

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 May 19, 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 April 21, 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. 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.
5. This Preliminary Financial Report is provided to the Governing Board for information concerning the fiscal status of the District at March 31, 2026.
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.

ITEMS FOR DISCUSSION

DEFERRED ITEMS

NEW BUSINESS

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.
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.
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.
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.

CLOSED SESSION

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.

RETURN TO ITEMS FOR DISCUSSION

12. Reports: Governing Board Counsel, Executive Director/APCO, Staff.
 - a. Direction regarding Election of Officers.
13. Board Member Reports and Suggestions for Future Agenda Items.
14. Adjourn to Regular Governing Board Meeting of Tuesday, June 16, 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, May 14, 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, May 19, 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, May 14, 2026.**
DATE

**ANTELOPE VALLEY AIR QUALITY MANAGEMENT
DISTRICT
GOVERNING BOARD MEETING
TUESDAY, APRIL 21 2026
ANTELOPE VALLEY TRANSIT AUTHORITY
DISTRICT OFFICE
LANCASTER, CA**

Draft Minutes

Board Members Present:

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

Board Members Absent:

CALL TO ORDER 10:00 A.M.

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

PUBLIC COMMENT

Chair **CRIST** called for **PUBLIC COMMENT**. At this time, no public comment was made in person, or electronically, moved 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 **BISHOP**, and carried by the following roll call vote, with seven **AYES** votes by Board Members, **MARVIN CRIST, KEN MANN, AUSTIN BISHOP, LAURA BETTENCOURT, NEWTON CHELETTE, HOWARD HARRIS, and RON HAWKINS** on the Consent Calendar, as follows:

Agenda Item #1 – Approve Minutes from Regular Governing Board Meeting of March 17, 2026. Find that the California Environmental Quality Act does not apply to this item.

Approved Minutes from Regular Governing Board Meeting of March 17, 2026.

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

Draft Minutes

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.

ITEMS FOR DISCUSSION

DEFERRED ITEMS

PRESENTATIONS

A. Recognition of Board Service.

- Barbara Lods, Executive Director/APCO presented Chair CRIST with a letter of appreciation for his service to the AVAQMD Governing Board.

NEW BUSINESS

Agenda Item #4 – The annual financial audit for Fiscal Year 2024-25 is complete and presented for review and to receive and file.

Presenter: Jonathan Abadesco, representative from C.J. Brown and Company.

Chair CRIST opened the public hearing. Jonathan Abadesco presented background information and answered questions from the Board. Chair Crist called for public comment, no public comment was made in person, or electronically, being none, Chair CRIST closed the public hearing. Upon motion by Board Member **HAWKINS**, seconded by Board Member **HARRIS**, and carried by the following roll call vote, with seven **AYES** votes by Board Members, **MARVIN CRIST, KEN MANN, LAURA BETTENCOURT, AUSTIN BISHOP, NEWTON CHELETTE, HOWARD HARRIS and RON HAWKINS**, the Board, Received and filed the annual financial audit for Fiscal Year 2024-25, which audit is complete and presented for review.

Agenda Item #5 – 1) Approve an award not to exceed \$48,522 in Carl Moyer Program funds to Boething Treeland Farms 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.

Presenter: Julie McKeehan, Grants Analyst.

Chair CRIST opened the public hearing. Julie McKeehan, Grants Analyst, presented background information and answered questions from the Board. Chair Crist called for public comment, no public comment was made in person, or electronically, being none, Chair CRIST closed the public hearing. After group discussion and upon motion by member **CHELETTE**, seconded by Board Member **BETTENCOURT**, as approved by the following roll call vote, with seven **AYES** votes by Board Members, **MARVIN CRIST, KEN MANN, LAURA BETTENCOURT, AUSTIN BISHOP, NEWTON CHELETTE, HOWARD HARRIS, and RON HAWKINS**, the Board, 1) **Approved** an award not to

exceed \$48,522 in Carl Moyer Program funds to Boething Treeland Farms for the replacement of an older diesel tractor with new, cleaner 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 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.

CLOSED SESSION

Agenda Item #6 - 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 #7 Reports:

Governing Board Counsel –

- No report.

Executive Director/APCO –

- No report.

Staff – No Report

- No report.

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

- No report.

Agenda Item #9 - Adjourn to Regular Governing Board Meeting of Tuesday, May 19, 2026.

Being no further business, the meeting adjourned at 10:14 a.m. to the next regularly scheduled Governing Board Meeting of Tuesday, May 19, 2026.

Item #2 – Grant Funds Project Summary

April 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: \$951,354.00

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: \$2,145,739.00

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: \$589,384.00

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: May 19, 2026

Subject: April Operations Activity Report

Permit Inspections – 116

Notices of Violation (NOV) Issued – 0

Vapor Recovery Tests Witnessed – 5

Complaints – 1

Complaint Investigations – 1

Asbestos Notifications – 4

Asbestos Project Inspections – 0

Active Companies – 276

Active Facilities - 591

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, NO_x, O₃, PM₁₀, PM_{2.5})

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

Community Sensors:

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

| AVAQMD CEQA PROJECTS | | | | | | |
|----------------------|-----------|--|---|---|-----------|-----------|
| BOARD MEETING | | | | | | |
| 5/19/2026 | | | | | | |
| Date Rec'd | Location | Project Name | Description | Comment | Date Due | Date Sent |
| 3/30/2026 | Lancaster | 129 Single-family Residential Lots | Tentative Tract Map No. 26-001, requesting to develop 129 Single-family residential lots (Map #63112). This project site is located on 33.80 acres at Avenue H-12 and 15th Street East in the City of Lancaster (APNs: 3176-021-041, -054, -060, and -074). | Project Information Form Rule 302- Construction Excavation Dust Control Plan (DCP) with Signage Rule 219- Permitting CARB Equipment | 4/13/2026 | 4/6/2026 |
| 3/31/2026 | Palmdale | Land Use & Zoning Change from MU2 to RN2 | Pre-Application 26-0010, requesting to propose a General Plan Amendment to change the land use and zoning from MU2 to RN2. This project site is located on 10 acres at the northwest corner of Palmdale Blvd and 42nd Street East in the City of Palmdale (APNs: 3023-003-018 and -019). | Project Information Form No Comment | 4/8/2026 | 4/6/2026 |
| 4/7/2026 | Palmdale | 160 Multi-family Units | Site Plan Review 26-0001, requesting to develop two vacant parcels totaling 6.04 acres with 160 multi-family units. This project site is located on the south side of East Avenue S and approximately 23 ft east of 42nd Street East in the City of Palmdale (APNs: 3052-001-071 and -072). | Project Information Form Rule 302- Construction Excavation Dust Control Plan (DCP) with Signage Rule 219- Permitting CARB Equipment | 4/22/2026 | 4/21/2026 |
| 4/8/2026 | Palmdale | 38-unit Townhome Development | Pre-Application 26-0012, requesting to develop a 38-unit single-family attached townhome development to be constructed in (4) phases. This project site is located on 1.96 acres at 15th Street East, between HWY 138 and East Avenue Q-11 in the City of Palmdale (APNs: 3014-013-044 & -045). | Project Information Form Dust Control Plan (DCP) with Signage Rule 219- Permitting CARB Equipment EV Charging Grant | 4/22/2026 | 4/21/2026 |

| AVAQMD CEQA PROJECTS | | | | | | |
|----------------------|-----------|---|---|---|-----------|-----------|
| BOARD MEETING | | | | | | |
| 5/19/2026 | | | | | | |
| Date Rec'd | Location | Project Name | Description | Comment | Date Due | Date Sent |
| 4/10/2026 | Lancaster | New Circle K Gas Station, Convenience Store, & Car Wash | Conditional Use Permit 26-004 & Minor Use Permit 26-001, requesting to develop a new Gas Station, convenience store, and car wash at the corner of 40th Street West and Avenue L in the Commercial (CPD) zone with beer and wine sales. This project site is located on 2.57 acres at 40th Street West and Avenue L in the City of Lancaster (APN: 3109-001-070). | Project Information Form Dust Control Plan (DCP) with Signage Rule 219- Permitting CARB Equipment EV Charging Grant | 5/1/2026 | 4/21/2026 |
| 4/27/2026 | Palmdale | Proposed Dismantling Shop | Pre-Application 26-0005, requesting to develop a proposed auto dismantling shop. This project site is located on 1.25 acres at Columbia Way (Avenue M) and between 30th and 40th Street East in the City of Palmdale (APN: 3170-018-080). | Project Information Form Rule 219- Permitting CARB Equipment EV Charging Grant | 4/27/2026 | 4/30/2026 |
| 4/21/2026 | Lancaster | Subdivision of ~18 acres to 26 SFR Lots | Tentative Tract Map 25-005, requesting to subdivide 18.11 acres into 26 SFR lots. This project site is located at 6510 West Avenue L in the City of Lancaster (APN: 3204-004-040). | Project Information Form No Comment | 5/12/2026 | 4/30/2026 |

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

AGENDA ITEM # 4

DATE: May 19, 2026

RECOMMENDATION: 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.

SUMMARY: This action formally accepts Community Air Protection Funding (CAP) allocated and awarded to the District for eligible projects and program administration for Year 9 (Fiscal Year 25-26). This action also accepts the terms and conditions for the funds as appropriated and authorizes staff to negotiate and execute project agreements consistent with the terms and conditions.

BACKGROUND: On September 16, 2017, the Governor approved AB 134 to amend the Budget Act of 2017. The amendment added appropriations to the Budget Act of 2017, taking effect immediately as a Budget Bill. Under Schedule 3 of this Bill, \$250 million was to be distributed by CARB to air districts for implementation of projects pursuant to the Carl Moyer Program. The purpose of the funds are to support Greenhouse Gas reductions and early actions that reduce emissions and improve public health in communities with high burdens of cumulative pollutant exposure, consistent with the goals of Assembly Bill (AB) 617 (Chapter 254, Statutes of 2017). CAP incentives are used to reduce emissions in communities most heavily burdened by air pollution, in support of AB 617. The Air District will select projects eligible under the proposed 2024 Community Air Protection Incentives Guidelines and the Carl Moyer Program 2024 Guidelines with a focus on zero-emissions projects as feasible in low-income and disadvantaged communities.

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 May 11, 2026.

FINANCIAL DATA: Community Air Protection Funds are supplementary to the AVAQMD budget.

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

AGENDA ITEM # 4

PAGE 2

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 |
|--|---|
| <input type="checkbox"/> Permit, license, or entitlement for use | <input type="checkbox"/> Competitively bid contract |
| <input checked="" type="checkbox"/> Contract or grant | <input type="checkbox"/> Labor or personal employment |
| | <input type="checkbox"/> General policy and legislative actions |

PRESENTER: Julie McKeehan, Grants Analyst

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

AGENDA ITEM # 5

DATE: [May 19, 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 [March 31, 2026](#).

BACKGROUND: The Financial Reports for [March 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 [March 31, 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 March is [75%](#).

The *District Wide* report details revenue and expenses for the District's operating account and grant funds. *Contracted Services* reports the expenses charged 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 [May 14, 2026](#).

PRESENTER: Barbara Lods, Executive Director/APCO.

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 |
|--|--|
| <input type="checkbox"/> Permit, license, or entitlement for use | <input type="checkbox"/> Competitively bid contract |
| <input type="checkbox"/> Contract or grant | <input type="checkbox"/> Labor or personal employment |
| | <input checked="" type="checkbox"/> General policy and legislative actions |

Antelope Valley AQMD
Balance Sheet - Governmental Funds
As of March 31, 2026

Financial Report

| | <u>General Fund</u> | <u>AB2766 Mobile Emissions</u> | <u>AB923 Mobile Emissions</u> | <u>Carl Moyer</u> | <u>Total</u> |
|---|-------------------------|------------------------------------|-----------------------------------|-----------------------|----------------------|
| Assets | | | | | |
| Current Assets | | | | | |
| Cash | 9,899,878.08 | 1,918,284.50 | 2,827,800.47 | 2,151,746.97 | 16,797,710.02 |
| Cash Held For Other Fund | 2,242,690.08 | (124,425.03) | (152,718.28) | (1,965,546.77) | 0.00 |
| Receivables | (160,327.69) | 0.00 | 0.00 | 0.00 | (160,327.69) |
| Pre-Paid | 3,087.49 | 0.00 | 0.00 | 0.00 | 3,087.49 |
| Total Current Assets | 11,985,327.96 | 1,793,859.47 | 2,675,082.19 | 186,200.20 | 16,640,469.82 |
| 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 | 12,160,704.68 | 1,793,859.47 | 2,675,082.19 | 186,200.20 | 16,815,846.54 |
| Liabilities and Net Position | | | | | |
| Current Liabilities | | | | | |
| Payables | 6,164.55 | 0.00 | 0.00 | 2,000.00 | 8,164.55 |
| Due to Others | 1,153.00 | 0.00 | 0.00 | 0.00 | 1,153.00 |
| Unearned Revenue | 6,593,975.10 | 964,600.09 | 711,193.78 | 1,808,812.75 | 10,078,581.72 |
| Total Current Liabilities | 6,601,292.65 | 964,600.09 | 711,193.78 | 1,810,812.75 | 10,087,899.27 |
| Restricted Fund Balance | 359,871.96 | 1,316,888.61 | 2,237,565.91 | 65,830.33 | 3,980,156.81 |
| 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 | 283,027.35 | (487,629.23) | (273,677.50) | (1,690,442.88) | (2,168,722.26) |
| Total Liabilities & Net Position | 12,160,704.68 | 1,793,859.47 | 2,675,082.19 | 186,200.20 | 16,815,846.54 |

Antelope Valley AQMD
Statement of Revenues & Expenditures
For the Period Ending March 31, 2026

Financial Report

| | <u>General Fund</u> | <u>AB2766 Mobile Emissions Program</u> | <u>AB923 Mobile Emissions Program</u> | <u>Carl Moyer Program</u> | <u>Total Governmental Funds</u> |
|---|-------------------------|--|---|-----------------------------------|---|
| <u>Revenues</u> | | | | | |
| Application and Permit Fees | 145,399.98 | 0.00 | 0.00 | 0.00 | 145,399.98 |
| AB 2766 and Other Program Revenues | 140.00 | 0.00 | 0.00 | 2,000.00 | 2,140.00 |
| Fines | 1,870.95 | 0.00 | 0.00 | 0.00 | 1,870.95 |
| Investment Earnings | 8,267.52 | 0.00 | 0.00 | 0.00 | 8,267.52 |
| 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 | 155,678.45 | 0.00 | 0.00 | 2,000.00 | 157,678.45 |
| <u>Expenditures</u> | | | | | |
| Program Staff | 332,492.67 | 0.00 | 0.00 | 0.00 | 332,492.67 |
| Services and Supplies | 31,546.26 | 500.00 | 3,675.00 | 2,000.00 | 37,721.26 |
| 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 | 364,038.93 | 500.00 | 3,675.00 | 2,000.00 | 370,213.93 |
| Excess Revenue Over (Under) Expenditures | (208,360.48) | (500.00) | (3,675.00) | 0.00 | (212,535.48) |

Antelope Valley AQMD
Statement of Activity - MTD, MTM and YTD
For 3/31/2026

00

| | M-T-D Actual | Y-T-D Actual | Y-T-D Budget | % Budget to Actual |
|---|-------------------|-----------------------|---------------------|-----------------------|
| Revenues | | | | |
| Permitting | 143,892.73 | 1,335,694.16 | 1,680,758.00 | (0.79) |
| Programs | 2,140.00 | (302,631.83) | 3,158,061.00 | 0.10 |
| Revenue - Other | 0.00 | 46,521.71 | 0.00 | 0.00 |
| Application Fees | 3,435.00 | 38,955.06 | 51,750.00 | (0.75) |
| State Revenue | 0.00 | 0.00 | 3,007,380.00 | 0.00 |
| Fines & Penalties | 403.95 | 39,890.00 | 20,000.00 | (1.99) |
| Interest Earned | 8,267.52 | 90,366.26 | 45,000.00 | (2.01) |
| Adjustments to Revenue | (460.75) | (460.75) | 0.00 | 0.00 |
| Total Revenues | 157,678.45 | 1,248,334.61 | 7,962,949.00 | (0.16) |
| Expenses | | | | |
| Office Expenses | 4,756.26 | 54,599.94 | 110,500.00 | 0.49 |
| Communications | 2,009.20 | 24,800.32 | 49,150.00 | 0.50 |
| Vehicles | 414.77 | 3,534.31 | 20,500.00 | 0.17 |
| Program Costs | 6,175.00 | 2,509,016.86 | 5,645,834.00 | 0.44 |
| Travel | 0.00 | 0.00 | 4,000.00 | 0.00 |
| Professional Services | | | | |
| Financial Audit & Actuarial Svcs | 0.00 | 12,779.20 | 25,000.00 | 0.51 |
| Stipends | 600.00 | 4,700.00 | 8,400.00 | 0.56 |
| Maintenance & Repairs | 221.50 | 6,002.68 | 12,500.00 | 0.48 |
| Non-Depreciable Inventory | 206.83 | 939.07 | 6,000.00 | 0.16 |
| Dues & Subscriptions | 20,000.00 | 27,026.68 | 42,000.00 | 0.64 |
| Legal | 3,337.70 | 30,017.84 | 57,500.00 | 0.52 |
| 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 | 37,721.26 | 2,683,514.76 | 6,192,384.00 | 0.43 |
| Program Staff | | | | |
| Excess Revenue Over (Under) Expenditures | 119,957.19 | (1,435,180.15) | 1,770,565.00 | 0.81 |

Antelope Valley AQMD
Statement of Activity - MTD, MTM and YTD
For 3/31/2026

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

Total Expenses

| | | | |
|-------------|-------------|-------------------|-------------|
| 0.00 | 0.00 | 150,000.00 | 0.00 |
| 0.00 | 0.00 | 150,000.00 | 0.00 |

Program Staff

Program Staff

Total Program Staff

| | | | |
|-------------------|-------------------|---------------------|-------------|
| 332,492.67 | 733,542.11 | 1,574,325.00 | 0.47 |
| 332,492.67 | 733,542.11 | 1,574,325.00 | 0.47 |

Excess Revenue Over (Under) Expenditures

| | | | |
|---------------------|---------------------|-----------------------|---------------|
| (332,492.67) | (733,542.11) | (1,724,325.00) | (0.43) |
|---------------------|---------------------|-----------------------|---------------|

Antelope Valley AQMD

Statement of Activity - MTD, MTM and YTD

For 3/31/2026

Report Recap

| | M-T-D Actual | Y-T-D Actual | Y-T-D Budget | % Budget to Actual |
|---|---------------------|-----------------------|---------------------|-----------------------|
| Revenues | | | | |
| Permitting | 143,892.73 | 1,335,694.16 | 1,680,758.00 | (0.79) |
| Programs | 2,140.00 | (302,631.83) | 3,158,061.00 | 0.10 |
| Revenue - Other | 0.00 | 46,521.71 | 0.00 | 0.00 |
| Application Fees | 3,435.00 | 38,955.06 | 51,750.00 | (0.75) |
| State Revenue | 0.00 | 0.00 | 3,007,380.00 | 0.00 |
| Fines & Penalties | 403.95 | 39,890.00 | 20,000.00 | (1.99) |
| Interest Earned | 8,267.52 | 90,366.26 | 45,000.00 | (2.01) |
| Adjustments to Revenue | (460.75) | (460.75) | 0.00 | 0.00 |
| Total Revenues | 157,678.45 | 1,248,334.61 | 7,962,949.00 | (0.16) |
| Expenses | | | | |
| Office Expenses | 4,756.26 | 54,599.94 | 110,500.00 | 0.49 |
| Communications | 2,009.20 | 24,800.32 | 49,150.00 | 0.50 |
| Vehicles | 414.77 | 3,534.31 | 20,500.00 | 0.17 |
| Program Costs | 6,175.00 | 2,509,016.86 | 5,645,834.00 | 0.44 |
| Travel | 0.00 | 0.00 | 4,000.00 | 0.00 |
| Professional Services | | | | |
| Financial Audit & Actuarial Svcs | 0.00 | 12,779.20 | 175,000.00 | 0.07 |
| Stipends | 600.00 | 4,700.00 | 8,400.00 | 0.56 |
| Maintenance & Repairs | 221.50 | 6,002.68 | 12,500.00 | 0.48 |
| Non-Depreciable Inventory | 206.83 | 939.07 | 6,000.00 | 0.16 |
| Dues & Subscriptions | 20,000.00 | 27,026.68 | 42,000.00 | 0.64 |
| Legal | 3,337.70 | 30,017.84 | 57,500.00 | 0.52 |
| 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 | 37,721.26 | 2,683,514.76 | 6,342,384.00 | 0.42 |
| Program Staff | | | | |
| Program Staff | 332,492.67 | 733,542.11 | 1,574,325.00 | 0.47 |
| Total Program Staff | 332,492.67 | 733,542.11 | 1,574,325.00 | 0.47 |
| Excess Revenue Over (Under) Expenditures | (212,535.48) | (2,168,722.26) | 46,240.00 | 46.90 |

Antelope Valley AQMD
Bank Register from 3/01/2026 to 3/31/2026
General Fund P6A LA County

| <u>Check/Ref</u> | <u>Date</u> | <u>Name/Description</u> | <u>Check Amount</u> | <u>Deposit Amount</u> | <u>Account Balance</u> |
|--------------------------|-------------|--------------------------|---------------------|-----------------------|------------------------|
| | 3/01/2026 | Interest Earned | 0.00 | 8,267.52 | 3,926,057.63 |
| 0000606 | 3/05/2026 | WEEKLY DEPOSIT | 0.00 | 19,175.96 | 3,945,233.59 |
| 0000607 | 3/12/2026 | WEEKLY DEPOSIT | 0.00 | 21,338.73 | 3,966,572.32 |
| 0000608 | 3/19/2026 | WEEKLY DEPOSIT | 0.00 | 185,874.76 | 4,152,447.08 |
| 0000609 | 3/26/2026 | WEEKLY DEPOSIT | 0.00 | 7,127.34 | 4,159,574.42 |
| R26-27 | 3/26/2026 | AB2766 TRANSFER JAN 2026 | 50,801.55 | 0.00 | 4,108,772.87 |
| R26-28 | 3/31/2026 | AB923 TRANSFER JAN 2026 | 49,581.77 | 0.00 | 4,059,191.10 |
| Total for Report: | | | 100,383.32 | 241,784.31 | |

Antelope Valley AQMD
Bank Register from 3/01/2026 to 3/31/2026
Wells Fargo Operating

| <u>Check/Ref</u> | <u>Date</u> | <u>Name/Description</u> | <u>Check Amount</u> | <u>Deposit Amount</u> | <u>Account Balance</u> |
|------------------|-------------|--|---------------------|-----------------------|------------------------|
| 0000979 | 3/06/2026 | CREDIT CARD TRANSACTION AES | 0.00 | 661.00 | 3,254,614.81 |
| 0000980 | 3/09/2026 | CREDIT CARD TRANSACTION FAA | 0.00 | 5,507.40 | 3,260,122.21 |
| 0000981 | 3/10/2026 | CORE ENVIRONMENTAL CREDIT CARD TRANSACTION ANGELES NATL FOREST AVSR 1 | 0.00 | 879.59 | 3,261,001.80 |
| 0000972 | 3/12/2026 | CREDIT CARD TRANSACTION RD INVESTMENT | 0.00 | 687.00 | 3,261,688.80 |
| 0006174 | 3/12/2026 | [10100] ANTELOPE VALLEY FAIR ASSOCIATION-LEASE PAYMENT MARCH 2026 | 3,000.00 | 0.00 | 3,258,688.80 |
| 0006175 | 3/12/2026 | [11556] C.J. BROWN & COMPANY, CPAS-ACCOUNTING SERVICES JUNE 2025 | 2,936.00 | 0.00 | 3,255,752.80 |
| 0006176 | 3/12/2026 | [10012] CAPCOA-JANUARY 2026 BOARD RETREAT REGISTRATION FEE | 150.00 | 0.00 | 3,255,602.80 |
| 0006177 | 3/12/2026 | [11402] CHARTER COMMUNICATIONS-SPECTRUM BUSINESS INTERNET 03/01/2026-03/31/2026 | 220.00 | 0.00 | 3,255,382.80 |
| 0006178 | 3/12/2026 | [11809] JOEL S CORDES-AIR MONITORING SERVICES FEBRUARY 2026 | 400.00 | 0.00 | 3,254,982.80 |
| 0006179 | 3/12/2026 | [11511] JOEL S CRAIG-AIR MONITORING SERVICES FEBRUARY 2026 | 3,775.20 | 0.00 | 3,251,207.60 |
| 0006180 | 3/12/2026 | [10019] FEDERAL EXPRESS CORPORATION-COURIER SERVICE FEE | 26.34 | 0.00 | 3,251,181.26 |
| 0006181 | 3/12/2026 | [11405] IT SOLUTIONS INTEGRATED-MONTHLY IT SERVICES MARCH 2026 | 1,170.00 | 0.00 | 3,250,011.26 |
| 0006182 | 3/12/2026 | [10071] QUADIENT LEASING-METER LEASING 03/02/2026-04/01/2026 | 78.53 | 0.00 | 3,249,932.73 |
| 0006183 | 3/12/2026 | [10483] STREAMLINE-WEB HOSTING 03/01/2026-04/01/2026 | 356.00 | 0.00 | 3,249,576.73 |
| 0006184 | 3/12/2026 | [10046] VERIZON - NJ-LONG DISTANCE 02/28/2026-03/27/2026 | 36.29 | 0.00 | 3,249,540.44 |
| 0006185 | 3/12/2026 | [01107] VERIZON WIRELESS-AIR MONITORING SIM CARD 01/18/2026- 02/17/2026 | 40.01 | 0.00 | 3,249,500.43 |
| 0000973 | 3/12/2026 | CREDIT CARD TRANSACTION BREEZ | 0.00 | 662.63 | 3,250,163.06 |
| 0000974 | 3/13/2026 | CREDIT CARD TRANSACTION AES | 0.00 | 1,983.00 | 3,252,146.06 |
| 0000975 | 3/13/2026 | CREDIT CARD TRANSACTION AES | 0.00 | 661.00 | 3,252,807.06 |
| 0000976 | 3/13/2026 | CREDIT CARD TRANSACTION AES | 0.00 | 661.00 | 3,253,468.06 |
| 0000977 | 3/13/2026 | CREDIT CARD TRANSACTION AES | 0.00 | 661.00 | 3,254,129.06 |
| 0000978 | 3/13/2026 | CREDIT CARD TRANSACTION AES | 0.00 | 661.00 | 3,254,790.06 |
| 0000982 | 3/13/2026 | CREDIT CARD TRANSACTION INTEGRATED DEMO | 0.00 | 1,411.00 | 3,256,201.06 |
| 0000983 | 3/16/2026 | CREDIT CARD TRANSACTION LOCKHEED MARTIN | 0.00 | 6,243.00 | 3,262,444.06 |

Antelope Valley AQMD
Bank Register from 3/01/2026 to 3/31/2026
Wells Fargo Operating

| <u>Check/Ref</u> | <u>Date</u> | <u>Name/Description</u> | <u>Check Amount</u> | <u>Deposit Amount</u> | <u>Account Balance</u> |
|--------------------------|-------------|--|---------------------|-----------------------|------------------------|
| 0000990 | 3/20/2026 | CREDIT CARD TRANSACTION NORTHROP | 0.00 | 489.00 | 3,262,933.06 |
| 0000991 | 3/20/2026 | CREDIT CARD TRANSACTION AES | 0.00 | 1,615.80 | 3,264,548.86 |
| 0000989 | 3/23/2026 | CREDIT CARD TRANSACTION NORTHROP | 0.00 | 489.00 | 3,265,037.86 |
| 0000984 | 3/24/2026 | CREDIT CARD TRANSACTION ZAYO | 0.00 | 807.90 | 3,265,845.76 |
| 0000988 | 3/24/2026 | CREDIT CARD TRANSACTION NORTH AMERICAN RECYCLING | 0.00 | 10,571.01 | 3,276,416.77 |
| 0000987 | 3/25/2026 | CREDIT CARD TRANSACTION T-MOBILE J&A COMPANIES PALMDALE UNIBODY | 0.00 | 3,670.54 | 3,280,087.31 |
| 0006131 | 3/26/2026 | [11259] WEX BANK-FUEL PURCHASES 12/25/2025 | 0.00 | 62.39 | 3,280,149.70 |
| 0006186 | 3/26/2026 | [11646] BMO BANK N.A. - PAYMENT-CREDIT CARD 1481 | 221.50 | 0.00 | 3,279,928.20 |
| 0006187 | 3/26/2026 | [11646] BMO BANK N.A. - PAYMENT-CREDIT CARD 8190 | 114.05 | 0.00 | 3,279,814.15 |
| 0006188 | 3/26/2026 | [11646] BMO BANK N.A. - PAYMENT-CREDIT CARD 9685 | 797.89 | 0.00 | 3,279,016.26 |
| 0006189 | 3/26/2026 | [11646] BMO BANK N.A. - PAYMENT-CREDIT CARD 9728 | 743.70 | 0.00 | 3,278,272.56 |
| 0006190 | 3/26/2026 | [10405] CANON FINANCIAL SERVICES-COPIER LEASE 03/01/2026- 03/31/2026 | 263.56 | 0.00 | 3,278,009.00 |
| 0006191 | 3/26/2026 | [11402] CHARTER COMMUNICATIONS-PHONE SERVICE 03/07/2026- 04/06/2026 | 225.82 | 0.00 | 3,277,783.18 |
| 0006192 | 3/26/2026 | [01037] CITY OF LANCASTER-FY26 QTR 2 | 328,317.47 | 0.00 | 2,949,465.71 |
| 0006193 | 3/26/2026 | [10019] FEDERAL EXPRESS CORPORATION-COURIER SERVICE FEE | 34.21 | 0.00 | 2,949,431.50 |
| 0006194 | 3/26/2026 | [11540] LINDE GAS & EQUIPMENT INC.-CYLINDER RENTAL 02/20/2026- 03/20/2026 | 35.78 | 0.00 | 2,949,395.72 |
| 0006195 | 3/26/2026 | [10455] STRADLING YOCCA CARLSON & RAUTH-Invoices 428956, 428957, 428958 | 3,913.00 | 0.00 | 2,945,482.72 |
| 0006196 | 3/26/2026 | [11259] WEX BANK-Invoices 109525142, 110818611, 111461669 | 272.32 | 0.00 | 2,945,210.40 |
| 0000986 | 3/26/2026 | CREDIT CARD TRANSACTION LOWES CARMAX | 0.00 | 3,032.25 | 2,948,242.65 |
| 0000985 | 3/27/2026 | CREDIT CARD TRANSACTION NORTHROP | 0.00 | 489.00 | 2,948,731.65 |
| 0000993 | 3/27/2026 | CREDIT CARD TRANSACTION EAH SAGEBRUSH | 0.00 | 687.00 | 2,949,418.65 |
| 0006136 | 3/30/2026 | [10011] CALIFORNIA SPECIAL DISTRICTS ASSOCIATION-2026 CSDA MEMBERSHIP RENEWAL | 0.00 | 1,872.00 | 2,951,290.65 |
| 0000994 | 3/31/2026 | CREDIT CARD TRANSACTION CALMAT | 0.00 | 24,995.43 | 2,976,286.08 |
| Total for Report: | | | 347,127.67 | 69,459.94 | |

Antelope Valley AQMD
Bank Register from 3/01/2026 to 3/31/2026
WF AB2766

| <u>Check/Ref</u> | <u>Date</u> | <u>Name/Description</u> | <u>Check Amount</u> | <u>Deposit Amount</u> | <u>Account Balance</u> |
|--------------------------|-------------|-------------------------------------|---------------------|-----------------------|------------------------|
| 0022891 | 3/26/2026 | [11811] WENDAL T REED-AB 2766 GRANT | 500.00 | 0.00 | 1,867,482.95 |
| R26-27 | 3/26/2026 | AB2766 TRANSFER JAN 2026 | 0.00 | 50,801.55 | 1,918,284.50 |
| Total for Report: | | | 500.00 | 50,801.55 | |

Antelope Valley AQMD
Bank Register from 3/01/2026 to 3/31/2026
WF AB923

| <u>Check/Ref</u> | <u>Date</u> | <u>Name/Description</u> | <u>Check Amount</u> | <u>Deposit Amount</u> | <u>Account Balance</u> |
|--------------------------|-------------|--|---------------------|-----------------------|------------------------|
| 0001141 | 3/26/2026 | [10884] COAST AUTO SALVAGE LLC-AB 923 GRANT ANNUAL LAWN MOWER EXCHANGE PROGRAM 2025 | 1,275.00 | 0.00 | 2,780,618.70 |
| 0001142 | 3/26/2026 | [10884] COAST AUTO SALVAGE LLC-AB 923 GRANT VAVR PROGRAM | 2,400.00 | 0.00 | 2,778,218.70 |
| R26-28 | 3/31/2026 | AB923 TRANSFER JAN 2026 | 0.00 | 49,581.77 | 2,827,800.47 |
| Total for Report: | | | 3,675.00 | 49,581.77 | |

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

AGENDA ITEM # 6

DATE: May 19, 2026

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

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

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

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

REVIEW BY OTHERS: This item was reviewed by Allison Burns, Special Counsel to the Governing Board, as to legal form and by Barbara Lods, Executive Director/APCO on or before May 11, 2026.

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

LEVINE ACT: The Levine Act (Gov. Code Section 84308) prohibits AVAQMD officials from participating in certain decisions regarding licenses, permits, and other entitlements for use if the official has received a campaign contribution of more than \$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 |
|--|---|
| <input type="checkbox"/> Permit, license, or entitlement for use | <input type="checkbox"/> Competitively bid contract |
| <input checked="" type="checkbox"/> Contract or grant | <input type="checkbox"/> Labor or personal employment |
| | <input type="checkbox"/> General policy and legislative actions |

INTERESTED PARTIES: None

PRESENTER: Julie McKeehan, Grants Analyst

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

AGENDA ITEM # 7

DATE: May 19, 2026

RECOMMENDATION: 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.

SUMMARY: The City of Lancaster is seeking funding assistance to replace five (5) older gasoline-powered utility terrain vehicles (UTVs) with new zero-emission electric UTVs. The proposed project will reduce emissions from older off-road equipment and support the continued transition to cleaner zero-emission technology.

BACKGROUND: The City of Lancaster submitted an application to the District requesting grant funding assistance to replace five (5) older gasoline-powered UTVs under the Off-Road Equipment Replacement Program. District staff reviewed the proposed project in accordance with the Carl Moyer Program Guidelines and determined that the project meets the eligibility requirements for Zero-Emission Utility Terrain Vehicle (UTV) Projects. Under the Carl Moyer Program Guidelines, eligible zero-emission UTV projects may receive funding for up to 75 percent of the replacement cost, with a maximum incentive of \$13,500 per vehicle. Based on the submitted cost estimates, the proposed project is eligible for Carl Moyer Program funding in an amount not to exceed \$67,500 representing approximately 68 percent of the replacement costs. Generally, Carl Moyer Program projects may be eligible for up to 80 percent of replacement costs. To align the total incentive closer to the 80 percent funding level, staff recommends supplementing the project with \$11,684 in Mobile Source Emission Reduction Program (AB 2766) funds. AB 2766 funds may be used to support projects and programs that reduce emissions from motor vehicles and related sources.

The removal and destruction of older gasoline-powered equipment will provide permanent emission reductions and support the region's continued progress toward attainment of the National Ambient Air Quality Standards (NAAQS).

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

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

AGENDA ITEM # 7

PAGE 2

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 May 11, 2026.

FINANCIAL DATA: Funding is available from the Mobile Source Emission Reductions Program (AB 2766) 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 |
|--|---|
| <input type="checkbox"/> Permit, license, or entitlement for use | <input type="checkbox"/> Competitively bid contract |
| <input checked="" type="checkbox"/> Contract or grant | <input type="checkbox"/> Labor or personal employment |
| | <input type="checkbox"/> General policy and legislative actions |

INTERESTED PARTIES: City of Lancaster

PRESENTER: Julie McKeehan, Grants Analyst

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

AGENDA ITEM # 8

DATE: May 19, 2026

RECOMMENDATION: 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.

SUMMARY: This item seeks approval to award an amount not to exceed \$12,500 in Carl Moyer Program funds to David Clayton for the replacement of an older diesel tractor with new, cleaner diesel technology that complies with the Final Tier 4 emission standards.

BACKGROUND: David Clayton submitted an application for grant funding to replace an older diesel tractor with new, cleaner diesel technology. The applicant is not subject to any diesel off-road regulation but proposes voluntary participation in the off-road equipment replacement program. The goal is to reduce emissions by retiring older, higher-polluting diesel tractors and replacing them with new, cleaner diesel technology that meets current emission standards. Staff has reviewed the project for eligibility under the Carl Moyer Program guidelines and finds that the proposed project qualifies for funding, covering approximately 31% of the cost toward the replacement equipment. The early retirement of the proposed tractor will result in an estimated 0.05 tons per year of emission reductions. This early turnover contributes to the Valley'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 May 11, 2026.

FINANCIAL DATA: Funds are granted from the District's Carl Moyer Program funds.

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

AGENDA ITEM # 8

PAGE 2

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 |
|--|---|
| <input type="checkbox"/> Permit, license, or entitlement for use | <input type="checkbox"/> Competitively bid contract |
| <input checked="" type="checkbox"/> Contract or grant | <input type="checkbox"/> Labor or personal employment |
| | <input type="checkbox"/> General policy and legislative actions |

INTERESTED PARTIES: David Clayton

PRESENTER: Julie McKeehan, Grants Analyst

ANTELOPE VALLEY AIR QUALITY MANAGEMENT DISTRICT
LANCASTER, CALIFORNIA

AGENDA ITEM # 9

DATE: May 19, 2026

RECOMMENDATION: 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.

SUMMARY: The Governing Board is requested to designate two authorized check signers for the District's bank accounts and financial instruments to ensure the efficient administration of District financial operations.

BACKGROUND: As per Governing Board Procedural Rules, section 12 (C), the presiding officer or his or her duly appointed designee shall sign all rules, resolutions, contracts and other documents necessitating his or her signature. Historically, District policy has required that any check in the amount of \$2,500 or more include two authorized signatures.

This proposed action will authorize the designated individuals to sign documents necessitating his/her signature.

REASON FOR RECOMMENDATION: To ensure fiscal stability and maintain uninterrupted funding services, adding additional authorized signers is a prudent measure to help facilitate timely payments.

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 May 13, 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 \$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 |
|--|--|
| <input type="checkbox"/> Permit, license, or entitlement for use | <input type="checkbox"/> Competitively bid contract |
| <input type="checkbox"/> Contract or grant | <input type="checkbox"/> Labor or personal employment |
| | <input checked="" type="checkbox"/> General policy and legislative actions |

PRESENTER: Barbara Lods, Executive Director/APCO

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

AGENDA ITEM # 10

DATE: May 19, 2026

RECOMMENDATION: 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.

SUMMARY: A Public Hearing is required to receive comments regarding the proposed Budget for FY 2026-27.

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

The Budget for Fiscal Year 2026-27 was published on April 18, 2026, and advertised in the local publication and a notice was mailed to each permit holder. The proposed budget was posted on the District’s website and will be presented for adoption on June 16, 2026.

The budget includes anticipated revenue derived from a proposed 8.0% fee increase. The fee increase is well within the provisions of Health & Safety Code §42311(a) and falls within the exemption found in Article XIII C §1(e)(3) of the California Constitution. Additionally, the budget includes seven FTEs. These staffing changes are commensurate with the District’s financial and operational strategy.

REASON FOR RECOMMENDATION: Opportunities for public comment about the District’s proposed budget are required by statute.

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 May 14, 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 |
|--|--|
| <input type="checkbox"/> Permit, license, or entitlement for use | <input type="checkbox"/> Competitively bid contract |
| <input type="checkbox"/> Contract or grant | <input type="checkbox"/> Labor or personal employment |
| | <input checked="" type="checkbox"/> General policy and legislative actions |

PRESENTER: Barbara Lods, Executive Director/APCO.



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



Marvin Crist
City of Lancaster



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 |
|---------------------------------|---------------------------|---------------------------------|---------------------------|
| <u>Revenues</u> | | | |
| 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 |
| <u>Expenses</u> | | | |
| 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 |
|---------------------------------|---------------------------|----------------------------------|---------------------------|
| <u>Revenues</u> | | | |
| 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 |
| <u>Expenses</u> | | | |
| 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

| | <u>Budget FY 2026</u> | <u>EOY Estimate FY 2026</u> | <u>Budget FY 2027</u> |
|------------------------------------|---------------------------|---------------------------------|---------------------------|
| 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 |
| | <u>1,680,758</u> | <u>1,767,200</u> | <u>1,852,480</u> |
| Application Fees | | | |
| Permit Application Fees | 50,000 | 51,000 | 54,000 |
| AG Application Fees | 1,750 | 325 | 325 |
| | <u>51,750</u> | <u>51,325</u> | <u>54,325</u> |
| Fines & Penalties | | | |
| Notice of Violations Fee | 10,000 | 20,000 | 10,000 |
| | <u>10,000</u> | <u>20,000</u> | <u>10,000</u> |
| Interest Income | | | |
| Interest Revenue | 45,000 | 80,000 | 65,000 |
| | <u>45,000</u> | <u>80,000</u> | <u>65,000</u> |
| 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 |
| | <u>351,024</u> | <u>1,622,362</u> | <u>1,352,094</u> |
| 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 |
| | <u>3,007,380</u> | <u>2,578,390</u> | <u>2,578,390</u> |
| Total General Fund Revenues | <u>5,145,912</u> | <u>6,119,277</u> | <u>5,912,289</u> |

AVAQMD PROGRAMS

COMUNICATIONS

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

AIR QUALITY MONITORING PROGRAM

The District operates an ambient air monitoring and meteorological network that tracks air quality trends within the Antelope Valley region. The station is an active part of the State and Local Air Monitoring System (SLAMS) network.

A computer-operated data acquisition system 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

| | <u>Budget FY 2026</u> | <u>EOY Estimate FY 2026</u> | <u>Budget FY 2027</u> |
|----------------------------------|---------------------------|---------------------------------|---------------------------|
| 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 |
| | <u>49,150</u> | <u>45,750</u> | <u>49,490</u> |
| Dues & Subscriptions | | | |
| Memberships & Sponsorships | 40,000 | 25,000 | 30,000 |
| Publications & Subscriptions | 1,000 | 500 | 1,000 |
| Professional Dues | 1,000 | 0 | 1,000 |
| | <u>42,000</u> | <u>25,500</u> | <u>32,000</u> |
| Non-Depreciable Inventory | | | |
| Machinery & Equipment Exp | 5,000 | 1,000 | 5,000 |
| Safety Equipment Exp | 1,000 | 500 | 1,500 |
| | <u>6,000</u> | <u>1,500</u> | <u>6,500</u> |
| Legal | | | |
| Legal Notices | 7,500 | 1,200 | 5,000 |
| Legal Services | 50,000 | 40,000 | 45,000 |
| | <u>57,500</u> | <u>41,200</u> | <u>50,000</u> |
| Professional Services | | | |
| Financial Services | 175,000 | 168,000 | 175,000 |
| Stipends | 8,400 | 6,400 | 8,400 |
| | <u>183,400</u> | <u>174,400</u> | <u>183,400</u> |
| Maintenance & Repairs | | | |
| General Bldg. Maintenance | 10,000 | 0 | 0 |
| Equipment Repair | 2,500 | 6,000 | 5,000 |
| | <u>12,500</u> | <u>6,000</u> | <u>5,000</u> |
| Training & Travel | | | |
| Training | 2,000 | 0 | 2,000 |
| Travel | 2,000 | 0 | 2,000 |
| | <u>4,000</u> | <u>0</u> | <u>4,000</u> |

Antelope Valley AQMD
DISTRICT WIDE, Expense Detail

| | <u>Budget FY 2026</u> | <u>EOY Estimate FY 2026</u> | <u>Budget FY 2027</u> |
|---|---------------------------|---------------------------------|---------------------------|
| 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 |
| | <u>20,500</u> | <u>13,500</u> | <u>23,000</u> |
| 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 |
| | <u>110,500</u> | <u>92,300</u> | <u>101,940</u> |
| Program Expenses | | | |
| Program Expenditures | 2,838,797 | 405,269 | 2,475,677 |
| Program Expenditures Executive Administration | 0 | 848,967 | 1,387,282 |
| | <u>2,838,797</u> | <u>1,254,236</u> | <u>3,862,959</u> |
| Miscellaneous Expenses | | | |
| Bank Fees | 1,000 | 300 | 1,000 |
| Interest Expense | 0 | 500 | 500 |
| | <u>1,000</u> | <u>800</u> | <u>1,500</u> |
| Total Operating Expenses | <u>3,325,347</u> | <u>1,655,186</u> | <u>4,319,789</u> |
| 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 | <u>210,000</u> | <u>0</u> | <u>27,500</u> |
| Total Expenses | <u>5,109,672</u> | <u>3,105,186</u> | <u>5,932,289</u> |

SUPPORT STAFF

EXECUTIVE SERVICES

The Executive Office oversees all District operations and programs and is accountable to the Governing Board. This includes programs mandated by the Federal Environmental Protection Agency and the California Air Resources Board. This office monitors state and federal legislation affecting the District and advises the Governing Board on actions required to protect the interests of the District.

The Governing Board, with seven members, meets monthly and members receive \$100.00 stipend per meeting plus travel expenses, if requested. The Hearing Board, with six members, meets as needed and members may receive \$100.00 stipend per meeting plus travel expenses.

LEGAL COUNSEL

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

**Antelope Valley AQMD
CONTRACT, Expense Detail**

| | <u>Budget FY 2026</u> | <u>EOY Estimate FY 2026</u> | <u>Budget FY 2027</u> |
|----------------------------------|---------------------------|---------------------------------|---------------------------|
| Expenses | | | |
| Personnel Expenses | | | |
| Program Staff | <u>1,574,325</u> | <u>1,450,000</u> | <u>1,585,000</u> |
| 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 | <u>150,000</u> | <u>150,000</u> | <u>150,000</u> |
| | 150,000 | 150,000 | 150,000 |
| Maintenance & Repairs | | | |
| Training & Travel | | | |

**Antelope Valley AQMD
CONTRACT, Expense Detail**

| | <u>Budget FY 2026</u> | <u>EOY Estimate FY 2026</u> | <u>Budget FY 2027</u> |
|---------------------------------|---------------------------|---------------------------------|---------------------------|
| Vehicles | | | |
| Office Expenses | | | |
| Program Expenses | | | |
| Miscellaneous Expenses | | | |
| Total Operating Expenses | <u>150,000</u> | <u>150,000</u> | <u>150,000</u> |
| Capital Expenses | | | |
| Total Expenses | <u><u>1,724,325</u></u> | <u><u>1,600,000</u></u> | <u><u>1,735,000</u></u> |

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

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

Antelope Valley AQMD
Program Funds AB2766 GRANT PROGRAMS

| | <u>Budget FY 2025</u> | <u>Budget FY 2026</u> | <u>Budget FY 2027</u> |
|--|---------------------------|---------------------------|---------------------------|
| <u>Revenues</u> | | | |
| AB2766 - Project Revenue | <u>600,000</u> | <u>600,000</u> | <u>600,000</u> |
| Total AB2766 Program Revenue | 600,000 | 600,000 | 600,000 |
| | | | |
| <u>Expenses</u> | | | |
| Program Expenditures Mower Replacement | <u>600,000</u> | <u>600,000</u> | <u>600,000</u> |
| Total AB2766 Program Expense | 600,000 | 600,000 | 600,000 |

Antelope Valley AQMD
Program Funds AB923 GRANT PROGRAMS

| | <u>Budget FY 2025</u> | <u>Budget FY 2026</u> | <u>Budget FY 2027</u> |
|------------------------------------|---------------------------|---------------------------|---------------------------|
| <u>Revenues</u> | | | |
| AB923 - Project Revenue | <u>600,000</u> | <u>600,000</u> | <u>600,000</u> |
| Total AB923 Program Revenue | 600,000 | 600,000 | 600,000 |
| | | | |
| <u>Expenses</u> | | | |
| Program Expenditures | <u>600,000</u> | <u>600,000</u> | <u>600,000</u> |
| Total AB923 Program Expense | 600,000 | 600,000 | 600,000 |

Antelope Valley AQMD
Program Funds Carl Moyer GRANT PROGRAMS

| | <u>Budget FY 2025</u> | <u>Budget FY 2026</u> | <u>Budget FY 2027</u> |
|---|---------------------------|---------------------------|---------------------------|
| <u>Revenues</u> | | | |
| Carl Moyer Program | <u>1,169,166</u> | <u>1,607,037</u> | <u>637,906</u> |
| Total Carl Moyer Program Revenue | 1,169,166 | 1,607,037 | 637,906 |
| | | | |
| <u>Expenses</u> | | | |
| Program Expenditures Mower Replacement | <u>1,169,166</u> | <u>1,607,037</u> | <u>637,906</u> |
| 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 |