



Midway City Sanitary District

Serving the Community of Westminster and Midway City since 1939

Midway City Sanitary District FY2026-27 Budget

April 24, 2026

FY2026-27 Budget Agenda

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Summary



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FY2026-27 Budget

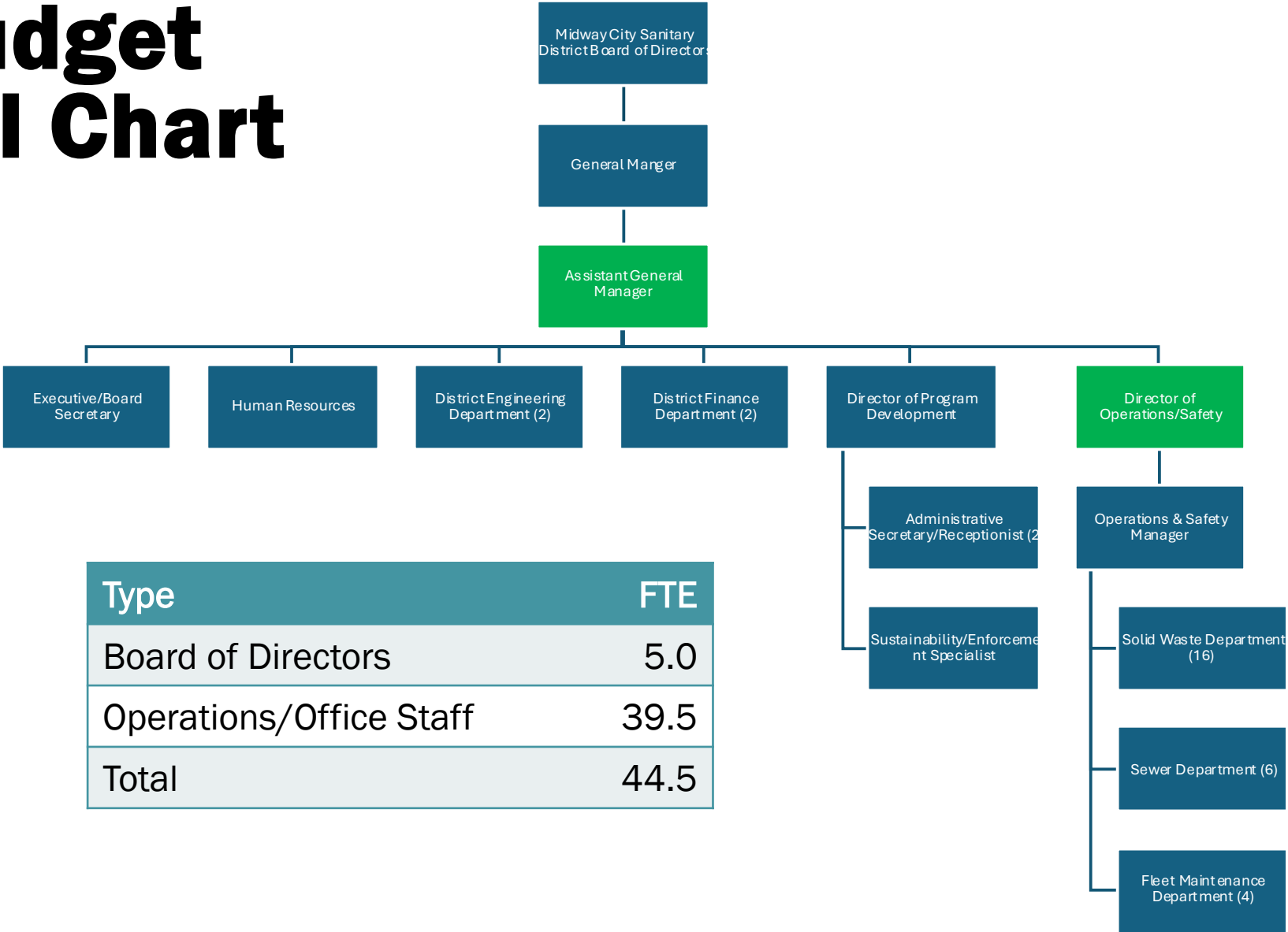
High Level Take-Aways / Overview



- FY2026-27 Budget includes the anticipated impact of the recent change in WISE Agreement in both Revenue & Expense.
- FY2026-27 Budget includes an estimated impact of the recent adoption of the MCSD Wastewater Capacity Fee.
- Overall Revenue increase over prior year Budget by 7.0% largely due to the change in the WISE Agreement and Capacity Fee partly off-set by assumed decline in Interest Income.
- Overall Expense increased over prior year Budget by 9.0% largely due to change in the WISE Agreement and labor increases.
- FY2026-27 Budget includes significant Capital Expenditure infrastructure related projects and programs.

FY2026-27 Budget Organizational Chart

- Total FTE for FY2026-27 = 44.5
- The FY2026-27 Budget assumes net FTE increase of 1.5.
- Budget assumes full-year of new Manager of Operations & Safety and half-year of Assistant General Manager.
- Labor Budget assumes a 3.0% COLA increase associated with the existing MOU.



Type	FTE
Board of Directors	5.0
Operations/Office Staff	39.5
Total	44.5

FY2026-27 Budget High Level Financial Summary

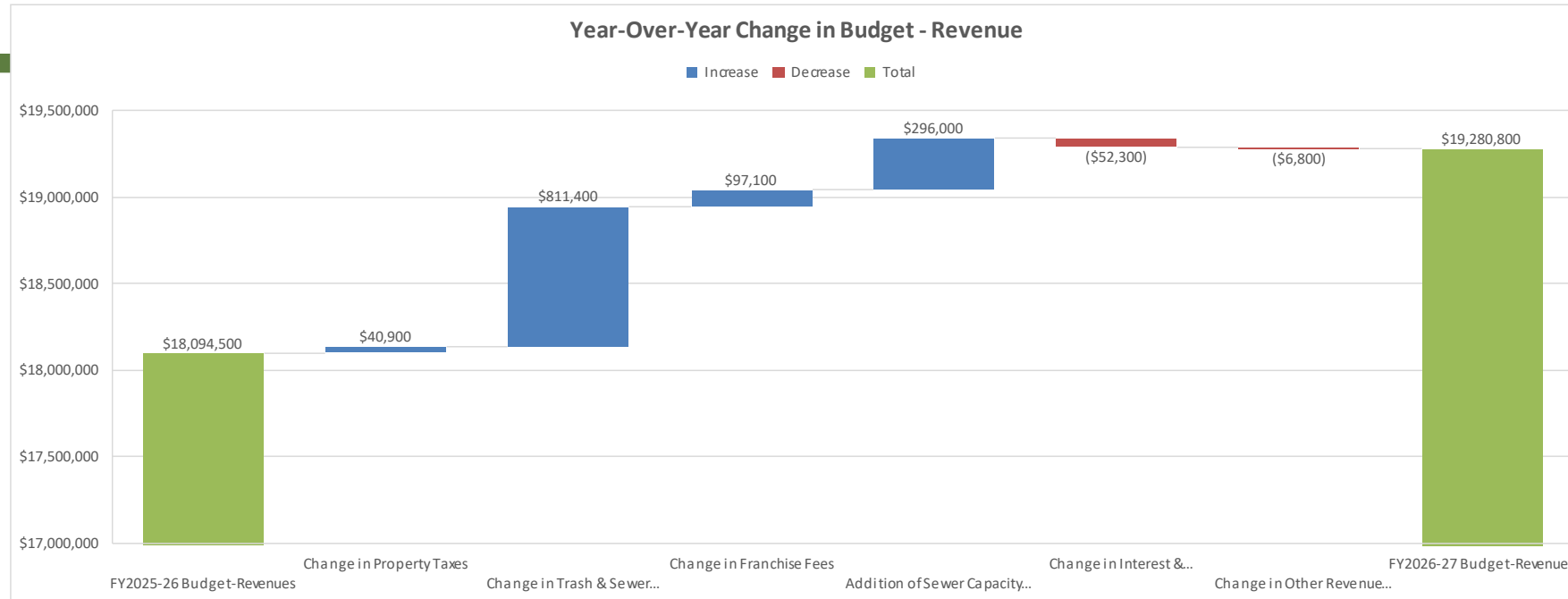
		FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26	FY 2025-26	FY 2026-27
		ACTUAL	ACTUAL	ACTUAL	ACTUAL	YTD ACTUAL	ADJUSTED BUDGET	PROPOSED BUDGET
SUMMARY								
1	REVENUES							
2	Property Taxes	\$ 1,437,277	\$ 1,473,543	\$ 1,471,291	\$ 1,468,348	\$ 1,141,651	\$ 1,802,000	\$ 1,842,900
5	Property Taxes - Pass-throughs	3,421,254	3,785,559	4,082,740	4,056,427	2,285,620	3,800,000	3,800,000
3	Trash & Sewer Collection Fees	6,942,570	7,318,538	7,661,693	8,065,468	5,426,153	7,992,000	8,803,400
4	Franchise Fees	1,174,482	1,246,184	1,356,401	1,388,975	1,091,074	1,400,000	1,497,100
5	Sewer Capacity Fee Revenue & FOG Non-Compliance	-	-	-	-	-	-	296,000
6	Interest & Investment Earnings	(1,008,282)	1,322,305	3,179,658	3,256,668	2,584,106	2,615,000	2,562,700
7	Other Revenue Sources	685,607	300,223	624,837	531,791	262,067	485,500	478,700
8	TOTAL REVENUES	\$ 12,652,908	\$ 15,446,352	\$ 18,376,620	\$ 18,767,678	\$ 12,790,671	\$ 18,094,500	\$ 19,280,800
9	EXPENDITURES							
10	Salaries & Wages	\$ 2,417,022	\$ 2,642,050	\$ 3,027,418	\$ 3,605,843	\$ 2,637,078	\$ 3,721,800	\$ 4,202,000
11	Benefits	1,184,992	4,788,188	2,456,086	2,015,666	1,407,448	2,347,200	2,414,000
12	Tonnage Disposal Fees	2,178,318	2,353,718	2,559,148	2,605,569	2,115,504	2,728,000	3,332,800
13	Repairs & Maintenance	522,683	746,925	780,359	826,812	702,299	1,117,000	1,117,000
14	Depreciation & Amortization Expenses	1,503,162	1,465,648	1,298,723	1,600,870	767,050	1,534,100	1,558,500
15	Other Operating Expenses	1,582,899	2,228,761	3,356,531	3,782,813	2,279,373	4,115,994	4,412,700
16	TOTAL EXPENDITURES	\$ 9,389,073	\$ 14,225,289	\$ 13,478,266	\$ 14,437,574	\$ 9,908,752	\$ 15,564,094	\$ 17,037,000
17	Net Available for Reserves or Capital Projects	3,263,832	1,967,340	4,898,354	4,330,104	2,881,919	2,530,406	2,243,800

FY2026-27 Budget Analysis of Potential Impact of Not Pursuing WISE 218 Notice this Year

- IB Consulting is a long-term trusted & skilled partner utilized by MCSD and other Districts for similar studies.
- IB Consulting prepared a detailed impact analysis of the Tipping Fee increase on MCSD.
- The estimated impact on Solid Waste Revenue in forgoing the 218 Notice Process due to the WISE Agreement is a half a million dollar degradation in estimate cash flow year one.

	FY 2025-26	FY 2026-27	FY 2026-27	\$ CHG	% CHG
	ADJUSTED BUDGET	PROPOSED BUDGET	PRO-FORMA BUDGET	BUDGET	BUDGET
SUMMARY					
1 REVENUES					
2 Property Taxes	\$ 1,802,000	\$ 1,842,900	\$ 1,842,900	\$ -	0%
5 Property Taxes - Pass-throughs	3,800,000	\$ 3,800,000	3,800,000	-	0%
3 Trash & Sewer Collection Fees	7,992,000	\$ 8,803,400	8,236,746	(566,654)	-6%
4 Franchise Fees	1,400,000	1,497,100	1,497,100	-	0%
5 Sewer Capacity Fee Revenue & FOG Non-Compliance	-	296,000	296,000	-	0%
6 Interest & Investment Earnings	2,615,000	2,562,700	2,562,700	-	0%
7 Other Revenue Sources	485,500	478,700	478,700	-	0%
8 TOTAL REVENUES	\$ 18,094,500	\$ 19,280,800	\$ 18,714,146	\$ (566,654)	-3%
9 EXPENDITURES					
10 Salaries & Wages	\$ 3,721,800	\$ 4,202,000	\$ 4,202,000	-	0%
11 Benefits	2,347,200	2,414,000	2,414,000	-	0%
12 Tonnage Disposal Fees	2,728,000	3,332,800	3,332,800	-	0%
13 Repairs & Maintenance	1,117,000	1,117,000	1,117,000	-	0%
14 Depreciation & Amortization Expenses	1,534,100	1,558,500	1,558,500	-	0%
15 Other Operating Expenses	4,115,994	4,412,700	4,412,700	-	0%
16 TOTAL EXPENDITURES	\$ 15,564,094	\$ 17,037,000	\$ 17,037,000	\$ -	0%
17 Net Available for Reserves or Capital Projects	2,530,406	2,243,800	1,677,146	(566,654)	-25%
18 Capital Expenditure	5,321,100	5,326,300	5,326,300	-	0%
19 Net Cash Flow	(1,256,594)	(1,524,000)	(2,090,654)	(566,654)	37%

FY2026-27 Budget Revenue Waterfall Graph

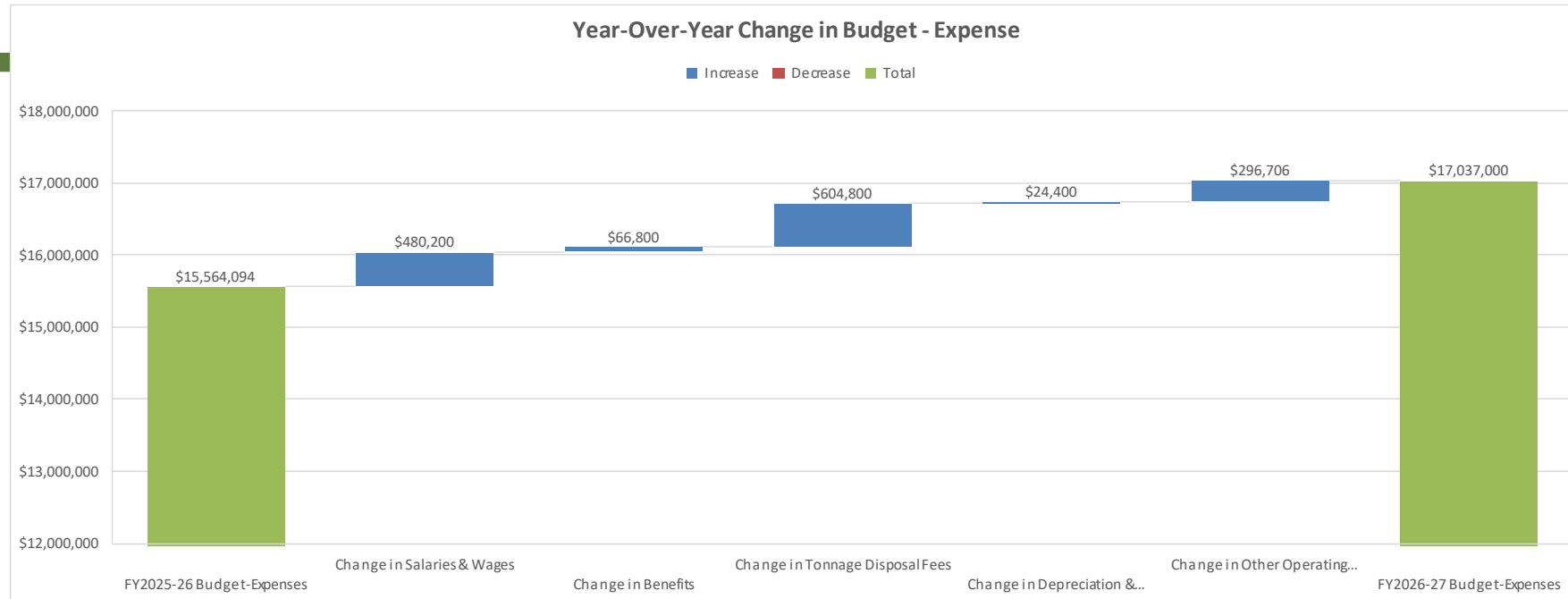


FY2025-26 Budget-Revenues	\$18,094,500
Change in Property Taxes	40,900
Change in Trash & Sewer Collection Fees	811,400
Change in Franchise Fees	97,100
Addition of Sewer Capacity Fee	296,000
Change in Interest & Investment Earnings	(52,300)
Change in Other Revenue Sources	(6,800)
FY2026-27 Budget-Revenues	\$19,280,800
Change	1,186,300
Percent Change	7%

Notes:

1. Budget assumes 2.0% increase in property tax collections & reclassification of OC Pass-Through
2. Budget assumes contracted 3.0% rate increase as planned + WISE Agreement increase (tipping fee)
3. Budget assumes increase in Franchise Fees planned + change in WISE Agreement
4. Budget assumes the implementation of a Sewer Capacity Fee
5. Budget assumes two basis point decline in investment income due to market forces
6. Other revenues assumed to be relatively flat year-over-year

FY2026-27 Budget Expense Waterfall Graph

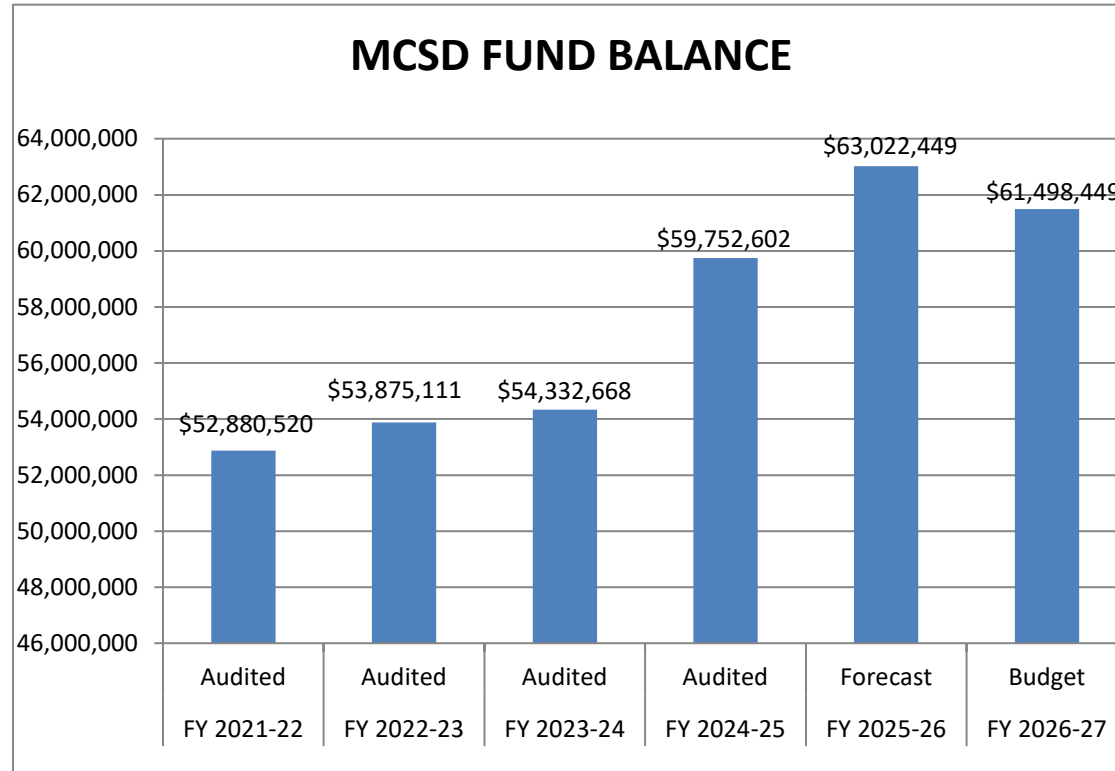


FY2025-26 Budget-Expenses	\$15,564,094
Change in Salaries & Wages	480,200
Change in Benefits	66,800
Change in Tonnage Disposal Fees	604,800
Change in Depreciation & Amortization Expenses	24,400
Change in Other Operating Expenses	296,706
FY2026-27 Budget-Expenses	\$17,037,000
Change	1,472,906
Percent Change	9%

Notes:

1. Budget assumes 3.0% wage increase in FY2026-2027 & two new positions over prior year
2. Budget includes change in rate & additional staff plus change in health allowance
3. Budget assumes increase Disposal Fees due to WISE Agreement per CR&R CPI = 3.08% Organics
4. Depreciation increases due to IT Equipment & Office Furniture
6. Budget Assumes other increase

FY2026-27 Budget Fund Balance Trend



	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27
	Audited	Audited	Audited	Audited	Forecast	Budget
Fund Balance, Unrestricted, July 1,	\$48,757,388	\$52,880,520	\$53,875,111	\$54,332,668	\$59,752,602	\$63,022,449
Net Increase/(Decrease)	\$ 4,123,132	\$ 994,591	\$ 457,557	\$ 5,419,934	\$ 3,269,847	\$ (1,524,000)
Fund Balance, Unrestricted, June 30	\$52,880,520	\$53,875,111	\$54,332,668	\$59,752,602	\$63,022,449	\$61,498,449

FY2026-27 Budget Restricted & Designated Funds

RESERVES	CATEGORY	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26	GOAL LEVEL	OVER/(UNDER)	% FUNDED
Operating Fund	Unrestricted	8,272,844	9,832,928	6,907,324	9,513,536	10,305,508	10,152,585	10,917,974	11,000,000	(82,026)	99%
Midway City Unincorporated	Designated	2,573,651	2,476,153	2,889,514	2,037,549	2,117,443	2,732,732	2,848,912	4,000,000	(1,151,088)	71%
Buildings, Equipment, and Facilities	Designated	5,383,060	5,352,992	5,846,249	3,819,885	3,073,607	4,562,834	4,745,606	8,000,000	(3,254,394)	59%
Lift Stations & Sewer System	Designated	22,715,664	24,524,888	30,292,835	30,793,481	30,948,299	34,402,127	35,607,064	144,000,000	(108,392,936)	25%
Sewer (Wastewater) Capacity Fees	Designated			-	-	-	-		296,000	(296,000)	0%
CNG/EV Station & Facilities	Designated	924,312	962,928	1,765,582	1,947,820	2,022,786	2,786,808	2,905,288	5,000,000	(2,094,712)	58%
Vehicle Replacements	Designated	3,088,452	3,407,699	3,817,092	3,577,570	2,328,597	3,589,475	3,587,226	8,000,000	(4,412,774)	45%
Emergencies & Contingencies	Designated	753,482	1,505,662	1,453,622	1,455,381	1,454,340	1,478,231	1,472,258	3,000,000	(1,527,742)	49%
										-	
CERBT 115 Trust Related to OPEB	Restricted	5,722,251	7,143,062	6,127,015	6,517,501	7,035,457	7,680,007	8,710,684	5,967,867	2,742,817	146%
CEPPT 115 Trust Related to Pensions	Restricted	2,586,429	3,590,856	3,988,371	4,921,961	5,340,915	5,412,294	5,774,832	4,200,000	1,574,832	137%
Totals		\$52,020,143	\$58,797,167	\$63,087,604	\$64,584,685	\$64,626,953	\$72,797,092	\$76,569,844	\$ 193,463,867	\$ (116,894,023)	38%

- Average Fund Balance has increase on average 5% per year.
- Overall Fund Balance have increased by almost 21% since FY2021-22.
- Goal for Lift Stations increased this year.
- Sewer (Wastewater) Capacity Fee Fund added for the Budget year.

FY2026-27 Budget Summary



- FY2026-27 Budget represents a balance budget with aggressive projects and priorities.
- Overall Revenue is anticipated to increase 7.0% largely due to WISE Agreement change.
- Overall Expenditures are anticipated to increase by 9.0% largely due to the WISE Agreement change and labor costs.
- Capital Expenditures include significant Sewer infrastructure programs and repairs.
- Open items: Insurance estimates.



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Thank you

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