



Eastern Kern

Air Pollution Control District

Gary Ray, Jr.
Air Pollution Control Officer

July 24, 2025

Board of Directors
Eastern Kern APCD
2700 "M" Street, Suite 302
Bakersfield, California 93301

SUBJECT: Hearing to Present and Receive Comments on Eastern Kern Air Pollution Control District's Proposed Fiscal Year 2025-2026 Budget

Honorable Board:

Section 40131 of the California Health and Safety Code requires each air pollution control district to hold an initial public hearing at which its proposed budget for the next fiscal year is presented for discussion. The second hearing, at which the final budget is considered for adoption, is scheduled for the September 4, 2025 Governing Board Meeting.

Requirements

At least thirty days before the first hearing, the Eastern Kern Air Pollution Control District (District) must make a summary of the proposed budget available for public examination and notify those for whom a fee was imposed the preceding year of the proposed budget availability and the hearing date.

The District fulfilled these mandates with the following actions:

1. Public notice was given to the community and permit fee holders on the Fiscal Year (FY) 2025/26 Budget through a published announcement in The Bakersfield Californian, The Tehachapi News, Daily Independent, Rosamond Weekly News, The Kern Valley Sun, and The Mojave Desert News.
2. The proposed FY 2025/26 budget was also made available on our website (www.kernair.org) and at our Bakersfield office.

Proposed Budget

Included in your packet is a copy of the District's Proposed FY 2025/26 Budget in three parts:

1. Organizational Chart (Page 3).
2. Department functional statement (Page 4).
3. Breakdown of Budget (as of April 30, 2025).
 - a. Budget unit financing summary comparing last year's budget to this year's (Page 6)
 - b. Budget unit financing analysis comparing last year's budget to this year (Pages 7 – 8)
 - c. List of definitions for terms used in budget unit 9149 (Pages 9 – 10)
 - d. Expense keys 7500 and 7545 (professional and specialized services) (Pages 11 – 12).

Budget Narrative Summary

The District Staff has prepared the Proposed Budget for FY 2025/26. Please note, there is no direct cost to the County of Kern or the three incorporated cities in the District from this proposed budget.

The Proposed FY 2025/26 Budget has recommended expenditures of \$5,493,500. The Proposed FY 2025/26 Budget has an overall expenditure increase of \$306,100, or 5.9%, compared to the previous fiscal year's budget. Forecast expenditures for Non-District operations (Account 7545, Professional & Specialized Services for Contracts) are \$2,594,100 or 47.2% of the proposed budget. The Non-District expenditures are budgeted at a decrease of \$92,900 compared to the prior fiscal year's budget. The Non-District account is a pass-through account used to fund special projects for other entities, drawing from three different grant funding sources. These funding sources include the motor vehicle registration fee surcharge collected by the Department of Motor Vehicles (DMV), the Carl Moyer Program funds distributed to the District by the California Air Resources Board (CARB), and Cap-and-Trade Funds distributed to the District by CARB.

Salaries and Benefits are \$2,210,000, or 40.2% of the total Proposed Budget. The District's Salaries and Benefits are budgeted with an increase to operational costs of \$368,800 compared to the prior fiscal year's budget. The addition of one engineering position and anticipated salary increases contribute to the rise.

Reserves

For the FY 2025/2026 Budget, the District is proposing revenues to exceed expenses by \$7,700. While the District budgeted for an increase in Salaries and Benefits, substantial revenues are expected to offset the increase in cost. As of April 30, 2025, the General Reserve stands at approximately [\\$4.0 million](#). The proposed budget will increase the General Reserve by less than 1%.

IT IS RECOMMENDED your Board open the budget hearing, receive public comments, close the hearing, and direct staff to consider all comments received in preparation for the final Proposed Fiscal Year 2025-2026 Budget for Board consideration at the September 4, 2025 Governing Board Meeting.

Sincerely,

Gary Ray, Jr.
Air Pollution Control Officer

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Enclosure: Proposed FY 2025-2026 Budget