

# 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

#### **Zoom Link**

<https://stradlinglaw.zoom.us/j/85336881517>

**Meeting ID: 853 3688 1517**

**Tuesday February 18, 2025**

**10:00 A.M.**

#### BOARD MEMBERS

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

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

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

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

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

## **CALL TO ORDER 10:00 A.M.**

Pledge of Allegiance.

Roll Call.

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

## **PUBLIC COMMENT**

### **CONSENT CALENDAR**

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

1. Approve Minutes from Regular Governing Board Meeting of January 21, 2025. Find that the California Environmental Quality Act does not apply to this item.
2. Monthly Grant Funding Summary. Receive and file. Find that the California Environmental Quality Act does not apply to this item.
3. Monthly Activity Report. Receive and file. Find that the California Environmental Quality Act does not apply to this item.
4. This Preliminary Financial Report is provided to the Governing Board for information concerning the fiscal status of the District at November 30, 2024.

## **ITEMS FOR DISCUSSION**

DEFERRED ITEMS

NEW BUSINESS

5. 1) Receive and file the Annual Audited Financial Report and Management Report for Fiscal Year 2023-24 as presented by C.J. Brown & Company, CPAs. 2) Find that this item is not a project pursuant to the California Environmental Quality Act.  
Presenter Christopher Brown of C.J. Brown & Company, CPAs.
6. Conduct a public hearing to present the 2023 Air Toxics “Hot Spots” Program Annual Report and discuss its content and significance: 1) Open public hearing; 2). Receive the 2023 Air Toxics “Hot Spots” Program Annual Report; 3) Receive public testimony; 4) Close public hearing; 5) Find that this item is not a project pursuant to the California Environmental Quality Act. 6) Direct staff actions.  
Presenter: Taylor Morais, AVAQMD Air Quality Engineer
7. 1) Award an amount not to exceed \$185,305 of Community Air Protection Program funds to Antelope Valley Schools Transportation Agency (AVSTA) for an Electric School Bus Charging Project located in Lancaster; 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 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

8. 1) Award an amount not to exceed \$46,550 in Community Air Protection Program funds to EV Charging Solutions, Inc. for an Electric Vehicle Charging Project located at the E. Avenue S Park and Ride in Palmdale; 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 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

9. 1) Award an amount not to exceed \$157,180 in Mobile Source Emission Reductions Program (AB 923) funds to NP AVLX Fox Field Building 2, LLC (NorthPoint Development) for an Electric Vehicle Charging Project located at 45<sup>th</sup> Street W in Lancaster; 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 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

### **CLOSED SESSION**

10. 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**

11. Reports: Governing Board Counsel, Executive Director/APCO, Staff.
12. Board Member Reports and Suggestions for Future Agenda Items.
13. Adjourn to Regular Governing Board Meeting of Tuesday, March 18, 2025.

***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](http://www.avaqmd.ca.gov) or by contacting Barbara Lods at 661.723.8070 ext. 23 or by email at [blods@avaqmd.ca.gov](mailto:blods@avaqmd.ca.gov)

**Mailed & Posted on: Thursday, February 13, 2025**

*Barbara Lods*

Barbara Lods



**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, February 18, 2025, at 10:00 a.m.

**SAID MEETING** will be conducted at the Antelope Valley Transit Authority (AVTA) District Office, 42210 6<sup>th</sup> 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](http://www.avaqmd.ca.gov) or by contacting Barbara Lods at 661-723-8070 ext. 23 or by email at [blods@avaqmd.ca.gov](mailto:blods@avaqmd.ca.gov).

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

**BARBARA LODS  
EXECUTIVE DIRECTOR/APCO  
PHONE: (661)723-8070, Ext. 23.**

Mailed and Posted: **Thursday, February 13, 2025.**  
**DATE**

**ANTELOPE VALLEY AIR QUALITY MANAGEMENT DISTRICT**  
**GOVERNING BOARD MEETING**  
**TUESDAY, JANUARY 21, 2025**  
**ANTELOPE VALLEY TRANSIT AUTHORITY OFFICE**  
**LANCASTER, CA**

**Draft Minutes**

Board Members Present:

Marvin Crist, *Chair*, City of Lancaster  
Laura Bettencourt, City of Palmdale  
Austin Bishop, City of Palmdale  
Newton Chelette, Public Member  
Lauren Hughes-Leslie, City of Lancaster  
Ron Hawkins, Los Angeles County

Board Members Absent:

Howard Harris, Los Angeles County

**CALL TO ORDER 10:00 A.M.**

Chair **CRIST** called the meeting to order at 10:02 a.m. Chair **CRIST** asked Board Member **HAWKINS** to lead the Pledge of Allegiance. Chair **CRIST** called for roll call, roll call was taken.

**PUBLIC COMMENT**

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

**CONSENT CALENDAR** – The following consent items were acted upon by the Board at one time without discussion with Board Members **LAUREN HUGHES-LESLIE AND LAURA BETTENCOURT** abstaining from this item due to not attending the prior meetings. Upon motion by Board Member **CHELETTE**, seconded by Board Member **HAWKINS**, and carried by the following roll call vote, with four **AYES** votes by Board Members, **MARVIN CRIST, NEWTON CHELETTE, RON HAWKINS, AUSTIN BISHOP** with **LAURA BETTENCOURT AND LAUREN HUGHES-LESLIE** abstaining as to the following Consent Calendar item:

**Agenda Item #1 – Approve Minutes from Regular Governing Board Meeting of** Minutes from Regular Governing Board Meeting of December 17, 2024 and December 30, 2024. Find that the California Environmental Quality Act does not apply to this item.

**Approved** Minutes from Regular Governing Board Meetings December 17, 2024 and December 30, 2024.

**CONSENT CALENDAR** – The following consent items were acted upon by the Board at one time without discussion. Upon motion by Board Member **CHELETTE**, seconded by Board Member **HAWKINS**, and carried by the following roll call vote, with six **AYES** votes by Board Members, **MARVIN CRIST, AUSTIN BISHOP, NEWTON**

**CHELETTE, RON HAWKINS, LAURA BETTENCOURT and LAUREN HUGHES-LESLIE** as to the following Consent Calendar items:

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

Received and Filed Monthly Grant Funding Summary.

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

Presenter: Barbara Lods, Executive Director/APCO.

Received and Filed Monthly Activity Report.

**Agenda Item #4– Receive and file the Financial Report. This Preliminary Financial Report is provided to the Governing Board for information concerning the fiscal status of the District at November 30, 2024.**

Presenter: Barbara Lods, Executive Director/APCO.

Received and filed the Financial Report. This Preliminary Financial Report is provided to the Governing Board for information concerning the fiscal status of the District at November 30, 2024.

**CONSENT CALENDAR** – The following consent item was acted upon by the Board at one time without discussion. Board Member **AUSTIN BISHOP** recused himself from this item due to conflicts of interest and left the room prior to consideration of the item. Upon motion by Board Member **CHELETTE**, seconded by Board Member **HAWKINS**, and carried by the following roll call vote, with five **AYES** votes by Board Members, **MARVIN CRIST, NEWTON CHELETTE, RON HAWKINS, LAURA BETTENCOURT A and LAUREN HUGHES-LESLIE** with Board Member **AUSTIN BISHOP** recused as to the following Consent Calendar item:

**Agenda Item #5– Approve payments to City of Lancaster in the amount of \$308,526.037 for FY25 Quarter 2 expenditures. Find that the California Environmental Quality Act does not apply to this item.**

Presenter: Barbara Lods, Executive Director/APCO.

**Approved** payments to City of Lancaster in the amount of \$308,526.03 for FY25 Quarter 2 expenditures. Find that the California Environmental Quality Act does not apply to this item.

## **ITEMS FOR DISCUSSION**

### **DEFERRED ITEMS**

### **NEW BUSINESS**

**Agenda Item #6 – 1)Award an amount not to exceed \$28,300 of Community Air Protection Program funds to EV Charging Solutions, Inc. for an Electric Vehicle Charging Project located at the Palmdale Water District; 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 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. Upon motion by Board Member **CHELETTE**, seconded by Board Member **HAWKINS**, and carried by the following roll call vote, with six **AYES** votes by Board Members, **MARVIN CRIST, NEWTON CHELETTE, RON HAWKINS, LAURA BETTENCOURT and LAUREN HUGHES-LESLIE**, the Board, 1) **Awarded** an amount not to exceed \$28,300 in Community Air Protection funds 2) **Authorized** the Executive Director/APCO the option to change the funding source if warranted or if other applicable sources become available; 3) **Authorized** the Executive Director/APCO and staff to negotiate target time frames and technical project details and execute agreements, approved as to legal form by the Office of District Counsel; and 4) **Find** that the California Environmental Quality Act (CEQA) does not apply to this item

**CLOSED SESSION**

**Agenda Item #7- 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 updates or report.

**Agenda Item #8– Reports.**

**Governing Board Counsel –**

- Reminder that Form 700 will be requested in the next few weeks
- NSR - No update to report on EPA. Waiting on Federal Register recording.

**Executive Director/APCO –**

- **Permitting is still very busy**
- **Working on completing audit**

**Staff –**

- No report.

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

- Chairman Crist directed APCO to write a letter to Waste Management in regard to the hazardous materials debris from the recent fires; Antelope Valley landfills should not be the recipient of hazardous materials debris.
- Member Bishop – Questioned if change of Administration of the United States would impact the District.
- Member Bettencourt – Would like to have a meeting regarding the availability of electric vehicle charging infrastructure grants for multi-unit housing
- Member Chelette – hoped all had a very Merry Christmas and a Happy New Year



- Member Hawking – sees a big change with the change of Administration.
- Member Hughes-Leslie – encouraged all present to participate in local school science fairs. Be involved in the development of STEM.

**Agenda Item #10– Adjourn to Governing Board Meeting of Tuesday, February 18, 2025.**

Being no further business, the meeting adjourned at 10:20 a.m. to the Governing Board Meeting of Tuesday, February 18, 2025.

## Item #2 – Grant Funds Project Summary

January 2025

### 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: \$717,167.00**

### 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: \$1,961,162.00**

### 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: \$1,237,937.00**

### AB 134 Community Air Protection Program (CAPP) Incentives

#### **\$967,560 FY 23/24**

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

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

**Current Balance: \$3,070,653.00**



## **Agenda Item #3**

**Date: February 18, 2025**

**Subject: January Operations Activity Report**

Permit Inspections - 129

Notices of Violation (NOV) Issued – 0

Vapor Recovery Tests Witnessed – 5

Complaints – 5

Complaint Investigations – 5

Asbestos Notifications – 6

Asbestos Project Inspections - 0

Active Companies - 266

Active Facilities - 569

Active Permits - 1192

Certificate of Occupancy/Building Permit Reviews - 3

CEQA Project Comment Letters - 7

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

Lancaster Site (full meteorology, CO, NO<sub>x</sub>, O<sub>3</sub>, PM<sub>10</sub>, PM<sub>2.5</sub>)

*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						
2/18/2025						
Date Rec'd	Location	Project Name	Description	Comment	Date Due	Date Sent
1/6/2025	Palmdale	Vehicle Storage Facility	Pre-Application 24-0053 is requesting to develop three vacant parcels totaling 159.27 acres with an outdoor storage facility to park vehicles, trailers, and heavy equipment. This project site is located at the northeast corner of 85th Street East and East Avenue M in the City of Palmdale, CA (APNs: 3378-029-003, -004, and -034).	Rule 302-Construction Excavation DCP Rule 219-Permitting CARB Equipment	1/17/2025	1/10/2025
1/6/2025	Palmdale	11 Three-Story Apartment Buildings	Pre-Application 24-0066 requesting to develop one vacant parcel totaling ~10-acres with a multi-family development consisting of 11 three-story apartment buildings totaling 264 units. This project site is located at the northwest corner of East Avenue Q and 15th Street East in the City of Palmdale, CA (APN: 3022-015-012).	Rule 302-Construction Excavation DCP-TTM Rule 219-Permitting CARB Equipment	1/17/2025	1/10/2025
1/6/2025	Palmdale	AVI Technology Accessory Structure for Amazon Hub	Pre-Application 24-0065 requesting to develop an accessory structure totaling 1,500 square feet on 26.93 total acres to house Automatic Vehicle Inspection (AVI) technology. This project site is located at 600 Technology Drive in the City of Palmdale, CA 93550 (APN: 3003-079-060).	Project Signage Information Form Rule 219-Permitting CARB Equipment EV Charging	1/17/2025	1/14/2025

AVAQMD CEQA PROJECTS						
BOARD MEETING						
2/18/2025						
Date Rec'd	Location	Project Name	Description	Comment	Date Due	Date Sent
1/6/2025	Palmdale	Circle K Expansion	Pre-Application 24-0064 requesting to develop 1.97 acres of a 6.93 vacant parcel to expand the existing Circle K, which will include additional pumps and truck parking. This project site is located at 3851 East Palmdale Boulevard in the City of Palmdale (APN: 3021-030-037).	Rule 302-Construction Excavation DCP Rule 219-Permitting CARB Equipment	1/17/2025	1/16/2025
1/6/2025	Palmdale	Agricultural Support Land	Pre-Application 24-0068 requesting to develop ~5 vacant acres to permit agricultural support activities, sales, services, storage, animal husbandry, and livestock keeping. This project site is located on the south side of East Avenue O and 1,020 feet east of 110th Street East in the City of Palmdale (APN: 3078-017-045).	Rule 302-Construction Excavation DCP Rule 219-Permitting CARB Equipment	1/17/2025	1/16/2025
1/13/2025	Palmdale	95 Multi-Family Housing Units	Pre-Application 24-0071 requesting to develop 5.5 acres of vacant land with 14 buildings consisting of 95 multi-family units. This project site is located approximately ½ acre mile north of Avenue R on the east side of 30th Street East in the City of Palmdale (APNs: 3020-004-058, -064, and 3020-005-020).	Rule 302-Construction Excavation DCP Rule 219-Permitting CARB Equipment	1/31/2025	1/22/2025
1/13/2025	Palmdale	242 Multi-Family Housing Units	Pre-Application 24-0072 requesting to develop 6.66 acres of vacant land with a four-story multi-family housing project consisting of 242 units. This project site is located south of West Avenue N and 1,150 feet west of 50th Street West in the City of Palmdale (APNs: 3001-138-001 and -012).	Rule 302-Construction Excavation DCP Rule 1403-Asbestos Rule 219-Permitting CARB Equipment	1/31/2025	1/22/2025

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

*AGENDA ITEM #4*

**DATE:** February 18, 2025.

**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 December 31, 2024.

**BACKGROUND:** The Financial Reports for December 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 December 31, 2024.

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

**STATEMENT OF ACTIVITY.** The target variance for December is 50%.

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

**BANK REGISTERS.** This report details the Districts bank activity.

**REASON FOR RECOMMENDATION:** Receive and file.

**REVIEW BY OTHERS:** This item was reviewed by Allison Burns, Special Counsel to the Governing Board as to legal form and by Barbara Lods, Executive Director/APCO (AVAQMD) on or about February 13, 2025.

**PRESENTER:** Barbara Lods, Executive Director/APCO.

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**Antelope Valley AQMD**  
**Balance Sheet - Governmental Funds**  
**As of December 31, 2024**

## Financial Report

	<u>General Fund</u>	<u>AB2766 Mobile Emissions</u>	<u>AB923 Mobile Emissions</u>	<u>Carl Moyer</u>	<u>Total</u>
<b>Assets</b>					
Current Assets					
Cash	8,414,203.25	1,489,801.81	2,601,845.12	2,868,216.46	15,374,066.64
Cash Held For Other Fund	764,399.29	(14,929.30)	(48,105.22)	(701,364.77)	0.00
Receivables	246,273.82	0.00	0.00	0.00	246,273.82
Pre-Paids	23,573.94	0.00	0.00	0.00	23,573.94
<b>Total Current Assets</b>	<b>9,448,450.30</b>	<b>1,474,872.51</b>	<b>2,553,739.90</b>	<b>2,166,851.69</b>	<b>15,643,914.40</b>
<b>Total Assets</b>	<b>9,448,450.30</b>	<b>1,474,872.51</b>	<b>2,553,739.90</b>	<b>2,166,851.69</b>	<b>15,643,914.40</b>
<b>Liabilities and Net Position</b>					
Current Liabilities					
Payables	16,697.89	0.00	0.00	0.00	16,697.89
Due to Others	514.00	0.00	0.00	0.00	514.00
Unearned Revenue	4,800,266.03	277,277.89	377,185.98	2,899,227.36	8,353,957.26
<b>Total Current Liabilities</b>	<b>4,817,477.92</b>	<b>277,277.89</b>	<b>377,185.98</b>	<b>2,899,227.36</b>	<b>8,371,169.15</b>
Restricted Fund Balance	0.00	1,207,392.88	2,134,903.41	65,830.33	3,408,126.62
Cash Reserves	1,000,000.00	0.00	0.00	0.00	1,000,000.00
Unassigned Fund Balance	1,995,747.18	0.00	0.00	0.00	1,995,747.18
Pre-Paid	1,378.50	0.00	0.00	0.00	1,378.50
Change in Net Position	571,942.36	(9,798.26)	41,650.51	(798,206.00)	(194,411.39)
<b>Total Liabilities &amp; Net Position</b>	<b>8,386,545.96</b>	<b>1,474,872.51</b>	<b>2,553,739.90</b>	<b>2,166,851.69</b>	<b>14,582,010.06</b>

**Antelope Valley AQMD**  
**Statement of Revenues & Expenditures**  
**For the Period Ending December 31, 2024**

Financial Report

	<u>General Fund</u>	<u>AB2766 Mobile Emissions Program</u>	<u>AB923 Mobile Emissions Program</u>	<u>Carl Moyer Program</u>	<u>Total Governmental Funds</u>
<b><u>Revenues</u></b>					
Application and Permit Fees	80,562.91	0.00	0.00	0.00	80,562.91
AB 2766 and Other Program Revenues	105.00	0.00	0.00	0.00	105.00
Fines	2,989.32	0.00	0.00	0.00	2,989.32
Investment Earnings	0.00	0.00	0.00	0.00	0.00
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
<b>Total Revenues</b>	<b>83,657.23</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>83,657.23</b>
<b><u>Expenditures</u></b>					
Program Staff	2,032.14	0.00	0.00	0.00	2,032.14
Services and Supplies	20,059.34	2,500.00	2,275.00	0.00	24,834.34
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
<b>Total Expenditures</b>	<b>22,091.48</b>	<b>2,500.00</b>	<b>2,275.00</b>	<b>0.00</b>	<b>26,866.48</b>
<b>Excess Revenue Over (Under) Expenditures</b>	<b>61,565.75</b>	<b>(2,500.00)</b>	<b>(2,275.00)</b>	<b>0.00</b>	<b>56,790.75</b>



## Antelope Valley AQMD

### Statement of Activity - MTD, MTM and YTD

#### For 12/31/2024

00 District Wide

	M-T-D Actual	Y-T-D Actual	Y-T-D Budget	% Budget to Actual
<b>Revenues</b>				
Permitting	80,952.15	712,558.38	1,523,300.00	(0.47)
Programs	105.00	692,662.04	3,465,230.00	(0.20)
Application Fees	1,969.00	37,527.00	35,000.00	(1.07)
State Revenue	0.00	0.00	2,236,773.00	0.00
Fines & Penalties	631.08	5,122.23	15,000.00	(0.34)
Interest Earned	0.00	58,474.77	45,000.00	(1.30)
Adjustments to Revenue	0.00	(702.52)	0.00	0.00
<b>Total Revenues</b>	<b>83,657.23</b>	<b>1,505,641.90</b>	<b>7,320,303.00</b>	<b>(0.21)</b>
<b>Expenses</b>				
Office Expenses	405.71	22,470.53	66,000.00	0.34
Communications	1,852.34	11,921.75	27,150.00	0.44
Vehicles	42.85	(934.92)	18,000.00	(0.05)
Program Costs	4,775.00	1,288,065.59	5,660,953.00	0.23
Travel	0.00	287.06	2,000.00	0.14
Professional Services				
Financial Audit & Actuarial Svcs	2,430.00	5,049.00	15,000.00	0.34
Stipends	1,200.00	4,400.00	8,400.00	0.52
Maintenance & Repairs	0.00	696.78	0.00	0.00
Non-Depreciable Inventory	74.55	2,812.71	5,500.00	0.51
Dues & Subscriptions	2,500.00	6,089.15	36,500.00	0.17
Legal	11,491.50	30,602.31	55,000.00	0.56
Miscellaneous Expense	62.39	135.99	500.00	0.27
<b>Total Expenses</b>	<b>24,834.34</b>	<b>1,371,595.95</b>	<b>5,895,003.00</b>	<b>0.23</b>
<b>Program Staff</b>				
<b>Excess Revenue Over (Under) Expenditures</b>	<b>58,822.89</b>	<b>134,045.95</b>	<b>1,425,300.00</b>	<b>(0.09)</b>

**Antelope Valley AQMD**  
**Statement of Activity - MTD, MTM and YTD**  
**For 12/31/2024**

10 Contracted Services

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

**Revenues****Expenses**

Professional Services

Financial Audit &amp; Actuarial Svcs

**Total Expenses**

0.00	0.00	121,800.00	0.00
0.00	0.00	121,800.00	0.00

**Program Staff**

Program Staff

**Total Program Staff**

2,032.14	328,457.34	1,255,000.00	0.26
2,032.14	328,457.34	1,255,000.00	0.26

**Excess Revenue Over (Under) Expenditures**

(2,032.14)	(328,457.34)	(1,376,800.00)	(0.24)
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## Antelope Valley AQMD

### Statement of Activity - MTD, MTM and YTD

#### For 12/31/2024

Report Recap

	M-T-D Actual	Y-T-D Actual	Y-T-D Budget	% Budget to Actual
<b>Revenues</b>				
Permitting	80,952.15	712,558.38	1,523,300.00	(0.47)
Programs	105.00	692,662.04	3,465,230.00	(0.20)
Application Fees	1,969.00	37,527.00	35,000.00	(1.07)
State Revenue	0.00	0.00	2,236,773.00	0.00
Fines & Penalties	631.08	5,122.23	15,000.00	(0.34)
Interest Earned	0.00	58,474.77	45,000.00	(1.30)
Adjustments to Revenue	0.00	(702.52)	0.00	0.00
<b>Total Revenues</b>	<b>83,657.23</b>	<b>1,505,641.90</b>	<b>7,320,303.00</b>	<b>(0.21)</b>
<b>Expenses</b>				
Office Expenses	405.71	22,470.53	66,000.00	0.34
Communications	1,852.34	11,921.75	27,150.00	0.44
Vehicles	42.85	(934.92)	18,000.00	(0.05)
Program Costs	4,775.00	1,288,065.59	5,660,953.00	0.23
Travel	0.00	287.06	2,000.00	0.14
Professional Services				
Financial Audit & Actuarial Svcs	2,430.00	5,049.00	136,800.00	0.04
Stipends	1,200.00	4,400.00	8,400.00	0.52
Maintenance & Repairs	0.00	696.78	0.00	0.00
Non-Depreciable Inventory	74.55	2,812.71	5,500.00	0.51
Dues & Subscriptions	2,500.00	6,089.15	36,500.00	0.17
Legal	11,491.50	30,602.31	55,000.00	0.56
Miscellaneous Expense	62.39	135.99	500.00	0.27
<b>Total Expenses</b>	<b>24,834.34</b>	<b>1,371,595.95</b>	<b>6,016,803.00</b>	<b>0.23</b>
<b>Program Staff</b>				
Program Staff	2,032.14	328,457.34	1,255,000.00	0.26
<b>Total Program Staff</b>	<b>2,032.14</b>	<b>328,457.34</b>	<b>1,255,000.00</b>	<b>0.26</b>
<b>Excess Revenue Over (Under) Expenditures</b>	<b>56,790.75</b>	<b>(194,411.39)</b>	<b>48,500.00</b>	<b>4.01</b>

**Antelope Valley AQMD**  
**Bank Register from 12/01/2024 to 12/31/2024**  
**General Fund P6A LA County**

<u>Check/Ref</u>	<u>Date</u>	<u>Name/Description</u>	<u>Check Amount</u>	<u>Deposit Amount</u>	<u>Account Balance</u>
0000546	12/05/2024	WEEKLY DEPOSIT	0.00	4,503.62	3,471,087.99
R25-17	12/11/2024	OPERATING FUND REPLENISHMENT #2 FY25	628,375.26	0.00	2,842,712.73
R25-18	12/12/2024	AB2766 TRANSFER SEP 2024	51,395.32	0.00	2,791,317.41
R25-19	12/12/2024	AB923 TRANSFER SEP 2024	48,187.94	0.00	2,743,129.47
0000547	12/12/2024	WEEKLY DEPOSIT	0.00	14,420.76	2,757,550.23
0000548	12/19/2024	WEEKLY DEPOSIT	0.00	324,787.17	3,082,337.40
<b>Total for Report:</b>			<b>727,958.52</b>	<b>343,711.55</b>	

# Antelope Valley AQMD

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## Bank Register from 12/01/2024 to 12/31/2024

### Wells Fargo Operating

<u>Check/Ref</u>	<u>Date</u>	<u>Name/Description</u>	<u>Check Amount</u>	<u>Deposit Amount</u>	<u>Account Balance</u>
0000683	12/02/2024	CREDIT CARD TRANSACTION MACH FINISH	0.00	3,786.48	1,358,345.27
0005778	12/05/2024	[01148] ANTELOPE VALLEY PRESS-LEGAL NOTICE OF REG XIII	386.31	0.00	1,357,958.96
0005779	12/05/2024	[10518] AUSTIN BISHOP-Attendance Governing Board meeting 11/19/2024	100.00	0.00	1,357,858.96
0005780	12/05/2024	[10055] NEWTON CHELETTE-Attendance Governing Board meeting 11/19/2024	100.00	0.00	1,357,758.96
0005781	12/05/2024	[10057] MARVIN CRIST-Attendance Governing Board meeting 11/19/2024	100.00	0.00	1,357,658.96
0005782	12/05/2024	[10599] HOWARD HARRIS-Attendance Governing Board meeting 11/19/2024	100.00	0.00	1,357,558.96
0005783	12/05/2024	[10058] RONALD HAWKINS-Attendance Governing Board meeting 11/19/2024	100.00	0.00	1,357,458.96
0005784	12/05/2024	[11511] JOEL S CRAIG-AIR MONITORING SERVICES NOVEMBER2024	1,190.52	0.00	1,356,268.44
0005785	12/05/2024	[11684] RICHARD LOA-Invoices 2157, 2257	200.00	0.00	1,356,068.44
0005786	12/05/2024	[10054] KENNETH MANN-Attendance Governing Board meeting 11/19/2024	100.00	0.00	1,355,968.44
0005787	12/05/2024	[10455] STRADLING YOCCA CARLSON & RAUTH-Invoices 413017, 413018	4,104.40	0.00	1,351,864.04
0005788	12/05/2024	[10483] STREAMLINE-WEB HOSTING 12/01/2024-01/01/2025	249.00	0.00	1,351,615.04
0005789	12/05/2024	[01107] VERIZON WIRELESS-AIR MONITORING SIM CARD 10/18/24-11/17/24	40.01	0.00	1,351,575.03
0005790	12/05/2024	[11259] WEX BANK-FUEL PURCHASES 11/25/2024	58.26	0.00	1,351,516.77
0005761	12/09/2024	[11511] JOEL S CRAIG-AIR MONITORING SERVICES OCTOBER 2024	0.00	1,450.00	1,352,966.77
0004902	12/09/2024	[02805] FIRST TRANSIT INC #55374-Refund: 30594	0.00	184.91	1,353,151.68
0005001	12/09/2024	[01176] FERRELLGAS, INC - FERRELLGAS, INC-Refund: Duplicate Payment of Invoice AV3785	0.00	800.04	1,353,951.72
0000000	12/09/2024	[00954] US FEDERAL AVIATION ADMINISTRATION-	0.00	0.00	1,353,951.72
0000681	12/09/2024	CREDIT CARD TRANSACTION MONARCH HOMES	0.00	661.00	1,354,612.72
0005791	12/10/2024	[11402] CHARTER COMMUNICATIONS-SPECTRUM BUSINESS INTERNET 12/01/2024-12/31/2024	204.75	0.00	1,354,407.97
0005792	12/10/2024	[10016] COUNTY OF LOS ANGELES-Invoices AUG 2024, JULY 2024, SEP 2024	62.39	0.00	1,354,345.58
0005793	12/10/2024	[11511] JOEL S CRAIG-AIR MONITORING SERVICES OCTOBER 2024	1,450.00	0.00	1,352,895.58
0005794	12/10/2024	[10071] QUADIENT LEASING-METER LEASING 12/02/2024-01/01/2025	77.96	0.00	1,352,817.62
0000682	12/10/2024	CREDIT CARD TRANSACTION T-MOBILE	0.00	1,285.71	1,354,103.33
R25-17	12/11/2024	OPERATING FUND REPLENISHMENT #2 FY25	0.00	628,375.26	1,982,478.59
0000688	12/12/2024	CREDIT CARD TRANSACTION JNR ENVIRONMENTAL NASA	0.00	2,572.04	1,985,050.63
0000684	12/13/2024	CREDIT CARD TRANSACTION CORE ENVIRONMENTAL	0.00	1,243.00	1,986,293.63
0000685	12/16/2024	CREDIT CARD TRANSACTION FERRELL GAS RACE	0.00	4,154.44	1,990,448.07
0000686	12/23/2024	CREDIT CARD TRANSACTION DUB BROS TRADECRAFT	0.00	3,833.40	1,994,281.47

**Antelope Valley AQMD**  
**Bank Register from 12/01/2024 to 12/31/2024**  
Wells Fargo Operating

<u>Check/Ref</u>	<u>Date</u>	<u>Name/Description</u>	<u>Check Amount</u>	<u>Deposit Amount</u>	<u>Account Balance</u>
0000687	12/23/2024	CREDIT CARD TRANSACTION KPRS PERIMETER SOLUTIONS	0.00	1,292.08	1,995,573.55
0000689	12/24/2024	CREDIT CARD TRANSACTION HOME DEPOT	0.00	702.52	1,996,276.07
0005795	12/27/2024	[10996] ANTELOPE VALLEY EDGE-Annual Membership	2,500.00	0.00	1,993,776.07
0005796	12/27/2024	[11646] BMO BANK N.A. - PAYMENT-CREDIT CARD 1481	331.35	0.00	1,993,444.72
0005797	12/27/2024	[11646] BMO BANK N.A. - PAYMENT-CREDIT CARD 1465	1,745.23	0.00	1,991,699.49
0005798	12/27/2024	[11556] C. J. BROWN & COMPANY, CPAS-ACCOUNTING SERVICES NOVEMBER 2024	1,764.00	0.00	1,989,935.49
0005799	12/27/2024	[10405] CANON FINANCIAL SERVICES-COPIER 12/01/2024-12/31/2024	301.80	0.00	1,989,633.69
0005800	12/27/2024	[11402] CHARTER COMMUNICATIONS-PHONE SERVICE 12/07/2024- 1/06/2025	228.59	0.00	1,989,405.10
0005801	12/27/2024	[11405] IT SOLUTIONS INTEGRATED-MONTHLY IT SERVICES DECEMBER 2024	1,170.00	0.00	1,988,235.10
0005802	12/27/2024	[11540] LINDE GAS & EQUIPMENT INC.-CYLINDER RENTAL 11/20/2024 - 12/20/2024	25.95	0.00	1,988,209.15
<b>Total for Report:</b>			<b>16,690.52</b>	<b>650,340.88</b>	

**Antelope Valley AQMD**  
**Bank Register from 12/01/2024 to 12/31/2024**  
**WF AB2766**

<u>Check/Ref</u>	<u>Date</u>	<u>Name/Description</u>	<u>Check Amount</u>	<u>Deposit Amount</u>	<u>Account Balance</u>
0022829	12/05/2024	[11739] ELVIA MAGALY CRUZ COREAS-AB2766 AFV GRANT	500.00	0.00	1,440,406.49
0022830	12/05/2024	[11738] JORGE GONZALEZ-AB2766 AFV GRANT	500.00	0.00	1,439,906.49
0022831	12/05/2024	[11740] TIMOTHY MILTON HOUSE-AB2766 AFV GRANT	500.00	0.00	1,439,406.49
0022764	12/12/2024	[11682] KEVIN C DILLIARD-AB 2766 GRANT	0.00	500.00	1,439,906.49
R25-18	12/12/2024	AB2766 TRANSFER SEP 2024	0.00	51,395.32	1,491,301.81
0022832	12/27/2024	[11745] ALICIA AVEGE-AB2766 AFV GRANT	500.00	0.00	1,490,801.81
0022833	12/27/2024	[11682] KEVIN C DILLIARD-AB2766 AFV GRANT	500.00	0.00	1,490,301.81
0022834	12/27/2024	[11744] SEAN MCHUGH-AB2766 AFV GRANT	500.00	0.00	1,489,801.81
<b>Total for Report:</b>			<b>3,000.00</b>	<b>51,895.32</b>	

**Antelope Valley AQMD**  
**Bank Register from 12/01/2024 to 12/31/2024**  
**WF AB923**

<u>Check/Ref</u>	<u>Date</u>	<u>Name/Description</u>	<u>Check Amount</u>	<u>Deposit Amount</u>	<u>Account Balance</u>
R25-19	12/12/2024	AB923 TRANSFER SEP 2024	0.00	48,187.94	2,605,320.12
0001111	12/27/2024	[10884] COAST AUTO SALVAGE LLC-LAWN & GARDEN NOV 2024	2,275.00	0.00	2,603,045.12
0001112	12/27/2024	[10884] COAST AUTO SALVAGE LLC-VAVR NOV 2024	1,200.00	0.00	2,601,845.12
<b>Total for Report:</b>			<b>3,475.00</b>	<b>48,187.94</b>	



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

*AGENDA ITEM #5*

**DATE:** February 18, 2025

**RECOMMENDATION:** Receive and file.

**SUMMARY:** 1) Receive and file the Annual Audited Financial Report and Management Report for Fiscal Year 2023-24 as presented by C.J. Brown & Company, CPAs. 2) Find that this item is not a project pursuant to the California Environmental Quality Act.

**BACKGROUND:** C.J. Brown & Company CPAs of Riverside conducted the audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the State Controller's Minimum Audit Requirements for California Special Districts.

In their opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the Antelope Valley Air Quality Management District, as of June 30, 2024, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

**REASON FOR RECOMMENDATION:** The audit process is complete, and the information is provided to the Governing Board for review to receive and file.

**REVIEW BY OTHERS:** This item was reviewed by Allison E. Burns, Special Counsel as to legal form and by Barbara Lods, Executive Director/APCO on or about February 12, 2025.

**FINANCIAL DATA:** Funds were budgeted for the service provided and sufficient funds were available to pay the obligation.

**PRESENTER:** Chris Brown of C.J. Brown & Company CPAs

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**THE ANTELOPE VALLEY AIR QUALITY MANAGEMENT DISTRICT  
LANCASTER, CALIFORNIA  
AGENDA ITEM #5**

**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](http://www.fppc.ca.gov/learn/pay-to-play-limits-and-prohibitions.html)

SUBJECT TO THE LEVINE ACT	EXEMPT FROM THE LEVINE ACT
Permit, license, or entitlement for use	Competitively bid contract
Contract or grant	Labor or personal employment
	General policy and legislative actions

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 Air Quality Management  
District**

**Lancaster, California**

**Annual Financial Report  
For the Fiscal Year Ended  
June 30, 2024**



**Governing Board as of June 30, 2024**

<b>Name</b>	<b>Title</b>	<b>Elected/ Public</b>
Marvin Crist	Chair	Elected
Austin Bishop	Vice Chair	Elected
Richard Loa	Governing Board Member	Elected
Howard Harris	Governing Board Member	Elected
Ron Hawkins	Governing Board Member	Elected
Ken Mann	Governing Board Member	Elected
Newton Chelette	Governing Board Member	Public

**Antelope Valley Air Quality Management District**

**2551 West Avenue H  
Lancaster, California 93536  
(661) 723-8070**

**Antelope Valley Air Quality Management District**

**Annual Financial Report**

**For the Fiscal Year Ended June 30, 2024**

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# Antelope Valley Air Quality Management District

For the Fiscal Year Ended June 30, 2024

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## **Financial Section**

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## **Independent Auditor's Report**

Governing Board  
Antelope Valley Air Quality Management District  
Lancaster, California

### **Report on the Audit of the Financial Statements**

#### ***Opinion***

We have audited the financial statements of the governmental activities and each major fund of the Antelope Valley Air Quality Management District (District), as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the District, as of June 30, 2024, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### ***Basis for Opinions***

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

#### ***Responsibilities of Management for the Financial Statements***

The District's management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

## **Independent Auditor's Report, continued**

### ***Auditor's Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4 through 8 and the required supplementary information on pages 26 through 30 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

## Independent Auditor's Report, continued

### Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated February 18, 2025 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

**C.J. Brown & Company, CPAs**  
Cypress, California  
February 18, 2025

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**Antelope Valley Air Quality Management District  
Management’s Discussion and Analysis  
For the Fiscal Year Ended June 30, 2024**

The following Management’s Discussion and Analysis (MD&A) of activities and financial performance of the Antelope Valley Air Quality Management District (District) provides an introduction to the financial statements of the District for the fiscal year ended June 30, 2024. We encourage readers to consider the information presented here with additional information that we have furnished in the accompanying basic financial statements and related notes, which follow this section.

**Financial Highlights**

- In 2024, the District’s net position increased 8.81% or \$622,541 to \$7,686,799.
- In 2024, total revenues from all sources decreased 2.92% or \$149,640 to \$4,969,293.
- In 2024, total expenses increased 7.43% or \$272,166 to \$3,934,312.

**Using This Financial Report**

This annual report consists of a series of financial statements. The Statement of Net Position and the Statement of Activities provide information about the activities and performance of the District using accounting methods similar to those used by private sector companies.

The Statement of Net Position includes all of the District’s investments in resources (assets), deferred outflows of resources, obligations to creditors (liabilities), and deferred inflows of resources. It also provides the basis for computing a rate of return, evaluating the capital structure of the District, and assessing the liquidity and financial flexibility of the District. All of the current year’s revenue and expenses are accounted for in the Statement of Activities. This statement measures the success of the District’s operations over the past year and can be used to determine the District’s profitability and credit worthiness.

**Government-wide Financial Statements**

**Statement of Net Position and Statement of Activities**

One of the most important questions asked about the District’s finances is, “Is the District better off or worse off as a result of this year’s activities?” The Statement of Net Position and the Statement of Activities report information about the District in a way that helps answer this question. These statements include all assets, deferred outflows of resources, liabilities, and deferred inflows of resources using the *accrual basis of accounting*, which is similar to the accounting used by most private sector companies. All of the current year’s revenues and expenses are taken into account regardless of when the cash is received or paid.

These two statements report the District’s *net position* and changes in it. Think of the District’s net position – assets and deferred outflows of resources less liabilities and deferred inflows of resources – as one way to measure the District’s financial health or *financial position*. Over time, *increases or decreases* in the District’s net position is one indicator of whether its *financial health* is improving or deteriorating. However, one will need to consider other non-financial factors to assess the *overall financial health* of the District.

**Antelope Valley Air Quality Management District  
Management’s Discussion and Analysis, continued  
For the Fiscal Year Ended June 30, 2024**

**Fund Financial Statements**

**Balance Sheet and Statement of Revenues, Expenditures, and Changes in Fund Balance**

*Governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating a government’s near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government’s near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balance provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

**Notes to the Basic Financial Statements**

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the basic financial statements can be found on pages 13 through 25.

**Government-wide Financial Analysis**

**Statements of Net Position**

The following table is a summary of the statements of net position at June 30, 2024 and 2023.

	<u>2024</u>	<u>2023</u>	<u>Change</u>
<b>Assets:</b>			
Current assets	\$ 14,526,465	10,851,881	3,674,584
Capital assets, net	225,463	258,244	(32,781)
<b>Total assets</b>	<u>14,751,928</u>	<u>11,110,125</u>	<u>3,641,803</u>
<b>Liabilities:</b>			
Current liabilities	7,065,129	4,045,867	3,019,262
<b>Total liabilities</b>	<u>7,065,129</u>	<u>4,045,867</u>	<u>3,019,262</u>
<b>Net position:</b>			
Net investment in capital assets	225,463	258,244	(32,781)
Restricted	6,312,522	5,446,119	866,403
Unrestricted	1,148,814	1,359,895	(211,081)
<b>Total net position</b>	<u>\$ 7,686,799</u>	<u>7,064,258</u>	<u>622,541</u>

**Antelope Valley Air Quality Management District  
Management's Discussion and Analysis, continued  
For the Fiscal Year Ended June 30, 2024**

**Government-wide Financial Analysis, continued**

**Statements of Net Position, continued**

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the District, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$7,686,799 as of June 30, 2024. The District's total net position is made up of three components: (1) net investment in capital assets, (2) restricted, and (3) unrestricted.

**Statements of Activities**

The following table is a summary of the statements of activities for the years ended June 30, 2024 and 2023.

<b>Condensed Statements of Activities</b>			
	<b>2024</b>	<b>2023</b>	<b>Change</b>
<b>Revenues:</b>			
<b>Program revenues:</b>			
Charges for services	\$ 1,469,715	1,338,715	131,000
Operating grants	3,357,643	3,709,277	(351,634)
<b>Total program revenues</b>	4,827,358	5,047,992	(220,634)
<b>General revenues</b>	141,935	70,941	70,994
<b>Total revenues</b>	4,969,293	5,118,933	(149,640)
<b>Expenses:</b>			
General	2,173,786	2,381,139	(207,353)
Mobile emission program AB 2766	345,928	445,327	(99,399)
Mobile emission program AB 923	207,128	215,082	(7,954)
Carl Moyer program	1,207,470	620,598	586,872
<b>Total expenses</b>	3,934,312	3,662,146	272,166
<b>Changes in net position</b>	1,034,981	1,456,787	(421,806)
<b>Net position – beginning of year, as previously restated</b>	7,064,258	5,607,471	1,456,787
Prior period adjustment	(412,440)	-	(412,440)
<b>Net position – beginning of year, as restated</b>	6,651,818	5,607,471	1,044,347
<b>Net position – end of year</b>	\$ 7,686,799	7,064,258	622,541



**Antelope Valley Air Quality Management District  
Management’s Discussion and Analysis, continued  
For the Fiscal Year Ended June 30, 2024**

**Government-wide Financial Analysis, continued**

**Statements of Activities, continued**

In the case of the District, net position increased 8.81% or \$622,541 to \$7,686,799, primarily due to an increase of \$1,034,981 from ongoing operations, which was offset by a decrease of \$412,440 from prior period adjustment to net position. Please see Note 8 for more detailed information.

The District’s total revenues from all sources decreased 2.92% or \$149,640 to \$4,969,293. Program revenues decreased \$220,634, primarily due to a decrease of \$351,634 in operating grants, which was offset by an increase of \$131,000 in charges for services. General revenues increased \$70,994, primarily due to increases of \$48,222 in investment earnings and \$25,565 in fines, forfeitures, and penalties.

The District’s total expenses increased by 7.43% or \$272,166 to \$3,934,312, due primarily to an increase of \$586,872 in Carl Moyer program expenses, which was offset by decreases of \$207,353 in general fund expenses, \$99,399 in mobile emissions program (AB 2766) and \$7,954 in mobile emissions program (AB 923).

**Governmental Fund Balance**

The following table is a summary of the changes in fund balance for all governmental funds for the year ended June 30, 2024.

	<b>Condensed Changes in Fund Balance</b>				
	<u>General Fund</u>	<u>AB 2766</u>	<u>AB 923</u>	<u>Carl Moyer</u>	<u>Total</u>
Fund balance – beginning of year as previously stated	\$ 3,397,888	1,207,393	2,134,904	65,829	6,806,014
Prior period adjustment	<u>(412,440)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(412,440)</u>
Fund balance – beginning of year, as restated	\$ 2,985,448	1,207,393	2,134,904	65,829	6,393,574
Changes in fund balance	<u>1,067,762</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,067,762</u>
Fund balance – end of year	<u>\$ 4,053,210</u>	<u>1,207,393</u>	<u>2,134,904</u>	<u>65,829</u>	<u>7,461,336</u>

In 2024, total fund balance increased by 16.70% or \$1,067,762 to \$7,461,336. The General fund increased by 35.77% or \$1,067,762 to \$4,053,210. There were no changes to the mobile emissions program (AB2766), mobile emissions program (AB 923), and the Carl Moyer program.

**Governmental Activities Budgetary Highlights**

For the year ended June 30, 2024, the final actual expenditures were less than budgeted for the General fund by \$1,726,251, AB 2766 fund by \$274,072, and AB 923 fund by \$364,872, and Carl Moyer fund by \$144,683. For the year ended June 30, 2024, actual revenues were less than budgeted for the General fund by \$739,727, AB 2766 fund by \$274,072, AB 923 fund by \$364,872 and Carl Moyer fund by \$144,683. At June 30, 2024, there were no differences between the original and final amended budgets. (See Budgetary Comparison Schedule for the General fund, AB 2766 fund, AB 923 fund, and Carl Moyer fund under Required Supplementary Information section on pages 26 through 30).

**Antelope Valley Air Quality Management District  
Management’s Discussion and Analysis, continued  
For the Fiscal Year Ended June 30, 2024**

**Capital Asset Administration**

	<u>Balance 2023</u>	<u>Additions</u>	<u>Deletions/ Transfers</u>	<u>Balance 2024</u>
Capital assets:				
Depreciable assets	\$ 598,840	44,864	-	643,704
Total capital assets	598,840	44,864	-	643,704
Accumulated depreciation	(340,596)	(77,645)	-	(418,241)
Total capital assets, net	\$ <u>258,244</u>	<u>(32,781)</u>	<u>-</u>	<u>225,463</u>

At the end of fiscal year 2024, the District’s investment in capital assets amounted to \$225,463 (net of accumulated depreciation). This investment in capital assets includes building improvements, furniture and fixtures, machinery and equipment, vehicles, computers, and software. The capital assets of the District are more fully analyzed in Note 3 to the basic financial statements.

**Conditions Affecting Current Financial Position**

Management is unaware of any other conditions, which could have a significant impact on the District’s current financial position, net position, or operating results in terms of past, present, and future.

**Requests for Information**

This financial report is designed to provide the District’s present users, including funding sources, customers, stakeholders, and other interested parties with a general overview of the District’s finances and to demonstrate the District’s accountability with an overview of the District’s financial operations and financial condition. Should the reader have questions regarding the information included in this report or wish to request additional financial information, please contact Antelope Valley Air Quality Management District, 43301 Division Street, Suite 206, Lancaster, California 93535 or (661) 723-8070.



# **Basic Financial Statements**

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**Antelope Valley Air Quality Management District**  
**Statement of Net Position**  
**June 30, 2024**

	<b>2024</b>
<b>Assets:</b>	
<b>Current assets:</b>	
Cash and cash equivalents (note 2)	\$ 7,601,944
Restricted cash and cash equivalent (note 2)	6,312,522
Accounts receivable	610,579
Prepaid expenses and other assets	1,420
<b>Total current assets</b>	<b>14,526,465</b>
<b>Non-current assets:</b>	
Capital assets – being depreciated, net (note 3)	225,463
<b>Total non-current assets</b>	<b>225,463</b>
<b>Total assets</b>	<b>14,751,928</b>
<b>Liabilities:</b>	
<b>Current liabilities:</b>	
Accounts payable and accrued expenses	377,915
Unearned revenues (note 5)	6,687,214
<b>Total current liabilities</b>	<b>7,065,129</b>
<b>Total liabilities</b>	<b>7,065,129</b>
<b>Net position (note 6):</b>	
Net investment in capital assets	225,463
Restricted	6,312,522
Unrestricted	1,148,814
<b>Total net position</b>	<b>\$ 7,686,799</b>

See accompanying notes to the basic financial statements

**Antelope Valley Air Quality Management District**  
**Statement of Activities**  
**For the Fiscal Year Ended June 30, 2024**

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>		<u>Net Revenue and Changes in Net Position</u>
		<u>Charges for Service</u>	<u>Operating Grants</u>	
<b>Governmental activities</b>				
General	\$ 2,173,786	1,469,715	1,597,464	893,393
Mobile emission program AB 2766	345,928	-	345,928	-
Mobile emission program AB 923	207,128	-	207,128	-
Carl Moyer program	1,207,470	-	1,207,123	(347)
<b>Total governmental activities</b>	<b>\$ 3,934,312</b>	<b>1,469,715</b>	<b>3,357,643</b>	<b>893,046</b>
<b>General revenues:</b>				
				\$ 48,565
				93,034
				336
				<u>141,935</u>
				<b>Changes in net position</b> <u>1,034,981</u>
				7,064,258
				<b>Net position, beginning of year, as previously stated</b>
				<u>(412,440)</u>
				<b>Net position, beginning of year, as restated</b> <u>6,651,818</u>
				<b>Net position, end of year</b> <u>\$ 7,686,799</u>

See accompanying notes to the basic financial statements

**Antelope Valley Air Quality Management District**  
**Reconciliation of the Balance Sheet of Governmental Funds to the**  
**Statement of Net Position**  
**June 30, 2024**

	<u>General Fund</u>	<u>AB 2766 Fund</u>	<u>AB 923 Fund</u>	<u>Carl Moyer Fund</u>	<u>Total Fund</u>
<b>Assets:</b>					
Cash and cash equivalents	\$ 7,601,944	-	-	-	7,601,944
Restricted cash and cash equivalents	-	1,394,330	2,461,494	2,456,698	6,312,522
Accounts receivable	610,579	-	-	-	610,579
Inter-fund receivable (note 3)	616,593	90,340	50,595	-	757,528
Prepaid expenses	1,420	-	-	-	1,420
<b>Total assets</b>	<u>\$ 8,830,536</u>	<u>1,484,670</u>	<u>2,512,089</u>	<u>2,456,698</u>	<u>15,283,993</u>
<b>Liabilities:</b>					
Accounts payable and accrued expenses	\$ 377,915	-	-	-	377,915
Inter-fund payable (note 3)	140,935	-	-	616,593	757,528
Unearned revenue	4,258,476	277,277	377,185	1,774,276	6,687,214
<b>Total liabilities</b>	<u>4,777,326</u>	<u>277,277</u>	<u>377,185</u>	<u>2,390,869</u>	<u>7,822,657</u>
<b>Fund balance (note 7):</b>					
Nonspendable	1,420	-	-	-	1,420
Restricted	-	1,207,393	2,134,904	65,829	3,408,126
Unassigned	4,051,790	-	-	-	4,051,790
<b>Total fund balance</b>	<u>4,053,210</u>	<u>1,207,393</u>	<u>2,134,904</u>	<u>65,829</u>	<u>7,461,336</u>
<b>Total liabilities and fund balance</b>	<u>\$ 8,830,536</u>	<u>1,484,670</u>	<u>2,512,089</u>	<u>2,456,698</u>	<u>15,283,993</u>

Continue on next page

See accompanying notes to the basic financial statements

**Reconciliation:**

Total Fund Balance of Governmental Funds \$ 7,461,336

Amounts reported for governmental activities in the statement of net position is different because:

Capital assets used in governmental activities are not current financial resources and, therefore, not in the governmental fund balance sheet. However, the statement of net position includes those capital position among the assets of the District as a whole as follows:

Capital assets, net 225,463

Net Position of Governmental Activities \$ 7,686,799

See accompanying notes to the basic financial statements

**Antelope Valley Air Quality Management District**  
**Reconciliation of the Statement of Revenues, Expenditures, and Changes**  
**in Fund Balance of Governmental Funds to the Statement of Activities**  
**For the Year Ended June 30, 2024**

	<u>General Fund</u>	<u>AB 2766 Fund</u>	<u>AB 923 Fund</u>	<u>Carl Moyer Fund</u>	<u>Total Fund</u>
<b>Revenues:</b>					
Charge for services	\$ 1,469,715	-	-	-	1,469,715
Operating grants	1,597,464	345,928	207,128	1,207,123	3,357,643
Fine, forfeitures, and penalties	48,565	-	-	-	48,565
Investment earnings	92,687	-	-	347	93,034
Other revenue	336	-	-	-	336
<b>Total revenues</b>	<u>3,208,767</u>	<u>345,928</u>	<u>207,128</u>	<u>1,207,470</u>	<u>4,969,293</u>
<b>Expenditures:</b>					
Services and supplies	2,096,141	345,928	207,128	1,207,470	3,856,667
Capital outlay	44,864	-	-	-	44,864
<b>Total expenditures</b>	<u>2,141,005</u>	<u>345,928</u>	<u>207,128</u>	<u>1,207,470</u>	<u>3,901,531</u>
<b>Net change in fund balance</b>	<u>1,067,762</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,067,762</u>
<b>Fund balance – beginning of year as previously stated</b>	3,397,888	1,207,393	2,134,904	65,829	6,806,014
Prior period adjustment (note 8)	(412,440)	-	-	-	(412,440)
<b>Fund balance – beginning of year, as restated</b>	<u>2,985,448</u>	<u>1,207,393</u>	<u>2,134,904</u>	<u>65,829</u>	<u>6,393,574</u>
<b>Fund balance – end of year</b>	<u>\$ 4,053,210</u>	<u>1,207,393</u>	<u>2,134,904</u>	<u>65,829</u>	<u>7,461,336</u>

Continue on next page

See accompanying notes to the basic financial statements

**Reconciliation:**

Net Change in Fund Balance – Total Governmental Funds \$ 1,067,762

Amounts reported for governmental activities in the statement of activities are different because:

Governmental funds report capital outlay as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense as follows:

Depreciation expense	(77,645)
Capital outlay	44,864
	<u>          </u>

Changes in Net Position of Governmental Activities \$ 1,034,981

See accompanying notes to the basic financial statements

**Antelope Valley Air Quality Management District**  
**Notes to the Basic Financial Statements**  
**June 30, 2024**

**(1) Reporting Entity and Summary of Significant Accounting Policies**

**A. Organization and Operations of the Reporting Entity**

The Antelope Valley Air Quality Management District (District) was created based on a program established in 1997 by the State Legislature and pursuant to Health and Safety Code Section 41300, which separated Antelope Valley, located in the northern Los Angeles County, from the South Coast Air Quality Management District. The District's primary responsibility is to develop, implement, monitor, and enforce air pollution control strategies and motor vehicle use reduction measures. The District represents the citizens within its jurisdiction covering the San Bernardino County line to the east, the Kern County line to the north, the San Gabriel Mountains to the south, and the Sierra Nevada Mountains to the west.

The District's mission is to work in partnership with the local communities to achieve and preserve a healthful environment through effective air quality programs by promoting community and individual responsibility for air quality while supporting strong-economic growth throughout the region. The District is an independent special district, governed by a seven-member Governing Board consisting of two City Council members of the City of Lancaster by appointment, two City Council members of the City of Palmdale by appointment, two members appointed by the Board of Supervisors of the County of Los Angeles, and one appointed public member.

**B. Basis of Accounting and Measurement Focus**

The *basic financial statements* of the District are composed of the following:

- Government-wide financial statements
- Fund financial statements
- Notes to the basic financial statements

***Government-wide Financial Statements***

These statements are presented on an *economic resources* measurement focus and the accrual basis of accounting for governmental activities. Accordingly, all of the District's assets (including capital assets), deferred outflows of resources, liabilities, and deferred inflows of resources are included in the accompanying Statement of Net Position. The Statement of Activities presents changes in net position. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used; such as unbilled but utilized utility services that are recorded at year end. The Statement of Activities demonstrates the degree to which the program expenses of a given function are offset by program revenues. Program expenses are those that are clearly identifiable with a specific function. The types of transactions reported as program revenues for the District are to be reported in three categories, if applicable: 1) charges for services, 2) operating grants and contributions, and 3) capital grants and contributions. Charges for services include revenues from customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by the District. Taxes and other items, properly not included among program revenues, are reported instead as general revenues.

***Fund Financial Statements***

These statements include a Balance Sheet and a Statement of Revenues, Expenditures, and Changes in Fund Balance for all major governmental funds. Accompanying these statements is a schedule to reconcile and explain the differences in fund balance, as presented in these statements, to the net position presented in the Government-wide Financial Statements.

**Antelope Valley Air Quality Management District**  
**Notes to the Basic Financial Statements, continued**  
**June 30, 2024**

**(1) Reporting Entity and Summary of Significant Accounting Policies, continued**

**B. Basis of Accounting and Measurement Focus, continued**

*Fund Financial Statements, continued*

Governmental funds are accounted for on a spending or *current financial resources* measurement focus and the modified accrual basis of accounting. Accordingly, only current assets and liabilities are included on the Balance Sheet. The Statement of Revenues, Expenditures, and Changes in Fund Balance presents increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Under the modified accrual basis of accounting, revenues are recognized in the accounting period in which they become measurable and available to finance expenditures of the current period.

Accordingly, revenues are recorded when received in cash, except that revenues subject to accrual (generally 60-days after year-end) are recognized when due. The primary sources susceptible to accrual for the District are interest earnings, investment revenue, and operating grant revenues. Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. However, exceptions to this rule include principal and interest on debt, which are recognized when due.

The accounts of the District are organized on the basis of funds, each of which is considered a separate accounting entity with a self-balancing set of accounts established for the purpose of carrying out specific activities or attaining certain objectives in accordance with specific regulations, restrictions, or limitations.

Funds are organized into two major categories: governmental and proprietary categories. An emphasis is placed on major funds within the governmental and proprietary categories. A fund is considered major if it is the primary operational fund of the District or meets the following criteria:

- a) Total assets and deferred outflows of resources, liabilities and deferred inflows of resources, revenues, or expenditures/expenses of that individual governmental or proprietary fund are at least 10 percent of the corresponding total for all funds of that category or type; and
- b) Total assets and deferred outflows of resources, liabilities and deferred inflows of resources, revenues, or expenditures/expenses of that individual governmental or proprietary fund are at least 5 percent of the corresponding total for all governmental and proprietary funds combined; or
- c) The entity has determined that a fund is important to the financial statement user.

The governmental funds of the financial reporting entity are described below:

**General** – this fund is a government’s primary operating fund. It accounts for all financial resources of the District, except those required to be accounted for in another fund when necessary.

**Mobile Emissions Program (AB 2766)** – this fund is a special revenue fund used to account for the retention of funds allocated for the support of the District’s mobile emissions grant program pursuant to Assembly Bill No. 2766.

**Mobile Emissions Program (AB 923)** – this fund is a special revenue fund used to account for the retention of funds allocated for the support of the District’s mobile emissions grant program pursuant to Assembly Bill No. 923.

**Carl Moyer Fund** – this fund is a special revenue fund used to account for revenues received pursuant to the Carl Moyer Air Quality Standards Attainment Program. Expenditures are restricted to providing incentive for participating entities to undertake reduced-emission heavy-duty engine projects.



**Antelope Valley Air Quality Management District**  
**Notes to the Basic Financial Statements, continued**  
**June 30, 2024**

**(1) Reporting Entity and Summary of Significant Accounting Policies, continued**

**C. Financial Reporting**

The District's basic financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP), as applied to governmental funds. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

The District has adopted the following GASB pronouncements in the current year:

In April 2022, the GASB issued Statement No. 99 – *Omnibus 2022*. The objectives of this Statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing (1) practice issues that have been identified during implementation and application of certain GASB Statements and (2) accounting and financial reporting for financial guarantees.

The requirements of this Statement will enhance comparability in the application of accounting and financial reporting requirements and will improve the consistency of authoritative literature. Consistent authoritative literature enables governments and other stakeholders to locate and apply the correct accounting and financial reporting provisions, which improves the consistency with which such provisions are applied. The comparability of financial statements also will improve as a result of this Statement. Better consistency and comparability improve the usefulness of information for users of state and local government financial statements.

In June 2022, the GASB issued Statement No. 100 – *Accounting Changes and Error Corrections – An Amendment of GASB Statement No. 62*. The primary objective of this Statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability.

This Statement defines accounting changes as changes in accounting principles, changes in accounting estimates, and changes to or within the financial reporting entity and describes the transactions or other events that constitute those changes. As part of those descriptions, for (1) certain changes in accounting principles and (2) certain changes in accounting estimates that result from a change in measurement methodology, a new principle or methodology should be justified on the basis that it is preferable to the principle or methodology used before the change. That preferability should be based on the qualitative characteristics of financial reporting—understandability, reliability, relevance, timeliness, consistency, and comparability. This Statement also addresses corrections of errors in previously issued financial statements.

The requirements of this Statement will improve the clarity of the accounting and financial reporting requirements for accounting changes and error corrections, which will result in greater consistency in application in practice. In turn, more understandable, reliable, relevant, consistent, and comparable information will be provided to financial statement users for making decisions or assessing accountability. In addition, the display and note disclosure requirements will result in more consistent, decision useful, understandable, and comprehensive information for users about accounting changes and error corrections.



**Antelope Valley Air Quality Management District**  
**Notes to the Basic Financial Statements, continued**  
**June 30, 2024**

**(1) Reporting Entity and Summary of Significant Accounting Policies, continued**

**D. Financial Statement Elements**

**1. Use of Estimates**

The preparation of the basic financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets, deferred outflows of resources, liabilities, and deferred inflows of resources, and disclosures of contingent assets, deferred outflows of resources, liabilities, and deferred inflows of resources at the date of the financial statements and the reported changes in District net position during the reporting period. Actual results could differ from those estimates.

**2. Cash and Cash Equivalents**

Substantially all of the District's cash is invested in interest bearing accounts. The District considers all highly liquid investments with a maturity of three months or less to be cash equivalents.

**3. Investments and Investment Policy**

The District has adopted an investment policy to deposit funds in financial institutions. Investments are to be made in the following area:

- Los Angeles County Pooled Surplus Investments

Changes in fair value that occur during a fiscal year are recognized as investment income reported for that fiscal year. Investment income includes interest earnings, changes in fair value, and any gains or losses realized upon the liquidation or sale of investments.

**4. Accounts Receivable**

The District extends credit to customers in the normal course of operations. Management deems all accounts receivable as collectible at year-end. Accordingly, an allowance for doubtful accounts has not been recorded.

**5. Prepaid Expenses**

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid expenses in both the government-wide and fund financial statements. The cost of prepaid items is recorded as an expense when consumed rather than when purchased.

**6. Internal Balances and Activities**

Internal activities and balances reported as inter-fund activity in the governmental fund financial statements are reclassified or eliminated in the preparation of the government-wide statements of net position and activities. This elimination will avoid the "grossing up" of amounts resulting from internal activity within the primary government.

**7. Capital Assets**

Capital assets acquired and/or constructed are capitalized at historical cost. District policy has set the capitalization threshold for reporting capital assets at \$5,000. Donated assets are recorded at acquisition value and/or historical cost at the date of donation. Upon retirement or other disposition of capital assets, the cost and related accumulated depreciation are removed from the respective balances and any gains or losses are recognized.

**Antelope Valley Air Quality Management District**  
**Notes to the Basic Financial Statements, continued**  
**June 30, 2024**

**(1) Reporting Entity and Summary of Significant Accounting Policies, continued**

**D. Financial Statement Elements, continued**

**8. Capital Assets, continued**

Depreciation is recorded on a straight-line basis over the estimated useful lives of the assets as follows:

- Buildings – 20 to 50 years
- Buildings and improvements – 20 years
- Vehicles – 5 years
- Machinery and equipment – 15 to 20 years
- Computer equipment – 3 to 15 years

**9. Unearned Revenues**

Certain receipts from customer reflect revenue applicable to future accounting periods and are recorded as unearned revenues in both the government-wide and fund financial statements.

**10. Net Position**

The government-wide financial statements utilize a net position presentation. Net position categories are as follows:

- **Net investment in capital assets** – consists of capital assets, net of accumulated depreciation and amortization, and reduced by debt balances outstanding or other long-term borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- **Restricted** – consists of assets that have restrictions placed upon their use by external constraints imposed either by creditors (debt covenants), grantors, contributors, or laws and regulations of other governments or constraints imposed by law through enabling legislation.
- **Unrestricted** – consists of the net amount of assets, deferred outflows of resources, liabilities, and deferred inflows of resources that are not included in the determination of the *net investment in capital assets* or *restricted* components of net position.

**11. Fund Balance**

The government fund financial statements report fund balance as non-spendable, restricted, committed, assigned, or unassigned based primarily on the extent to which the District is bound to honor constraints on how specific amounts can be spent.

- **Nonspendable fund balance** – amounts that cannot be spent because they are either (a) not spendable in form or (b) legally or contractually required to be maintained intact.
- **Restricted fund balance** – amounts with constraints placed on their use that are either (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions enabling legislation.
- **Committed fund balance** – amounts that can only be used for specific purposes determined by formal action of the District's highest level of decision-making authority (the Governing Board) and that remain binding unless removed in the same manner. The underlying action that imposed the limitation needs to occur no later than the close of the reporting period.
- **Assigned fund balance** – amounts that are constrained by the District's intent to be used for specific purposes. The intent can be established at either the highest level of decision-making, or by a body or an official designated for that purpose.
- **Unassigned fund balance** – the residual classification for the District's general fund that includes amounts not contained in the other classifications. In other funds, the unassigned classification is used only if expenditures incurred for specific purposes exceed the amounts restricted, committed, or assigned to those purposes.

**Antelope Valley Air Quality Management District**  
**Notes to the Basic Financial Statements, continued**  
**June 30, 2024**

**(1) Reporting Entity and Summary of Significant Accounting Policies, continued**

**D. Financial Statement Elements, continued**

**11. Fund Balance, continued**

***Fund Balance Policy***

The Governing Board establishes, modifies, or rescinds fund balance commitments and assignments by passage of an ordinance or resolution. This is done through adoption of the budget and subsequent budget amendments that occur throughout the year.

When both restricted and unrestricted resources are available for use, it is the District's policy to use restricted resources first, followed by the unrestricted, committed, assigned, and unassigned resources as they are needed.

The District believes that sound financial management principles require that sufficient funds be retained by the District to provide a stable financial base at all times. To retain this stable financial base, the District needs to maintain an unrestricted fund balance in its funds sufficient to fund cash flows of the District and to provide financial reserves for unanticipated expenditures and/or revenue shortfalls of an emergency nature. Committed, assigned, and unassigned fund balance are considered unrestricted.

The purpose of the District's fund balance policy is to maintain a prudent level of financial resources to protect against reducing service levels or raising taxes and fees because of temporary revenue shortfalls or unpredicted one-time expenditures.

**(2) Cash and Cash Equivalents**

Cash and cash equivalents as of June 30, are classified as follows:

	<b>2024</b>
Unrestricted cash and cash equivalents:	
General Fund	\$ 7,601,944
Total unrestricted cash and cash equivalents	7,601,944
Restricted cash and cash equivalents:	
AB 2766 Fund	1,394,330
AB 923 Fund	2,461,494
Carl Moyer Fund	2,456,698
Total restricted cash and cash equivalents	6,312,522
Total cash and cash equivalents	\$ 13,914,466

Cash and investments as of June 30, consisted of the following:

	<b>2024</b>
Deposits held with financial institutions	\$ 2,598,085
Deposits held with Los Angeles County Treasurer	11,316,381
Total	\$ 13,914,466

**Antelope Valley Air Quality Management District**  
**Notes to the Basic Financial Statements, continued**  
**June 30, 2024**

**(2) Cash and Cash Equivalents, continued**

***Authorized Deposits and Investments***

Under the District's investment policy and in accordance with Section 53601 of the California Government Code, the District invests in the Los Angeles County Pooled Surplus Investments.

Los Angeles County Pooled Surplus Investments complies with the California Government Code Sections 53601 and 53635, and the investment policy adopted by the Board of Supervisors of the County of Los Angeles. The Treasurer and Tax Collector of the Los Angeles County have the delegated authority to invest funds in the County Treasury.

***Custodial Credit Risk***

The custodial credit risk for *deposits* is the risk that, in the event of failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party.

The custodial credit risk for *investments* is the risk that, in the event of failure of the counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The Code and the District's investment policy contain legal and policy requirements that would limit the exposure to custodial credit risk for investments. With respect to investments, custodial credit risk generally applies only to direct investments in marketable securities. Custodial credit risk does not apply to a local government's indirect investment in securities through the use of mutual funds or government investment pools.

***Custodial Credit Risk, continued***

The California Government Code and the District's investment policy does not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits, other than the following provision for deposits: The California Government Code requires that a financial institution secure deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless so waived by the governmental unit). The market value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by public agencies. Of the District's bank balances, up to \$250,000 is federally insured and the remaining balance is collateralized in accordance with the code.

***Interest Rate Risk***

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. The longer the maturity an investment has, the greater its fair value has sensitivity to changes in market interest rates. The District's investment policy follows the Code as it relates to limits on investment maturities as a means of managing exposure to fair value losses arising from increasing interest rates. As of June 30, 2024, the District's deposits in Los Angeles County Pooled Surplus Investments had an average of 933 days to maturity for the entire portfolio.

***Credit Risk***

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. The Los Angeles County Pooled Surplus Investments is not rated.

***Concentration of Credit Risk***

The District's investment policy contains various limitations on the amounts that can be invested in any one governmental agency or non-governmental issuer as stipulated by the California Government Code. There were no investments in any one non-governmental issuer that represent 5.0% or more of the District's total investments.

**Antelope Valley Air Quality Management District**  
**Notes to the Basic Financial Statements, continued**  
**June 30, 2024**

**(3) Capital Assets**

The change in capital assets as of June 30 was as follows:

	<u>Balance 2023</u>	<u>Additions/ Transfers</u>	<u>Deletions/ Transfers</u>	<u>Balance 2024</u>
Depreciable assets:				
Improvements	\$ 6,407	-	-	6,407
Machinery and equipment	132,652	44,864	-	177,516
Vehicles	98,757	-	-	98,757
Software	361,024	-	-	361,024
Total depreciable assets	<u>598,840</u>	<u>44,864</u>	<u>-</u>	<u>643,704</u>
Accumulated depreciation:				
Improvements	(5,207)	(1,068)	-	(6,275)
Machinery and equipment	(28,808)	(29,111)	-	(57,919)
Vehicles	(64,268)	(11,572)	-	(75,840)
Software	(242,313)	(35,894)	-	(278,207)
Total accumulated depreciation	<u>(340,596)</u>	<u>(77,645)</u>	<u>-</u>	<u>(418,241)</u>
Total depreciable assets, net	<u>258,244</u>	<u>(32,781)</u>	<u>-</u>	<u>225,463</u>
Total capital assets, net	<u>\$ 258,244</u>	<u>-</u>	<u>-</u>	<u>225,463</u>

**(4) Internal Transfers**

***Inter-fund Operational Transfers***

Inter-fund receivables/payables are used to move financial resources between the General fund, AB 2766 fund, AB 923 fund, and the Carl Moyer fund as advances to temporarily support the operations of each respective fund.

As of June 30, 2024 inter-fund receivables/payables between the District's funds were as follows:

<u>Receivable from</u>	<u>Payable to</u>	<u>2024</u>
AB 2766 Fund	General Fund	\$ 90,340
AB 923 Fund	General Fund	50,595
General Fund	Carl Moyer Fund	<u>(616,593)</u>
<b>General Fund payable, net</b>		<u><u>(475,658)</u></u>
General Fund	AB 923 Fund	<u>                    </u>
<b>Inter-fund receivables/payables</b>		<u><u>\$ (475,658)</u></u>

**Antelope Valley Air Quality Management District**  
**Notes to the Basic Financial Statements, continued**  
**June 30, 2024**

**(5) Unearned Revenues**

The change in unearned revenues as of June 30 was as follows:

	<b>Balance 2023</b>	<b>New Awards</b>	<b>Expenses/ Revenues</b>	<b>Balance 2024</b>
Carl Moyer	\$ 2,126,737	1,352,153	(1,251,581)	2,227,309
AB 134	1,219,731	2,470,749	(181,996)	3,508,484
Farmers	45,297	487,645	(494,983)	37,959
AB 197	9,486	8,583	(8,583)	9,486
AB 617	-	54,131	(18,749)	35,382
AB 923	-	623,206	(213,357)	409,849
AB 2766	-	1,246,599	(811,873)	434,726
PERP	-	39,507	(36,188)	3,319
Section 103	-	41,850	(33,750)	8,100
Subvention Admin	-	249,098	(249,098)	-
NSR Northrop Grumman	-	6,500	-	6,500
NSR Lockheed	6,100	-	-	6,100
Total unearned revenues	<u>\$ 3,407,351</u>	<u>6,580,021</u>	<u>(3,300,158)</u>	<u>6,687,214</u>

**(6) Net Position**

Net position is calculated as follows:

	<b>2024</b>
<b>Net investment in capital assets:</b>	
Capital assets – being depreciated, net	\$ 225,463
<b>Total net investment in capital assets</b>	<u>225,463</u>
<b>Restricted net position:</b>	
Restricted cash and cash equivalents	<u>6,312,522</u>
<b>Total restricted net position</b>	<u>6,312,522</u>
Unrestricted net position:	
<b>Non-spendable net position</b>	
Prepaid expenses and other assets	1,420
<b>Spendable net position</b>	
Unrestricted	<u>1,147,394</u>
<b>Total unrestricted</b>	<u>1,148,814</u>
<b>Total net position</b>	<u>\$ 7,686,799</u>



**Antelope Valley Air Quality Management District**  
**Notes to the Basic Financial Statements, continued**  
**June 30, 2024**

**(7) Fund Balance**

Fund balance is presented in the following categories: non-spendable, restricted, committed, assigned, and unassigned (See Note 1.D.11 for a description of these categories). Fund balance and its funding composition at June 30, 2024, are as follows:

	<b>2024</b>
Nonspendable:	
Prepaid expenses and other asset	\$ <u>1,420</u>
Restricted:	
Mobile Emissions Program AB 2766	1,207,393
Mobile Emissions Program AB 923	2,134,904
Carl Moyer Program	<u>65,829</u>
Total restricted	<u>3,408,126</u>
Unassigned	
Operations	<u>4,051,790</u>
Total fund balance	<u>\$ <u>7,461,336</u></u>

**(8) Prior Period Adjustment**

***Unearned revenues***

In fiscal year 2024, the District determined that grant revenue was erroneously recorded in the prior year. As a result, the District has recorded a prior period adjustment to adjust its operating grant revenues in the amount of \$412,440, which affected net position and fund balance at July 1, 2023.

The adjustment to net position and fund balance are as follows:

	<b>Net Position</b>	<b>Fund Balance</b>
Net position, at June 30, 2023 as previously stated	\$ <u>7,064,258</u>	<u>3,397,888</u>
Effect of adjustment to record:		
Unearned revenues	<u>(412,440)</u>	<u>(412,440)</u>
Total adjustments to net position	<u>(412,440)</u>	<u>(412,440)</u>
Net position, at July 1, 2023, as restated	<u>\$ <u>6,651,818</u></u>	<u>2,985,448</u>

**(9) Risk Management**

The District is exposed to various risks of loss related to torts, theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The District is a member of the Special District Risk Management Authority (SDRMA), an intergovernmental risk sharing joint powers authority created to provide self-insurance programs for California special districts. The purpose of the SDRMA is to arrange and administer programs of self-insured losses and to purchase excess insurance coverage.

**Antelope Valley Air Quality Management District**  
**Notes to the Basic Financial Statements, continued**  
**June 30, 2024**

**(9) Risk Management, continued**

At June 30, 2024, the District participated in the liability and property programs of the SDRMA as follows:

- Property coverage consists of general property and catastrophic loss of \$1 billion, boiler & machinery of \$100 million, and pollution of \$2 million per occurrence.
- General liability insurance covers bodily injury, property damage, employment benefits, employee and public officials errors and omission, and employment practices liability of \$2.5 million per occurrence; public officials personal of \$500,000 per occurrence; and employee and public officials dishonesty of \$1 million per occurrence.
- Auto liability consists of auto bodily injury and auto property damage of \$2.5 million per occurrence.

Settled claims, if any, have not exceeded any of the coverage amounts in the last fiscal year. There were no reductions in insurance coverage in fiscal year 2024. Liabilities are recorded when it is probable that a loss has been incurred and the amount of the loss can be reasonably estimated net of the respective insurance coverage. Liabilities include an amount for claims that have been incurred but not reported (IBNR). There were no material IBNR claim payables as of June 30, 2024.

**(10) Governmental Accounting Standards Board Statements Issued, Not Yet Effective**

The Governmental Accounting Standards Board (GASB) has issued several pronouncements prior to the issue date, that has effective dates that may impact future financial presentations.

***Governmental Accounting Standards Board Statement No. 101***

In June 2022, the GASB issued Statement No. 101 – *Compensated Absences*. The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures.

This Statement requires that liabilities for compensated absences be recognized for (1) leave that has not been used and (2) leave that has been used but not yet paid in cash or settled through noncash means. A liability should be recognized for leave that has not been used if (a) the leave is attributable to services already rendered, (b) the leave accumulates, and (c) the leave is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means. Leave is attributable to services already rendered when an employee has performed the services required to earn the leave. Leave that accumulates is carried forward from the reporting period in which it is earned to a future reporting period during which it may be used for time off or otherwise paid or settled. In estimating the leave that is more likely than not to be used or otherwise paid or settled, a government should consider relevant factors such as employment policies related to compensated absences and historical information about the use or payment of compensated absences. However, leave that is more likely than not to be settled through conversion to defined benefit postemployment benefits should not be included in a liability for compensated absences.

The requirements of this Statement are effective for fiscal years beginning after December 15, 2023, and all reporting periods thereafter. Earlier application is encouraged.



**Antelope Valley Air Quality Management District**  
**Notes to the Basic Financial Statements, continued**  
**June 30, 2024**

**(10) Governmental Accounting Standards Board Statements Issued, Not Yet Effective, continued**

***Governmental Accounting Standards Board Statement No. 102***

In December 2023, the GASB issued Statement No. 102 – *Certain Risk Disclosures*. The primary objective of this Statement requires a government to assess whether a concentration or constraint makes the primary government reporting unit or other reporting units that report a liability for revenue debt vulnerable to the risk of a substantial impact. Additionally, this Statement requires a government to assess whether an event or events associated with a concentration or constraint that could cause the substantial impact to have occurred, have begun to occur, or are more likely than not to begin to occur within 12 months of the date the financial statements are issued.

The requirements of this Statement are effective for fiscal years beginning after June 15, 2024, and all reporting periods thereafter. Earlier application is encouraged.

***Governmental Accounting Standards Board Statement No. 103***

In April 2024, the GASB issued Statement No. 103 – *Financial Reporting Model Improvements*. The primary objective of this Statement is to improve key components of the financial reporting model to enhance effectiveness in providing information that is essential for decision making and assessing a government’s accountability. Also, this Statement: (1) continues the requirement that the basic financial statements be preceded by management’s discussion and analysis (MD&A), which is presented as required supplementary information (RSI); (2) describes unusual or infrequent items as transactions and other events that are either unusual in nature or infrequent in occurrence; (3) requires that the proprietary fund statement of revenues, expenses, and changes in fund net position continue to distinguish between operating and nonoperating revenues and expenses; (4) requires governments to present each major component unit separately in the reporting entity’s statement of net position and statement of activities if it does not reduce the readability of the statements; and (5) requires governments to present budgetary comparison information using a single method of communication—RSI.

The requirements of this Statement are effective for fiscal years beginning after June 15, 2025, and all reporting periods thereafter. Earlier application is encouraged.

***Governmental Accounting Standards Board Statement No. 104***

In September 2024, the GASB issued Statement No. 104 – *Disclosure of Certain Capital Assets*. The primary objective of this Statement is to provide users of government financial statements with essential information about certain types of capital assets. This Statement establishes requirements for certain types of capital assets to be disclosed separately in the capital assets note disclosures required by Statement No. 34, *Basic Financial Statements and Management Discussion and Analysis for State and Local Governments*. Also, this Statement establishes requirements for capital assets held for sale, including additional disclosures for those capital assets. The requirements of this Statement apply to the financial statements of all state and local governments.

The requirements of this Statement are effective for fiscal years beginning after June 15, 2025, and all reporting periods thereafter. Earlier application is encouraged.

**Antelope Valley Air Quality Management District**  
**Notes to the Basic Financial Statements, continued**  
**June 30, 2024**

**(11) Commitments and Contingencies**

***Grant Awards***

Grant funds received by the District are subject to audit by grantor agencies. Such an audit could lead to requests for reimbursements to grantor agencies for expenditures disallowed under terms of the grant. Management of the District believes that such disallowances, if any, would not be significant.

***Litigation***

In the ordinary course of operations, the District is subject to claims and litigation from outside parties. After consultation with legal counsel, the District believes the ultimate outcome of such matters, if any, will not materially affect its financial condition.

**(12) Subsequent Event**

Events occurring after June 30, 2024, have been evaluated for possible adjustment to the financial statements or disclosure as of February 18, 2025, which is the date the financial statements were available to be issued. The District is not aware of any further subsequent events that would require recognition or disclosure in the financial statements.

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## **Required Supplementary Information**

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**Antelope Valley Air Quality Management District  
Budget Comparison Schedule – General Fund  
For the Year Ended June 30, 2024**

	<u>Adopted Original Budget</u>	<u>Approved Changes</u>	<u>Revised Budget</u>	<u>Actual Budgetary Basis</u>	<u>Variance Positive (Negative)</u>
<b>Revenues:</b>					
Charge for services	\$ 1,385,925	-	1,385,925	1,469,715	83,790
Operating grants	2,542,569	-	2,542,569	1,597,464	(945,105)
Fine, forfeitures, and penalties	10,000	-	10,000	48,565	38,565
Investment earnings	10,000	-	10,000	92,687	82,687
Other revenue	-	-	-	336	336
<b>Total revenues</b>	<u>3,948,494</u>		<u>3,948,494</u>	<u>3,208,767</u>	<u>(739,727)</u>
<b>Expenditures:</b>					
Services and supplies	3,762,256	-	3,762,256	2,096,141	1,666,115
Capital outlay	105,000	-	105,000	44,864	60,136
<b>Total expenditures</b>	<u>3,867,256</u>	<u>-</u>	<u>3,867,256</u>	<u>2,141,005</u>	<u>1,726,251</u>
<b>Net change in fund balance</b>	<u>81,238</u>	<u>-</u>	<u>81,238</u>	<u>1,067,762</u>	<u>986,524</u>
<b>Fund balance – beginning of year as previously stated</b>	3,397,888		3,397,888	3,397,888	
<b>Prior period adjustment</b>	-		-	(412,440)	
<b>Fund balance – beginning of year as restated</b>	<u>3,397,888</u>		<u>3,397,888</u>	<u>2,985,448</u>	
<b>Fund balance – end of year</b>	<u>\$ 3,479,126</u>		<u>3,479,126</u>	<u>4,053,210</u>	

**Antelope Valley Air Quality Management District  
Budget Comparison Schedule – AB 2766 Fund  
For the Year Ended June 30, 2024**

	<u>Adopted Original Budget</u>	<u>Approved Changes</u>	<u>Revised Budget</u>	<u>Actual Budgetary Basis</u>	<u>Variance Positive (Negative)</u>
<b>Revenues:</b>					
Operating grants	\$ 620,000	-	620,000	345,928	(274,072)
<b>Total revenues</b>	<u>620,000</u>	<u>-</u>	<u>620,000</u>	<u>345,928</u>	<u>(274,072)</u>
<b>Expenditures:</b>					
Services and supplies	620,000	-	620,000	345,928	274,072
<b>Total expenditures</b>	<u>620,000</u>	<u>-</u>	<u>620,000</u>	<u>345,928</u>	<u>274,072</u>
<b>Net change in fund balance</b>	-	<u>-</u>	-	-	<u>-</u>
<b>Fund balance – beginning of year</b>	<u>1,207,393</u>		<u>1,207,393</u>	<u>1,207,393</u>	
<b>Fund balance – end of year</b>	\$ <u>1,207,393</u>		<u>1,207,393</u>	<u>1,207,393</u>	

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**Antelope Valley Air Quality Management District  
Budget Comparison Schedule – AB 923 Fund  
For the Year Ended June 30, 2024**

	<u>Adopted Original Budget</u>	<u>Approved Changes</u>	<u>Revised Budget</u>	<u>Actual Budgetary Basis</u>	<u>Variance Positive (Negative)</u>
<b>Revenues:</b>					
Operating grants	\$ 572,000	-	572,000	207,128	(364,872)
<b>Total revenues</b>	<u>572,000</u>	<u>-</u>	<u>572,000</u>	<u>207,128</u>	<u>(364,872)</u>
<b>Expenditures:</b>					
Services and supplies	572,000	-	572,000	207,128	364,872
<b>Total expenditures</b>	<u>572,000</u>	<u>-</u>	<u>572,000</u>	<u>207,128</u>	<u>364,872</u>
<b>Net change in fund balance</b>	-	<u>-</u>	-	-	<u>-</u>
<b>Fund balance – beginning of year</b>	<u>2,134,904</u>		<u>2,134,904</u>	<u>2,134,904</u>	
<b>Fund balance – end of year</b>	\$ <u>2,134,904</u>		<u>2,134,904</u>	<u>2,134,904</u>	

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**Antelope Valley Air Quality Management District  
Budget Comparison Schedule – Carl Moyer Fund  
For the Year Ended June 30, 2024**

	<u>Adopted Original Budget</u>	<u>Approved Changes</u>	<u>Revised Budget</u>	<u>Actual Budgetary Basis</u>	<u>Variance Positive (Negative)</u>
<b>Revenues:</b>					
Operating grants	\$ 1,352,153	-	1,352,153	1,207,123	(145,030)
Investment earnings	-	-	-	347	347
<b>Total revenues</b>	<u>1,352,153</u>	<u>-</u>	<u>1,352,153</u>	<u>1,207,470</u>	<u>(144,683)</u>
<b>Expenditures:</b>					
Services and supplies	1,352,153	-	1,352,153	1,207,470	144,683
<b>Total expenditures</b>	<u>1,352,153</u>	<u>-</u>	<u>1,352,153</u>	<u>1,207,470</u>	<u>144,683</u>
<b>Net change in fund balance</b>	-	<u>-</u>	-	-	<u>-</u>
<b>Fund balance – beginning of year</b>	<u>65,829</u>		<u>65,829</u>	<u>65,829</u>	
<b>Fund balance – end of year</b>	<u>\$ 65,829</u>		<u>65,829</u>	<u>65,829</u>	

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**Antelope Valley Air Quality Management District  
Notes to the Required Supplementary Information  
June 30, 2024**

**Budgets and Budgetary Data**

The District follows specific procedures in establishing the budgetary data reflected in the financial statements. Each year, the District's Executive Director will prepare and submit an operating budget to the Governing Board and the operating budget is adopted no later than June of each year. Annual budgets are adopted on a basis consistent with generally accepted accounting principles for all government funds. Annual budgets are adopted on the modified accrual basis of accounting for government fund types. The adopted budget becomes operative on July 1.

The Governing Board must approve all supplemental appropriations to the budget and transfers between major funds. The legal level of budgetary control is at the fund level. Budget information is presented as required supplementary information for the General fund, Mobile Emissions Program (AB 2766) fund, Mobile Emissions Program (AB 923) fund, and the Carl Moyer fund.

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# **Report on Internal Controls and Compliance**

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**Independent Auditor’s Report on Internal Control over Financial Reporting  
and on Compliance and Other Matters Based on an Audit of Financial Statements  
Performed in Accordance with *Government Auditing Standards***

Governing Board  
Antelope Valley Air Quality Management District  
Lancaster, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities and each major fund of the Antelope Valley Air Quality Management District (District), as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the District’s basic financial statements, and have issued our report thereon dated February 18, 2025.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the District’s internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District’s internal control. Accordingly, we do not express an opinion on the effectiveness of the District’s internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity’s financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

**Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the District’s financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

**Independent Auditor’s Report on Internal Controls Over Financial Reporting  
And on Compliance and Other Matters Based on an Audit of Financial Statements  
Performed in Accordance with *Government Auditing Standards*, continued**

**Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District’s internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District’s internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

**C.J. Brown & Company, CPAs**  
Cypress, California  
February 18, 2025

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the mobile emissions program (AB2766) increased by 0.00% or \$0 to \$1,207,393; the mobile emissions program (AB 923) increased by 0.00% or \$0 to \$2,134,904; and the Carl Moyer program decreased by 0.00% or \$0 to \$65,829.

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**Antelope Valley Air Quality Management District**

**Management Report**

**June 30, 2024**

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**Antelope Valley Air Quality Management District**

**Management Report**

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**CONFIDENTIAL**

Governing Board  
Antelope Valley Air Quality Management District  
Lancaster, California

**Dear Members of the Governing Board:**

In planning and performing our audit of the basic financial statements of the Antelope Valley Air Quality Management District (District) as of and for the year ended June 30, 2024, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, we considered District's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we do not express an opinion on the effectiveness of District's internal control over financial reporting.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control over financial reporting, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A reasonable possibility exists when the likelihood of an event occurring is either reasonably possible or probable as defined as follows:

- *Reasonably possible.* The chance of the future event or events occurring is more than remote but less than likely.
- *Probable.* The future event or events are likely to occur.

Our consideration of internal control was for the limited purpose described in the first paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses. Given these limitations, during our audit we did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this communication, which is an integral part of our audit, is to describe, for management and those charged with governance, the scope of our testing of internal control and the results of that testing. Accordingly, this communication is not intended to be and should not be used for any other purpose.

**C.J. Brown & Company, CPAs**  
Cypress, California  
February 18, 2025

**APPENDIX**

**Antelope Valley Air Quality Management District**

**Audit/Finance Committee Letter**

**June 30, 2024**

Governing Board  
Antelope Valley Air Quality Management District  
Lancaster, California

We have audited the financial statements of the Antelope Valley Air Quality Management District (District) as of and for the year ended June 30, 2024, and have issued our report thereon dated February 18, 2025. Professional standards require that we advise you of the following matters relating to our audit.

### **Our Responsibility in Relation to the Financial Statement Audit**

As communicated in our engagement letter dated June 30, 2024, our responsibility, as described by professional standards, is to form and express opinions about whether the financial statements that have been prepared by management with your oversight are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America. Our audit of the financial statements does not relieve you or management of your respective responsibilities.

Our responsibility, as prescribed by professional standards, is to plan and perform our audit to obtain reasonable, rather than absolute, assurance about whether the financial statements are free of material misstatement. An audit of financial statements includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control over financial reporting. Accordingly, as part of our audit, we considered the internal control of the District solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.

We are also responsible for communicating significant matters related to the audit that are, in our professional judgment, relevant to your responsibilities in overseeing the financial reporting process. However, we are not required to design procedures for the purpose of identifying other matters to communicate to you.

We have provided our findings regarding significant control deficiencies over financial reporting, if applicable, and material noncompliance, and other matters noted during our audit in a separate letter to you dated February 18, 2025.

### **Planned Scope and Timing of the Audit**

We conducted our audit consistent with the planned scope and timing we previously communicated to you.

### **Compliance with All Ethics Requirements Regarding Independence**

The engagement team, others in our firm, as appropriate, our firm, and our network firms have complied with all relevant ethical requirements regarding independence.

An auditor that is not involved in the engagement performed an independent review of the financial statements that was prepared by us based on the information provided by management. This safeguard reduces the threat of self-review risk to an acceptable level.

### **Required Risk Assessment Procedures per Auditing Standards**

As auditors of the District, we are required per AU-C Section 240, “Consideration of Fraud in a Financial Statement Audit”, to “ordinarily” presume and consider the following risks in designing our audit procedures:

- Management override of controls
- Revenue recognition

### **Qualitative Aspects of the Entity’s Significant Accounting Practices**

#### *Significant Accounting Policies*

Management has the responsibility to select and use appropriate accounting policies. A summary of the significant accounting policies adopted by the District is included in Note 1 to the financial statements. There have been no initial selection of accounting policies and no changes in significant accounting policies or their application during 2024. No matters have come to our attention that would require us, under professional standards, to inform you about (1) the methods used to account for significant unusual transactions and (2) the effect of significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus.

#### *Significant Accounting Estimates*

Accounting estimates are an integral part of the financial statements prepared by management and are based on management’s current judgments. Those judgments are normally based on knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ markedly from management’s current judgments. The most sensitive accounting estimates affecting the financial statements are as follows:

- Management’s estimate of the fair value of cash and investments which is based on information provided by financial institutions. We evaluated the key factors and assumptions used to develop the fair value of cash and investments in determining that they are reasonable in relation to the financial statements taken as a whole.
- Management’s estimate of capital assets depreciation which is based on historical estimates of each capitalized item’s useful life expectancy or cost recovery period. We evaluated the key factors and assumptions used to develop the capital asset depreciation calculations in determining that they are reasonable in relation to the financial statements taken as a whole.

#### *Financial Statement Disclosures*

Certain financial statement disclosures involve significant judgment and are particularly sensitive because of their significance to financial statement users. The most sensitive disclosures affecting the District’s financial statements relate to:

- The disclosure of fair value of cash and investments in Note 2 to the basic financial statements which represents amounts susceptible to market fluctuations.
- The disclosure of capital assets, net in Note 3 to the basic financial statements which is based on historical information which could differ from actual useful lives of each capitalized item.

### **Significant Unusual Transactions**

For purposes of this communication, professional standards require us to communicate to you significant unusual transactions identified during our audit. No significant unusual transactions were identified as a result of our audit procedures that were brought to the attention of management.

### **Identified or Suspected Fraud**

We have not identified or have not obtained information that indicates that fraud may have occurred.

### **Significant Difficulties Encountered during the Audit**

We encountered no significant difficulties in dealing with management relating to the performance of the audit.

### **Uncorrected and Corrected Misstatements**

For purposes of this communication, professional standards also require us to accumulate all known and likely misstatements identified during the audit, other than those that we believe are trivial, and communicate them to the appropriate level of management. Further, professional standards require us to also communicate the effect of uncorrected misstatements related to prior periods on the relevant classes of transactions, account balances or disclosures, and the financial statements as a whole and each applicable opinion unit. There were no uncorrected misstatements whose effects in the current and prior periods, as determined by management, are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

In addition, professional standards require us to communicate to you all material, corrected misstatements that were brought to the attention of management as a result of our audit procedures. All journal entries, including material misstatements (if any), that we identified as a result of our audit procedures were brought to the attention of, and corrected by, management and are included on the Schedule of Audit Adjusting and Reclassifying Journal Entries on page 5.

### **Disagreements with Management**

For purposes of this letter, professional standards define a disagreement with management as a matter, whether or not resolved to our satisfaction, concerning a financial accounting, reporting, or auditing matter, which could be significant to the District's financial statements or the auditor's report. No such disagreements arose during the course of the audit.

### **Circumstances that Affect the Form and Content of the Auditor's Report**

For purposes of this letter, professional standards require that we communicate any circumstances that affect the form and content of our auditor's report. There were no circumstances that affect the form and content of the auditor's report.

### **Representations Requested from Management**

We have requested certain written representations from management, which are included in the attached letter dated February 18, 2025.

### **Management's Consultations with Other Accountants**

In some cases, management may decide to consult with other accountants about auditing and accounting matters. Management informed us that, and to our knowledge, there were no consultations with other accountants regarding auditing and accounting matters.

### **Other Significant Matters, Findings, or Issues**

In the normal course of our professional association with the District, we generally discuss a variety of matters, including the application of accounting principles and auditing standards, significant events or transactions that occurred during the year, operating and regulatory conditions affecting the entity, and operational plans and strategies that may affect the risks of material misstatement. None of the matters discussed resulted in a condition to our retention as the District's auditors.

**C.J. Brown & Company, CPAs**

Cypress, California

February 18, 2025

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**Antelope Valley Air Quality Management District**  
**Schedule of Audit Adjusting Journal Entries**  
**June 30, 2024**

**Audit Adjusting Journal Entries JE # 1**

To reconcile net position.

10-2000-00-0000 Accounts Payable System	\$ 46.29	
10-3700-00-0000 Investment in Capital Assets	40,245.00	
10-1770-00-0000 Software - Fixed Asset		10,250.00
10-3300-00-0000 Unassigned Fund Balance		30,041.29

**Audit Adjusting Journal Entries JE # 2**

To accrue legal services rendered as of June 2024.

10-8105-00-0000 Legal Services	2,902.10	
10-2000-00-0000 Accounts Payable System		2,902.10

**Audit Adjusting Journal Entries JE # 3**

To accrue legal services rendered as of June 2024.

10-8105-00-0000 Legal Services	3,005.00	
10-2000-00-0000 Accounts Payable System		3,005.00

**Audit Adjusting Journal Entries JE # 4**

To adjust investment in capital assets at year-end.

10-3700-00-0000 Investment in Capital Assets	44,864.42	
10-8840-00-0000 Capital Exp Equipment	160.09	
10-8840-00-0000 Capital Exp Equipment		9,250.00
10-8840-00-0000 Capital Exp Equipment		24,660.53
10-8840-00-0000 Capital Exp Equipment		11,113.98

**Audit Adjusting Journal Entries JE # 5**

Prior period adjustment to recognize current year Farmers Grant that was inadvertently recognized in FY 2023.

10-3300-00-0000 Unassigned Fund Balance	412,439.68	
10-4410-00-1230 Farmers - Project Revenue		412,439.68

**Audit Adjusting Journal Entries JE # 6**

To record grant revenue earned at year-end (re: Subvention Admin).

10-1250-00-0000 Due From Other Gov't	122,196.59	
10-4420-00-1100 Subvention - Admin Revenue	\$	122,196.59



**Antelope Valley Air Quality Management District**  
**Schedule of Client Adjusting Journal Entries**  
**June 30, 2024**

**Client Adjusting Journal Entries JE # 1**

To adjust prepaid expenses.

10-7000-00-1999 Software Contract Transition	\$	2,275.00	
10-1300-00-0000 Pre Paid Expenses			2,275.00

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# Antelope Valley Air Quality Management District



## **Board of Directors**

### **Presentation Of The June 30, 2024 Annual Audited Financial Statements**

**C.J. Brown & Company, CPAs**  
**An Accountancy Corporation**

# The Audit

- **The Audit was Performed in Accordance with Auditing Standards Generally Accepted in the United States of America**
- **Our Audit Procedures Include:**
  - **Assess the District's internal controls**
  - **Agree balance to supporting documentation**
  - **Perform analysis of key relationships**

# The Reports

## Independent Auditor's Report

### Unmodified Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the **Antelope Valley Air Quality Management District** as of June 30, 2024....

# **Management Report Communication to Governing Board**

- **Auditor's Responsibility Under U.S. GAAS**
- **Scope of Audit**
- **District's Accounting Practices**
- **Corrected and/or Uncorrected Adjustments**
- **Difficulties Encountered in Performing the Audit**
- **Disagreements with Management**

# Financial Highlights

## Condensed Statements of Net Position

	<u>2024</u>	<u>2023</u>	<u>Change</u>
<b>Assets:</b>			
Current assets	\$ 14,526,465	10,851,881	3,674,584
Capital assets, net	225,463	258,244	(32,781)
<b>Total assets</b>	<u>14,751,928</u>	<u>11,110,125</u>	<u>3,641,803</u>
<b>Liabilities:</b>			
Current liabilities	7,065,129	4,045,867	3,019,262
<b>Total liabilities</b>	<u>7,065,129</u>	<u>4,045,867</u>	<u>3,019,262</u>
<b>Net position:</b>			
Net investment in capital assets	225,463	258,244	(32,781)
Restricted	6,312,522	5,446,119	866,403
Unrestricted	1,148,814	1,359,895	(211,081)
<b>Total net position</b>	<u>\$ 7,686,799</u>	<u>7,064,258</u>	<u>622,541</u>

# Financial Highlights

## In 2024:

**Net Position** - Increased 8.81% or \$622,541 to \$7,686,799, primarily due to an increase of \$1,034,981 from ongoing operations, which was offset by a decrease of \$412,440 from prior period adjustment to net position.

**Total Revenues** - Decreased 2.92% or \$149,640 to \$4,969,293.

- **Program Revenues** - Decreased \$220,634, primarily due to a decrease of \$351,634 in operating grants, which was offset by an increase of \$131,000 in charges for services.
- **General Revenues** - Increased \$70,994, primarily due to increases of \$48,222 in investment earnings and \$25,565 in fines, forfeitures, and penalties.

**Total Expenses** - Increased by 7.43% or \$272,166 to \$3,934,312, due primarily to an increase of \$586,872 in Carl Moyer program expenses, which was offset by decreases of \$207,353 in general fund expenses, \$99,399 in mobile emissions program (AB 2766) and \$7,954 in mobile emissions program (AB 923).



# Financial Highlights

## Condensed Statements of Activities

	<u>2024</u>	<u>2023</u>	<u>Change</u>
<b>Revenues:</b>			
<b>Program revenues:</b>			
Charges for services	\$ 1,469,715	1,338,715	131,000
Operating grants	3,357,643	3,709,277	(351,634)
<b>Total program revenues</b>	4,827,358	5,047,992	(220,634)
<b>General revenues</b>	141,935	70,941	70,994
<b>Total revenues</b>	4,969,293	5,118,933	(149,640)
<b>Expenses:</b>			
General	2,173,786	2,381,139	(207,353)
Mobile emission program AB 2766	345,928	445,327	(99,399)
Mobile emission program AB 923	207,128	215,082	(7,954)
Carl Moyer program	1,207,470	620,598	586,872
<b>Total expenses</b>	3,934,312	3,662,146	272,166
<b>Changes in net position</b>	1,034,981	1,456,787	(421,806)
<b>Net position – beginning of year, as previously restated</b>	7,064,258	5,607,471	1,456,787
Prior period adjustment	(412,440)	-	(412,440)
<b>Net position – beginning of year, as restated</b>	6,651,818	5,607,471	1,044,347
<b>Net position – end of year</b>	\$ 7,686,799	7,064,258	622,541



# Financial Highlights

## Condensed Changes in Fund Balance

	<u>General Fund</u>	<u>AB 2766</u>	<u>AB 923</u>	<u>Carl Moyer</u>	<u>Total</u>
Fund balance – beginning of year \$ as previously stated	3,397,888	1,207,393	2,134,904	65,829	6,806,014
Prior period adjustment	<u>(412,440)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(412,440)</u>
Fund balance – beginning of year, as restated	\$ 2,985,448	1,207,393	2,134,904	65,829	6,393,574
Changes in fund balance	<u>1,067,762</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,067,762</u>
Fund balance – end of year	<u>\$ 4,053,210</u>	<u>1,207,393</u>	<u>2,134,904</u>	<u>65,829</u>	<u>7,461,336</u>

# Questions



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

*AGENDA ITEM #6*

**DATE:** February 18, 2025.

**RECOMMENDATION:** Conduct a public hearing to present the 2023 Air Toxics “Hot Spots” Program Annual Report and discuss its content and significance: 1) Open public hearing; 2). Receive the 2023 Air Toxics “Hot Spots” Program Annual Report; 3) Receive public testimony; 4) Close public hearing; 5) Find that this item is not a project pursuant to the California Environmental Quality Act. 6) Direct staff actions

**SUMMARY:** The Antelope Valley Air Quality Management District (AVAQMD) has prepared the 2023 Air Toxics “Hot Spots” Program Annual Report in accordance with Health and Safety Code §44363 and a copy is provided to the Governing Board..

**BACKGROUND:** The California Air Toxics "Hot Spots" Information and Assessment Act (AB 2588) was enacted by the Legislature in 1987 to address public concern over the release of toxic air contaminants into the atmosphere. The law requires facilities emitting toxic substances to provide local air pollution control districts with information to identify sources of toxic air contaminants, assess air toxic problems, locate resulting "hot spots," notify persons that may be exposed to significant risks, and develop effective strategies to reduce potential risks to the public.

A requirement of the Air Toxics "Hot Spots" Information and Assessment Act (Section 44363 of the California Health and Safety Code) is for local air pollution control districts to provide the public with an annual progress report on the program. This report fulfills that requirement by providing information about emission inventories, approved health risk assessments (HRA), public notification procedures, and steps undertaken to reduce public health risks. State and local health officials may use the report to establish priorities for developing and implementing air toxic control measures to protect public health.

**REASON FOR RECOMMENDATION:** Health and Safety Code §44363(6) requires the Governing Board to hold a public hearing to present the report and discuss its content and significance.

**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 (AVAQMD) on or about February 13, 2025.

**PRESENTER:** Taylor Morais, Air Quality Engineer

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**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](http://www.fppc.ca.gov/learn/pay-to-play-limits-and-prohibitions.html)

SUBJECT TO THE LEVINE ACT	EXEMPT FROM THE LEVINE ACT
Permit, license, or entitlement for use	Competitively bid contract
Contract or grant	Labor or personal employment
	General policy and legislative actions

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

## NOTICE OF HEARING

NOTICE IS HEREBY GIVEN that the Governing Board of the Antelope Valley Air Quality Management District (AVAQMD) will conduct a public hearing on February 18, 2025, at 10:00 A.M. to present the 2023 Air Toxics “Hot Spots” Program Annual Report and discuss its content and significance.

SAID HEARING will be conducted in the Governing Board Chambers located at the Antelope Valley Transit Authority District Office 42210 6th Street West, Lancaster, CA 93534 where all interested persons may be present and be heard.

The 2023 Air Toxics “Hot Spots” Program Annual Report summarizes the “Hot Spots” program elements mandated by the Air Toxics “Hot Spots” Information and Assessment Act (Section 44363 of the California Health and Safety Code) which requires local air pollution control districts to provide the public with an annual progress report on the program. The 2023 Air Toxics “Hot Spots” Program Annual Report outlines the current status of the program in the Antelope Valley Air Quality Management District (AVAQMD or District), including a description of the risk assessment priorities and categories, the progress and results of Health Risk Assessments, ranks and identifies facilities according to the degree of toxic health risk posed, and describes the status of the development of control measures to reduce emissions of toxic air contaminants to date.

The 2023 Air Toxics “Hot Spots” Program Annual Report is available for review at the AVAQMD offices, 2551 West Ave H, Lancaster, CA 93536. In addition, these documents are available on the AVAQMD website and can be viewed at the following link:  
<https://avaqmd.specialdistrict.org/public-notices-advisories#/>.

Written comments may be submitted to Taylor Morais, Air Quality Engineer, at the address listed below and should be received no later than 5 PM on February 17, 2025, to be considered. If you have any questions regarding the 2023 Air Toxics “Hot Spots” Program Annual Report please contact Taylor Morais at (661) 723-8070, extension 24.

\*Traducción en español esta disponible por solicitud. Por favor llame: (661) 723-8070

TAYLOR MORAIS  
Air Quality Engineer  
Antelope Valley Air Quality Management District  
2551 West Avenue H  
Lancaster, CA 93536



# 2023 Air Toxics “Hot Spots” Program Annual Report

**Antelope Valley Air Quality Management District**

**Barbara Lods, Executive Director**

2551 West Ave H, Lancaster, CA 93536-8117

661-723-8070 • [WWW.AVAQMD.CA.GOV](http://WWW.AVAQMD.CA.GOV) • [@AVAQMD](https://twitter.com/AVAQMD)

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## **I. Introduction**

The Air Toxics "Hot Spots" Information and Assessment Act (the "Hot Spots" Act) was originally adopted in September 1987. Several additions and modifications to the "Hot Spots" Act have been adopted since 1987. The Air Toxics "Hot Spots" Information and Assessment Act (Section 44363 of the California Health and Safety Code) requires local air districts to provide the public with an annual progress report on the program. This report fulfills that requirement by providing information about emission inventories, approved Health Risk Assessment Reports (HRA), public notification procedures, and steps to reduce public health risks. State and local health officials may use the report to establish priorities for developing and implementing air toxic control measures to protect public health.

This report summarizes the Air Toxics "Hot Spots" Act program elements, the status of the program in the Antelope Valley Air Quality Management District (AVAQMD or District), results of local Health Risk Assessment Reports, status of public notifications, and conclusions drawn from the program to date. This report reflects facility data of emissions released in calendar year 2023 or earlier, for the 2024 reporting year.

## **II. Air Toxics "Hot Spots" Program**

The primary goal of the Air Toxics "Hot Spots" program is to

- 1) Collect air toxics emission inventories from facilities subject to the program;
- 2) Determine if these emissions are causing localized impacts high enough to expose individuals or population groups to significant health risks;
- 3) Notify nearby individuals or population groups if there are significant health risks; and
- 4) Require those "high level" facilities to reduce the health risks below the significance level.

Since the adoption of the "Hot Spots" Act in 1987, several methods have been used to select the facilities subject to the program. Those methods can be found in Emission Inventory Criteria and Guidelines for the Air Toxics "Hot Spots" program. The guidelines were amended on March 21, 2022, and can be found at <https://ww2.arb.ca.gov/our-work/programs/ab-2588-air-toxics-hot-spots/hot-spots-inventory-guidelines>.

The facilities subject to the program must prepare and submit emission inventories. The completed emission inventories are reviewed and approved by the District. After an emission inventory is completed, District staff analyzes the information and prioritizes facilities as having a high, intermediate, or low probability of causing a health risk. During the prioritization analysis, a numerical score is calculated for each facility based on the amount of emissions from the facility, the toxic potency of the emitted compounds, and the distance from the emission point to a receptor.

In February 2015, OEHHA (Office of Environmental Health Hazard Assessment) adopted updated guidelines that the District is required to use for preparing "Hot Spots" health risk assessments. The guidelines were updated in response to the Children's Environmental Health Protection Act of 1999 (H&SC 39606) which required that infants and children be explicitly considered in assessing air toxics risks. Under the updated guidelines, calculated cancer risks may be higher than under the old guidelines. This will result in additional health risk assessments being required by facilities. Additional public notification and risk reduction could be required as a result; therefore, the procedures used by the District to prioritize facilities were updated to implement the new OEHHA guidelines.



**a. Facility Prioritization & HRA Thresholds**

The District uses the table below to assign priority levels for facilities subject to AB2588 and HRA Thresholds.

	Prioritization Scores	
	Cancer Score	Non-Cancer Score
<b>High Priority</b>	≥10	≥10
<b>Intermediate Priority</b>	≥1 and <10	≥1 and <10
<b>Low Priority</b>	<1	<1
	HRA Thresholds	
	Maximum Individual Cancer Risk (MICR)	Hazard Index (HI)
<b>Significant Risk</b>	≥100 in a million	≥10
<b>Significant Health Risk</b>	≥10 in a million	≥1
<b>Moderate Risk</b>	>1 in a million	<1

[https://ww3.arb.ca.gov/ab2588/district\\_levels.htm](https://ww3.arb.ca.gov/ab2588/district_levels.htm)

Appendix A lists the facilities that are currently in the “Hot Spots” program and the current priority for each facility based on Prioritization Scores.

**High priority** from prioritization scores requires facilities to prepare a health risk assessment according to methods developed by the OEHHA. The health risk assessments are reviewed and approved by both District staff and OEHHA staff. Facilities are then assigned to the appropriate priority level based on the results of health risk assessments.

**Intermediate priority** from prioritization scores (Appendix A) or **moderate risk** from health risk assessment (Appendix B) are exempt from further program requirements until the next reporting cycle begins. Both Appendix A and B list the facilities that are currently in the “Hot Spots” program and the current priority for each facility based on the results from prioritization scores and health risk assessments.

For the AVAQMD, a **significant health risk** for purposes of providing public notice under the “Hot Spots” program has been defined as a lifetime excess cancer risk greater than or equal to 10 in a million or an acute or chronic noncancer total hazard index greater than or equal to 1.

A **significant risk** has been defined as a lifetime excess cancer risk greater than or equal to 100 in a million or an acute or chronic noncancer total hazard index greater than or equal to 10. This risk level will require public notification and a contemporaneous risk reduction plan. For public notification requirements, the District prepares a letter describing the risk for distribution to affected residents and businesses. The facility may also prepare a letter of its own to include in the notification. Upon request of the letter recipients, the District and the facility will hold a public meeting to respond to public concerns.

Facilities that may pose a significant risk to nearby residents or workers are required to develop and implement a plan to reduce the health risk below the level of significance. All the facilities that have been determined to create a significant risk through the “Hot Spots” program have reduced the risks to below the significant risk level. Currently, AVAQMD does not have any facilities that have been found to have a significant risk. If there were facilities in the past with significant risks, those facilities were either shut down (out of business) or due to changes in their operations, they no longer pose any significant risks based on the most recent health risk assessment guidelines.

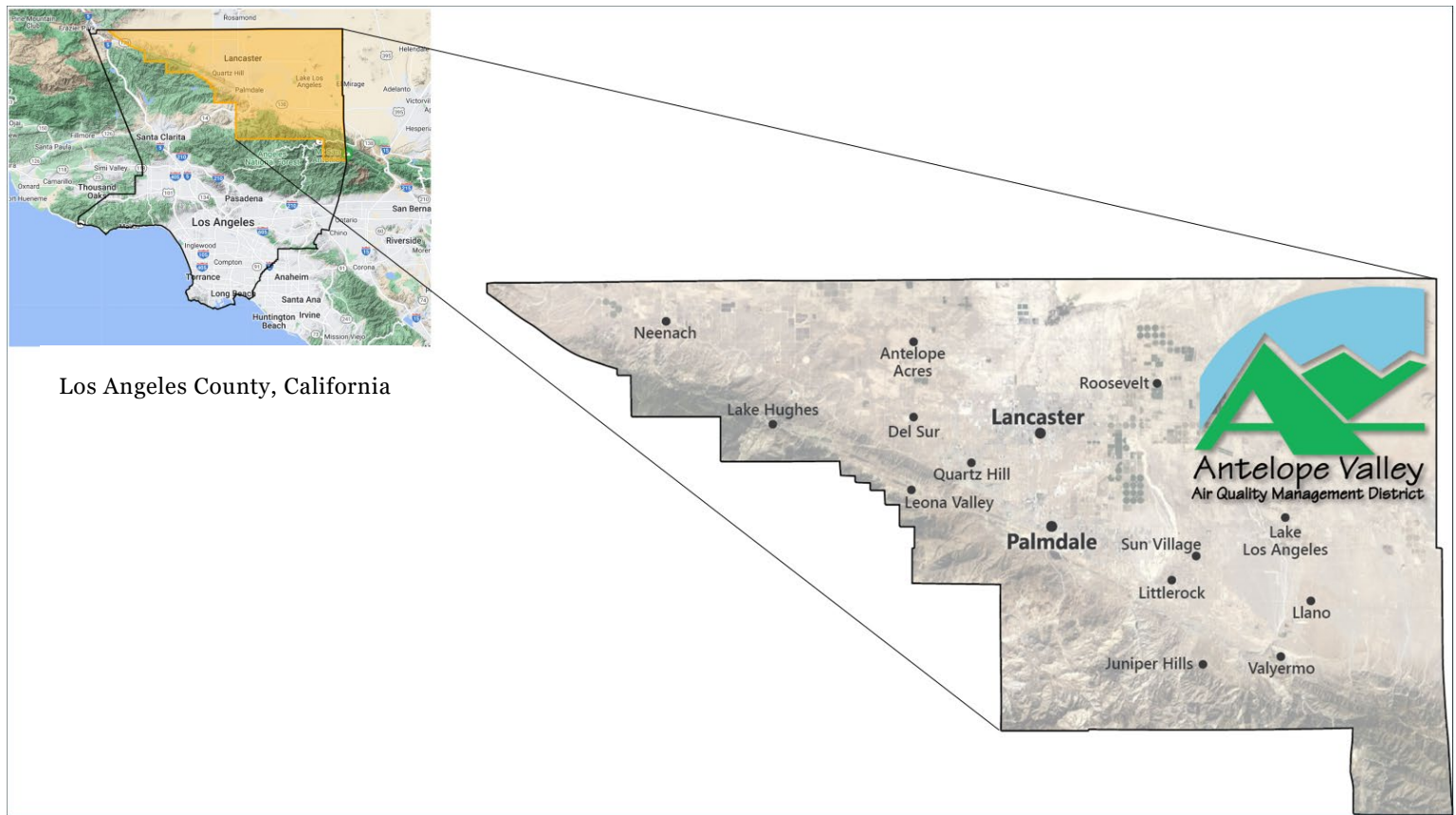
Finally, **low priority** facilities are conditionally exempt from further AB2588 requirements.

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### III. Current Status of Toxic Emission Sources

The Antelope Valley Air Quality Management District (AVAQMD) is primarily responsible for regulating stationary sources of air pollution in the northern desert portion of Los Angeles County (Figure 1). The District's boundaries start on 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 District is one of 35 in California. Stretched out over approximately 1,300 square miles, AVAQMD's jurisdiction comprises nearly two dozen communities including two municipalities, Lancaster and Palmdale, and is within Los Angeles County's 5th Supervisorial District.

Figure 1: AVAQMD area of jurisdiction (Map Not to scale)



#### a. Industrywide Facilities

In addition to the procedures described above that apply to individual facilities, the District staff is responsible for analyzing the potential health risks posed by certain classes of smaller facilities that are called "industrywide" facilities. Facilities that are included in industrywide assessments by the District are autobody shops, retail gasoline stations, gasoline bulk plants, dry cleaners using perchloroethylene, and furniture strippers using methylene chloride. Industrywide facilities are prioritized the same as the District's core facilities. The District has been prioritizing gasoline stations, gasoline bulk plants, and autobody shops using statewide guidelines. These types of facilities may potentially pose significant health risks to the surrounding

community.

### Perchloroethylene (Perc) Dry Cleaners

In 1991, the California Air Resources Board (ARB) identified Perchloroethylene (Perc) as a toxic air contaminant (TAC). As a result, many perchloroethylene (perc) dry cleaning facilities could pose significant risks; therefore, on October 14, 1993, ARB adopted ATCM for Emissions of Perchloroethylene from Dry Cleaning Operations to reduce emissions of perchloroethylene from dry cleaning facilities. In January 2007, the ATCM was amended to phase out the use of Perc dry cleaning machines and related equipment entirely by January 1, 2023. In 2018, the last Perc machine was removed. As a result, non-perc drycleaners are exempt from AB-2588 requirements – Appendix E of Emission Inventory Criteria and Guidelines.

### Gasoline Dispensing Facilities and Gasoline Bulk Plants

In 1997, CAPCOA (California Air Pollution Control Officers Association) developed Gasoline Service Station Industrywide Risk Assessment Guidelines to provide procedures for preparing gasoline station emissions inventories and risk assessments to meet the requirements of AB2588. However, as mentioned above, 2015 OEHHA guidelines typically result in higher cancer risks compared to using the old guidelines. In February 2022, the California Air Resources Board (ARB) published an updated Gasoline Service Station Industrywide Risk Assessment Guidance (Guidance). The Guidance provides an updated emission factor to the 1997 CAPCOA Gasoline Service Station Industrywide Risk Assessment Guidelines. The new Guidance also provides risk assessment screening tools (Look-up Tool and Variable Met Tool) using 2015 OEHHA guidelines for preparing gas station emission inventories and risk assessments to meet the requirements of individual facilities subject to AB2588. Additionally, AVAQMD Rule 461 requires gasoline stations to use Phase I and Phase II vapor recovery systems and requires that vent pipes on gasoline tanks be equipped with pressure/vacuum (P/V) vent valves.

The District utilized 2022 ARB's risk assessment screening tool to determine priority levels for 95 retail gas stations located in the AVAQMD during 2022. Based on screening results, all those facilities have been determined to be low or intermediate priority. The District did not find any high priority retail gas stations.

### Auto Body Shops

In 1996, CAPCOA also developed Auto Body Shop Industrywide Risk Assessment Guidelines to provide air districts guidance in preparing toxic emission inventories and health risk assessments. Again, based on the 1996 Auto Body Shop Industrywide Risk Assessment Guidelines and the District's 2022 Annual Report, auto body shops have been determined to be a low or intermediate priority. Because of the 2015 OEHHA guidelines, ARB and CAPCOA are also developing new risk assessment guidance to update the 1996 Auto Body Shop Guidelines. Once the guidance is finalized, the District plans to re-prioritize auto body shops.

One reason autobody shops and gasoline stations in the AVAQMD are less than high priority is due to existing District rules. AVAQMD Rule 1151 requires most automotive painting to be performed in a paint spray booth, requires high transfer efficiency coating application methods to be used, and prohibits the use of coatings containing lead or hexavalent chromium from being applied outside a spray booth. Under the California Air Resources Board Air Toxic Control Measure (ATCM) for Emissions of Hexavalent Chromium and Cadmium from Motor Vehicle and Mobile Equipment Coatings, the use of coatings containing hexavalent chromium or cadmium for automotive painting has been prohibited as of December 31, 2003.

The industrywide guidelines documents and corresponding risk assessments will be updated as needed to

implement the new OEHHA health risk assessment guidelines.

Appendix C is a list of industrywide facilities and indicates which facilities have been determined to have less than significant health risks.

#### **IV. Air Toxics Rules**

No specific rules to control emissions of air toxics have been adopted by the District based on the Air Toxics "Hot Spots" data.

ARB uses the Air Toxics "Hot Spots" data in developing air toxic control measures (ATCM) under the Toxic Air Contaminant Identification and Control Program. The US Environmental Protection Agency (US EPA) is also using the toxics emission data in developing Maximum Achievable Control Technology (MACT) standards under Title III of the 1990 Clean Air Act Amendments.

ARB adopted several ATCMs to control emissions of diesel engine exhaust particulate matter (DPM). Data gathered under the "Hot Spots" program was used in the development of the ATCM for stationary diesel engines, which was finalized on December 18, 2004. The Air Toxics "Hot Spots" Emission Inventory Criteria and Guidelines Report has been revised to include more diesel engines in the "Hot Spots" program. The additional diesel engines will be included in the "Hot Spots" program after the ATCM is fully implemented.

The District is required under state law to implement and enforce both state ATCMs and federal MACT standards.

#### **V. Conclusion**

Established in 1997, the District serves as the local agency responsible for regulating non-vehicular sources of air pollution throughout the Antelope Valley. Its mission involves balancing the environmental impacts of these sources with the economic growth of facilities within the region. To achieve this, the District implements control measures aimed at reducing the public health risks posed by air toxics, while also taking into account the economic benefits that these facilities bring to the community. Facilities that can potentially emit toxic substances in quantities that cause significant health effects to the local population are required to install or implement air pollution control measures that reduce the risk to an acceptable level. This acceptable level is no greater risk than the day-to-day activities most people engage in.

Under the framework of AB 2588, the District has enhanced public health by requiring all permitted facilities to evaluate and mitigate health risks, with a strong focus on protecting vulnerable populations. These efforts have ensured no facility within the District with a cancer risk greater than 10 in a million. To put this into perspective, the lifetime risk of death from a motor vehicle accident is 1 in 92, and the risk of being struck by lightning is 1 in 15,300.

The District remains committed to supporting the Antelope Valley community by prioritizing public health through transparency and a conservative approach to health risk assessments. If you have any questions or concerns regarding the information in this report, please do not hesitate to contact us.

# Appendix A

## AB 2588 Air Toxics “Hot Spots” Program Priority-Level Facilities (Prioritization Scores)

<b>Fac #</b>	<b>Facility Name</b>	<b>Facility Location</b>	<b>City</b>	<b>Year</b>	<b>Cancer Score</b>	<b>Noncancer Score</b>	<b>Priority</b>
3108	Palmdale Regional Medical Center	38600 Medical Center Drive	Palmdale	2023	<b>9.81</b>	0.0164	Intermediate
2414	Level 3 Communications - 6th St E	37918 Sixth St E.	Palmdale	2022	<b>9.58</b>	0.0142	Intermediate
2169	Antelope Valley Care Center	44567 N 15 <sup>th</sup> St W	Lancaster	2023	<b>9.21</b>	0.0136	Intermediate
2611	Pacific Bell - E Coolwater Ave	17131 E Coolwater Ave	Lake Los Angeles	2022	<b>9.45</b>	0.014	Intermediate
1904	Pacific Bell - Leona Valley	Pacific Bell - Leona Valley	Leona Valley	2022	<b>9.05</b>	0.0134	Intermediate
3505	Sky Ready Mix	42610 4th Street East	Lancaster	2022	<b>7.99</b>	0.0729	Intermediate
2001	Pacific Bell - N 47th St E	37241 N 47th Street E	Palmdale	2022	<b>7.89</b>	0.0117	Intermediate
1882	TW Telecom - E Ave Q	2010 E Avenue Q	Palmdale	2022	<b>7.49</b>	0.0111	Intermediate
1905	Pacific Bell - Littlerock	9550 Pearblossom	Littlerock	2022	<b>7.45</b>	0.011	Intermediate
3088	Palmdale, City of - Various Locations	District Wide	AVAQMD	2022	<b>7.31</b>	0.0108	Intermediate
2397	LACo Road Dept - Sierra Hwy	38126 Sierra Hwy	Palmdale	2022	<b>7.08</b>	0.0105	Intermediate
2709	LACo Sheriff's Dept - E Ave Q	750 E Avenue Q	Palmdale	2022	<b>6.72</b>	0.0123	Intermediate
2640	Delta Scientific Corp	40355 Delta Lane	Palmdale	2023	<b>6.49</b>	1.86	Intermediate
2789	Antelope Valley Hospital	44155 15 <sup>th</sup> St W	Lancaster	2023	<b>5.91</b>	0.00879	Intermediate
2713	Lancaster City Hall	44933 N Fern Avenue	Lancaster	2022	<b>5.90</b>	0.0087	Intermediate
1730	Pacific Bell - Palmdale Blvd	901 E Palmdale Blvd	Palmdale	2022	<b>5.81</b>	0.0086	Intermediate
1894	901 E Palmdale Blvd	44750 60th Street West	Lancaster	2022	<b>5.60</b>	0.0084	Intermediate
1959	Frontier - GC# 530	3136 W Avenue L	Quartz Hill	2022	<b>7.523</b>	1.148	Intermediate
2265	Level 3 Communications - Littlerock	Union Pac Right-of-Way btwn 94th & 96th St	Littlerock	2022	<b>5.19</b>	0.0077	Intermediate
2200	Frontier - GC# 644	43334 5th Street E	Lancaster	2022	<b>5.14</b>	0.0076	Intermediate
2300	Lowes Store # 791	39500 Lowes Dr.	Palmdale	2023	<b>5.11</b>	0.0076	Intermediate
2809	Rancho Village Independent Retirement Living	39630 Fairway Drive	Palmdale	2023	<b>5.05</b>	0.0075	Intermediate
2199	Frontier - GC# 528	762 W Kettering Street	Lancaster	2022	<b>5.04</b>	0.0075	Intermediate
1936	Frontier - GC# 532	43534 22nd Street E	Lancaster	2022	<b>4.86</b>	0.0072	Intermediate
1958	Frontier - GC# 529	43508 20th Street W	Lancaster	2022	<b>4.81</b>	0.0071	Intermediate
2386	LACo Road Dept - Jackson Lake	22201 Big Pines Hwy	Wrightwood	2022	<b>4.79</b>	0.0071	Intermediate
2406	Quartz Hill Water District	5034 W Avenue L	Quartz Hill	2023	<b>4.45</b>	0.0196	Intermediate
2395	Mountain High Ski Area West	24512 Big Pines Hwy	Wrightwood	2023	<b>4.39</b>	0.28	Intermediate
1754	Lockheed Martin Aeronautics Company Palmdale	1011 Lockheed Way	Palmdale	2023	<b>4.33</b>	2.48	Intermediate
2172	Lancaster City - LPAC	750 W Lancaster Blvd	Lancaster	2022	<b>4.25</b>	0.0063	Intermediate

2521	Lancaster High School	44701 N 32 <sup>nd</sup> St. W	Lancaster	2023	<b>3.82</b>	0.0057	Intermediate
2716	LACo DPW - Water/Elizabeth Lake	2528 Elizabeth Lake Rd	Palmdale	2023	<b>3.81</b>	0.0057	Intermediate
2201	Frontier - GC# 522	17515 Elizabeth Lake Road	Lake Hughes	2022	<b>3.39</b>	0.005	Intermediate
3109	Tip Top Arborists	44107 Yucca Ave.	Lancaster	2022	<b>3.37</b>	0.005	Intermediate
2188	LACo Fire Station 33	44947 Date Avenue	Lancaster	2022	<b>3.22</b>	0.0048	Intermediate
2174	Lancaster City Park	43011 N 10th Street W	Lancaster	2022	<b>3.22</b>	0.0048	Intermediate
2243	CaSta DWR Site 50	Check 50 on the California Aqueduct	AVAQMD	2023	0.0005	<b>3.16</b>	Intermediate
2152	Frontier - GC# 562	42727 N 50th Street	Quartz Hill	2022	<b>3.13</b>	0.0047	Intermediate
3375	LACo - High Desert Health Services	335 East Ave. I	Lancaster	2023	<b>3.08</b>	0.0046	Intermediate
2938	West Side Park Mutual Water Company	40317 11th Street West	Palmdale	2023	<b>2.98</b>	0.0044	Intermediate
1787	Joshua Crematory	3150 E Palmdale Blvd	Palmdale	2023	<b>2.91</b>	0.37	Intermediate
2043	LACo DPW - Fleet Management	38126 Sierra Hwy	Palmdale	2022	<b>2.87</b>	0.0059	Intermediate
3378	Oasis Surgery Center	815 Auto Center Drive	Palmdale	2023	<b>2.83</b>	0.0042	Intermediate
3620	McWhirter Steel	42211 7th Street East	Lancaster	2023	<b>2.81</b>	0.042	Intermediate
1837	Lancaster City Maintenance Yard	46008 7th Street W	Lancaster	2022	<b>2.72</b>	0.0049	Intermediate
2334	Level 3 Communications - 17th St E	NW corner 17th E and Q Avenue	Palmdale	2022	<b>2.71</b>	0.004	Intermediate
3212	LANCSD - West Wind Elementary	44044 36th St. West	Lancaster	2023	<b>2.67</b>	0.004	Intermediate
2061	Antelope Valley College	3041 West Avenue K	Lancaster	2023	<b>2.52</b>	0.11	Intermediate
2580	Esperanza School	40521 35th St West	Quartz Hill	2023	<b>2.35</b>	0.0035	Intermediate
2179	Palmdale Water District - 641 E Ave S	641 E Avenue S	Palmdale	2023	<b>2.23</b>	0.0033	Intermediate
2880	Time Warner Cable - 10th St W	41551 10th St W	Palmdale	2022	<b>2.00</b>	0.003	Intermediate
3403	Marathon Industries, Inc.	39006 20th East Street	Palmdale	2022	<b>1.97</b>	0.16	Intermediate
3019	Pete Knight Veterans Home of CA	45221 30th St. West	Lancaster	2023	<b>1.94</b>	0.0029	Intermediate
3022	LANCSD - Endeavour	43755 45th St West	Lancaster	2023	<b>1.92</b>	0.0029	Intermediate
1816	Northrop Grumman Aeronautics System - Palmdale	3520 E Avenue M	Palmdale	2022	<b>1.90</b>	0.44	Intermediate
2645	Anaverde	2700 Moonwort Terrace	Palmdale	2023	<b>1.90</b>	0.0028	Intermediate
2445	Palmdale, City of - 3rd St East	39110 3rd St East	Palmdale	2022	<b>1.69</b>	0.0025	Intermediate
2624	Michael D Antonovich Courthouse, JCC- AOC	42011 4th St West	Lancaster	2022	<b>1.67</b>	0.0068	Intermediate
1955	Frontier - GC# 645	42469 W 10th Street	Lancaster	2022	<b>1.59</b>	0.0024	Intermediate
3612	County of Los Angeles Animal Care Center	38550 Sierra Highway	Palmdale	2023	<b>1.57</b>	0.0023	Intermediate
3228	Southern California Edison - Antelope Substation	9634 West Avenue J	Lancaster	2023	<b>1.52</b>	0.0019	Intermediate
3512	Lancaster City - MOAH	665 West Lancaster Blvd.	Lancaster	2023	<b>1.51</b>	0.0022	Intermediate
1737	Palmdale Water District - 2029 E Ave Q	2029 E Avenue Q	Palmdale	2023	<b>1.49</b>	0.0022	Intermediate
2703	Lowe's Store - 47th St East	37080 47th Street East	Palmdale	2023	<b>1.48</b>	0.0022	Intermediate
1720	California Collision Center	45050 N Trevor	Lancaster	2022	<b>1.46</b>	0.0029	Intermediate
2960	The Kaiser Permanente Ambulatory Surgery Center	44301 North Lorimer Avenue	Lancaster	2023	<b>1.30</b>	0.0019	Intermediate

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1766	LACo Fire Station 129	42110 6th Street West	Lancaster	2022	<b>1.22</b>	0.002	Intermediate
2794	St. Mary's Catholic Church	1600 East Avenue R-4	Palmdale	2023	<b>1.21</b>	0.0018	Intermediate
3077	Palmdale, City of - Recreation Ctr	2723-A Rancho Vista Blvd	Palmdale	2022	<b>1.18</b>	0.0018	Intermediate
2391	Palmdale, City of - Sierra Hwy	38300 Sierra Hwy	Palmdale	2022	<b>1.16</b>	0.0017	Intermediate
1939	J C Penney Co	1131 West Avenue P	Palmdale	2023	0.0026	<b>1.10</b>	Intermediate

APPENDIX A



# Appendix B

## AB 2588 Air Toxics “Hot Spots” Program

### Priority-Level Facilities (Health Risk Assessments)

Fac #	Facility Name	Facility Location	Area	Year	Cancer Risk	Chronic HI	Acute HI	Risk Level
1813	Antelope Valley Mortuaries	38141 6th Street East	Palmdale	2021	4.00	0.17	0.26	Moderate

**Cancer Risk is expressed as excess cancer risk in chances per million.**

**HI is the hazard index, which is the ratio of the concentration to the reference exposure level.**

**Health risk assessments have been approved by the District. These results were reviewed by the Cal EPA Office of Environmental Health Hazard Assessment, as applicable.**

# Appendix C

## Air Toxics “Hot Spots” Program (AB 2588) Retail Gasoline Dispensing Facilities (Industrywide)

Fac #	Facility Name	Location	City	Inventory Year	Screened
1713	7-Eleven Inc. 43113	37204 47th Street East	Palmdale	2023	Y
1714	Neeraj Investment Inc.	2008 W Ave I	Lancaster	2023	Y
1733	The Dairy	44419 N Division Street	Lancaster	2023	Y
1752	Littlerock Mobil	8314 Pearblossom Hwy	Littlerock	2023	Y
1769	Circle K #2709464	520 Ave P & 5th Street	Palmdale	2023	Y
1773	7-Eleven Inc. 43111	44015 20th Street W	Lancaster	2023	Y
1776	Walsma Oil Company, Inc	44141 N Yucca Avenue	Lancaster	2023	Y
1783	Minute Serve Chevron	3113 Rancho Vista Blvd	Palmdale	2023	Y
1784	Spirit Mart	1104 E Palmdale Blvd	Palmdale	2023	Y
1785	10th & I Smog & Gas	1007 W Avenue I	Lancaster	2023	Y
1788	Speedway No. 43097	2520 E Avenue S	Palmdale	2023	Y
1795	K-Twenty Mini Mart	1850 W Avenue K	Lancaster	2023	Y
1796	Kangaroo Oil and Market - Valero	960 E Palmdale Blvd	Palmdale	2023	Y
1801	AM/PM Minimart	41923 Sierra Highway	Palmdale	2023	Y
1802	Papa's Country Store	17518 Elizabeth Lake Road	Lake Hughes	2023	Y
1804	7-Eleven Inc. 43112	1127 W Rancho Vista Blvd	Palmdale	2023	Y
1805	Super Kwik Dairy	4358 West Avenue L	Quartz Hill	2023	Y
1807	Tupack's Liquor	2802 E Avenue I	Lancaster	2023	Y
1811	Minute Serve Dairy - N 50th St W	41940 North 50th Street West	Quartz Hill	2023	Y
1820	Mobil Mart	1020 West Columbia Way	Lancaster	2023	Y
1821	Quartz Hill 76	42344 50th St. W.	Quartz Hill	2023	Y
1826	ARCO # 82824	111 W Avenue K	Lancaster	2023	Y
1841	Antelope Acres Market	48011 N 90th W	Lancaster	2023	Y
1848	Sonny Shell	1853 E Palmdale	Palmdale	2023	Y
1856	Green Pastures Dairy	1661 W Avenue K	Lancaster	2023	Y
1867	Sierra Gas & Scale	43859 N Sierra Hwy	Lancaster	2023	Y
1875	Rancher's Market	9001 Elizabeth Lake Road	Leona Valley	2023	Y
1881	Freeway Shell	400 West Palmdale Blvd.	Palmdale	2023	Y
1888	Nissan Chevron	468 W Palmdale Blvd	Palmdale	2023	Y
1890	US Cornerstore	105 E Palmdale Blvd.	Palmdale	2023	Y

1893	Pearblossom Chevron	13030 Pearblossom Hwy	Pearblossom	2023	Y
1898	Cruise Thru Dairy	500 East Avenue K	Lancaster	2023	Y
1903	H-Petro, Inc	505 W Avenue J	Lancaster	2023	Y
1909	Kenk, Inc	43620 Challenger Way	Lancaster	2023	Y
1910	CAL20 LLC	38935 5th Street West	Palmdale	2023	Y
1919	Tesoro W Coast # 68185	38821 N 10th Street West	Palmdale	2023	Y
1940	Town & Country Market	13012 Pearblossom Hwy	Pearblossom	2023	Y
1946	Saddleback Market	17051 E Ave O	Palmdale	2023	Y
1947	Sierra Convenience Plaza	37167 N Sierra Highway	Palmdale	2023	Y
1953	Ahava Chevron	2850 E Palmdale Blvd	Palmdale	2023	Y
1967	G & M Oil #188	4163 W Avenue L	Lancaster	2023	Y
1972	Tesoro # 42113	2354 East Palmdale Blvd.	Palmdale	2023	Y
1979	Westside Chevron	1752 W Avenue K	Lancaster	2023	Y
1992	Littlerock Liquor/Market	8062 Pearblossom Highway	Littlerock	2023	Y
2000	Valero Mart	101 E Avenue J	Lancaster	2023	Y
2006	Downtown Gas & Smog	44358 10th Street W.	Lancaster	2023	Y
2011	G & M Oil #190	2301 W Lancaster Blvd	Lancaster	2023	Y
2021	Circle K #2709458	2343 W Avenue J	Lancaster	2023	Y
2022	7-Eleven Store #19597	844 E Avenue J	Lancaster	2023	Y
2025	Petro Lock, Inc.	45315 N Trevor Avenue	Lancaster	2023	Y
2029	Liquor King Mobil Inc.	5564 Fort Tejon Rd	Palmdale	2023	Y
2035	Village Center Market	9508 East Palmdale Blvd	Palmdale	2023	Y
2040	Chevron USA #205671	37217 47th Street East	Palmdale	2023	Y
2045	7-Eleven Store #15968	3210 W Avenue L	Lancaster	2023	Y
2050	ARCO # 5265/Nadar Helo	2353 East Palmdale Blvd.	Palmdale	2023	Y
2051	TOV Chevron	1860 W Avenue I	Lancaster	2023	Y
2055	United Pacific #0694	1022 West Avenue P	Palmdale	2023	Y
2065	ARCO # 82321	42420 N 60th Street W	Lancaster	2023	Y
2074	ARCO #1369	411 W. Palmdale Blvd.	Palmdale	2023	Y
2090	Moller Retail #6125	42011 N Sierra Highway	Lancaster	2023	Y
2094	ARCO #83627	918 West Lancaster Blvd.	Lancaster	2023	Y
2112	ARCO #82560	1326 W Avenue K	Lancaster	2023	Y
2126	Avenue I Mobil	849 E Avenue I	Lancaster	2023	Y
2136	7-Eleven Store #24483	703 East Palmdale Blvd.	Palmdale	2023	Y
2137	Super Store #6	37202 90th Street East	Littlerock	2023	Y
2149	One Stop Food Mart Inc	470 E. Palmdale Blvd	Palmdale	2023	Y

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2226	Sun Village Market	38350 90th St E	Littlerock	2023	Y
2238	Neenach Market and Gas	22847 W. Avenue D	Lancaster	2023	Y
2353	Chevron - E Ave L	421 E Ave L	Lancaster	2023	Y
2358	Speedway 4899 (USA)	38755 N. Tierra Subida	Palmdale	2023	Y
2377	Alrabadi Gas & Mini Mart	2680 E Palmdale Blvd	Palmdale	2023	Y
2437	Speedway 4885 (USA)	37120 E 47th Street	Palmdale	2023	Y
2438	Speedway #4328 (USA)	1711 East Avenue J	Lancaster	2023	Y
2457	Super Store	45549 Beech Ave	Lancaster	2023	Y
2465	Costco - Loc No. 762	1051 W Avenue L	Lancaster	2023	Y
2468	Lake LA Dairy	40245 170th Street East	Palmdale	2023	Y
2536	Littlerock Gas & Mart	7225 Pearblossom Hwy	Littlerock	2023	Y
2542	Sam's Club Fueling Station # 4767	39960 10th Street West	Palmdale	2023	Y
3071	Crosspoint Plaza Shopping Center	1006 W Avenue H	Lancaster	2023	Y
3470	Harry's Mobil Station	110 E. Palmdale Blvd.	Palmdale	2023	Y
3663	Chevron Station	42105 10th Street West	Lancaster	2023	Y
3713	ARCO Station Palmdale	41155 10th Street West	Palmdale	2023	Y
3715	Circle K #6056	3851 East Palmdale Blvd	Palmdale	2023	Y
3815	Chevron/Extramile	1966 West Avenue L	Lancaster	2023	Y
3844	Extram. LLC	44415 20th Street West	Lancaster	2023	Y
3878	Hwy Fuel	13100 Pearblossom Highway	Pearblossom	2023	Y
4022	Little Rock Community Gas Station	36351 87th Street East	Littlerock	2023	Y
4043	Circle K Stores, Inc.2706784	108 East Avenue K	Lancaster	2023	Y
4077	7-Eleven Facility #38878	1859 West Avenue J	Lancaster	2023	Y
4114	Pilot Travel Center #1267	5231 Pearblossom Highway	Palmdale	2023	Y
4120	Chevron / Extra Mile	43144 10th Street West	Lancaster	2023	Y

## APPENDIX C

# Air Toxics “Hot Spots” Program (AB 2588) Auto Body Shops (Industrywide)

Fac #	Facility Name	Location	City	Inventory Year	Screened
1720	California Collision Center	45050 N Trevor	Lancaster	2022	Y
1758	Caliber Collision Center - Lancaster	146 E Avenue K-4	Lancaster	2022	Y
1762	Fix Auto Quartz Hill	5022 West Columbia Way	Quartz Hill	2022	Y
1791	Andre's Auto Body	39126 3rd Street East	Palmdale	2022	Y
1873	Custom Westside Body	202 W Ave I	Lancaster	2022	Y
1877	Westside Body & Paint	5054 W Avenue M-2	Quartz Hill	2022	Y
1912	Tri-Valley Auto Body & Frame	524 E Avenue R	Palmdale	2022	Y
1986	AV Collision Repairs	45379 N Division Street	Lancaster	2022	Y
2003	Caliber Collision Center	38554 6th Street East	Palmdale	2022	Y
2018	Genesis	8611 Pearblossom Highway	Littlerock	2022	Y
2027	Lancaster Body & Frame	44603 Trevor Ave.	Lancaster	2022	Y
2102	In-N-Out Collision Center	45024 North Trevor	Lancaster	2022	Y
2131	Palmdale Uni-Body & Paint	38018 N 9th Street E	Palmdale	2022	Y
2177	Custom Classics By Aubrey	42636 8th Street West	Lancaster	2022	Y
2210	Pacific Coast Powder Coating - 20th St E	38847 20th Street East, Unit A	Palmdale	2022	Y
2326	TC Restoration	37824 5th Street East, Suite B	Palmdale	2022	Y
2336	Five Star Auto Body	44733 N Sierra Highway	Lancaster	2022	Y
2349	Carstar Westside Collision	801 W Ave K	Lancaster	2022	Y
2626	Leo's Auto Body Works	45003 N Yucca Avenue	Lancaster	2022	Y
2792	Digital Custom Auto Body	42559 6th Street East #19	Lancaster	2022	Y
2804	Cars N Colors Body & Frame	38475 6th St. E, Suite C2	Palmdale	2022	Y
2832	Dynamic Auto Workz	38122 6th Street East	Palmdale	2022	Y
2941	Caliber Collision Center - Palmdale	40360 La Quinta Lane	Palmdale	2022	Y
2959	Express Body & Paint	203 West Nicobar Street	Lancaster	2022	Y
2961	Critical Car Care	42615 8th Street West	Lancaster	2022	Y
3012	AutoMod	44425 Sierra Highway	Lancaster	2022	Y
3093	HL Performance Converters, LLC	249 E Avenue K-8, Unit 123	Lancaster	2022	Y
3103	House of Custom, Inc.	805 West Ave L-8, Unit A	Lancaster	2022	Y
3195	AR Auto Body	124 West Ovington St	Lancaster	2022	Y
3258	Mario's Autobody Centers	124 West Ovington St	Lancaster	2022	Y
3334	Village Autobody	45715 23rd Street West, Unit #20 & Lancaster 30		2022	Y
3403	Marathon Industries, Inc.	39006 20th East Street	Palmdale	2022	Y

3476	Osman Body Shop	45031 Yucca Avenue	Lancaster	2022	Y
3530	RGM Custom Auto Body	115 West Avenue J-5	Lancaster	2022	Y
3563	MAACO Collision Repair & Auto Painting #2590	809 West Avenue K	Lancaster	2022	Y
3583	Executive Auto Collision	44500 Sierra Highway	Lancaster	2022	Y
3655	Fix Auto Lancaster	420 West Avenue I	Lancaster	2022	Y
3980	Fix Auto Palmdale	40222B La Quinta	Palmdale	2022	Y
4014	Executive Auto Body & Paint	118 West Nugent Street	Lancaster	2022	Y

APPENDIX C

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

*AGENDA ITEM #7*

**DATE:** February 18, 2025

**RECOMMENDATION:** 1) Award an amount not to exceed \$185,305 of Community Air Protection Program funds to Antelope Valley Schools Transportation Agency (AVSTA) for an Electric School Bus Charging Project located in Lancaster; 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 the Office of District Counsel; and 4) Find that this item is not a project pursuant to the California Environmental Quality Act.

**SUMMARY:** This item awards funding to AVSTA to replace seven (7) existing, inoperable electric school bus chargers located at the AVSTA located at 670 W Avenue L-8, Lancaster. Staff proposes to award the project with Community Air Protection Program (AB 134) funds.

**BACKGROUND:** AVSTA applied for grant funding for the replacement of seven (7) older electric school bus charging stations. The existing chargers are earlier charging technology that is no longer supported and is currently inoperable and obsolete. AVSTA has a fleet of an estimated 37 electric school buses which require charging equipment. Staff has reviewed the proposed project and finds that it meets eligibility for funding in accordance with the Community Air Protection Program Guidelines. AVSTA's use of electric school buses to service children K-12 in low-income communities provide emission reductions benefits. This project also supports the District and State goals on the adoption of electric technology.

**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.

**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 February 5, 2025.

**FINANCIAL DATA:** Funding is available from the District's Community Air Protection Program (AB 134) funds.

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

*AGENDA ITEM #7*

**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 \$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](http://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:** Antelope Valley Schools Transportation Agency

**PRESENTER:** Julie McKeehan, Grants Analyst



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

*AGENDA ITEM #8*

**DATE:** February 18, 2025

**RECOMMENDATION:** 1) Award an amount not to exceed \$46,550 in Community Air Protection Program funds to EV Charging Solutions, Inc. for an Electric Vehicle Charging Project located at the E. Avenue S Park and Ride in Palmdale; 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 the Office of District Counsel; and 4) Find that this item is not a project pursuant to the California Environmental Quality Act.

**SUMMARY:** This item awards funding to EV Charging Solutions (EVCS) towards expansion of an existing electric vehicle charging station located at 210 East Avenue S, Palmdale. The proposed project will add one (1) Dual-Port Level III/DC Fast Charger to the station. Staff proposes to fund the project with Community Air Protection Program (AB 134) funds due to the project's location in a designated Low-Income Community (LIC).

**BACKGROUND:** In April of 2017 the Board approved funding to the City of Palmdale for the development of an electric vehicle charging station located at 210 East Avenue S, Palmdale. The project consisted of four (4) Level III/DC Fast Chargers. The purpose for the expansion is to add a 100kW EV charger that allows for faster charging compared to the existing DC Fast Chargers. Staff has reviewed the proposed project and finds that it meets eligibility for funding in accordance with the Community Air Protection Program Guidelines. This project directly benefits a designated LIC identified by the California Climate Investments. This project also supports the District and State goals on the adoption of electric technology and expanding charging options to EV consumers.

**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.

**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 February 5, 2025.

**FINANCIAL DATA:** Funding is available from the District's Community Air Protection Program (AB 134) funds.

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

*AGENDA ITEM #8*

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**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](http://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:** EV Charging Solutions

**PRESENTER:** Julie McKeehan, Grants Analyst

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

*AGENDA ITEM #9*

**DATE:** February 18, 2025

**RECOMMENDATION:** 1) Award an amount not to exceed \$157,180 in Mobile Source Emission Reductions Program (AB 923) funds to NP AVLK Fox Field Building 2, LLC (NorthPoint Development) for an Electric Vehicle Charging Project located at 45<sup>th</sup> Street W in Lancaster; 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 the Office of District Counsel; and 4) Find that this item is not a project pursuant to the California Environmental Quality Act.

**SUMMARY:** This item awards funding to NorthPoint Development toward construction of new electric vehicle charging stations located at 46950 45<sup>th</sup> Street West in Lancaster. The proposed project consists of five (5) Single-Port Level II and nine (9) Dual-Port Level II for a total of 23 charging stations.

**BACKGROUND:** NorthPoint Development applied for grant funding to assist in the establishment of new electric vehicle charging stations located in West Lancaster. The project will provide a total of 23 charging stations supported by a solar power system. The EV charging station will support employees with electric vehicles. Staff has reviewed the proposed project and finds that it meets eligibility for funding in accordance with the District's Mobile Source Emission Reductions Program and pursuant to the Carl Moyer Program Guidelines. This project directly benefits a designated LIC identified by the California Climate Investments. This project also supports the District and State goals on the adoption of electric technology and expanding charging options to EV consumers.

**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.

**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 February 5, 2025.

**FINANCIAL DATA:** Funding is available from the District's Mobile Source Emission Reductions Program (AB 923) funds.

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

*AGENDA ITEM #9*

**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 \$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](http://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:** NP AVLC Fox Field Building 2, LLC (NorthPoint Development)

**PRESENTER:** Julie McKeehan, Grants Analyst