



FY2026-27 Budget Overview

Nan Kim
Finance Manager



FY27 Budget Review

NEW ERP (Oracle) - New Numbers

Fund Name	CGI	Oracle
Water Resources Administration	111	1501
Pajaro Levee	112	1502
Dam Operations	116	1503
Soledad Storm Drain	121	1504
Reclamation Ditch	122	1505
San Lorenzo Creek	124	1506
Moro Cojo Slough	127	1507
Hydro-Electric Operations	130	1508
CSIP Operations	131	1509
SVRP Operations	132	1510
SRDF Operations	134	1511
Interlake Tunnel Project	426	1950
Monterey County Financing Authority	313	1835
CSIP Debt Service Administration	303	1810



FY27 Budget Overview

Total Appropriations :

- **\$49,164,639** Expense
 - **13 % increase** from FY26 \$43,605,537

Total Revenue :

- **\$44,418,545** Revenue
 - **13 % increase** from FY26 \$39,437,279
 - **2.5% CPI released on March 11, 2026**

Fund Balance Use:

- Statutorily balanced by using \$4,746,094 fund balance to cover funding gaps

FY27 Budget – Expense Overview

Expenses: Expense growth exceeds revenue increase:

- Salaries & Benefits
 - Total 45 Funded Position (net +1 FTE (Program Manager II) - 7 Vacant Positions, 12 Unfunded Positions
 - PERS, UAL & Health Insurance increased by \$.91 million
- Other Charges
 - Insurances \$1.60 million, decreased by \$480,000
 - County's Cost Plan \$979,541 increased by \$687,358
- Contractor & Consultants
 - Total \$23.74 million
 - Grants reimbursable \$8.22 million (increase of \$5.1 million)
 - Monterey One Water \$8.47million (decrease of \$.88 million)
- Fund Transfers
 - Fund **1501** (111) Admin to Fund **1507** (127) Moro Cojo Slough \$150,000
 - Fund **1508** (130) Hydro plant to Fund **1503** (116) Dam Operations \$700,000
 - Fund **1502** (112) Pajaro to Fund **1501** (111) Admin \$366,000

FY27 Budget – Revenue Overview

Revenues:

Revenue growth does not support expenses needed for increased O&M cost, staffing and major repair and replacement projects

- COLA Increase by CPI
 - Flood Assessments & Special Assessments & Grazing Lease
 - COLA 2.5% from FY26 – CPI released on March 11, 2026)
- Program Revenue: no rate change in FY27
 - Boat Dock & Groundwater Monitoring Program
- Expense Reimbursements
 - SLO County : \$680,000 San Antonio O&M activities
 - Public Works Department : \$275,000 (50% Fund **1507(127)** Tide gate construction)
 - Grants
- Other Revenue
 - Hydro-Electric Revenue & Ad Valorem Taxes
 - CSIP Funding agreements
 - Water Delivery Charge \$100.24 (increase of \$15/af)
 - Water Service Charge \$113.57 (increase of \$25/af)

FY27 Recommended Rates for Recycled Water Projects

Fiscal Year	Water Delivery Charge	Water Service Charge
2022-2023	\$6.87	\$79.98
2023-2024	\$37.24	\$84.22
2024-2025	\$45.24	\$86.24
2025-2026	\$85.24	\$88.57
2026-2027	\$100.24	\$113.57

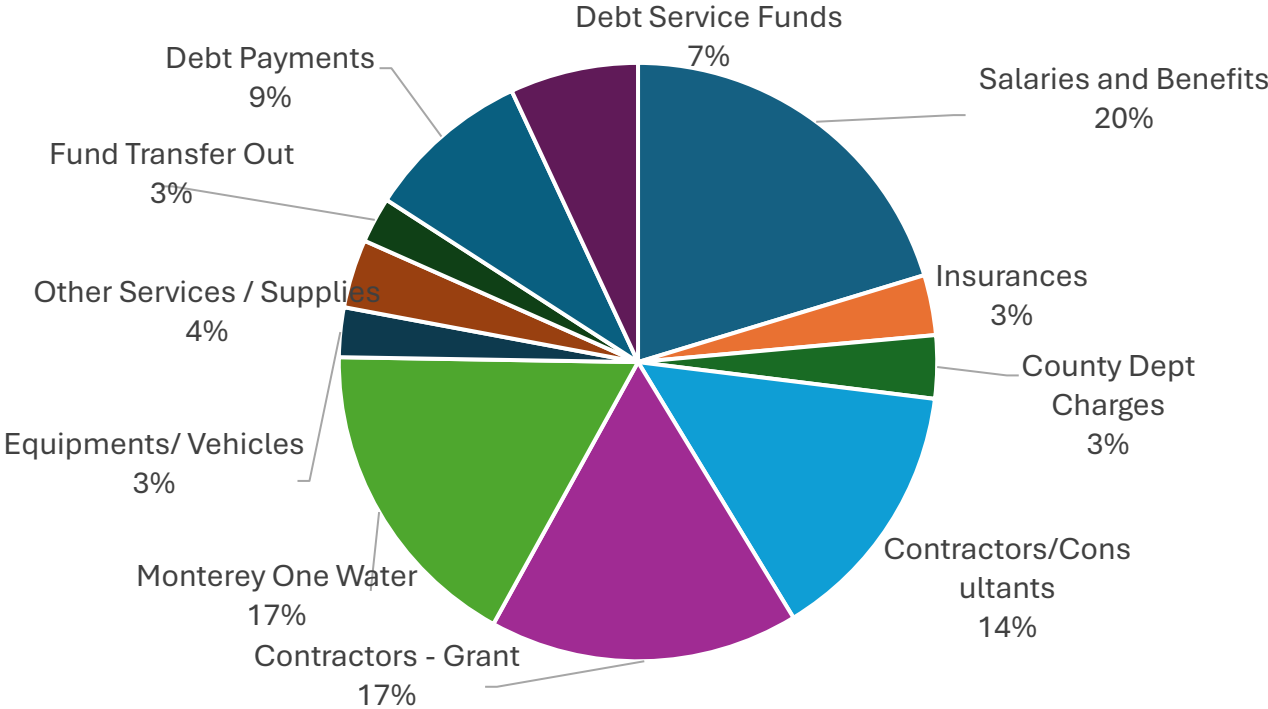


5 Year Expense History

Expense & Revenue Category	2023 Actual	2024 Actual	2025 Actual	2026 Amended	2027 Request
Expenses	34,125,611	40,764,221	34,668,974	43,605,540	49,164,639
Revenue	37,469,653	36,522,351	37,161,181	39,437,279	44,418,545
Employee Cost - Salaries and Benefits	6,212,343	6,215,742	6,774,140	8,594,931	9,984,109
GL & Pollution Insurances	939,570	1,346,512	1,641,786	2,091,787	1,597,773
Service Charges - County Departments	1,035,391	2,382,246	1,072,261	952,095	1,675,141
Contractors/Consultants	3,954,916	4,489,032	2,170,868	5,143,958	7,049,758
Contractors/Consultants - Grant	1,183,350	2,461,651	3,124,945	6,150,000	8,223,583
Monterey One Water Contract	8,019,596	9,557,314	9,163,033	9,357,370	8,471,860
Equipments & Vehicles	1,117,613	1,055,061	1,028,823	1,041,504	1,317,575
Services & Supplies - External	3,401,330	3,856,243	2,137,146	1,744,464	1,821,649
Fund Transfer Out	636,162	1,836,069	-	700,000	1,216,000
Debt Payments (SVWP, CSIP, SVRP)	4,308,952	4,271,886	4,264,033	4,419,714	4,395,978
Debt Service Funds	3,316,393	3,292,467	3,291,939	3,409,714	3,411,213
TOTAL EXPENDITURES:	34,125,616	40,764,223	34,668,974	43,605,537	49,164,639



FY27 Budget – Expense Distribution

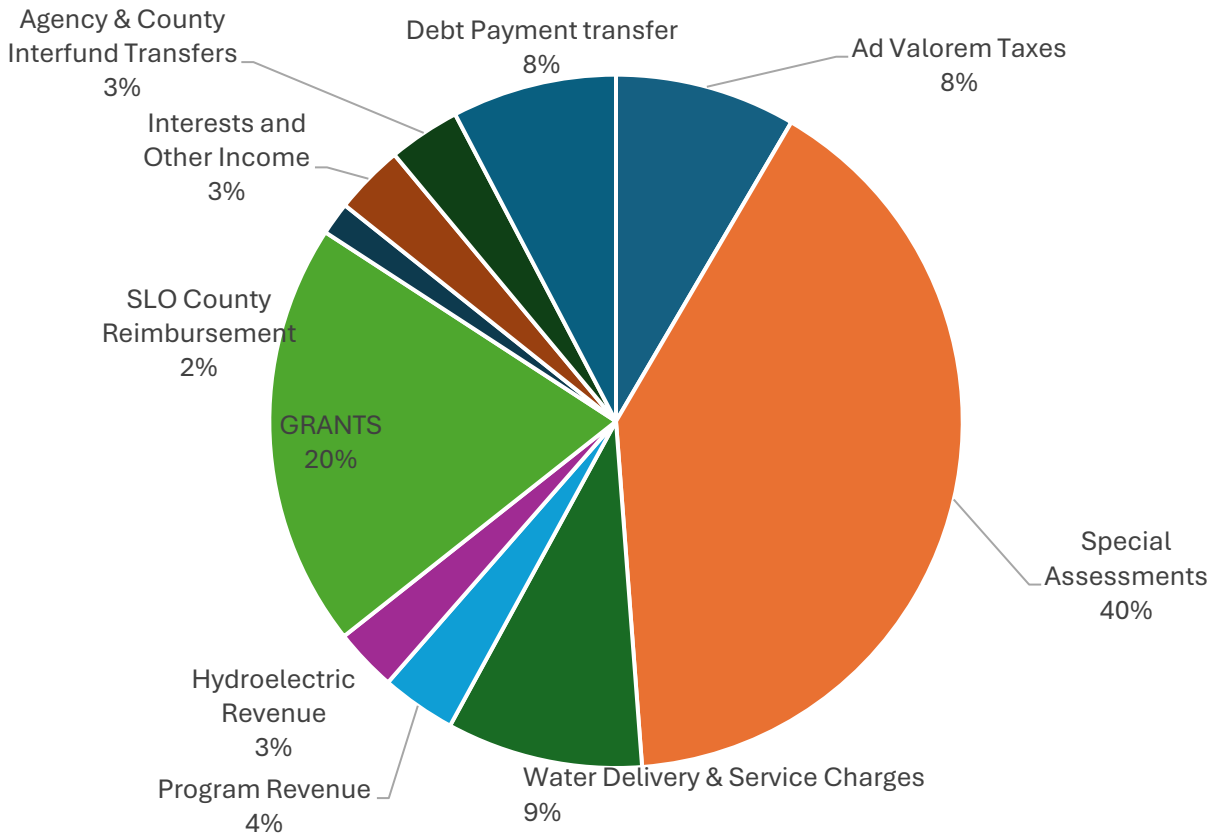


5 Year Revenue History

Expense & Revenue Category	2023 Actual	2024 Actual	2025 Actual	2026 Amended	2027 Request
Expenses	34,125,611	40,764,221	34,668,974	43,605,540	49,164,639
Revenue	37,469,653	36,522,351	37,161,181	39,437,279	44,418,545
Ad Valorem Taxes	3,360,656	3,516,520	3,674,910	3,558,674	3,748,859
Special Assessments	16,338,356	16,992,670	17,363,699	17,782,840	17,927,080
Water Delivery & Service Charges	1,294,432	2,449,764	2,367,659	3,302,362	4,062,362
Program Revenue - (GMP, BDA, LU)	653,715	996,967	920,344	810,998	1,545,808
Hydroelectric Revenue	634,394	1,345,925	1,446,889	1,100,000	1,302,200
GRANTS - Local, State and Federal	2,158,290	4,710,087	5,474,232	6,360,441	8,805,425
SLO County Reimbursement	582,468	614,071	786,699	750,000	680,000
Interests and Other Income	544,790	680,730	987,482	1,662,250	1,444,598
Agency & County Interfund Transfers	8,586,162	1,923,148	850,000	700,000	1,491,000
Debt TRANSFERS (CSIP & SVWP)	3,316,392	3,292,467	3,289,268	3,409,714	3,411,213
TOTAL REVENUES	37,469,655	36,522,349	37,161,182	39,437,279	44,418,545



FY27 Budget – Revenue Distribution



FY27 Budget – Fund Balances

Fund Balances **ESTIMATES**

Expense & Revenue Category	2023 Actual	2024 Actual	2025 Actual	2026 Amended	2027 Request
Expenses	34,125,611	40,764,221	34,668,974	43,605,540	49,164,639
Revenue	37,469,653	36,522,351	37,161,181	39,437,279	44,418,545
Beginning Fund Balance	21,931,812	25,163,601	20,816,727	23,308,935	20,101,765
Use of Fund Balance (Draw)	3,231,789	(4,346,874)	2,492,208	(4,168,258)	(4,746,094)
Estimate Ending Fund Balance *^~	25,163,601	20,816,727	23,308,935	19,140,677	15,355,671

* includes unspent strategic reserve from the County for 2023 winterstorm event (estimated at \$1.18 M)

^ Ending Fund Balance for FY22, F23 & F24 is actual

~ Ending Fund Balance for FY25 & FY26 is estimated

2026 Amended reflects a budget amendment for GMP

FY27 Budget – Summary

MCWRA FY27 Unassigned Fund Balance Summary

NEW Fund	CGI Fund	Fund Name	Zone	FY25 Estimated Add (Use)	FY26 Budgeted Add (Use)	FY27 Estimated Beginning Balance	FY27 Budgeted Expense	FY27 Budgeted Revenue	FY27 Budgeted Add (Use)	FY27 Estimate Ending Balance
1501	111	Administration Fund		598,662	(145,809)	5,103,687	7,929,719	6,237,248	(1,692,471)	3,411,216
1502	112	Pajaro Levee	1/1A	426,443	(204,496)	1,396,486	1,100,363	620,174	(480,189)	916,297
1503	116	Dam Operations	2C	1,660,288	(626,591)	2,734,104	14,602,612	13,941,763	(660,849)	2,073,255
1504	121	Soledad Storm Drain	8	69,802	2,802	376,312	57,761	102,744	44,983	421,295
1505	122	Reclamation Ditch	9	179,210	(333,348)	1,225,437	2,372,119	1,838,741	(533,378)	692,059
1506	124	San Lorenzo Creek	12	10,095	(6,133)	40,560	37,688	39,699	2,011	42,571
1507	127	Moro Cojo Slough	17	(49,900)	(321,329)	301,806	730,946	536,188	(194,758)	107,048
1508	130	Hydro-Electric Ops		676,354	(644,361)	2,109,875	1,733,457	1,365,496	(367,961)	1,741,914
1509	131	CSIP Operations	2B/Y	(729,644)	(240,935)	1,468,745	7,705,281	7,553,731	(151,550)	1,317,195
1510	132	SVRP Operations	2B/Z	(251,337)	(730,810)	1,673,239	6,348,903	6,165,240	(183,663)	1,489,576
1511	134	SRDF Operations		(503,314)	(800,686)	1,365,679	2,912,373	2,591,356	(321,017)	1,044,662
1810	303	CSIP Debt Service		-	-	770,672	1,650,000	1,650,000	-	770,672
1835	313	SVWP Debt Service		15	-	1,036,760	1,761,213	1,761,213	-	1,036,760
1950	426	Interlake Tunnel		405,534	(116,562)	498,403	222,204	14,952	(207,252)	291,151
Total:				2,492,208	(4,168,258)	20,101,765	49,164,639	44,418,545	(4,746,094)	15,355,671



Public Hearing On May 19, 2026

- FY27 Budgets

- FY27 Assessment Rates & Charges

