



BOARD MEETING DATE: August 4, 2023

AGENDA NO. 6

**PROPOSAL:** Approve Fund Transfer for Miscellaneous and Direct Expenditures Costs in FY 2023-24 as Approved by MSRC

**SYNOPSIS:** Every year the MSRC adopts an Administrative Budget which includes transfer of funds to the South Coast AQMD Budget to cover administrative expenses. At this time, the MSRC seeks Board approval of the fund transfer as part of the FYs 2021-24 Work Program.

**COMMITTEE:** Mobile Source Air Pollution Reduction Review, June 15, 2023, Recommended for Approval

**RECOMMENDED ACTION:**

Recognize \$56,000 in revenue in the General Fund from the AB 2766 Discretionary Fund, Special Fund 23, and appropriate \$56,000 to the FY 2023-24 Technology Advancement Office Budget, Services and Supplies Major Object, to facilitate the payment of MSRC Miscellaneous Direct and Travel Costs, as provided in Table 1 of this letter.

Larry McCallon  
Chair, MSRC

AK:CR

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**Background**

In September 1990, Assembly Bill 2766 was signed into law (Health & Safety Code Sections 44220-44247) authorizing an annual \$4 motor vehicle registration fee to fund the implementation of programs exclusively to reduce air pollution from motor vehicles. AB 2766 provides that 30 percent of the annual \$4 vehicle registration fee subvented to South Coast AQMD be placed into an account to be allocated pursuant to a work program developed and adopted by the MSRC and approved by the Board.

**Proposals**

At its June 15, 2023 meeting, the MSRC considered recommendations from its MSRC-TAC and approved the following:

**FY 2023-24 Administrative Budget**

Every year the MSRC adopts an Administrative Budget for the upcoming fiscal year to ensure costs remain within the limitation, currently 6.25 percent of its annual AB 2766 revenues. For FY 2023-24, the MSRC adopted an Administrative Budget in the amount of \$882,058, which is \$136,692 below the 6.25 percent cap. Certain administrative expenditures are not directly drawn from the MSRC fund account, but instead from South Coast AQMD’s budget. To cover these expenses, a fund transfer is made to South Coast AQMD (see Table 1 for further details).

Table 1. Estimated FY 2023-24 MSRC Miscellaneous and Direct Expenditures Proposed to be Allocated to South Coast AQMD Technology Advancement Office  
FY 2023-24 Budget

	<b>Work Program Code</b>	<b>Account</b>	<b>Amount</b>
Professional & Special Services	44003	67450	\$9,000
Public Notice	44003	67500	\$8,000
Communications	44003	67900	\$5,000
Postage	44003	68060	\$7,500
Office Expense/Supplies	44003	68100	\$12,000
Miscellaneous Expense	44003	69700	\$7,000
Conference-Related Expense	44003	69700	\$5,000
Travel Costs	44003	67800	\$2,500
<b>Total</b>			<b>\$56,000</b>

**Resource Impacts**

South Coast AQMD acts as fiscal administrator for the AB 2766 Discretionary Fund Program (Health & Safety Code Section 44243). Money received for this program is recorded in a special revenue fund (Fund 23) and the contract specified herein will be drawn from this fund.