



Eastern Kern

Air Pollution Control District

Gary Ray, Jr.
Air Pollution Control Officer

September 4, 2025

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

SUBJECT: Hearing to Consider Adoption of Eastern Kern Air Pollution Control District's
Recommended 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 initial hearing was held on July 31, 2025. This is the second hearing where the recommended (final) budget is considered for adoption.

Recommended Budget

Your packet includes a copy of the District's Recommended Fiscal Year (FY) 2025-2026 Budget. This document consists of three parts:

Breakdown of Budget:

- a. Budget unit financing summary comparing last year's budget to this year (Page 4).
- b. Budget unit financing analysis comparing last year's budget to this year (Pages 5 – 6).
- c. Expense keys 7500 and 7545 (professional and specialized services) (Pages 9 – 10).

Budget Narrative Summary

The District Staff has prepared the Recommended Budget for FY 2025-2026. Please note, there is no direct cost to the County of Kern or the three incorporated cities in the District from this Recommended budget.

The Recommended FY 2025-2026 Budget has expenditures of \$5,713,500. The Recommended FY 2025-2026 Budget has an overall expenditure increase of \$526,100, or 10.1%, compared to the previous fiscal year's budget. Forecasted expenditures for Non-District operations (Account 7545, Professional & Specialized Services for Contracts) are \$2,814,100 or 49.3% of the budget. The Non-District expenditures are budgeted at an increase of \$127,100 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.

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Salaries and Benefits are \$2,210,000, or 38.7% of the total 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 salary increases contribute to the rise.

Reserves

For the FY 2025-2026 Budget, the District recommends a neutral budget in which cost equals revenue. Currently, the General Reserve is approximately \$3.8 million. The Recommended Budget will maintain it at its current level.

IT IS RECOMMENDED your Board open the hearing; receive public comment; close the hearing; and adopt the Recommended Budget for Fiscal Year 2025-2026.

Sincerely,

Gary Ray, Jr.
Air Pollution Control Officer

GR: bg
Enclosure: Recommended FY 2025-2026 Budget