

Adopted
BUDGET
FISCAL YEAR 2013-14



"It's a breath of fresh air"

April 19, 2013

Antelope Valley Air Quality Management District
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Eldon Heaston, Executive Director

June 18, 2013

BUDGET FOR FISCAL YEAR 2013-14

The budget of the Antelope Valley Air Quality Management District (AVAQMD) for Fiscal Year 2013-14 was adopted by the Governing Board on June 18, 2013. This document provides for the required, necessary and desired services as established by this Governing Board and various Federal, State, and local regulations. A budget is designed to provide the Board and staff with a tool from which sound fiscal management decisions may be made. This document provides a guide to accomplish this goal.

This budget calls for appropriations totaling \$2,450,043; an overall increase of less than one half of one percent from the budget for FY 2012-13 and includes continuing projects to help streamline government and regulatory functions. The AVAQMD contracts all of its services from the Mojave Desert Air Quality Management District.

The AVAQMD is a service based agency in which program staff (salaries and benefits) will comprise 81% of the operations budget. The office is supported with six full time positions. Additional services are provided as needed under contract with the Mojave Desert AQMD. Revenues are projected at \$2,342,540, a 3.66% projected increase from the prior fiscal year, due in part to a recommended 12% fee increase. This budget proposes to use the projected unassigned fund balance of \$117,503 from the prior year as an additional resource.

A Public Hearing was held May 21, 2013 to receive public comments concerning this proposed budget; no comments were received.

This budget represents a financial plan to meet the year's obligations and challenge and is effective July 1, 2013.

Sincerely,

Eldon Heaston
Executive Director



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**ANTELOPE VALLEY AIR QUALITY MANAGEMENT DISTRICT
FINANCIAL HISTORY**

	2008-09 ACTUAL	2009-10 ACTUAL	2010-11 ACTUAL	2011-12 ACTUAL	Budget Information FY 2012-13			FY 2013-14 ADOPTED BUDGET
					FY 2013 APPROVED BUDGET	ACTUAL		
						THRU 2/28/2013	ESTIMATED END OF YEAR	
REVENUE								
APPLICATION FEES	97,955	59,965	71,107	68,607	52,000	44,923	57,460	52,000
FINES AND FORFEITURES	6,102	38,668	8,951	8,850	7,500	39,040	43,440	9,500
INTEREST INCOME	(31,930) ¹	13,385	9,963	6,490	6,000	2,994	4,200	6,000
OTHER INCOME	99,415 ²	44,539	47,186	37,062	40,000	79	35,080	37,000
PERMIT FEES	385,658	388,096	388,955	456,964	471,890	361,612	456,170	504,310
PROGRAM FEES								
AB 923	582,643	523,532	513,191	546,078	520,000	252,495	528,670	535,280
AB 2766	1,018,329	1,047,065	1,026,382	1,092,156	1,040,000	504,989	1,057,340	1,070,550
OTHER	6,268	5,288	2,508	2,053	2,500	(1,983)	2,970	2,900
STATE CONTRACTS	3,880	30,836	26,976	32,319	25,000	22,635	22,640	26,000
STATE SUBVENTION	97,410	95,734	95,937	99,539	95,000	99,741	99,750	99,000
REVENUE SUBTOTAL	2,265,729	2,247,107	2,191,156	2,350,118	2,259,890	1,326,525	2,307,720	2,342,540
Unassigned Fund Balance from Prior Year	279,497	342,972	281,792	219,379	196,202		225,273	117,503
TOTAL REVENUE	2,545,227	2,590,080	2,472,947	2,569,497	2,456,092		2,532,993	2,460,043
<p align="center">1 Interest earnings to ARB 2 Carl Moyer Admin portion</p>								
APPROPRIATIONS								
CONTRACT COSTS								
PROGRAM STAFF (Salaries & Benefits)	937,735	952,951	975,969	990,826	1,034,632	689,755	1,034,632	1,082,353
SUPPLIES AND SERVICES	139,900	140,431	83,750	68,991	21,950	28,257	41,188	20,920
DIRECT COSTS	102,498	53,550	120,933	138,303	215,675	110,831	172,440	209,720
FIXED ASSETS	64,606	66,491	103,273	103,178	112,000	47,424	73,400	50,000
GRANT PROGRAM EXPENSES	1,067,315	1,047,065	923,744	1,037,549	1,040,000	504,780	1,057,330	1,070,550
OTHER CHARGES	45,200	47,800	55,900	5,378	16,500	3,000	16,500	16,500
TOTAL APPROPRIATIONS	2,357,254	2,308,288	2,263,568	2,344,224	2,440,757	1,384,047	2,395,490	2,450,043
FUND BALANCE	187,972	281,792	209,379	225,273	15,335		137,503	10,000
CHANGES TO FUND BALANCE DESIGNATIONS								
Committed Fund Balance								
Operating Cash Reserves	110,000	-	(10,000)	-	15,000		20,000	10,000
Assigned Fund Balance								
Special Project Reserves	(265,000)	-	-	-	-		-	-
Grants from the Fund Balance	-	-	-	-	-		-	-
Total Fund Balance Designations	(155,000)	-	(10,000)	-	15,000		20,000	10,000
TOTAL FUND BALANCE DESIGNATIONS (see p. 8)								
Operating Cash Reserves	310,000	310,000	300,000	300,000	315,000		320,000	330,000
Special Project Reserves	-	-	-	-	-		-	-
	310,000	310,000	300,000	300,000	315,000		320,000	330,000
UNASSIGNED FUND BALANCE	342,972	281,792	219,379	225,273	335		117,503	0

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ANTELOPE VALLEY AIR QUALITY MANAGEMENT DISTRICT
SCHEDULE OF DESIGNATED FUND BALANCES AND DEFINITIONS

	6/30/2012	FY 12/13			FY 13/14	
	Audited Balance	Est. Additions to the Fund Balance	Estimated Distributions	Projected End of Year Balance	Budgeted Allocations	Projected End of Year Balance
FUND BALANCE DESIGNATIONS <i>(unrestricted)</i>						
Committed						
Operating Cash Reserves	300,000	20,000	-	320,000	10,000	330,000
Total Fund Balance Designations	300,000	20,000	-	320,000	10,000	330,000

RESTRICTED FUND BALANCE DESIGNATIONS (Trust Funds)	Audited Fund Balance	Est. Additions to the Fund Balance	Fund Balance Obligations	Est. Fund Balance End of Year	Est. Additions to Fund Balance	Est Fund Balance End of Year
<i>These are restricted funds which are received into the General Fund and a portion is transferred from the General Fund and held for restricted purposes as defined below.</i>						
Incentive Based Emission Reduction Funding (AB 923)	1,068,610	528,665	(985,000)	612,275	528,665	1,140,940
Mobile Emissions Reduction Grant Program (AB 2766)	1,662,390	528,665	(964,566)	1,226,489	528,665	1,755,154
<i>These are restricted funds received directly into the trust fund.</i>						
Carl Moyer Grant Program	36,140	325,712	(324,939)	36,914	585,989	622,903

The AVAQMD Fund Balances are designated according to Governing Board Policy 07-01, summarized in the following:

Committed

Operating Cash Reserves. The amount is set equivalent to 25% of the operating expenses (the combined of budget totals for Salaries & Benefits and Supplies and Services). The fund may be increased to provide protection against uncertain economic times.

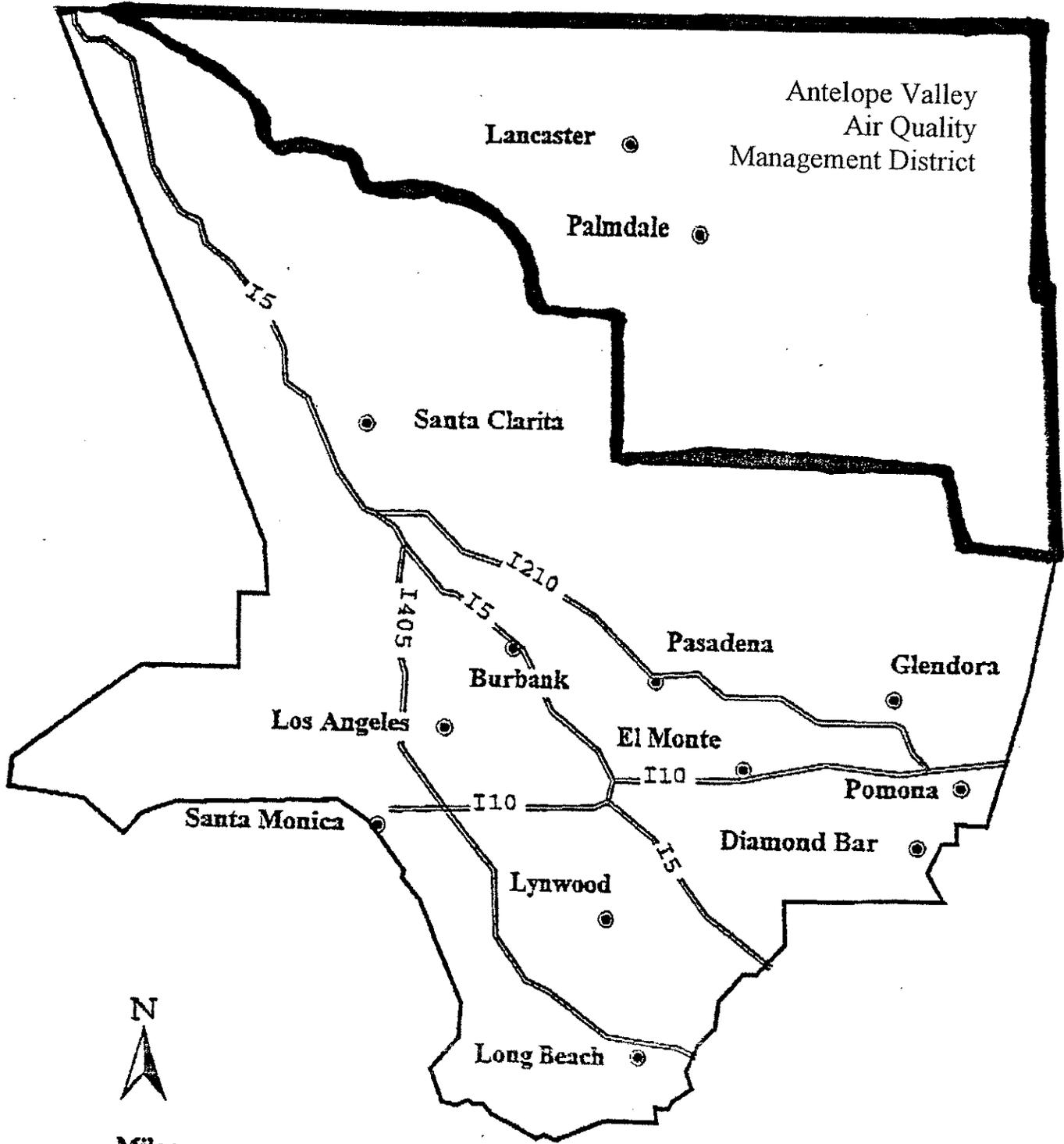
Restricted

Mobile Emissions Reduction Grant (AB 2766) Fund These funds are collected on motor vehicle registrations (\$4 each) in the Antelope Valley region. Funds are "allocated on a competitive basis to local government entities and other organizations capable of effectively using funds to reduce mobile emissions." A Work Plan adopted by the Governing Board provides the grant program guidelines. The table describes the funds received and obligated through grants awarded by the Governing Board.

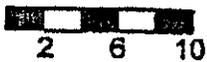
Incentive Based Emission Reduction Funding (AB 923) These funds are collected on motor vehicle registrations (\$2 each) in the Antelope Valley region beginning October 1, 2005. Funds are granted by the Governing Board for specific projects as allowed in the Health and Safety Code §44229 .

Carl Moyer Grant Program Funds may be distributed by the California Air Resources Board for projects obligated by the District under this state regulated program. Projects are awarded on a competitive basis. The table describes the funds received and obligated through grants awarded by the Governing Board.

The Antelope Valley Air Quality Management District Regional Boundaries



Miles





Governing Board Members
June 2013

Marvin Crist, Chair
City of Lancaster

Mike Dispenza, Vice Chair
City of Palmdale

James C. Ledford, Jr.
City of Palmdale

Ken Mann
City of Lancaster

Vern Lawson
County District Supervisor Appointment

Ronald A. Hawkins
County District Supervisor Appointment

Newton Chelette
Public Member

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Antelope Valley Air Quality Management District

"It's a breath of fresh air"

INTRODUCTION

The Antelope Valley Air Quality Management District continues to successfully reach the industry and sources that may be affected by air quality regulations. A practice of routine inspections ensures compliance to local, state and federal air quality regulations. Proactive contact with local businesses has generated interest in environmental issues and increased compliance rates.

The District approaches air quality regulations in a manner that is responsive and accessible. Growth and new programs demand that the District continue to strive to streamline government, become more efficient, and conserve resources without limiting or decreasing the service provided to the regulated community. Several ongoing programs and projects, with their associated costs, address these efficiency issues.

The AVAQMD contracts all of its services from the Mojave Desert Air Quality Management District (MDAQMD). MDAQMD staff is used for specific expertise to support the Antelope Valley office and allow for a full service agency. Staff services are charged at a set hourly rate that includes the position's hourly rate, all associated benefits, and an administrative charge. Services and supplies purchased for the AVAQMD are charged at cost. Certain administrative functions and support of the AVAQMD are performed at the Victorville location.

DISTRICT PROGRAMS AND PROJECTS

Community Outreach

The District strives to be known throughout the community as a partner in the development of the local economy while protecting human health and the environment. This representation is achieved by providing information through participation in community events such as the Antelope Valley Board of Trade Business Outlook Conference, school education programs, and business opportunity forums.

Mobile Emissions Reduction Program

This grant program encourages projects sponsored by private or public agencies that reduce the impact of pollution generated by mobile emission sources in the Antelope Valley region. The Governing Board awards grants using funds collected from vehicle registrations (AB 2766 and AB 923) and awarded by the State of California through the Carl Moyer program (State of California).

Dustbuster Task Force

The District is a partner in this local task force which is engaged in developing cost effective dust control solutions for the Antelope Valley. The task force continues sophisticated testing on selected test plots and plant physiology testing on vegetation plots.

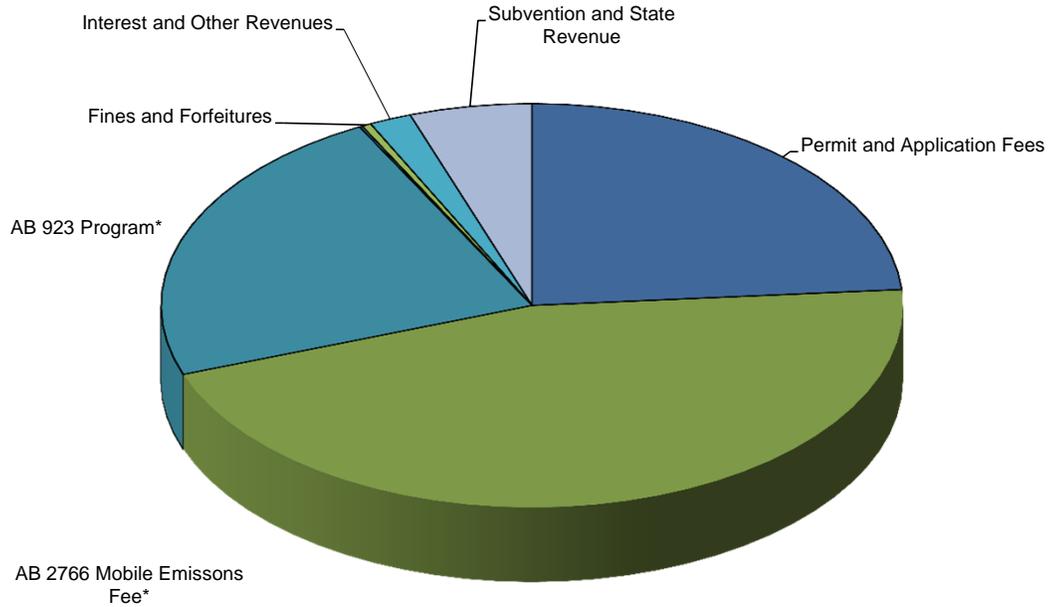
AVAQMD Website

Providing information to the general public may be the most important investment the District can make to impact the future air quality of the region. Using the internet allows the District to provide a contemporary medium to reach the public with the latest version of the District rulebook, application for permits and other forms, and air quality information, including forecasting and real-time air quality data. The site also has links to regional ozone maps found at <http://www.avaqmd.ca.gov/>

Antelope Valley Clean Cities Coalition

Clean Cities is a locally based voluntary government/industry partnership coordinated by the U.S. Department of Energy to expand the use of alternatives to gasoline and diesel fuel. The AVAQMD serves as a support agency for this partnership.

**ANTELOPE VALLEY AIR QUALITY MANAGEMENT DISTRICT
FISCAL YEAR 2013-14
Sources of Estimated Revenue**



TOTAL REVENUE - ALL SOURCES

REVENUE TYPES	AMOUNT	% of Total
Permit and Application Fees	556,310	23.75%
AB 2766 Mobile Emissions Fee*	1,070,550	45.70%
AB 923 Program*	535,280	22.85%
Other Program Fees	2,900	0.12%
Fines and Forfeitures	9,500	0.41%
Interest and Other Revenues	43,000	1.84%
Subvention and State Revenue	125,000	5.34%
TOTAL	2,342,540	100%

TOTAL OPERATING REVENUE ONLY

REVENUE TYPES	AMOUNT	% of Total
Permit and Application Fees	556,310	43.74%
AB 2766 Mobile Emissions Fee	535,275	42.08%
AB 923 Program	-	0.00%
Other Program Fees	2,900	0.23%
Fines and Forfeitures	9,500	0.75%
Interest and Other Revenues	43,000	3.38%
Subvention and State Revenues	125,000	9.83%
TOTAL	1,271,985	100%

*a portion of AB 2766 receipts are reserved for the District's Grant Program; all of AB 923 receipts are reserved for the District's Grant Program

ANTELOPE VALLEY AIR QUALITY MANAGEMENT DISTRICT
REVENUE DETAIL 2013-2014

Account Title	Approved Budget FY 2012-13	Received Through February 2013	Estimated Revenue FY 12-13	Adopted Budget FY 2013-14
<u>Application Fees</u>				
ERC Application Fees	-	-	-	-
Ag Engine Reg Rule 114	2,000	(975)	(980)	2,000
New Source Review	-	-	-	-
Asbestos Demo/Reno Fees	20,000	28,088	32,090	20,000
Operating Permit Applications	30,000	17,810	26,350	30,000
Petition for Variance	-	-	-	-
Total Application Fees	52,000	44,923	57,460	52,000
<u>Federal Grants/Agreements</u>				
	-	-	-	-
<u>Fines & Forfeitures</u>				
Excess Emissions Fees	-	-	-	-
Notice of Violation Fines	7,500	39,040	43,440	9,500
Total Fines	7,500	39,040	43,440	9,500
<u>Interest Income</u>				
	6,000	2,994	4,200	6,000
<u>Other Revenue</u>				
Carl Moyer Admin Cost Reimb	40,000	-	35,000	37,000
Other Revenue Other	-	79	80	-
Total Other Revenue	40,000	79	35,080	37,000
<u>Permit Fees</u>				
Operating Permit Fees	466,890	361,612	451,170	499,310
Title V Permit Fees	5,000	-	5,000	5,000
Total Permit Fees	471,890	361,612	456,170	504,310
<u>Program Fees</u>				
AB 923 Program	520,000	252,495	528,670	535,280
AB2766 Program	1,040,000	504,989	1,057,340	1,070,550
Toxic Hot Spot Program	2,500	(1,983)	2,970	2,900
Total Program Fees	1,562,500	755,501	1,588,980	1,608,730
<u>State Revenue</u>				
PERP Emergency Reg Fees	25,000	22,635	22,640	26,000
State Contracts	-	-	-	-
State Subvention	95,000	99,741	99,750	99,000
Total State Revenue	120,000	122,376	122,390	125,000
Total Revenue	2,259,890	1,326,525	2,307,720	2,342,540

AIR QUALITY PROGRAM DESCRIPTIONS and Projects

Community Relations and Education Program

The Antelope Valley Air Quality Management District conducts public information and education programs in order to fulfill the requirement of the California Clean Air Act of 1988. The task is to inform the public about air pollution, its sources, health effects on humans, and damage to the environment. Education is provided on methods of control and to encourage individual means of reducing pollution.

The programs are targeted to many audiences: academia, the general adult population, elementary to college level students, as well as business and industry. This information uses pamphlets, brochures, public reports, newsletters, public workshops and conferences, presentations, exhibits, and other multimedia promotions. In addition, press releases, press conferences and air quality forecasts are provided to the local media on an ongoing basis as a means of keeping the public informed.

Air Quality Monitoring Program

Air Quality Surveillance participates in an ambient air monitoring and meteorological network to track air quality trends with an air monitoring station in Lancaster. The station is part of the State and Local Air Monitoring System (SLAMS) network.

A computer operated data acquisition system collects daily and real time levels of pollutants. These data are reported to the California Air Resources Board (CARB), Federal Environmental Protection Agency (EPA), regulated industry and the general public. This information is also used to provide pollution episode forecast and notification to school systems and the general population in the event of harmful levels of pollution.

Compliance Program

The District's responsibility is to protect the health and welfare of the public by assisting the regulated community in complying with Federal, State and Local regulatory requirements. This responsibility is carried out through various programs and activities:

- Comprehensive inspections (annual for most sources) are performed to verify compliance to air quality regulations.
- Investigation of citizen complaints pertaining to air related matters
- Legal case development when necessary to address non-complying situations
- Federal Asbestos Demolition and Renovation Program
- State-mandated Variance Program
- Continuous Emissions Monitoring Programs
- Reporting to the Environmental Protection Agency's AIRS and Significant Violator programs
- Source testing

Stationary Sources Program

One of the District's primary responsibilities is to process applications for permits in accordance with all applicable local, State and Federal regulations. These permits are required for projects that propose industrial and/or commercial processes that have a potential to emit or control an air contaminant. The wide range of requirements applied depends on the type and size of the proposed project.

District staff provides technical reviews of official documents, such as test reports, risk assessments, EIS/EIR's, as well as technical assistance to permit applicants, other agencies, and manufacturers. The District implements and manages:

- Title III & V Programs. The Title III program is the federal toxic program for Title V facilities. Title V is a Federal Operating Permits Program required by the 1990 Clean Air Act. This program requires the District to develop and implement a Federal Permitting Program approved by the Environmental Protection Agency (EPA).
- Emissions Inventory. The purpose of this program is to maintain an active inventory of the sources of criteria air pollutants within the District which measures progress towards attainment and maintaining compliance with National and State Ambient Air Quality Standards. State and Federal Law require this program.
- Toxic Emissions Inventory. (Air Toxic "Hot Spot" Information and Assessment Act of 1987) The purpose of this program is to assess the amounts, types and health impacts of air toxics produced from stationary sources.
- Notification to Schools. Under AB 3205 the District is required by the State have in place a program notifying the community when a new or modified source will be located within one mile of elementary, middle or high school facilities.

Planning, Rulemaking & Grants

One of the District's primary responsibilities is to promulgate rules and plans in accordance with State and Federal attainment and maintenance planning requirements, to achieve and maintain regional compliance with the various ambient air quality standards. Related functions include rule adoptions and revisions, and State and Federal grant programs with direct and pass through funding.

Planning staff serve as the District liaison with regional, State and Federal governments, ensuring District compliance with applicable requirements and significant developments. Planning staff also perform California Environmental Quality Act (CEQA) review and comment functions in the District's role as the expert agency for air quality. Staff in Planning and Rulemaking implement and maintain the following programs:

- California Ambient Air Quality Standards Attainment Planning, as codified in the California Clean Air Act and subsequent state legislation. This program currently focuses on the California ozone standard.
- National Ambient Air Quality Standards Attainment Planning (NAAQSA), as codified in the Federal Clean Air Act, the Clean Air Act Amendments and subsequent Federal legislation. This program currently focuses on the National one-hour and eight-hour ozone standards, the National 24-hour, annual PM10 standards, and National 24-hour, annual PM2.5 standards.
- Federal General and Transportation Conformity, entailing regional project review and comment

- California Environmental Quality Act (CEQA), requiring local and regional project review
- National Environmental Protection Act (NEPA), requiring local and regional project review
- Carl Moyer, AB 923 and AB 2766 Grant Programs, grant incentive programs promoting reductions in mobile emissions.

Mobile Source Emission Reduction Program

This program provides grants to projects that reduce emissions from mobile sources (and other limited categories). Funding for the grants includes AB 2766 funds (assessed by the District's Governing Board and collected by the California Department of Motor Vehicles on motor vehicle registrations) as may be periodically allocated by the Governing Board and all funds under the Carl Moyer Program. Calls for projects, eligibility determinations, and Governing Board award are all part of the process that makes funds available to the region for qualified emission reducing projects.

Funds collected under AB 923 allows air districts in state non-attainment areas to adopt an additional two dollar surcharge on motor vehicle registration fees to be used strictly for incentive-based emission reduction funding programs. The use of the additional fees is limited to projects eligible for grants under the Carl Moyer Program, the purchase of school buses under the Lower-Emission School Bus Program, light-duty scrap or repair programs and unregulated agricultural sources.

Rideshare Outreach

The District offers assistance to employers through outreach activities, raising community and commuter awareness to increase commuter ridership and educates employees about the health impacts of motor vehicle pollution.

Dustbuster Task Force

This local task force is engaged in developing cost effective dust control solutions for the Antelope Valley. The District is a part of a collaborative effort of the Antelope Valley Resource Conservation District that includes Southern California Edison, USDA Natural Resources Conservation Service, Palmdale Regional Airport, California Air Resources Board, San Diego State University, University of California at Riverside, South Coast Air Quality Management District and the Mojave Desert Air Quality Management District.

Antelope Valley Clean Cities Coalition

Clean Cities is a locally based voluntary government/industry partnership coordinated by the U.S. Department of Energy to expand the use of alternatives to gasoline and diesel fuel. As a participating agency the AVAQMD is a stakeholder with industry representatives to achieve the goals of the Five Year Plan. By combining the efforts of the AVAQMD and the AVCCC the benefits of the developing alternate fuel vehicles and infrastructure have been seen throughout the Antelope Valley in cleaner air, lower vehicle maintenance and operation costs and technology advancement.

SUPPORT PROGRAM DESCRIPTIONS

Executive Office

The Executive Office is responsible to the Governing Board for the general administration and coordination of all District operations and programs, including those programs mandated by the Federal Environmental Protection Agency and the California Air Resources Board. This office monitors state and federal legislation affecting the District and advises the Governing Board on actions required to protect the interests of the District.

The Governing Board, with seven members, meets monthly and members receive \$100.00 stipend per meeting plus travel expenses. The Hearing Board, with five members, meets as needed and members may receive \$100.00 stipend per meeting plus travel expenses. The Rule Development Committee meets periodically with members of District staff and permitted facilities.

Legal Counsel

The District Counsel serves as general legal counsel to the Governing Board, the Air Pollution Control Officer and the District, providing legal advice and opinions on mandates specific to air districts such as the Federal Clean Air Act, California air pollution control laws and air quality rules and regulations. District Counsel also provides general public agency legal services regarding California Environmental Quality Act, the Brown Act, the Political Reform Act as well the Administrative Code, contracts, personnel matters, civil actions, and related litigation. It exercises authority to bring civil actions in the name of the people of the State of California for violations of various air quality laws and regulations. The District Counsel also represents the District in actions brought before the Hearing Board.

District Counsel analyzes legislative bills proposed in the California Legislature that impact the District, proposes strategies, and provides information to the District Governing Board regarding such legislation.

Operations Management

Operations Management is the daily operations of the District office located in Lancaster. Operations activities include staff technical training, establishing program policies and procedures, monitoring workflow and performance levels, violation settlement negotiations, public information, inter- and intra-agency coordination, committee representation, program planning and streamlining, as well as being responsible for fostering a positive working relationship with the regulated community.

District memberships include the California Air Pollution Control Officers Association, the California Special Districts Association, and Antelope Valley Board of Trade, California Natural Gas Vehicle Coalition, Antelope Valley College President's Circle, Los Angeles County Farm Bureau, and partnerships with Antelope Valley Dustbusters/Antelope Valley Resource Conservation District, and the Antelope Valley Clean Cities Coalition.

The Clerk of the Board records official minutes of all meetings of the Governing Board; maintains the files for all actions of the Governing Board and distributes copies of orders and directives of the Board to appropriate agencies and members of the public; schedules, prepares and distributes the Board agenda. The Clerk also serves the Hearing Board, gives notice of hearings, distributes recommendations of particular boards and maintains the conflict of interest files for the District.

Administrative Services

The Administrative Services office provides financial, administrative and personnel management services to the operating divisions of the District. The office prepares the annual budget and controls expenditures by providing information regarding expenditures and the availability of budgeted funds. The office also purchases equipment and supplies. Invoices for a variety of fees are issued, collected, deposited and accounted for through the Permit Tracking Billing System. This office manages the District's computer information systems, risk management, fleet and facility management, and fixed assets.

ANTELOPE VALLEY AIR QUALITY MANAGEMENT DISTRICT
SERVICE AND SUPPLIES
EXPENSE DETAIL
FISCAL YEAR 2013-14

Object Code Title	Total Budget FY 12-13	Total Expenses 2/29/2013	Estimated Expenditures FY 12-13	FY 2013-14 Budget		
				Contract Expenses	Direct Expenses	Total ADOPTED Budget
<u>Communications</u>						
Video/Teleconf Com	2,500	485	728	500	2,000	2,500
Cellular Phone Expense	1,000	336	504	-	1,000	1,000
T1 Framed Relay/Telco Srvc ¹	200	6,990	10,485	200	7,500	7,700
Long Distance Charges	550	148	222	50	500	550
Telephone Services	7,600	6,663	9,994	100	4,800	4,900
	11,850	14,622	21,933	850	15,800	16,650
<u>Mbrshp/Pub/Sub/Trg</u>						
Membership	5,900	3,900	5,850	-	6,000	6,000
Publications	150	203	305	-	150	150
Subscriptions	350	216	325	-	350	350
Training	4,500	1,594	2,391	1,000	3,500	4,500
	10,900	5,914	8,871	1,000	10,000	11,000
<u>Equipment</u>						
Inventoriable Equipment >\$500	3,000	-	-	-	3,000	3,000
Network System Components	1,500	22	33	500	-	500
Non-Inventoriable Equipment <\$500	2,000	34	51	500	1,500	2,000
Safety Equipment	300	73	110	-	300	300
Small Tools & Instruments	50	197	295	-	50	50
	6,850	326	489	1,000	4,850	5,850
<u>Legal</u>						
Legal Notices	3,000	1,494	2,242	-	2,000	2,000
	3,000	1,494	2,242	-	2,000	2,000
<u>Maintenance</u>						
Auto - Minor Repairs/Fuel/Oil	5,000	5,493	8,239	500	8,500	9,000
Auto - Major Repairs	2,000	-	-	-	2,000	2,000
Custodial Services, Contract	2,400	1,600	2,400	-	2,400	2,400
General Equipment Maintenance	2,000	394	592	-	2,000	2,000
General Structure Maintenance	2,000	775	1,163	-	2,000	2,000
Security Monitoring Charges	500	393	590	-	500	500
	13,900	8,655	12,984	500	17,400	17,900
<u>Office Expenses</u>						
Computer Software Expenses	16,000	6,595	9,892	11,000	6,400	17,400
General Office Expenses	2,000	1,365	2,047	500	1,500	2,000
Postage/Courier Services	2,500	711	1,067	750	750	1,500
Printing Services	2,500	840	1,261	500	1,500	2,000
Special Department Expense	8,500	1,163	1,745	-	2,500	2,500
Educational Materials/Events	1,500	1,707	2,560	-	1,500	1,500
	33,000	12,381	18,572	12,750	14,150	26,900
<u>Rents & Leases</u>						
Rents & Leases, Equipment	8,550	5,829	8,743	-	6,180	6,180
Rents & Leases, Structures	46,600	30,992	47,454	-	47,570	47,570
	55,150	36,821	56,197	-	53,750	53,750

ANTELOPE VALLEY AIR QUALITY MANAGEMENT DISTRICT
SERVICE AND SUPPLIES
EXPENSE DETAIL
FISCAL YEAR 2013-14

Object Code Title	Total Budget FY 12-13	Total Expenses 2/29/2013	Estimated Expenditures FY 12-13	FY 2013-14 Budget		
				Contract Expenses	Direct Expenses	Total ADOPTED Budget
<u>Services</u>						
Internet Service Provider	8,000	2,208	3,312	220	-	220
Web Site Services	1,200	1,200	1,200		1,200	1,200
Dustbusters/AV RCD	10,000	-	10,000	-	10,000	10,000
Financial Audit	7,800	8,425	8,425	-	9,100	9,100
LA County Banking Fees	175	179	269	-	270	270
Network Technical Support	2,500	2,800	3,000	500	2,000	2,500
Research Studies	5,000	-	-	-	5,000	5,000
Other Prof Svcs - Other (incl contract fee)	35,000	20,000	35,000	-	35,000	35,000
Professional & Special Svcs (stipends)	7,000	3,700	5,550	-	8,400	8,400
	76,675	38,512	66,756	720	70,970	71,690
<u>Special District Liability</u>						
	10,500	10,731	10,740	-	10,800	10,800
	10,500	10,731	10,740	-	10,800	10,800
<u>Travel</u>						
Private Mileage - Non Employee	1,200	405	1,013	1,000	-	1,000
Travel & Meeting Expenses	7,500	4,177	6,264	3,000	2,500	5,500
	8,700	4,582	7,277	4,000	2,500	6,500
<u>Utilities</u>						
	7,100	5,051	7,576	100	7,500	7,600
	7,100	5,051	7,576	100	7,500	7,600
Total Services & Supplies	237,625	139,088	213,637	20,920	209,720	230,640
<u>Fixed Assets</u>						
Document & Record Storage Project	10,000	-	6,400	-	-	-
CAPS (Permit Database)	45,000	33,348	45,000	-	35,000	35,000
Equipment	39,000	14,076	22,000	-	15,000	15,000
Vehicles	18,000	-	-	-	-	-
	112,000	47,424	73,400	-	50,000	50,000
<u>Grant Program Expenses</u>						
AB 923 - Grants	520,000	252,390	528,665	-	535,275	535,275
AB 2766 - Grants	520,000	252,390	528,665	-	535,275	535,275
AB 2766 - Local Agencies	-	-	-	-	-	-
	1,040,000	504,780	1,057,330	-	1,070,550	1,070,550
<u>Other Charges</u>						
Contributions to Other Agencies	6,500	3,000	6,500	-	6,500	6,500
Other Charges (Lawnmower grants)	10,000	-	10,000	-	10,000	10,000
Interest Expense	-	-	-	-	-	-
	16,500	3,000	16,500	-	16,500	16,500
TOTAL EXPENSES	1,406,125	694,291	1,360,867	20,920	1,346,770	1,367,690

<u>Object Code Title</u>	<u>Project Expenditures and Description</u>
Communications	Services for telephone including long distance (not including video conferencing), internet and data access
Membership	Memberships with California Air Pollution Control Officers Association (CAPCOA), California Special Districts Association (CSDA), Antelope Valley Board of Trade (AVBOT), Greater Antelope Valley Economic Alliance (GAVEA), Clean Cities, Antelope Valley College President's Circle, Los Angeles County Farm Bureau; retail merchants
Training	Environmental Cross Media, VEE Recertification, Asbestos, CARB Source Specific Training, staff training, Clerk of the Board, Board member development and training
Inventoriable Equipment (costs greater than \$500, less than \$1,000)	Small office equipment, tablet devices for inspectors
General Equipment Maintenance General Structure Maintenance	Equipment repairs, including air monitoring equipment Safety related and other improvements as needed
Computer Software Expense	Software purchases, upgrades, maintenance for server, network, and desktop database solutions, document imaging, and air monitoring database and reporting module
Printing Services	Includes costs for newsletters, public information pamphlets
Special Department Expense: Educational Materials/Events	Includes public service recognition AIRE awards, promotional items for community outreach events; special event fees for Looking Good Lancaster, Antelope Valley Board of Trade Business Outlook Conference, and Salute to Youth.
Rents & Leases – Structures Equipment	Office lease (negotiated through 2016) annually by the CPI as published in February Copier/Scanner lease agreement, postage meter
<u>Services:</u> Web Site Services	Outsourced web hosting, design and maintenance
Dustbusters Resource Conservation District	Participation with a local task force engaged in developing cost effective dust control solutions for the Antelope Valley.
Network Technical Support	Outsource support as needed.

<u>Object Code Title</u>	<u>Project Expenditures and Description</u>
Research Studies	Funds designated for potential consultant fees to support strategies for specific alternate fuel projects in the Antelope Valley
Other Professional Services	Funds designated for outsource support: strategy consultant for long range planning, paralegal support for small claims collections, temporary support, or other, as needed. Management fee to the Mojave Desert Air Quality Management District for contract services
Professional & Special Services	Board member stipend based on maximum number of meetings (Governing Board and Hearing Board).
<u>Fixed Assets – Capital Projects</u>	
CAPS (Compliance and Permit database)	Implementation and ongoing development for permit tracking. Development costs shared with MDAQMD.
Equipment (greater than \$1,000)	Replace CO ₂ monitor air monitoring equipment
Vehicles	Funds to replace a fleet vehicle (none budgeted in FY 14)
<u>Other Charges</u>	
AB 2766 – Grants	A portion (50%) of the receipts are transferred to the Mobile Emission Trust Fund for grant projects awarded by the Governing Board, and subvention to the local cities.
AB 923 – Grants	Funds collected to provide grants to incentive-based mobile emission reduction projects
Contributions to Other Agencies	Keystone Science School, sponsor one local teacher; Mojave Environmental Education Consortium (MEEC)
Contributions, Other	Funds designated from the General Fund for specific local areas grants: annually supporting a lawn mower exchange program.

ANTELOPE VALLEY AIR QUALITY MANAGEMENT DISTRICT
RESTRICTED FUND
BUDGET DETAIL

RESTRICTED FUND
MOBILE SOURCE EMISSION REDUCTION PROGRAM

Object Code Title	Approved Budget FY 2012-13	Additions Through February 2013	Estimated Additions FY 2012-13	Adopted Budget FY 2013-14
<u>Income</u>				
Operating Transfers In AB 923	520,000	256,512	528,665	535,275
Operating Transfers In AB 2766 Note: Transfers from general fund	520,000	257,526	528,665	535,275
	-	-	-	-
Total Income	1,040,000	514,038	1,057,330	1,070,550

Object Code Title	Approved Budget FY 2012-13	Decreases Through February 2013	Estimated Decreases FY 2012-13	Adopted Budget FY 2013-14
<u>Expenses</u>				
AB 923 Estimated Projects to be Completed	500,000	-	985,000	500,000
AB 2766 Estimated Projects to be Completed	425,000	584,566	964,566	500,000
	-	-	-	-
Total Expenses	925,000	584,566	1,949,566	1,000,000

The MOBILE SOURCE EMISSION REDUCTION Trust Fund was established by Governing Board action and is used to hold funds that have been designated for the District's competitive grant program. The source of these funds is the mobile emissions fee authorized under AB 2766 and a portion of revenue received by the District is segregated to this trust fund.

Incentive Based Emission Reduction Funding (AB 923). These funds are collected on motor vehicle registrations (\$2 each) in the Antelope Valley region beginning October 1, 2005. Funds are granted by the Governing Board for specific projects as set forth in the Health and Safety Code §44229 .

ANTELOPE VALLEY AIR QUALITY MANAGEMENT DISTRICT
RESTRICTED FUND
BUDGET DETAIL

RESTRICTED FUND

CARL MOYER PROGRAM

Object Code Title	Approved Budget FY 2012-13	Fund Balance Changes		Adopted Budget FY 2013-14
		Additions Through February 2013	Estimated Additions FY 2012-13	
<u>Income</u>				
Carl Moyer Program	532,732	95,712	325,712	585,989
	-	-	-	-
Total Income	532,732	95,712	325,712	585,989

Object Code Title	Approved Budget FY 2012-13	Decreases Through February 2013	Estimated Decreases FY 2012-13	Adopted Budget FY 2013-14
Estimated Projects to be Completed	532,732	94,939	324,939	585,989
	-	-	-	-
Total Expenses	532,732	94,939	324,939	585,989

Carl Moyer Grant Program Funds may be distributed by the California Air Resources Board for projects obligated by the District under this state regulated program. Projects are awarded on a competitive basis. The table describes the funds received and obligated through grants awarded by the Governing Board.

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ANTELOPE VALLEY AIR QUALITY MANAGEMENT DISTRICT

Program Staff

FY 2013-14

Program	FY 12/13 Contracted Hours	FY 13/14 Contracted Hours	Average Contract Cost/hr	Annual Contract Cost	FTE
Lancaster Office	12,480	12,480	64.73	\$ 808,197	6.00
Planning, Grants, and Rulemaking	520	390	57.47	24,315	0.19
Air Monitoring and Surveillance	156	208	58.58	10,406	0.10
Compliance	52	52	60.75	3,699	0.03
Stationary Sources	1,656	1,391	74.32	101,456	0.67
Executive Management and Legal	260	234	241.07	37,885	0.11
Community Relations & Education	52	52	67.82	4,335	0.03
Administration	1,472	1,521	65.26	92,059	0.73
TOTAL	16,648	16,328		\$ 1,082,353	7.85
Full Time Equivalents (FTE)	8.00	7.85			

Fiscal Year Comparison:

	FTE	Contract Cost
Fiscal Year 2012-13	8.00	1,034,633
Fiscal Year 2013-14	7.85	\$ 1,082,353
Percent Change:	-1.96%	4.41%

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**MINUTES OF THE GOVERNING BOARD
OF THE ANTELOPE VALLEY AIR QUALITY MANAGEMENT DISTRICT
LANCASTER, CALIFORNIA**

AGENDA ITEM 11

DATE: June 18, 2013

RECOMMENDATION: Conduct a continued Public Hearing to consider the proposed AVAQMD Budget for FY 2013-14: a. Open public hearing; b. Receive staff report; c. Receive public testimony; d. Close public hearing; e. Adopt a Resolution approving and adopting the Budget for Fiscal Year 2013-14.

SUMMARY: A Public Hearing is required to receive comments regarding the proposed AVAQMD Budget for FY 2013-14. This Hearing was opened on May 21, 2013 and continued. At the conclusion of the Public Hearing, a Resolution to adopt the Budget for Fiscal Year 2013-14 is presented to the Governing Board authorizing implementation beginning July 1, 2013.

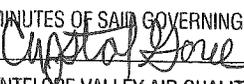
BACKGROUND: The budget process includes presentation to the Governing Board of staff's recommendations for programs and projects for the new fiscal year. In addition, opportunity for public comment is required by law and incorporated into the process.

The Proposed Budget for Fiscal Year 2013-14 was published on April 19, 2013. A notice was advertised in the local publication and mailed to each permit holder informing them the budget was published and available for review and comment. The proposed budget was also posted on the District's website.

The Fiscal Year 2013-14 budget states the appropriations to perform the District's services, activities and projects and the revenues estimated to be available to the District. A proposed budget summary and supporting documentation was prepared and made available in accordance with the 30 day Public Notice Requirement of Health and Safety Code §40131(a)(1). All persons within the Antelope Valley Air Quality Management District jurisdiction who were subject to fees during the prior fiscal year were properly notified of the availability of the information (pursuant to H&S §40131(a)(2)). A Public Hearing for the purpose of reviewing the budget and taking public comment, as required by H&S § 40131(a)(3), was held May 21, 2013, and continued to this meeting.

The AVAQMD contracts with the Mojave Desert Air Quality Management District for all services. The budget documents reflect the contracted services to be provided during the fiscal year.

cc: Jean Bracy
Laquita Cole
Michelle Powell

I, CRYSTAL GOREE, DEPUTY CLERK OF THE GOVERNING BOARD
OF THE ANTELOPE VALLEY AIR QUALITY MANAGEMENT
DISTRICT, HEREBY CERTIFY THE FOREGOING TO BE A
FULL, TRUE AND CORRECT COPY OF THE RECORD OF
THE ACTION AS THE SAME APPEARS IN THE OFFICIAL
MINUTES OF SAID GOVERNING BOARD MEETING
 DEPUTY CLERK OF THE BOARD
ANTELOPE VALLEY AIR QUALITY MANAGEMENT DISTRICT

**MINUTES OF THE GOVERNING BOARD
OF THE ANTELOPE VALLEY AIR QUALITY MANAGEMENT DISTRICT
LANCASTER, CALIFORNIA**

AGENDA ITEM 11

PAGE 2

REASON FOR RECOMMENDATION: Opportunities for public comment about the District's proposed budget is required by statute. Also, Health and Safety Code §40131 requires that Districts adopt an annual budget. Adoption of the budget will enable the AVAQMD Governing Board to make adequate financial plans and will ensure that the District can administer their respective functions in accordance with such plans.

REVIEW BY OTHERS: This item was reviewed by Karen Nowak, District Counsel as to legal form and by Eldon Heaston, Executive Director on or before June 3, 2013.

FINANCIAL DATA: The budget for FY 2013-14 sets forth appropriations totaling \$2,450,043, with anticipated revenues of \$2,342,540, and using \$117,503 of the unassigned fund balance from the prior year. Allocations are designated for the Mobile Emissions Reduction Program in the amount of \$1,070,550 (contained within the Appropriations). A Committed Fund Balance designated for Operating Cash Reserves is funded in the amount of \$330,000.

PRESENTER: Jean Bracy, Director of Administrative Services

**ACTION OF THE GOVERNING BOARD
APPROVED**

Upon Motion by MANN, Seconded by HAWKINS, as approved by the following vote:

Ayes: 6 CRIST, DISPENZA, MANN, HAWKINS, CHELETTE, LAWSON

Noes:

Absent: 1 LEDFORD

Abstain:

Vacant:

CRYSTAL GOREE, DEPUTY CLERK OF THE GOVERNING BOARD

BY Crystal Goree

Dated: JUNE 18, 2013

Ref: Resolution #13-06 titled, "A RESOLUTION OF THE GOVERNING BOARD OF THE ANTELOPE VALLEY AIR QUALITY MANAGEMENT DISTRICT APPROVING AND ADOPTING THE PROPOSED OPERATING BUDGET FOR FISCAL YEAR 2013-14."

RESOLUTION #13-06

1 **A RESOLUTION OF THE GOVERNING BOARD OF THE ANTELOPE**
2 **VALLEY AIR QUALITY MANAGEMENT DISTRICT APPROVING AND**
3 **ADOPTING THE PROPOSED OPERATING BUDGET FOR FISCAL YEAR 2013-14.**

4 On June 18, 2013, on motion by Member MANN, seconded by Member
5 HAWKINS, and carried, the following resolution is adopted:

6 **WHEREAS**, the Executive Director has submitted to the Governing Board an annual
7 budget for the Antelope Valley Air Quality Management District (AVAQMD) for the fiscal
8 year 2013-14; and

9 **WHEREAS**, a proposed budget summary and supporting documentation were
10 prepared and made available in accordance with the 30 day Public Notice requirement (Health
11 and Safety Code §40131(a)(1)); and

12 **WHEREAS**, all persons within the District area who were subject to fees during the
13 prior fiscal year were properly notified of the availability of the information (Health and Safety
14 Code §40131(a)(2)); and

15 **WHEREAS**, a separate Public Hearing for the exclusive purpose of reviewing the
16 budget and taking public comment, as required by Health and Safety Code §40131(a)(3), was
17 held on May 21, 2013 and continued to June 18, 2013; and

18 **WHEREAS**, the annual budget contains estimates of the services, activities and
19 programs comprising the budget, and contains expenditure requirements and their resources
20 available to the AVAQMD; and

21 **WHEREAS**, the appropriations budgeted for the AVAQMD for fiscal year 2013-14
22 are \$2,450,043 (Two Million Four Hundred Fifty Thousand, Forty Three Dollars); and

23 **WHEREAS**, the revenue budgeted for the AVAQMD for fiscal year 2013-14 is
24 \$2,342,540 with resources available from the Unassigned Fund Balance from the Prior Year in
25 the amount of \$117,503; and

26 **WHEREAS**, the annual budget will enable the AVAQMD Governing Board to make
27 adequate financial plans and will ensure that the AVAQMD officers can administer their
28 respective functions in accordance with such plans,

28 \\

RESOLUTION #13-06

1 **NOW, THEREFORE, BE IT RESOLVED**, by the Governing Board of the Antelope
2 Valley Air Quality Management District, the following:

3 The annual budget for the AVAQMD for the fiscal year 2013-14 is hereby approved
4 and adopted, and the amounts of proposed expenditure, as specified, are appropriate for the
5 account classifications as herein specified.

6 A. The 2013-14 appropriations budget is hereby adopted, establishing the following
7 appropriations levels:

<u>ACCOUNT CLASSIFICATION</u>	<u>2013-14 ADOPTED BUDGET</u>
Program Staff (Salaries & Benefits)	\$1,082,353
Services & Supplies (Contract)	20,920
Direct Costs	209,720
Fixed Assets	50,000
Grant Program Expenses	1,070,550
Other Charges	<u>16,500</u>
TOTAL APPROPRIATIONS BUDGET	\$2,450,043

16 B. The 2013-14 revenue budget is hereby adopted, establishing a revenue base for
17 AVAQMD expenditures:

<u>ACCOUNT CLASSIFICATION</u>	<u>2013-14 ADOPTED BUDGET</u>
Application Fees	\$52,000
Fine & Forfeitures	9,500
Interest Income	6,000
Other Revenue (Carl Moyer Admin)	37,000
Permit Fees	504,310
Program Fees	1,608,730
State Contracts and State Subvention	125,000
Unassigned Fund Balance from Prior Year (est.)	<u>117,503</u>
TOTAL REVENUE BUDGET	\$2,460,043
Designated Operating Cash Reserves	330,000

RESOLUTION #13-06

1 Pursuant to Section 53901 of The California Government Code, within 60 days after the
2 beginning of the Fiscal Year, the Clerk of the Board shall file a copy of this resolution with the
3 Auditor of the County of Los Angeles.

4 **BE IT FURTHER RESOLVED**, that this Resolution shall take effect immediately
5 upon adoption.

6 PASSED, APPROVED AND ADOPTED by the Governing Board of the Antelope
7 Valley Air Quality Management District by the following vote:

8 AYES: 6 MEMBER: CRIST, CHELETTE, MANN, LAWSON, HAWKINS, DISPENZA

9 NOES: MEMBER:

10 ABSENT: 1 MEMBER: LEDFORD

11 ABSTAIN: MEMBER:

12 STATE OF CALIFORNIA)
13)
14) ss:
15 COUNTY OF LOS ANGELES)

16 I, Crystal Bates, Deputy Clerk of the Governing Board of the Antelope Valley Air
17 Quality Management District, hereby certify the foregoing to be a full, true and correct copy of
18 the record of the action as the same appears in the Official Minutes of said Governing Board at
19 its meeting of June 18, 2013.

20 Crystal Gore, Deputy Clerk, of the Governing Board,
21 Antelope Valley Quality Management District.
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