

FY 2026-27 and FY 2027-28 Budget Assumptions

Presented by:

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Board of Directors
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OC SAN
ORANGE COUNTY SANITATION DISTRICT

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Budget Development Assumptions

- 3.0%** General inflation
- December 2025
 - Los Angeles-Long Beach-Anaheim consumer price index

- 0.9%** Construction inflation
- December 2025
 - California Construction Cost Index

- 2%** Property tax
- Prop 13 limits

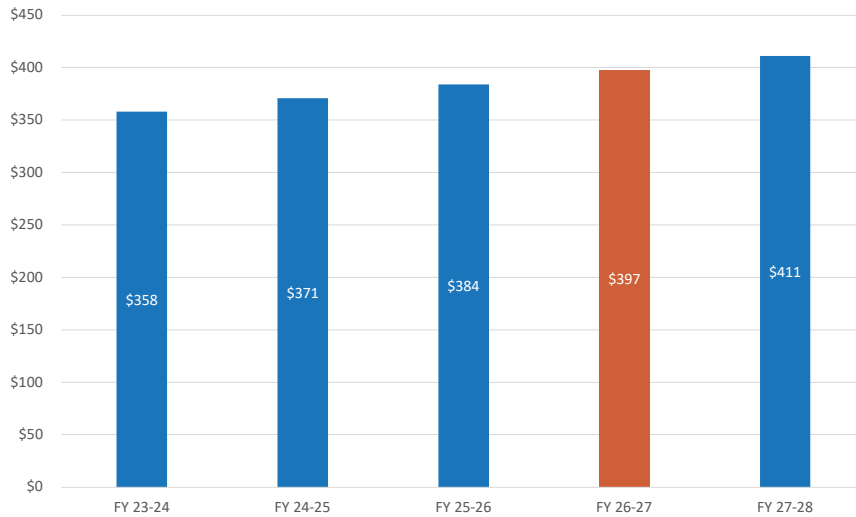
- 4%** Interest earning on investments

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Revenue

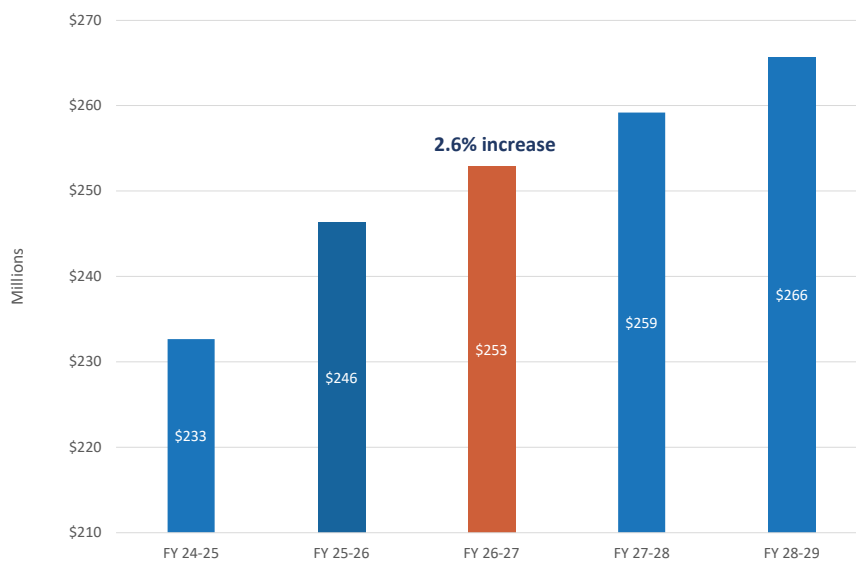
Single Family Residential Rate



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Operating Expenses



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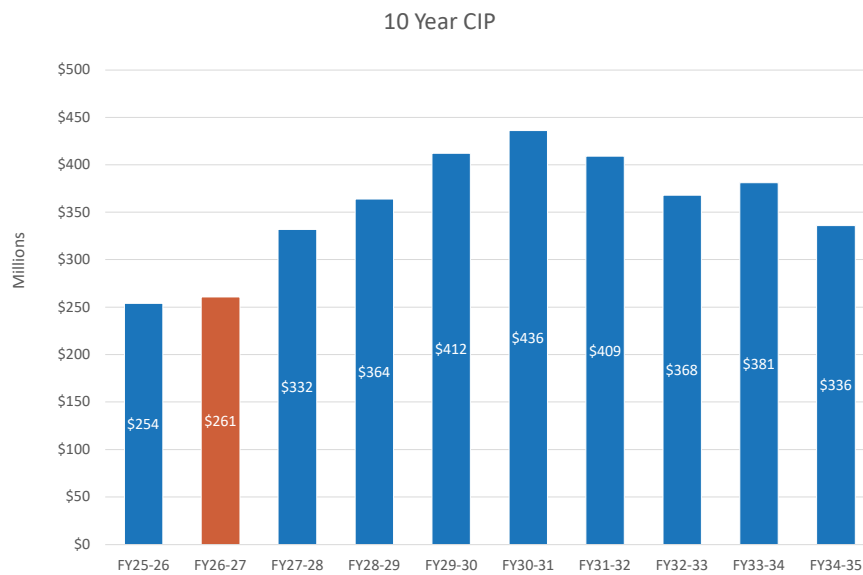
Staffing

- 669.5 FTEs in 2025-26
- Salary Adjustment per the MOUs
 - 4.5% salary adjustment for FY 2026-27
 - 3.0% salary adjustment for FY 2027-28
- Moderate increases anticipated for benefits

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Capital Improvement Program



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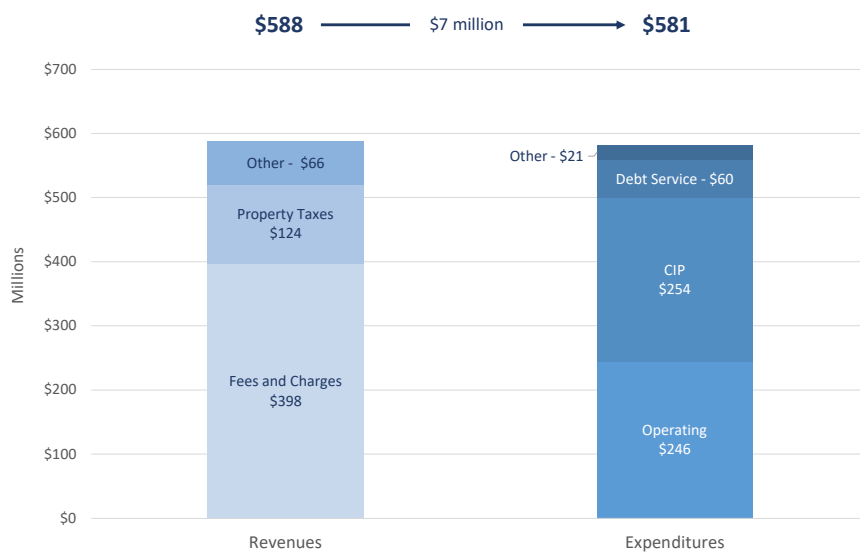
Debt Financing

- No additional “new money” issuance is scheduled for FY 2026-27 or FY 2027-28
- Anticipated refunding in FY 2026-27
 - 2017A
- Actively monitor markets for refunding opportunities
- All current debt is scheduled to retire by 2040

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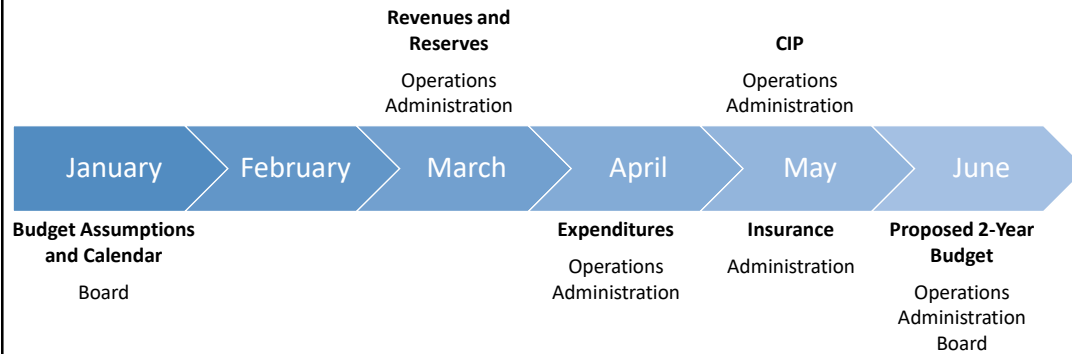
Budget Summary – FY 25/26



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Key Meeting Dates



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Recommendation

Approve the FY 2026-27 and FY 2027-28 budget assumptions and calendar. Direct staff to incorporate these parameters in the preparation of the FY 2026-27 and FY 2027-28 budgets.

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