



# County of Monterey

**Item No.**

## Board Report

Board of Supervisors  
Chambers  
168 W. Alisal St., 1st Floor  
Salinas, CA 93901

**Legistar File Number: WRAG 26-194**

**June 16, 2026**

**Introduced:** 6/3/2026

**Current Status:** Draft

**Version:** 1

**Matter Type:** WR General Agenda

Adopt a resolution approving the Monterey County Water Resources Agency's Fiscal Year Fiscal Year 2026-27 Recommended Budget.

### RECOMMENDATION:

It is recommended that the Monterey County Water Resources Agency Board of Supervisors:

Adopt a resolution approving the Monterey County Water Resources Agency's Fiscal Year Fiscal Year 2026-27 Recommended Budget.

### SUMMARY/DISCUSSION:

The Fiscal Year 2026-27 (FY27) Recommended Budget (Budget) for the Monterey County Water Resources Agency (Agency) totals \$48,686,681 in expenses and \$43,352,545 in revenue, reflecting a 12 percent increase in expenses and a 10 percent in revenue from the prior year. FY27 expenditure exceeds anticipated revenue by \$5,334,136. The deficit will be funded through use of available fund balances.

The Budget funds 45 of the Agency's 57 authorized positions and includes \$10.0 million for salaries and benefits. Cost of consultant and contractor services rises to \$23.4 million, while insurance costs decrease to \$1.6 million. Debt service and related transfers total \$7.8 million. On the revenue side, the Budget includes \$17.9 million in assessments, \$3.7 million in Ad Valorem taxes, \$4.1 million from Water Delivery charge and Service charges, \$1.5 million from program revenue, and \$8.8 million in grants. Despite these increases, expenditure exceeds revenues by \$5.3 million, which will require use of fund balances.

The total revenue estimates reflect a 2.5% cost-of-living adjustment (COLA) increase to FY27's assessment charges, Water Delivery Charge of \$100.24 per acre foot water delivered and Water Service Charge of \$113.57 per acre foot water delivered. FY27's assessment charges and Water Delivery Fee were approved and adopted by the Agency's Board of Supervisors at the May 19th 2026 meeting.

### OTHER AGENCY INVOLVEMENT:

Staff worked with Monterey One Water for Fund 131 CSIP Operations, Fund 132 SVRP Operations, and Fund 134 SRDF Operations.

The Monterey County Water Resources Agency Board of Directors reviewed the Budget at the budget workshop on March 16, 2026 and recommended approval of the FY26 Recommended Budget at its April 20, 2026 meeting. No change has been made to the Recommended Budget since the budget hearing at the May 19th 2026 meeting.

FINANCING:

Expense of FY27 Budget exceeds its revenue by \$5,334,136. The deficit will be funded through use of available fund balances. The Agency FY27 Recommended Budget represents a statutorily balanced budget and meets all requirements for adoption.

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Approved by: \_\_\_\_\_  
Ara Azhderian, General Manager, (831) 755-4860

Attachments:

1. Resolution
2. MCWRA FY2026-27 Recommended Budget Book