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 16, 2026
10:00 A.M.

BOARD MEMBERS

Ken Mann, Vice Chair, City of Lancaster
Austin Bishop, City of Palmdale
Newton Chelette, Public Member
Howard Harris, Los Angeles County
Ron Hawkins, Los Angeles County
Lauren Hughes-Leslie, City of Lancaster
Eric Ohlsen, City of Palmdale

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, 42210 6TH STREET WEST, LANCASTER, CA 93534 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 19, 2026. 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, 2026.
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) 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.
7. Ratify employee longevity recognition based on combined years of service provided to Antelope Valley Air Quality Management District (AVAQMD) and the City of Lancaster (COL).
8. Update Exhibit A, SCOPE OF MATERIALS AND SERVICES staffing table, as referenced in the agreement between Antelope Valley Air Quality Management District and the City of Lancaster.

ITEMS FOR DISCUSSION

DEFERRED ITEMS

NEW BUSINESS

9. 1) Award an amount not to exceed $568,265 in Carl Moyer Program funds to Allied Potato for the replacement of an older diesel tractor with new, cleaner technology; 2) Authorize the Executive Director/APCO the option to change the funding source if warranted or if other applicable funding 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 the Office of District Counsel; and 4) Find that this item is not a project pursuant to the California Environmental Quality Act.

10. Conduct a public hearing to present an overview of current job vacancies, recruitment efforts, and retention strategies to comply with Assembly Bill 2561/Government Code Section 3502.3. a. Open public hearing; b. Receive staff report; c. Receive public testimony; d. Close public hearing.

11. Conduct Continued Public Hearing to consider the proposed AVAQMD Budget for FY 2026-27: 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 2026-2027.

CLOSED SESSION

12. 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.

13. Public Employee Performance Evaluation - Pursuant to Government Code Sections 54954.5(e) and 54957(b) Title: Executive Director/APCO.

RETURN TO ITEMS FOR DISCUSSION

14. Reports: Governing Board Counsel, Executive Director/APCO, Staff.
    a. Governing Board Attendance.

15. Board Member Reports and Suggestions for Future Agenda Items.

16. Adjourn to Regular Governing Board Meeting of Tuesday, July 21, 2026.

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 11, 2026

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 16, 2026, 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 11, 2026.**
DATE

ANTELOPE VALLEY AIR QUALITY MANAGEMENT DISTRICT
GOVERNING BOARD MEETING
TUESDAY, MAY 19 2026
ANTELOPE VALLEY TRANSIT AUTHORITY
DISTRICT OFFICE
LANCASTER, CA

Draft Minutes

Board Members Present:
Ken Mann, *Vice Chair,* City of Lancaster
Newton Chelette, Public Member
Howard Harris, Los Angeles County
Ron Hawkins, Los Angeles County
Board Members Absent:
Austin Bishop, City of Palmdale
Eric Ohlsen, City of Palmdale
Lauren Hughes-Leslie, City of Lancaster

CALL TO ORDER 10:00 A.M.

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

PUBLIC COMMENT

Acting Chair **MANN** called for **PUBLIC COMMENT**. At this time, no public comment was made in person, or electronically, moved to **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 four **AYES** votes by Board Members, **KEN MANN, NEWTON CHELETTE, HOWARD HARRIS,** and **RON HAWKINS with Board Members AUSTIN BISHOP, LAUREN HUGHES-LESLIE,** and **ERIC OHLSEN** absent, on the Consent Calendar, as follows:

Agenda Item #1 – Approve Minutes from Regular Governing Board Meeting of April 21, 2026. Find that the California Environmental Quality Act does not apply to this item.

Approved Minutes from Regular Governing Board Meeting of April 21, 2026.

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 – 1) Authorize the acceptance of Community Air Protection (CAP) Funds; 2) Accept the terms and conditions for the funds; 3) Authorize the Executive Director and staff to execute the agreement, approved as to legal form, and to negotiate and execute agreements for eligible projects; and 4) Find that the California Environmental Quality Act (CEQA) does not apply to this item.
Presenter: Barbara Lods, Executive Director/APCO.

1) **Authorized** the acceptance of Community Air Protection (CAP) Funds; 2) **Accepted** the terms and conditions for the funds; 3) **Authorized** the Executive Director and staff to execute the agreement, approved as to legal form, and to negotiate and execute agreements for eligible projects; and 4) **Find** that the California Environmental Quality Act (CEQA) 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, 2026.
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, 2026.

Agenda Item #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.
Presenter: Barbara Lods, Executive Director/APCO.
1) **Allocated** 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) **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 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.

ITEMS FOR DISCUSSION

DEFERRED ITEMS

PRESENTATIONS

NEW BUSINESS

Agenda Item #7 – 1) Award up to $79,184 in Carl Moyer Program and Mobile Source Emission Reductions Program (AB 2766) funds to the City of Lancaster (City) for the replacement of older gasoline-powered utility terrain vehicles (UTVs) with zero-emission technology; 2) Authorize the Executive Director the option to adjust the funding source if warranted or if other applicable funding sources become available; 3) Authorize the Executive Director and staff to negotiate target time frames and technical project details and to execute an agreement, approved as to legal form by the Office of District Counsel; and 4) Find that the California Environmental Quality Act (CEQA) does not apply to this item.

Presenter: Julie McKeehan, Grants Analyst.

Acting Chair MANN opened the public hearing. Julie McKeehan presented background information and answered questions from the Board. Acting Chair Mann called for public comment, no public comment was made in person, or electronically, being none, Acting Chair **Mann** closed the public hearing. Upon motion by Board Member **CHELETTE**, seconded by Board Member **HAWKINS**, and carried by the following roll call vote, with four **AYES** votes by Board Members, **KEN MANN, NEWTON CHELETTE, HOWARD HARRIS,** and **RON HAWKINS with Board Members AUSTIN BISHOP, LAUREN HUGHES-LESLIE,** and **ERIC OHLSEN** absent, the Board, 1) **Awarded** up to $79,184 in Carl Moyer Program and Mobile Source Emission Reductions Program (AB 2766) funds to the City of Lancaster (City) for the replacement of older gasoline-powered utility terrain vehicles (UTVs) with zero-emission technology; 2) **Authorized** the Executive Director the option to adjust the funding source if warranted or if other applicable funding sources become available; 3) **Authorized** the Executive Director and staff to negotiate target time frames and technical project details and to execute an agreement, approved as to legal form by the Office of District Counsel; and 4) **Find** that the California Environmental Quality Act (CEQA) does not apply to this item.

Agenda Item #8 – 1) Award an amount not to exceed $12,500 in Carl Moyer Program funds to David Clayton located in Leona Valley, for the replacement of an older diesel tractor with new, cleaner diesel technology; 2) Authorize the Executive Director/APCO the option to change the funding source if warranted or if other applicable funding 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 this item is not a project pursuant to the California Environmental Quality Act.

Presenter: Julie McKeehan, Grants Analyst.

Acting Chair MANN opened the public hearing. Julie McKeehan, Grants Analyst, presented background information and answered questions from the Board. Acting Chair MANN called for public comment, no public comment was made in person, or electronically, being none, Acting Chair MANN closed the public hearing. After group discussion and upon motion by member **HARRIS**, seconded by Board Member **HAWKINS**, as approved by the following roll call vote, , with four **AYES** votes by Board Members, **KEN MANN,**

NEWTON CHELETTE, HOWARD HARRIS, and **RON HAWKINS with Board Members AUSTIN BISHOP, LAUREN HUGHES-LESLIE,** and **ERIC OHLSEN** absent, the Board , 1) **Awarded** an amount not to exceed $12,500 in Carl Moyer Program funds to David Clayton located in Leona Valley, for the replacement of an older diesel tractor with new, cleaner diesel technology; 2) **Authorized** the Executive Director/APCO the option to change the funding source if warranted or if other applicable funding 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 this item is not a project pursuant to the California Environmental Quality Act.

Agenda Item #9 – Designate two (2) members of the Governing Board and one (1) additional staff member, Adrianna Castaneda, as authorized check signers for the Antelope Valley Air Quality Management District. Currently two (2) staff members, Barbara Lods and Jason Mentry are authorized signers. Find that the California Environmental Quality Act does not apply to this item.

Presenter: Barbara Lods, Executive Director/APCO.

Acting Chair MANN opened the public hearing. Barbara Lods, Executive Director/APCO, presented background information and answered questions from the Board. Acting Chair MANN called for public comment, no public comment was made in person, or electronically, being none, Acting Chair MANN closed the public hearing. After group discussion and upon motion by member **HAWKINS**, seconded by Board Member **HARRIS**, as approved by the following roll call vote, , with four **AYES** votes by Board Members, **KEN MANN, NEWTON CHELETTE, HOWARD HARRIS,** and **RON HAWKINS with Board Members AUSTIN BISHOP, LAUREN HUGHES-LESLIE,** and **ERIC OHLSEN** absent, the Board **Designated** two (2) members of the Governing Board, **KENN MANN and NEWTON CHELETTE,** and one (1) additional staff member, Adrianna Castaneda, as authorized check signers for the Antelope Valley Air Quality Management District. Currently two (2) staff members, Barbara Lods and Jason Mentry are authorized signers. **Find** that the California Environmental Quality Act does not apply to this item.

Agenda Item #10 – Conduct Public Hearing to consider the proposed AVAQMD Budget for FY 2026-27: 1). Open public hearing; 2). Receive staff report, 3). Receive public testimony, 4). Find that the California Environmental Quality Act (CEQA) does not apply to this item.; 5). Continue to the meeting of June 16, 2026, for adoption.

Presenter: Barbara Lods, Executive Director/APCO.

Acting Chair MANN opened the public hearing. Barbara Lods, Executive Director/APCO, presented proposed budget and answered questions from the Board. Acting Chair MANN called for public comment, no public comment was made in person, or electronically, being none, Acting Chair MANN continued to the meeting of June 16, 2026.

CLOSED SESSION

Agenda Item #11 - 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.

Closed session was not held; no reports or updates.

Agenda Item #12 Reports:

Governing Board Counsel –

- No report.

Executive Director/APCO –

- The Governing Board was presented with options regarding the election of the Governing Board Chairman, including whether to hold an election at an upcoming meeting or defer the matter until the December 2026 Governing Board meeting, consistent with the Board's normal election schedule. The decision was made to defer the election to an upcoming meeting.

Staff – No Report

- No report.

Agenda Item #8 - Board Member Reports and Suggestions for Future Agenda Items.

- Member Chelette expressed concerns regarding Board Member attendance. Vice Chair Mann asked for review of absences over the past year and a report to be brought back for Governing Board review. Vice Chair Mann also requested record of attendance to be kept so Board business and direction will continue to without interruption.

Agenda Item #9 - Adjourn to Regular Governing Board Meeting of Tuesday, June 16, 2026.

Being no further business, the meeting adjourned at 11:01 a.m. to the next regularly scheduled Governing Board Meeting of Tuesday, June 16, 2026.

Item #2 – Grant Funds Project Summary

May 2026

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: $1,062,774.00

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: $2,210,206.00

Carl Moyer Program (CMP)

$1,389,487.00 **FY 23/24 Allocation Pending**
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: $509,384.00

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: $2,350,677.00

Agenda Item #3

Date: June 16, 2026
Subject: May Operations Activity Report

Permit Inspections - 89
Notices of Violation (NOV) Issued – 0
Vapor Recovery Tests Witnessed – 4
Complaints – 2
Complaint Investigations – 2
Asbestos Notifications – 3

Active Companies - 283
Active Facilities - 594
Active Permits - 1213
Certificate of Occupancy/Building Permit Reviews - 1

CEQA Project Comment Letters - 12

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

Lancaster Site (full meteorology, CO, NOx, 03, PM10, PM2)
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				
		6/16/2026				
Date Rec'd	Location	Project Name	Description	Comment	Date Due	Date Sent
5/13/2026	Palmdale	186 Single-family Units	Pre-Application 26-0013, requesting to subdivide 5 vacant parcels totaling 37.34 acres with 186 single-family residential lots and two detention basins. This project site is located on the north side of Rancho Vista Blvd and approximately 50 feet east of 20th Street West in the City of Palmdale (APNs: 3005-005-022, -023, and -032 through -034).	Project Information Form Rule 302- Construction Excavation Dust Control Plan (DCP) with Signage Rule 219- Permitting CARB Equipment	6/4/2026	5/14/2026
5/14/2026	Lancaster	168-unit Affordable Housing Apartments	Site Plan Review 26-004, requesting to develop 168-unit 100% affordable housing apartment development in the LHD in the General district. This project site is located on 7.59 acres at Avenue J-8 and 15th Street West in the City of Lancaster (APN: 3123-002-032).	Project Information Form Rule 302- Construction Excavation Dust Control Plan (DCP) with Signage Rule 219- Permitting CARB Equipment	6/4/2026	5/15/2026
5/19/2026	Palmdale	4 Duplex Apartment Units	Minor Site Plan Review 25-0009, requesting to develop a vacant 0.14-acre parcel with two residential buildings for a total of four duplex units. This project site is located at the south of intersection of East Avenue Q-7 and 4th street East in the City of Palmdale (APN: 3008-025-018).	Project Information Form Dust Control Signage Only Rule 219- Permitting CARB Equipment	5/27/2026	5/27/2026

ANTELOPE VALLEY AIR QUALITY MANAGEMENT DISTRICT
LANCASTER, CALIFORNIA

AGENDA ITEM # 4

DATE: June 16, 2026

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, 2026.

BACKGROUND: The Financial Reports for April 2026 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, 2026.

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 10, 2026.

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
☐ Permit, license, or entitlement for use	☐ Competitively bid contract
☐ Contract or grant	☐ Labor or personal employment
	☒General policy and legislative actions

PRESENTER: Barbara Lods, Executive Director/APCO.

Antelope Valley AQMD

Balance Sheet - Governmental Funds

As of April 30, 2026

Financial Report

	General Fund	AB2766 Mobile Emissions	AB923 Mobile Emissions	Carl Moyer	Total
Assets					
Current Assets					
Cash	10,099,341.35	0.00	0.00	0.00	10,099,341.35
Cash Held For Other Fund	2,242,690.08	0.00	0.00	0.00	2,242,690.08
Receivables	(198,495.93)	0.00	0.00	0.00	(198,495.93)
Pre-Paids	3,087.49	0.00	0.00	0.00	3,087.49
Total Current Assets	**12,146,622.99**	**0.00**	**0.00**	**0.00**	**12,146,622.99**
Fixed Assets					
Improvements Not Buildings	6,407.00	0.00	0.00	0.00	6,407.00
Acc Dep Improvements Not Bldgs	(6,274.48)	0.00	0.00	0.00	(6,274.48)
Machinery & Equipment	177,516.67	0.00	0.00	0.00	177,516.67
Acc Dep Machinery & Equipment	(90,325.21)	0.00	0.00	0.00	(90,325.21)
Vehicles	98,757.37	0.00	0.00	0.00	98,757.37
Acc Dep Vehicles	(87,413.08)	0.00	0.00	0.00	(87,413.08)
Software	361,023.27	0.00	0.00	0.00	361,023.27
Acc Amort Software	(284,314.42)	0.00	0.00	0.00	(284,314.42)
Work in Progress	(0.40)	0.00	0.00	0.00	(0.40)
Total Fixed Assets	**175,376.72**	**0.00**	**0.00**	**0.00**	**175,376.72**
Total Assets	**12,321,999.71**	**0.00**	**0.00**	**0.00**	**12,321,999.71**
Liabilities and Net Position					
Current Liabilities					
Payables	(284.95)	0.00	0.00	0.00	(284.95)
Due to Others	1,363.00	0.00	0.00	0.00	1,363.00
Unearned Revenue	6,647,583.55	0.00	0.00	0.00	6,647,583.55
Total Current Liabilities	**6,648,661.60**	**0.00**	**0.00**	**0.00**	**6,648,661.60**
Restricted Fund Balance	359,871.96	0.00	0.00	0.00	359,871.96
Cash Reserves	1,000,000.00	0.00	0.00	0.00	1,000,000.00
Unassigned Fund Balance	3,698,609.60	0.00	0.00	0.00	3,698,609.60
Pre-Paid	1,378.50	0.00	0.00	0.00	1,378.50
Investment in Capital Assets	216,524.62	0.00	0.00	0.00	216,524.62
Change in Net Position	396,953.43	0.00	0.00	0.00	396,953.43
Total Liabilities & Net Position	**12,321,999.71**	**0.00**	**0.00**	**0.00**	**12,321,999.71**

Antelope Valley AQMD

Statement of Revenues & Expenditures

For the Period Ending April 30, 2026

Financial Report	General Fund	AB2766 Mobile Emissions Program	AB923 Mobile Emissions Program	Carl Moyer Program	Total Governmental Funds
Revenues					
Application and Permit Fees	86,419.09	0.00	0.00	0.00	86,419.09
AB 2766 and Other Program Revenues	210.00	0.00	0.00	0.00	210.00
Fines	21,905.01	0.00	0.00	0.00	21,905.01
Investment Earnings	9,543.81	0.00	0.00	0.00	9,543.81
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	**118,077.91**	**0.00**	**0.00**	**0.00**	**118,077.91**
Expenditures					
Program Staff	1,999.24	0.00	0.00	0.00	1,999.24
Services and Supplies	2,152.59	0.00	0.00	0.00	2,152.59
Contributions to Other Participants	0.00	0.00	0.00	0.00	0.00
Capital Outlay Improvements and Equipment	0.00	0.00	0.00	0.00	0.00
Total Expenditures	**4,151.83**	**0.00**	**0.00**	**0.00**	**4,151.83**
Excess Revenue Over (Under) Expenditures	**113,926.08**	**0.00**	**0.00**	**0.00**	**113,926.08**

Antelope Valley AQMD
Statement of Activity - MTD, MTM and YTD
For 4/30/2026

00

	M-T-D Actual	Y-T-D Actual	Y-T-D Budget	% Budget to Actual
Revenues				
Permitting	100,860.69	1,436,554.85	1,680,758.00	(0.85)
Programs	210.00	(115,101.78)	351,024.00	0.33
Revenue - Other	0.00	46,521.71	0.00	0.00
Application Fees	4,122.00	43,077.06	51,750.00	(0.83)
State Revenue	0.00	0.00	3,007,380.00	0.00
Fines & Penalties	3,341.41	43,231.41	20,000.00	(2.16)
Interest Earned	9,543.81	99,910.07	45,000.00	(2.22)
Adjustments to Revenue	0.00	(460.75)	0.00	0.00
Total Revenues	**118,077.91**	**1,553,732.57**	**5,155,912.00**	**(0.30)**
Expenses				
Office Expenses	4,788.16	59,388.10	110,500.00	0.54
Communications	2,357.98	27,158.30	49,150.00	0.55
Vehicles	594.74	4,129.05	20,500.00	0.20
Program Costs	0.00	244,587.30	2,838,797.00	0.09
Travel	75.00	75.00	4,000.00	0.02
Professional Services				
Financial Audit & Actuarial Svcs	1,496.00	14,275.20	25,000.00	0.57
Stipends	600.00	5,300.00	8,400.00	0.63
Maintenance & Repairs	215.96	6,218.64	12,500.00	0.50
Non-Depreciable Inventory	40.01	979.08	6,000.00	0.16
Dues & Subscriptions	(11,872.00)	15,154.68	42,000.00	0.36
Legal	3,856.74	33,874.58	57,500.00	0.59
Miscellaneous Expense	0.00	10,097.86	1,000.00	10.10
Capital Expenditures	0.00	0.00	210,000.00	0.00
Total Expenses	**2,152.59**	**421,237.79**	**3,385,347.00**	**0.12**
Program Staff				
Excess Revenue Over (Under) Expenditures	**115,925.32**	**1,132,494.78**	**1,770,565.00**	**(0.64)**

Antelope Valley AQMD
Statement of Activity - MTD, MTM and YTD
For 4/30/2026

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	0.00	0.00	150,000.00	0.00
Total Expenses	**0.00**	**0.00**	**150,000.00**	**0.00**
Program Staff				
Program Staff	1,999.24	735,541.35	1,574,325.00	0.47
Total Program Staff	**1,999.24**	**735,541.35**	**1,574,325.00**	**0.47**
Excess Revenue Over (Under) Expenditures	**(1,999.24)**	**(735,541.35)**	**(1,724,325.00)**	**(0.43)**

Antelope Valley AQMD
Statement of Activity - MTD, MTM and YTD
For 4/30/2026

Report Recap

	M-T-D Actual	Y-T-D Actual	Y-T-D Budget	% Budget to Actual
Revenues				
Permitting	100,860.69	1,436,554.85	1,680,758.00	(0.85)
Programs	210.00	(115,101.78)	351,024.00	0.33
Revenue - Other	0.00	46,521.71	0.00	0.00
Application Fees	4,122.00	43,077.06	51,750.00	(0.83)
State Revenue	0.00	0.00	3,007,380.00	0.00
Fines & Penalties	3,341.41	43,231.41	20,000.00	(2.16)
Interest Earned	9,543.81	99,910.07	45,000.00	(2.22)
Adjustments to Revenue	0.00	(460.75)	0.00	0.00
Total Revenues	**118,077.91**	**1,553,732.57**	**5,155,912.00**	**(0.30)**
Expenses				
Office Expenses	4,788.16	59,388.10	110,500.00	0.54
Communications	2,357.98	27,158.30	49,150.00	0.55
Vehicles	594.74	4,129.05	20,500.00	0.20
Program Costs	0.00	244,587.30	2,838,797.00	0.09
Travel	75.00	75.00	4,000.00	0.02
Professional Services				
Financial Audit & Actuarial Svcs	1,496.00	14,275.20	175,000.00	0.08
Stipends	600.00	5,300.00	8,400.00	0.63
Maintenance & Repairs	215.96	6,218.64	12,500.00	0.50
Non-Depreciable Inventory	40.01	979.08	6,000.00	0.16
Dues & Subscriptions	(11,872.00)	15,154.68	42,000.00	0.36
Legal	3,856.74	33,874.58	57,500.00	0.59
Miscellaneous Expense	0.00	10,097.86	1,000.00	10.10
Capital Expenditures	0.00	0.00	210,000.00	0.00
Total Expenses	**2,152.59**	**421,237.79**	**3,535,347.00**	**0.12**
Program Staff				
Program Staff	1,999.24	735,541.35	1,574,325.00	0.47
Total Program Staff	**1,999.24**	**735,541.35**	**1,574,325.00**	**0.47**
Excess Revenue Over (Under) Expenditures	**113,926.08**	**396,953.43**	**46,240.00**	**(8.58)**

Antelope Valley AQMD

Bank Register from 4/01/2026 to 4/30/2026

General Fund P6A LA County

Check/Ref	Date	Name/Description	Check Amount	Deposit Amount	Account Balance
	4/01/2026	Interest Earned	0.00	9,543.81	4,068,734.91
0000610	4/03/2026	WEEKLY DEPOSIT	0.00	20,813.22	4,089,548.13
0000611	4/09/2026	WEEKLY DEPOSIT	0.00	179,410.12	4,268,958.25
R26-29	4/09/2026	OPERATING FUND TRANSFER #5 FY26	349,931.67	0.00	3,919,026.58
0000612	4/16/2026	WEEKLY DEPOSIT	0.00	5,017.71	3,924,044.29
0000613	4/23/2026	WEEKLY DEPOSIT	0.00	34,603.81	3,958,648.10
R26-30	4/28/2026	AB2766 TRANSFER FEB 2026	50,445.21	0.00	3,908,202.89
R26-31	4/28/2026	AB923 TRANSFER FEB 2026	47,297.11	0.00	3,860,905.78
0000614	4/30/2026	WEEKLY DEPOSIT	0.00	21,329.19	3,882,234.97
		Total for Report:	**447,673.99**	**270,717.86**	

Antelope Valley AQMD

Bank Register from 4/01/2026 to 4/30/2026

Wells Fargo Operating

Check/Ref	Date	Name/Description	Check Amount	Deposit Amount	Account Balance
0000995	4/02/2026	CREDIT CARD TRANSACTION AES	0.00	807.90	2,977,093.98
0000996	4/02/2026	CREDIT CARD TRANSACTION PALMDALE SCHOOL DISTRICT	0.00	4,042.00	2,981,135.98
0000999	4/03/2026	CREDIT CARD TRANSACTION CORE ENVIRONMENTAL	0.00	660.00	2,981,795.98
0000997	4/06/2026	CREDIT CARD TRANSACTION LANCASTER BAPTIST	0.00	807.90	2,982,603.88
0000998	4/06/2026	CREDIT CARD TRANSACTION AMERICAN INTEGRATED	0.00	1,755.00	2,984,358.88
0001006	4/08/2026	CREDIT CARD TRANSACTION 7-ELEVEN	0.00	687.00	2,985,045.88
0006197	4/09/2026	[10100] ANTELOPE VALLEY FAIR ASSOCIATION-LEASE PAYMENT APRIL 2026	3,000.00	0.00	2,982,045.88
0006198	4/09/2026	[10460] ANTELOPE VALLEY SHERIFFS BOOSTERS-2026 SHERIFF'S BOOSTER SPONSORSHIP	10,000.00	0.00	2,972,045.88
0006199	4/09/2026	[10518] AUSTIN BISHOP-ATTENDANCE GOVERNING BOARD MEETING 03/17/2026	100.00	0.00	2,971,945.88
0006200	4/09/2026	[11402] CHARTER COMMUNICATIONS-SPECTRUM BUSINESS INTERNET 04/01/2026-04/30/2026	220.00	0.00	2,971,725.88
0006201	4/09/2026	[10055] NEWTON CHELETTE-ATTENDANCE GOVERNING BOARD MEETING 03/17/2026	100.00	0.00	2,971,625.88
0006202	4/09/2026	[11809] JOEL S CORDES-AIR MONITORING SERVICE MARCH 2026	200.00	0.00	2,971,425.88
0006203	4/09/2026	[11511] JOEL S CRAIG-AIR MONITORING SERVICES MARCH 2026	1,799.24	0.00	2,969,626.64
0006204	4/09/2026	[10057] MARVIN CRIST-ATTENDANCE GOVERNING BOARD MEETING 03/17/2026	100.00	0.00	2,969,526.64
0006205	4/09/2026	[10019] FEDERAL EXPRESS CORPORATION-Invoices 9-159-41537, 9-231-41393, 9-715-01096	86.90	0.00	2,969,439.74
0006206	4/09/2026	[10599] HOWARD HARRIS-ATTENDANCE GOVERNING BOARD MEETING 03/17/2026	100.00	0.00	2,969,339.74
0006207	4/09/2026	[10058] RONALD HAWKINS-ATTENDANCE GOVERNING BOARD MEETING 03/17/2026	100.00	0.00	2,969,239.74
0006208	4/09/2026	[11405] IT SOLUTIONS INTEGRATED-MONTHLY IT SERVICES APRIL 2026	1,170.00	0.00	2,968,069.74
0006209	4/09/2026	[02519] J&A COMPANIES INC-Refund: Invoice AV7877 OVERPAYMENT	0.08	0.00	2,968,069.66
0006210	4/09/2026	[10054] KENNETH MANN-ATTENDANCE GOVERNING BOARD MEETING 03/17/2026	100.00	0.00	2,967,969.66
0006211	4/09/2026	[10071] QUADIENT LEASING-METER LEASING 04/02/2026-05/01/2026	78.53	0.00	2,967,891.13
0006212	4/09/2026	[10455] STRADLING YOCCA CARLSON & RAUTH-LEGAL SERVICES RENDERED THROUGH 02/28/2026	3,337.70	0.00	2,964,553.43
0006213	4/09/2026	[10483] STREAMLINE-WEB HOSTING 04/01/2026-05/01/2026	356.00	0.00	2,964,197.43
0006214	4/09/2026	[10046] VERIZON - NJ-LONG DISTANCE 03/28/2026-04/27/2026	37.38	0.00	2,964,160.05

Antelope Valley AQMD

Bank Register from 4/01/2026 to 4/30/2026

Wells Fargo Operating

Check/Ref	Date	Name/Description	Check Amount	Deposit Amount	Account Balance
0006215	4/09/2026	[01107] VERIZON WIRELESS-AIR MONITORING SIM CARD 02/18/2026-03/17/2026	40.01	0.00	2,964,120.04
0001001	4/09/2026	CREDIT CARD TRANSACTION CALIBER COLLISION	0.00	2,146.92	2,966,266.96
0006198	4/09/2026	[10460] ANTELOPE VALLEY SHERIFFS BOOSTERS-2026 SHERIFF'S BOOSTER SPONSORSHIP	0.00	10,000.00	2,976,266.96
R26-29	4/09/2026	OPERATING FUND TRANSFER #5 FY26	0.00	349,931.67	3,326,198.63
0001002	4/10/2026	CREDIT CARD TRANSACTION CITY OF PALMDALE	0.00	687.00	3,326,885.63
0001000	4/13/2026	CREDIT CARD TRANSACTION CALMAT	0.00	14,546.04	3,341,431.67
0001004	4/17/2026	CREDIT CARD TRANSACTION L & G	0.00	4,182.02	3,345,613.69
0001003	4/21/2026	CREDIT CARD TRANSACTION CALMAT	0.00	1,757.38	3,347,371.07
0001005	4/21/2026	CREDIT CARD TRANSACTION 7-ELEVEN	0.00	687.00	3,348,058.07
0001007	4/23/2026	CREDIT CARD TRANSACTION CALIBER	0.00	1,431.28	3,349,489.35
0001008	4/23/2026	CREDIT CARD TRANSACTION DESERT SENIOR ASSOC	0.00	252.33	3,349,741.68
0001009	4/24/2026	CREDIT CARD TRANSACTION LEVEL 3	0.00	1,392.90	3,351,134.58
0001010	4/27/2026	CREDIT CARD TRANSACTION KAISER UNITED RENTAL	0.00	885.33	3,352,019.91
0001011	4/30/2026	CREDIT CARD TRANSACTION JM STITT MAISON PALMDALE FOX FIELD	0.00	2,116.85	3,354,136.76
		Total for Report:	**20,925.84**	**398,776.52**	

Antelope Valley AQMD

Bank Register from 4/01/2026 to 4/30/2026

WF AB2766

Check/Ref	Date	Name/Description	Check Amount	Deposit Amount	Account Balance
R26-30	4/28/2026	AB2766 TRANSFER FEB 2026	0.00	50,445.21	1,968,729.71
		Total for Report:	**0.00**	**50,445.21**	

Antelope Valley AQMD

Bank Register from 4/01/2026 to 4/30/2026

WF AB923

Check/Ref	Date	Name/Description	Check Amount	Deposit Amount	Account Balance
0001143	4/09/2026	[10884] COAST AUTO SALVAGE LLC-AB923 GRANT ANNUAL LAWN MOWER EXCHANGE	4,800.00	0.00	2,823,000.47
R26-31	4/28/2026	AB923 TRANSFER FEB 2026	0.00	47,297.11	2,870,297.58
		Total for Report:	**4,800.00**	**47,297.11**	

Antelope Valley AQMD

Bank Register from 4/01/2026 to 4/30/2026

WF Carl Moyer

Check/Ref	Date	Name/Description	Check Amount	Deposit Amount	Account Balance
0011074	4/09/2026	[11812] CAROLYN W MANSUR-CARL MOYER GRANT LAWN & GARDEN EQUIPMENT EXCHANGE PROGRAM	2,000.00	0.00	2,150,733.36
		Total for Report:	**2,000.00**	**0.00**	

THE ANTELOPE VALLEY AIR QUALITY MANAGEMENT DISTRICT
LANCASTER, CALIFORNIA

AGENDA ITEM # 5

DATE: June 16, 2026

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 9, 2026.

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
☐ Permit, license, or entitlement for use	☐ Competitively bid contract
☐ Contract or grant	☐ Labor or personal employment
	✓ 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 16, 2026

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 $8,583.00 in funding from the AB 197 Emission Inventory District Grant Program to the AVAQMD. It also acknowledges the terms and conditions outlined in the Grant Agreement Provisions and authorizes staff to proceed with the associated program 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 8, 2026.

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 $500 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
☐ Permit, license, or entitlement for use	☐ Competitively bid contract
✓ Contract or grant	☐ Labor or personal employment
	☐ General policy and legislative actions

INTERESTED PARTIES: None

PRESENTER: Julie McKeehan, Grants Analyst

ANTELOPE VALLEY AIR QUALITY MANAGEMENT DISTRICT
LANCASTER, CALIFORNIA

DATE: June 16, 2026

RECOMMENDATION: Ratify employee longevity recognition based on combined years of service provided to Antelope Valley Air Quality Management District (AVAQMD) and the City of Lancaster (COL).

BACKGROUND: Effective October 1, 2022, AVAQMD transitioned to a contractual arrangement with the City of Lancaster (COL) for human resource and fiscal administration services. As part of this transition AVAQMD employees became employees of the COL while continuing to provide services to the District. It was understood and permitted that employees' prior years of service with AVAQMD would be recognized for longevity purposes. This recognition reflected the continuity of service provided to the District despite the change in employer of record.

To formally document and confirm this practice, staff recommends ratification of longevity credit for employees based on their combined years of service with AVAQMD and COL. Ratification will ensure consistency in the administration of the District's longevity recognition and memorialize the intent established at the time of the transition

REASON FOR RECOMMENDATION: Ratification is recommended to formally recognize eligible years of service with AVAQMD for longevity purposes consistent with the intent and practice established during the employee transition to the COL. This action ensures consistency, equity, and administrative clarity regarding longevity recognition**.**

REVIEW BY OTHERS: This item was reviewed by Allison E. Burns, Special Counsel to the Governing Board and as to legal form and by Barbara Lods, Executive Director/APCO on or about June 9, 2026.

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 $500 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
☐ Permit, license, or entitlement for use	☐ Competitively bid contract
☐ Contract or grant	☐ Labor or personal employment
	☒General policy and legislative actions

PRESENTER: Barbara Lods, Executive Director/APCO

ANTELOPE VALLEY AIR QUALITY MANAGEMENT DISTRICT
LANCASTER, CALIFORNIA

DATE: June 16, 2026

RECOMMENDATION: Update Exhibit A, SCOPE OF MATERIALS AND SERVICES staffing table, as referenced in the agreement between Antelope Valley Air Quality Management District and the City of Lancaster.

SUMMARY: Update staffing positions for the Fiscal Year 2027

BACKGROUND: The table below represents the staffing for AVAQMD for Fiscal Year 2027

City of Lancaster Title	City of Lancaster Employee Group	Starting Hourly Range Steps 1-6					
		Step 1	Step 2	Step 3	Step 4	Step 5	Step 6
Director	2200	$94.35	$99.07	$104.02	$109.22	$114.68	$120.42
Analyst	4000	$47.18	$49.53	$52.01	$54.61	$57.34	$60.21
Senior Inspector	4000	$47.18	$49.53	$52.01	$54.61	$57.34	$60.21
Analyst	4000	$47.18	$49.53	$52.01	$54.61	$57.34	$60.21
Senior Specialist	4000	$42.46	$44.58	$46.81	$49.15	$51.61	$54.19
Senior Engineering Tech	4000	$47.18	$49.53	$52.01	$54.61	$57.34	$60.21
Specialist I	4000	$33.80	$35.49	$37.26	$39.13	$41.08	$43.14

REASON FOR RECOMMENDATION: Providing staffing update for Fiscal Year 27

REVIEW BY OTHERS: This item was reviewed by Allison Burns, special Counsel to the Governing Board and Barbara Lods, Executive Director/APCO on or about June 9, 2026.

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 $500 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
☐ Permit, license, or entitlement for use	☐ Competitively bid contract
☐ Contract or grant	☐ Labor or personal employment
	☒General policy and legislative actions

PRESENTER: Barbara Lods, Executive Director/APCO

ANTELOPE VALLEY AIR QUALITY MANAGEMENT DISTRICT
LANCASTER, CALIFORNIA

AGENDA ITEM # 9

DATE: June 16, 2026

RECOMMENDATION: 1) Award an amount not to exceed $568,265 in Carl Moyer Program funds to Allied Potato for the replacement of an older diesel tractor with new, cleaner technology; 2) Authorize the Executive Director/APCO the option to change the funding source if warranted or if other applicable funding 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 the Office of District Counsel; and 4) Find that this item is not a project pursuant to the California Environmental Quality Act.

SUMMARY: This item recommends awarding up to $568,265 in Carl Moyer Program funds to Allied Potato to replace an older diesel tractor with equipment certified to meet Final Tier 4/current emission standards**,** resulting in cleaner, lower-emission operations.

BACKGROUND: Allied Potato submitted an application for grant funding to replace an older diesel tractor under the Carl Moyer Off-Road Equipment Replacement Program. Although not subject to the diesel off-road regulation, the applicant is voluntarily participating to accelerate fleet turnover and reduce emissions through the early retirement of higher-polluting equipment. District staff reviewed the proposal in accordance with program guidelines and determined the project eligible for 80% funding toward the cost of replacement equipment. The project is expected to achieve approximately 4.43 tons per year of early emission reductions, contributing to the region's progress toward meeting national ambient air quality standards.

REASON FOR RECOMMENDATION: Governing Board approval is needed for the use of District funds. Additionally, Governing Board authorization is needed for the Executive Director/APCO and staff to negotiate and execute an agreement with the grant recipient.

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 8, 2026.

FINANCIAL DATA: Funding is available from the District's Carl Moyer Program 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 $500 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
☐ Permit, license, or entitlement for use	☐ Competitively bid contract
✓ Contract or grant	☐ Labor or personal employment
	☐ General policy and legislative actions

INTERESTED PARTIES: Allied Potato

PRESENTER: Julie McKeehan, Grants Analyst

ANTELOPE VALLEY AIR QUALITY MANAGEMENT DISTRICT
LANCASTER, CALIFORNIA

DATE: June 16, 2026

RECOMMENDATION: Conduct a public hearing to present an overview of current job vacancies, recruitment efforts, and retention strategies to comply with Assembly Bill 2561/Government Code Section 3502.3. a. Open public hearing; b. Receive staff report; c. Receive public testimony; d. Close public hearing.

SUMMARY: The purpose of AB 2561 is to address growing concerns over staffing shortages in public agencies, which can lead to increased workloads, employee burnout, lower morale, and quality of public services to citizens

BACKGROUND: Assembly Bill 2561 (AB 2561) amended the Meyers-Milias-Brown Act by adding Government Code Section 3502.3, which requires local public agencies to enhance transparency and accountability in public sector staffing.

REASON FOR RECOMMENDATION: A Public Hearing is required to satisfy the requirements of Assembly Bill 2561/Government Code Section 3502.3, regarding job vacancies, recruitment and retention of Antelope Valley AQMD employment/employees

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 9, 2026.

PRESENTER: Barbara Lods

NOTICE OF PUBLIC HEARING OF THE ANTELOPE VALLEY AIR QUALITY MANAGEMENT DISTRICT REGARDING GOVERNMENT CODE SECTION 3502.3

NOTICE IS HEREBY GIVEN that on June 16, 2026, at 42210 6th Street West Lancaster, CA 93534, at 10 A.M.., or as soon thereafter as the matter can be heard, the Board of Directors of the **ANTELOPE VALLEY AIR QUALITY MANAGEMENT DISTRICT** (the "**DISTRICT**"), will conduct a public hearing to present an overview of current job vacancies, recruitment efforts, and retention strategies to comply with Assembly Bill 2561/Government Code Section 3502.3. For further information, see the Agenda for the Board of Directors meeting.

All interested persons are invited to attend the meeting to comment on the current job vacancies, recruitment efforts, and retention strategies of the **DISTRICT**. Members of the public unable to attend the public hearing may submit their comments and recommendations in writing to the **DISTRICT**, 2551 West Avenue H, Lancaster CA 93536, Attn: Executive Director, or by calling the **DISTRICT**'s Office at 661-723-8070 with comments relative to this public hearing.

In compliance with the Americans with Disabilities Act, this meeting will be held at a location accessible to persons with disabilities; if you need special assistance to participate in this public meeting, please contact 661-723-8070 x21. TDD users may call the California TDD Relay Service at 1-800-735-2922. Services such as American Sign Language interpreters, a reader during the meeting, auxiliary aids, and large print copies of the agenda and/or translation assistance for non-English speakers are available upon reasonable and timely request. To ensure availability, you are advised to make your request at least 72 hours prior to the meeting/event you wish to attend. Due to difficulties in securing sign language interpreters, five or more business days' notice is strongly recommended. For additional information, please contact Adrianna Castañeda by email at acastaneda@avaqmd.ca.gov.

Dated and Published: June 6, 2026

ANTELOPE VALLEY AIR QUALITY MANAGEMENT DISTRICT
LANCASTER, CALIFORNIA

AGENDA ITEM # 11

DATE: June 16, 2026

RECOMMENDATION: Conduct Continued Public Hearing to consider the proposed AVAQMD Budget for FY 2026-27: 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 2026-2027.

SUMMARY: The AVAQMD Budget for Fiscal Year 2026-2027 is presented to the Governing Board for adoption and implementation beginning July 1, 2026.

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 19, 2026, and continued to this meeting.

The budget includes anticipated revenue to be derived from a proposed 8%. The fee increase is well within the provisions of Health & Safety Code §42311(a) and falls within the exemption found in Article XIIIC §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 9, 2026.

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

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
☐ Permit, license, or entitlement for use	☐ Competitively bid contract
☐ Contract or grant	☐ Labor or personal employment
	✓ General policy and legislative actions

PRESENTER: Barbara Lods, Executive Director/APCO

RESOLUTION NO. 26-01

A RESOLUTION OF THE GOVERNING BOARD OF THE ANTELOPE VALLEY AIR QUALITY MANAGEMENT DISTRICT APPROVING AND ADOPTING THE PROPOSED OPERATING BUDGET FOR FISCAL YEAR 2026-27.

On June 16, 2026, 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 2026-27; 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 19, 2026, and continued to June 16, 2026; 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 2026-27 are $5,932,289 (Five Million, Nine Hundred Thirty-Two Thousand Two Hundred Eighty Nine); and

WHEREAS, the revenue budgeted from all funds for fiscal year 2026-27 is $5,932,289 (Five Million, Nine Hundred Thirty-Two Thousand Two Hundred Eighty Nine); 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. 26-01

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 2026-27.

The annual budget for the AVAQMD for the fiscal year 2026-27 is hereby approved and adopted, and the amounts of proposed expenditures, as specified, are appropriate for the account classifications as herein specified.

A. The 2026-27 Budget for expenses is hereby adopted, establishing the following:

ACCOUNT CLASSIFICATION	2026-27 ADOPTED BUDGET
Personnel Expenses	$1,585,000
Operating Expenses	$456,830
Program Expenses	$3,862,959
Capital Expenses	$27,500
TOTAL EXPENSE BUDGET	**$5,932,289**

B. The 2026-27 Budget for revenue is hereby adopted, establishing a revenue base for the expenditures noted above:

ACCOUNT CLASSIFICATION	2026-27 ADOPTED BUDGET
Permit Fees	$1,852,480
Application Fees	$54,325
Fines & Penalties	$30,000
Interest Income	$65,000
Revenue from (Grant) Programs	$1,352,094
Federal and State Revenue	$2,578,390
TOTAL REVENUE BUDGET	**$5,932,289**
Cash to/from Reserve	**$0**

RESOLUTION NO. 26-01

Committed Fund Balance for Cash Reserves $1M

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 16, 2026.

_____
Executive Assistant,
Antelope Valley Air Quality Management District.

Proposed
BUDGET

FISCAL YEAR 2026-27

JULY 1, 2026

Antelope Valley Air Quality Management District

2551 West Avenue H, Lancaster, CA 93536

Barbara Lods, Executive Director/ APCO

May 19, 2026

I'm pleased to present for your consideration, the Antelope Valley Air Quality Management District's proposed Fiscal Year (FY) 2026-2027 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 2027 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 19, 2026 to receive public comments concerning this proposed budget and will be continued to June 16, 2026 for adoption. The FY27 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 can 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.

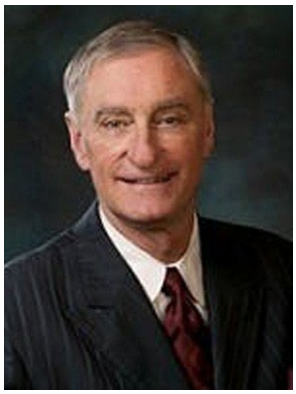
GOVERNING BOARD

Chair

Marvin Crist
City of Lancaster

VICE CHAIR

Ken Mann
City of Palmdale



Newton Chelette
Public Member

Howard Harris
Los Angeles County,
Fifth District

Ron Hawkins
Los Angeles County,
Fifth District

Eric Ohlsen
City of Palmdale

Austin Bishop
City of Palmdale

WHAT WE DO

- Adopt rules that limit pollution, issue permits to ensure compliance and inspect pollution sources.
- Administer agricultural burning and dust control plans to preserve the air quality in the 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 using 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.
- Collaborate with other government agencies to ensure their decisions align with and support strong air quality efforts
- 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 2026	EOY Estimate FY 2026	Budget FY 2027
Revenues			
Permit Fees	1,680,758	1,767,200	1,852,480
Application Fees	51,750	51,325	54,325
Fines & Penalties	20,000	40,000	30,000
Interest Income	45,000	80,000	65,000
Revenue from Programs	351,024	1,622,362	1,352,094
State Revenue	3,007,380	2,578,390	2,578,390
Total Revenues	**5,155,912**	**6,139,277**	**5,932,289**
Expenses			
Personnel Expenses			
Program Staff	1,574,325	1,450,000	1,585,000
Total Personnel Expenses	**1,574,325**	**1,450,000**	**1,585,000**
Operating Expenses			
Communications	49,150	45,750	49,490
Dues & Subscriptions	42,000	25,500	32,000
Non-Depreciable Inventory	6,000	1,500	6,500
Legal	57,500	41,200	50,000
Professional Services	183,400	174,400	183,400
Maintenance & Repairs	12,500	6,000	5,000
Training & Travel	4,000	0	4,000
Vehicles	20,500	13,500	23,000
Office Expenses	110,500	92,300	101,940
Program Expenses	2,838,797	1,254,236	3,862,959
Miscellaneous Expenses	1,000	800	1,500
Total Operating Expenses	**3,325,347**	**1,655,186**	**4,319,789**
Capital Expenses			
Improvements	50,000	0	15,000
Furniture & Fixtures	50,000	0	2,500
Equipment	15,000	0	10,000
Vehicles	60,000	0	0
Software	35,000	0	0
Total Capital Expenses	**210,000**	**0**	**27,500**
Total Expenses	**5,109,672**	**3,105,186**	**5,932,289**
Cash To (From) Reserves	**46,240**	**3,034,091**	**0**

COST RECOVERY FISCAL YEAR 2026-27

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 reduce 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 is best allocated to the individuals and businesses that contribute to it, which can be achieved through regulatory and service fees. Authority for recovering the costs of District programs and activities related to stationary sources is provided under Section 41240 of the Health and Safety Code (HSC). In accordance with this guidance, the District must:

- Recover the costs of programs related to permitted stationary sources
- Recover costs associated with regulated area-wide and indirect emission sources that do not require permits.
- 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.

Costs are classified as direct, indirect or overhead.

Direct costs are linked directly to a specific program or activity, such as 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 program or activity, like operating expenses.

Each year, the District sets direct, indirect, and overhead cost rates using prior-year financial data to ensure programs fairly share costs and generate enough revenue to cover expenses. Permit revenue and other programs are evaluated for accuracy, and we determine whether permit fees need to be adjusted to achieve full cost recovery.

Antelope Valley AQMD
GENERAL FUND, Consolidated

	Budget FY 2026	EOY Estimates FY 2026	Budget FY 2027
Revenues			
Permit Fees	1,680,758	1,767,200	1,852,480
Application Fees	51,750	51,325	54,325
Fines & Penalties	20,000	40,000	30,000
Interest Income	45,000	80,000	65,000
Revenue from Programs	351,024	1,622,362	1,352,094
State Revenue	3,007,380	2,578,390	2,578,390
Total Revenues	**5,155,912**	**6,139,277**	**5,932,289**
Expenses			
Personnel Expenses			
Program Staff	1,574,325	1,450,000	1,585,000
Total Personnel Expenses	**1,574,325**	**1,450,000**	**1,585,000**
Operating Expenses			
Communications	49,150	45,750	49,490
Dues & Subscriptions	42,000	25,500	32,000
Non-Depreciable Inventory	6,000	1,500	6,500
Legal	57,500	41,200	50,000
Professional Services	183,400	174,400	183,400
Maintenance & Repairs	12,500	6,000	5,000
Training & Travel	4,000	0	4,000
Vehicles	20,500	13,500	23,000
Office Expenses	110,500	92,300	101,940
Program Expenses	2,838,797	1,254,236	3,862,959
Miscellaneous Expenses	1,000	800	1,500
Total Operating Expenses	**3,325,347**	**1,655,186**	**4,319,789**
Capital Expenses			
Improvements	50,000	0	15,000
Furniture & Fixtures	50,000	0	2,500
Equipment	15,000	0	10,000
Vehicles	60,000	0	0
Software	35,000	0	0
Total Capital Expenses	**210,000**	**0**	**27,500**
Total Expenses	**5,109,672**	**3,105,186**	**5,932,289**
Cash To (From) Reserves	**46,240**	**3,034,091**	**0**

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, 2027.

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, Revenue Detail

	Budget FY 2026	EOY Estimate FY 2026	Budget FY 2027
Revenues			
Permit Fees			
Permit Fees Rev	1,586,758	1,571,867	1,668,480
Asbestos Demo/Reno Rev	50,000	50,000	60,000
Title V Revenue	4,000	5,333	4,000
Rule 302	40,000	140,000	120,000
	1,680,758	1,767,200	1,852,480
Application Fees			
Permit Application Fees	50,000	51,000	54,000
AG Application Fees	1,750	325	325
	51,750	51,325	54,325
Fines & Penalties			
Notice of Violations Fee	10,000	20,000	10,000
	10,000	20,000	10,000
Interest Income			
Interest Revenue	45,000	80,000	65,000
	45,000	80,000	65,000
Other Revenue			
Revenue from Programs			
Administrative Funding	74,524	1,021,362	731,094
AB2766 Program	275,000	600,000	620,000
Hot Spots Revenue	1,500	1,000	1,000
	351,024	1,622,362	1,352,094
State and Federal Revenue			
PERP	40,000	40,000	40,000
State Contracts	2,847,380	2,413,390	2,413,390
State Subvention	120,000	125,000	125,000
	3,007,380	2,578,390	2,578,390
Total General Fund Revenues	**5,145,912**	**6,119,277**	**5,912,289**

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 continuously collects daily and real-time pollutant levels. This data is shared with the California Air Resources Board, the U.S. Environmental Protection Agency, regulated industries, and the public. It is also used to forecast pollution episodes and provide timely notifications to schools and the broader community when air quality reaches harmful levels.

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 documents permit applications, manufacturer information, test results, risk reports, and pollution data.

The District implements and manages:

- Title III & Title 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 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 observes 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

	Budget FY 2026	EOY Estimate FY 2026	Budget FY 2027
Expenses			
Personnel Expenses			
Program Staff	1,574,325	1,450,000	1,585,000
Total Personnel Expenses	**1,574,325**	**1,450,000**	**1,585,000**
Operating Expenses			
Communications			
Telephones	5,000	2,200	3,500
Long Distance Charges	500	400	500
Video/Teleconference	150	150	150
Internet	5,000	3,000	2,500
Web Hosting	3,500	5,000	12,840
Tech Support	25,000	25,000	20,000
Computers - Expenditures	10,000	10,000	10,000
	49,150	45,750	49,490
Dues & Subscriptions			
Memberships & Sponsorships	40,000	25,000	30,000
Publications & Subscriptions	1,000	500	1,000
Professional Dues	1,000	0	1,000
	42,000	25,500	32,000
Non-Depreciable Inventory			
Machinery & Equipment Exp	5,000	1,000	5,000
Safety Equipment Exp	1,000	500	1,500
	6,000	1,500	6,500
Legal			
Legal Notices	7,500	1,200	5,000
Legal Services	50,000	40,000	45,000
	57,500	41,200	50,000
Professional Services			
Financial Services	175,000	168,000	175,000
Stipends	8,400	6,400	8,400
	183,400	174,400	183,400
Maintenance & Repairs			
General Bldg. Maintenance	10,000	0	0
Equipment Repair	2,500	6,000	5,000
	12,500	6,000	5,000
Training & Travel			
Training	2,000	0	2,000
Travel	2,000	0	2,000
	4,000	0	4,000

Antelope Valley AQMD
DISTRICT WIDE, Expense Detail

	Budget FY 2026	EOY Estimate FY 2026	Budget FY 2027
Vehicles			
Vehicle Gas & Oil	7,500	5,000	8,000
Vehicle Maintenance	2,000	1,000	2,500
Vehicle Repairs	5,000	1,000	5,000
Vehicle Insurance	6,000	6,500	7,500
	20,500	13,500	23,000
Office Expenses			
Software Expenditure	25,000	20,000	20,000
Supplies	5,500	3,000	4,440
Facility Leases	36,000	36,000	36,000
Equipment Lease	7,500	4,000	5,000
Postage	2,000	1,500	2,000
Courier	1,000	500	1,000
Printing/Shredding Services	1,000	0	1,000
Liability Insurance	20,000	22,000	25,000
Meeting Expenses	2,500	1,800	2,500
Community Relations	10,000	3,500	5,000
	110,500	92,300	101,940
Program Expenses			
Program Expenditures	2,838,797	405,269	2,475,677
Program Expenditures Executive Administration	0	848,967	1,387,282
	2,838,797	1,254,236	3,862,959
Miscellaneous Expenses			
Bank Fees	1,000	300	1,000
Interest Expense	0	500	500
	1,000	800	1,500
Total Operating Expenses	**3,325,347**	**1,655,186**	**4,319,789**
Capital Expenses			
Improvements	50,000	0	15,000
Furniture & Fixtures	50,000	0	2,500
Equipment	15,000	0	10,000
Vehicles	60,000	0	0
Software	35,000	0	0
Total Capital Expenses	**210,000**	**0**	**27,500**
Total Expenses	**5,109,672**	**3,105,186**	**5,932,289**

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 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 2026	EOY Estimate FY 2026	Budget FY 2027
Expenses			
Personnel Expenses			
Program Staff	1,574,325	1,450,000	1,585,000
Total Personnel Expenses	1,574,325	1,450,000	1,585,000
Operating Expenses			
Communications			
Dues & Subscriptions			
Non-Depreciable Inventory			
Legal			
Professional Services			
Financial Services	150,000	150,000	150,000
	150,000	150,000	150,000
Maintenance & Repairs			
Training & Travel			

Antelope Valley AQMD
CONTRACT, Expense Detail

	Budget FY 2026	EOY Estimate FY 2026	Budget FY 2027
Vehicles			
Office Expenses			
Program Expenses			
Miscellaneous Expenses			
Total Operating Expenses	150,000	150,000	150,000
Capital Expenses			
Total Expenses	1,724,325	1,600,000	1,735,000

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.

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
Program Funds Consolidated GRANT PROGRAMS

	Budget FY 2025	Budget FY 2026	Budget FY 2027
Revenues			
AB2766 Program	600,000	600,000	600,000
Carl Moyer Program	1,169,166	1,607,037	637,906
AB923 - Project Revenue	600,000	600,000	600,000
Total Consolidated Program Revenue	**2,369,166**	**2,807,037**	**1,837,906**
Expenses			
Program Expenditures	2,369,166	2,807,037	1,837,906
Total Consolidated Program Expense	**2,369,166**	**2,807,037**	**1,837,906**

Antelope Valley AQMD
Program Funds AB2766 GRANT PROGRAMS

	Budget FY 2025	Budget FY 2026	Budget FY 2027
Revenues			
AB2766 - Project Revenue	600,000	600,000	600,000
Total AB2766 Program Revenue	**600,000**	**600,000**	**600,000**
Expenses			
Program Expenditures Mower Replacement	600,000	600,000	600,000
Total AB2766 Program Expense	**600,000**	**600,000**	**600,000**

Antelope Valley AQMD
Program Funds AB923 GRANT PROGRAMS

	Budget FY 2025	Budget FY 2026	Budget FY 2027
Revenues			
AB923 - Project Revenue	600,000	600,000	600,000
Total AB923 Program Revenue	**600,000**	**600,000**	**600,000**
Expenses			
Program Expenditures	600,000	600,000	600,000
Total AB923 Program Expense	**600,000**	**600,000**	**600,000**

Antelope Valley AQMD
Program Funds Carl Moyer GRANT PROGRAMS

	Budget FY 2025	Budget FY 2026	Budget FY 2027
Revenues			
Carl Moyer Program	1,169,166	1,607,037	637,906
Total Carl Moyer Program Revenue	**1,169,166**	**1,607,037**	**637,906**
Expenses			
Program Expenditures Mower Replacement	1,169,166	1,607,037	637,906
Total Carl Moyer Program Expense	**1,169,166**	**1,607,037**	**637,906**

Antelope Valley AQMD
ALL FUNDS, Consolidated Historical

	Budget FY 2023	Budget FY 2024	Budget FY 2025	Budget FY 2026	Budget FY 2027
Revenues					
Permit Fees	1,199,200	1,303,600	1,353,300	1,640,758	1,732,480
Application Fees	32,500	32,325	35,000	51,750	54,325
Federal Revenue	63,982	63,982	0	0	0
Fines & Penalties	10,000	60,000	185,000	60,000	150,000
Interest Income	10,000	10,000	45,000	45,000	65,000
Revenue from Programs	934,045	874,064	1,096,064	351,024	1,352,094
State Revenue	1,446,315	1,604,523	2,236,773	3,007,380	2,578,390
Total Revenues	**3,696,042**	**3,948,494**	**4,951,137**	**5,155,912**	**5,932,289**
Expenses					
Personnel Expenses					
Salaries & Wages	1,800,000	1,828,647	1,255,000	1,574,325	1,585,000
Total Personnel Expenses	**1,800,000**	**1,828,647**	**1,255,000**	**1,574,325**	**1,585,000**
Operating Expenses					
Communications	35,870	22,000	27,150	49,150	49,490
Dues & Subscriptions	21,100	36,100	36,500	42,000	32,000
Non-Depreciable Inventory	10,500	18,500	5,500	6,000	6,500
Legal	79,000	53,000	55,000	57,500	50,000
Professional Services	305,150	253,400	145,200	183,400	183,400
Maintenance & Repairs	7,000	2,000	0	12,500	5,000
Training & Travel	16,650	12,000	2,000	4,000	4,000
Vehicles	15,930	21,000	18,000	20,500	23,000
Office Expenses	132,761	109,800	66,000	110,500	101,940
Program Expenses	1,264,315	1,404,809	3,291,787	2,838,797	3,862,959
Miscellaneous Expenses	2,900	1,000	500	1,000	1,500
Total Operating Expenses	**1,891,176**	**1,933,609**	**3,647,637**	**3,325,347**	**4,319,789**
Capital Expenses					
Improvements	0	0	0	50,000	15,000
Furniture & Fixtures	0	0	0	50,000	2,500
Equipment	25,000	50,000	0	15,000	10,000
Vehicles	0	30,000	0	60,000	0
Software	25,000	25,000	0	35,000	0
Total Capital Expenses	**50,000**	**105,000**	**0**	**210,000**	**27,500**
Total Expenses	**3,741,176**	**3,867,256**	**4,902,637**	**5,109,672**	**5,932,289**

Antelope Valley AQMD
GENERAL FUND, Consolidated Historical

	Budget FY 2023	Budget FY 2024	Budget FY 2025	Budget FY 2026	Budget FY 2027
Revenues					
Permit Fees	1,199,200	1,380,380	1,353,300	1,640,758	1,732,480
Application Fees	32,500	71,493	35,000	51,750	54,325
Federal Revenue	63,982	10,799	0	0	0
Fines & Penalties	10,000	134,717	185,000	60,000	150,000
Interest Income	10,000	65,470	45,000	45,000	65,000
Revenue from Programs	934,045	584,540	1,096,064	351,024	1,352,094
State Revenue	1,446,315	313,451	2,236,773	3,007,380	2,578,390
Total Revenues	**3,696,042**	**2,560,850**	**4,951,137**	**5,155,912**	**5,932,289**
Expenses					
Personnel Expenses					
Salaries & Wages	1,800,000	842,378	1,255,000	1,574,325	1,585,000
Total Personnel Expenses	**1,800,000**	**842,378**	**1,255,000**	**1,574,325**	**1,585,000**
Operating Expenses					
Communications	35,870	21,310	27,150	49,150	49,490
Dues & Subscriptions	21,100	29,894	36,500	42,000	32,000
Non-Depreciable Inventory	10,500	2,359	5,500	6,000	6,500
Legal	79,000	50,454	55,000	57,500	50,000
Professional Services	305,150	52,932	145,200	183,400	183,400
Maintenance & Repairs	7,000	28	0	12,500	5,000
Training & Travel	16,650	248	2,000	4,000	4,000
Vehicles	15,930	12,828	18,000	20,500	23,000
Office Expenses	132,761	38,019	66,000	110,500	101,940
Program Expenses	1,264,315	641,494	3,291,787	2,838,797	3,862,959
Miscellaneous Expenses	2,900	220	500	1,000	1,500
Total Operating Expenses	**1,891,176**	**849,786**	**3,647,637**	**3,325,347**	**4,319,789**
Capital Expenses					
Improvements	0	0	0	50,000	15,000
Furniture & Fixtures	0	0	0	50,000	2,500
Equipment	25,000	14,819	0	15,000	10,000
Vehicles	0	0	0	60,000	0
Software	25,000	20,360	0	35,000	0
Total Capital Expenses	**50,000**	**35,179**	**0**	**210,000**	**27,500**
Total Expenses	**3,741,176**	**1,727,343**	**4,902,637**	**5,109,672**	**5,932,289**

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/Renewal 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 Violation Fee - 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 & AB923 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 cost 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