Proposed FY 2026-27 and FY 2027-28 Budget

Presented by:

Ruth Zintzun, Finance Manager

Administration Committee

June 10, 2026

OC SAN
ORANGE COUNTY SANITATION DISTRICT

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Overview

- Stable revenues
- Expenses include:
  - Operating
  - Capital Improvement Program
  - Debt service
- Staffing:
  - FY 2026-27: 699.5 FTE
  - FY 2027-28: 718.5 FTE
- No new debt

**All figures in millions unless otherwise noted*

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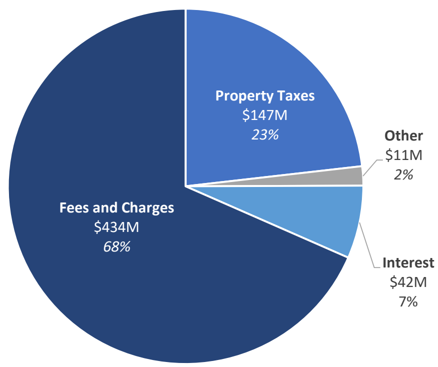
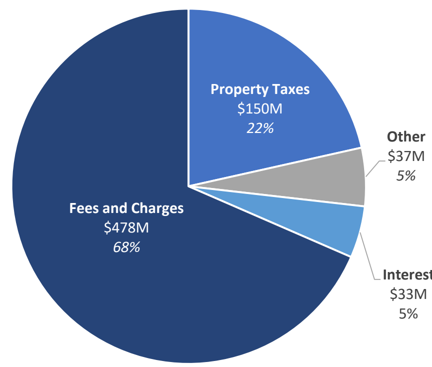
Revenues

FY 2026-27



Total Revenues - $634M

FY 2027-28



Total Revenues - $698M

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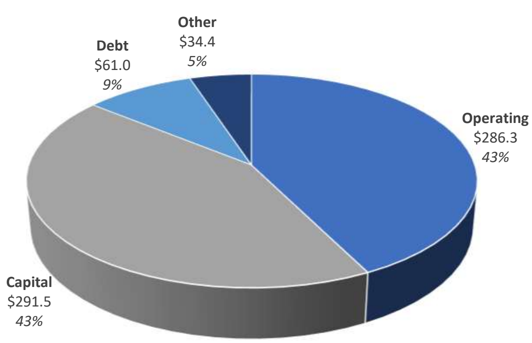
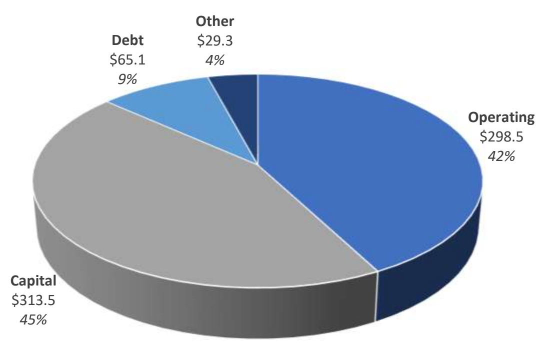
Expenses

FY 2026-27



Total Expenses - $673.2

FY 2027-28



Total Expenses - $706.4

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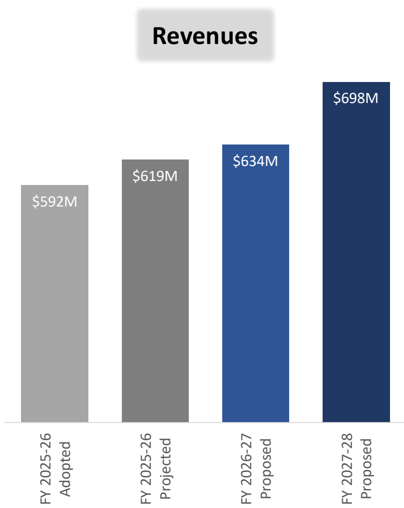
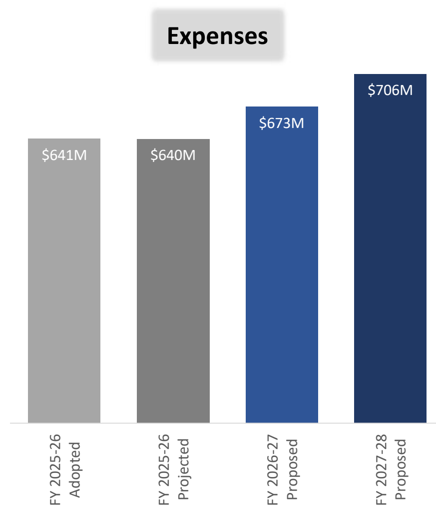
Revenues and Expenses





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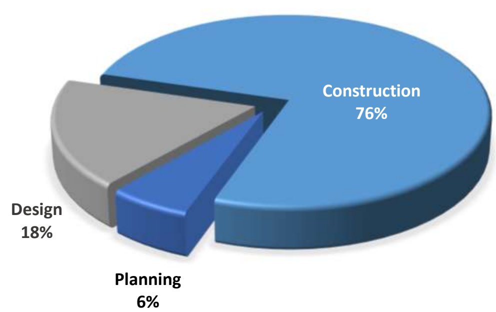
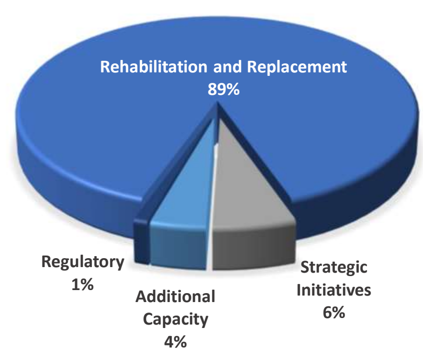
Proposed FY 2026-27 CIP

$291 Million





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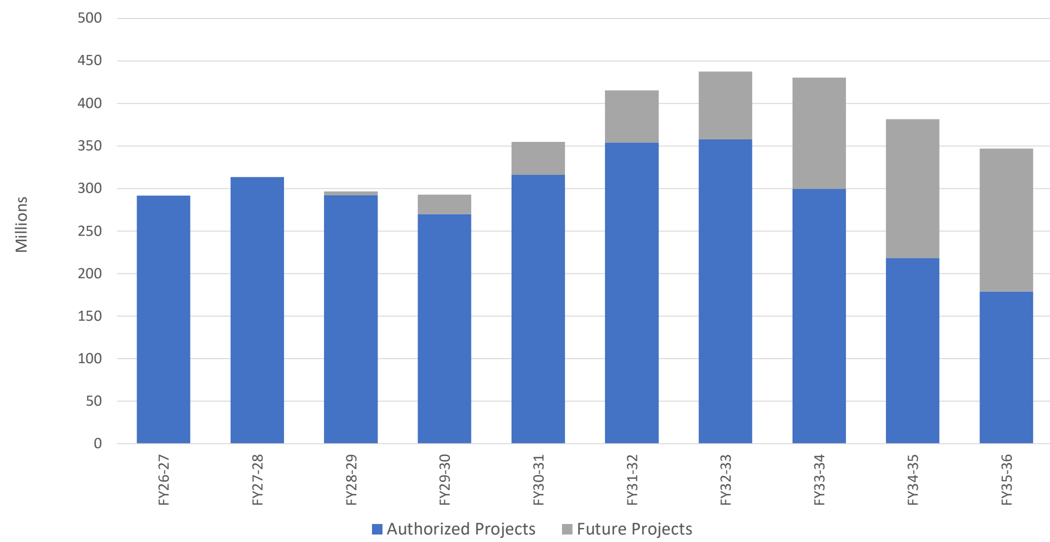
10-Year Net CIP



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Debt Service

- Total outstanding debt – $524 Million
- No new debt planned
- All debt to be paid off by 2040

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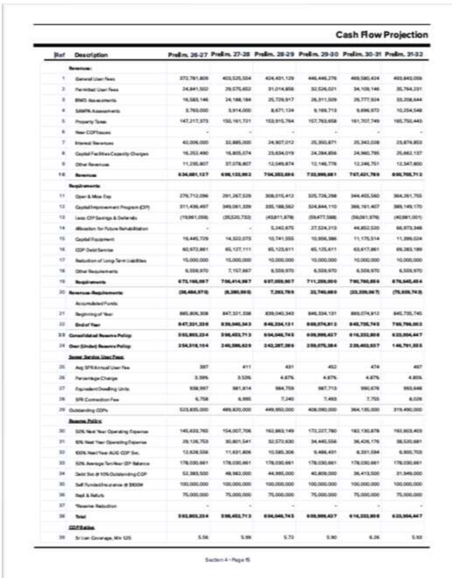
Cash Flow



Cash Flow

	2026-27	2027-28	2028-29	2029-30	2030-31	2031-32	2032-33	2033-34	2034-35	2035-36
Beginning	**886**	**847**	**839**	**846**	**869**	**846**	**770**	**688**	**639**	**655**
Revenues	634	698	704	734	767	801	833	867	902	940
Requirements	673	706	697	711	790	877	915	916	886	876
Ending	**847**	**839**	**846**	**869**	**846**	**770**	**688**	**639**	**655**	**719**
SFR Rate	*$397*	*$411*	*$431*	*$452*	*$474*	*$497*	*$521*	*$547*	*$574*	*$602*
Rate Increases	*3.39%*	*3.53%*	*4.87%*	*4.87%*	*4.87%*	*4.85%*	*4.83%*	*4.99%*	*4.94%*	*4.88%*

Summary

- No new debt
- Planned cash flow for healthy CIP
- Rate increases below 5 percent
- Conservative revenue assumptions
- Constant monitoring throughout budget cycle

Key Meeting Dates

Month	Meeting	Attendees
January	**Budget Assumptions and Calendar**	Board
February		
March	**Revenues and Reserves**	Operations Administration
April	**Expenditures**	Operations Administration
May	**CIP**	Operations Administration
May	**Insurance**	Administration
June	**Proposed 2-Year Budget**	Operations Administration Board

Recommendation

Recommend to the Board of Directors to:

Approve the proposed Operating, Capital, Debt Service, and Self-Insurance Budgets for FY 2026-27 and FY 2027-28 as follows:

	FY 2026-27	FY 2027-28
Net Operating	$ 279,712,720	$ 291,268,126
Self-Insurance - Workers' Comp.	$ 1,568,000	$ 1,697,500
Self-Insurance - Property & Gen. Liability	$ 4,991,970	$ 5,460,167
Net Capital Improvement Program	$ 291,475,441	$ 313,540,607
Capital Equipment	$ 19,445,729	$ 14,322,073
Debt/COP Service	$ 60,972,861	$ 65,127,111
Reduction of Long-Term Liabilities	$ 15,000,000	$ 15,000,00
Total	**$ 673,166,721**	**$ 706,415,584**