ADOPT FISCAL YEAR 26/27 BUDGET

Santa Clarita Valley Groundwater Sustainability Agency

June 1, 2026 Board Meeting

Item 3.1

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KEY CHANGES

Key budget changes since June 2025 budget adoption

- Certain 25/26 Costs were not called on, or were deferred

Today Seeking Board Approval to Adopt

- The FY 26/27 budget

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BUDGET CATEGORIES

Operating Budget

- Estimated SCV Water Administrative Costs
- Estimated Consultant Costs

Revenue Categories

- Member Contributions
- Grant Reimbursement
- Additional Member Contributions

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TABLE 1. ESTIMATED SCV WATER STAFF COSTS

Administrative support,

Board packages and meetings

Financial management and audits

Grant admin

Consultant management

Contract administration and consultant management

Public outreach support

Ad Buys, website, materials

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TABLE 2. ESTIMATED 25/26 YEAR END AND PROPOSED 26/27

Administration

- 25/26-year end estimate tracks with adopted budget
- 26/27 proposed budget $20k higher due to potential grant application cost

GSP Implementation

- 25/26-year end estimate lower than adopted budget
- 26/27 proposed budget ~$70k higher than our estimate this time last year

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HIGHLIGHTED 26/27 BUDGET ITEMS

GSP Periodic evaluation	Key efforts related to taking GSP Periodic evaluation to finish line. Tasks include developing the periodic evaluation, and detail elog review. [Row 13,15,16]
Deferred tasks related to technical Support for GSP Periodic Evaluation and public outreach	Efforts include addressing DWR's recommended corrective actions related SMC and public outreach work [Row 14,17]
GDE well destruction	Anticipating destruction of GDE-A well

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SUMMARY OF ALL TASK 1 AND 2 BUDGET ITEMS FOR 26/27

Proposed budget is $788,299

This 26/27 budget is ~70K more than last year's 26/27 estimate

Reflects some additional consulting fees for completion of Periodic Evaluation and lower fees for deferred work for monitoring wells

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TABLE 3 PROPOSED OPERATING BUDGET INCLUDING ANTICIPATED REVENUE 26/27

Proposed Operating Budget: $788,299

Main Revenue Sources:

- Voluntary Contributions from SCV Water
- Member Agency Contributions
- Grants

Estimated Additional Revenue Required is $708,299

Note that as part of SCV Water's biennial budget process, in April 2026 it approved a GSA budget of $773,000 based on a budget estimate developed by the GSP team then. Today's proposed budget is not significantly different.

Under Joint Powers Agreement, SCV Water may, in its discretion, advance these funds, or provide a voluntary non reimbursable Member contribution

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SHIFT TO BIENNIAL BUDGET SHOULD BE CONSIDERED TO KEEP BUDGETS SYNCHRONIZED

- SCV Water adopted its revised 2026/27 SCV GSA budget of $773,000 in April 2026
  - That revised budget estimate was prepared by the GSP team in February 2026
- Today's budget recommendation to the SCV GSA Board was developed in May 2026, three months after a budget was developed for SCV Water, and is slightly higher at $788,299
- Shifting GSA Budget adoption to February or March of each year can reduce duplication of budgeting efforts and keep budgets in sync
- In an upcoming meeting, we will brief your board with more specific recommendations to align these budget cycles.

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CONCLUSION

Fiscal Year 2025/26 Year End Estimates are lower than expected

The Fiscal Year 2026/27 Estimated budget is higher than the last year’s estimate

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RECOMMENDATION

Adopt the proposed FY 2026/27 Operating budget detailed in the attached Tables 1, 2, and 3.

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Questions?