Compliance staff also respond to public complaints, prepare reports for variances and abatement orders heard before the District Hearing Board, manage the District's mutual settlement program, manage the asbestos renovation and demolition compliance program, and manage the open burning and agricultural/prescribed burning programs (including direct coordination with the County/City Fire Departments). Compliance staff coordinate with the Engineering Division on the more technically complex sources, and with the Planning Division on telemetered monitoring data from in-plant monitors and ambient monitoring stations, clean air funding programs, and revisions to rules. We also coordinate with other agencies on topics that cover multiple jurisdictions, such as air quality complaints.

Enforcement and Mutual Settlement

Our enforcement function includes documenting non-compliance with the air quality requirements by writing Notices of Violation (NOVs). The primary goal is to get a source back into compliance with the applicable permit and rule requirements. The District typically attempts to settle violations directly with the source. The District will occasionally refer cases to the District Attorney's office.

Variance Program

The District's Hearing Board issues abatement orders and variances to stationary sources that currently are, or likely may become, out of compliance with local air district rules, regulations, or the Health and Safety Code. District inspectors perform some of the administrative functions of processing a variance, including providing the petition application; appearing as a party to the variance proceeding; preparing staff reports, when applicable; and following up to ensure that the increments of progress, emission limits and final compliance dates contained within the Variance order are met.

Planning Division

The Planning Division is responsible for planning and rule development, as well as coordinating with planning departments around the county. Planning also conducts outreach regarding the following: grant and incentive programs to promote clean air technologies, presentations for schools and community groups, and partnerships with local agencies and organizations. The

Division reviews discretionary actions by the County and cities, provides comments on air quality issues, and is responsible for ensuring compliance with the California Environmental Quality Act (CEQA). Grants administered by the Division include incentives for electric vehicle infrastructure, and for replacing higher-emitting cars, school buses, on-road vehicles, agricultural engines, off-road equipment, and marine diesel engines with newer, cleaner engines or with electric vehicles. In addition, the Planning Division initiates and supports collaborative efforts to reduce emissions from unregulated sources, such as voluntary programs to reduce emissions from marine shipping (Protecting Blue Whales and Blue Skies), from residential wood-burning fireplaces or woodstoves (Woodsmoke Reduction Program), and from landscaping equipment (Landscape Equipment Electrification Fund). The Division is implementing legislative requirements and incentive programs associated with the state's AB 617 Community Air Protection program. The Planning Division also oversees the District's air monitoring network.

Planning

The Planning Division prepares clean air plans that map the path to improved air quality and form the basis for future rule development and permitting work. Clean air plans may be required by state and/or federal laws and generally include an inventory of the county's pollution sources, the status of the county's air quality, a detailed evaluation of proposed air pollution control measures, and forecasts of future air quality, including economic growth projections. The Planning Division establishes and maintains detailed emission inventories for clean air planning and invoicing of emission-based fees to support District programs.

Rule Development

Air quality-related rules are developed to protect human health and the environment of Santa Barbara County. Rules may be prescribed by the District's clean air plans to meet state and federal air pollution requirements, or by other legislative mandates. New and amended rules are analyzed for cost-effectiveness. Opportunities for public participation in the rule development process are extensive, involving public workshops, Community Advisory Council reviews, and public hearings before the District's Board of Directors.

Community Programs

The Planning Division initiates and supports collaborative efforts to reduce emissions from sources outside the District's regulatory purview. Staff participate in planning efforts for the use of zero-emission vehicles and alternative fuels and provide input on other community efforts to improve air quality and educate the public. Staff provide presentations at schools, businesses, and community events; develop and support partnerships around common interests with a range of organizations and agencies; and implement special outreach efforts and initiatives.

Land Use

District staff ensure that all permits, plans, rules, and programs of the District comply with CEQA. As a CEQA "responsible agency," we review the larger land development and planning

policy documents and provide comments and recommendations for mitigation measures on the air quality analyses in other local agencies' environmental documents. District staff provide technical assistance to planning agencies around the county evaluating air quality impacts of proposed development. Staff also participate in statewide efforts to refine project-level tools for calculating air quality, health, and climate change impacts and mitigation measures. In addition, staff coordinate with Santa Barbara County Association of Governments (SBCAG) on the development and implementation of transportation control measures and regional transportation plans. Staff participate on SBCAG committees to evaluate transportation plans, projects, and funding proposals.

Grant and Incentive Programs

District grant and incentive programs promote the development, demonstration, and implementation of clean fuels and clean energy technologies to reduce air pollution through incentives to local businesses and industry. Staff initiate projects through government-industry partnerships and through leveraged funding. One example is an incentive program to reduce speeds of ocean-going vessels, through our Protecting Blue Whales and Blue Skies initiative. The District's portion of the funding generally comes from CARB under a variety of funding programs (e.g., Carl Moyer, FARMER, AB 617 Community Air Protection, Woodsmoke Reduction) and funds from the clean air surcharge on motor vehicle registration fees. Permit and emission-based fees are not used to fund these programs.

Air Monitoring

The Air Monitoring Section is responsible for measuring and reporting air pollution levels throughout the county. This is done via two networks of air quality monitoring stations. The urban network is funded and operated by the District to monitor air quality in urban or populated areas throughout the county. The District also receives federal funding to support urban air monitoring efforts. The regional and facility-specific network is funded and/or operated by certain large sources to monitor background and regional pollutant levels and the air quality in the vicinity of those major facilities. The monitoring staff maintain the air monitoring network, perform quality assurance reviews on data, analyze air quality levels, and submit required reports to CARB and the USEPA. This section also works to provide air quality information to the public, including real-time air quality data and forecasts. If any monitoring station shows pollution levels above certain thresholds, staff will work with the Public Information Officer to widely distribute an Air Quality Alert.

Impact Measures

The information listed below is a summary of air quality metrics that are measured throughout the calendar year and pertain to the District’s efforts to attain the state and federal ambient air quality standards.

Measure	Actual CY 2022	Goal CY 2023	Est. Actual CY 2023	Goal CY 2024
Number of days on which the state one-hour ozone standard is not met somewhere in Santa Barbara County	0	0	0	0
Number of days on which the federal eight-hour ozone standard is not met somewhere in Santa Barbara County	0	0	0	0
Number of days on which the state eight-hour ozone standard is not met somewhere in Santa Barbara County	0	0	0	0
Number of days on which the state PM ₁₀ standards are not met somewhere in Santa Barbara County	7	≤ 15	15	≤ 15
Number of days on which the federal PM _{2.5} standard is not met somewhere in Santa Barbara County	0	0	0	0

CY = Calendar Year

FY 2022-23 Significant Accomplishments

This fiscal year has been a year of re-entry back to the office to a new-normal beyond the COVID-19 pandemic. The District successfully carried out our core responsibilities while working a hybrid schedule of remote work and office work. Safety procedures were continued for staff who worked in the office or out in the field to carry out the essential functions of the agency that required in-person interactions. Below is a listing of the significant accomplishments the District achieved throughout FY 2022-23:

- Completed installation and commissioning of a new ambient air monitoring station in Santa Maria, which began operating in the third quarter of 2022. Installed Refinery-Related Community Air Monitoring equipment for this location.
- Completed the Clean Air Rooms Pilot Program, by providing additional free HEPA air purifiers to individuals who placed themselves on the program waiting list. The program was completed by distributing devices at a Foodbank event in Guadalupe in October 2022. Overall, this pilot program provided approximately 800 free HEPA devices to residents of Guadalupe and Casmalia, along with multi-lingual outreach about wildfire smoke and health.
- Made significant efficiencies with the District's electronic processes. A new employee performance review online solution was implemented. Migrated to Microsoft Teams Voice which is Microsoft's cloud-based phone system add on for Microsoft Office 365. It is a phone system only in the cloud, accessible from a mobile device or your computer, at any location. And a new online solution was implemented, Adobe Sign, where sources can now submit certain forms online and the data will automatically feed into the District's programs and databases.
- Continued the District's efforts on diversity & inclusion. The IDEAA (Inclusion, Diversity, Equity, Accountability & Awareness) committee held multiple events and trainings throughout the year for District employees.
- Increased the number of District staff who are certified to be members of our internal Bilingual Team to help create public information materials in English and Spanish. There are seven individuals on the Bilingual Team, which is 17.5% of the District's workforce.
- Performed 457 permitting actions in CY 2022.
- Performed 656 inspections in CY 2022.
- Responded to 324 air pollution complaints in CY 2022.
- Replied to 121 requests for information and provided 11,281 records under the Public Records Act during CY 2022.
- Maintained the number of people exposed to a cancer risk of 10 in a million or greater from permitted sources at zero.
- Executed \$4.5 million in Clean Air Grant contracts.
- Disbursed \$1.7 million in award funding to 32 Clean Air Grant projects that became operational in FY 2022-23.

Air Quality

Santa Barbara County air quality currently meets all federal and state ambient air quality standards, except for the state ozone standards and the state 24-hour and annual arithmetic mean standards for particulate matter (PM₁₀).

2022 Ozone Measurements

- During the 2022 calendar year, the state and federal 8-hour ozone standards were not exceeded, a decrease from one day in 2021.
- The state 1-hour ozone standard was not exceeded in 2022, the same as in 2021.

2022 Particulate Matter Measurements

- During the 2022 calendar year, the state 24-hour PM₁₀ standard was exceeded on seven days, an increase from 1 day in 2021.
- The federal 24-hour PM₁₀ standard was not exceeded in 2022, the same as in 2021.
- The federal 24-hour PM_{2.5} standard was not exceeded in 2022, the same as in 2021.

FISCAL YEAR 2023-24

OPERATING BUDGETS BY DIVISION

Administrative Division

The Administrative Division expenses are allocated to the District’s direct operating activities as an overhead allocation based upon direct billable salaries and benefits. The Administrative Division includes a Fiscal and Executive section, Human Resources, Public Information, and an Information Technology Section, which includes information technology services and data acquisition. Each section has costs associated with specific goals and objectives; and an Administrative Overhead section, which accumulates expenses that are not attributable to any specific district activity, such as rent, landscaping, janitorial, insurance, and utilities.

EXPENDITURE PLAN				
	Actual FY 2021-22	Adopted FY 2022-23	Est. Act. FY 2022-23	Proposed FY 2023-24
<i>Operating Expenditures</i>				
Administrative Overhead	\$ 2,079,426	\$ 2,722,686	\$ 1,325,338	\$ 3,371,276
Fiscal & Executive	1,239,599	973,217	971,997	900,180
Human Resources	96,001	167,942	169,442	146,342
Public Information	211,379	372,162	372,162	330,462
Information Technology	762,824	756,013	664,813	617,372
Operating Total	<u>4,389,229</u>	<u>4,992,020</u>	<u>3,503,752</u>	<u>5,365,631</u>
<i>Other Financing Uses</i>				
Increase in Fund Balance	-	197,818	-	-
Expenditure Plan Total	<u>\$ 4,389,229</u>	<u>\$ 5,189,838</u>	<u>\$ 3,503,752</u>	<u>\$ 5,365,631</u>

CHARACTER OF EXPENDITURES				
	Actual FY 2021-22	Adopted FY 2022-23	Est. Act. FY 2022-23	Proposed FY 2023-24
<i>Operating Expenditures</i>				
Regular Salaries	\$ 1,263,124	\$ 1,303,727	\$ 1,303,727	\$ 1,366,458
Overtime	62	-	-	-
Benefits	777,800	697,923	697,923	695,472
Salaries & Benefits Total	<u>2,040,986</u>	<u>2,001,650</u>	<u>2,001,650</u>	<u>2,061,930</u>
Services & Supplies	1,177,086	1,229,870	1,110,457	1,134,701
Other Charges	153,501	145,500	151,645	154,000
Fixed Assets	1,017,657	1,615,000	240,000	2,015,000
Operating Total	<u>\$ 4,389,229</u>	<u>\$ 4,992,020</u>	<u>\$ 3,503,752</u>	<u>\$ 5,365,631</u>

Significant Changes (FY 2022-23 Adopted to FY 2023-24 Proposed)

The FY 2023-24 operating total for the Administrative Division will increase by \$373,611 from the adopted 2022-23 budget, to \$5,365,631.

Salaries and benefits increased \$60,280, primarily due to the District negotiating a three-year agreement with the two employee bargaining units in FY 2022-23. The first year saw a cost of living adjustment (COLA) for District employees of 3.5%, which was effective August 18, 2022 and was not included in last year's salary budget numbers. The second year of that agreement provides District staff with a 2% COLA as of July 1, 2023. Merit increases staff also contribute to the increase.

Services and supplies decreased by \$95,169 or 7.7%. This decrease is due to the District needing to cut about 10% of services and supplies across the board (where applicable) to balance the budget. These accounts include but were not limited to equipment and equipment maintenance, building maintenance, office expenses, professional services, software, training, and travel.

Other charges increased by \$8,500, primarily due to an anticipated increase to the District's liability insurance premiums due to inflation and the economy.

Fixed assets increased \$400,000 from the previous fiscal year. Last year, the District had budgeted to use a portion of fund balance to for building demolition and renovations. Of the \$1,600,000 allocated in FY 2022-23, only approximately \$225,000 will be spent by the end of June 2023. The leftover renovation budget of \$1,375,000 is being rolled over into this budget along with another \$625,000 to fully renovate the space and bring it up to the District's standards. This year's fixed asset budget also includes the purchase of equipment for the District's data acquisition system (DAS).

FY 2023-24 Goals and Objectives

Fiscal and Executive Section

1. Revamp new project Fiscal forms in Adobe to allow for a streamlined process internally.
2. Research the billing tool option within the District's current accounting software to test whether it has the capability to handle all billings throughout the year.
3. Implement a cost recovery policy for the District.

Human Resources Section

4. Continue to expand on diversity, equity, and inclusion training for all staff. Including adding a page to our website to focus on the District's efforts regarding DE&I.
5. Update two Policy and Procedure documents within the Admin section of District P&Ps.

Public Information

6. Use the District's communication tools to increase agency awareness and awareness of air quality issues, and significantly increase the number of Santa Barbara County residents who subscribe to our bilingual air quality news and who follow our social media accounts.
7. Increase outreach to Spanish-speaking and Mixteco-speaking individuals through meetings with various community groups and conduct outreach to underserved communities pursuant to the AB 617 Community Air Protection Program and increase the number of Spanish webpages on the District's website.
8. Complete the redesign of the online Permitted Facilities Map tool to better match the aesthetics and functionality of the District's redesigned website.

Information Technology Section

9. Continue to research and migrate District applications and databases to the Cloud.
10. Work closely with contractor during construction of new server room at McCoy property location and make sure all IT aspects are covered (e.g., wiring, security, etc.) during the remodel process.

Fiscal and Executive Services

Purpose Statement: Fiscal and Executive Services provide executive, clerical, fiscal, and facilities support to all APCD staff and fulfill the financial reporting needs of the public and the regulated community.

FY 2022-23 Significant Accomplishments

- Completed the financial audit for FY 2021-22 with no audit findings.
- Successful implementation of the budget – exceeding revenue and lower-than-budgeted expenditures.
- Successfully demoed interior of the office building in north county, getting it ready for construction.
- Successfully worked with an architect and County General Services and received approved plans from the City of Santa Maria for the remodel of the office building in north county. Also, successfully opened the RFP for construction on the building and awarded construction contract. Remodel construction is set to take place in FY 2023-24.
- Successfully hired and trained a new Office Technician.
- Completed a Fee Study and developed a Long-Range Fiscal Strategy for Board's consideration.
- Successfully met the Maintenance of Effort requirement for the District's EPA 105 grant. This allowed the District to continue to receive the annual federal grant funding of approximately \$500,000.

Recurring Performance Measures

Measure	Actual FY 2021-22	Goal FY 2022-23	Est. Actual FY 2022-23	Goal FY 2023-24
Percent of actual revenue received to revenue budgeted	103.0%	100%	96.1%	100%
Percent of actual expenditures to expenditures budgeted	77.7%	100%	55.8%	100%
Total federal maintenance of effort (MOE) above/(below) previous year MOE + \$1	\$1,017,179	≤ \$1	≤ \$1	≤ \$1

Human Resources

Purpose Statement: Human Resources is responsible for recruitment and selection of employees, labor relations, benefits administration, classification and compensation, collaborative bargaining, workers’ compensation, training, and compliance oversight for state and federal employment law requirements. These human resources benefits and labor relations services ensure organizational equity to meet the changing needs of the District and its staff.

FY 2022-23 Significant Accomplishments

- Conducted 11 recruitments (approximately 32% of APCD workforce).
- Successfully completed the reporting requirements for the health care reform mandates.
- Administered District safety training program in compliance with OSHA regulations.
- Managed District workers’ compensation program, with no claims reported for the year.
- Managed and provided comprehensive Human Resources programs and services for the District and its employees.
- Continued the District’s efforts on diversity & inclusion. The IDEAA (Inclusion, Diversity, Equity, Accountability & Awareness) committee held multiple events and trainings throughout the year for District employees.
- Implemented all new permanent OSHA guidelines and new legislation as it became effective to make sure the District was following all protocols put into place after the end of the pandemic.

Public Information

Purpose Statement: In order for meaningful public participation to occur, outreach to the media and community members is key. We are committed to maintaining multiple communication channels for the exchange of easy-to-understand air quality information on issues occurring throughout Santa Barbara County.

FY 2022-23 Significant Accomplishments

- Issued more than 35 news releases regarding District news, air quality alerts, and prescribed burns, and promoted media coverage of District issues and news.
- Participated in media interviews on local air quality issues.
- Continued to share instructions about how to protect against wildfire smoke by creating “clean air rooms.” Worked with schools on understanding air quality alerts and air quality data to best guide decision-making about outdoor activities for students during wildfire smoke events; and participated in responder calls and meetings.
- Completed the Clean Air Rooms Pilot Program, by providing additional free HEPA air purifiers to individuals who placed themselves on the program waiting list. The program was completed by distributing devices at a Foodbank event in Guadalupe in October 2022. Overall, this pilot program provided approximately 800 free HEPA devices to residents of Guadalupe and Casmalia, along with multi-lingual outreach about wildfire smoke and health.
- Increased the number of District staff who are certified to be members of our internal Bilingual Team to help create public information materials in English and Spanish.
- Continued to attract new social media followers and subscribers to our listservs for news, air quality alerts, and prescribed burn information.
- Began the process of working on the complete redesign of the online Permitted Facilities Map tool to better match the aesthetics and functionality of the District’s redesigned website.

Recurring Performance Measures

Measure	Actual FY 2021-22	Goal FY 2022-23	Est Actual FY 2022-23	Goal FY 2023-24
Publish e-newsletter	1	4	3	4
Community events	0	6	3	4
Number of air quality alert subscribers	2,300	4,600	3,000	4,500

Information Technology Services

Purpose Statement: The Information Technology Services (ITS) is responsible for the management, development, operation, training, and maintenance of information systems. These systems include a network of computers providing engineering and office automation, an integrated database system, and a data acquisition system to manage real-time air monitoring data from monitoring stations operated by the District and industry-run monitoring stations, as well as emission data from large facilities. The ITS staff develop innovative IT solutions to create operational efficiencies that reduce costs and increases productivity.

Two programs make up Information Systems: the Data Acquisition System (DAS) and the Local Area Network (LAN.)

FY 2022-23 Significant Accomplishments

Automated Data Acquisition (DAS) Program

- Provided reliable operation of the Data Acquisition System in support of program goals.
- The DAS system uptime exceeded 97%, Backups were 100%, and Data Acquisition exceeded 90%.
- Ongoing improvements of function and efficiencies of the DAS system and the support of the monitoring sites.

Local Area Network (LAN)

- Provided a highly reliable computing system for the District in support of the District's business. Due to increased remote work during the pandemic, all staff were issued laptops.
- Continued to increase IT system security whenever feasible.
- Hardware and software systems were upgraded or replaced as necessary keeping in line with our goal of providing reliable and cost-effective information systems.
- Provided ongoing support and enhancements for the payroll, accounting, Integrated Database System, and the telecommuting program.
- Successfully met with data wiring contractors and put together a plan for all data cables at the new north county office building.

Recurring Performance Measures

Measure	Actual FY 2021-22	Goal FY 2022-23	Est. Actual FY 2022-23	Goal FY 2023-24
Network uptime	>97%	97%	>97%	97%
APCD website uptime	>99%	100%	>99%	100%
Data Acquisition System (DAS) valid data acquisition rate	>97%	97%	>97%	97%

Engineering Division

The Engineering Division is composed of the Permitting Section, Air Toxics Section, and Permit Compliance Section. The programs that these Sections operate have costs associated with specific goals and objectives. The Division also includes an administrative overhead function that accumulates expenses not attributable to any specific Division activity, such as management and supervision of staff, facilitating staff development and training opportunities, budget management and tracking, and goal and policy implementation.

EXPENDITURE PLAN				
	Actual FY 2021-22	Adopted FY 2022-23	Est. Act. FY 2022-23	Proposed FY 2023-24
<i>Operating Expenditures</i>				
Administrative Overhead	\$ 284,413	\$ 162,795	\$ 162,096	\$ 372,464
Permitting & Air Toxics	1,071,861	1,191,415	1,186,108	1,024,997
Operating Total	1,356,274	1,354,210	1,348,204	1,397,461
<i>Other Financing Uses</i>				
Increase in Fund Balance	-	-	-	-
Expenditure Plan Total	<u>\$1,356,274</u>	<u>\$1,354,210</u>	<u>\$ 1,348,204</u>	<u>\$1,397,461</u>

CHARACTER OF EXPENDITURES				
	Actual FY 2021-22	Adopted FY 2022-23	Est. Act. FY 2022-23	Proposed FY 2023-24
<i>Operating Expenditures</i>				
Regular Salaries	\$ 920,673	\$ 944,276	\$ 944,276	\$ 965,913
Overtime				-
Benefits	431,987	395,159	395,159	417,518
Salaries & Benefits Total	1,352,660	1,339,435	1,339,435	1,383,431
Services & Supplies	2,333	12,775	7,275	11,530
Other Charges	1,280	2,000	1,494	2,500
Fixed Assets	-	-	-	-
Operating Total	<u>\$1,356,274</u>	<u>\$1,354,210</u>	<u>\$ 1,348,204</u>	<u>\$1,397,461</u>

Significant Changes (FY 2022-23 Adopted to FY 2023-24 Proposed)

The FY 2023-24 operating total for the Engineering Division decreased by \$43,251 from the adopted FY 2022-23 budget, to \$1,397,461.

Salaries and benefits increased \$43,996, primarily due to the District negotiating a three-year agreement with the two employee bargaining units in FY 2022-23. The first year saw a cost of living adjustment (COLA) for District employees of 3.5%, which was effective August 18, 2022 and was not included in last year's salary budget numbers. The second year of that agreement

provides District staff with a 2% COLA as of July 1, 2023. Merit increases staff also contribute to the increase.

Services and Supplies decreased \$1,245 due to the District needing to cut about 10% of services and supplies across the board (where applicable) to balance the budget. These accounts include but were not limited to equipment and equipment maintenance, building maintenance, office expenses, professional services, software, training and travel.

Other charges increased by \$500. This increase is due to fuel costs for the Engineering Division's fleet vehicle. Fixed assets had no change from the previous year; there are no anticipated fixed asset purchases planned for FY 2023-24.

FY 2023-24 Goals and Objectives

Permitting Section

1. Continue to automate permit application forms to streamline the transfer of data into the District's permitting database.
2. Continue working with the Planning Division to implement requirements of AB 617 Community Air Protection Program, including Criteria Pollutant and Toxics Emission Reporting (CTR) requirements for permitted sources, automation of the uploading of this data to CARB's reporting database, and Best Available Retrofit Control Technology (BARCT) rule development and revisions.
3. Complete the redesign of the online Permitted Facilities Map tool to better match the aesthetics and functionality of the District's redesigned website.

Permit Compliance Section

4. Continue working with Compliance Division to automate permit compliance and annual report forms to streamline the transfer of data into the District's permit compliance database.
5. Implement program to integrate and streamline the review of continuous emissions monitoring system (CEMS) data into the District's permit compliance database.

Air Toxics Section

6. Continue the AB 2588 Toxics "Hot Spots" process for the 23 high-priority sources currently under review.

Permitting, Air Toxics, and Permit Compliance

Purpose Statement: We issue technically rigorous and effective permits to new and existing stationary sources and ensure each project complies with all applicable local, state, and federal air quality requirements. We strive to protect the public from the exposure to significant levels of air toxics and inform and educate the public about emissions to which they may be exposed. We operate technically sound and thorough Permit Compliance programs, and we provide transparent and timely responses to Public Records Act requests for information.

FY 2022-23 Significant Accomplishments

- Completed 457 permitting actions during CY 2022.
- Issued 9 Part 70 federal operating permit renewals during CY 2022.
- Reviewed 122 emissions source tests during CY 2021.
- Replied to 121 requests for information and provided 11,281 records under the Public Records Act during CY 2022.
- Successfully onboarded and trained two new Engineering Division staff.
- Completed training of Engineering Division staff on the process for manually uploading permit compliance data for our USEPA-mandated reporting requirements.
- Updated the District's gas station modeling guidelines based on CARB's recently published Gasoline Service Station Industrywide Risk Assessment Guidance document.
- Completed review of two AB 2588 Air Toxics "Hot Spots" program Air Toxics Emissions Inventory Plans (ATEIPs) and two Air Toxics Emissions Inventory Reports (ATEIRs).
- Worked with Planning Division staff to implement Best Available Retrofit Control Technology (BARCT) requirements through permit modifications for two AB 617 Industrial Facilities.
- Worked closely with CARB and other California air district staff to significantly expand CARB's Stationary Source Permitting - Community Questions webpage, which helps the public understand how stationary source air quality permitting is conducted in California.
- Provided substantive air quality health risk and ambient standards review and analyses to the County for multiple proposed development projects.

Recurring Performance Measures

Measure	Actual FY 2021-22	Goal FY 2022-23	Est. Actual FY 2022-23	Goal FY 2023-24
Permit Processing				
Percent of Authority to construct permit applications reviewed for completeness within 30 days of receipt	100%	100%	100%	100%
Percent of authority to construct permits issued within 180 days of application completeness	97%	100%	98%	100%
Percent of permit to operate annual scheduled reevaluation renewals completed within the year	87%	90%	90%	90%
Compliance				
Percent of complete review of all Part 70 major source compliance verification reports within 120 days	59%	50%	50%	50%
Source Testing				
Percent of source test reports reviewed within 60 days	98%	75%	98%	90%
Public Records Act Information Request Response				
Percent of requests initially responded to within 10 days of receipt	100%	98%	100%	98%

Compliance Division

The Compliance Division includes Inspection and Enforcement programs, and has costs associated with specific goals and objectives for these programs. The Division also includes an Administrative Overhead function that accumulates expenses not attributable to any specific Division activity, such as management and supervision of staff, facilitating staff development and training opportunities, budget management and tracking, and goal and policy implementation.

EXPENDITURE PLAN				
	Actual FY 2021-22	Adopted FY 2022-23	Est. Act. FY 2022-23	Proposed FY 2023-24
<i>Operating Expenditures</i>				
Administrative Overhead	\$ 410,404	\$ 175,544	\$ 194,444	\$ 304,175
Compliance & Enforcement	976,596	1,158,881	1,146,725	1,026,164
Operating Total	1,387,001	1,334,425	1,341,169	1,330,339
<i>Other Financing Uses</i>				
Increase in Fund Balance	-	-	-	-
Expenditure Plan Total	<u>\$1,387,001</u>	<u>\$1,334,425</u>	<u>\$1,341,169</u>	<u>\$1,330,339</u>

CHARACTER OF EXPENDITURES				
	Actual FY 2021-22	Adopted FY 2022-23	Est. Act. FY 2022-23	Proposed FY 2023-24
<i>Operating Expenditures</i>				
Regular Salaries	\$ 768,264	\$ 779,728	\$ 779,728	\$ 839,915
Overtime				-
Benefits	433,182	397,687	397,687	439,350
Salaries & Benefits Total	1,201,446	1,177,415	1,177,415	1,279,265
Services & Supplies	17,525	37,010	28,620	31,074
Other Charges	16,155	20,000	15,134	20,000
Fixed Assets	151,876	100,000	120,000	-
Operating Total	<u>\$1,387,001</u>	<u>\$1,334,425</u>	<u>\$1,341,169</u>	<u>\$1,330,339</u>

Significant Changes (FY 2022-23 Adopted to FY 2023-24 Proposed)

The FY 2023-24 operating total for the Compliance Division decreased by \$4,086 from the adopted FY 2022-23 budget, to \$1,330,339.

Salaries and benefits increased \$101,850, primarily due to the District negotiating a three-year agreement with the two employee bargaining units in FY 2022-23. The first year saw a cost of living adjustment (COLA) for District employees of 3.5%, which was effective August 18, 2022 and was not included in last year's salary budget numbers. The second year of that agreement

provides District staff with a 2% COLA as of July 1, 2023. Merit increases staff also contribute to the increase.

Services and Supplies decreased by \$5,936, due to the District needing to cut about 10% of services and supplies across the board (where applicable) to balance the budget. These accounts include but were not limited to equipment and equipment maintenance, building maintenance, office expenses, professional services, software, training and travel.

Other charges saw no changes from the prior year.

Fixed assets decreased by \$100,000 from the previous year. Two vehicles within the District fleet were replaced in FY 2022-23.

FY 2023-24 Goals and Objectives

1. Continue to automate Compliance letters to streamline the generation of these documents.
2. Continue working with the Engineering Division to automate annual report forms to streamline the transfer of data into the District's database.
3. Complete the redesign of the online Permitted Facilities Map tool to better match the aesthetics and functionality of the District's redesigned website.
4. Continue to cross-train Compliance Division staff to ensure continuity of operations.
5. Update 10% of the Compliance Policy and Procedures.

Compliance and Enforcement

Purpose Statement: We equitably enforce all rules and regulations to ensure air pollution control requirements are being met, to motivate and educate those we regulate to comply with air pollution laws, to protect human health and the environment, and to promote regulatory equity in the marketplace. We strive to protect the public from air quality nuisance situations and inform and educate the public about emissions to which they may be exposed.

FY 2022-23 Significant Accomplishments

- Performed 656 inspections during CY 2022.
- Responded to and documented 324 air pollution complaints during CY 2022.
- Received and reviewed 107 asbestos renovation/demolition notifications during CY 2022.
- Performed the administrative functions for 17 variance petitions during CY 2022.

- Reviewed and approved Smoke Management Plans for ten prescribed burns, totaling 1,066.25 acres, that were conducted during CY 2022. There were no air quality exceedances associated with these prescribed burns.
- Reviewed and updated 10% of the Compliance Policies & Procedures.
- Trained all Compliance Division staff on the process for manually uploading compliance data for our USEPA-mandated reporting requirements.
- Successfully onboarded and trained one new Compliance intern.

Recurring Performance Measures

Measure	Actual FY 2021-22	Goal FY 2022-23	Est. Actual FY 2022-23	Goal FY 2023-24
Inspections				
Percent of citizen complaints about air pollution responded to				
- within 3 hours	91%	90%	92%	90%
- within 24 hours	99%	95%	98%	95%
Percent of Part 70 facilities inspected	83%	100%	80%	100%
Percent of permitted facilities inspected within the last 3 fiscal years	93%	100%	85%	100%
Percent of initial settlement agreements sent within 90 days of NOV issuance	45%	60%	60%	60%
Percent of settlement agreements finalized within 1 year of NOV issuance for NOVs issued in the prior fiscal year	74%	60%	60%	60%

Planning Division

The Planning Division includes the following program groups, which have costs associated with specific goals and objectives: Air Quality Planning, Community Programs, Land Use, Grants and Incentives, Rule Development, and Air Monitoring. The Division also includes an Administrative Overhead function that accumulates expenses not attributable to any specific division activity, such as management and supervision of staff, facilitating staff development and training opportunities, budget management and tracking, and goal and policy implementation.

EXPENDITURE PLAN				
	Actual FY 2021-22	Adopted FY 2022-23	Est. Act FY 2022-23	Proposed FY 2023-24
<i>Operating Expenditures</i>				
Administrative Overhead	\$ 168,123	\$ 159,963	\$ 158,363	\$ 455,274
Air Monitoring	807,461	915,593	908,534	706,286
Air Quality Planning	235,402	268,466	264,952	253,627
Rule Development	84,717	119,043	118,343	101,085
Community Programs	66,062	113,713	106,213	108,795
Land Use	217,252	262,954	262,454	282,033
Grants and Incentives Program	2,549,302	7,342,867	1,401,315	9,637,353
Operating Total	4,128,320	9,182,599	3,220,174	11,544,453
<i>Other Financing Uses</i>				
Increase in Fund Balance	601,465	761,446	4,791,347	-
Expenditure Plan Total	<u>\$4,729,785</u>	<u>\$9,944,045</u>	<u>\$ 8,011,521</u>	<u>\$ 11,544,453</u>

CHARACTER OF EXPENDITURES				
	Actual FY 2021-22	Adopted FY 2022-23	Est. Act FY 2022-23	Proposed FY 2023-24
<i>Operating Expenditures</i>				
Regular Salaries	\$1,070,066	\$1,059,699	\$ 1,059,699	\$ 1,175,478
Overtime	-	-	-	-
Benefits	555,633	515,943	515,943	554,309
Salaries & Benefits Total	1,625,699	1,575,641	1,575,642	1,729,787
Services & Supplies	2,413,215	7,331,337	1,371,411	9,647,566
Other Charges	5,981	12,100	9,600	10,100
Fixed Assets	83,424	263,521	263,521	157,000
Operating Total	<u>\$4,128,320</u>	<u>\$9,182,599</u>	<u>\$ 3,220,174</u>	<u>\$ 11,544,453</u>

Significant Changes (FY 2022-23 Adopted to FY 2023-24 Proposed)

The FY 2023-24 operating total for the Planning Division will increase by \$2,361,854 from the adopted FY 2022-23 budget to \$11,544,453, primarily due to the increase of expending grant funds from this and prior year funds.

Salaries and benefits increased \$154,146, primarily due to the District negotiating a three-year agreement with the two employee bargaining units in FY 2022-23. The first year saw a cost of living adjustment (COLA) for District employees of 3.5%, which was effective August 18, 2022 and was not included in last year's salary budget numbers. The second year of that agreement provides District staff with a 2% COLA as of July 1, 2023. Merit increases staff also contribute to the increase.

Services and supplies increased by \$2,316,229 due to grants from the previous fiscal year rolling into the current year. It's very common each year that residual funds from prior years be carried into the next year's budget if some of the clean air projects aren't completed and paid out in the current fiscal year. These grant funds are to be used as pass-through to continue expanding the reach of the grant programs, including the Carl Moyer, Community Air Protection, FARMER, Electrified Landscaping Equipment, and Wood Smoke Changeout programs. The grant funds help local businesses and organizations take advantage of cleaner technologies to secure immediate emission reductions. Project categories include agricultural equipment, woodstove changeouts, marine vessels, school and transit buses, old passenger cars and trucks, electrifying landscaping equipment, and electric vehicle infrastructure.

Other charges had a decrease of \$2,000 from the previous year due to our contributions to other government agencies for certain projects ceasing.

Fixed Assets decreased by \$106,521. This decrease is due to the monitoring section needing less equipment replacements next year. The District received federal grant funds in FY 2022-23 for three large pieces of equipment. That was a one-time grant and the equipment was purchased. The monitoring section will continue to replace analyzers and monitoring equipment for all sites as needed, to stay up-to-date and use the best technology available.

FY 2023-24 Goals and Objectives

1. Continue to implement requirements of AB 617 Community Air Protection Program including outreach, grant projects, Criteria Pollutant and Toxics Emission Reporting (CTR) requirements, and Best Available Retrofit Control Technology (BARCT) rule development and revisions.

Air Quality Planning

2. Streamline and automate input of facility information into the District's database for emission inventory reporting; work with Engineering Division to implement CARB's statewide reporting regulation.
3. Develop and adopt a PM10 mitigation plan for wildfires, pursuant to EPA's 2016 Exceptional Events Rule.
4. Assess countywide trends of PM exceedances and develop recommendations to reduce PM emissions in order to reach the state PM₁₀ standard.

Rule Development

5. Develop and adopt rules as required by the District's adopted BARCT Rule Development Schedule and other state and federal mandates.
6. Based on the results of the Fee Study, develop, and adopt modifications to our Fee Rule 210.

Grants and Incentives Program

7. Implement a new cycle of grant funding awarded by the state legislature in 2022 (e.g., Carl Moyer, FARMER, and AB 617 Community Air Protection).

Air Quality Planning

Purpose Statement: We develop, implement, and track clean air plans that comply with state and federal air quality planning mandates in order to protect the people and the environment of Santa Barbara County. The District works with the U.S. Environmental Protection Agency, California Air Resources Board, and Santa Barbara County Association of Governments to facilitate a coordinated and efficient effort to clean the air. We promote local dialogue and consensus by meeting with our Community Advisory Council during the development of clean air plans in order to address concerns of business, industry, environmental groups, and the public. Staff prepare emission inventory data required for air quality attainment planning and to invoice for emission-based fees that allow the District to continue programs that achieve clean air goals.

FY 2022-23 Significant Accomplishments

- Reviewed, updated, and submitted to CARB quality-assured 2021 criteria and toxic pollutant stationary source emissions data for inclusion on their Pollution Mapping Tool, as outlined in the AB 197 Emission Inventory District Grant.

- Developed and adopted the 2022 Ozone Plan, which demonstrates progress and commitment to again achieve attainment of the state ozone standard.
- Successfully onboarded and trained three new Planning Division staff.

Recurring Performance Measures

Measure	Actual FY 2021-22	Goal FY 2022-23	Est Actual FY 2022-23	Goal FY 2023-24
Submit emissions inventory data to the California Air Resources Board each year	7/29/2021	8/1/2022	7/29/2022	8/1/2023
Process emissions inventory data submitted by sources for fee invoices each year	6/15/2022	5/31/2023	5/31/2023	5/31/2024

Rule Development

Purpose Statement: In order to implement air quality-related measures identified in clean air plans and other legislative mandates, and to protect human health and the environment of Santa Barbara County, we develop new and modified rules and regulations and prepare them for adoption by the District Board.

FY 2022-23 Significant Accomplishments

- Continued the evaluation of the next rules on the AB 617 BARCT Rule Development Schedule. This rule development schedule was adopted by the District Board on December 20, 2018, and there are two remaining rule development activities planned for 2023.
- Worked extensively with industry to determine that amendments to District Rule 333 are no longer necessary and incorporated the BARCT requirements for Reciprocating Internal Combustion Engines directly into the facility’s Permit to Operate.
- Began the evaluation of potential modifications of District Fee Rule 210.

Recurring Performance Measures

Measure	Actual FY 2021-22	Goal FY 2022-23	Est Actual FY 2022-23	Goal FY 2023-24
Number of draft rule projects released for public review	0	3	2	2

Community Programs

Purpose Statement: The District provides the community with assistance and information about air quality and health and the District's programs, rules, and services through our community outreach programs. We encourage the entire community to work together for clean air in Santa Barbara County.

FY 2022-23 Significant Accomplishments

- Collaborated with partners to conduct a Vessel Speed Reduction (VSR) incentive program for emission-reduction and whale-protection benefits in the Southern California Region and the San Francisco Bay Area. The partners recognized the 23 shipping companies that participated in the 2022 VSR program by promoting their achievements through outreach campaigns, press coverage, social media, and web advertisements in prominent shipping, business, and logistics media outlets. For more information on the program, visit www.bluewhalesblueskies.org.
- Urged the passage of AB 953 (Connolly and Hart) which would create a statewide voluntary vessel speed reduction program for the California coast.
- Developed and presented an air emission analysis on local cruise ship visits for the Santa Barbara Harbor Commission Subcommittee
- Deployed additional low-cost air quality sensors at District monitoring stations and community partner locations, for a total of 46 sensors, to provide air quality trends and additional real-time air quality information to the public.
- With education programs, continued to partner with the Santa Barbara County Education Office and the Santa Barbara County Water Agency to promote classroom environmental project grants to teachers, and reached 517 students through the District's Clean Air Ambassadors (CAA) program visits to K-3 classrooms.
- Provided air quality presentations to community and industry groups, partner agencies, and classrooms.
- Reached 60 students through an in-person class presentation at a University of California, Santa Barbara Environmental Law class.

Recurring Performance Measures

Measure	Actual FY 2021-22	Goal FY 2022-23	Est Actual FY 2022-23	Goal FY 2023-24
Schools outreach/ class visits (including CAA)	18	30	43	50

Land Use

Purpose Statement: District staff review major environmental and planning documents to ensure that air quality impacts of land development projects are correctly assessed and all feasible measures to reduce air pollution from these projects are considered. We review all District activities such as clean air plans, rules, and regulations, and permits to ensure that our activities do not result in adverse impacts to the environment. We participate in the local transportation planning process and review transportation projects to ensure that transportation policies and projects do not weaken air quality improvements.

FY 2022-23 Significant Accomplishments

- Prepared and reviewed CEQA and NEPA documents for projects in a variety of roles (as lead agency, responsible agency, or commenting agency).
- Assisted other agencies, consultants, and project proponents in the preparation of air quality impact analyses for CEQA documents for a variety of land use project types and published a limited update of the CEQA guidance document, “Scope and Content of Air Quality Sections in Environmental Documents.”
- Continued to work with land use agencies and interested parties on options for local mitigation of greenhouse gas emissions.
- Participated in committees and work groups related to land use review and air quality impact assessment and mitigation, including the Subdivision/Development Review Committees of Santa Barbara County and Goleta, and SBCAG’s Technical Transportation Advisory Committee, Technical Planning Advisory Committee, and Joint Technical Advisory Committee.
- Participated in a CAPCOA workgroup and a larger Technical Advisory Committee related to two efforts: to update and move the CalEEMod emissions estimation model to an online platform, and to make a substantial update to the CAPCOA Handbook for Analyzing GHG Mitigation Emission Reductions, Assessing Climate Vulnerabilities, and Advancing Health and Equity.

Recurring Performance Measures

Measure	Actual FY 2021-22	Goal FY 2022-23	Est Actual FY 2022-23	Goal FY 2023-24
Percent of CEQA reviews completed within 30 days for all environmental documents and land use projects	100% of 104	100% of 140	100% of 111	100% of 140

Grants and Incentives Program

Purpose Statement: We demonstrate innovative, voluntary ways of reducing air pollution in Santa Barbara County in order to further the District's mission. We foster government and industry cooperation and support local businesses by providing incentives to aid in the implementation of low-emissions technologies. Grant and incentive programs are alternatives to the traditional regulatory approach that secure significant emissions reductions and increase flexibility for businesses and public health benefits to the community.

FY 2022-23 Significant Accomplishments

- Applied for and received CARB grant funds for Carl Moyer Program Year 24, Carl Moyer Program Year 24 State Reserve, FARMER Year 5, Community Air Protection Year 5 incentive and implementation Funds, and Woodsmoke Reduction Program funds.
- Awarded the grants to replace the following old, high-emitting diesel-fueled equipment with cleaner emission technologies:
 - 35 agricultural tractor replacements (34 diesel-powered; one electric-powered),
 - 2 electric-powered agricultural water pumps,
 - 1 construction tractor replacement,
 - 1 electric-powered off-road utility vehicle, and
 - 4 marine vessel main engine repowers.
- Awarded grants for 2 electric school buses to help school districts expand their fleet with zero emission buses.
- Issued grants to partially fund the purchase/installation of 126 electric vehicle charging ports with Level 2 charging capability and 20 electric vehicle charging ports with Level 3 charging capability (35 charging ports in North County and 111 charging ports in South County).
- Purchased and scrapped 67 vehicles under the Old Car Buy Back Program.
- Continued working with the Center for Sustainable Energy, California Energy Commission, and regional partners to implement the California Electric Vehicle Infrastructure Project (CALeVIP) rebate program for electric vehicle charging stations. The South Central Coast Incentive Project will provide more than \$5 million in funding for CALeVIP rebates in Santa Barbara County. So far, more than \$1.2 million of the project funds have been issued countywide.

Recurring Performance Measures

Measure	Actual FY 2021-22	Goal FY 2022-23	Est Actual FY 2022-23	Goal FY 2023-24
NO _x , ROC, and PM emissions reduced from signed grant agreement projects (tons).	129	125	256	193
Average cost effectiveness for all grant program funded projects (\$/ton)	\$17,455	\$23,944	\$28,470	<\$33,000

Air Monitoring

Purpose Statement: We operate a county wide ambient air monitoring network to determine the relationship between our air quality and the federal and state air quality standards by comprehensively and accurately documenting the urban, regional, and source-specific pollutant concentrations. Information is gathered to allow for sound decisions by policymakers, the public, and the District in our combined efforts to protect public health.

FY 2022-23 Significant Accomplishments

- Operated or provided oversight for the collection of high-quality ambient air quality data from monitoring stations throughout the county.
- Performed deployments of temporary particulate monitors for ten prescribed burns to inform the public about potential air quality impacts.
- Published the 2021 Annual Air Quality Report on the District’s website.
- Continued equipment and parts replacement according to schedule.
- Passed all performance audits and met minimum data collection rates.
- Submitted and received USEPA approval of our 2022 Annual Air Monitoring Network Plan.
- Completed installation and commissioning of the new Santa Maria air monitoring station. Received an approval letter from EPA designating this station as a SLAMs station. Installed Community Air Monitoring equipment, pursuant to AB 1647, at the Santa Maria station.
- Deployed a mobile air monitoring station to investigate air quality complaints in Carpinteria, Goleta, and Summerland for a total span of over four months.

- Continued running a PM_{2.5} monitor at our Santa Ynez monitoring station to help evaluate particulate levels in the area.
- Installed a new PM_{2.5} monitor in Carpinteria to help evaluate particulate levels in the area.
- Completed USEPA’s Technical Systems Audit (TSA) of the District’s air monitoring program, commented on the draft TSA report, and began addressing USEPA’s findings.

Recurring Performance Measures

Measure	Actual	Goal	Est. Actual	Goal
	FY 2021-22	FY 2022-23	FY 2022-23	FY 2023-24
Collect 80%/90% valid data for air quality/meteorological measurements.	95%/100%	100%/100%	100%/100%	100%/100%

ATTACHMENT B

Budget Resolution

June 15, 2023

Santa Barbara County Air Pollution Control District
Board of Directors

260 San Antonio Road, Suite A
Santa Barbara, California 93110

**RESOLUTION OF THE BOARD OF DIRECTORS OF
THE SANTA BARBARA COUNTY
AIR POLLUTION CONTROL DISTRICT**

IN THE MATTER OF ADOPTING THE
BUDGET FOR FISCAL YEAR 2023-24

APCD RESOLUTION NO. _____

RECITALS

WHEREAS, the Air Pollution Control District of the County of Santa Barbara, State of California (“District”), is obligated by law to adopt a budget as set forth in Section 40130 et. seq. of the Health and Safety Code; and

WHEREAS, on March 31, 2023, said District made copies of the proposed budget available to the general public including a summary of the budget and a schedule of fees to fund District programs and gave notice by e-mail and mail to persons subject to District fees of the availability of said proposed budget; and

WHEREAS, on May 18, 2023, the District Board held a properly noticed hearing to review the budget and receive comment from the general public and from officers and employees of the District with regard to the District’s proposed budget; and

WHEREAS, on June 15, 2023, the District Board held a properly noticed hearing on the final budget; and

WHEREAS, the public hearing on the final budget has now been closed.

NOW, THEREFORE, IT IS HEREBY RESOLVED, as follows:

1. Said budget as settled by this Board shall be and the same hereby is adopted as the budget for the 2023-24 Fiscal Year for the District, and said budget document consists of the *Fiscal Year 2023-24 Proposed Budget* and related designations, budget revisions, the

APCD RESOLUTION ADOPTING THE BUDGET
FOR FISCAL YEAR 2023-24

record for the Budget Hearings, and the summaries and decisions of the District Board in making final budget adjustments incorporated herein and made a part of this resolution as though set forth in full;

2. Said budget will be prepared in final form by the Control Officer and the Auditor-Controller in accordance with the requirements, determinations and actions of the District Board and the requirements of the State Controller's Office;
3. The Control Officer and Auditor-Controller are authorized to make final budget adjustments that transfer 2022-23 appropriations for fixed assets and other material purchases that have been ordered, but not received, by June 30, 2023 to the 2023-24 budget;
4. The Control Officer and Auditor-Controller in compiling the final budget are authorized to make adjustments where the Fiscal Year 2022-23 actual year-end closing figures for the General Fund (No. 1960) differ from the budget estimates and to make any final budget changes required to balance the budget by adjusting the applicable Fund Balance accounts;
5. The Control Officer and Auditor-Controller are hereby authorized to make adjustments to the final budget for Fiscal Year 2023-24 to reflect the transfer of any Fiscal Year 2022-23 unassigned General Fund (No. 1960) balance to the applicable Fund Balance accounts, such that the beginning unassigned General Fund (No. 1960) balance for Fiscal Year 2023-24 will be zero;
6. The fees and charges for services listed in the proposed budget and as increased, modified and revised, and finally settled, are hereby adopted and incorporated into the financing of the final budget;
7. As appropriate during the fiscal year, and upon receipt of proper documentation by the Auditor-Controller's office, the Auditor-Controller is authorized to adjust monthly appropriations and revenue estimates;

APCD RESOLUTION ADOPTING THE BUDGET
FOR FISCAL YEAR 2023-24

8. The Control Officer is hereby delegated the authority to transfer appropriations between object levels within the District budget units, as provided in Government Code section 29125;
9. The Control Officer and Auditor-Controller, in compiling the final budget, are authorized to make ministerial budget changes and to transfer appropriations to or from fund balance components and contingencies to balance the budget for the various funds governed by the District;
10. The Control Officer and Auditor-Controller are authorized to make adjustments to the final budget throughout Fiscal Year 2023-24 for line item accounts 3381 Unrealized Gain/Loss on Investments and 9897 Unrealized Gains to properly record changes in the fair value of investments;
11. The Control Officer and Auditor-Controller are authorized to make adjustments to the final budget throughout Fiscal Year 2023-24 for line item account 3380 Interest Income and various fund balance accounts in order to properly record fund balance increases in operating funds due to interest income from the underlying agency fund (No. 1961);
12. The Control Officer and Auditor-Controller are authorized to make any adjustments to the final budget for Fiscal Year 2023-24 in order to comply with any Governmental Accounting Standards Board Pronouncements or to conform the budget to Generally Accepted Accounting Principles; and
13. A copy of said final budget will remain on file with the Clerk of the District Board.

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APCD RESOLUTION ADOPTING THE BUDGET
FOR FISCAL YEAR 2023-24

PASSED, APPROVED AND ADOPTED by the Air Pollution Control District Board of the Santa Barbara County, State of California, this 15th day of June, 2023, by the following vote:

Ayes:

Noes:

Abstain:

Absent:

SANTA BARBARA COUNTY
AIR POLLUTION CONTROL DISTRICT

ATTEST:


AERON ARLIN GENET
Clerk of the Board

By _____
Deputy

By _____
Chair


APPROVED AS TO FORM:

RACHEL VAN MULLEM
Santa Barbara County Counsel

By  _____
Jennifer Richardson (Jun 1, 2023 14:14 PDT)
Deputy

APPROVED AS TO FORM:

BETSY M. SCHAFFER, CPA
Auditor-Controller

By  _____
Deputy

ATTACHMENT C

Salary Resolution

June 15, 2023

Santa Barbara County Air Pollution Control District
Board of Directors

260 San Antonio Road, Suite A
Santa Barbara, California 93110

**RESOLUTION OF THE BOARD OF DIRECTORS OF
THE SANTA BARBARA COUNTY
AIR POLLUTION CONTROL DISTRICT**

IN THE MATTER OF THE
CLASSIFICATION AND SALARY
RESOLUTION OF THE SANTA
BARBARA COUNTY AIR POLLUTION
CONTROL DISTRICT

APCD RESOLUTION NO. _____

RECITALS

WHEREAS, Salary Resolution No. 97-05, as amended, established a Classification and Salary Plan and authorized position allocations effective June 19, 1997; and

WHEREAS, this Air Pollution Control District Board finds that there is good cause for amending said Resolution No. 97-05, as amended, in the manner provided in this resolution.

NOW, THEREFORE, IT IS HEREBY RESOLVED, as follows:

1. Resolution No. 97-05, adopted on June 19, 1997, and as subsequently amended, is hereby amended by amending Section 4 (Job Class Table) effective on June 15, 2023 as contained in the *Fiscal Year 2023-24 Proposed Budget Job Class Table* on page 14; and
2. Except as amended by this resolution, Resolution No. 97-05, as amended, continues unchanged and in full force and effect.

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PASSED, APPROVED AND ADOPTED by the Air Pollution Control District Board of the Santa Barbara County, State of California, this 15th day of June, 2023, by the following vote:

Ayes:

Noes:

Abstain:

Absent:

SANTA BARBARA COUNTY
AIR POLLUTION CONTROL DISTRICT

ATTEST:

AERON ARLIN GENET
Clerk of the Board

By _____
Deputy

By _____
Chair

APPROVED AS TO FORM:

RACHEL VAN MULLEM
Santa Barbara County Counsel

By *Victoria Parks Tuttle*
Victoria Parks Tuttle (Jun 2, 2023 11:37 PDT)
Deputy

APPROVED AS TO FORM:

BETSY M. SCHAFFER, CPA
Auditor-Controller

By *C. Edie*
Deputy