



**Proposed
BUDGET**

FISCAL YEAR 2025-26

JULY 1, 2025

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





April 11, 2025

For your consideration, the Antelope Valley Air Quality Management District (AVAQMD/District) presents the proposed Fiscal Year (FY) 2025-2026 General Fund Budget and Grant Programs. This budget serves as the financial blueprint for implementing the District's programs, projects, and policies. It reflects the District's commitment to long-term financial planning, cost-effective service delivery, and prudent fiscal management that accounts for future obligations.

The proposed budget for Fiscal Year 2026 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. With 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 District is staffed with six full-time equivalents (FTEs), including one currently vacant position. Additional administrative and technical support is provided through a service contract with the City of Lancaster.

A Public Hearing will be held on May 20, 2025, to receive public input on the proposed budget. The hearing will be continued to June 17, 2025, for final adoption. The FY 2026 Budget represents a thoughtful and transparent financial strategy that addresses current obligations and challenges, while remaining mindful of industry needs and the interests of 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/District) 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

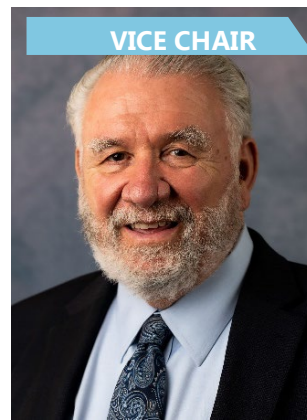
The District strives to be known as a partner in the development of a sustainable local economy that values health and environmental conservation. This is achieved by providing information through involvement in community events such as the Antelope Valley Economic Development and Growth Enterprise's 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.

GOVERNING BOARD



Marvin Crist
City of Lancaster



Richard Loa
City of Palmdale



Austin Bishop
City of Palmdale



Newton Chelette
Public Member



Howard Harris
*Los Angeles County,
Fifth District*



Ron Hawkins
*Los Angeles County,
Fifth District*



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

COST RECOVERY FISCAL YEAR 2025-26

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 revenue from source fees should cover the full cost of all programs related to those sources. This includes direct costs, a portion of indirect costs, and overhead, unless other funding is provided. The District ensures that these fees are fair, meaning they should not exceed the reasonable cost of the service or program, and the costs should be allocated in a way that reflects each source's impact on and benefit from the system.

GENERAL FUND

REVENUE

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 8.0% fee increase effective January 1, 2026.

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 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, Consolidated

| | Budget FY 2025 | EOY Estimates FY 2025 | Budget FY 2026 |
|---------------------------------|---------------------------|----------------------------------|---------------------------|
| <u>Revenues</u> | | | |
| Permit Fees | 1,523,300 | 1,652,502 | 1,680,758 |
| Application Fees | 35,000 | 74,552 | 51,750 |
| Federal Revenue | 0 | (4,954) | 0 |
| Fines & Penalties | 10,000 | 0 | 10,000 |
| Interest Income | 45,000 | 118,139 | 45,000 |
| Revenue from Programs | 1,096,064 | 228,354 | 351,024 |
| State Revenue | 2,236,773 | 0 | 3,007,380 |
| Total Revenues | 4,946,137 | 2,068,593 | 5,145,912 |
| <u>Expenses</u> | | | |
| Personnel Expenses | | | |
| Program Staff | 1,255,000 | 1,293,225 | 1,574,325 |
| Total Personnel Expenses | 1,255,000 | 1,293,225 | 1,574,325 |
| Operating Expenses | | | |
| Communications | 27,150 | 25,745 | 49,150 |
| Dues & Subscriptions | 36,500 | 30,527 | 42,000 |
| Non-Depreciable Inventory | 5,500 | 6,064 | 6,000 |
| Legal | 55,000 | 50,201 | 57,500 |
| Professional Services | 145,200 | 148,544 | 183,400 |
| Maintenance & Repairs | 0 | 929 | 12,500 |
| Training & Travel | 2,000 | 383 | 4,000 |
| Vehicles | 18,000 | 13,455 | 20,500 |
| Office Expenses | 66,000 | 54,737 | 110,500 |
| Program Expenses | 3,291,787 | 231,628 | 2,838,797 |
| Miscellaneous Expenses | 500 | 188 | 1,000 |
| Total Operating Expenses | 3,647,637 | 562,401 | 3,325,347 |
| Capital Expenses | | | |
| Improvements | 0 | 0 | 50,000 |
| Furniture & Fixtures | 0 | 0 | 50,000 |
| Equipment | 0 | 0 | 15,000 |
| Vehicles | 0 | 0 | 60,000 |
| Software | 0 | 0 | 35,000 |
| Total Capital Expenses | 0 | 0 | 210,000 |
| Total Expenses | 4,902,637 | 1,855,626 | 5,109,672 |
| Cash To (From) Reserves | 43,500 | 212,967 | 36,240 |

Antelope Valley AQMD
GENERAL FUND, Revenue Detail

| | <u>Budget FY 2025</u> | <u>EOY Estimate FY 2025</u> | <u>Budget FY 2026</u> |
|------------------------------------|---------------------------|---------------------------------|---------------------------|
| Revenues | | | |
| Permit Fees | | | |
| Permit Fees Rev | 1,274,300 | 1,510,454 | 1,586,758 |
| Asbestos Demo/Reno Rev | 75,000 | 69,278 | 50,000 |
| Title V Revenue | 4,000 | 5,333 | 4,000 |
| Rule 302 | 170,000 | 67,437 | 40,000 |
| | <u>1,523,300</u> | <u>1,652,502</u> | <u>1,680,758</u> |
| Application Fees | | | |
| Permit Application Fees | 35,000 | 73,252 | 50,000 |
| AG Application Fees | 0 | 1,300 | 1,750 |
| | <u>35,000</u> | <u>74,552</u> | <u>51,750</u> |
| Fines & Penalties | | | |
| Notice of Violations Fee | 10,000 | 0 | 10,000 |
| | <u>10,000</u> | <u>0</u> | <u>10,000</u> |
| Interest Income | | | |
| Interest Revenue | 45,000 | 118,139 | 45,000 |
| | <u>45,000</u> | <u>118,139</u> | <u>45,000</u> |
| Other Revenue | | | |
| Revenue from Programs | | | |
| Administrative Funding | 495,014 | 13,333 | 74,524 |
| AB2766 Program | 600,000 | 213,714 | 275,000 |
| Hot Spots Revenue | 1,050 | 1,307 | 1,500 |
| | <u>1,096,064</u> | <u>228,354</u> | <u>351,024</u> |
| State and Federal Revenue | | | |
| PERP | 40,000 | 0 | 40,000 |
| State Contracts | 2,076,773 | 0 | 2,847,380 |
| State Subvention | 120,000 | 0 | 120,000 |
| Section 103 (PM 2.5) | 0 | (4,954) | 0 |
| | <u>2,236,773</u> | <u>(4,954)</u> | <u>3,007,380</u> |
| Total General Fund Revenues | <u>4,946,137</u> | <u>2,068,593</u> | <u>5,145,912</u> |

AVAQMD PROGRAMS

COMUNICATIONS

The Antelope Valley Air Quality Management District runs programs to inform businesses and residents about air pollution. These programs explain its causes, health effects, environmental impact, and the District's efforts to reduce emissions. The programs are aimed at different groups, including students, adults, and businesses. Information is shared through workshops, conferences, presentations, social media, and other channels. The District also provides air quality forecasts to keep the public updated.

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 main responsibilities is to review and approve permit applications, making sure they follow local, state, and federal rules. These permits are needed for industrial or commercial projects that might release certain air pollutants. The applicable rules used to evaluate and issue a permit vary based on the project's type, size, and the equipment being used.

District staff carefully review submitted documents including but not limited to permit applications, manufacturer information, test results, risk reports, and pollution data.

The District implements and manages:

- ❖ Title III & V Programs. The Title III program is a 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 are performed to verify compliance to air quality regulations and permit requirements.
- ❖ Citizen complaints pertaining to air related matters are investigated and resolved
- ❖ 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
- ❖ Staff observe source testing or stack sampling that is used at 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 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 perform 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 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 2025</u> | <u>EOY Estimate FY 2025</u> | <u>Budget FY 2026</u> |
|----------------------------------|---------------------------|---------------------------------|---------------------------|
| Expenses | | | |
| Personnel Expenses | | | |
| Operating Expenses | | | |
| Communications | | | |
| Telephones | 5,000 | 3,542 | 5,000 |
| Long Distance Charges | 500 | 97 | 500 |
| Video/Teleconference | 150 | 200 | 150 |
| Internet | 3,000 | 2,893 | 5,000 |
| Web Hosting | 3,500 | 3,320 | 3,500 |
| Tech Support | 15,000 | 15,693 | 25,000 |
| Computers - Expenditures | 0 | 0 | 10,000 |
| | <u>27,150</u> | <u>25,745</u> | <u>49,150</u> |
| Dues & Subscriptions | | | |
| Memberships & Sponsorships | 35,000 | 30,154 | 40,000 |
| Publications & Subscriptions | 500 | 373 | 1,000 |
| Professional Dues | 1,000 | 0 | 1,000 |
| | <u>36,500</u> | <u>30,527</u> | <u>42,000</u> |
| Non-Depreciable Inventory | | | |
| Furniture & Fixtures Exp | 5,000 | 0 | 0 |
| Machinery & Equipment Exp | 0 | 6,064 | 5,000 |
| Safety Equipment Exp | 500 | 0 | 1,000 |
| | <u>5,500</u> | <u>6,064</u> | <u>6,000</u> |
| Legal | | | |
| Legal Notices | 5,000 | 4,522 | 7,500 |
| Legal Services | 50,000 | 45,679 | 50,000 |
| | <u>55,000</u> | <u>50,201</u> | <u>57,500</u> |
| Professional Services | | | |
| Financial Services | 15,000 | 11,111 | 25,000 |
| Stipends | 8,400 | 8,133 | 8,400 |
| | <u>23,400</u> | <u>19,244</u> | <u>33,400</u> |
| Maintenance & Repairs | | | |
| General Bldg. Maintenance | 0 | 0 | 10,000 |
| Equipment Repair | 0 | 929 | 2,500 |
| | <u>0</u> | <u>929</u> | <u>12,500</u> |
| Training & Travel | | | |
| Training | 1,000 | 0 | 2,000 |
| Travel | 1,000 | 383 | 2,000 |
| | <u>2,000</u> | <u>383</u> | <u>4,000</u> |

Antelope Valley AQMD
DISTRICT WIDE, Expense Detail

| | <u>Budget FY 2025</u> | <u>EOY Estimate FY 2025</u> | <u>Budget FY 2026</u> |
|-------------------------------------|---------------------------|---------------------------------|---------------------------|
| Vehicles | | | |
| Vehicle Gas & Oil | 5,000 | 3,928 | 7,500 |
| Vehicle Maintenance | 2,000 | 315 | 2,000 |
| Vehicle Repairs | 5,000 | 3,212 | 5,000 |
| Vehicle Insurance | 6,000 | 6,000 | 6,000 |
| | <u>18,000</u> | <u>13,455</u> | <u>20,500</u> |
| Office Expenses | | | |
| Software Expenditure | 25,000 | 28,727 | 25,000 |
| Supplies | 5,000 | 1,237 | 5,500 |
| Facility Leases | 0 | 0 | 36,000 |
| Equipment Lease | 6,000 | 5,338 | 7,500 |
| Postage | 2,000 | 1,168 | 2,000 |
| Courier | 1,000 | 143 | 1,000 |
| Printing/Shredding Services | 0 | 52 | 1,000 |
| Liability Insurance | 15,000 | 15,000 | 20,000 |
| Meeting Expenses | 2,000 | 1,488 | 2,500 |
| Community Relations | 10,000 | 1,584 | 10,000 |
| | <u>66,000</u> | <u>54,737</u> | <u>110,500</u> |
| Program Expenses | | | |
| Program Expenditures | 2,079,929 | 231,628 | 2,838,797 |
| Program Expenditures Administrative | 1,211,858 | 0 | 0 |
| | <u>3,291,787</u> | <u>231,628</u> | <u>2,838,797</u> |
| Miscellaneous Expenses | | | |
| Bank Fees | 500 | 188 | 1,000 |
| | <u>500</u> | <u>188</u> | <u>1,000</u> |
| Total Operating Expenses | <u>3,525,837</u> | <u>433,101</u> | <u>3,175,347</u> |
| Capital Expenses | | | |
| Improvements | 0 | 0 | 50,000 |
| Furniture & Fixtures | 0 | 0 | 50,000 |
| Equipment | 0 | 0 | 15,000 |
| Vehicles | 0 | 0 | 60,000 |
| Software | 0 | 0 | 35,000 |
| Total Capital Expenses | <u>0</u> | <u>0</u> | <u>210,000</u> |
| Total Expenses | <u>3,525,837</u> | <u>433,101</u> | <u>3,385,347</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, if requested. 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 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.

THE CONTRACT – CITY OF LANCASTER

CONTRACTED SERVICES

The City of Lancaster provides Human Resource and Finance service and support

TERMS AND CONDITIONS

The Antelope Valley Air Quality Management District contracts with the City of Lancaster for services 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.

**Antelope Valley AQMD
CONTRACT, Expense Detail**

| | Budget FY 2025 | EOY Estimate FY 2025 | Budget FY 2026 |
|----------------------------------|---------------------------|---------------------------------|---------------------------|
| Expenses | | | |
| Personnel Expenses | | | |
| Program Staff | 1,255,000 | 1,293,225 | 1,574,325 |
| Total Personnel Expenses | 1,255,000 | 1,293,225 | 1,574,325 |
| Operating Expenses | | | |
| Communications | | | |
| Dues & Subscriptions | | | |
| Non-Depreciable Inventory | | | |
| Legal | | | |
| Professional Services | | | |
| Financial Services | 121,800 | 129,300 | 150,000 |
| | 121,800 | 129,300 | 150,000 |
| Maintenance & Repairs | | | |
| Training & Travel | | | |

**Antelope Valley AQMD
CONTRACT, Expense Detail**

| | <u>Budget FY 2025</u> | <u>EOY Estimate FY 2025</u> | <u>Budget FY 2026</u> |
|---------------------------------|---------------------------|---------------------------------|---------------------------|
| Vehicles | | | |
| Office Expenses | | | |
| Program Expenses | | | |
| Miscellaneous Expenses | | | |
| Total Operating Expenses | <u>121,800</u> | <u>129,300</u> | <u>150,000</u> |
| Capital Expenses | | | |
| Total Expenses | <u><u>1,376,800</u></u> | <u><u>1,422,525</u></u> | <u><u>1,724,325</u></u> |

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 allow 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 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 offered encourage customers to purchase cleaner technologies which in turn stimulate manufacturers to offer more equipment with 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

ALL FUNDS, Consolidated Historical

| | Budget FY 2022 | Budget FY 2023 | Budget FY 2024 | Budget FY 2025 | Budget FY 2026 |
|---------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| Revenues | | | | | |
| Permit Fees | 1,047,500 | 1,199,200 | 1,303,600 | 1,353,300 | 1,640,758 |
| Application Fees | 30,500 | 32,500 | 32,325 | 35,000 | 51,750 |
| Federal Revenue | 0 | 63,982 | 63,982 | 0 | 0 |
| Fines & Penalties | 10,000 | 10,000 | 60,000 | 185,000 | 60,000 |
| Interest Income | 15,000 | 10,000 | 10,000 | 45,000 | 45,000 |
| Revenue from Programs | 731,400 | 934,045 | 874,064 | 1,096,064 | 351,024 |
| State Revenue | 1,096,000 | 1,446,315 | 1,604,523 | 2,236,773 | 3,007,380 |
| Total Revenues | 2,930,400 | 3,696,042 | 3,948,494 | 4,951,137 | 5,155,912 |
| Expenses | | | | | |
| Personnel Expenses | | | | | |
| Salaries & Wages | 1,389,000 | 1,800,000 | 1,828,647 | 1,255,000 | 1,574,325 |
| Total Personnel Expenses | 1,389,000 | 1,800,000 | 1,828,647 | 1,255,000 | 1,574,325 |
| Operating Expenses | | | | | |
| Communications | 21,050 | 35,870 | 22,000 | 27,150 | 49,150 |
| Dues & Subscriptions | 46,650 | 21,100 | 36,100 | 36,500 | 42,000 |
| Non-Depreciable Inventory | 2,300 | 10,500 | 18,500 | 5,500 | 6,000 |
| Legal | 44,000 | 79,000 | 53,000 | 55,000 | 57,500 |
| Professional Services | 230,150 | 305,150 | 253,400 | 145,200 | 183,400 |
| Maintenance & Repairs | 6,500 | 7,000 | 2,000 | 0 | 12,500 |
| Training & Travel | 15,150 | 16,650 | 12,000 | 2,000 | 4,000 |
| Vehicles | 7,900 | 15,930 | 21,000 | 18,000 | 20,500 |
| Office Expenses | 110,125 | 132,761 | 109,800 | 66,000 | 110,500 |
| Program Expenses | 1,000,000 | 1,264,315 | 1,404,809 | 3,291,787 | 2,838,797 |
| Miscellaneous Expenses | 2,900 | 2,900 | 1,000 | 500 | 1,000 |
| Total Operating Expenses | 1,486,725 | 1,891,176 | 1,933,609 | 3,647,637 | 3,325,347 |
| Capital Expenses | | | | | |
| Improvements | 0 | 0 | 0 | 0 | 50,000 |
| Furniture & Fixtures | 0 | 0 | 0 | 0 | 50,000 |
| Equipment | 25,000 | 25,000 | 50,000 | 0 | 15,000 |
| Vehicles | 0 | 0 | 30,000 | 0 | 60,000 |
| Software | 25,000 | 25,000 | 25,000 | 0 | 35,000 |
| Total Capital Expenses | 50,000 | 50,000 | 105,000 | 0 | 210,000 |
| Total Expenses | 2,925,725 | 3,741,176 | 3,867,256 | 4,902,637 | 5,109,672 |

Antelope Valley AQMD

GENERAL FUND, Consolidated Historical

| | Budget FY 2022 | Budget FY 2023 | Budget FY 2024 | Budget FY 2025 | Budget FY 2026 |
|---------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| Revenues | | | | | |
| Permit Fees | 1,047,500 | 1,199,200 | 1,303,600 | 1,353,300 | 1,640,758 |
| Application Fees | 30,500 | 32,500 | 32,325 | 35,000 | 51,750 |
| Federal Revenue | 0 | 63,982 | 63,982 | 0 | 0 |
| Fines & Penalties | 10,000 | 10,000 | 60,000 | 185,000 | 60,000 |
| Interest Income | 15,000 | 10,000 | 10,000 | 45,000 | 45,000 |
| Revenue from Programs | 731,400 | 934,045 | 874,064 | 1,096,064 | 351,024 |
| State Revenue | 1,096,000 | 1,446,315 | 1,604,523 | 2,236,773 | 3,007,380 |
| Total Revenues | 2,930,400 | 3,696,042 | 3,948,494 | 4,951,137 | 5,155,912 |
| Expenses | | | | | |
| Personnel Expenses | | | | | |
| Salaries & Wages | 1,389,000 | 1,800,000 | 1,828,647 | 1,255,000 | 1,574,325 |
| Total Personnel Expenses | 1,389,000 | 1,800,000 | 1,828,647 | 1,255,000 | 1,574,325 |
| Operating Expenses | | | | | |
| Communications | 21,050 | 35,870 | 22,000 | 27,150 | 49,150 |
| Dues & Subscriptions | 46,650 | 21,100 | 36,100 | 36,500 | 42,000 |
| Non-Depreciable Inventory | 2,300 | 10,500 | 18,500 | 5,500 | 6,000 |
| Legal | 44,000 | 79,000 | 53,000 | 55,000 | 57,500 |
| Professional Services | 230,150 | 305,150 | 253,400 | 145,200 | 183,400 |
| Maintenance & Repairs | 6,500 | 7,000 | 2,000 | 0 | 12,500 |
| Training & Travel | 15,150 | 16,650 | 12,000 | 2,000 | 4,000 |
| Vehicles | 7,900 | 15,930 | 21,000 | 18,000 | 20,500 |
| Office Expenses | 110,125 | 132,761 | 109,800 | 66,000 | 110,500 |
| Program Expenses | 1,000,000 | 1,264,315 | 1,404,809 | 3,291,787 | 2,838,797 |
| Miscellaneous Expenses | 2,900 | 2,900 | 1,000 | 500 | 1,000 |
| Total Operating Expenses | 1,486,725 | 1,891,176 | 1,933,609 | 3,647,637 | 3,325,347 |
| Capital Expenses | | | | | |
| Improvements | 0 | 0 | 0 | 0 | 50,000 |
| Furniture & Fixtures | 0 | 0 | 0 | 0 | 50,000 |
| Equipment | 25,000 | 25,000 | 50,000 | 0 | 15,000 |
| Vehicles | 0 | 0 | 30,000 | 0 | 60,000 |
| Software | 25,000 | 25,000 | 25,000 | 0 | 35,000 |
| Total Capital Expenses | 50,000 | 50,000 | 105,000 | 0 | 210,000 |
| Total Expenses | 2,925,725 | 3,741,176 | 3,867,256 | 4,902,637 | 5,109,672 |

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 a 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. The 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 the 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, supplies, leases, postage, courier, 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 |