



METRO WASTEWATER JPA

**FY 2026 OPERATING
BUDGET**

JUNE 5, 2025

Metro Wastewater JPA Mission Statement (2025)

The Metro JPA's mission is to create an equitable partnership with the San Diego City Council and Mayor on regional wastewater issues. The JPA achieves this through these guiding principles:

- Strive to ensure fair rates for all participating agencies, to protect the environment, and to make regionally balanced decisions.
- Advocate for services to be delivered safely, reliably, and at the lowest possible cost.
- Support stakeholder collaboration, open dialogue, and making data-informed policy decisions.

Thank You to the City of San Diego for Pictures of the Pure Water Program Phase 1 Projects.

Cover: North City Water Reclamation Plant EQ Basin: Falsework erection for rooftop. Columns and stringers are installed; nearing completion of joists and sheeting installation. January 2025



TO: Metro Wastewater JPA Directors
FROM: Karyn L. Keze, Executive Director
DATE: June 5, 2025
RE: Agenda Item No. 7: FY 2026 JPA OPERATING BUDGET

Over the past five years, the Metro Wastewater JPA has evolved from an observer to an active participant in regional wastewater—and, at times, water—issues affecting the San Diego Metro System. Prior to FY 2020, the JPA’s technical role focused primarily on reviewing Metro costs through the annual Exhibit E audit. That began to change with the first Amended and Restated Agreement (ARA) negotiations, when engineering consultants were engaged to support capital and operations cost reviews for Pure Water Phase 1.

As a result, JPA engineering and financial consultants helped secure more accurate and equitable cost allocations for Pure Water Phase 1 construction, resulting in over \$190 million (16%) in project costs being shifted from the Metro System to the City’s water utility. This adjustment directly reduced the financial burden on the Participating Agencies. To support this expanded technical oversight, the JPA Operating Budget increased accordingly.

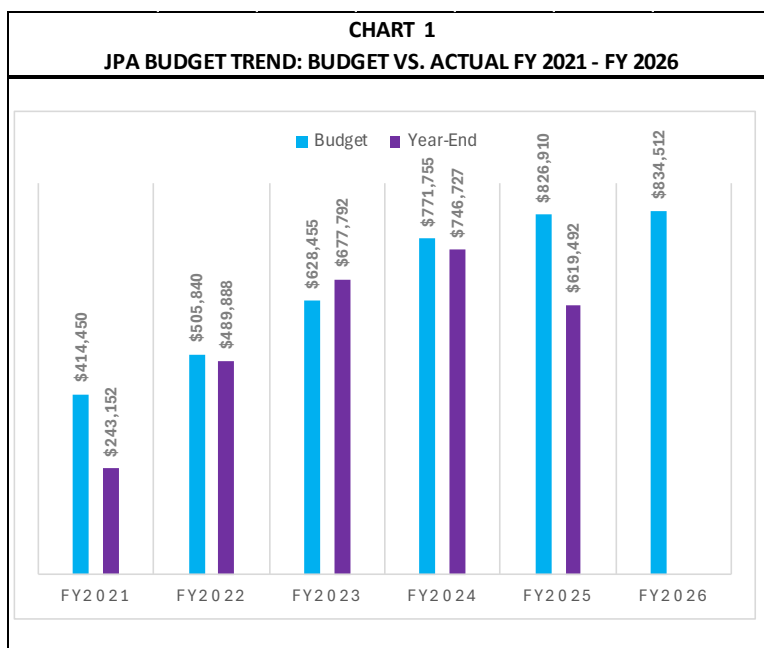
With the beginning of drafting of the Second ARA (SARA) in April 2021, JPA consultants began partnering with City of San Diego PUD staff in creating a new operating agreement. This collaboration led to increased input and eventual drafting of SARA language and the creation of the new Metro billing system, the Functional Allocated Billing (FAB) system which were released in draft format for review and the start of the implementation process in March 2025 to the Metro TAC and April 2025 JPA/Commission Directors.

Today, JPA consultants are also engaged in planning for key infrastructure rehabilitation projects (Pump Station 1 (PS1), Pump Station 2 (PS2), and Pt. Loma), as well as Pure Water Phase 2, supporting compliance with Regional Board Executive Orders tied to sewer spills, and co-managing a region-wide Inflow and Infiltration (I&I) Study with PUD staff.

With SARA and FAB now drafted, the consultants’ role is shifting to implementation. As part of this transition, and following the retirement of NV5’s Scott Tulloch, the FY 2026

Operating Budget reflects a \$30,000 reduction in engineering services. This helps offset the \$23,630 cost of the bi-annual audit (covering FY 2024 and FY 2025), which is due this fiscal year.

Chart 1 summarizes the trend in the JPA’s Operating Expenditures from FY 2021 to present, showing both budget and actuals for FY 2021 – FY 2024, FY 2025’s budget and projected actuals, and FY 2026’s draft Operating Budget amounts.



ORGANIZATIONAL AND STRATEGIC PLANNING PROGRESS

Over the past two years, the Metro Wastewater JPA has taken key steps to formalize its internal operations and strengthen its capacity to manage regional responsibilities.

In FY 2024, the JPA formed a Reorganization AdHoc Committee, which resulted in the development of the agency’s first formal organizational structure. This included clarifying the roles of consultants, designating a central point of administrative coordination, and establishing the position of Executive Director. These changes provided the JPA with a defined framework for internal management and decision-making. **(See Attachment 1: Organizational Chart.)**

In FY 2025, a Strategic Planning AdHoc Committee was created to develop a set of Strategic Goals and Objectives to guide the agency’s work over the next five years. These priorities reflect the JPA’s evolving responsibilities and expanded technical role in regional wastewater planning. The FY 2026 Operating Budget aligns with this

direction, and a formal Strategic Plan will be developed during FY 2026 incorporating these Goals and Objectives. **(See Attachment 2.)**

Also in FY 2025, the Board established a Succession Planning AdHoc Committee to continue the review of the JPA's current structure and staffing model. The committee's work will begin in July 2025, in anticipation of the June 30, 2026, expiration of all major consultant contracts. This review will help the JPA evaluate future staffing needs and determine the most effective structure to support its ongoing responsibilities.

Together, these efforts have provided the JPA with a more consistent structure for planning, coordination, and communication as it moves into the implementation phase of SARA, FAB, and other regional initiatives.

FY 2025 MILESTONES

FY 2025 was a year of key progress in governance, financial management, and planning. These accomplishments created a strong foundation for the JPA's future work and increased responsibilities. Highlights of the year include:

1. **Released the draft SARA** to the Metro TAC in March and to the JPA Board in April, formally launching the review and implementation process for the Second Amended and Restated Agreement.
2. **Finalized the draft Functional Allocated Billing (FAB) methodology**, presented to TAC in April and the JPA Board in May. Stantec is preparing the final report, which will guide future Metro cost allocations for the participating agencies.
3. **Engaged an independent Treasurer and CPA for the first time**, strengthening financial oversight and enabling the development of the JPA's first *Policies and Procedures Manual*. The manual was approved by the Finance Committee in March 2025; formal release is deferred to August 2025 to maintain focus on SARA. The draft is available for review in the "News" section of the JPA website at www.metrojpa.org.
4. **Adopted updated Strategic Goals and Objectives** to guide the JPA's direction over the next five years. These will form the basis of a formal Strategic Plan to be finalized in FY 2026.
5. **Approved the JPA's first Investment Policy**, authorizing participation in the State's Local Agency Investment Fund (LAIF) to improve interest earnings on reserves and strengthen long-term financial stewardship.
6. **Partnered with the City of San Diego to establish the Regional I&I Committee**, chaired by JPA Engineering Staff. This committee coordinates efforts to address inflow and infiltration issues across the Metro System.

LOOKING AHEAD TO FY 2026

In FY 2026, the JPA will begin putting that work into practice—supporting SARA and FAB implementation, contributing to major project planning, and helping coordinate regional efforts. Priorities for the coming year include:

- **Implementing SARA and the FAB methodology** in coordination with the City of San Diego as part of the transition to the new agreement and billing system.
- **Facilitating and advancing regional inflow and infiltration efforts** through continued leadership and participation in the Regional I&I Committee.
- **Participating in and providing input into the planning and design of major Metro facilities**, including rehabilitation projects at PS1 and PS2 and Pure Water Phase 2.
- **Launching the work of the Succession Planning AdHoc Committee** to assess future staffing and consultant needs in anticipation of the June 30, 2026, expiration of all major consultant contracts.

These steps will ensure the JPA continues to serve as a knowledgeable and engaged partner with the City of San Diego in managing and planning the region's wastewater system.

METRO WASTEWATER JPA FY 2025 OPERATING BUDGET FY 2026 OPERATING BUDGET OVERVIEW

INTRODUCTION

The JPA's FY2026 Operating Budget has been established to meet the adopted strategic planning framework. A summary of the proposed FY 2026 Operating Budget is presented in **Table 1**.

TABLE 1 FY 2026 PROPOSED OPERATING BUDGET		
Administration & Finance	\$ 322,800	39%
General & Administrative Expens	\$ 15,632	2%
Professional Services	\$ 496,080	59%
TOTAL	\$ 834,512	100%

The detailed FY 2026 Operating Budget, along with a comparison to prior-year actuals, is provided in **Attachments 3 and 4**. Most core expenses remain unchanged. Some costs have been updated based on contract reviews and adjustments to scopes of work. A few new or increased costs are included to meet current operational needs and planned activities in FY 2026.

SECTION ONE: CONTRACT REVIEW AND FY 2026 PROGRAM EXPENSE UPDATES

The FY 2026 Operating Budget reflects a slight increase of \$7,602 or 1% overall increase from FY 2025 as shown in **Table 2**. **Table 2** shows not only the approved FY 2025 Operating Budget but also the projected forecast for year-ending June 30, 2025. A full line-item detail of the projected FY 2025 budget versus actual expenses is included as **Attachment 3**.

TABLE 2 FY 2025 VS. FY 2026 PROPOSED OPERATING BUDGET						
	FY 2025 Budget			FY 2026 Budget		
	Approved	Forecast	Difference	Proposed	Difference	
Administration & Finance	\$ 295,700	\$ 293,978	\$ (1,722)	\$ 322,800	\$ 27,100	9%
General & Administrative Expenses	\$ 13,485	\$ 14,365	\$ 880	\$ 15,632	\$ 2,147	16%
Professional Services	\$ 517,725	\$ 311,149	\$(206,576)	\$ 496,080	\$(21,645)	-4%
TOTAL	\$ 826,910	\$ 619,492	\$(207,418)	\$ 834,512	\$ 7,602	1%

The majority of the FY 2026 Operating Budget remains consistent with prior years, reflecting stable contract structures and limited program changes. Some line items reflect slight increases or decreases based on existing contract terms, including standard COLA adjustments to consulting agreements. The full FY 2026 Operating Budget is included in **Attachment 4**, which also summarizes the JPA's projected cash position as of June 30, 2025. Based on current projections, the JPA is expected to end the fiscal year with a positive cash balance of \$499,968, the first such positive position in several years. This amount will fully fund both the FY 2026 Operating and Contingency Reserves, with a remaining unallocated balance of \$17,604.

The updated or new program elements included in the FY 2026 Operating Budget are summarized in **Table 3** and described in more detail following the Table.

TABLE 3 CHANGES: FY 2026 OPERATING BUDGET					
Expense:	FY 2026 Budget	Difference from FY 2025 Budget		Variances in Line Items Compared to the FY 2025 budget	
Audit Fees	\$ 23,630	\$ 23,630	100%	Two-year Audit FY 2024 and 2025	
JPA/TAC meeting expenses	\$ 6,600	\$ 600	9%	Increased number of meetings/attendees	
Per Diem - Board	\$ 55,600	\$ 27,100	49%	More frequent meetings & COLA	
Printing, Postage, Supplies	\$ 800	\$ 300	38%	Increase based on actual expense	
Engineering - NV5	\$ -	\$ (30,000)		Decrease following SARA draft completion	
Strategic Planning	\$ -	\$ (15,275)		Contract completed in FY 2025	
Telephone, Internet, Software	\$ 4,000	\$ 1,000	25%	Software contracts prices have increased.	
Website Maintenance & Hosting	\$ 3,782	\$ 247	7%	Year-Four of Contract	
TOTAL	\$ 94,412	\$ 7,602			

- **Audit Fees:**

FY 2026 includes the biannual financial audit covering FY 2024 and FY 2025, as required by law. The audit contract and scope of work with CLA was approved by the Board in February 2025, with a budget of \$23,630, the same amount as previous audits.

- **Board Per Diem:**

In accordance with Resolution 2025-2, the Board meeting per diem will increase by 5% to \$175 and the mileage allowance may increase in January 2026 based on federal guidelines. FY 2025 also introduced per diem eligibility for Board Alternates attending meetings and estimates for these are included in the FY 2026 budget. The per diem budget increases from \$28,500 to \$55,600 to accommodate these changes and provide support for the Succession Planning and Pure Water AdHoc Committees.

- **Miscellaneous Operating Expenses:**

Modest increases are reflected in several operating expense accounts, including JPA/TAC meeting expenses, printing, postage and supplies, and communications (telephone, internet, and software). The Granicus website maintenance and hosting contract, now in its fourth and final year, reflects a planned increase based on contract terms.

All major consulting contracts—including Dexter Wilson Engineering, The Keze Group, the Board Secretary, and Treasurer—are in the final year of four-year agreements. No changes to contract scopes or ceilings are proposed for FY 2026. General Counsel services provided by Snell and Wilmer, will continue under existing budget projections. With the retirement of Scott Tulloch and the completion of the draft SARA document, the NV5 contract has concluded and is no longer included in the FY 2026 budget.

SECTION TWO: FY 2026 BUDGET REVENUES

The Operating Budget has four sources of income/revenues as shown in **Table 4**: they are the annual Membership Dues charged to each JPA member for the operations of the JPA, use of prior year reserves, if any, to offset the current years' operating budget, reimbursements from the City of San Diego, and interest income:

TABLE 4 INCOME: FY 2026 OPERATING BUDGET				
Income:	FY 2026 Budget	Difference from FY 2025 Budget		Variances in Line Items Compared to the FY 2025 budget
Membership Dues	\$ 790,855	\$ -	0%	Interest offsets 1% budget increase
Use of Reserves	\$ -	\$ -	0%	No reserves are needed in FY 2026
City of San Diego	\$ 27,000	\$ (8,355)	-31%	Decrease due to Facilitation Contract ending
Interest Income	\$ 16,657	\$ 15,957	96%	Increase due to reserve funds in LAIF
	\$ 834,512	\$ 7,602	1%	

The JPA's FY 2026 revenues are shown in **Table 4** and include the following sources:

1. Membership Dues

The Participating Agencies fund the balance of the Operating Budget after accounting for all other revenue sources. Cost allocations are based on prior year flows and sewage strengths as determined in the City of San Diego's annual Metro budget and are reconciled through the Exhibit E audit process. For FY 2026, Membership Dues are budgeted at \$790,855, unchanged from FY 2025. This amount represents the total Operating Budget of \$834,512 less projected revenues from City of San Diego offsets and interest income as discussed in Items 2 – 4 following.

2. Use of Reserves

In past years, excess operating reserves were used to offset costs. No use of reserves is projected for FY 2026.

3. City of San Diego Contributions

The City continues to offset 50% of the Board Secretary cost. In prior years, the City also covered 70% of the Pure Water Facilitator contract. With the completion of the draft SARA, that contract and its associated revenue have been removed. This adjustment has no net impact on the FY 2026 budget.

4. Interest Income

FY 2026 will be the first year the JPA invests available funds in the Local Agency Investment Fund (LAIF). Interest revenue has been budgeted conservatively but is projected to be sufficient to fully offset the \$7,602 increase in the FY 2026 budget.

Table 5 shows the distribution of Membership Dues by agency. No additional contributions to reserves are required this year. A table showing Agency billings for the last three years is included as **Attachment 5**.

TABLE 5
FY 2026 BUDGET FUNDING

	PROPOSED FY 2026 BILLING**			
Agency	Per Cent	Amount		
	Agency Billing %	Total Budget Billing	Difference FY2025 Base	
Chula Vista	30.57%	\$ 241,795	\$ (19,461)	-7.4%
Coronado	2.31%	\$ 18,232	\$ (2,638)	-12.6%
County of SD*	17.40%	\$ 137,631	\$ 3,059	2.3%
Del Mar	0.02%	\$ 170	\$ (42)	-19.7%
El Cajon	16.25%	\$ 128,518	\$ 14,421	12.6%
Imperial Beach	3.92%	\$ 31,010	\$ 245	0.8%
La Mesa	6.75%	\$ 53,410	\$ (3,110)	-5.5%
Lemon Grove	2.31%	\$ 18,268	\$ (7,082)	-27.9%
National City	7.50%	\$ 59,289	\$ (1,126)	-1.9%
Otay Water District	0.55%	\$ 4,380	\$ (721)	-14.1%
Padre Dam MWD	8.40%	\$ 66,432	\$ 16,806	33.9%
Poway	4.01%	\$ 31,722	\$ (352)	-1.1%
Total	100%	\$ 790,855		

* County of SD includes East Otay Mesa, Lakeside/Alpine, Spring Valley and Wintergardens

**Based on 4/25 San Diego Adjustments to FY 2026 Budget Estimate

Differences in agency allocations between FY 2025 and FY 2026 are mainly due to how Phase 1 Pure Water costs (Exhibit G) and individual flow and strength data affect the budget. Exhibit G allocates Phase 1 capital costs based on each agency's projected 2050 use of the Metro System and is a fixed percentage of project costs per agency.

In FY 2025, ECAWP JPA members were assigned a smaller share of the \$7.7 million in Phase 1 costs due to the Exhibit G percentages, resulting in a lower overall budget allocation for them for Metro and the JPA. However, in FY 2026, the Exhibit G allocation flips from an expense to a revenue offset. Because ECAWP JPA members are responsible for a smaller share of Phase 1 capital costs, they receive a smaller portion of this offset

(\$6.7 million) resulting in a higher net Metro budget share and, in turn, a higher JPA allocation.

SECTION THREE: FY 2026 OPERATING BUDGET PROCESS

The FY 2026 Operating Budget and the contracts it contains have been reviewed twice by the Finance Committee, considering the line-item budget, current financial position, and reserve levels. They unanimously approved the budget to be moved forward to the TAC and the full Board of Directors for their review and potential approval at their March 2025 meeting.

STAFF RECOMMENDATION

1. Staff recommend that the Metro TAC and JPA Board of Directors approve the following:
 - a. The proposed **FY 2026 JPA Operating Budget**.
 - b. Issuance of **Membership Dues totaling \$790,855** to JPA member agencies, as detailed in Table 5.
2. Alternatively, the TAC and Board may **discuss and provide directions** to staff regarding modifications to the proposed budget or dues allocations or take other action as appropriate.

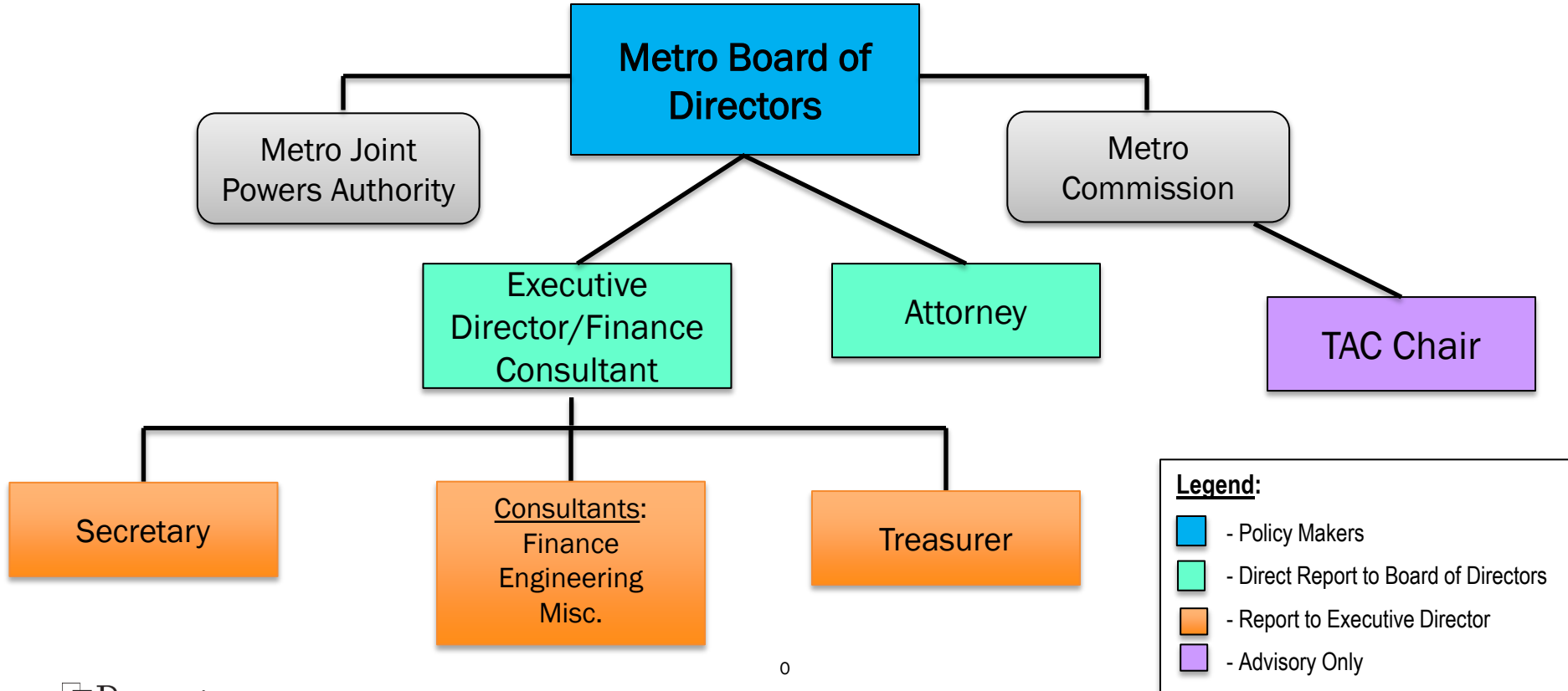
ATTACHMENT 1

Metro Wastewater JPA Adopted Organizational Chart



North City Water Reclamation Plant Expansion – January 2025 Update
Secondary Clarifier Cover Installation - February 2025

Attachment 1: Metro Adopted Organizational Chart (2024)



ATTACHMENT 2

Metro Wastewater JPA 2025 Mission Statement and Strategic Goals & Objectives



North City Water Reclamation Plant Expansion – February 2025 Update
Effluent Pump Station: Work ongoing for 8"/10" UWHP.

Metro JPA 2025 Mission Statement and Strategic Goals & Objectives

Mission Statement

The Metro JPA’s mission is to create an equitable partnership with the San Diego City Council and Mayor on regional wastewater issues. The JPA achieves this through these guiding principles:

- Strive to ensure fair rates for all participating agencies, to protect the environment, and to make regionally balanced decisions.
- Advocate for services to be delivered safely, reliably, and at the lowest possible cost.
- Support stakeholder collaboration, open dialogue, and making data-informed policy decisions.

Strategic Goal 1 - Oversee METRO System Management and Operations: The METRO JPA and METRO TAC must continue their oversight (i.e., monitor, review, audit, value-engineer, negotiate, etc.) of the City of San Diego’s management and operation of the METRO System on behalf of the Participating Agencies’ ratepayers.

Strategic Objective 1 - Oversee Service and Billing: City of San Diego Public Utilities Department to ensure that services provided to METRO member agencies are efficiently delivered.

Strategic Objective 2 - Oversee Costs and Rates: Oversee the City of San Diego’s METRO wastewater programs, including Pure Water, sewer fees, and recycled water rates to protect the interests of METRO member agencies.

Strategic Objective 3 - Oversee Capital Improvements and Maintenance Operations: Oversee the City of San Diego’s METRO wastewater system capital improvement program (CIP) and maintenance operations, to protect the environment and the investment of METRO member agencies.

<p>Strategic Objective 4 – Continue Audit Process: Maintain the integrity of the annual audit of the City of San Diego to ensure that only METRO wastewater costs are billed to METRO member agencies.</p>
<p>Strategic Objective 5 - Monitor Billing Equity Framework - Conduct continual review of the billing system, including the progress of new procedures that determine flow and strength allocations to the Participating Agencies. Conduct a review of the flow metering monitoring system, sampling locations, and cost allocation and audit perimeters a minimum of every five years to be consistent with section 3.5.3 of the Amended Restated Agreement.</p>
<p>Strategic Objective 6 – Support Second Amended Restated Agreement (SARA) and Revised Billing Structure (FAB): Advocate for and support the Participating Agencies (PA’s)’s review and approval of the Second Amended Restated Agreement (SARA). Support the successful implementation of the new SARA billing structure (e.g., Functional Allocated Billing (FAB), Industrial Waste Program payments, Administrative Agreement, etc.) contained in the SARA.</p>
<p>Strategic Objective 7 - Monitor and Mitigate Infiltration and Inflow (I&I): Work with the City of San Diego and Participating Agencies to reduce infiltration and inflow (I&I) and Sanitary Sewer Overflows (SSOs). These are becoming more frequent due to conditions of aging infrastructure, as well as increased frequency of storm severity. Participate in a Regional I&I study that will identify ways to reduce I&I and implement recommendations from I&I study as appropriate.</p>
<p>Strategic Objective 8 - Monitor Industrial Waste Provisions: There is extensive language in SARA about monitoring industrial waste and pretreatment requirements. The Metro JPA staff will monitor the fees for industrial users on behalf of the City and Participating Agencies. The financial burden will be retained for the most part by industrial users, but a general benefit to all other users will be recognized in the billing structure. An example of a specific general benefit is that monitoring industrial waste and pretreatment prevents chemicals from being discharged into the sewer system that would upset biological processes in the Metro system needed for proper treatment and disposal.</p>

<p>Strategic Goal 2: Oversight of the City of San Diego’s Water Reuse Planning (Pure Water San Diego) - As the City of San Diego expands the scope of its wastewater operations to include the Pure Water San Diego program, the scope of oversight provided by the METRO JPA and the METRO TAC expands.</p>
<p>Strategic Objective 1 - Oversee and Support OPRA II Legislation: Support the City of San Diego’s efforts to obtain legislation (OPRA II) to allow for secondary equivalency for the Pt. Loma Wastewater Treatment Plant. Obtaining this change in legislation will avoid unnecessary expenses and upgrades to the Pt Loma treatment plant. The Metro JPA staff will maintain ongoing technical, financial and regulatory analyses of the permit process and provide comments to the City of San Diego, METRO Commission and METRO JPA as needed.</p>
<p>Strategic Objective 2 - Oversee Permit Planning for Pt. Loma Treatment Plant: Maintain ongoing technical, financial and regulatory analyses and provide comments to the City of San Diego, METRO Commission and METRO JPA as needed.</p>
<p>Strategic Objective 3 - Oversee Recycled Water Pricing Study: Maintain ongoing technical, financial and regulatory analyses and provide comments to the City of San Diego, METRO Commission and METRO JPA as needed.</p>
<p>Strategic Objective 4 - Monitor Potable Reuse Regulatory Development: Regulations have been adopted for both indirect and direct potable reuse. Metro JPA will continue to monitor, participate and advocate where appropriate for regulatory adoption that is environmentally safe and the most cost-effective.</p>
<p>Strategic Objective 5 - Oversee Pure Water Program, Phase 2, and any Associated Projects: Maintain ongoing technical, financial and regulatory analyses as the location and composition of each facility is determined. As Phase 2 costs are developed, ensure that an appropriate allocation methodology of costs will be established. The Metro JPA supports the City of San Diego in reaching their regulatory purification requirements through value engineering and pursuit of the most cost-effective alternatives. This could include Direct Potable Reuse (DPR) and inclusion of independent purification projects within the service area.</p>

Strategic Objective 6 - Monitor Efforts to Regulate Newly-identified Chemicals and Pollutants - Metro JPA will monitor, participate and advocate for appropriate regulations regarding wastewater pollutants and chemicals, such as PFAS. Metro JPA will collaborate with the City of San Diego to develop the best strategies to minimize potential costs while maintaining appropriate environmental responsibility.

Strategic Objective 7 - Support the City's Consideration and Analysis of Possible New Sewage and Other Inflow Sources: Monitor and support the City of San Diego's consideration and analysis of new sources, such as sewage and stormwater, as these opportunities develop.

Strategic Goal 3: - Develop and Maintain Key Partnerships: Effectively partner with the City of San Diego and key stakeholders, working together to ensure fair rates for participating agencies, regionally balanced decisions, and the best possible management for all multi-jurisdiction-use facilities.

Strategic Objective 1 - Commit to Partnering and Professionalism: Work effectively with the City of San Diego and other stakeholders aspiring to high standards of professionalism and a commitment to collaboration.

Strategic Objective 2 - Participate in Committees and Projects: Work collaboratively on projects and committees such as the Financial Implementation Group (FIG) and the Infiltration and Inflow (I&I) study.

ATTACHMENT 3

Metro Wastewater JPA FY 2025 Budget Versus Actuals



North City Water Reclamation Plant Expansion – February 2025 Update
NCPWF Influent Pump Station: Installing Wall Rebar.

ATTACHMENT 3
FY 2025 PROJECTED BUDGET VERSUS ACTUALS

	Actual Through 2/28/2025	Estimate Remaining Months	Forecast Through 6/30/25	Approved Annual Budget	Forecast over /(under) Budget	
					\$	%
Income						
Membership Dues	\$ 790,855	\$ -	\$ 790,855	\$ 790,855	\$ -	0%
Use of Reserves	\$ -	-	-	-	-	
City of San Diego	\$ 13,155	\$ 13,520	26,675	35,355	(8,681)	-25%
Interest Income	2,606	1,100	3,706	700	3,006	429%
Total Income	\$ 806,615	\$ 14,620	\$ 821,235	\$ 826,910	\$ (5,675)	-1%
Expense						
Admin - Board Secretary	\$ 13,621	\$ 20,000	\$ 33,621	\$ 49,200	\$ (15,579)	-32%
Bank Charges	24	12	36	200	(164)	-82%
Financial Services				-		
Audit Fees	6,560	-	6,560	-	6,560	
Executive Director - The Keze Group	110,734	57,266	168,000	168,000	-	0%
Treasurer - El Cajon	24,808	25,192	50,000	50,000	-	0%
JPA/TAC meeting expenses	3,140	2,860	6,000	6,000	-	0%
Miscellaneous	1,047	-	1,047	250	797	319%
Per Diem - Board	27,157	15,200	42,357	28,500	13,857	49%
Printing, Postage, Supplies	458	42	500	500	-	0%
Professional Services						
Engineering - Dexter Wilson	92,745	58,443	151,188	200,000	(48,813)	-24%
Engineering - NV5	2,040	700	2,740	30,000	(27,260)	-91%
Legal - 2nd ARA/PW	14,533	53,467	68,000	150,000	(82,000)	-55%
Legal - General	29,339	25,600	54,939	60,000	(5,061)	-8%
Legal - Spill	6,473	6,000	12,473	30,000	(17,527)	-58%
Paul Redvers Brown	-	-	-	12,450	(12,450)	
Strategic Planning	15,250		15,250	15,275	(25)	0%
Communications	-	-	-	20,000	(20,000)	
Telephone, Internet, Software	987	2,013	3,000	3,000	-	0%
Website Maintenance & Hosting	-	3,782	3,782	3,535	247	7%
Total Expense	\$ 348,915	\$ 270,577	\$ 619,492	\$ 826,910	\$ (207,418)	-25%
Net Income (Loss)	\$ 457,700	\$ (255,957)	\$ 201,743	\$ -	\$ 201,743	

ATTACHMENT 4

Metro Wastewater JPA FY 2026 Proposed Operating Budget



Morena Pump Station and Screening Facilities – January 25, 2025

ATTACHMENT 4

FY 2026 PROPOSED OPERATING BUDGET

	FY 2026 Proposed Annual Budget	Difference from FY '25 Forecast	Difference from FY '25 Budget		Variances in Line Items Compared to the FY 2025 budget
			\$	%	
Income					
Membership Dues	\$ 790,855	\$ -	\$ -	0%	Interest offsets 1% budget increase
Use of Reserves		-	-		No reserves are needed in FY 2026
City of San Diego	27,000	326	(8,355)	-31%	Decrease due to Facilitation Contract ending
Interest Income	16,657	12,951	15,957	96%	Increase due to reserve funds in LAIF
Total Income	\$ 834,512	\$ 13,277	\$ 7,602	1%	
Expense					
Admin - Board Secretary	\$ 49,200	15,579	\$ -	0%	Year-Four of Contract
Bank Charges	200	164	-	0%	Rebudgeted
Financial Services					
Audit Fees	23,630	17,070	23,630	100%	Two- year Audit 2024 and 2025
Executive Director - The Keze Group	168,000	-	-	0%	Year-Four of Contract
Treasurer	50,000	-	-	0%	Transition to private consulting from PA support
JPA/TAC meeting expenses	6,600	600	600	9%	Increased number of meetings/attendees
Miscellaneous	250	(797)	-	0%	Rebudgeted
Per Diem - Board	55,600	13,243	27,100	49%	More frequent meetings and COLA adjustments
Printing, Postage, Supplies	800	300	300	38%	Increase based on actual expense forecast
Professional Services					
Engineering - Dexter Wilson	200,000	48,813	-	0%	Year-Four of Contract
Engineering - NV5	-	(2,740)	(30,000)		Decrease following SARA draft completion
Legal - S&W (2nd ARA/PW)	150,000	82,000	-	0%	Rebudgeted
Legal - S&W (General)	60,000	5,061	-	0%	Rebudgeted
Legal - S&W (Spill)	30,000	17,527	-	0%	Rebudgeted
Consensus Support	12,450	12,450	-	0%	Decrease following SARA draft completion
Strategic Planning	-	(15,250)	(15,275)		Contract completed in FY 2025
IT & Communications	20,000	20,000	-	0%	Placeholder for potential website update, etc.
Telephone, Internet, Software	4,000	1,000	1,000	25%	Software contracts prices have increased.
Website Maintenance & Hosting	3,782	(0)	247	7%	Year-Four of Contract
Total Expense	\$ 834,512	\$ 215,020	\$ 7,602	1%	

Fund Balance at 6/30/24	\$ 298,225
Projected Net Income FY 25	\$ 201,743
Projected 6/30/25 Fund Balance	\$ 499,968
Months Operating Expenses FY'25	\$ 275,637
3 Months Contingency Reserve FY'25	\$ 206,728
Amount over Required Reserves	17,604

ATTACHMENT 5

Metro Wastewater JPA FY 2026 Budget Funding



Morena Pump Station Electrical Building Conduit Placement – January 2025

ATTACHMENT 5
FY 2026 BUDGET FUNDING

	ACTUAL FY 2024 BILLING		ACTUAL FY 2025 BILLING				PROPOSED FY 2026 BILLING**			
Agency	Per Cent	Amount	Per Cent	Base Amount	Reserve	Amount	Per Cent	Amount		
	Agency Billing %	Total Agency Billing	Agency Billing %	Total Base Budget Billing	Contribution Per Agency	Total FY 2025 + Reserve	Agency Billing %	Total Budget Billing	Difference FY2025 Base	
Chula Vista	31.84%	\$ 231,650	33.03%	\$ 261,255	\$ 65,314	\$ 326,569	30.57%	\$ 241,795	\$ (19,461)	-7.4%
Coronado	2.70%	\$ 19,644	2.64%	\$ 20,870	\$ 5,218	\$ 26,088	2.31%	\$ 18,232	\$ (2,638)	-12.6%
County of SD*	15.99%	\$ 116,334	17.02%	\$ 134,572	\$ 33,643	\$ 168,215	17.40%	\$ 137,631	\$ 3,059	2.3%
Del Mar	0.02%	\$ 146	0.03%	\$ 212	\$ 53	\$ 264	0.02%	\$ 170	\$ (42)	-19.7%
El Cajon	14.46%	\$ 105,203	14.43%	\$ 114,097	\$ 28,524	\$ 142,621	16.25%	\$ 128,518	\$ 14,421	12.6%
Imperial Beach	3.67%	\$ 26,701	3.89%	\$ 30,765	\$ 7,691	\$ 38,456	3.92%	\$ 31,010	\$ 245	0.8%
La Mesa	7.89%	\$ 57,403	7.15%	\$ 56,520	\$ 14,130	\$ 70,649	6.75%	\$ 53,410	\$ (3,110)	-5.5%
Lemon Grove	3.32%	\$ 24,154	3.21%	\$ 25,350	\$ 6,338	\$ 31,688	2.31%	\$ 18,268	\$ (7,082)	-27.9%
National City	8.39%	\$ 61,041	7.64%	\$ 60,414	\$ 15,104	\$ 75,518	7.50%	\$ 59,289	\$ (1,126)	-1.9%
Otay Water District	0.55%	\$ 4,001	0.65%	\$ 5,101	\$ 1,275	\$ 6,376	0.55%	\$ 4,380	\$ (721)	-14.1%
Padre Dam MWD	7.01%	\$ 51,001	6.27%	\$ 49,625	\$ 12,406	\$ 62,032	8.40%	\$ 66,432	\$ 16,806	33.9%
Poway	4.16%	\$ 30,266	4.06%	\$ 32,073	\$ 8,018	\$ 40,092	4.01%	\$ 31,722	\$ (352)	-1.1%
Total	100%	\$ 727,545	100%	790,855	\$ 197,714	\$ 988,569	100%	\$ 790,855		

* County of SD includes East Otay Mesa, Lakeside/Alpine, Spring Valley and Wintergardens

**Based on 4/25 San Diego Adjustments to FY 2026 Budget Estimate