

Antelope Valley Air Quality Management District

2551 W Avenue H
Lancaster, CA 93536
www.avaqmd.ca.gov

Governing Board Regular Meeting

Agenda

MEETING LOCATION

Antelope Valley Transit Authority
District Office
42210 6th Street West
Lancaster, CA 93534
661.723.8070

TUESDAY, JUNE 18, 2024
10:00 A.M.

BOARD MEMBERS

Marvin Crist, Chair, City of Lancaster
Austin Bishop, Vice Chair, City of Palmdale
Ron Hawkins, Los Angeles County
Howard Harris, Los Angeles County
Ken Mann, City of Lancaster
Richard Loa, City of Palmdale
Newton Chelette, Public Member

IF YOU CHALLENGE ANY DECISION REGARDING ANY OF THE LISTED PROPOSALS IN COURT, YOU MAY BE LIMITED TO RAISING ONLY THOSE ISSUES YOU OR SOMEONE ELSE RAISED DURING THE PUBLIC TESTIMONY PERIOD REGARDING THAT PROPOSAL OR IN WRITTEN CORRESPONDENCE DELIVERED TO THE GOVERNING BOARD AT, OR PRIOR TO, THE PUBLIC HEARING.

DUE TO TIME CONSTRAINTS AND THE NUMBER OF PERSONS WISHING TO GIVE ORAL TESTIMONY, PUBLIC COMMENTS ARE LIMITED TO FIVE MINUTES PER SPEAKER. YOU MAY WISH TO MAKE YOUR COMMENTS IN WRITING TO ASSURE THAT YOU ARE ABLE TO EXPRESS YOURSELF ADEQUATELY.

EXCEPT WHERE NOTED, ALL SCHEDULED ITEMS WILL BE HEARD IN THE DISTRICT OFFICE OF THE GOVERNING BOARD, 43301 DIVISION STREET, SUITE 206, LANCASTER, CA 93535 AND THE TELECONFERENCE LOCATION(S), IF APPLICABLE. PLEASE NOTE THAT THE BOARD MAY ADDRESS ITEMS IN THE AGENDA IN A DIFFERENT ORDER THAN THE ORDER IN WHICH THE ITEM HAS BEEN POSTED.

PUBLIC COMMENTS ON ANY AGENDA ITEM WILL BE HEARD AT THE TIME OF DISCUSSION OF THE AGENDA ITEM. PUBLIC COMMENTS NOT PERTAINING TO AGENDA ITEMS WILL BE HEARD DURING THE PUBLIC COMMENT PERIOD BELOW.

CALL TO ORDER 10:00 A.M.

Pledge of Allegiance.

Roll Call.

Items with potential Conflict of Interests — If you believe you have a conflict of interest, please recuse yourself at the appropriate time. If you have a question regarding a potential conflict of interest, please contact District Counsel.

PUBLIC COMMENT.

CONSENT CALENDAR

The following consent items are expected to be routine and non-controversial and will be acted upon by the Board at one time without discussion unless a Board Member requests an item be held for discussion under DEFERRED ITEMS.

1. Approve Minutes from Regular Governing Board Meeting of May 21, 2024. Find that the California Environmental Quality Act does not apply to this item
2. Monthly Grant Funding Summary. Receive and file. Find that the California Environmental Quality Act does not apply to this item.
3. Monthly Activity Report. Receive and file. Find that the California Environmental Quality Act does not apply to this item.
4. This Preliminary Financial Report is provided to the Governing Board for information concerning the fiscal status of the District at April 30, 2024.
5. Reappoint Newton Chelette as the Public Member on the Governing Board of the Antelope Valley Air Quality Management District (AVAQMD) for a two-year term.
6. 1) Allocate an amount not to exceed \$40,000 of Mobile Source Emission Reduction Program (AB 923) funds to continue the District’s Residential Lawn and Garden Exchange Program; 2) Authorize the Executive Director/APCO the option to change the funding source if warranted or if other applicable sources become available; 3) Authorize the Executive Director/APCO and staff to negotiate target time frames and technical project details and execute agreements, approved as to legal form by Special Counsel to the Governing Board; and 4) Find that the California Environmental Quality Act (CEQA) does not apply to this item.
7. 1) Authorize the acceptance of AB 197 Emission Inventory District Grant Program Funding; 2) Accept the terms and conditions for the funds; 3) Authorize the Executive Director/APCO and staff to execute the agreement, approved as to legal form and carry out related activities to meet the requirements of AB 197; and 4) Find that this item is not a project pursuant to the California Environmental Quality Act.

ITEMS FOR DISCUSSION

DEFERRED ITEMS

NEW BUSINESS

8. Conduct Continued Public Hearing to consider the proposed AVAQMD Budget for FY 2024-25: a. Re-Open the continued public hearing; b. Receive supplemental staff report and/or staff update; c. Receive public testimony; d. Close public hearing; e. Find that the California Environmental Quality Act (CEQA) does not apply to this item; f. Adopt a resolution approving and adopting the budget for FY 2024-2025.

CLOSED SESSION

9. CONFERENCE WITH LEGAL COUNSEL PENDING LITIGATION Antelope Valley Air Quality Management District v. United States Environmental Protection Agency, et al. 9th Cir. Case No. 23-1614
10. Reports: Governing Board Counsel, Executive Director/APCO, Staff.
11. Board Member Reports and Suggestions for Future Agenda Items.
12. Adjourn to Regular Governing Board Meeting of Tuesday, July 16, 2024.

In compliance with the Americans with Disabilities Act, if special assistance is needed to participate in the Board Meeting, please contact the Executive Director during regular business hours at 661.723.8070 x23. Notification received 48 hours prior to the meeting will enable the District to make reasonable accommodations. All accommodation requests will be processed swiftly and resolving any doubt in favor of accessibility.

I hereby certify, under penalty of perjury, that this agenda has been posted 72 hours prior to the stated meeting in a place accessible to the public. Copies of this agenda and any or all additional materials relating thereto are available at www.avaqmd.ca.gov or by contacting Adrianna Castaneda at 661.723.8070 ext. 21 or by email at acastaneda@avaqmd.ca.gov.

Mailed & Posted on: Thursday, June 13, 2024

Adrianna Castañeda

Adrianna Castaneda



**ANTELOPE VALLEY AIR QUALITY MANAGEMENT DISTRICT
GOVERNING BOARD**

******NOTICE OF REGULAR MEETING******

NOTICE IS HEREBY GIVEN that the Governing Board of the Antelope Valley Air Quality Management District (District) will conduct a Regular Meeting on Tuesday, June 18, 2024 at 10:00 a.m.

SAID MEETING will be conducted at the Antelope Valley Transit Authority (AVTA) District Office, 42210 6th Street West, Lancaster, California 93534. Interested persons may attend and submit oral and/or written comments/statements at the meeting. It is requested that written comments/statements be submitted prior to the meeting.

Copies of this agenda and any or all additional materials relating thereto are available at www.avaqmd.ca.gov or by contacting Adrianna Castaneda at 661-723-8070 ext. 21 or by email at acastaneda@avaqmd.ca.gov.

**ANTELOPE VALLEY AIR QUALITY MANAGEMENT DISTRICT
GOVERNING BOARD**

**ADRIANNA CASTANEDA
EXECUTIVE ASSISTANT
PHONE: (661)723-8070, Ext. 21.**

Mailed and Posted: **Thursday, June 13, 2024.**
DATE

**ANTELOPE VALLEY AIR QUALITY MANAGEMENT DISTRICT
GOVERNING BOARD MEETING
TUESDAY, MAY 21, 2024
ANTELOPE VALLEY TRANSIT AUTHORITY DISTRICT OFFICE
LANCASTER, CA**

Draft Minutes

Board Members Present:

Marvin Crist, *Chair*, City of Lancaster
Raj Mahli, City of Lancaster
Howard Harris, Los Angeles County
Ron Hawkins, Los Angeles County
Newton Chelette, Public Member

Board Members Absent:

Austin Bishop, *Vice Chair*, City of Palmdale
Richard J. Loa, City of Palmdale

CALL TO ORDER

Chair **CRIST** called the meeting to order at 10:01 a.m. Chair **CRIST** asked Board Member **HAWKINS** to lead the Pledge of Allegiance. Chair **CRIST** called for roll call, roll call was taken.

PUBLIC COMMENT

❖ Chair **CRIST** called for **PUBLIC COMMENT**. At this time, no public comment was made in person, or electronically, moved onto **CONSENT CALENDAR**.

CONSENT CALENDAR – The following consent items were acted upon by the Board at one time without discussion. Upon motion by Board Member **CHELETTE**, seconded by Board Member **HAWKINS**, and carried by the following roll call vote, with five **AYES** votes by Board Members, **MARVIN CRIST**, **NEWTON CHELETTE**, **HOWARD HARRIS**, **RON HAWKINS** and **RAJ MAHLI**, with Board Members **AUSTIN BISHOP**, and **RICHARD LOA** absent; on the Consent Calendar, as follows:

Agenda Item #1 – Approve Minutes from Regular Governing Board Meeting of April 16, 2024. Find that the California Environmental Quality Act does not apply to this item.

Approved Minutes from Regular Governing Board Meeting April 16, 2024.

Agenda Item #2 – Monthly Grant Funding Summary. Receive and file. Find that the California Environmental Quality Act does not apply to this item.

Received and Filed Monthly Grant Funding Summary.

Agenda Item #3 – Monthly Activity Report. Receive and file.

Presenter: Barbara Lods, Executive Director/APCO.

Received and Filed Monthly Activity Report.

Agenda Item #4– Approve payments to City of Lancaster in the amount of \$329,982.72 for FY24 Quarter 3 expenditures. Find that the California Environmental Quality Act does not apply to this item.

Presenter: Barbara Lods, Executive Director/APCO.

Approved payments to City of Lancaster in the amount of \$329,982.72 for FY24 Quarter 3 expenditures. Find that the California Environmental Quality Act does not apply to this item.

Agenda Item #5– Receive and file the Financial Report. This Preliminary Financial Report is provided to the Governing Board for information concerning the fiscal status of the District at March 31, 2024.

Presenter: Barbara Lods, Executive Director/APCO.

Received and filed the Financial Report. This Preliminary Financial Report is provided to the Governing Board for information concerning the fiscal status of the District at March 31, 2024.

ITEMS FOR DISCUSSION

DEFERRED ITEMS

None.

NEW BUSINESS

Agenda Item #6– 1) Award an amount not to exceed \$100,200 in Mobile Source Emission Reductions Program (AB 923) funds to Paraclete High School for an Electric Vehicle Charging Project; 2) Authorize the Executive Director/APCO the option to change the funding source if warranted or if other applicable sources become available; 3) Authorize the Executive Director/APCO and staff to negotiate target time frames and technical project details and execute an agreement, approved as to legal form by Special Counsel to the Governing Board; and 4) Find that the California Environmental Quality Act (CEQA) does not apply to this item.

Presenter: Julie McKeehan, Grants Analyst.

Chair **CRIST** opened the public hearing. Julie McKeehan, Grants Analyst, presented background information and answered questions from the Board. Chair **CRIST** called for public comment, no public comment was made in person, or electronically, being none, Chair **CRIST** closed the public hearing. Board Member **NEWTON CHELETTE** recused himself from this item due to conflicts of interest and left the room prior to the vote. Upon motion by Board Member **HARRIS**, seconded by Board Member **MAHLI**, and carried by the following roll call vote, with four **AYES** votes by Board Members, **MARVIN CRIST, HOWARD HARRIS, RON HAWKINS, and RAJ MAHLI**, with Board Member **CHELETTE** recused and Board Members **AUSTIN BISHOP** and **RICHARD LOA** absent, the Board, 1) **Awarded** an amount not to exceed \$100,200 in Mobile Source Emission Reductions Program (AB 923) funds to Paraclete High School for an Electric Vehicle Charging Project; 2) **Authorized** the Executive Director/APCO the option to change the funding source if warranted or if other applicable sources become available; 3) **Authorized** the Executive Director/APCO and staff to negotiate target time frames and technical project details and execute an agreement, approved as to legal form by Special Counsel to the Governing Board; and 4) **Find** that the California Environmental Quality Act (CEQA) does not apply to this item.

Agenda Item #7– Conduct Public Hearing to consider the proposed AVAQMD Budget for FY 2024-25: a. Open public hearing; b. Receive staff report; c. Receive public testimony; d. Close public hearing; e. Find that the California Environmental Quality Act (CEQA) does not apply to this item.; f. Continue to the meeting of June 18, 2024 for adoption.

Presenter: Barbara Lods, Executive Director/APCO.

Chair CRIST opened the public hearing. Barbara Lods, Executive Director/APCO, presented the proposed AVAQMD budget and answered questions from the Board. Chair Crist called for public comment, being none, Chair Crist continued item to the meeting of June 18, 2024.

CLOSED SESSION

Agenda Item #8- CONFERENCE WITH LEGAL COUNSEL – PENDING LITIGATION Antelope Valley Air Quality Management District v. United States Environmental Protection Agency, et al. 9th Cir. Case No. 23-1614.

The Governing board entered the Closed session at 10:20 am and concluded at 10:53 am with no report.

Agenda Item #8– Reports.

Governing Board Counsel –

- No report.

Executive Director/APCO –

- Contingency Plan was deemed complete by USEPA on April 29, 2024.
- Staff participated with the City of Lancaster for Earth Day
- Audit report for FY23 is still outstanding.
- FY24 preliminary documents have been sent to CJ Brown and Associates

Staff –

- No report.

Agenda Item #9– Board Member Reports and Suggestions for Future Agenda Items.

- No Report.

Agenda Item #10– Adjourn to Regular Governing Board Meeting of Tuesday, June 18, 2024.

Being no further business, the meeting adjourned at 10:55 a.m. to the next regularly scheduled Governing Board Meeting of Tuesday, June 18, 2024.

Item #2 – Grant Funds Project Summary

May 2024

AB 2766 (\$4 DMV Fee)

\$655,000 Annually by Monthly Distribution

These fees fund the District's Mobile Source Emission Reductions (MSER) Grant Program. The funds must be used on eligible projects that reduce air pollution from motor vehicles and for related planning, monitoring, enforcement, and technical studies necessary for the implementation of the California Clean Air Act of 1988.

Funding Limits: No surplus emission reductions or cost-effectiveness limit requirements.

Current Balance: \$488,163.00

AB 923 (\$2 DMV Fee)

\$614,000 Annually by Monthly Distribution

These fees fund the District's Mobile Source Emission Reductions (MSER) Grant Program. The funds must be used on eligible projects that remediate air pollution harms created by motor vehicles. These funds may also be used on Carl Moyer eligible projects; unregulated agriculture vehicles and equipment; school bus projects; light-duty vehicle retirement program; and alternative fuel and electric infrastructure projects.

Funding Limits: Surplus emission reductions required. Subject to CARB's cost-effectiveness limit.

Current Balance: \$590,316.00

Carl Moyer Program (CMP)

\$1,169,166.00 FY 23/24 Allocation

Carl Moyer Program (CMP) funds are used toward projects eligible under the Carl Moyer Program Guidelines.

Program goals are to gain early or extra emission reductions by retrofitting, repowering, or replacing older more polluting engines with newer, cleaner engines including zero and near zero emission technologies. CMP funding categories include on-road heavy-duty vehicles, off-road equipment, light-duty passenger vehicles, lawn mower replacement and alternative fuel infrastructure projects.

Funding Limits: Surplus emission reductions required. Subject to CARB's cost-effectiveness limit.

Current Balance: \$2,300,264.00

AB 134 Community Air Protection Program (CAPP) Incentives

\$967,560 FY 23/24

Community Air Protection Program (CAPP) funds are used toward eligible projects under the CAPP and CMP Guidelines. Eligible projects must also be needed and supported within the community. These funds are focused on replacing older polluting engines, operating in disadvantaged and low-income communities, with newer, cleaner engines with a priority for zero-emissions. Funding categories include on-road heavy-duty vehicles, off-road equipment, light duty passenger vehicles, lawn mower replacement and alternative fuel infrastructure projects.

Funding Limits: Surplus emission reductions required. Subject to CARB's cost-effectiveness limit.

Current Balance: \$3,098,953.00



Agenda Item # 3

Date: June 18, 2024

Subject: May Operations Activity Report

Permit Inspections - 115

Notices of Violation (NOV) Issued – 1

Vapor Recovery Tests Witnessed – 5

Complaints – 3

Complaint Investigations – 3

Asbestos Notifications – 2

Asbestos Project Inspections - 0

Active Companies - 289

Active Facilities - 556

Active Permits - 1156

Certificate of Occupancy/Building Permit Reviews - 1

CEQA Project Comment Letters - 14

State or Local Air Monitoring Stations (SLAMS) Network Air Monitoring Site:

Lancaster Site (full meteorology, CO, NO_x, O₃, PM₁₀, PM_{2.5})

Full meteorology (exterior temperature, wind speed, wind direction, exterior pressure and relative humidity)

Community Sensors:

13 **PurpleAir** particulate sensors (Del Sur School, Leona Valley Elementary, Anaverde Hills, Esperanza Elementary School, Joe Walker Middle School, Desert Willow Middle School, Amargosa Creek, Eastside High School, Littlerock High School, Knight High School, Westside School District Offices, (2) Wilsona School District.

AVAQMD CEQA PROJECTS						
BOARD MEETING						
6/18/2024						
Date Rec'd	Location	Project Name	Description	Comment	Date Due	Date Sent
4/25/2024	Palmdale	Commercial Parking Lot	Pre-Application 24-0012 for the request to develop a commercial parking lot with a six-foot chain link fence around the 1.25-acre parcel. This project site is located on the east side of 30th Street East and north of Avenue M in the city of Palmdale, CA (APN: 3170-017-045).	Project Signage Information Form Rule 219-Permitting CARB Equipment EV Charging Grant	5/16/2024	5/13/2024
4/25/2024	Palmdale	Church with a Single-Family Residence	Pre-Application 24-0021 for the request to develop approximately 2.46 acres of vacant land with a 5,600 square-foot church that includes a 1,153 square-foot single-family residence with a 144 square foot front porch. This project site is located on the west side of 15th Street East at the intersection of Avenue Q-6 in the city of Palmdale, CA (APN: 3015-009-043).	Dust Control Signage & Project Signage Information Form Rule 219-Permitting CARB Equipment	4/25/2024	5/13/2024
4/25/2024	Palmdale	192-Unit Apartment Complex with Community Center and Park	Pre-Application 24-0022 requesting to develop approximately 11 acres with a 192-unit apartment complex, a community center, and a community park. This project site is located on the southwest corner of Avenue Q-4 and 42nd Street East in the city of Palmdale, CA (APNs: 3023-003-016, -017, and -030).	Rule 302-Construction Excavation DCP Rule 219-Permitting CARB Equipment EV Charging Grant	5/16/2024	5/13/2024
5/7/2024	Lancaster	Industrial Warehouse with Associated Improvements	Notice of Availability/Notice of Intent to Adopt a Mitigated Negative Declaration for Site Plan Review (SPR) No. 23-002 requesting the construction of an industrial warehouse building and associated improvements on 20.15 acres of vacant land within the existing Fox Field Industrial Corridor Specific Plan. This project site is located at the northeast corner of Avenue H and 35th Street West in the city of Lancaster, CA (APNs: 3107-026-077 and 3107-026-079).	Rule 302-Construction Excavation DCP Rule 219-Permitting CARB Equipment EV Charging Grant	6/3/2024	5/21/2024

5/13/2024	Palmdale	239 Single-Family Homes with On-Site Amenities	Notice of Intent to Adopt a Mitigated Negative Declaration for Tentative Tract Map 83674 requesting to subdivide approximately 60 acres into 242 lots, including three detention basins and the construction of 239 single-family homes. The on-site amenities include a dog park, playground, walking paths and trails, and open space with seating areas. This project site is located at the northwest corner of Rancho Vista Boulevard and Tilbury Drive in the City of Palmdale, CA (APNs: 3001-003-160, -163, and -164).	Rule 302-Construction Excavation DCP-TTM Rule 219-Permitting CARB Equipment	6/12/2024	5/21/2024
5/14/2024	Palmdale	Adding 15 Additional Mobile Home Spaces to the Existing Park	Pre-Application 24-0023 for the request to develop 15 additional mobile home spaces with sewer expansion within an existing mobile home park. This project site is located on approximately 6 acres at 38015 65th Street East in the City of Palmdale, CA (APN: 3024-008-022).	Project Signage Information Form Rule 219-Permitting CARB Equipment	5/29/2024	5/21/2024
5/14/2024	Palmdale	Educational Buildings and Future Sports Field Preparation	Pre-Application 24-0024 requesting to develop a continuation of educational support facilities for the Palmdale Academy Charter School. The project will develop designated sites for a Career Technical Education facility, a new Gymnasium, and a building for the Educational Services Department and Professional Learning Center Site preparation for future sports fields will also be completed. This project site is located on approximately 31.39 acres at 3838 East Avenue R in the City of Palmdale, CA (APNs: 3020-001-018, -025, -027, and -014).	Rule 302-Construction Excavation DCP Rule 219-Permitting CARB Equipment EV Charging Grant	5/29/2024	5/21/2024

5/14/2024	Palmdale	Subdivision of 89 Single-Family Residential Lots	Pre-Application 24-0025 requesting to develop six vacant lots into a subdivision of 89 single-family residential lots. This project site is located on 9.07 acres on the north side of Avenue R-4, and east of Cardiff Street in the City of Palmdale, CA (APNs: 3019-001-006, -007, -026, -039, -040, and -045).	Rule 302-Construction Excavation DCP-TTM Rule 219-Permitting CARB Equipment	5/29/2024	05/21/2024
5/14/2024	Palmdale	5 Buildings totaling 2,202,000 square feet	Pre-Application 24-0026 requesting to develop 127 vacant acres with five buildings totaling 2,202,000 square feet. This project site is located south of Avenue O and on the west side of Sierra Highway in the City of Palmdale, CA (APNs: 3006-003-039, -036, -040, -044).	Rule 302-Construction Excavation DCP Rule 219-Permitting CARB Equipment EV Charging Grant	5/29/2024	5/21/2024
5/14/2024	Lancaster	2 Industrial Warehouse Buildings with Office Space	Project & Permit PRJ2022-002897, Conditional Use Permit No. RPPL2022013992, and Environmental Plan No. RPPL2023000522 requesting the construction of two speculative industrial short-term storage warehouse buildings. Each new building would consist of approximately 1,007,536 square foot building footprint, which includes approximately 40,000 square feet of office space. This project site is located on approximately 121 acres in unincorporated Los Angeles County within the Lancaster zoned District at the southeast corner of Avenue F and 20th Street West in the City of Lancaster, CA (APNs: 3114-010-002 and 3114-010-011).	Rule 302-Construction Excavation DCP Rule 219-Permitting CARB Equipment EV Charging Grant	5/31/2024	5/21/2024
5/16/2024	Palmdale	Parking and Vehicle Operating Lot	Pre-Application 23-0044 requesting to develop 1.5 acres of a vacant 5.27-acre parcel for the purpose of parking and operating commercial vehicles (buses and trucks). This project site is located on the east side of Division Street and on the north side of Avenue N-8 in the City of Palmdale, CA 93550 (APN: 3008-039-004).	Dust Control Signage & Project Signage Information Form Rule 219-Permitting CARB Equipment EV Charging Grant	5/30/2024	5/28/2024

5/16/2024	Palmdale	4 Warehouse Buildings	Pre-Application 24-0028 requesting to develop a vacant 2.56-acre parcel with a building totaling 111,616 square feet to be utilized as a commercial warehouse use. This project site is located on the southwest corner of Avenue M-12 and 10th Street West in the City of Palmdale, CA (APN: 3111-022-060).	DCP Rule 219-Permitting CARB Equipment EV Charging Grant	5/30/2024	5/28/2024
5/16/2024	Palmdale	Self-Storage Building with Uncovered Boat Storage	Site Plan Review 24-0018 for the request to develop a vacant 2.42-acre parcel with a self-storage facility to include 84,441 square feet of enclosed storage, 69,392 square feet of canopied stalls, and uncovered RV/boat storage. This project site is located at 2660 Pearblossom Hwy, Palmdale, CA (APN: 3053-009-017).	Dust Control Signage & Project Signage Information Form Rule 1403-Asbestos Rule 219-Permitting CARB Equipment	6/13/2024	5/28/2024
5/20/2024	Lancaster	Commercial Center with: Fast food, Car wash, and EV Charging	Conditional Use Permit 23-020 requesting the development of a 3.72-acre site into a commercial center which includes a 2,900 square-foot fast food drive-thru pad, a 3,600 square-foot car wash facility and an electrical vehicle (EV) charging facility. This project site is located at the southwest corner of Avenue L and 10th Street West in the City of Lancaster, CA (APNs: 3109-026-047, -48, -049).	DCP Rule 219-Permitting CARB Equipment EV Charging Grant	6/14/2024	5/28/2024

**THE ANTELOPE VALLEY AIR QUALITY MANAGEMENT DISTRICT
LANCASTER, CALIFORNIA**

AGENDA ITEM # 4

DATE: June 18, 2024

RECOMMENDATION: Receive and file. Find that the California Environmental Quality Act does not apply to this item.

SUMMARY: This Preliminary Financial Report is provided to the Governing Board for information concerning the fiscal status of the District at April 30, 2024.

BACKGROUND: The Financial Reports for April 2024 provide financial and budgetary performance information for the District for the period referenced.

BALANCE SHEET. The balance sheet summarizes the District's financial position on April 30, 2024.

STATEMENT OF REVENUES & EXPENDITURES. A summary of all District revenue and related expenditures incurred in the day to day administration of District Operations.

STATEMENT OF ACTIVITY. The target variance for April is 84%.

The *District Wide* report details revenue and expenses for the District's operating account and grant funds. *Contracted Services* reports the expenses made by the City of Lancaster and passed through to the District including salaries. *Report Recap* consolidates both reports.

BANK REGISTERS. This report details the Districts bank activity.

REASON FOR RECOMMENDATION: Receive and file.

REVIEW BY OTHERS: This item was reviewed by Allison E. Burns, Special Counsel to the Governing Board as to legal form and by Barbara Lods, Executive Director/APCO on or about June 11, 2024.

LEVINE ACT: The Levine Act (Gov. Code Section 84308) prohibits AVAQMD officials from participating in certain decisions regarding licenses, permits, and other entitlements for use if the official has received a campaign contribution of more than \$250 from a party, participant, or agent of a party or participant in the previous 12 months. The Levine Act is intended to prevent financial influence on decisions that affect specific, identifiable persons or participants. For more information see the FPPC website: www.fppc.ca.gov/learn/pay-to-play-limits-and-prohibitions.html

SUBJECT TO THE LEVINE ACT	EXEMPT FROM THE LEVINE ACT
<input type="checkbox"/> Permit, license, or entitlement for use	<input type="checkbox"/> Competitively bid contract
<input type="checkbox"/> Contract or grant	<input type="checkbox"/> Labor or personal employment
	<input checked="" type="checkbox"/> General policy and legislative actions

PRESENTER: Barbara Lods, Executive Director/APCO.

Antelope Valley AQMD
Balance Sheet - Governmental Funds
As of April 30, 2024

Financial Report

	<u>General Fund</u>	<u>AB2766 Mobile Emissions</u>	<u>AB923 Mobile Emissions</u>	<u>Carl Moyer</u>	<u>Total</u>
Assets					
Current Assets					
Cash	5,108,525.78	1,364,084.34	2,373,749.45	2,941,342.46	11,787,702.03
Cash Held For Other Fund	182,481.98	(14,929.30)	(48,105.22)	(119,447.46)	0.00
Receivables	140,439.53	0.00	0.00	0.00	140,439.53
Pre-Paids	4,644.99	0.00	0.00	0.00	4,644.99
Total Current Assets	<u>5,436,092.28</u>	<u>1,349,155.04</u>	<u>2,325,644.23</u>	<u>2,821,895.00</u>	<u>11,932,786.55</u>
Total Assets	<u>5,436,092.28</u>	<u>1,349,155.04</u>	<u>2,325,644.23</u>	<u>2,821,895.00</u>	<u>11,932,786.55</u>
Liabilities and Net Position					
Current Liabilities					
Payables	4,513.99	0.00	0.00	0.00	4,513.99
Due to Others	(361.00)	0.00	0.00	0.00	(361.00)
Unearned Revenue	1,334,745.47	0.00	0.00	2,798,664.67	4,133,410.14
Total Current Liabilities	<u>1,338,898.46</u>	<u>0.00</u>	<u>0.00</u>	<u>2,798,664.67</u>	<u>4,137,563.13</u>
Restricted Fund Balance	0.00	1,207,392.88	2,134,903.41	65,830.33	3,408,126.62
Cash Reserves	1,000,000.00	0.00	0.00	0.00	1,000,000.00
Unassigned Fund Balance	2,408,186.86	0.00	0.00	0.00	2,408,186.86
Pre-Paid	1,378.50	0.00	0.00	0.00	1,378.50
Change in Net Position	711,624.87	141,762.16	190,740.82	(42,600.00)	1,001,527.85
Total Liabilities & Net Position	<u>5,460,088.69</u>	<u>1,349,155.04</u>	<u>2,325,644.23</u>	<u>2,821,895.00</u>	<u>11,956,782.96</u>

Antelope Valley AQMD
Statement of Revenues & Expenditures
For the Period Ending April 30, 2024

Financial Report

	<u>General Fund</u>	<u>AB2766 Mobile Emissions Program</u>	<u>AB923 Mobile Emissions Program</u>	<u>Carl Moyer Program</u>	<u>Total Governmental Funds</u>
<u>Revenues</u>					
Application and Permit Fees	73,067.31	0.00	0.00	0.00	73,067.31
AB 2766 and Other Program Revenues	55,699.45	52,215.22	48,956.67	85,721.00	242,592.34
Fines	12,409.58	0.00	0.00	0.00	12,409.58
Investment Earnings	8,678.28	0.00	0.00	0.00	8,678.28
Federal and State	0.00	0.00	0.00	0.00	0.00
Miscellaneous Income	0.00	0.00	0.00	0.00	0.00
Total Revenues	149,854.62	52,215.22	48,956.67	85,721.00	336,747.51
<u>Expenditures</u>					
Program Staff	11,986.62	0.00	0.00	0.00	11,986.62
Services and Supplies	8,378.22	2,500.00	6,625.00	85,721.00	103,224.22
Contributions to Other Participants	0.00	0.00	0.00	0.00	0.00
Capital Outlay Improvements and Equipment	3,950.00	0.00	0.00	0.00	3,950.00
Total Expenditures	24,314.84	2,500.00	6,625.00	85,721.00	119,160.84
Excess Revenue Over (Under) Expenditures	125,539.78	49,715.22	42,331.67	0.00	217,586.67

Antelope Valley AQMD

Statement of Activity - MTD, MTM and YTD

For 4/30/2024

00 District Wide

	M-T-D Actual	Y-T-D Actual	Y-T-D Budget	% Budget to Actual
Revenues				
Permitting	80,731.59	1,188,628.79	1,353,600.00	(0.88)
Programs	242,592.34	1,904,739.88	3,418,217.00	(0.56)
Application Fees	7,354.00	52,311.82	32,325.00	(1.62)
State Revenue	0.00	235,088.51	1,604,523.00	(0.15)
Federal Revenue	0.00	8,099.56	63,982.00	(0.13)
Fines & Penalties	8,539.58	52,093.70	10,000.00	(5.21)
Interest Earned	8,678.28	72,828.67	10,000.00	(7.28)
Adjustments to Revenue	(11,148.28)	(23,620.19)	0.00	0.00
Total Revenues	336,747.51	3,490,170.74	6,492,647.00	(0.54)
Expenses				
Office Expenses	1,031.52	29,712.44	109,800.00	0.27
Communications	2,454.40	17,612.22	22,000.00	0.80
Vehicles	729.97	10,538.88	21,000.00	0.50
Program Costs	94,846.00	1,657,342.48	3,948,962.00	0.42
Travel	(90.44)	185.75	12,000.00	0.02
Professional Services				
Financial Audit & Actuarial Svcs	1,367.00	12,241.71	0.00	0.00
Consulting Fees	0.00	0.00	25,000.00	0.00
Stipends	600.00	6,000.00	8,400.00	0.71
Maintenance & Repairs	515.00	535.93	2,000.00	0.27
Non-Depreciable Inventory	(429.78)	1,809.10	18,500.00	0.10
Dues & Subscriptions	1,650.00	22,420.15	36,100.00	0.62
Legal	(975.27)	40,415.49	53,000.00	0.76
Miscellaneous Expense	0.00	(171.17)	1,000.00	(0.17)
Suspense	0.00	42.26	0.00	0.00
Capital Expenditures	3,950.00	27,833.98	105,000.00	0.27
Total Expenses	105,648.40	1,826,519.22	4,362,762.00	0.42
Program Staff				
Excess Revenue Over (Under) Expenditures	231,099.11	1,663,651.52	2,129,885.00	(0.78)

Antelope Valley AQMD

Statement of Activity - MTD, MTM and YTD

For 4/30/2024

10 Contracted Services

M-T-D Actual	Y-T-D Actual	Y-T-D Budget	% Budget to Actual
-----------------	-----------------	-----------------	-----------------------

Revenues**Expenses**

Professional Services

Financial Audit & Actuarial Svcs

Total Expenses

1,525.82	30,340.56	220,000.00	0.14
1,525.82	30,340.56	220,000.00	0.14

Program Staff

Program Staff

Total Program Staff

11,986.62	631,783.11	1,828,647.00	0.35
11,986.62	631,783.11	1,828,647.00	0.35

Excess Revenue Over (Under) Expenditures

(13,512.44)	(662,123.67)	(2,048,647.00)	(0.32)
--------------------	---------------------	-----------------------	---------------

Antelope Valley AQMD

Statement of Activity - MTD, MTM and YTD

For 4/30/2024

Report Recap

	M-T-D Actual	Y-T-D Actual	Y-T-D Budget	% Budget to Actual
Revenues				
Permitting	80,731.59	1,188,628.79	1,353,600.00	(0.88)
Programs	242,592.34	1,904,739.88	3,418,217.00	(0.56)
Application Fees	7,354.00	52,311.82	32,325.00	(1.62)
State Revenue	0.00	235,088.51	1,604,523.00	(0.15)
Federal Revenue	0.00	8,099.56	63,982.00	(0.13)
Fines & Penalties	8,539.58	52,093.70	10,000.00	(5.21)
Interest Earned	8,678.28	72,828.67	10,000.00	(7.28)
Adjustments to Revenue	(11,148.28)	(23,620.19)	0.00	0.00
Total Revenues	336,747.51	3,490,170.74	6,492,647.00	(0.54)
Expenses				
Office Expenses	1,031.52	29,712.44	109,800.00	0.27
Communications	2,454.40	17,612.22	22,000.00	0.80
Vehicles	729.97	10,538.88	21,000.00	0.50
Program Costs	94,846.00	1,657,342.48	3,948,962.00	0.42
Travel	(90.44)	185.75	12,000.00	0.02
Professional Services				
Financial Audit & Actuarial Svcs	2,892.82	42,582.27	220,000.00	0.19
Consulting Fees	0.00	0.00	25,000.00	0.00
Stipends	600.00	6,000.00	8,400.00	0.71
Maintenance & Repairs	515.00	535.93	2,000.00	0.27
Non-Depreciable Inventory	(429.78)	1,809.10	18,500.00	0.10
Dues & Subscriptions	1,650.00	22,420.15	36,100.00	0.62
Legal	(975.27)	40,415.49	53,000.00	0.76
Miscellaneous Expense	0.00	(171.17)	1,000.00	(0.17)
Suspense	0.00	42.26	0.00	0.00
Capital Expenditures	3,950.00	27,833.98	105,000.00	0.27
Total Expenses	107,174.22	1,856,859.78	4,582,762.00	0.41
Program Staff				
Program Staff	11,986.62	631,783.11	1,828,647.00	0.35
Total Program Staff	11,986.62	631,783.11	1,828,647.00	0.35
Excess Revenue Over (Under) Expenditures	217,586.67	1,001,527.85	81,238.00	(12.33)

Antelope Valley AQMD
Bank Register from 4/01/2024 to 4/30/2024
General Fund P6A LA County

<u>Check/Ref</u>	<u>Date</u>	<u>Name/Description</u>	<u>Check Amount</u>	<u>Deposit Amount</u>	<u>Account Balance</u>
	4/01/2024	Interest Earned	0.00	8,678.28	2,879,471.17
0000516	4/08/2024	DAILY DEPOSIT	0.00	186,704.40	3,066,175.57
0000062	4/10/2024	[00548] GRANITE CONSTRUCTION CO - PALMDALE-Check was returned on 04/10/2024	2,616.00	0.00	3,063,559.57
0000517	4/11/2024	DAILY DEPOSIT	0.00	41,057.46	3,104,617.03
R24-28	4/17/2024	OPERATING FUND REPLENISHMENT #4	641,116.83	0.00	2,463,500.20
0000518	4/19/2024	DAILY DEPOSIT	0.00	224,320.17	2,687,820.37
R24-29	4/19/2024	AB2766 TRANSFER- FEB 2024	52,215.22	0.00	2,635,605.15
R24-30	4/19/2024	AB923 TRANSFER - FEB 2024	48,956.67	0.00	2,586,648.48
Total for Report:			744,904.72	460,760.31	

Antelope Valley AQMD
Bank Register from 4/01/2024 to 4/30/2024
Wells Fargo Operating

<u>Check/Ref</u>	<u>Date</u>	<u>Name/Description</u>	<u>Check Amount</u>	<u>Deposit Amount</u>	<u>Account Balance</u>
0000559	4/01/2024	CREDIT CARD TRANSACTION FRESENIUS MEDICAL	0.00	916.34	1,145,960.92
0000560	4/01/2024	CREDIT CARD TRANSACTION BOEING	0.00	654.00	1,146,614.92
0000561	4/01/2024	CREDIT CARD TRANSACTION SYGMA	0.00	1,405.04	1,148,019.96
0000563	4/03/2024	CREDIT CARD TRANSACTION CALIBER	0.00	1,262.16	1,149,282.12
0000564	4/04/2024	CREDIT CARD TRANSACTION CITY OF PALMDALE	0.00	4,985.92	1,154,268.04
0000565	4/08/2024	CREDIT CARD TRANSACTION CORE ENVIRONMENTAL	0.00	660.00	1,154,928.04
0005551	4/11/2024	[11561] ANDREA ALICIA ALARCON-Attendance Governing Board meeting 08/15/2023	100.00	0.00	1,154,828.04
0005552	4/11/2024	[10076] ANTELOPE VALLEY AQMD-Invoices 2110, 2111, 2112, 2113	215,658.43	0.00	939,169.61
0005553	4/11/2024	[10233] ANTELOPE VALLEY FAIR ASSN-COMMUNITY EVENT SPONSORSHIP	1,650.00	0.00	937,519.61
0005554	4/11/2024	[01148] ANTELOPE VALLEY PRESS-NOTICE OF HEARING 03/15/2024	260.41	0.00	937,259.20
0005555	4/11/2024	[10518] AUSTIN BISHOP-Attendance Governing Board meeting 03/19/2024	100.00	0.00	937,159.20
0005556	4/11/2024	[10007] BOHN'S PRINTING-PRINTING SERVICE - INSPECTION FORMS	187.42	0.00	936,971.78
0005557	4/11/2024	[11402] CHARTER COMMUNICATIONS-SPECTRUM BUSINESS INTERNET 04/01/2024-04/30/2024	214.98	0.00	936,756.80
0005558	4/11/2024	[10055] NEWTON CHELETTE-Attendance Governing Board meeting 03/19/2024	100.00	0.00	936,656.80
0005559	4/11/2024	[10057] MARVIN CRIST-Attendance Governing Board meeting 03/19/2024	100.00	0.00	936,556.80
0005560	4/11/2024	[10599] HOWARD HARRIS-Attendance Governing Board meeting 03/19/2024	100.00	0.00	936,456.80
0005561	4/11/2024	[10058] RONALD HAWKINS-Attendance Governing Board meeting 03/19/2024	100.00	0.00	936,356.80
0005562	4/11/2024	[11405] IT SOLUTIONS INTEGRATED-Invoices 10244-R-0025, 10380	3,595.00	0.00	932,761.80
0005563	4/11/2024	[11511] JOEL S CRAIG-AIR MONITORING SERVICES MARCH 2024	3,344.84	0.00	929,416.96
0005564	4/11/2024	[11540] LINDE GAS & EQUIPMENT INC.-CYLINDER RENTAL 02/20/2024- 03/20/2024	23.84	0.00	929,393.12
0005565	4/11/2024	[10054] KENNETH MANN-Attendance Governing Board meeting 03/19/2024	100.00	0.00	929,293.12
0005566	4/11/2024	[10026] MOJAVE DESERT AQMD-FY24 - FEBRUARY 2024	2,531.89	0.00	926,761.23
0005567	4/11/2024	[10071] QUADIENT LEASING-POSTAGE METER 04/02/2024-05/01/2024	77.96	0.00	926,683.27
0005568	4/11/2024	[11512] SAMUEL OKTAY-ENGINEERING SERVICES MARCH 2024	165.00	0.00	926,518.27
0005569	4/11/2024	[10483] STREAMLINE-WEB HOSTING 04/01/2024-05/01/2024	249.00	0.00	926,269.27
0005570	4/11/2024	[10046] VERIZON - NJ-LONG DISTANCE 03/28/2024-04/27/2024	35.30	0.00	926,233.97
0005571	4/11/2024	[10045] VERIZON - NY-VOIP 04/01/2024-04/30/2024	360.81	0.00	925,873.16
0005572	4/11/2024	[01107] VERIZON WIRELESS-AIR MONITORING SIM CARD 02/18/2024- 03/17/2024	40.01	0.00	925,833.15
0000566	4/11/2024	CREDIT CARD TRANSACTION LOCKHEED MARTIN	0.00	4,032.00	929,865.15

Antelope Valley AQMD
Bank Register from 4/01/2024 to 4/30/2024
Wells Fargo Operating

<u>Check/Ref</u>	<u>Date</u>	<u>Name/Description</u>	<u>Check Amount</u>	<u>Deposit Amount</u>	<u>Account Balance</u>
0000567	4/15/2024	CREDIT CARD TRANSACTION USAF PLANT 42	0.00	654.00	930,519.15
0000568	4/15/2024	CREDIT CARD TRANSACTION BOOSTER FUELS	0.00	4,520.36	935,039.51
R24-28	4/17/2024	OPERATING FUND REPLENISHMENT #4	0.00	641,116.83	1,576,156.34
0000569	4/22/2024	CREDIT CARD TRANSACTION L & G PORTABLE CRUSHING	0.00	1,308.00	1,577,464.34
0000570	4/22/2024	CREDIT CARD TRANSACTION KB ENVIRONMENTAL CORE ENVIRONMENTAL PALMDALE INDUSTRIAL PARK	0.00	5,212.00	1,582,676.34
0005573	4/25/2024	[01148] ANTELOPE VALLEY PRESS-LEGAL NOTICE - PROPOSED BUDGET FISCAL 24-25	172.82	0.00	1,582,503.52
0005574	4/25/2024	[10518] AUSTIN BISHOP-Attendance Governing Board meeting 04/16/2024	100.00	0.00	1,582,403.52
0005575	4/25/2024	[11646] BMO BANK N.A. - PAYMENT-CREDIT CARD 1481	207.34	0.00	1,582,196.18
0005576	4/25/2024	[11646] BMO BANK N.A. - PAYMENT-CREDIT CARD 1465	86.34	0.00	1,582,109.84
0005577	4/25/2024	[11646] BMO BANK N.A. - PAYMENT-CREDIT CARD 8190	269.02	0.00	1,581,840.82
0005578	4/25/2024	[10405] CANON FINANCIAL SERVICES-COPIER LEASE 04/01/2024- 04/30/2024	319.68	0.00	1,581,521.14
0005579	4/25/2024	[10055] NEWTON CHELETTE-Attendance Governing Board meeting 04/16/2024	100.00	0.00	1,581,421.14
0005580	4/25/2024	[10057] MARVIN CRIST-Attendance Governing Board meeting 04/16/2024	100.00	0.00	1,581,321.14
0005581	4/25/2024	[10019] FEDERAL EXPRESS CORPORATION-COURIER SERVICE FEE	20.82	0.00	1,581,300.32
0005582	4/25/2024	[10599] HOWARD HARRIS-Attendance Governing Board meeting 04/16/2024	100.00	0.00	1,581,200.32
0005583	4/25/2024	[11405] IT SOLUTIONS INTEGRATED-Invoices 10244-R-0026, 10383	1,594.00	0.00	1,579,606.32
0005584	4/25/2024	[11540] LINDE GAS & EQUIPMENT INC.-CYLINDER RENTAL 03/20/2024 - 04/20/2024	24.52	0.00	1,579,581.80
0005585	4/25/2024	[11684] RICHARD LOA-Attendance Governing Board meeting 04/16/2024	100.00	0.00	1,579,481.80
0005586	4/25/2024	[10054] KENNETH MANN-Attendance Governing Board meeting 04/16/2024	100.00	0.00	1,579,381.80
0005587	4/25/2024	[10026] MOJAVE DESERT AQMD-FY24-NOVEMBER 2023	3,086.73	0.00	1,576,295.07
0005588	4/25/2024	[10455] STRADLING YOCCA CARLSON & RAUTH-Invoices 405772, 405773	11,597.10	0.00	1,564,697.97
0000571	4/25/2024	CREDIT CARD TRANSACTION LEVEL 3 JOSHUA CREMATORY UNITED RENTALS	0.00	3,030.98	1,567,728.95
0000572	4/26/2024	CREDIT CARD TRANSACTION ANGELES NATIONAL FOREST	0.00	94.83	1,567,823.78
0000573	4/26/2024	EFT TRANSACTION SPOWER	0.00	1,405.04	1,569,228.82
0000574	4/29/2024	CREDIT CARD TRANSACTION T3 CONTRACTORS	0.00	585.00	1,569,813.82

Antelope Valley AQMD
Bank Register from 4/01/2024 to 4/30/2024
Wells Fargo Operating

<u>Check/Ref</u>	<u>Date</u>	<u>Name/Description</u>	<u>Check Amount</u>	<u>Deposit Amount</u>	<u>Account Balance</u>
0000575	4/29/2024	CREDIT CARD TRANSACTION TOTAL AIR ANALYSIS	0.00	489.00	1,570,302.82
Total for Report:			247,073.26	672,331.50	

Antelope Valley AQMD
Bank Register from 4/01/2024 to 4/30/2024
WF AB2766

<u>Check/Ref</u>	<u>Date</u>	<u>Name/Description</u>	<u>Check Amount</u>	<u>Deposit Amount</u>	<u>Account Balance</u>
0022773	4/11/2024	[11687] CARMELA L GERONGA-AB2766 GRANT	500.00	0.00	1,314,869.12
0022774	4/11/2024	[11689] JAVIER GONZALEZ-AB 2766 GRANT	500.00	0.00	1,314,369.12
0022775	4/11/2024	[11688] ROBERT JOHN PAGLIA JR-AB2766 GRANT	500.00	0.00	1,313,869.12
R24-29	4/19/2024	AB2766 TRANSFER- FEB 2024	0.00	52,215.22	1,366,084.34
0022776	4/25/2024	[11693] BALDOMERO GUILLEN-AB 2766 GRANT	500.00	0.00	1,365,584.34
0022777	4/25/2024	[11691] AZADEH NADI-AB 2766 GRANT	500.00	0.00	1,365,084.34
0022778	4/25/2024	[11690] ANTHONY OSWALD QUINTERO-AB 2766 GRANT	500.00	0.00	1,364,584.34
0022779	4/25/2024	[11692] TANNER UNDERWOOD-AB 2766 GRANT	500.00	0.00	1,364,084.34
Total for Report:			3,500.00	52,215.22	

Antelope Valley AQMD
Bank Register from 4/01/2024 to 4/30/2024
WF AB923

<u>Check/Ref</u>	<u>Date</u>	<u>Name/Description</u>	<u>Check Amount</u>	<u>Deposit Amount</u>	<u>Account Balance</u>
0001097	4/11/2024	[10884] COAST AUTO SALVAGE LLC-AB923 GRANT	6,625.00	0.00	2,324,792.78
R24-30	4/19/2024	ANNUAL LAWN MOWER EXCHANGE PROGRAM 2023 AB923 TRANSFER - FEB 2024	0.00	48,956.67	2,373,749.45
Total for Report:			6,625.00	48,956.67	

Antelope Valley AQMD
Bank Register from 4/01/2024 to 4/30/2024
WF Carl Moyer

<u>Check/Ref</u>	<u>Date</u>	<u>Name/Description</u>	<u>Check Amount</u>	<u>Deposit Amount</u>	<u>Account Balance</u>
0011049	4/11/2024	[10328] GENE WHEELER FARMS-CARL MOYER GRANT FORKLIFT REPLACEMENT PROJECT	85,721.00	0.00	2,942,328.85
Total for Report:			85,721.00	0.00	

**THE ANTELOPE VALLEY AIR QUALITY MANAGEMENT DISTRICT
LANCASTER, CALIFORNIA**

AGENDA ITEM # 5

DATE: June 18, 2024

RECOMMENDATION: Reappoint Newton Chelette as the Public Member on the Governing Board of the Antelope Valley Air Quality Management District (AVAQMD) for a two-year term.

SUMMARY: This item reappoints Newton Chelette to remain as the Public Member on the Governing Board for an additional two-year term.

BACKGROUND: The AVAQMD Governing Board is required to appoint a public member (Health & Safety Code §41310(d)). The AVAQMD Governing Board Procedural Rules state such public member shall serve a term of two (2) years commencing on July 1 of the year of appointment or such other period of time as the Governing Board designates in its appointing action.

REASON FOR RECOMMENDATION:

Newton Chelette has served in this capacity for the current two-year term. Mr. Chelette has expressed an interest in continuing to be the public member on the AVAQMD Governing Board for another two-year term.

REVIEW BY OTHERS: This item was reviewed by Allison E. Burns, Special Counsel to the Governing Board as to legal form and by Barbara Lods, Executive Director/APCO on or about June 10, 2024.

FINANCIAL DATA: No increase in appropriation is anticipated.

LEVINE ACT: The Levine Act (Gov. Code Section 84308) prohibits AVAQMD officials from participating in certain decisions regarding licenses, permits, and other entitlements for use if the official has received a campaign contribution of more than \$250 from a party, participant, or agent of a party or participant in the previous 12 months. The Levine Act is intended to prevent financial influence on decisions that affect specific, identifiable persons or participants. For more information see the FPPC website: www.fppc.ca.gov/learn/pay-to-play-limits-and-prohibitions.html

SUBJECT TO THE LEVINE ACT	EXEMPT FROM THE LEVINE ACT
<input type="checkbox"/> Permit, license, or entitlement for use	<input type="checkbox"/> Competitively bid contract
<input type="checkbox"/> Contract or grant	<input type="checkbox"/> Labor or personal employment
	<input checked="" type="checkbox"/> General policy and legislative actions

PRESENTER: Barbara Lods, Executive Director/APCO.

HEALTH AND SAFETY CODE

SECTION 41310-41312

41310. The Antelope Valley district shall be governed by a district board consisting of seven members, as follows:

(a) Two members of the City Council of the City of Lancaster appointed by the city council.

(b) Two members of the City Council of the City of Palmdale appointed by the city council.

(c) Two persons appointed by the member of the Board of Supervisors of the County of Los Angeles who represents a majority of the population of the Antelope Valley district, one of whom may be that supervisor.

(d) A public member who shall be appointed by the members appointed pursuant to subdivisions (a) to (c), inclusive.

41311. Voting by the Antelope Valley district board on the adoption of all items on its agenda shall be by rollcall. Unless any board member objects, a substitute rollcall may be used on any agenda item. For purposes of this requirement, any consent calendar is a single item.

41312. Notice of the time and place of a public hearing of the Antelope Valley district board to adopt, amend, or repeal any rule or regulation relating to an air quality objective shall be given not less than 30 days prior to the hearing and shall be published in each county in the Antelope Valley district in accordance with Section 6066 of the Government Code. The period of notice shall commence on the first day of publication.

**ANTELOPE VALLEY
AIR QUALITY MANAGEMENT DISTRICT
GOVERNING BOARD PROCEDURAL RULES***

Amended: June 21, 2022
Amended: April 21, 2020
Amended: February 14, 2017
Amended: May 20, 2014
Amended: April 16, 2013
Amended: January 17, 2012
Amended: January 18, 2011
Amended: January 15, 2008
Amended: January 17, 2006
Amended: March 18, 2003
Adopted: January 15, 2002

*For related statutory provisions see Health & Safety Code §§41300 et seq., 40700, 40701, 40702.; and Government Code 54950 et seq.

7. Order of Business.

The order of business of Governing Board meetings shall be established by the Governing Board.

8. Unfinished Business.

Any matter the consideration of which has not been completed at any meeting of the Governing Board and which has not been continued or which has not been removed from the agenda shall be listed for consideration at the next regular meeting of the Governing Board.

9. Minutes.

A. Preparation of Minutes.

The Clerk of the Governing Board shall have exclusive responsibility for the preparation of the minutes and any directions for change in the minutes shall be made only by a majority vote of the Governing Board in open session.

B. Reading of the Minutes.

Unless the reading of the minutes of the Governing Board meeting is ordered by the majority vote of the Governing Board, such minutes may be approved without reading if the Clerk of the Governing Board has previously furnished each Governing Board member with a copy.

10. Public Member.

Pursuant to the provisions of Health & Safety Code §41310(d) the Governing Board shall appoint a public member. Such public member shall serve a term of two (2) years commencing on July 1 of the year of appointment or such other period of time as the Governing Board designates in its appointing action.

11. Presiding Officer.

A. Chair as Presiding Officer.

The Chair of the Governing Board shall be the presiding officer at all meetings of the Governing Board.

B. Presiding Officer in Absence of Chair.

In the absence of the Chair, the Vice-Chair shall preside. In the absence of the Chair and the Vice-Chair, the Clerk of the Governing Board shall call the Governing Board to order, whereupon a temporary presiding officer shall be elected by the Governing Board members present to serve until the arrival of the Chair or Vice-Chair or until

**THE ANTELOPE VALLEY AIR QUALITY MANAGEMENT DISTRICT
LANCASTER, CALIFORNIA**

AGENDA ITEM # 6

DATE: June 18, 2024

RECOMMENDATION: 1) Allocate an amount not to exceed \$40,000 of Mobile Source Emission Reduction Program (AB 923) funds to continue the District’s Residential Lawn and Garden Exchange Program; 2) Authorize the Executive Director/APCO the option to change the funding source if warranted or if other applicable sources become available; 3) Authorize the Executive Director/APCO and staff to negotiate target time frames and technical project details and execute agreements, approved as to legal form by Special Counsel to the Governing Board; and 4) Find that the California Environmental Quality Act (CEQA) does not apply to this item.

SUMMARY: This item continues the District’s Residential Annual Lawn and Garden Exchange Program and allocates an amount not to exceed \$40,000 towards the exchange of Lawn and Garden equipment.

BACKGROUND: The District’s Lawn and Garden Equipment Exchange Program began in 2009 as annual exchange events and was limited to lawn mowers only. The purpose of the Program is to bring public awareness to the pollution caused by gasoline-powered lawn mowers and encourage the use of zero-emissions lawn mowers through an incentive program. From 2016 to the present, the District continues to expand the Program by incorporating zero-emissions handheld lawn and garden tools such as leaf blowers, string trimmers, hedge trimmers and other zero emission lawn and garden tools as they become eligible under the program guidelines. In 2018, in addition to annual exchange event(s), the Board approved to extend the Program allowing AV residents the opportunity to exchange anytime. The District’s Residential Lawn and Garden Exchange Program remains a successful program where local residents can receive incentives for replacing their gasoline equipment to zero emissions.

REASON FOR RECOMMENDATION: Governing Board approval is needed for the use of District funds.

REVIEW BY OTHERS: This item was reviewed by Allison Burns, Special Counsel to the Governing Board, as to legal form and by Barbara Lods, Executive Director/APCO on or before June 12, 2024.

FINANCIAL DATA: Sufficient funds are available from the District’s Mobile Source Emission Reductions Program (AB 923) funds.

LEVINE ACT: The Levine Act (Gov. Code Section 84308) prohibits AVAQMD officials from participating in certain decisions regarding licenses, permits, and other entitlements for use if the official has received a campaign contribution of more than \$250 from a party, participant, or agent of a party or participant in the previous 12 months. The Levine Act is intended to prevent financial influence on decisions that affect specific, identifiable persons or participants. For more information see the FPPC website: www.fppc.ca.gov/learn/pay-to-play-limits-and-prohibitions.html

SUBJECT TO THE LEVINE ACT	EXEMPT FROM THE LEVINE ACT
<input type="checkbox"/> Permit, license, or entitlement for use	<input type="checkbox"/> Competitively bid contract
<input checked="" type="checkbox"/> Contract or grant	<input type="checkbox"/> Labor or personal employment
	<input type="checkbox"/> General policy and legislative actions

INTERESTED PARTIES: None

PRESENTER: Julie McKeehan, Grants Analyst

**THE ANTELOPE VALLEY AIR QUALITY MANAGEMENT DISTRICT
LANCASTER, CALIFORNIA**

AGENDA ITEM # 7

DATE: June 18, 2024

RECOMMENDATION: 1) Authorize the acceptance of AB 197 Emission Inventory District Grant Program Funding; 2) Accept the terms and conditions for the funds; 3) Authorize the Executive Director/APCO and staff to execute the agreement, approved as to legal form and carry out related activities to meet the requirements of AB 197; and 4) Find that this item is not a project pursuant to the California Environmental Quality Act.

SUMMARY: This action formally accepts the AB 197 Emission Inventory District Grant Program Funding in the amount of \$8,583.00 to the AVAQMD. This action also accepts the terms and conditions for the funds as appropriated in the Grant Agreement Provisions and approves staff to carry out related activities.

BACKGROUND: On September 8, 2016, the Governor signed into law AB 197. The law creates a legislative committee to oversee regulators, giving lawmakers more say in how climate goals are met. The law pushes the State to take stronger steps to reduce emissions and protect the State's most impacted and disadvantaged communities. This law requires the California Air Resources Board (CARB) to make available, and update annually, on its Internet Web site the emissions of GHG, criteria pollutants, and toxic air contaminants for each facility that reports to CARB and local Air Districts. Emissions data will be based on data provided to CARB by Air Pollution Control and Air Quality Management Districts. AB 197 Emission Inventory District Grant Program provides Air Districts funding for additional resources needed to meet the emission inventory requirements of AB 197.

REASON FOR RECOMMENDATION: CARB requires the Governing Board formally approve District acceptance of the funds and participation in the program.

REVIEW BY OTHERS: This item was reviewed by Allison E. Burns Special Counsel to the Governing Board as to legal form and by Barbara Lods, Executive Director/APCO on or before June 10, 2024.

FINANCIAL DATA: AB 197 Emissions Inventory Grant are supplementary to the AVAQMD budget.

LEVINE ACT: The Levine Act (Gov. Code Section 84308) prohibits AVAQMD officials from participating in certain decisions regarding licenses, permits, and other entitlements for use if the official has received a campaign contribution of more than \$250 from a party, participant, or agent of a party or participant in the previous 12 months. The Levine Act is intended to prevent financial influence on decisions that affect specific, identifiable persons or participants. For more information see the FPPC website: www.fppc.ca.gov/learn/pay-to-play-limits-and-prohibitions.html

SUBJECT TO THE LEVINE ACT	EXEMPT FROM THE LEVINE ACT
<input type="checkbox"/> Permit, license, or entitlement for use	<input type="checkbox"/> Competitively bid contract
<input checked="" type="checkbox"/> Contract or grant	<input type="checkbox"/> Labor or personal employment
	<input type="checkbox"/> General policy and legislative actions

INTERESTED PARTIES: None

PRESENTER: Julie McKeehan, Grants Analyst

**ANTELOPE VALLEY AIR QUALITY MANAGEMENT DISTRICT
LANCASTER, CALIFORNIA**

AGENDA ITEM # 8

DATE: June 18, 2024

RECOMMENDATION: Conduct Continued Public Hearing to consider the proposed AVAQMD Budget for FY 2024-25: a. Re-Open the continued public hearing; b. Receive supplemental staff report and/or staff update; c. Receive public testimony; d. Close public hearing; e. Find that the California Environmental Quality Act (CEQA) does not apply to this item; f. Adopt a resolution approving and adopting the budget for FY 2024-2025.

SUMMARY: The AVAQMD Budget for Fiscal Year 2024-2025 is presented to the Governing Board for adoption and implementation beginning July 1, 2024.

BACKGROUND: 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, 2024 and continued to this meeting.

The budget includes anticipated revenue to be derived from a proposed 5% fee increase. The fee increase is well within the provisions of Health & Safety Code §42311(a) and falls within the exemption found in Article XIII C §1(e)(3) of the California Constitution.

REASON FOR RECOMMENDATION: 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 agenda item was approved as to legal form by Allison E. Burns, Special Counsel to the Governing Board on or before June 12, 2024.

FINANCIAL DATA: There is no additional financial impact resulting from this presentation and public hearing.

**ANTELOPE VALLEY AIR QUALITY MANAGEMENT DISTRICT
LANCASTER, CALIFORNIA**

AGENDA ITEM # 8

LEVINE ACT: The Levine Act (Gov. Code Section 84308) prohibits AVAQMD officials from participating in certain decisions regarding licenses, permits, and other entitlements for use if the official has received a campaign contribution of more than \$250 from a party, participant, or agent of a party or participant in the previous 12 months. The Levine Act is intended to prevent financial influence on decisions that affect specific, identifiable persons or participants. For more information see the FPPC website: www.fppc.ca.gov/learn/pay-to-play-limits-and-prohibitions.html

SUBJECT TO THE LEVINE ACT	EXEMPT FROM THE LEVINE ACT
<input type="checkbox"/> Permit, license, or entitlement for use	<input type="checkbox"/> Competitively bid contract
<input type="checkbox"/> Contract or grant	<input type="checkbox"/> Labor or personal employment
	<input checked="" type="checkbox"/> General policy and legislative actions

PRESENTER: Barbara Lods, Executive Director/APCO

RESOLUTION NO. 24-03

A RESOLUTION OF THE GOVERNING BOARD OF THE ANTELOPE VALLEY AIR QUALITY MANAGEMENT DISTRICT APPROVING AND ADOPTING THE PROPOSED OPERATING BUDGET FOR FISCAL YEAR 2024-25.

On June 18, 2024, on motion by Member _____, seconded by Member _____, and carried, the following resolution is adopted:

WHEREAS, the Air Pollution Control Officer has submitted to the Governing Board an annual budget for the Antelope Valley Air Quality Management District (AVAQMD) for the fiscal year 2024-25; and

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

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

WHEREAS, a separate Public Hearing for the exclusive purpose of reviewing the budget and taking public comment, as required by Health and Safety Code §40131(a)(3), was held on May 21, 2024 and continued to June 18, 2024; and

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

WHEREAS, the expenses budgeted for all funds for fiscal year 2024-25 are \$4,902,637 (Four Million, Nine Hundred Two, Six Hundred Thirty-Seven); and

WHEREAS, the revenue budgeted from all funds for fiscal year 2024-25 is \$4,946,137 (Four Million, Nine Hundred Forty-Six Thousand, One Hundred Thirty-Seven); and

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

RESOLUTION NO. 24-03

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
23
24
25
26
27
28

NOW, THEREFORE, BE IT RESOLVED, by the AVAQMD Governing Board, the following:

The Air Pollution Control Officer, or designee, is authorized and hereby directed to execute the initial and final applications for potential State subvention funds and CAP funds for Fiscal Year 2024-25.

The annual budget for the AVAQMD for the fiscal year 2024-25 is hereby approved and adopted, and the amounts of proposed expenditures, as specified, are appropriate for the account classifications as herein specified.

A. The 2024-25 Budget for expenses is hereby adopted, establishing the following:

<u>ACCOUNT CLASSIFICATION</u>	<u>2024-25 ADOPTED BUDGET</u>
Personnel Expenses	\$1,255,000
Operating Expenses	\$355,850
Program Expenses	\$3,291,787
TOTAL EXPENSE BUDGET	\$4,902,637

B. The 2024-25 Budget for revenue is hereby adopted, establishing a revenue base for the expenditures noted above:

<u>ACCOUNT CLASSIFICATION</u>	<u>2024-25 ADOPTED BUDGET</u>
Permit Fees	\$1,523,300
Application Fees	\$35,000
Fines & Penalties	\$10,000
Interest Income	\$45,000
Revenue from (Grant) Programs	\$1,212,908
Federal and State Revenue	\$2,119,929
TOTAL REVENUE BUDGET	\$4,946,137
Cash to/from Reserve	\$43,500
Committed Fund Balance for Cash Reserves	\$1M

RESOLUTION NO. 24-03

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
22
23
23
24
25
26
27
28

Pursuant to Section 53901 of the California Government Code, a copy of this resolution shall be filed with the Auditor of the County of Los Angeles, as required.

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

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

AYES: MEMBER:
NOES: MEMBER:
ABSENT: MEMBER:
ABSTAIN: MEMBER:

STATE OF CALIFORNIA)
)
) ss:
COUNTY OF LOS ANGELES)

I, Adrianna Castaneda, Executive Assistant 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 at its meeting of June 18, 2024.

Executive Assistant,
Antelope Valley Air Quality Management District.



**Proposed
BUDGET**

FISCAL YEAR 2024-25

JULY 1, 2024

Antelope Valley Air Quality Management District
2551 West Avenue H, Lancaster, CA 93536
Barabara Lods, Executive Director/ APCO





Antelope Valley Air Quality Management District

2551 West Avenue H Lancaster, CA 93536

661-723-8070

www.avaqmd.ca.gov

Barbara Lods, Executive Director

May 21, 2024

It is my pleasure to present for your consideration, the Antelope Valley Air Quality Management District's proposed Fiscal Year (FY) 2024-2025 General Fund Budget and Grant Programs. This budget is designed to serve as the financial plan for the District's programs, projects, and policies. It reflects the District's commitment to long-term financial planning, cost-effective services, and fiscal policies that recognize the need to fund future obligations.

The proposed budget for Fiscal Year 2025 reflects a cautious financial strategy designed to ensure the District's ongoing success. This approach involves careful consideration of revenue projections, expenditure allocations, and financial reserves to safeguard the District's financial stability and operational efficiency. By prioritizing careful planning and responsible resource management, the budget aims to mitigate risks, capitalize on opportunities, and maintain the District's commitment to fulfilling its mission effectively and sustainably.

The Antelope Valley AQMD is staffed with 6 full time equivalents including one vacant FTE. Additional administrative and technical services are provided through our contract for services with the City of Lancaster.

A Public Hearing will be held May 21, 2024 to receive public comments concerning this proposed budget and will be continued to June 16, 2024 for adoption. The FY25 Budget represents a financial strategy designed to meet this year's obligations and challenges, efficiently and transparently, while maintaining sensitivity towards industry and the general public.

Barbara Lods

Barbara Lods
Executive Director/Air Pollution Control Officer

ABOUT THE AVAQMD

INTRODUCTION

The Antelope Valley Air Quality Management District (AVAQMD) relies on community involvement to educate industry, businesses and individuals about current air quality regulations to ensure compliance with local, state and federal regulations through annual inspections. The District approaches air quality regulations in a manner that is responsive, accessible and relatable. Growth and new programs require the District to continue to streamline government, become more efficient, and conserve resources without limiting or decreasing the service provided to the regulated community.

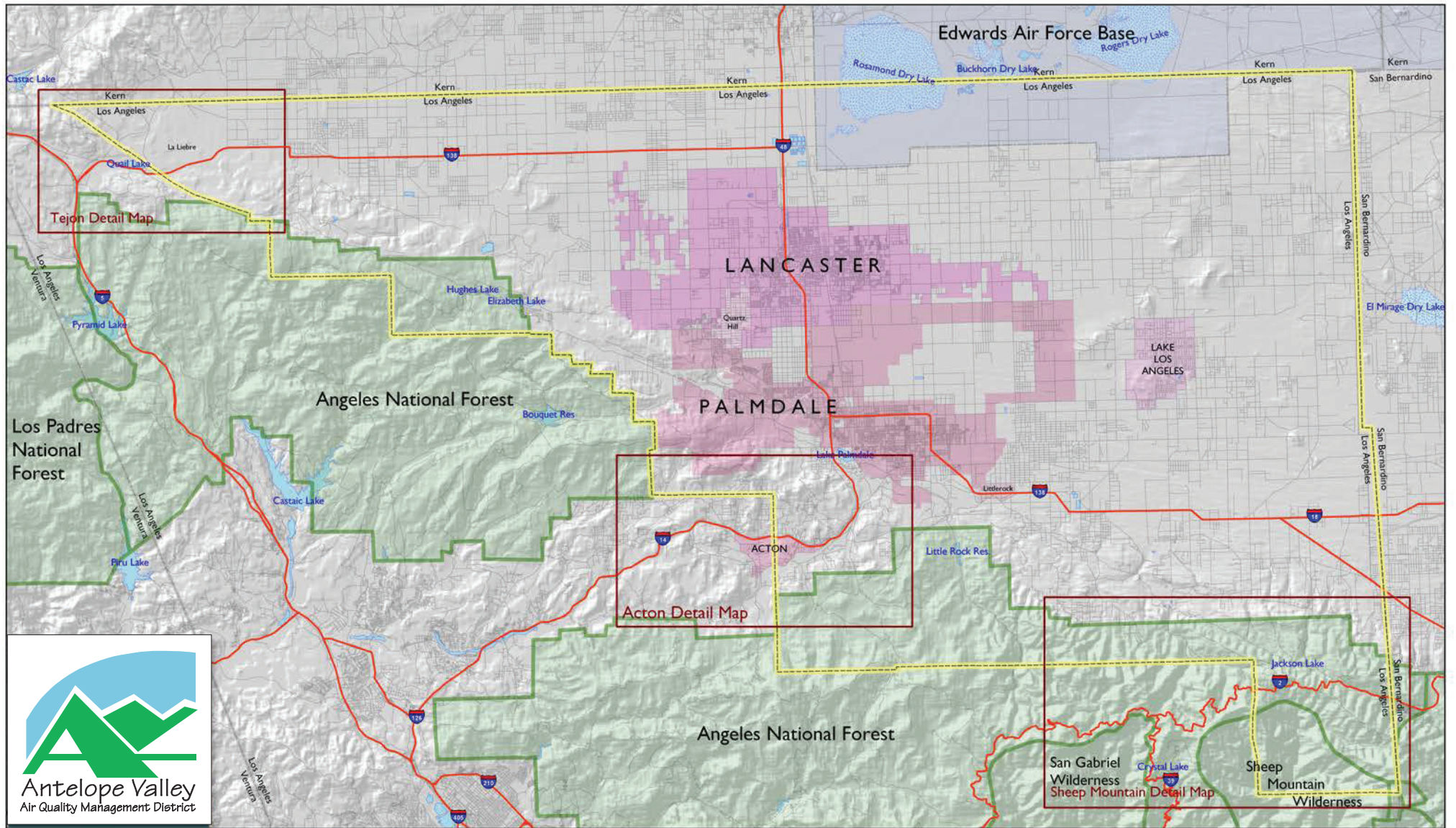
AVAQMD WEBSITE

Educating the community is the most important investment the District can make to impact the future of air quality in the region. Using technology and social media, the District is able to reach the public with the latest version of the District rulebook, application for permits, various forms, and air quality information; forecasts, ozone maps and real time air quality data is provided in real time via the AVAQMD air monitoring station.

COMMUNITY OUTREACH

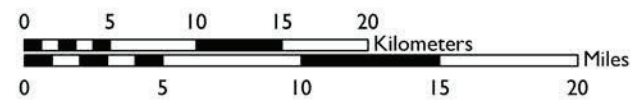
The District strives to be known as a partner in the development of a sustainable local economy that values health and environmental conservation. This is achieved by providing information through involvement in community events such as the Antelope Valley Economic Development and Growth Enterprise's Business Outlook Conference, school education programs, attendance at regular meetings held by City Councils, local business and organizations.

The District lies within the northern part of Los Angeles County, with boundaries starting to the south just outside of Acton, north to the Kern County line, east to the San Bernardino County line, and west to the Quail Lake area. The AVAQMD is located within the Mojave Desert Air Basin.



- Edwards Air Force Base
- National Forest
- Air Quality Management District Border
- Bodies of Water
- Dry Lakes
- Highways
- Roads
- County Lines

Antelope Valley Air Quality Management District Boundary





GOVERNING BOARD

Chair

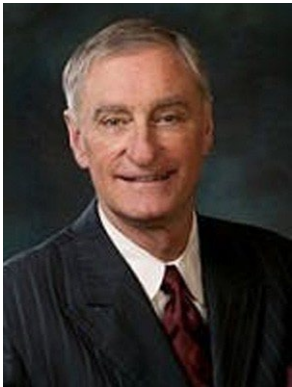


Marvin Crist
City of Lancaster

VICE CHAIR



Austin Bishop
City of Palmdale



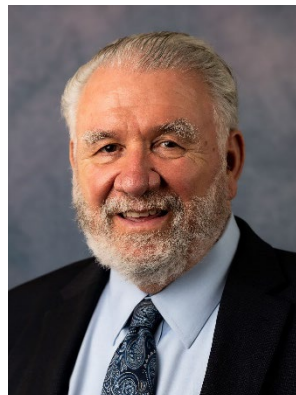
Newton Chelette
Public Member



Howard Harris
*Los Angeles County,
Fifth District*



Ron Hawkins
*Los Angeles County,
Fifth District*



Richard Loa
City of Palmdale



Ken Mann
City of Lancaster

WHAT WE DO

- ❖ Adopt rules that limit pollution, issue permits to ensure compliance, and inspect pollution sources.
- ❖ Administer agricultural burning and dust plans to preserve the air quality in Antelope Valley, protect public health and safety, and to ensure agricultural activity continues in a safe regulated fashion.
- ❖ Inventory and assess the health risks of toxic air emissions.
- ❖ Monitor the county's air quality through the use of an air quality monitoring station.
- ❖ Administer the Motor Vehicle Emission Reduction Program funding projects which reduce air pollution from motor vehicles, and for related planning, monitoring, and enforcement activities.
- ❖ Prepare Clean Air Plans to identify how much pollution is in our air, where it comes from, and how to control it most effectively.
- ❖ Analyze the air quality impact of new businesses and land development projects. Respond to public complaints and inquiries.
- ❖ Work with other government agencies to ensure their decisions & coordinate with good air quality programs.
- ❖ Help individuals and businesses understand and comply with federal, state, and local air pollution control laws.
- ❖ Inform the public about air quality conditions and health implications.
- ❖ Issue permits to build, alter, and operate equipment to companies under our jurisdiction that either cause, contribute to, or control air pollution

Antelope Valley AQMD
ALL FUNDS, Consolidated

	Budget FY 2024	EOY Estimate FY 2024	Budget FY 2025
<u>Revenues</u>			
Permit Fees	1,353,600	1,446,816	1,523,300
Application Fees	32,325	71,493	35,000
Federal Revenue	63,982	10,799	0
Fines & Penalties	10,000	58,753	10,000
Interest Income	10,000	65,470	45,000
Revenue from Programs	874,064	584,540	1,212,908
State Revenue	1,604,523	313,451	2,119,929
Total Revenues	3,948,494	2,551,322	4,946,137
<u>Expenses</u>			
Personnel Expenses			
Program Staff	1,828,647	842,378	1,255,000
Total Personnel Expenses	1,828,647	842,378	1,255,000
Operating Expenses			
Communications	22,000	21,310	27,150
Dues & Subscriptions	36,100	29,894	36,500
Non-Depreciable Inventory	18,500	2,359	5,500
Legal	53,000	50,454	55,000
Professional Services	253,400	52,932	145,200
Maintenance & Repairs	2,000	28	0
Training & Travel	12,000	248	2,000
Vehicles	21,000	12,828	18,000
Office Expenses	109,800	38,019	66,000
Program Expenses	1,404,809	641,494	3,291,787
Miscellaneous Expenses	1,000	220	500
Total Operating Expenses	1,933,609	849,786	3,647,637
Capital Expenses			
Equipment	50,000	14,819	0
Vehicles	30,000	0	0
Software	25,000	20,360	0
Total Capital Expenses	105,000	35,179	0
Total Expenses	3,867,256	1,727,343	4,902,637
Cash To (From) Reserves	81,238	823,979	43,500

COST RECOVERY FISCAL YEAR 2024-25

BACKGROUND

The District is responsible for protecting public health and the environment by maintaining health-based national and state ambient air quality standards which help with reducing public exposure to toxic air contaminants within our District. Fulfilling this task involves reducing emissions from sources of regulated air pollutants, and maintaining these emission reductions over time.

The District regulates and inventories criteria and toxic emissions and conducts regional scale air quality monitoring within our District boundaries. The District's air quality programs are primarily funded by revenue from regulatory fees, government grants and subvention.

OBJECTIVES

The cost of addressing air pollution should fall directly on the individuals and businesses who cause air pollution, which can be achieved through regulatory and service fees. The primary authority for recovering the cost of District programs and activities related to stationary sources is given in Section 41240 of the Health and Safety Code (HSC). Using this guideline, the District must:

- Recover the costs of programs related to permitted stationary sources
- Recover the costs of programs related to area-wide and indirect sources of emissions which are regulated, but for which permits are not issued
- Recover the costs of certain Hearing Board proceedings
- Recover the costs related to programs that regulate toxic air contaminants

STUDY METHODOLOGY

The measure of the revenue that may be recovered through source fees is the full cost of all programs related to these sources, including all direct program costs, a commensurate share of indirect program costs, and overhead unless otherwise funded. It is the District's practice that such fees are valid so long as they do not exceed the reasonable cost of the service or regulatory program for which the fee is charged, and are apportioned such that the costs allocated to each source bears a fair or reasonable relationship to its burden on, and benefits from, the regulatory system.

Cost accounting involves determining, gathering, and assigning the costs of District programs. It starts with an accounting system that directly assigns costs to their respective centers. By categorizing each cost to its center, we can determine if program revenues are enough to cover their costs.

Costs are classified as direct, indirect or overhead.

Direct costs are linked directly to a specific program or activity, like permitting activities. Indirect costs, on the other hand, are not directly tied to a specific program, such as administrative tasks or professional services. Overhead costs are essential for the overall operation of the District but aren't directly linked to any particular program or activity, like operating expenses.

Each year, the District sets its direct, indirect, and overhead rates using the audited financial data from the previous fiscal year. These rates help determine, in accordance with generally accepted accounting principles, how costs are proportionally allocated to each program.

The cost recovery process ensures that the revenue generated by each program covers its expenses sufficiently. Using cost accounting, we examine Permit Revenue and other programs to ensure accuracy, appropriateness, and proper controls. Additionally, we assess the necessity for and calculate the rate of fee increases for our Permitting Program to achieve 100% cost recovery.

Antelope Valley AQMD
GENERAL FUND, Consolidated

	Budget FY 2024	EOY Estimates FY 2024	Budget FY 2025
<u>Revenues</u>			
Permit Fees	1,353,600	1,446,816	1,523,300
Application Fees	32,325	71,493	35,000
Federal Revenue	63,982	10,799	0
Fines & Penalties	10,000	58,753	10,000
Interest Income	10,000	65,470	45,000
Revenue from Programs	874,064	584,540	1,212,908
State Revenue	1,604,523	313,451	2,119,929
Total Revenues	3,948,494	2,551,322	4,946,137
<u>Expenses</u>			
Personnel Expenses			
Program Staff	1,828,647	842,378	1,255,000
Total Personnel Expenses	1,828,647	842,378	1,255,000
Operating Expenses			
Communications	22,000	21,310	27,150
Dues & Subscriptions	36,100	29,894	36,500
Non-Depreciable Inventory	18,500	2,359	5,500
Legal	53,000	50,454	55,000
Professional Services	253,400	52,932	145,200
Maintenance & Repairs	2,000	28	0
Training & Travel	12,000	248	2,000
Vehicles	21,000	12,828	18,000
Office Expenses	109,800	38,019	66,000
Program Expenses	1,404,809	641,494	3,291,787
Miscellaneous Expenses	1,000	220	500
Total Operating Expenses	1,933,609	849,786	3,647,637
Capital Expenses			
Equipment	50,000	14,819	0
Vehicles	30,000	0	0
Software	25,000	20,360	0
Total Capital Expenses	105,000	35,179	0
Total Expenses	3,867,256	1,727,343	4,902,637
Cash To (From) Reserves	81,238	823,979	43,500

GENERAL FUND

REVENUE

With the economy improving post-COVID, our cost recovery process ensures that each program's revenue adequately covers its expenses. We closely examine Permit Revenue and other programs to ensure accuracy, appropriateness, and effective controls. Additionally, we assess the necessity for and calculate the rate of fee increases for our Permitting Program to achieve 100% cost recovery.

This budget comprises a financial overview of all revenues, expenditures, and staffing allocated to each of Antelope Valley AQMD's programs. These resources are utilized to deliver vital services aimed at improving air quality and safeguarding the health of all residents in the Antelope Valley

Recommendations include an increase to Regulation III, Fees, by proposing an 5.0% fee increase effective January 1, 2025.

EXPENSES

The Antelope Valley Air Quality Management District is in a five-year contract for services with the City of Lancaster. Administrative and operational services were contracted in order to meet the regulatory responsibilities of an air quality management district for compensation consistent with all applicable laws and regulations.

Antelope Valley AQMD
GENERAL FUND, Revenue Detail

	<u>Budget FY 2024</u>	<u>EOY Estimate FY 2024</u>	<u>Budget FY 2025</u>
Revenues			
Permit Fees			
Permit Fees Rev	1,208,600	1,327,290	1,274,300
Asbestos Demo/Reno Rev	90,000	77,907	75,000
Title V Rev	5,000	6,677	4,000
Permit Fee Adjustments	0	(31,494)	0
Rule 302	50,000	66,436	170,000
	<u>1,353,600</u>	<u>1,446,816</u>	<u>1,523,300</u>
Application Fees			
New Source Review Fees	0	8,667	0
Permit Application Fees	32,000	62,393	35,000
AG Application Fees	325	433	0
	<u>32,325</u>	<u>71,493</u>	<u>35,000</u>
Fines & Penalties			
Notice of Violations Fee	10,000	58,753	10,000
	<u>10,000</u>	<u>58,753</u>	<u>10,000</u>
Interest Income			
Interest Revenue	10,000	65,470	45,000
	<u>10,000</u>	<u>65,470</u>	<u>45,000</u>
Other Revenue			
Revenue from Programs			
Administrative Funding	187,064	42,450	611,858
AB2766 Program	650,000	540,970	600,000
AB923 Program	36,000	0	0
Hot Spots	1,000	1,120	1,050
	<u>874,064</u>	<u>584,540</u>	<u>1,212,908</u>
State and Federal Revenue			
PERP Regulation	35,000	52,676	40,000
State Contracts	1,467,523	91,574	1,959,929
State Subvention	102,000	169,201	120,000
ARB PM 2.5 Section 103	63,982	10,799	0
	<u>1,668,505</u>	<u>324,250</u>	<u>2,119,929</u>
Total General Fund Revenues	<u>3,948,494</u>	<u>2,551,322</u>	<u>4,946,137</u>

AVAQMD PROGRAMS

COMUNICATIONS

The Antelope Valley Air Quality Management District conducts public information and education initiatives aimed at educating businesses and residents in the Antelope Valley region about air pollution. These programs cover its sources, human health effects, environmental damage, and the various District programs available to mitigate air emissions.

The programs target many audiences: academia, the general adult population, elementary to college level students, as well as business and industry. This information uses public workshops, conferences, presentations, social media and other multimedia promotions. In addition, air quality forecasts are provided as a means of keeping the public informed.

AIR QUALITY MONITORING PROGRAM

The District operates an ambient air monitoring and meteorological network that tracks air quality trends within the Antelope Valley region. The station is an active 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. This data is 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.

STATIONARY SOURCES

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 the potential to emit specific air contaminants. The wide range of requirements applied depends on the type and size of the proposed project.

District staff provides technical reviews of various documents, such as permit applications, manufacturer's data, test reports, risk assessments, and emission inventory.

The District implements and manages:

- ❖
- ❖ Title III & V Programs. The Title III program is the federal toxic program specifically for Title V facilities. Title V (EPA Regulation) 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) for sources of a certain capacity.
- ❖ Emissions Inventory. This program maintains an active inventory of the sources of criteria air pollutants within the District and 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) This program assesses the amounts, types and health impacts of air toxics produced from stationary sources.

COMPLIANCE

- ❖ 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 annual inspections performed to verify compliance to air quality regulations and permit requirements. 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 or stack sampling is the process that evaluates the emissions for industrial facilities to determine compliance with permit conditions.

PLANNING & RULE MAKING

The District promulgates rules and plans in accordance with State and Federal planning requirements in order to achieve and maintain regional compliance with the ambient air quality standards. Planning staff serve as the District liaison with regional, State and Federal governments, ensuring District compliance with applicable requirements. Planning staff also performs California Environmental Quality Act (CEQA) review 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, in the California Clean Air Act and subsequent state legislation. This program currently focuses on the California ozone standard
- ❖ National Ambient Air Quality Standards (NAAQS) in the Federal Clean Air Act, the Clean Air Act Amendments and subsequent Federal legislation. This program currently focuses on the National eight-hour ozone standard and the National 24-hour annual PM10 and PM 2.5 standards.
- ❖ Federal General and Transportation Conformity, entailing regional project review and comment
- ❖ California Environmental Quality Act (CEQA), requiring local and regional project review.

Antelope Valley AQMD
DISTRICT WIDE, Expense Detail

	<u>Budget FY 2024</u>	<u>EOY Estimate FY 2024</u>	<u>Budget FY 2025</u>
Expenses			
Personnel Expenses			
Operating Expenses			
Communications			
Telephones	0	4,811	5,000
Long Distance Charges	500	420	500
Video/Teleconference	500	200	150
Internet	0	2,866	3,000
Web Hosting	3,000	3,320	3,500
Tech Support	11,000	13,440	15,000
Computers	7,000	(3,747)	0
	<u>22,000</u>	<u>21,310</u>	<u>27,150</u>
Dues & Subscriptions			
Memberships & Sponsorships	35,000	29,520	35,000
Publications & Subscriptions	500	374	500
Professional Dues	600	0	1,000
	<u>36,100</u>	<u>29,894</u>	<u>36,500</u>
Non-Depreciable Inventory			
Furniture & Fixtures Exp	7,500	0	5,000
Machinery & Equipment Exp	10,000	2,147	0
Safety Equipment Exp	1,000	212	500
	<u>18,500</u>	<u>2,359</u>	<u>5,500</u>
Legal			
Legal Notices	3,000	7,543	5,000
Legal Services	50,000	42,911	50,000
	<u>53,000</u>	<u>50,454</u>	<u>55,000</u>
Professional Services			
Financial Services	0	5,726	15,000
Consulting Fees	25,000	0	0
Stipends	8,400	7,200	8,400
Miscellaneous	0	(448)	0
	<u>33,400</u>	<u>12,478</u>	<u>23,400</u>
Maintenance & Repairs			
General Bldg. Maintenance	0	28	0
Equipment Repair	2,000	0	0
	<u>2,000</u>	<u>28</u>	<u>0</u>
Training & Travel			
Training	5,000	(69)	1,000
Travel	7,000	317	1,000
	<u>12,000</u>	<u>248</u>	<u>2,000</u>

Antelope Valley AQMD
DISTRICT WIDE, Expense Detail

	<u>Budget FY 2024</u>	<u>EOY Estimate FY 2024</u>	<u>Budget FY 2025</u>
Vehicles			
Vehicle Gas & Oil	10,000	5,965	5,000
Vehicle Maintenance	2,000	1,494	2,000
Vehicle Repairs	3,000	5,369	5,000
Vehicle Insurance	6,000	0	6,000
	<u>21,000</u>	<u>12,828</u>	<u>18,000</u>
Office Expenses			
Software	25,000	17,031	25,000
Utilities	8,500	142	0
Supplies	3,000	4,166	5,000
Facility Leases	35,000	0	0
Equipment Lease	5,000	5,336	6,000
Postage	2,000	(13)	2,000
Courier	300	636	1,000
Printing/Shredding Services	0	845	0
Liability Insurance	14,000	0	15,000
Meeting Expenses	2,000	816	2,000
Community Relations	15,000	9,060	10,000
	<u>109,800</u>	<u>38,019</u>	<u>66,000</u>
Program Expenses			
Program Expenditures	1,404,809	641,494	2,079,929
Program Expenditures Administrative	0	0	1,211,858
	<u>1,404,809</u>	<u>641,494</u>	<u>3,291,787</u>
Miscellaneous Expenses			
Bank Fees	1,000	220	500
	<u>1,000</u>	<u>220</u>	<u>500</u>
Total Operating Expenses	<u>1,713,609</u>	<u>809,332</u>	<u>3,525,837</u>
Capital Expenses			
Equipment	50,000	14,819	0
Vehicles	30,000	0	0
Software	25,000	20,360	0
Total Capital Expenses	<u>105,000</u>	<u>35,179</u>	<u>0</u>
Total Expenses	<u>1,818,609</u>	<u>844,511</u>	<u>3,525,837</u>

SUPPORT STAFF

EXECUTIVE SERVICES

The Executive Office oversees all District operations and programs and is accountable to the Governing Board. This includes 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 six members, meets as needed and members may receive \$100.00 stipend per meeting plus travel expenses.

LEGAL COUNSEL

Special Counsel to the Governing Board serves as general legal counsel to the Governing Board, the Air Pollution Control Officer and the District, providing general public agency legal services regarding the Brown Act, the Political Reform Act, California Environmental Quality Act, as well as the Administrative Code, contracts, personnel matters, civil actions, and related litigation.

District Counsel also provides 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 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.

**Antelope Valley AQMD
CONTRACT, Expense Detail**

	Budget FY 2024	EOY Estimate FY 2024	Budget FY 2025
Expenses			
Personnel Expenses			
Program Staff	1,828,647	842,378	1,255,000
Total Personnel Expenses	1,828,647	842,378	1,255,000
Operating Expenses			
Communications			
Dues & Subscriptions			
Non-Depreciable Inventory			
Legal			
Professional Services			
Financial Services	220,000	40,454	121,800
	220,000	40,454	121,800
Maintenance & Repairs			
Training & Travel			

**Antelope Valley AQMD
CONTRACT, Expense Detail**

	<u>Budget FY 2024</u>	<u>EOY Estimate FY 2024</u>	<u>Budget FY 2025</u>
Vehicles			
Office Expenses			
Program Expenses			
Miscellaneous Expenses			
Total Operating Expenses	<u>220,000</u>	<u>40,454</u>	<u>121,800</u>
Capital Expenses			
Total Expenses	<u><u>2,048,647</u></u>	<u><u>882,832</u></u>	<u><u>1,376,800</u></u>

THE CONTRACT – CITY OF LANCASTER

CONTRACTED SERVICES

The City of Lancaster provides Human Resources services, as well as Finance and Technology support

TERMS AND CONDITIONS

The Antelope Valley Air Quality Management District contracts with the City of Lancaster for administrative services as necessary to enable AVAQMD to meet the regulatory and legislative responsibilities of an air quality management district for compensation consistent with all applicable laws and regulations.

This agreement is pursuant to the provisions of Title 1, Division 7, Chapter 5, Article 1 of the California Government Code (commencing with §6500).

CONTRACT HOURS

The Antelope Valley AQMD office located in Lancaster, CA is staffed by 6 full time equivalents (FTE) with one vacant FTE.

AVAQMD GRANTS

AB2766

The District's air quality programs are primarily funded by revenue from regulatory fees, government grants and subventions. The AB2766 program is funded through a \$4 (four dollar) assessment collected by the California Department of Motor Vehicles on motor vehicle registrations and disbursed to the District on a monthly basis. Calls for projects, eligibility determinations, and Governing Board award are all part of the process that make funds available for qualified emission reduction projects.

AB923

The District regulates and inventories criteria and toxic emissions and conducts regional scale air quality monitoring within our jurisdictional boundaries. Funds collected under AB923 allows air districts that are non- attainment to adopt an additional \$2 (two dollar) surcharge on motor vehicle registration fees to be used for qualified emission reduction projects

The use of the 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, alternative fuel and electric infrastructure for and unregulated agricultural sources.

CARL MOYER

The Carl Moyer grant program provides incentives for cost-effective and surplus emission reductions to be credited toward California's legally enforceable obligations in the State Implementation Plan (SIP) – California's road map for attaining health-based national ambient air quality standards.

Carl Moyer Grant Program Funds are distributed by the California Air Resources Board for projects awarded to qualifying applicants on a formula basis according to specific criteria and cost effectiveness.

AB134

The AB134 grant program provides incentives to obtain early or extra emission reductions, especially from emission sources in minority and low- income communities and areas disproportionately impacted by air pollution. Incentives encourage customers to purchase cleaner technologies, and stimulate the marketplace to manufacture cleaner technologies.

AB134 grant program is distributed by the California Air Resources Board for projects that are awarded to qualifying applicants on a formula basis according to specific criteria and cost effectiveness

Antelope Valley AQMD
Program Funds Consolidated GRANT PROGRAMS

	Budget FY 2024	EOY Estimate FY 2024	Budget FY 2025
<u>Revenues</u>			
Administrative Funding	169,019	0	0
AB2766 Program	620,000	540,808	600,000
Carl Moyer Program AB134	1,183,134	906,967	1,169,166
AB923 Program	572,000	507,058	600,000
Total Consolidated Program Revenue	2,544,153	1,954,833	2,369,166
<u>Expenses</u>			
Program Expenditures	2,375,134	1,568,296	2,369,166
Program Expenditures Administrative	169,019	0	0
Total Consolidated Program Expense	2,544,153	1,568,296	2,369,166

Antelope Valley AQMD
Program Funds AB2766 GRANT PROGRAMS

	<u>Budget FY 2024</u>	<u>EOY Estimate FY 2024</u>	<u>Budget FY 2025</u>
<u>Revenues</u>			
AB2766 Program	<u>620,000</u>	<u>540,808</u>	<u>600,000</u>
Total AB2766 Program Revenue	620,000	540,808	600,000
<u>Expenses</u>			
Program Expenditures	<u>620,000</u>	<u>351,792</u>	<u>600,000</u>
Total AB2766 Program Expense	620,000	351,792	600,000

Antelope Valley AQMD
Program Funds AB923 GRANT PROGRAMS

	<u>Budget FY 2024</u>	<u>EOY Estimate FY 2024</u>	<u>Budget FY 2025</u>
<u>Revenues</u>			
AB923 Program	<u>572,000</u>	<u>507,058</u>	<u>600,000</u>
Total AB923 Program Revenue	572,000	507,058	600,000
<u>Expenses</u>			
Program Expenditures	<u>572,000</u>	<u>252,737</u>	<u>600,000</u>
Total AB923 Program Expense	572,000	252,737	600,000

Antelope Valley AQMD
Program Funds Carl Moyer GRANT PROGRAMS

	<u>Budget FY 2024</u>	<u>EOY Estimate FY 2024</u>	<u>Budget FY 2025</u>
<u>Revenues</u>			
Administrative Funding	169,019	0	0
Carl Moyer Program	<u>1,183,134</u>	<u>906,967</u>	<u>1,169,166</u>
Total Carl Moyer Program Revenue	1,352,153	906,967	1,169,166
<u>Expenses</u>			
Program Expenditures	1,183,134	963,767	1,169,166
Program Expenditures	<u>169,019</u>	<u>0</u>	<u>0</u>
Total Carl Moyer Program Expense	1,352,153	963,767	1,169,166

Antelope Valley AQMD

ALL FUNDS, Consolidated Historical

	Budget FY 2021	Budget FY 2022	Budget FY 2023	Budget FY 2024	Budget FY 2025
Revenues					
Permit Fees	971,500	1,047,500	1,199,200	1,303,600	1,353,300
Application Fees	41,500	30,500	32,500	32,325	35,000
Federal Revenue	0	0	63,982	63,982	0
Fines & Penalties	63,000	10,000	10,000	60,000	185,000
Interest Income	30,000	15,000	10,000	10,000	45,000
Revenue from Programs	659,300	731,400	934,045	874,064	1,212,908
State Revenue	169,500	1,096,000	1,446,315	1,604,523	2,119,929
Total Revenues	1,934,800	2,930,400	3,696,042	3,948,494	4,951,137
Expenses					
Personnel Expenses					
Salaries & Wages	1,425,175	1,389,000	1,800,000	1,828,647	1,255,000
Total Personnel Expenses	1,425,175	1,389,000	1,800,000	1,828,647	1,255,000
Operating Expenses					
Communications	18,500	21,050	35,870	22,000	27,150
Dues & Subscriptions	46,100	46,650	21,100	36,100	36,500
Non-Depreciable Inventory	1,000	2,300	10,500	18,500	5,500
Legal	19,000	44,000	79,000	53,000	55,000
Professional Services	217,400	230,150	305,150	253,400	145,200
Maintenance & Repairs	6,500	6,500	7,000	2,000	0
Training & Travel	12,150	15,150	16,650	12,000	2,000
Vehicles	5,500	7,900	15,930	21,000	18,000
Office Expenses	97,475	110,125	132,761	109,800	66,000
Program Expenses	0	1,000,000	1,264,315	1,404,809	3,291,787
Miscellaneous Expenses	1,000	2,900	2,900	1,000	500
Total Operating Expenses	424,625	1,486,725	1,891,176	1,933,609	3,647,637
Capital Expenses					
Equipment	40,000	25,000	25,000	50,000	0
Vehicles	20,000	0	0	30,000	0
Software	25,000	25,000	25,000	25,000	0
Total Capital Expenses	85,000	50,000	50,000	105,000	0
Total Expenses	1,934,800	2,925,725	3,741,176	3,867,256	4,902,637

Antelope Valley AQMD

GENERAL FUND, Consolidated Historical

	Budget FY 2021	Budget FY 2022	Budget FY 2023	Budget FY 2024	Budget FY 2025
Revenues					
Permit Fees	971,500	1,047,500	1,199,200	1,303,600	1,353,300
Application Fees	41,500	30,500	32,500	32,325	35,000
Federal Revenue	0	0	63,982	63,982	0
Fines & Penalties	63,000	10,000	10,000	60,000	185,000
Interest Income	30,000	15,000	10,000	10,000	45,000
Revenue from Programs	659,300	731,400	934,045	874,064	1,212,908
State Revenue	169,500	1,096,000	1,446,315	1,604,523	2,119,929
Total Revenues	1,934,800	2,930,400	3,696,042	3,948,494	4,951,137
Expenses					
Personnel Expenses					
Salaries & Wages	1,425,175	1,389,000	1,800,000	1,828,647	1,255,000
Total Personnel Expenses	1,425,175	1,389,000	1,800,000	1,828,647	1,255,000
Operating Expenses					
Communications	18,500	21,050	35,870	22,000	27,150
Dues & Subscriptions	46,100	46,650	21,100	36,100	36,500
Non-Depreciable Inventory	1,000	2,300	10,500	18,500	5,500
Legal	19,000	44,000	79,000	53,000	55,000
Professional Services	217,400	230,150	305,150	253,400	145,200
Maintenance & Repairs	6,500	6,500	7,000	2,000	0
Training & Travel	12,150	15,150	16,650	12,000	2,000
Vehicles	5,500	7,900	15,930	21,000	18,000
Office Expenses	97,475	110,125	132,761	109,800	66,000
Program Expenses	0	1,000,000	1,264,315	1,404,809	3,291,787
Miscellaneous Expenses	1,000	2,900	2,900	1,000	500
Total Operating Expenses	424,625	1,486,725	1,891,176	1,933,609	3,647,637
Capital Expenses					
Equipment	40,000	25,000	25,000	50,000	0
Vehicles	20,000	0	0	30,000	0
Software	25,000	25,000	25,000	25,000	0
Total Capital Expenses	85,000	50,000	50,000	105,000	0
Total Expenses	1,934,800	2,925,725	3,741,176	3,867,256	4,902,637

FINANCIAL RESERVES

It is the policy of the Governing Board of the Antelope Valley Air Quality Management District (District) to direct the Air Pollution Control Officer (APCO) to establish and maintain certain fund balances to ensure the sound fiscal management of District resources.

The purposes of the District's fund balance policy include maintaining prudent level of financial resources to protect against reducing service levels or raising fees because of temporary revenue shortfalls or unpredicted one-time expenditures. Another purpose is to reserve funds for unanticipated large expenditures, such as capital expenses; or extraordinary costs associated with defending the District's regulatory activities.

CLASSIFICATION OF FUNDS

Restricted Fund Balance is designated for the specific purposes stipulated by the external source, government code, enabling legislation, or other legal restriction. Following are an example of this classification: Mobile Emission Reduction Revenue (AB 2766), Incentive Based Emission Reduction Funding (AB 923), and Carl Moyer Grant Program Funds. These funds are held in separate trust accounts and are reported separate from the District's General Fund.

Committed Fund Balance is designated by policy and includes amounts that can be used only for the specific purposes determined by a formal action of the Governing Board. Commitments may be changed only by action of the Governing Board.

Assigned Fund Balance is used to describe the portion of the fund balance that reflects the intended use of resources; the intent being established by the Governing Board, or the Board's designee. Such fund balance will be allocated and defined in the District's annual adopted budget. The District's Budget Stabilization Reserves is an example of this classification.

BUDGET CATEGORIES

REVENUES

Permit Fees

- Permit Fees - Operating and Annual Renewal Permit Fees
- Asbestos Demo/Reno - Fees for Permits related to Asbestos Removal - Rule 302
- Title V Permit - Permit fees for Federal Permit Program

Application Fees

- ERC Application Fees - Emission Reduction Credit
- New Source Review - Project Evaluation for Complex Source - Rule 301
- Permit Application Fees - Filing of new permits and permit changes
- Variance Filing Fees - Filing fee for each petition to District Hearing Board - Rule 303
- AG Application Fee - charged on a 3-year renewal cycle for AG Engines

Fine & Penalties

- Excess Emissions Fees - Fee charged when a variance is granted by Hearing Board - Rule 303
- Notice of Violations Fees - Fee Charged for unpermitted source, or violation of permit condition
- Interest Revenue - Interest on funds held on deposit, all funds

Revenue from Programs

- Administrative Funding - Program - pass thru funds for administration costs of the program
- AB2766 Program - Revenue received through DMV vehicle registration
- California Clean Air Act - State mandated fee collected on behalf of CARB
- Hot Spots - State mandated fee: "Air Toxic "Hot Spot"

State Revenue

- PERP - State Funds - Portable Engine Registration Program
- State Subvention - Funds - received from state budget to supplement Permitting and Air Monitoring

EXPENSES

- Program Staff - Contracted costs to provide staff for District operations
- Operating Expenses – Communications, Telephones, teleconferencing, internet, cable, hosting, tech support
- Dues & Subscriptions - District memberships, sponsorships, publications, subscriptions
- Non-Depreciable Inventory - Furniture, equipment, machinery, and safety equipment < \$5,000
- Legal - Legal services for Governing Board, Hearing Board; publications Professional Services - Financial services, audit, research studies, consulting fees, stipends
- Maintenance & Repairs - General building maintenance, custodial services, and repairs
- Training and Travel - Employee training; professional development and related travel
- Vehicles - Fuel and oil, maintenance and repair, insurance for District's fleet
- Office Expenses - Software, utilities, supplies, leases, postage, courier, printing and shredding services, security, insurance, meeting expenses and community relations

PROGRAM EXPENSES

- Expenses attributable to the use of special funds

CAPITAL EXPENSES

- Furniture & fixtures, Equipment, vehicles, computers, and software over \$5K

ACRYNOMS

AB2766	Enabling legislation for collection of fees for mobile source reduction projects
AIRS	Aerometric Information Retrieval System
APCD	Air Pollution Control District
APCO	Air Pollution Control Officer
AQMD	Air Quality Management District
ARB	Air Resources Board
AVAQMD	Antelope Valley Air Quality Management District
BACT	Best Available Control Technology
CAA	Clean Air Act
CAPCOA	California Air Pollution Control Officers Association
CAPP	Clean Air Patrol Program
CAPS	Compliance and Permit System (permit tracking database)
CARB	California Air Resources Board
CNGVG	California Natural Gas Vehicle Coalition
CRE	Community Relations and Education
CREEC	California Regional Environmental Education Community
CSDA	California Special Districts Association
DAPCO	Deputy Air Pollution Control Officer
EPA	Environmental Protection Agency
ERC	Emission Reduction Credit
FY	Fiscal Year
ICTC	Interstate Clean Transportation Corridor
MACT	Maximum Achievable Control for Toxics
MEEC	Mojave Environmental Education Consortium
MDAQMD	Mojave Desert Air Quality Management District
MOU	Memorandum of Understanding
NAAQS	National Ambient Air Quality Standards
NESHAP	National Emissions Standard for Hazardous Pollutants
NSPS	New Source Performance Standards
OPEB	Other Post-Employment Benefits
PARS	Public Agency Retirement Services
PERP	Portable Equipment Registration Program
PSD	Prevention of Significant Deterioration
PTBS	Permit Tracking and Billing System
SDRMA	Special Districts Risk Management Authority
SLAMS	State and Local Air Monitoring Stations
TAC	Technical Advisory Committee
VPN	Virtual Private Network