



# **Mojave Water Agency Fiscal Year Ending June 30, 2025 Budget**



**Final Version - 4/25/2024**



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# **INTRODUCTION**

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## Transmittal Letter

To the Honorable Board of Directors:

I am pleased to present the Budget for Fiscal Year ending June 30, 2025. As the Agency faces many challenges in water management, this budget represents positioning the Agency for the future in managing these challenges. In 2021, the Agency updated the Strategic Plan to (1) identify future risks in water management and (2) develop mitigation measures to manage the risks. Three major risk areas were identified in the Strategic Plan: State Water Project (imported supplies), basin management, and financial pressures.

Of the many challenges in managing our imported water supply from the State Water Project, the increased volatility of annual allocations of available water and the continuing decline of our long-term average supplies represent some of the major risks to our water supply reliability and sustainability. Over the last several years, allocations of water from the State Water Project have varied from a low of just five percent of the Agency's contracted Table A amount to upwards of 100 percent in extremely wet years, demonstrating the need to effectively manage around these hydrologic extremes. These extremes are expected to continue and the Agency must be prepared to take advantage of high allocation years in order to manage through low allocation years, or in years where water may not be available. This also provides an opportunity to bring in revenues during low allocation years when market demand for the water is at its greatest. The risk in our imported water supply long-term reliability can have a major impact on our ability to meet the legal requirements in the Urban Water Management Plan, which can have major implications for our local economy. The Delta Conveyance Project is one of many projects aimed at protecting the long-term reliability of our imported water supply against rising sea levels and earthquake-induced levee failure that can interrupt supplies from the State Water Project. Additionally, a changing political environment puts continued pressure on the ability of the State Water Project to deliver water as legal challenges and new or changing policies and opinions delay the progress of important water delivery projects and increase their costs.

Locally, aging infrastructure continues to challenge our level of service to be ready and available to take advantage of water deliveries in larger volumes when it is available from the State Water Project. The Agency is experiencing more frequent infrastructure outages and failures suggesting the need for increased maintenance and investment in our water systems; two principle drivers for this are the increasing age of our infrastructure and the greater operational need we have of it when water supplies need to be moved. The Agency's Infrastructure Asset Management Plan and Master Plan are anticipated to be completed within the next year that will help identify critical needs and aid in planning for future repair, rehabilitation, replacement, and improvement to manage a variable imported water supply that occurs with no concern for our local needs for water. Maintaining and developing infrastructure to store, recover, and move water when it is needed to where it is needed will be essential.

Finally, meeting all these challenges is costly. We continue to experience increasing costs associated with our water supply contract with the Department of Water Resources for State Water Project water and projects such as the Delta Conveyance Project and subsidence repair in the Central Valley to support its long-term reliability. Further, planning for the repair, replacement, rehabilitation, and improvement of Agency infrastructure to manage regional water supplies in response to a growing population, greater volatility in water supplies, and aging infrastructure will be expensive. The Agency will need to be creative in how we plan and prepare for these expenditures and develop the partnerships and revenue streams necessary to be successful.

The Fiscal Year 2024-2025 budget was developed to address these challenges. Major planning efforts to provide strategic approaches to managing the Agency's greatest risks are underway, including continued engagement with the Department of Water Resources to anticipate and plan for our imported water supply availability and its costs and the management of that water supply through investment in our infrastructure.

The successful implementation of the Agency's strategic plan over the years has been contingent on maintaining a competent and motivated staff that can respond to the increasingly complex challenges facing the Agency. We continue to see retirements of long-tenure staff and a limited pool of new talent which other employers in the public and private sectors within the water industry compete over. I strongly encourage the continued commitment to offering competitive compensation packages to retain highly valuable staff and attract the next generation of talent in this highly competitive job market. This coupled with support and investment in existing and new information technologies, tools, and methods will ensure a strong foundation for science-based decision making for years to come. The Agency's foundation is strong and I am confident much can be accomplished. I would like to thank the Board of Directors for your leadership, direction, and prudent fiscal management that has established a track record of success and positioned the Agency to meet the challenges in the coming years.

Preparing a budget document is a significant undertaking. I appreciate all the Agency's department managers, Board, and committee members who contributed to the development of this budget. A special thanks to the finance team at Mojave Water Agency including Karry LaClair, Martha Cortes, Carolyn Snay, Beth Naval-Go, and Kathryn Cortner.

Respectfully submitted,

Adnan Anabtawi  
General Manager

## About the Agency

The Mojave Water Agency (the Agency) was established in 1960 in response to concerns over the regional overdraft condition that was occurring due to the annual use of groundwater resources that exceeded the long-term average annual supply. It was recognized that a supplemental source of water would be needed to support existing and future water needs for the Mojave region. Consequently, the Agency secured a contract with the California Department of Water Resources to become one of 29 State Water Contractors with rights to take delivery of State Water Project (SWP) water from the California Aqueduct. The Agency initially secured an entitlement of up to 50,800 acre-feet of water per year, which was increased by purchases of an additional 25,000 acre-feet of entitlement in 1998 and 14,000 acre-feet in 2009. Access to water from the SWP is a primary management asset the Agency will leverage to provide future water supplies to the region for a total of up to 89,800 acre-feet.

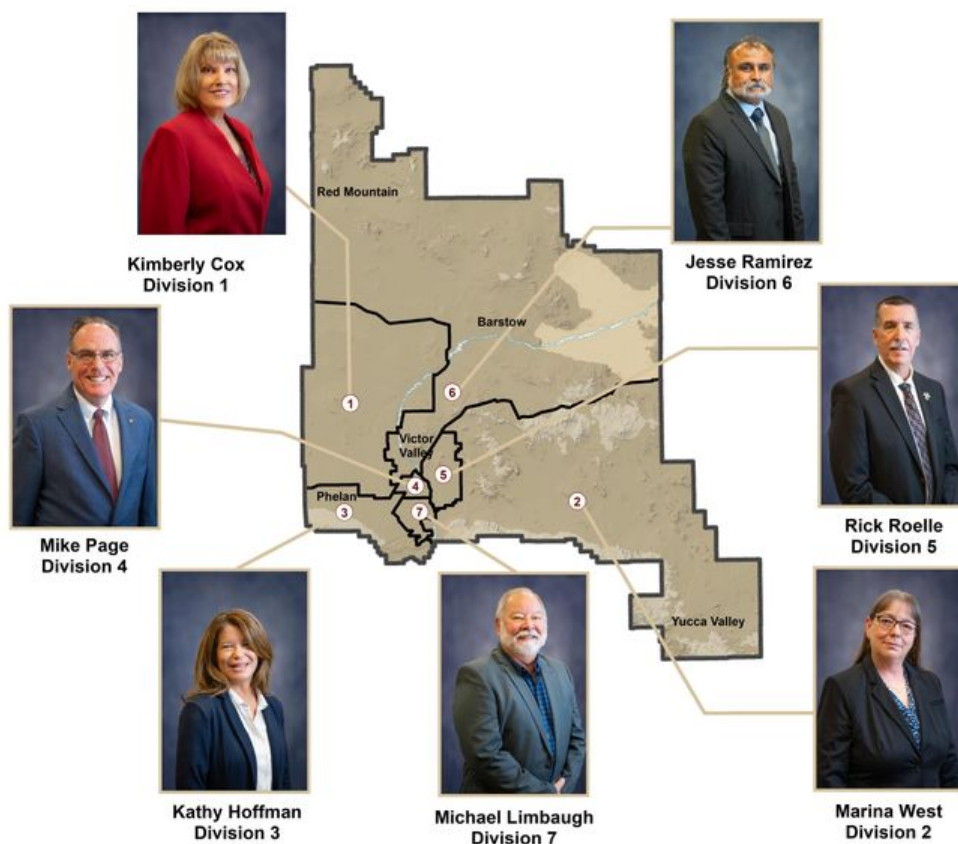


## Purpose

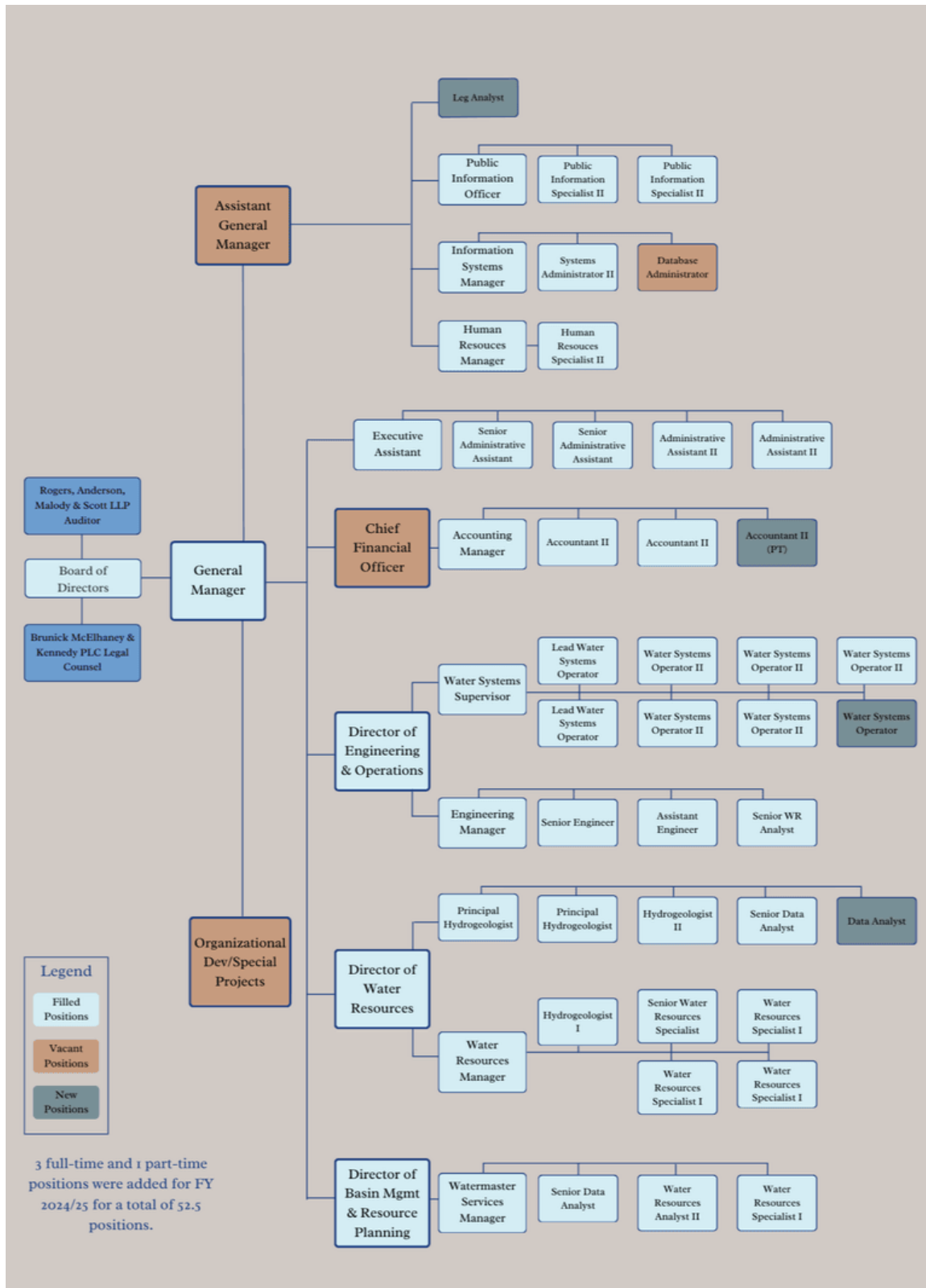
"...The purpose of the agency shall be to do any and every act necessary to be done so that sufficient water may be available for any present or future beneficial use of the lands and inhabitants of the agency, including, but not limited to, the construction, maintenance, alteration, purchase, and operation of any and all works or improvements within the agency necessary or proper to carry out any object or purpose of this act and the gathering of data for, and the development and implementation of, after consultation and coordination with all public and private water entities who are in any way affected, management and master plans to mitigate the cumulative overdraft of groundwater basins, to monitor the condition of the groundwater basins, to pursue all necessary water conservation measures, and to negotiate for additional water supplies from all state, federal, and other sources."

## Board of Directors

The Board of Directors serves as the decision-making and policy-setting body for the agency. The agency has seven divisions, each represented by one Board member that is elected by the public to serve a four-year term. Led by the Board of Directors, community members are encouraged to participate in the Agency's mission.



# Organizational Chart





# Vision, Mission, and Values

## Vision

Collectively achieve sustainable water management to empower our communities to thrive for generations to come.

## Mission

Collaboratively manage groundwater basins sustainably, import water responsibly, and address risks proactively using sound science.

## Core Values

1. **Service to the Community:** We are here to make a positive difference in our region and the water industry. As collective and individual ambassadors of the Agency, we will respond to the community's needs in a courteous, respectful, and professional manner.
2. **Integrity:** We will strive to continually earn the trust of those we serve and work with in an open and transparent manner. We will have the courage to make difficult decisions and the compassion to listen to the needs of others in doing what is considered correct for the long-term viability of the area's water resources.
3. **Innovation and Creativity:** We recognize that many of the challenges we face today are complex and, therefore, must be approached with creative and innovative solutions. We must always remember that the system we manage has many interdependencies, and our actions consequently have the potential for unintended consequences. We will combine innovation, initiative, and responsible risk-taking to address the challenges we encounter. We will always seek innovative ways to improve.
4. **Teamwork:** We recognize the power and effectiveness of an organization that operates as a team. We will work to create and maintain a respectful, cooperative, and friendly work environment that supports individual contributions as well as the team effort. We know that our success depends not on how well each person works, but on how well we work together, both within our organization and within our community.
5. **Individual Growth and Reward:** We are committed to providing a work environment based upon mutual respect. We will provide career development and professional growth opportunities for our staff so that they can succeed. We will implement a compensation philosophy that, in conjunction with other attributes of Agency employment, will provide meaningful incentive to attract and maintain quality employees.
6. **Transparent Decision Making:** We recognize the importance of working with a shared understanding. We will encourage and make appropriate investments in gathering and presenting credible data and developing trustworthy scientific methods and analytical tools to help fulfill our mission.

# Current Issues

## State Water Project

Over the past 15 years, the environment within which the SWP operates has changed drastically due to many factors including:

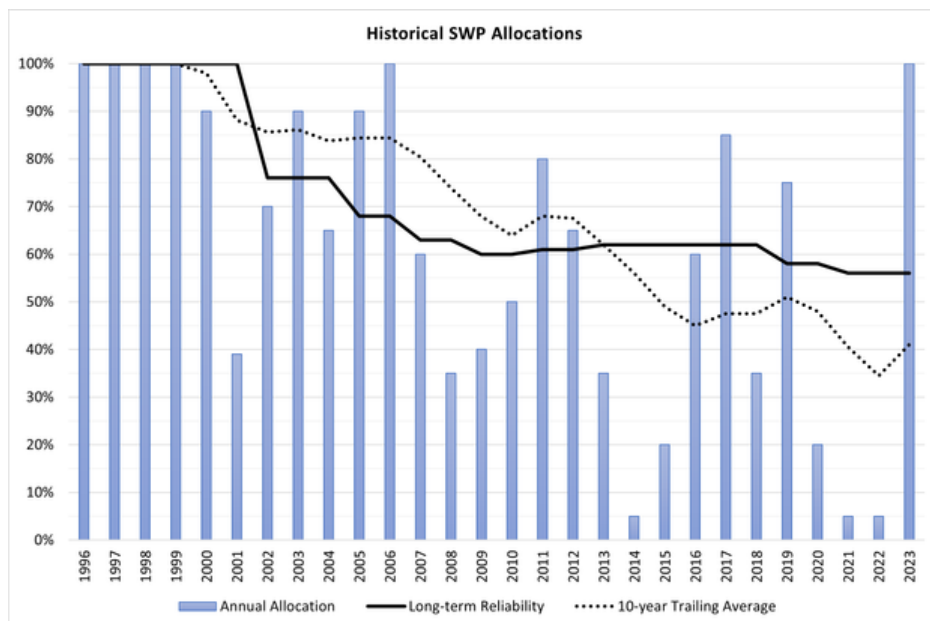
- New and more restrictive regulations, including protections for threatened and endangered species under the State and Federal Endangered Species Acts (e.g., the 2008 and 2009 Biological Opinions for salmonids and smelt, the updated 2019 Biological Opinions, and the 2020 Incidental Take Permit);
- Major infrastructure damage and failure (Oroville Reservoir River Valve Outlet Outage, Oroville Reservoir Flood Control Spillway failure, Clifton Court Forebay Gate damage, Thermalito Pumping/Power plant fire, subsidence); and
- Changes in timing and volume of water supply availability due to climate change, particularly in wetter hydrologic conditions.

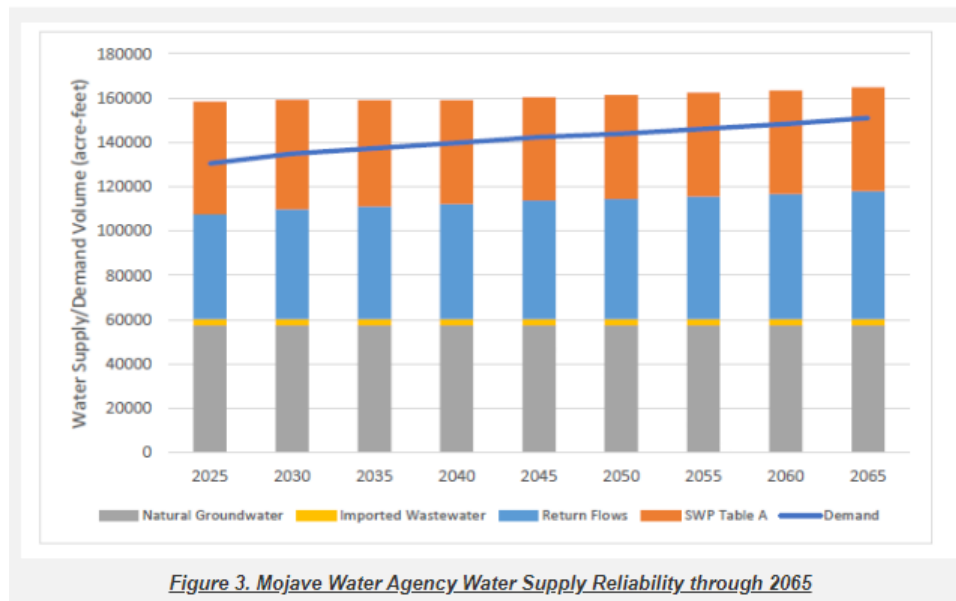
These and other changes have caused a continual decline in SWP water availability over the long term. The Agency is actively engaging in activities that could improve its long-term water supply availability, including the development of the Agreements for Health Rivers and Landscapes, also known as the Voluntary Agreements, as an alternative to the State Board's unimpaired flow approach to the Bay Delta Water Quality Control Plan Update and planning for the Delta Conveyance Project.

## Reliability versus Sustainability

An important distinction exists between water supply reliability and water supply sustainability. Figure 2 depicts the historical SWP annual water supply availability. The bars in Figure 2 show the annual SWP Table A allocation. If SWP water supplies were 100% reliable, there would be no variation in the Table A allocation between years. More variation in Table A allocations between years indicates less reliability. It is anticipated that with climate change, the annual reliability of our SWP supplies will become even less reliable on an annualized basis. Flashier storms will require MWA to manage its supplies differently in order to be able to take advantage of the extreme wet years when capacity constraints on our local recharge basins and pipelines could make it problematic to take full advantage of our investment in the SWP.

The Agency also evaluates and forecasts its water service sustainability in its updates to the Urban Water Management Plan. Water service sustainability is determined by comparing existing and forecast demands with existing and forecast water supply availability. Water service sustainability is confirmed when the available supplies exceed the demand. Figure 3 demonstrates the projection of MWA's water service availability through 2065. Although demand is forecast to increase and available water supply is expected to decrease, supplies are sufficient to meet demand given assumptions under the State's long-term reliability of the SWP, demonstrating water service sustainability. This supply, however, is in constant threat of a reduction in the long-term sustainable supply as the State grapples with climate change and regulatory protection for endangered species.





### Basin Management

The Agency is also experiencing several uncertainties and associated risks with regard to groundwater management. Several of the groundwater basins within the Agency's service area have been overdrafted. Problems caused by the overdraft led to a legal Judgment entered into in 1993 which developed an agreement to bring basins into sustainable operations. Some groundwater basins in the Agency's region remain in overdraft conditions with continuing declines of groundwater levels occurring. Visible changes in land use within the region over recent years, including numerous extensive cannabis grows, appear to be adding water uses, some that may be operating outside the terms of the judgement within the Mojave adjudicated boundary.

The region also continues to balance use of the groundwater basins through groundwater banking projects, while addressing risks to water quality and localized effects on groundwater levels. With a highly unreliable SWP supply, the Agency must be prepared to take advantage of the extreme wet weather flows that may be accessed through the SWP by investing in recharge basins and facilities needed to convey and store large quantities of water quickly and recovery facilities to manage that stored water across the service area over time.

Meanwhile, the infrastructure in the region for both use of the groundwater resources as well as replenishment of the groundwater basins is aging, resulting in risks to both maintenance costs and reliability of access. To address the growing risks and uncertainty with the region's groundwater basin management, the Agency is working to develop an asset management plan including planning for infrastructure maintenance, repair, and replacement. The agency is also working creatively to develop programs that will improve groundwater conditions in our region in a cost effective manner.

### Financial

While adapting to and addressing the SWP and groundwater basin management risks, the Agency is facing uncertainty in long-term financial planning. As SWP water supply availability and reliability decline, the costs associated with measures to maintain SWP water supply reliability increase, including costs for complying with regulations, adapting to new regulations, adapting to climate change, and repairing and maintaining infrastructure. The Agency anticipates significantly increased costs associated with maintenance and protection of available SWP water supplies, including costs for the planning, construction, and operation of the Delta Conveyance Project and costs associated with regulatory requirements for permits under the state and federal endangered species acts. There is also uncertainty around creatively managing the Agency's available imported water, in an effort to balance the costs of importing water with the risks of foregoing imported water for sales to other State Water Contractors. The Agency's own aging infrastructure adds additional financial responsibility and risk. The Agency works to creatively steward financial resources to maintain a high level of service to our region while managing costs responsibly.

# Strategic Plan 2020-2025

The Agency developed a Strategic Plan in 2002 and then updated that plan in 2006. The Strategic Plan was intended to provide the framework and focus for the Agency that would facilitate the organization fulfilling its legislative mandate. Since the Strategic Plan development and update, California has entered a new era of water resource management, with new and changing risks affecting the Agency's ability to continue fulfilling its legislative mandate, both near and long-term. These new risks affect imported water supply from the SWP, groundwater basin management flexibility, and financial revenues and obligations. As such, the Agency updated the Strategic Plan in 2021 specifically aimed at addressing future risks and developing a set of mitigation measures to address those risks.

## Intent of Strategic Plan

The Strategic Plan further refines the Agency's focus in recognition of the changing landscape within which the Agency operates and the increased uncertainty affecting future planning. The Strategic Plan serves as a current, clear, and broadly supported written description of what the Agency is working to accomplish and how they will work together with Agency customers and other stakeholders. The Strategic Plan serves as a guiding beacon to help the Agency focus on what is most important: achieving the Agency's vision and mission. Directors, executive staff, and staff work to achieve the goals and objectives by implementing regularly updated priority initiatives.

## Elements of the Strategic Plan

The Strategic Plan along with the vision, mission and core values provide the foundation for the Agency. These elements describe who we are, what we want to achieve, and what will guide our approach to business on a daily basis. Memorializing our organization's vision, mission, and values, the Strategic Plan provides the basis for incorporating these aspirations into actions. The goals set forth in this Strategic Plan are designed to be primary focal areas that assist the Agency in fulfilling its legislative mandate, vision, and mission. The tangible objectives will support the Agency to satisfy our goals each year. The Agency has developed priority initiatives to define, organize, and implement the work needed to achieve our objectives.

## Goals

1. Support our communities to fulfill their water needs associated with their land use plans.
2. Cultivate an effective and resilient organization needed to fulfill our mission.

**Note about the strategic initiative: these initiatives are a dynamic set of activities that are constantly being evaluated. For the most recent list of initiatives and goals, please visit: <https://www.mojavewater.org/about-mwa/strategic-plan/>**

## Objective 1: Groundwater Management - Manage Groundwater Basins Sustainably

1. Continue to support small water systems in the region.
2. Develop and implement a work plan to identify and quantify unauthorized production over 10 acre-feet in the Mojave Basin Area in support of Watermaster's function and seek court approval and assistance in bringing the unauthorized production into compliance or seek injunctions where necessary with the court by December 31, 2023. (Phase I, Este and Oeste in 2022); (Phase II, Alto, Centro and Baja in 2023). (Completed - ongoing annual evaluation is necessary)
3. Develop and adopt a Minimal Producer Program to require future Minimal Producers within the Mojave Basin Area to pay fees for replenishment of water by June 30, 2022. (Completed)
4. Update the estimated water use by Minimal Producers within the Mojave Basin Area and coordinate the information with Watermaster in support of its ongoing effort to identify parties pumping in excess of 10 acre-feet per year by June 30, 2026.
5. Support Watermaster in its function to fulfill ongoing court mandates and requirements under the Sustainable Groundwater Management Act (SGMA). (Ongoing)
6. Support responsible parties within the MWA Service area to fulfill their obligations under SGMA. (Ongoing)
7. Gather, synthesize, and interpret data to monitor aquifer conditions and groundwater trends related to sustainability, highlighting any uses operating outside the judgement. (Ongoing)
8. Update the Ames-Reche Groundwater Plan annually and ensure production safe yield is achieved and maintained. (Ongoing)
9. Prioritize, develop, update, and maintain groundwater model(s) for all the produced groundwater basins in our service area. Apply models to help inform groundwater management decisions. (Ongoing)
10. Support continued operation and maintenance of agency assets and infrastructure. (Ongoing)
11. Evaluate and prioritize the MWA data long-term monitoring network to identify weaknesses, opportunities, security, improvements, etc. by June 30, 2025.

## **Objective 2: Imported Water - Identify and Maintain Access to Imported Water Supplies in Sufficient Quantities That, When Combined with Local Supplies, Will Meet Urban Water Management Planning Act Requirements Which Support Local Communities' Land Use**

1. Monitor progress (e.g., expected annual deliveries from SWP and expected unit costs) in the Delta Conveyance Project and make recommendations on whether to continue investment by August 31, 2024.
2. Participate in the CVP/SWP Biological Opinion/ITP litigation and potential remand/reconsultation processes to manage associated operational and environmental requirements and costs. (Ongoing)
3. Coordinate with other SWP Contractors to track implementation and equity of the Coordinated Operations Agreement (COA). (Ongoing)
4. Participate in the Agreements to Support Healthy Rivers and Landscapes (also known as the Voluntary Agreements) development process and the process to update the Delta Water Quality Control Plan. (Ongoing)
5. Participate in financial working groups and committees to ensure water affordability. (Ongoing)

## **Objective 3: Water Supply Portfolio – Identify and Maintain Access to Imported Water Supplies in Sufficient Quantities That, When Combined with Local Supplies, Will Meet Urban Water Management Planning Act Requirements Which Support Local Communities' Land Use Plans.**

1. Establish, monitor, and/or maintain agreements on how the headwaters will be managed to manage the upper watershed for the benefit of all parties. (Ongoing)
2. Evaluate and develop a permanent groundwater recharge facility in the Este Sub-Area by Dec 31, 2024.
3. Develop Phase I of the Infrastructure Asset Management Program, including identification of desired level of service, by June 30, 2024.
4. Evaluate and develop groundwater recharge facilities demonstration project in Oeste Sub-Area by June 30, 2025.
5. Develop a groundwater banking program to help fulfill Objective 7 (financial). (Ongoing)
6. Identify all management agencies and requirements that could affect inflows into Mojave Basin Watershed by June 30, 2026.
7. Develop an Agency Master Plan to align water needs and basin management compatible with area land use plans by June 30, 2025.
8. Prepare an Annual Imported Water Operations Plan consistent with the Imported Water Management Policy by December 31, 2024 and update monthly as allocations change. Continue to prepare a Plan by December of each subsequent year.
9. Develop key infrastructure to ensure imported water deliveries can be operationally efficient. (Ongoing)
10. Update the Urban Water Management Plan by June 30, 2026.

## **Objective 4: Water Use Efficiency – Achieve Urban Water Use Efficiency Consistent with Current Locally Established Efficiency Targets.**

1. Update scope of work with Mojave Desert Resource Conservation District (MDRCD) focusing on conservation efforts annually. (Ongoing)
2. Collaborate with Alliance for Water Awareness and Conservation (AWAC) members to develop an implementation plan by December 31, 2022 to achieve regional efficiency target. (Completed)
3. Collaborate with AWAC members to develop and implement education and outreach program consistent with the implementation plan by December 31, 2022. (Completed)
4. Continue collaborating with the Alliance for Water Awareness and Conservation to increase water use efficiency in the region. (Ongoing)

## **Objective 5: Organizational Culture – Cultivate Organizational Culture That Successfully Recruits, Retains, Trains, And Develops Effective Team Members and Leaders to Fulfill Our Mission.**

1. Identify potential opportunities for growth within the Agency and define specific developmental pathways for each employee informed by individual interests and Agency resource needs by December 31, 2022. (Completed)
2. Develop partnerships with local colleges to foster future staff. (Ongoing)
3. Develop an internship program by June 30, 2024.
4. Implement the strategic staffing resource plan. (Ongoing)
5. Perform a Classification and Compensation Study to ensure staff position descriptions, salary, and benefits are accurate, equitable, and competitive. Implement recommendations of Classification and Compensation Study by December 2022. (Completed)

## **Objective 6: Science, Technology and Data Management – Employ Robust Technology, Science, And Data Management Systems to Support Effective Operations and Decision Making to Address Highest Risks**

1. Purchase and install scientific-grade meteorological stations for long-term climatological monitoring by June 30, 2023. (Completed)
2. Develop an Information Technology Strategic Plan that defines information needed for managing the highest risks, supporting routine decisions, providing transparency, and improving customer support and evaluates current Agency technology and recommends updates where needed by December 31, 2024.
3. Continue cultivating partnership with USGS to maintain the highest quality of data. (Ongoing)
4. Procure and implement hydraulic modeling software for engineering staff to be able to model operational scenarios of our raw water and potable water systems by June 30, 2026. Identify training opportunities for engineering staff related to hydraulic modeling to support this effort.

## **Objective 7: Financial Management – Responsibly Steward the Availability of Financial Resources Required to Fulfill Our Mission.**

1. Update the Financial Strategic Plan and Reserve Policy by June 2026.
2. Annually update expected revenue needs for the future 20 years. (Ongoing)
3. Identify and pursue grant opportunities to increase the Agency's ability to fulfill Vision and Mission. (Ongoing)
4. Review and update the cash reserve policy of the Agency to address risks to revenue and promote resiliency by June 2025.
5. Annually update the capital improvement plan to reflect and prioritize improvements in the Infrastructure Asset Management Plan, the Agency Master Plan by December 2025.

## **Objective 8: Risk Management – Create and Maintain an Active Risk Register and Risk Mitigation Strategies.**

1. Create a risk register and initial risk mitigation strategies for all Agency objectives by December 31, 2024.
2. Annually update the risk register and identify initiatives necessary to address and mitigate identified risks. (Ongoing)

## **Objective 9: Community Partnerships – Cultivate Effective and Collaborative Working Relationships with Partner Agencies, Other Responsible Parties, And the Public.**

1. Continue engagement with other SWP contractors in our region (Class 8 Contractors) to provide a unified voice on water supply and costs. (Ongoing)
2. Develop a communications and outreach plan to include ongoing efforts in engagement and public relations by February 2023. (Completed)
3. Continue cultivating partnerships with key government agencies, organizations, and other stakeholders (e.g., SWP Contractors, USBR, Lahontan RWQCB, Colorado RWQCB, USGS, etc.). (Ongoing)

## Budget Process

The Agency's budget process begins with preliminary revenue projections for the upcoming budget year. Using expert guidance on the tax revenue and overall economic condition forecast, from HdL Coren & Cone and Beacon Economics, the Agency uses the best available information to develop revenue forecasts, by fund, for the upcoming budget year to ensure the Agency is spending within its means.

In the development of the expenditure side of the budget, the Agency is guided by the Strategic Plan, adopted by the Board in 2021. The Plan contains the Agency's Vision and Mission Statements, defines our goals as a public agency, and establishes our culture as an organization of individuals. The Strategic Plan forms our response to the challenges that we must address in managing this vital resource by providing a venue to develop specific goals and objectives for the organization.

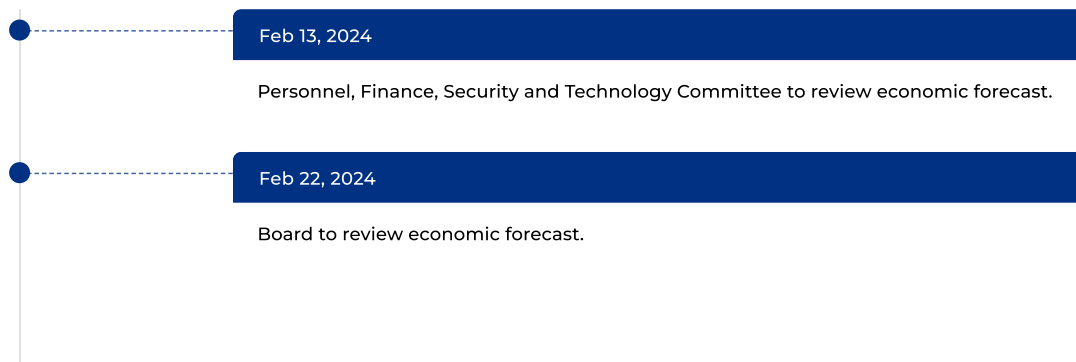
The Strategic Plan contains nine objectives that are supported by strategic initiatives. The strategic initiatives are reviewed and updated annually to ensure the efforts of staff and partners are aligned. The initiatives also determine the amount of staff and financial resources dedicated to certain efforts. The Strategic Plan was designed to be iterative and dynamic and is a crucial source for direction when managing successes and any adaptations that the Agency may need to explore.

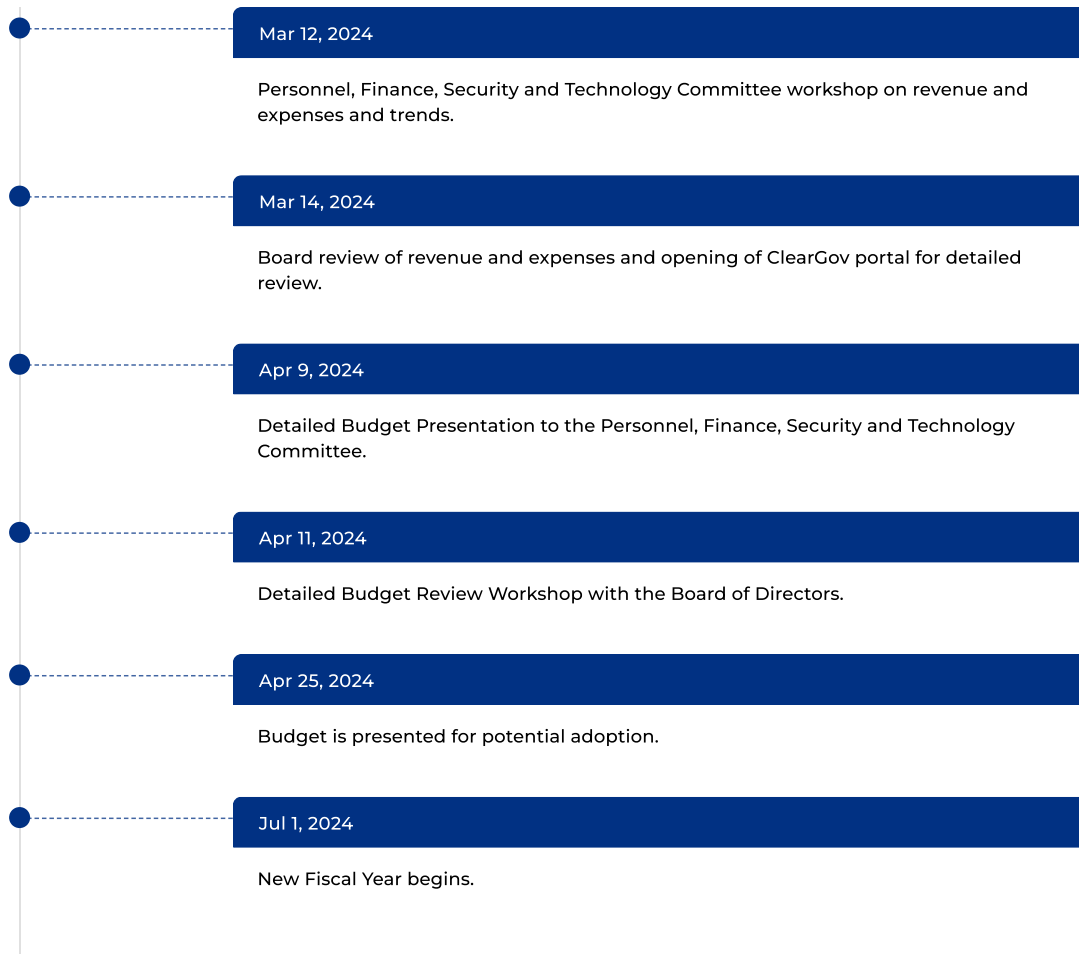
In addition to the Agency's Strategic Plan, resources are allocated based on the guidance of regional documents to guide the Agency's role in water resources management in the region. This includes, but is not limited to, the Urban Water Management Plan, Master Plan, and Infrastructure Asset Management Plan. Regional and strategic plans, in addition to legislative mandates, establish the bounds for budget development.

The financial management cycle is a continual effort of the Agency to ensure alignment of resources, accountability (budget performance) and long term risk management and resiliency preparation (the financial model). Working together, the Agency comprehensively and effectively manages its financial resources.

For the detailed budget development, the Chief Financial Officer issues instructions to the Department Managers on how to submit departmental budget requests for the Departmental Budget. Department Managers are given historical data and develop budget requests for the following year. For the State Water Project cost projections, the Agency regularly participates in meetings with the financial teams of the Department of Water Resources and other State Water Contractors, in addition to the annual Financial Management Conference, to provide the outlook for the following year's utility spending outlook. The Statement of Charges, the annual bill that the Agency pays for State Water entitlements, is issued on a calendar year basis, so the Agency prepares future estimates based on the known Statement and what is forecast for the following calendar year. By March of each year, the Departmental Budgets are undergoing review by the General Manager to ensure that resources align with the strategic plan and that costs are being controlled from an organization-wide perspective.

Throughout this process, the Board of Directors and public are engaged at the Personnel, Finance, Security, and Technology Committee and the regular meetings of the Board of Directors on the revenue and expense outlook. In late April or early May, the detailed budget and draft budget document is circulated for adoption by the Board no later than June 30th for an effective July 1st start, at which point the budget performance monitoring and budgeting process begins again for the next Fiscal Year.





## Review and Control

The budget is a management tool intended to aid in the planning efforts of the Agency and to serve as a control in expenditures to ensure the fiscal health and financial future of the Agency. When managed properly, public trust is developed and maintained. To aid in the management of the budget, certain "rules" or "controls" have been established that require appropriate levels of approval on the expenditure of Agency funds as well as reporting requirements of financial information to the Board and the public.

Once the budget is approved, financial statements are issued to report the results of operations, which include the budget amounts to measure the performance, efficiency, and planning. This report is provided to both the Personnel, Finance, Security, and Technology Committee on a monthly basis, as well as to the full Board on a quarterly basis and provides a check and balance of the expenditure of public funds.



# Fund Structure

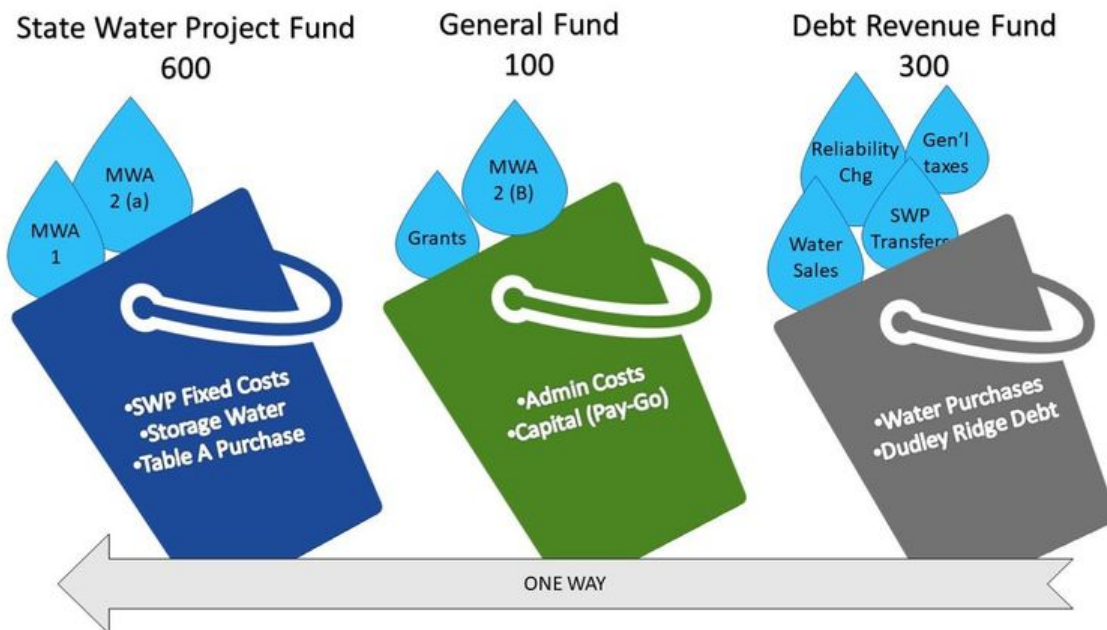
Mojave Water Agency has three main funds for all operations.

The State Water Project fund is restricted to the State Water Project and associated costs. It is funded through two types of taxes that are authorized in the Mojave Water Agency portion of the California Water Code referred to as MWA 1 and MWA 2(A). That fund can only be used for State Water Project costs or variable delivery charges.

The General Fund is used for the administration and operations of the Agency. The revenues from the MWA 2(B) tax are used to fund the administrative activities of the Agency. All other capital (pay-go) expenditures or expenses in excess of MWA 2 (B) revenue is funded via transfers from the Agency's third major fund, the Debt/Revenue Fund.

The Debt/Revenue Fund receives revenue from the County General 1% tax, as well as water sales and water transfers. Originally established to segregate funds for the purchase of the Dudley Ridge Entitlement debt service, the Debt/Revenue Fund also provides revenue to fund Agency critical capital expenses when MWA 2(B) taxes are not sufficient as well as water storage purchases and DWR costs, should the taxes not cover all expenses.

The revenues can flow from right to left, however not from left to right.



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# **BUDGET OVERVIEW**

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# Executive Overview

## **Revenues:**

Overall, Agency revenues are anticipated to be \$88.1 million. The largest portion of this revenue comes from property taxes, followed by water sales/transfers, grant revenue then investment earnings.

The Agency is forecasting tax revenues with excellent growth of about \$5.2 million over the prior year for a total tax revenue of \$55.3 million. Property tax revenue increased approximately 10% over the prior year and forecasts 5% increase next year in the Mojave service area. Many are catching on to what the High Desert has to offer. The High Desert provides an excellent standard of living with an affordable price tag, especially in Southern California along with its close proximity to many different business opportunities and logistics. HdL Coren & Cone provides the Agency with an in depth analysis and forecast of property tax revenue each year to help with future cash flow analysis (see Reserve Fund section).

The Agency also continues with its strategic use of available water resources in excess of customer demand to engage in SWP transfers that were contracted for under multi-year agreements as well as if and when opportune single year transfers arise. Opportunities to generate revenues from SWP transfers arise from SWP water available to the Agency that is in excess of customer demands and basin health needs to generate revenue to purchase water, offset costs, or develop capital projects. The annual revenues are hard to predict, as the annual allocation of water has a large impact on the amount of water available for sale as well as its price in the market. The amount of water available to the Agency is established through the State's allocation process, which includes multiple updates throughout the calendar year usually culminating in a final allocation around May or June, after the budget is adopted. However, based on historical hydrology, customer demands and local conditions, it is anticipated that over the long-term average revenues will be approximately \$7.3 million per year (higher in some years and no sales in other years).

Grants are also a large part of the revenue portfolio. The Agency currently has a remaining amount of about \$7.5 million in grant revenues for ongoing projects, the highest amounts for capital projects. Additional groundwater recharge projects are prime for additional grant revenue. As such, the Agency will be pursuing at least an additional \$26 million in future grant funding towards capital projects beyond the next fiscal year.

The Agency has also expanded its investment portfolio, yielding a larger investment return. That, combined with a steady cash balance into the next year of approximately \$163 million, the income from investments is expected to be approximately the same as last fiscal year, but higher than historical returns at about \$4 million.

## **Expenses:**

Total expenses are anticipated to be \$87.1 million, or \$1 million less than projected revenues. The largest expense of the Agency is the State Water Project fixed costs (both capital and minimum OMP&R), followed by capital expenditures, departmental expenses and water purchases.

The State Water Project costs are escalating for reasons that are very similar to the Agency's general operating and capital budget, inflation and increasing investment in aging infrastructure. With escalating costs, the Agency continues to be actively involved in working with the Department of Water Resources to consider how decisions impact the affordability of water for the communities we serve. Next years costs are estimated to be \$30 million and future cost increases are estimated to grow an estimated 3% for capital, or financed costs, and 6% for minimum OMP&R costs over the next 20 years. This does not include the potential for the Delta Conveyance Project which will require future analysis.


The capital improvement plan includes \$24.4 million for groundwater recharge and improvements to infrastructure critical for the importation and distribution of water supply. Large scale and transformational projects are planned in asset management, groundwater recharge, groundwater banking and more that will enhance our ability to sustainably and responsibly manage our groundwater basins and import SWP supply. The Agency is currently undergoing a Master Plan and Infrastructure Asset Management Plan development that will help identify additional future projects. As of now, the estimated capital improvement projects over the next five years are estimated to be \$100 million, with \$85 million planned for recharge projects.

Departmental expenses are budgeted to go down by \$4.7 million. Most of this is due to a one-time payment towards the Agency's unfunded PERS liability that was included in the FY 23-24 budget of \$3.5 million that is not included in this budget. An additional \$1.1 million in power costs to pump water within the Agency was moved to "Water Purchases" to better align with the revenues to pay for that power - "Water Sales". The budget includes several strategic efforts that are planned for the Fiscal Year 2024/2025. The first being increasing the Agency's foundational understanding of the many complex interconnected groundwater basins that require investments in geophysical data collection, modeling, and analytical work to synthesize the information for decision-makers and community members. Finally, by 2024/2025 there will be continued massive efforts and

futuristic conversations about where the Agency will need to be in the latter half of this century and what needs to be done to get there, with the Agency Master Plan, Urban Water Management Plan, Infrastructure Asset Management Plan, and Financial Master Plan preparing the Agency to be successful in its mission and vision for that future.

Water purchases are always hard to plan for, as the amount of water provided from the State Water Project can vary substantially from year to year. The water is provided on a calendar year basis with the final allocation provided in May/June timeframe. The Agency developed an Imported Water Management Policy to help guide the Board in annual decisions on how much water to purchase versus how much to transfer to help with revenues. The budget includes \$8 million per year for water purchases based on a 10-year average annual estimate. There are also reserves set aside should an extremely wet year occur where the Agency decides to bring in more water to replenish groundwater basins. Fortunately, the Agency has a vast service area with multiple groundwater recharge sites to handle the variability in supply without interrupting deliveries to the customers.

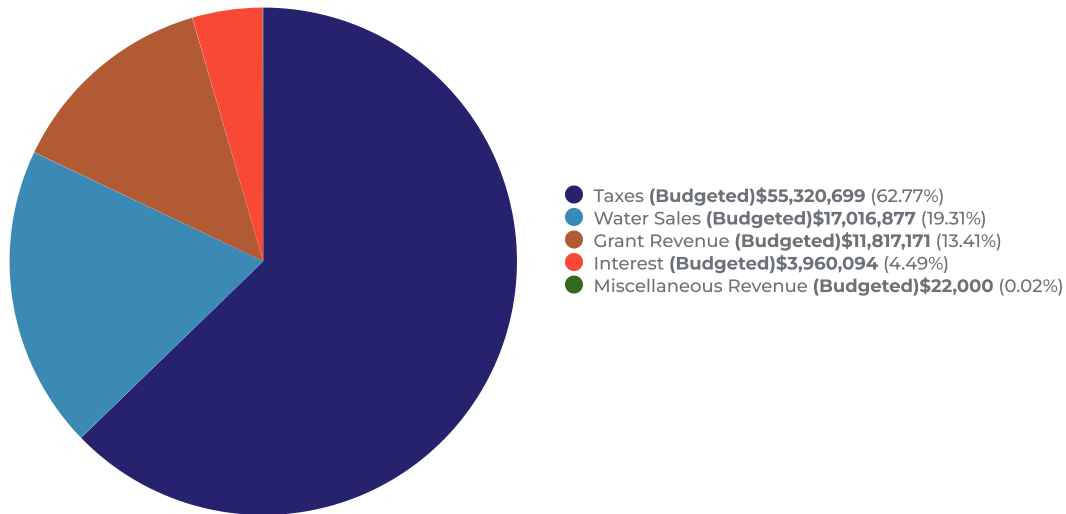
## Budget Summary

	FY 2023/2024 Budget	FY 2023/2024 Projected	Projected Variance Favorable (Unfavorable)	FY 2024/2025 Budget	Budget vs Budget Variance
<b>Beginning Cash Balance</b>	<b>\$150,922,698</b>	<b>\$163,585,793</b>	<b>(Unfavorable)</b>	<b>\$162,951,056</b>	<b>\$12,028,358</b>
<b>REVENUES</b>					
Water Sales (net Reliability Assessment)	5,482,458	6,620,841	1,138,383	6,546,255	1,063,797
Reliability Assessment	2,590,470	3,190,954	600,484	3,067,190	476,720
SWP Water Transfers	7,353,432	7,353,432	-	7,353,432	-
Minimal Producer Ord No. 14	-	45,000	45,000	50,000	50,000
MWA 1 - 11.5c	14,829,346	15,422,520	593,174	16,039,724	1,210,378
MWA 2 (a) 3c	14,786,224	15,377,673	591,449	16,202,768	1,416,544
MWA 2 (b) 2.5c	12,321,854	12,814,728	492,874	13,502,307	1,180,453
General Property Tax	8,178,583	9,644,708	1,466,125	9,575,900	1,397,317
ID M Property Tax Assessment	-	23,361	23,361	-	-
Interest	1,859,474	4,282,227	2,422,753	3,960,094	2,100,620
Grants	10,286,361	2,689,087	(7,597,274)	11,817,171	1,530,810
Miscellaneous	22,000	22,000	-	22,000	-
<b>Total Revenues</b>	<b>\$ 77,710,202</b>	<b>\$ 77,486,531</b>	<b>\$ (223,671)</b>	<b>\$ 88,136,841</b>	<b>\$ 10,426,639</b>
<b>EXPENDITURES</b>					
DWR Min OMP&R	14,620,250	15,889,719	(1,269,469)	18,043,253	3,423,003
DWR Bond and Capital	9,917,238	9,177,653	739,585	10,494,598	577,360
Delta Conveyance Project (Planning & Design)	2,645,015	2,670,016	(25,001)	1,322,508	(1,322,507)
SWC Member Allocation	280,500	230,000	50,500	264,000	(16,500)
Tax Collection Exp	133,000	125,642	7,358	126,600	(6,400)
Water Purchases	15,545,913	20,745,952	(5,200,039)	9,082,644	(6,463,269)
Departmental Expenses	21,411,175	19,924,057	1,487,118	16,714,437	(4,696,738)
Agency Grant Expenses	128,800	64,714	64,086	120,000	(8,800)
Pass-through Grant Expenses	4,905,055	1,715,971	3,189,084	4,262,633	(642,422)
Dudley Ridge Debt	2,336,900	2,332,358	4,542	2,332,629	(4,271)
Capital	15,195,000	5,313,875	9,881,125	24,351,000	9,156,000
<b>Total Expenditures</b>	<b>\$ 87,118,846</b>	<b>\$ 78,189,957</b>	<b>\$ 8,928,889</b>	<b>\$ 87,114,302</b>	<b>\$ 4,544</b>
<b>A/R &amp; A/P Adj.</b>		<b>\$ 132,750</b>			
<b>Ending Cash Balance</b>	<b>\$ 141,514,054</b>	<b>\$ 162,882,367</b>	<b>\$ 21,368,313</b>	<b>\$ 163,973,595</b>	<b>\$ 22,459,541</b>

## Revenues by Source

Total Revenue is budgeted to be \$88.1M and is overall up by about \$10.4M from the prior year's budget. Over three quarters, or 82%, of the revenue budget is in property taxes and water sales totaling \$72.3M. Grant revenue is a large portion, but \$4.2 of the \$11.8 million is pass-through grants as well as some revenue projections that are being carried over to this year's budget from the prior year. Interest income is forecasted to be \$3.9M, \$2.1 million higher than the prior year's budget. The higher interest income is mainly driven by the increase in market value as well as the Agency diversifying the portfolio into higher-yield investment strategies.

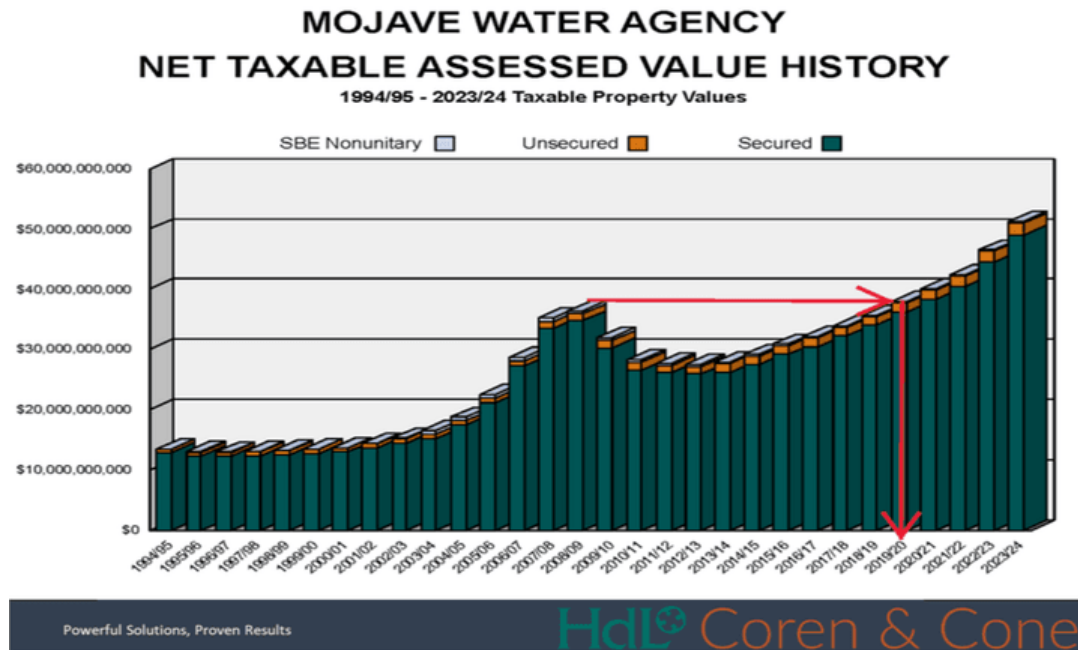
Projected 2025 Revenues by Source



## Taxes

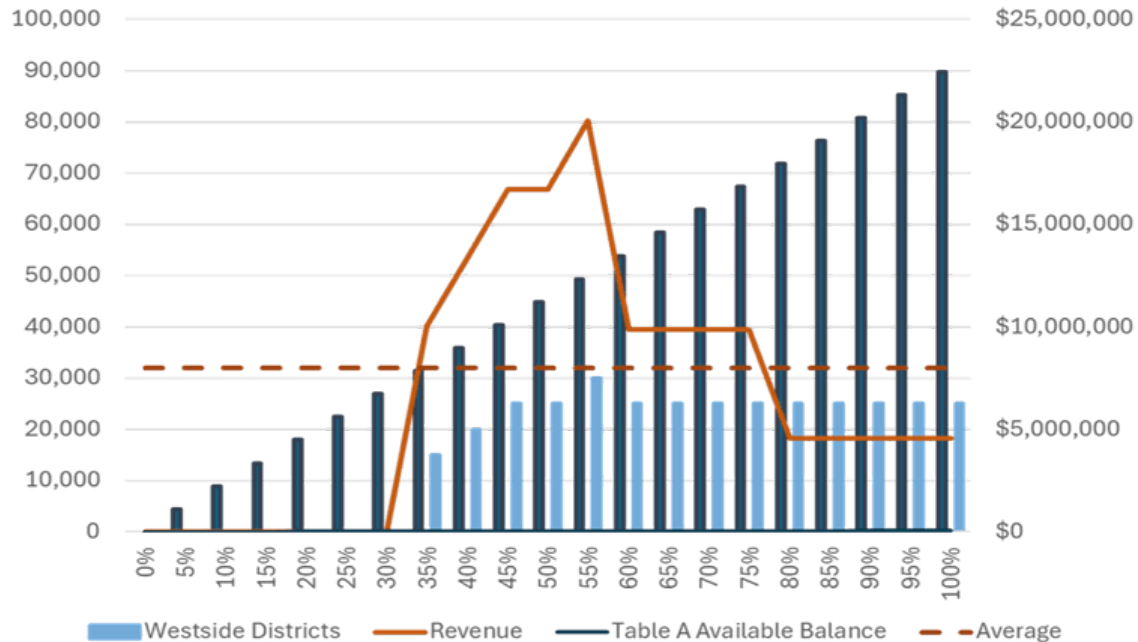
The Agency uses two firms to assist with the property tax projections. First, HdL Coren & Cone provides the short term outlook based on actual valuation data prepared by the County Assessor along with current local economic data. Second, Beacon Economics provides a 10-year long-term forecast extending out to the 2033-34 fiscal year using standard time-series econometric techniques based on historical correlations and forecasts of future economic trends. The Agency has seen a long-term 30-year average growth of 5.38% with a growth of 31.4% over the past 4 years. An increase of approximately 10% in property tax revenue for FY 2023/24 is expected and forecasts of a 5% increase in valuation growth compared to current year projections which equates to an increase of \$5.2M. The increases are driven by new construction as well as resales of existing homes in the region.

### HISTORICAL VALUE CHANGES IN MOJAVE WATER AGENCY



## Water Sales

Water sales are from a combination of internal and external customers with sales up by \$1.6M from the prior year for a total of \$17M for FY 2024/25. Internal customer demands are anticipated to be slightly higher at 14 thousand acre feet, totaling \$9.8M, or 19.3% of the revenue budget. In addition to internal water sales, the Agency has been participating in water transfers, to sell or exchange water beyond what is needed locally to other State Water Contractors (SWC). External sales is a wildcard as it is based on the Department of Water Resources (DWR) annual allocation which is unknown at this time. Currently the Agency has a multi-year transfer agreement with the "Westside" group of State Water Project contractors in the central valley (see graph below with range of potential revenues based on allocation). An average of \$7.3M is used for budgeting purposes. On March 22, 2024, DWR increased the State Water Project (SWP) allocation for the 2024 calendar year to 30% of our Table A based on the recent precipitation, runoff and current water supply conditions. DWR may revise the allocation if warranted by the year's developing hydrologic and water supply conditions. Allocations from SWP system for 2025 and beyond are unknown. The budget assumes that future allocations plus carryover and locally stored water will be sufficient to support water sales demand for all customers.

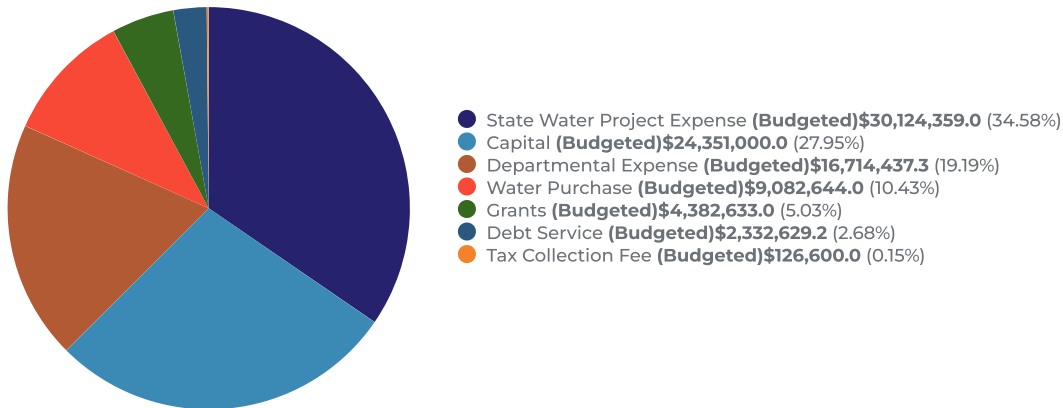




## Expenditures by Expense Type

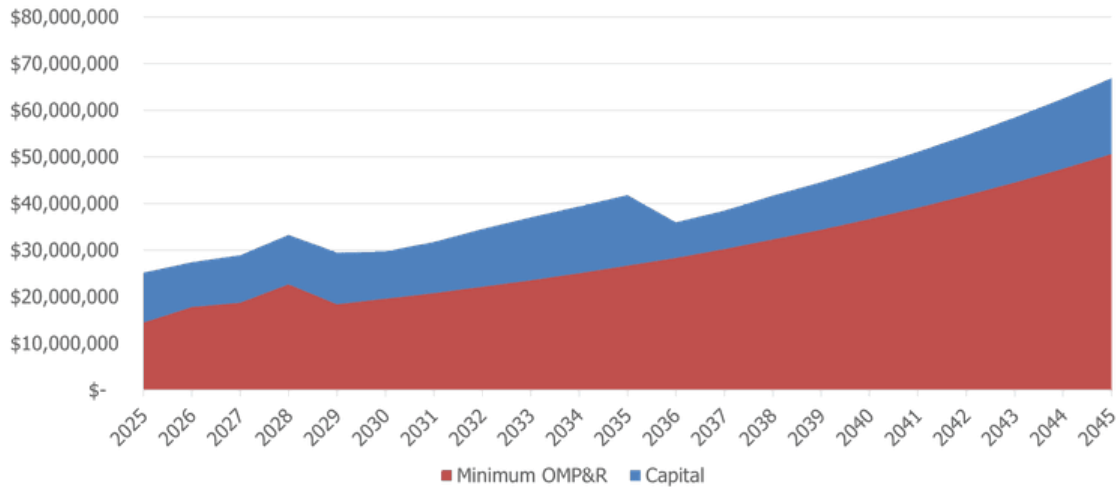
The budgeted Expenditures for FY 2024/25 total \$87.1M, overall keeping expenses flat from the prior year. The largest expense is the State Water Project (SWP) costs, making up 35% of the total expenses. The SWP costs are due to the costs of delivering water to the region. Capital Project expenses make up 28% of total expenses and are largely due to projects for recharge and recovery, as well as the Traveling Screen project, and the West Victorville Groundwater Banking project. Departmental expenses makeup 19% of the expenses and Water Purchases makeup 10%.

### Budgeted Expenditures by Expense Type



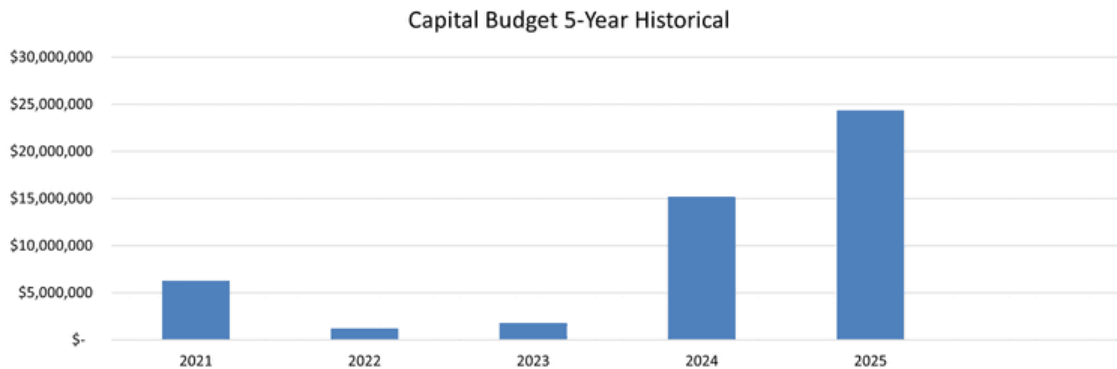
## State Water Project

The State Water Project (SWP) expenses increased by \$2.7M to \$30.1M. The SWP expense increase is due to a 3% increase in Department of Water Resources (DWR) capital costs and an increase of 6% for Minimum OMP&R Costs. The increases in costs are due to aging infrastructure and inflation. These are expenses paid to DWR to cover costs for maintaining the State Water Project system.



## Capital

Capital Improvement expenses are forecasted to be \$24.4M for FY 2024/25. This is an increase of \$9.2M from prior year and equates to 28% of the total expenses. The main driver for the increase is for groundwater recharge and recovery projects, a new Traveling Screen on the California Aqueduct that is within our service area and repairs and replacements to existing infrastructure. Currently under development are a Master Plan and Asset Management Plan that will assist in managing projects and predicting future costs.



## **Departmental Expenses**

The increases in SWP and Capital costs were offset by a decrease in Departmental expenses of \$4.7M. Fiscal Year 2024/25 will bring 3.5 new positions for a total of 52.5 positions for the Agency. Even with the additional positions, Departmental expenses decreased largely due to the one-time payment of \$3.5M towards the Agency's unfunded liability with CalPERS that was paid in FY 2023/24. In addition, there was a reclassification of \$1.1M for the R3 and IDM power costs from Departmental to Water Purchase expenses to better align the expense and the revenue that pays for power of moving water.

## **Water Purchase**

Expenses for Water Purchases are budgeted based on a 10-year average annual purchase estimate of \$8M. Historically, the local power costs associated with moving the water for IDM and R3 purchases were reflected in the Operations department budget. To better align the water sales with the water purchases, \$1.1M in local power costs were reclassified from Operations to Water Purchases beginning in FY2023/24. There was no fiscal impact on this reclassification.

## Reserve Funds

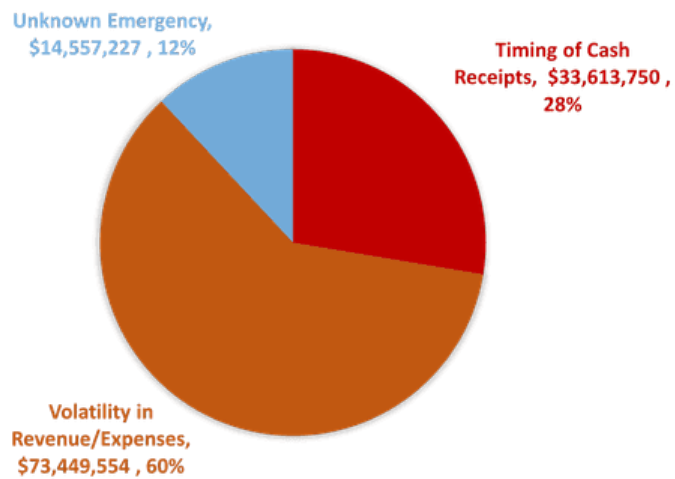
To manage the ups and downs of the economy and the availability of water from the State Water Project, the Agency will often budget for surpluses or deficits based on the financial position of the Agency. The graph below depicts the Agency's minimum required reserves. However, the Agency is projected to start the Fiscal Year with \$163M in reserves, most of which sits in the Agency's least restricted fund.

For further information, the Agency has a detailed reserve policy for different categories of risks. The full policy can be viewed here: <https://www.mojavewater.org/wp-content/uploads/2022/04/ReserveFundPolicy2022.pdf>

The reserves are for three different major risk categories:

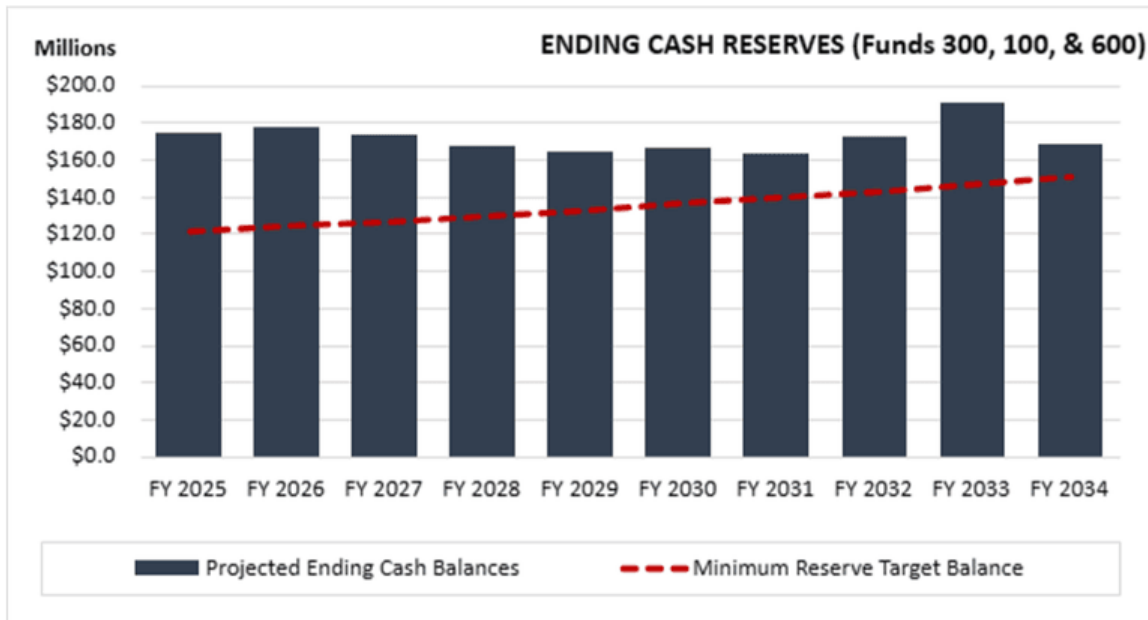
1. timing of cash receipts for taxes and water sales
2. mitigation for volatility of revenue
3. preparation for unknown emergencies and capital

For each of these categories there are specific reserve targets. For the FY24/25 Fiscal Year, the total agency reserves exceed all targets as stated in the reserve policy.



## Future Cash Flows (measured against Reserve Fund Policy)

The Agency is proactive in how it manages its cash flows and reserves. Several years ago, the Agency developed a Cash Flow Model to help identify potential risks and cash flow issues well in advance of problems actually occurring. This model has served the Agency well over the years and has allowed for a proactive approach to adjust revenues and/or expenses well ahead of time to ensure long-term financial viability. The chart below is the current and projected cash balances (blue bars) and the minimum amount of reserves the Agency has identified in the Reserve Fund Policy (red line). Over the next several years, the Agency is able to carry out the plans and initiatives discussed in the Executive Overview while staying above the minimum reserve fund target.



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# DEPARTMENTS

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## Departmental Budget Summary

The Departmental budget for the Agency consists of personnel costs as well as operating costs. All Agency staff, administration, science and programmatic expenses are paid through departmental expenses. Historically, Mojave Water Agency has taken extra effort in attracting and retaining top-notch employees to assist in carrying out its mission with important and complex regional water management practices. Knowledge of the groundwater basins, geophysical data collection, modeling and analytical work is unique in our region and can require specialized training and resources at times.

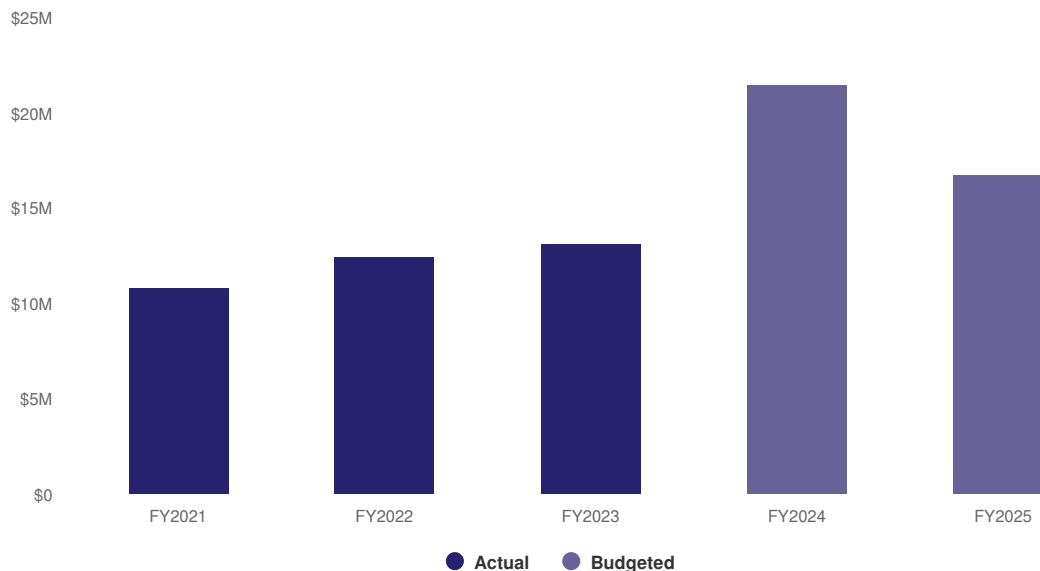
The Agency maintains a Strategic Plan that lays out initiatives to provide a framework and focus for the Agency on mitigating risks and fulfilling its goals. The goals of the Strategic Plan are to support our communities to fulfill their water needs associated with their land use plans as well as cultivate an effective and resilient organization needed to fulfill our mission. The plan is also used for future planning and budgeting. The departments are the link that converts the planning into action.

## Expenditures Summary

Overall departmental expenditures for the Agency have decreased 22.01%, or \$4.7M, from the prior year. Legacy costs is the large driver in this as a one-time payment of \$3.5M was made to paydown the CalPERS unfunded liability in FY 2023/24. In addition, the Agency reclassified \$1.1M in electrical charges from the Operations budget to Water Purchases to better align the revenue with the expenses. Aside from the large expenses mentioned, the Agency also added 3.5 new positions for a total of 52.5 positions keeping the budget relatively flat.

**\$16,750,437**    **-\$4,726,738**  
(-22.01% vs. prior year)

### Budget Summary Proposed and Historical Actuals

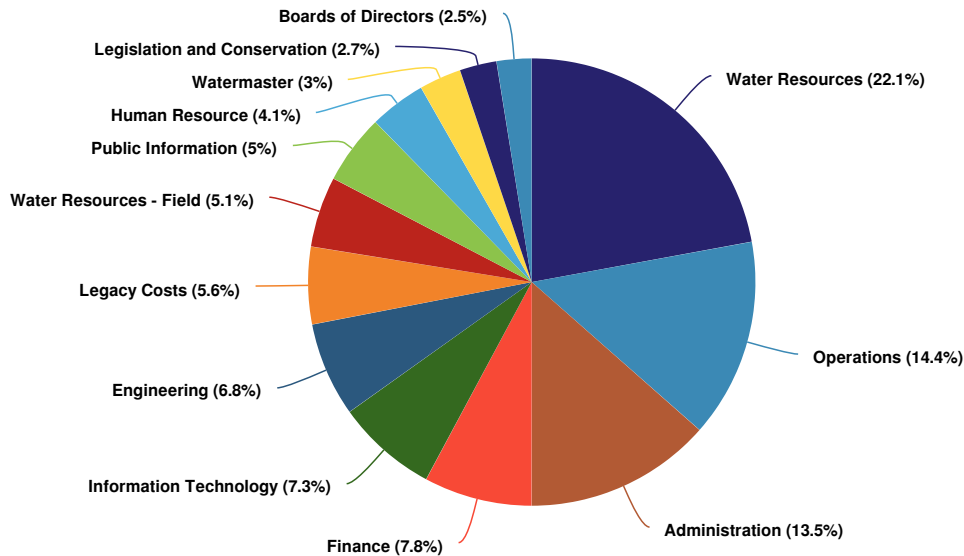


## Expenditures by Department

The Agency budgets for departmental expenses within thirteen separate departments that have their own specific job functions. The Water Resources department uses a large piece of the budget at 22%. This department is instrumental in groundwater activities that carry out the Agency's mission. The Operations department makes up 14% of the budget by maintaining our infrastructure, which is important for moving water within our service area.

In FY 2021/22, the Agency realigned the departmental budget by lumping departments together for tracking costs; such as Water Resources and Water Resources-Field. This allows for tracking field expenses separately while keeping the water resources functions together. In addition, some departments were separated into individual departments, such as the Finance department, which was removed from the Administration department. These changes will be reflected in the following individual departmental charts as some years will appear to not have any expenses.

### Budgeted Expenditures by Department



Name	FY2021 Actual	FY2022 Actual	FY2023 Actual	FY2024 Budgeted	FY2025 Budgeted	FY2024 Budgeted vs. FY2025 Budgeted (% Change)
Expenditures						
Legacy Costs	\$532,507	\$248,604	\$127,867	\$4,423,170	\$936,049	-78.8%
Administration	\$2,518,418	\$2,376,950	\$2,490,181	\$1,907,226	\$2,263,197	18.7%
Human Resource	\$0	\$290,291	\$398,840	\$485,264	\$682,199	40.6%
Legislation and Conservation	\$0	\$170,709	\$686,719	\$315,740	\$447,855	41.8%
Boards of Directors	\$240,036	\$256,099	\$292,560	\$386,318	\$422,491	9.4%
Information Technology	\$635,267	\$684,367	\$818,897	\$1,391,497	\$1,224,943	-12%
Public Information	\$1,253,257	\$2,156,763	\$480,077	\$739,740	\$840,955	13.7%
Engineering	\$382,520	\$730,957	\$533,602	\$1,062,763	\$1,142,558	7.5%
Operations	\$2,266,179	\$2,343,214	\$3,358,533	\$3,495,490	\$2,409,605	-31.1%
Water Resources	\$2,556,331	\$2,037,905	\$1,949,219	\$4,778,655	\$3,706,213	-22.4%
Water Resources - Field	\$0	\$300,214	\$705,022	\$787,922	\$855,773	8.6%
Finance	\$0	\$390,305	\$966,701	\$1,221,696	\$1,308,921	7.1%



Name	FY2021 Actual	FY2022 Actual	FY2023 Actual	FY2024 Budgeted	FY2025 Budgeted	FY2024 Budgeted vs. FY2025 Budgeted (% Change)
Watermaster	\$467,938	\$450,268	\$353,575	\$481,693	\$509,678	5.8%
<b>Total Expenditures:</b>	<b>\$10,852,452</b>	<b>\$12,436,645</b>	<b>\$13,161,793</b>	<b>\$21,477,175</b>	<b>\$16,750,437</b>	<b>-22%</b>

# Administration

## Department # 10

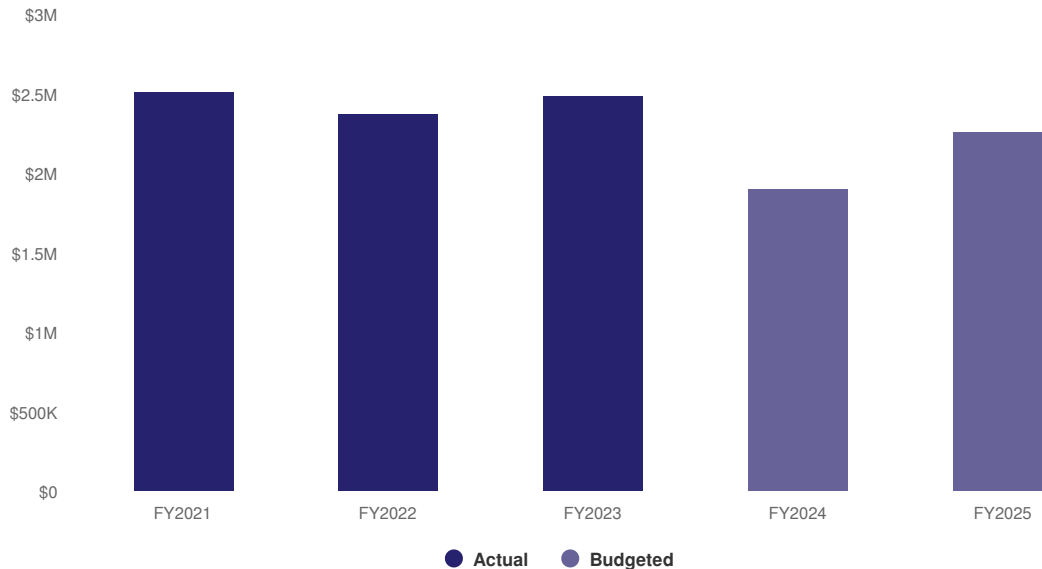
The Administration Department leads the Agency in record keeping, public information as well as the General Manager and Assistant General Manager's efforts. The General Manager is the liaison to the Board of Directors and oversees the day to day operations of the Agency.

## Expenditures Summary

The Administration department had a slight increase in expenses in FY2023 due to realigning of expenses for building maintenance and utilities. The FY2024 budget was anticipated to be lower than prior year actuals due to planned staff retirements as well as a decrease in the line item for the Agency insurance that was being moved to the newly created Finance department. The increase in the FY2025 budget compared to the prior year budget is primarily due to COLA increases for staff as well as higher legal and election costs anticipated for the upcoming year.

**\$2,263,197** **\$355,971**  
(18.66% vs. prior year)

### Administration Proposed and Historical Actuals



Name	FY2021 Actual	FY2022 Actual	FY2023 Actual	FY2024 Budgeted	FY2025 Budgeted
<b>Expense Objects</b>					
<b>Departmental Expense</b>					
<b>Personnel Expenses</b>					
Wages	\$962,983	\$868,950	\$972,516	\$792,245	\$906,933
Wages Overtime	\$486	\$1,038	\$681	\$750	\$630
Flex Benefits Plan	\$150,637	\$136,735	\$153,456	\$176,295	\$204,899
Payroll Taxes	\$34,399	\$31,526	\$14,969	\$22,975	\$13,151
Misc. Benefit	\$20,908	\$33,432	\$34,908	\$16,723	\$9,626
Workers Compensation	\$3,078	\$3,999	\$2,050	\$1,080	\$5,760
Health Insurance - Dental/Vision - Employees	\$18,314	\$31,542	\$43,845	\$9,287	\$11,180
Health Exp. Reimb: Employees	\$0	\$234	\$0	\$0	\$0
Deferred Comp Contributions	\$44,127	\$45,758	\$49,820	\$40,395	\$45,828
PERS	\$226,548	\$174,448	\$76,693	\$72,564	\$79,762
<b>Total Personnel Expenses:</b>	<b>\$1,461,480</b>	<b>\$1,327,662</b>	<b>\$1,348,939</b>	<b>\$1,132,315</b>	<b>\$1,277,769</b>
<b>Operating Expenses</b>					
Equip. Lease/Rent	\$23,532	\$24,978	\$26,854	\$29,050	\$29,250
Safety Supplies	\$576	\$360	\$2,587	\$0	\$0
Recruiting Expense	\$300	\$0	\$0	\$0	\$0
Temporary Services	\$0	\$13,144	\$33,386	\$0	\$0
Building Maintenance	\$66,248	\$86,152	\$187,514	\$86,600	\$193,160
Utilities	\$159,075	\$127,163	\$224,150	\$173,183	\$173,183
Postage & Mailing Costs	\$3,688	\$2,187	\$1,722	\$5,000	\$5,000
Supplies & Materials	\$21,243	\$31,869	\$29,656	\$35,000	\$35,000
Tools & Equipment Under \$5,000	\$0	\$0	\$0	\$800	\$800
Books & Subscriptions	\$916	\$977	\$2,158	\$530	\$530
Telephone for Agency					\$109,700
Telephone	\$72,790	\$82,621	\$108,461	\$90,893	\$0
Insurance	\$135,296	\$184,277	\$44,495	\$0	\$0
Licenses/Dues & Fees	\$77,687	\$84,883	\$94,606	\$68,455	\$71,105
Auto Expenses	\$2,536	\$850	\$1,514	\$800	\$800
Travel Expenses	\$4,487	\$37,101	\$27,565	\$64,100	\$67,400
Education, Training & Conferences	\$7,546	\$5,784	\$7,895	\$4,500	\$4,500
Consulting	\$174,407	\$161,155	\$53,333	\$25,000	\$50,000
Legal	\$178,144	\$104,804	\$260,058	\$143,000	\$200,000
Audit & Accounting	\$23,005	\$34,700	\$0	\$0	\$0
Election Costs	\$53,685	\$0	\$18,107	\$0	\$40,000
Other Expenses	\$22,116	\$23,568	\$17,182	\$10,000	\$5,000
<b>Total Operating Expenses:</b>	<b>\$1,027,276</b>	<b>\$1,006,573</b>	<b>\$1,141,243</b>	<b>\$736,911</b>	<b>\$985,428</b>
<b>Total Departmental Expense:</b>	<b>\$2,488,756</b>	<b>\$2,334,236</b>	<b>\$2,490,181</b>	<b>\$1,869,226</b>	<b>\$2,263,197</b>
<b>Tax Collection Fee</b>					
<b>Tax Collection Fee</b>					

<b>Name</b>	<b>FY2021 Actual</b>	<b>FY2022 Actual</b>	<b>FY2023 Actual</b>	<b>FY2024 Budgeted</b>	<b>FY2025 Budgeted</b>
County Tax Collection Fee - AD	\$29,662	\$31,253	\$0	\$30,000	\$0
County Admin Fee - AD	\$0	\$0	\$0	\$8,000	\$0
<b>Total Tax Collection Fee:</b>	<b>\$29,662</b>	<b>\$31,253</b>	<b>\$0</b>	<b>\$38,000</b>	<b>\$0</b>
<b>Total Tax Collection Fee:</b>	<b>\$29,662</b>	<b>\$31,253</b>	<b>\$0</b>	<b>\$38,000</b>	<b>\$0</b>
<b>Debt Service</b>					
<b>Debt Service</b>					
IDM: 4% Debt Service Support	\$0	\$11,461	\$0	\$0	\$0
<b>Total Debt Service:</b>	<b>\$0</b>	<b>\$11,461</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Total Debt Service:</b>	<b>\$0</b>	<b>\$11,461</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Total Expense Objects:</b>	<b>\$2,518,418</b>	<b>\$2,376,950</b>	<b>\$2,490,181</b>	<b>\$1,907,226</b>	<b>\$2,263,197</b>

# Engineering and Operations

Departments # 40 and 50

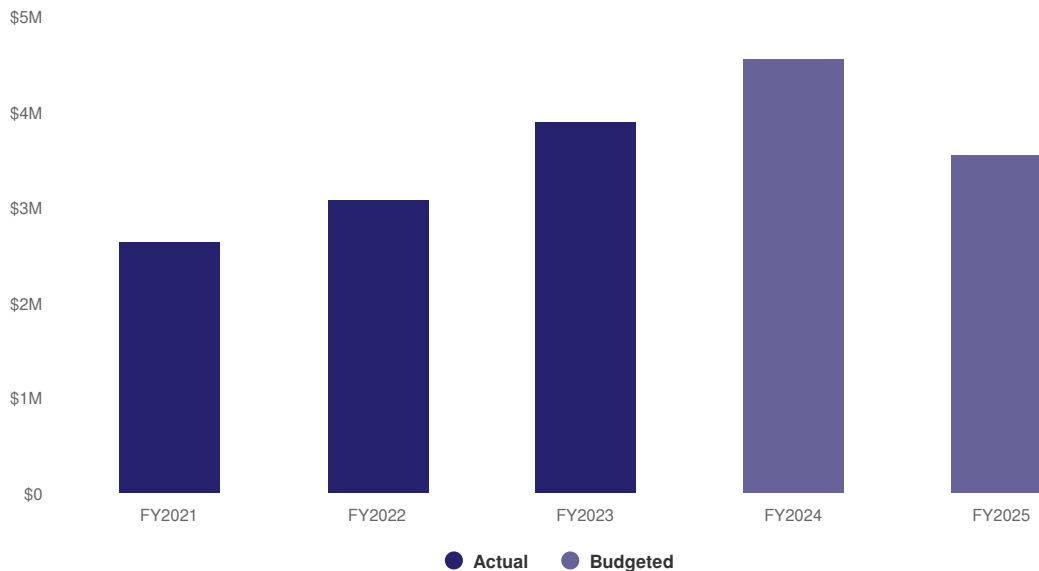
This department is in charge of engineering and infrastructure, as well as water distribution, storage, water transfers and exchanges, and other resource management requirements. The departments are overseen by the Director of Engineering and Operations and budgets are reflected together due to the close nature of the work being completed.

## Expenditures Summary

The Engineering and Operations departments have seen an increase in staff over most recent years which contributes to the steady increase in expenses. The FY2024 budget was projected to be higher due to consulting fees that were needed to assist in carrying out projects prior to the Engineering department becoming fully staffed. For FY2025, the increase in salary and benefits for new employees was offset by a large reclassification of \$1.1M in utilities that was moved out of the Operations department and moved to water purchases to better align the revenue with the expenses.

**\$3,552,164** **-\$1,006,090**  
(-22.07% vs. prior year)

### Engineering and Operations Proposed and Historical Actuals



Name	FY2021 Actual	FY2022 Actual	FY2023 Actual	FY2024 Budgeted	FY2025 Budgeted
<b>Expense Objects</b>					
<b>Departmental Expense</b>					
<b>Personnel Expenses</b>					
<b>Engineering</b>					
Wages	\$192,054	\$307,018	\$194,496	\$322,541	\$572,042
Wages Overtime	\$0	\$543	\$544	\$0	\$430
Flex Benefits Plan	\$24,411	\$46,858	\$40,324	\$87,443	\$117,085
Payroll Taxes	\$5,570	\$10,577	\$3,313	\$9,354	\$8,295
Misc. Benefit	\$0	\$0	\$3,080	\$540	\$0
Workers Compensation	\$1,025	\$964	\$920	\$1,560	\$2,880
Health Insurance - Dental/Vision - Employees	\$2,395	\$5,197	\$3,717	\$4,220	\$6,702
Health Exp. Reimb: Employees	\$16	-\$3	\$0	\$0	\$0
Deferred Comp Contributions	\$8,654	\$15,876	\$10,171	\$16,128	\$28,602
PERS	\$14,022	\$31,884	\$24,179	\$42,678	\$75,923
<b>Total Engineering:</b>	<b>\$248,145</b>	<b>\$418,913</b>	<b>\$280,745</b>	<b>\$484,463</b>	<b>\$811,958</b>
<b>Operations</b>					
Wages	\$696,129	\$721,824	\$892,134	\$989,952	\$1,054,976
Wages Overtime	\$15,402	\$13,454	\$33,307	\$23,000	\$26,100
Flex Benefits Plan	\$135,053	\$140,186	\$172,195	\$290,965	\$292,713
Payroll Taxes	\$20,570	\$22,488	\$13,172	\$28,710	\$15,297
Misc. Benefit	\$0	\$0	\$12,560	\$1,785	\$0
Workers Compensation	\$26,250	\$16,306	\$20,570	\$9,859	\$39,840
Health Insurance - Dental/Vision - Employees	\$16,296	\$18,196	\$18,357	\$14,428	\$18,498
Health Exp. Reimb: Employees	\$0	\$0	\$0	\$0	\$0
Deferred Comp Contributions	\$33,219	\$34,247	\$41,180	\$49,499	\$52,749
PERS	\$111,837	\$128,194	\$94,090	\$105,603	\$122,011
<b>Total Operations:</b>	<b>\$1,054,755</b>	<b>\$1,094,894</b>	<b>\$1,297,565</b>	<b>\$1,513,800</b>	<b>\$1,622,184</b>
<b>Total Personnel Expenses:</b>	<b>\$1,302,900</b>	<b>\$1,513,808</b>	<b>\$1,578,310</b>	<b>\$1,998,263</b>	<b>\$2,434,143</b>
<b>Operating Expenses</b>					
<b>Engineering</b>					
Safety Supplies	\$0	\$0	\$186	\$850	\$1,500
Temporary Services	\$17,156	\$18,195	\$0	\$24,500	\$0
Supplies & Materials	\$0	\$0	\$709	\$0	\$1,000
Tools & Equipment Under \$5,000	\$0	\$0	\$262	\$0	\$2,000
Books & Subscriptions	\$0	\$0	\$0	\$250	\$1,000
Licenses/Dues & Fees	\$350	\$147	\$2,700	\$200	\$600
Auto Expenses	\$453	\$50	\$117	\$0	\$2,500
Travel Expenses	\$467	\$3,899	\$2,594	\$4,500	\$8,000
Education, Training & Conferences	\$1,995	\$6,304	\$8,096	\$3,000	\$3,000
Consulting	\$113,953	\$281,749	\$237,441	\$545,000	\$310,000

Name	FY2021 Actual	FY2022 Actual	FY2023 Actual	FY2024 Budgeted	FY2025 Budgeted
Other Expenses	\$0	\$1,699	\$754	\$0	\$1,000
<b>Total Engineering:</b>	<b>\$134,374</b>	<b>\$312,044</b>	<b>\$252,857</b>	<b>\$578,300</b>	<b>\$330,600</b>
<b>Operations</b>					
Equip. Lease/Rent	\$11,822	\$3,950	\$9,913	\$13,800	\$19,800
Safety Supplies	\$8,391	\$5,062	\$7,039	\$13,000	\$21,500
Building Maintenance	\$23,438	\$30,878	\$63,553	\$144,250	\$38,300
Utilities	\$716,120	\$819,244	\$1,510,982	\$1,102,290	\$17,356
Postage & Mailing Costs	\$0	\$17	\$0	\$500	\$500
Supplies & Materials	\$187	\$368	\$1,366	\$1,400	\$1,500
Tools & Equipment Under \$5,000	\$24,845	\$20,270	\$19,122	\$20,700	\$23,700
Books & Subscriptions	\$487	\$435	\$44	\$500	\$500
Telephone	\$8,823	\$10,389	\$6,953	\$29,700	\$37,000
Equipment Maintenance	\$226,444	\$125,394	\$235,258	\$368,500	\$252,200
Software Licenses, Subscriptions & Maintenance	\$0	\$0	\$0	\$0	\$14,000
Data Collection	\$0	\$303	\$0	\$0	\$0
Licenses/Dues & Fees	\$33,454	\$30,037	\$6,220	\$32,000	\$32,015
Auto Expenses	\$82,050	\$97,620	\$107,723	\$99,500	\$103,500
Travel Expenses	\$261	\$66	\$1,172	\$2,800	\$2,800
Education, Training & Conferences	\$1,054	\$5,725	\$3,274	\$13,250	\$13,250
Consulting	\$27,517	\$46,001	\$14,513	\$59,000	\$102,000
Environmental	\$1,897	\$1,271	\$1,391	\$4,000	\$4,000
Water Quality	\$32,465	\$42,405	\$57,960	\$66,000	\$89,000
Water Purchases	\$12,170	\$8,513	\$13,560	\$10,000	\$14,000
Other Expenses	\$0	\$372	\$922	\$500	\$500
<b>Total Operations:</b>	<b>\$1,211,424</b>	<b>\$1,248,319</b>	<b>\$2,060,967</b>	<b>\$1,981,690</b>	<b>\$787,421</b>
<b>Total Operating Expenses:</b>	<b>\$1,345,798</b>	<b>\$1,560,363</b>	<b>\$2,313,825</b>	<b>\$2,559,990</b>	<b>\$1,118,021</b>
<b>Total Departmental Expense:</b>	<b>\$2,648,699</b>	<b>\$3,074,170</b>	<b>\$3,892,134</b>	<b>\$4,558,253</b>	<b>\$3,552,164</b>
<b>Total Expense Objects:</b>	<b>\$2,648,699</b>	<b>\$3,074,170</b>	<b>\$3,892,134</b>	<b>\$4,558,253</b>	<b>\$3,552,164</b>

# Human Resources

## Department # 11

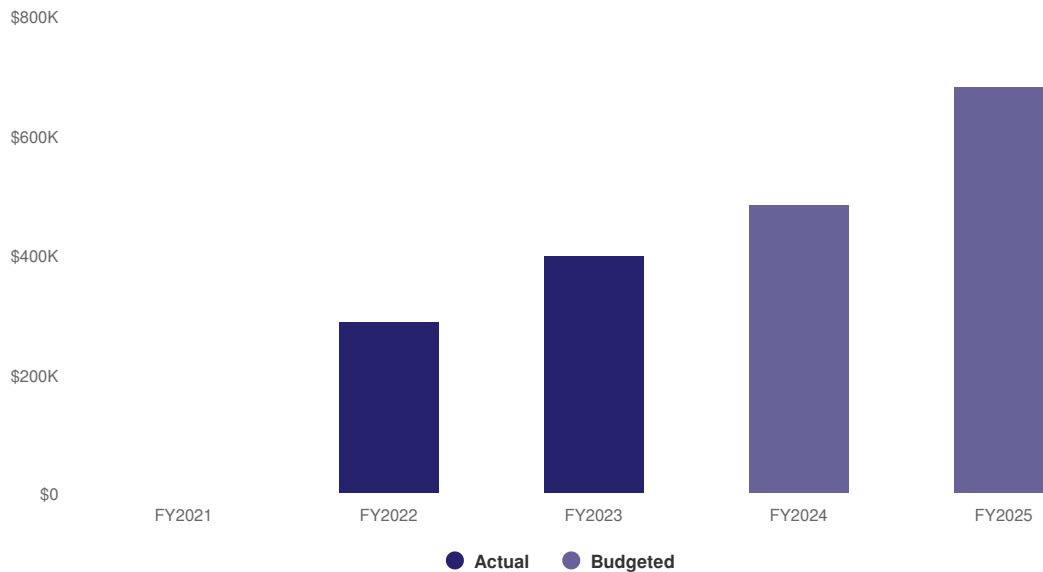
Human Resources manages recruitments, onboarding, compliance and benefits for the Agency's employees. Human Resources was made an independent Department in 2022.

## Expenditures Summary

The Human Resources Department was created as its own budget center starting in the 2021/22 budget. Since then some expenses have been steadily moving over to that department to better align with staff related functions under the Human Resources Relations line item. In correlation with the planned retirements and new positions, the Recruiting Expense line item has increased over the last two fiscal years. A large portion of the increase in the FY 2024/25 budget is due to the reallocation of expense for Interns from individual departments to be centralized in the Human Resources department.

**\$682,199** **\$196,935**  
(40.58% vs. prior year)

### Human Resources Proposed and Historical Actuals





Name	FY2021 Actual	FY2022 Actual	FY2023 Actual	FY2024 Budgeted	FY2025 Budgeted
Expense Objects					
Departmental Expense					
Personnel Expenses					
Wages	\$0	\$152,342	\$250,266	\$252,929	\$261,789
Flex Benefits Plan	\$0	\$25,742	\$43,048	\$59,235	\$58,543
Payroll Taxes	\$0	\$5,162	\$3,886	\$7,335	\$3,796
Misc. Benefit	\$0	\$0	\$3,810	\$4	\$0
Workers Compensation	\$0	\$0	\$692	\$360	\$1,440
Health Insurance - Dental/Vision - Employees	\$0	\$2,218	\$3,490	\$1,745	\$1,745
Health Exp. Reimb: Employees	\$0	-\$198	\$0	\$0	\$0
Deferred Comp Contributions	\$0	\$7,624	\$12,092	\$12,646	\$13,089
PERS	\$0	\$19,616	\$31,011	\$43,096	\$44,347
<b>Total Personnel Expenses:</b>	<b>\$0</b>	<b>\$212,507</b>	<b>\$348,295</b>	<b>\$377,350</b>	<b>\$384,749</b>
Operating Expenses					
Human Resources Relations	\$0	\$4,023	\$8,733	\$7,450	\$36,000
Safety Supplies	\$0	\$1,814	\$4,837	\$5,700	\$8,500
Recruiting Expense	\$0	\$18,162	\$17,255	\$35,000	\$35,000
Supplies & Materials	\$0	\$53	\$1,144	\$500	\$0
Books & Subscriptions	\$0	\$407	\$647	\$1,412	\$850
Printing	\$0	\$1,125	\$0	\$532	\$1,800
Licenses/Dues & Fees	\$0	\$229	\$4,920	\$5,520	\$6,100
Travel Expenses	\$0	\$37	\$1,823	\$1,800	\$7,000
Education, Training & Conferences	\$0	\$1,135	\$1,220	\$3,000	\$10,200
Consulting	\$0	\$50,800	\$9,966	\$25,000	\$170,000
Legal	\$0	\$0	\$0	\$22,000	\$22,000
<b>Total Operating Expenses:</b>	<b>\$0</b>	<b>\$77,785</b>	<b>\$50,545</b>	<b>\$107,914</b>	<b>\$297,450</b>
<b>Total Departmental Expense:</b>	<b>\$0</b>	<b>\$290,291</b>	<b>\$398,840</b>	<b>\$485,264</b>	<b>\$682,199</b>
<b>Total Expense Objects:</b>	<b>\$0</b>	<b>\$290,291</b>	<b>\$398,840</b>	<b>\$485,264</b>	<b>\$682,199</b>

# Information Technology

## Department # 20

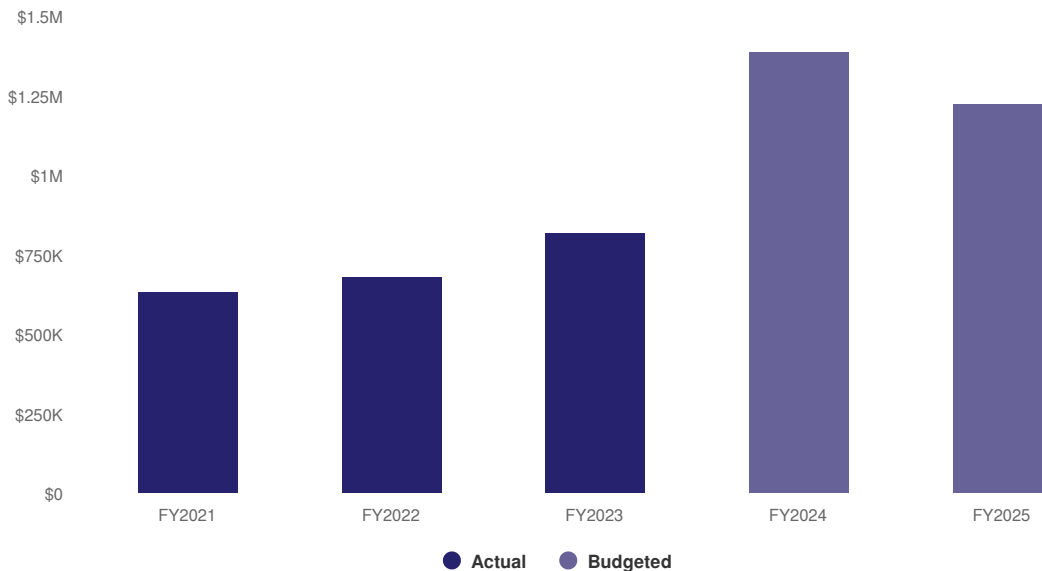
Information Technology (IT) provides comprehensive technology planning, development, integration, operation, maintenance, and support to all areas of the Agency to maximize efficiency.

## Expenditures Summary

The Information Technology (IT) expenses had remained fairly flat from 2021 to 2023. The FY2024 budget increase reflects changes the Agency made in connection with GASB 96 where we moved the subscription based IT arrangement expenses over to the IT budget so they could be managed easier. In addition, the FY2024 budget appears to be slightly higher than usual due to a salaries and benefits budgeting error. The error was corrected in the FY2025 budget in addition to adding a new position for the IT department. Moving the Aerial Photos out of IT and lower Consulting expenses also contribute to the lower forecasted budget compared to current fiscal year budget.

**\$1,224,943** **-\$166,555**  
(-11.97% vs. prior year)

### Information Technology Proposed and Historical Actuals



Name	FY2021 Actual	FY2022 Actual	FY2023 Actual	FY2024 Budgeted	FY2025 Budgeted
Expense Objects					
Departmental Expense					
Personnel Expenses					
Wages	\$104,216	\$181,940	\$262,732	\$496,072	\$402,563
Wages Overtime	\$8,815	\$6,017	\$4,972	\$15,000	\$5,178
Flex Benefits Plan	\$18,359	\$29,148	\$43,049	\$145,268	\$87,814
Payroll Taxes	\$3,108	\$5,628	\$4,059	\$13,740	\$5,837
Misc. Benefit	\$0	\$0	\$3,977	\$720	\$0
Workers Compensation	\$185	\$289	\$692	\$720	\$2,160
Health Insurance - Dental/Vision - Employees	\$2,469	\$3,401	\$4,889	\$6,407	\$4,537
Deferred Comp Contributions	\$5,089	\$9,039	\$12,682	\$23,690	\$20,128
PERS	\$45,380	\$65,465	\$33,358	\$120,700	\$51,795
<b>Total Personnel Expenses:</b>	<b>\$187,621</b>	<b>\$300,925</b>	<b>\$370,409</b>	<b>\$822,317</b>	<b>\$580,013</b>
Operating Expenses					
Supplies & Materials	\$0	\$0	\$704	\$0	\$1,500
Tools & Equipment Under \$5,000	\$13	\$76	\$6,834	\$2,000	\$2,500
Books & Subscriptions	\$0	\$0	\$3,042	\$0	\$0
Computer Hardware & Accessories	\$0	\$600	\$0	\$30,000	\$28,000
Software Licenses, Subscriptions & Maintenance	\$92,105	\$62,473	\$32,815	\$57,500	\$478,130
Licenses/Dues & Fees	\$258,620	\$234,621	\$273,405	\$334,680	\$27,300
Auto Expenses	\$0	\$0	\$176	\$0	\$0
Travel Expenses	\$0	\$548	\$3,463	\$9,000	\$8,000
Education, Training & Conferences	\$0	\$0	\$4,175	\$3,000	\$3,000
Consulting	\$77,847	\$59,456	\$100,525	\$110,000	\$89,500
Aerial Photos	\$19,063	\$25,250	\$23,250	\$23,000	\$0
Contingency	\$0	\$0	\$0	\$0	\$7,000
Other Expenses	\$0	\$417	\$100	\$0	\$0
<b>Total Operating Expenses:</b>	<b>\$447,647</b>	<b>\$383,442</b>	<b>\$448,488</b>	<b>\$569,180</b>	<b>\$644,930</b>
<b>Total Departmental Expense:</b>	<b>\$635,267</b>	<b>\$684,367</b>	<b>\$818,897</b>	<b>\$1,391,497</b>	<b>\$1,224,943</b>
<b>Total Expense Objects:</b>	<b>\$635,267</b>	<b>\$684,367</b>	<b>\$818,897</b>	<b>\$1,391,497</b>	<b>\$1,224,943</b>

# Public Information, Legislation and Conservation

## Department # 12 and 30

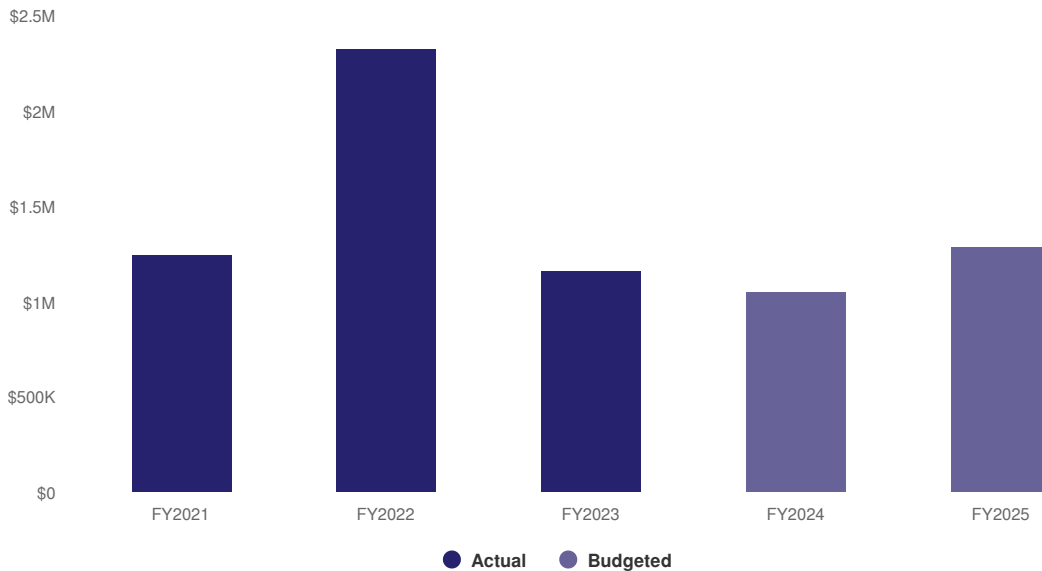
The Public Information Department (Department #30) and the Legislation and Conservation Department (Department #12) were separated as different departments in 2022 but reflected together in the Budget due to the close nature of their work. These Departments and functions work collaboratively with partners to enable beneficial legislation, engage the public on matters critical to the Agency's success and how to use water efficiently.

## Expenditures Summary

Fiscal Year 2022 was a great year for water conservation grant funding with the line item being nearly \$1M higher than usual. Since that year, grants have been reclassified into a non-departmental budget to prevent skewing the regular operational expenses. The Legislation and Conservation department's one position was vacant the entire prior fiscal year with the projected budget anticipating to fill that position and contributing to the projected increase in costs. The Public Information department included Human Resources, Legislation and Conservation as well as Public Information prior to FY2022/23 with Human Resources becoming it's own department beginning FY 2022.

**\$1,288,810** **\$233,330**  
(22.11% vs. prior year)

### Public Information, Legislation and Conservation Proposed and Historical Actuals



Name	FY2021 Actual	FY2022 Actual	FY2023 Actual	FY2024 Budgeted	FY2025 Budgeted
<b>Expense Objects</b>					
<b>Departmental Expense</b>					
<b>Personnel Expenses</b>					
<b>Legislation and Conservation</b>					
Wages	\$0	\$96,169	\$36,279	\$0	\$98,114
Flex Benefits Plan	\$0	\$12,871	\$5,654	\$0	\$29,271
Payroll Taxes	\$0	\$2,945	\$697	\$0	\$1,423
Misc. Benefit	\$0	\$3,600	\$2,160	\$0	\$0
Workers Compensation	\$0	\$207	\$367	\$0	\$720
Health Insurance - Dental/Vision - Employees	\$0	\$1,376	\$466	\$0	\$2,123
Health Exp. Reimb: Employees	\$0	-\$188	\$0	\$0	\$0
Deferred Comp Contributions	\$0	\$4,600	\$1,352	\$0	\$4,906
PERS	\$0	\$7,130	\$2,104	\$0	\$13,059
<b>Total Legislation and Conservation:</b>	<b>\$0</b>	<b>\$128,711</b>	<b>\$49,078</b>	<b>\$0</b>	<b>\$149,615</b>
<b>Public Information</b>					
Wages	\$507,774	\$283,554	\$225,563	\$283,440	\$295,131
Wages Overtime	\$0	\$0	\$179	\$0	\$95
Flex Benefits Plan	\$72,058	\$40,798	\$51,490	\$88,852	\$87,814
Payroll Taxes	\$15,862	\$9,331	\$3,466	\$8,220	\$4,279
Misc. Benefit	\$9,185	\$4,338	\$3,428	\$0	\$0
Workers Compensation	\$1,786	\$1,541	\$574	\$540	\$2,160
Health Insurance - Dental/Vision - Employees	\$8,494	\$7,528	\$5,250	\$2,774	\$4,537
Health Exp. Reimb: Employees	\$0	\$234	\$0	\$0	\$0
Deferred Comp Contributions	\$24,157	\$14,686	\$10,904	\$14,172	\$14,757
PERS	\$86,155	\$75,976	\$21,905	\$30,040	\$31,352
<b>Total Public Information:</b>	<b>\$725,471</b>	<b>\$437,986</b>	<b>\$322,759</b>	<b>\$428,037</b>	<b>\$440,125</b>
<b>Total Personnel Expenses:</b>	<b>\$725,471</b>	<b>\$566,697</b>	<b>\$371,838</b>	<b>\$428,037</b>	<b>\$589,740</b>
<b>Operating Expenses</b>					
<b>Legislation and Conservation</b>					
Postage & Mailing Costs	\$0	\$0	\$0	\$1,200	\$1,200
Supplies & Materials	\$0	\$0	\$0	\$500	\$500
Books & Subscriptions	\$0	\$783	\$900	\$750	\$750
Printing	\$0	\$0	\$0	\$2,000	\$2,000
Licenses/Dues & Fees	\$0	\$20	\$2,163	\$5,500	\$0
Travel Expenses	\$0	\$5,760	\$3,648	\$10,000	\$10,000
Education, Training & Conferences	\$0	\$8,091	\$1,989	\$8,090	\$8,090
Consulting	\$0	\$20,419	\$115,330	\$30,000	\$90,000
Legislative Advocacy	\$0	\$5,200	\$155,364	\$185,700	\$185,700
Water Conservation	\$0	\$1,725	\$358,246	\$72,000	\$0
<b>Total Legislation and Conservation:</b>	<b>\$0</b>	<b>\$41,998</b>	<b>\$637,641</b>	<b>\$315,740</b>	<b>\$298,240</b>

Name	FY2021 Actual	FY2022 Actual	FY2023 Actual	FY2024 Budgeted	FY2025 Budgeted
<b>Public Information</b>					
Human Resources Relations	\$4,817	\$596	\$0	\$5,950	\$0
Safety Supplies	\$10,847	\$4,040	\$0	\$0	\$0
Recruiting Expense	\$18,155	\$3,694	\$0	\$0	\$0
Photo Expense	\$0	\$262	\$466	\$500	\$1,000
Postage & Mailing Costs	\$0	\$0	\$0	\$1,000	\$500
Supplies & Materials	\$0	\$188	\$2,498	\$1,000	\$2,000
Tools & Equipment Under \$5,000	\$0	\$93	\$0	\$5,000	\$2,500
Books & Subscriptions	\$2,981	\$1,940	\$2,603	\$6,378	\$1,000
Printing	\$1,125	-\$4,239	\$11,773	\$1,500	\$1,500
Licenses/Dues & Fees	\$9,465	\$20,156	\$2,039	\$7,125	\$26,325
Auto Expenses	\$700	\$0	\$249	\$0	\$0
Travel Expenses	\$427	\$2,373	\$8,709	\$7,500	\$7,500
Education, Training & Conferences	\$7,494	\$7,203	\$3,666	\$7,000	\$8,755
Consulting	\$0	\$112,932	\$13,980	\$5,000	\$28,000
Legislative Advocacy	\$151,240	\$148,239	\$0	\$0	\$0
Public Information & Outreach	\$55,148	\$121,725	\$85,655	\$15,000	\$18,500
Water Conservation	\$211,386	\$348,576	\$24,378	\$0	\$75,000
Water Conservation Grant Funded	\$54,000	\$951,000	\$0	\$0	\$0
Events			\$0	\$41,000	\$46,500
Sponsorships			\$0	\$52,750	\$30,750
Partnerships			\$0	\$150,000	\$150,000
Other Expenses	\$0	\$0	\$1,301	\$5,000	\$1,000
<b>Total Public Information:</b>	<b>\$527,786</b>	<b>\$1,718,777</b>	<b>\$157,318</b>	<b>\$311,703</b>	<b>\$400,830</b>
<b>Total Operating Expenses:</b>	<b>\$527,786</b>	<b>\$1,760,775</b>	<b>\$794,958</b>	<b>\$627,443</b>	<b>\$699,070</b>
<b>Total Departmental Expense:</b>	<b>\$1,253,257</b>	<b>\$2,327,472</b>	<b>\$1,166,796</b>	<b>\$1,055,480</b>	<b>\$1,288,810</b>
<b>Total Expense Objects:</b>	<b>\$1,253,257</b>	<b>\$2,327,472</b>	<b>\$1,166,796</b>	<b>\$1,055,480</b>	<b>\$1,288,810</b>

# Finance

## Department # 80

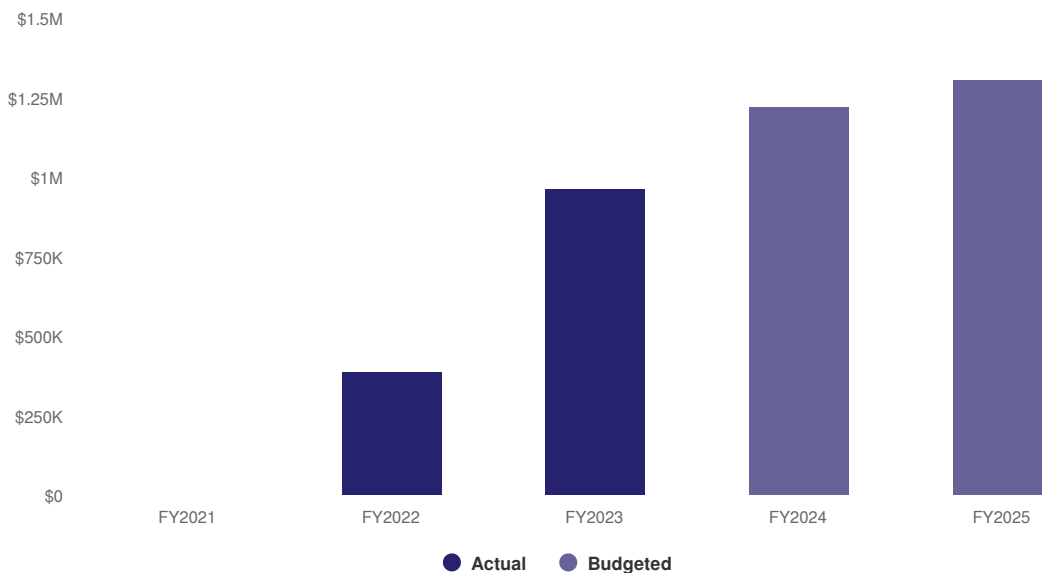
Finance leads the accounting, budgeting, forecasting, banking and long-term financial planning for the Agency. Prior to 2022, the Finance Department was a part of the Administration Department.

### Expenditures Summary

The Finance Department was created as its own budget center starting in the 2021/22 budget. Since then there have been a few reclassification of expenses between departments. The increase in FY2023 was due to moving the Agency's insurance expenses from the Administration department to Finance. There was no fiscal impact by doing this. The \$87K increase for FY2025 is mainly driving by the \$50K consulting fee for the Financial Master Plan update.

**\$1,308,921** **\$87,225**  
(7.14% vs. prior year)

#### Finance Proposed and Historical Actuals



The Finance Department was created as its own budget center starting in the 2021/22 budget.

Name	FY2021 Actual	FY2022 Actual	FY2023 Actual	FY2024 Budgeted	FY2025 Budgeted
Expense Objects					
Departmental Expense					
Personnel Expenses					
Wages	\$0	\$278,478	\$444,614	\$507,452	\$551,629
Wages Overtime	\$0	\$0	\$24	\$0	\$0
Flex Benefits Plan	\$0	\$45,049	\$75,335	\$118,469	\$131,721
Payroll Taxes	\$0	\$8,327	\$7,062	\$14,716	\$7,999
Misc. Benefit	\$0	\$4,361	\$12,920	\$6,197	\$6,017
Workers Compensation	\$0	\$0	\$1,612	\$720	\$3,600
Health Insurance - Dental/Vision - Employees	\$0	\$5,203	\$8,951	\$6,946	\$8,179
Deferred Comp Contributions	\$0	\$13,056	\$21,422	\$25,673	\$27,882
PERS	\$0	\$20,259	\$31,914	\$41,002	\$49,325
<b>Total Personnel Expenses:</b>	<b>\$0</b>	<b>\$374,733</b>	<b>\$603,855</b>	<b>\$721,176</b>	<b>\$786,351</b>
Operating Expenses					
Postage & Mailing Costs	\$0	\$31	\$8	\$0	\$0
Supplies & Materials	\$0	\$696	\$1,211	\$600	\$600
Books & Subscriptions	\$0	\$213	\$2,200	\$800	\$800
Bank and Investment Fees	\$0	\$0	\$58,910	\$61,640	\$53,640
Insurance	\$0	\$0	\$155,056	\$190,000	\$195,700
Licenses/Dues & Fees	\$0	\$2,394	\$1,778	\$2,030	\$1,430
Auto Expenses	\$0	\$93	\$0	\$0	\$0
Travel Expenses	\$0	\$9,889	\$16,232	\$34,500	\$36,000
Education, Training & Conferences	\$0	\$1,955	\$4,375	\$8,550	\$9,400
Consulting	\$0	\$0	\$56,147	\$68,000	\$143,000
Audit & Accounting	\$0	\$0	\$50,922	\$105,400	\$45,000
Other Expenses	\$0	\$300	-\$19,089	\$1,000	\$1,000
<b>Total Operating Expenses:</b>	<b>\$0</b>	<b>\$15,571</b>	<b>\$327,750</b>	<b>\$472,520</b>	<b>\$486,570</b>
<b>Total Departmental Expense:</b>	<b>\$0</b>	<b>\$390,305</b>	<b>\$931,605</b>	<b>\$1,193,696</b>	<b>\$1,272,921</b>
Tax Collection Fee					
Tax Collection Fee					
County Tax Collection Fee - AD	\$0	\$0	\$35,097	\$28,000	\$36,000
<b>Total Tax Collection Fee:</b>	<b>\$0</b>	<b>\$0</b>	<b>\$35,097</b>	<b>\$28,000</b>	<b>\$36,000</b>
<b>Total Tax Collection Fee:</b>	<b>\$0</b>	<b>\$0</b>	<b>\$35,097</b>	<b>\$28,000</b>	<b>\$36,000</b>
<b>Total Expense Objects:</b>	<b>\$0</b>	<b>\$390,305</b>	<b>\$966,701</b>	<b>\$1,221,696</b>	<b>\$1,308,921</b>



# Water Resources

Department # 60 and 61

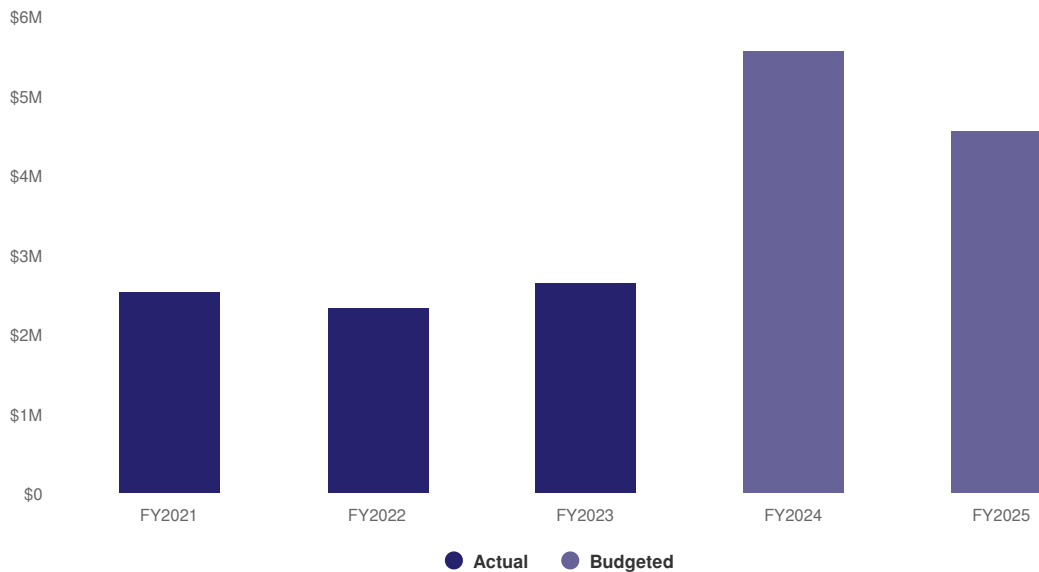
This department tracks and manages the Agency's various water resource, production, and scientific efforts. Departments 60 and 61 were separated in 2022 for the purpose of tracking field expenses. However, they are budgeted together for reporting purposes.

## Expenditures Summary

The Water Resources department saw a large increase in expenses during the FY2024 budget preparations. This was driven by a need for additional consulting services in preparing the Agency's new Master Plan as well as increased work with United States Geographical Services (USGS). Both consulting and USGS expenses are expected to be lower in the FY2025 budget year by \$230K and \$500K, respectively.

**\$4,561,986** **-\$1,004,591**  
(-18.05% vs. prior year)

### Water Resources Proposed and Historical Actuals



Name	FY2021 Actual	FY2022 Actual	FY2023 Actual	FY2024 Budgeted	FY2025 Budgeted
<b>Expense Objects</b>					
<b>Departmental Expense</b>					
<b>Personnel Expenses</b>					
Wages	\$760,476	\$602,792	\$875,225	\$1,800,989	\$1,430,666
Wages Overtime	\$119	\$83	\$0	\$0	\$0
Flex Benefits Plan	\$152,878	\$94,702	\$125,609	\$263,738	\$292,713
Payroll Taxes	\$24,981	\$18,850	\$12,401	\$40,930	\$20,745
Misc. Benefit	\$323	\$0	\$12,999	\$1,800	\$0
Workers Compensation	\$16,523	\$9,329	\$2,067	\$4,680	\$19,440
Health Insurance - Dental/Vision - Employees	\$14,417	\$12,290	\$12,898	\$20,511	\$16,602
Health Exp. Reimb: Employees	-\$48	\$2,120	\$0	\$0	\$0
Deferred Comp Contributions	\$36,232	\$29,570	\$24,980	\$70,258	\$71,533
PERS	\$235,855	\$298,535	\$101,806	\$173,649	\$179,415
Wages	\$0	\$192,026	\$390,687	\$224,493	\$235,560
Wages Overtime	\$0	\$768	\$818	\$2,000	\$620
Flex Benefits Plan	\$0	\$51,484	\$102,904	\$118,469	\$87,814
Payroll Taxes	\$0	\$6,355	\$6,563	\$8,511	\$3,416
Misc. Benefit	\$0	\$0	\$6,445	\$540	\$0
Workers Compensation	\$0	\$0	\$10,285	\$4,800	\$14,400
Health Insurance - Dental/Vision - Employees	\$0	\$2,548	\$8,208	\$5,940	\$4,537
Health Exp. Reimb: Employees	\$0	-\$2,120	\$0	\$0	\$0
Deferred Comp Contributions	\$0	\$9,536	\$19,043	\$14,674	\$11,778
PERS	\$0	\$14,815	\$29,655	\$23,714	\$19,269
<b>Total Personnel Expenses:</b>	<b>\$1,241,756</b>	<b>\$1,343,682</b>	<b>\$1,742,592</b>	<b>\$2,779,697</b>	<b>\$2,408,506</b>
<b>Operating Expenses</b>					
Safety Supplies	\$0	\$72	\$0	\$2,500	\$2,500
Recruiting Expense	\$0	\$0	\$0	\$0	\$60,000
Temporary Services	\$0	\$0	\$8,657	\$25,000	\$0
Supplies & Materials	\$0	\$37	\$1,047	\$0	\$1,000
Tools & Equipment Under \$5,000	\$1,444	\$272	\$439	\$2,500	\$2,500
Books & Subscriptions	\$400	\$120	\$2,018	\$2,500	\$2,500
Equipment Maintenance	\$2,643	\$10,377	\$2,726	\$0	\$1,000
Data Collection	\$104,900	\$39,051	\$2,188	\$35,000	\$1,000
Licenses/Dues & Fees	\$4,318	\$4,926	\$13,403	\$14,300	\$15,100
Auto Expenses	\$28,772	\$23,598	\$6,858	\$15,000	\$10,000
Travel Expenses	\$2,342	\$2,801	\$19,372	\$20,000	\$25,000
Education, Training & Conferences	\$33,198	\$5,735	\$8,488	\$50,000	\$12,000
Consulting	\$630,576	\$466,942	\$242,216	\$1,230,300	\$1,000,000
Consulting Grant Funded	\$144,796	\$64,278	\$0	\$0	\$0
USGS	\$361,185	\$349,565	\$450,000	\$1,000,000	\$500,000
Aerial Photos	\$0	\$0	\$22,000	\$0	\$37,500

<b>Name</b>	<b>FY2021 Actual</b>	<b>FY2022 Actual</b>	<b>FY2023 Actual</b>	<b>FY2024 Budgeted</b>	<b>FY2025 Budgeted</b>
Other Expenses	\$0	\$1,862	\$1,824	\$5,000	\$5,000
Safety Supplies	\$0	\$453	\$1,321	\$2,500	\$2,500
Supplies & Materials	\$0	\$788	\$74	\$500	\$500
Tools & Equipment Under \$5,000	\$0	\$1,096	\$4,342	\$2,000	\$5,000
Books & Subscriptions	\$0	\$0	\$0	\$200	\$200
Equipment Maintenance	\$0	\$6,871	\$23,080	\$35,000	\$24,000
Data Collection and Analysis	\$0	\$2,197	\$76,040	\$185,000	\$175,000
Licenses/Dues & Fees	\$0	\$539	\$1,431	\$3,780	\$3,780
Auto Expenses	\$0	\$3,657	\$13,761	\$0	\$15,000
Travel Expenses	\$0	\$5,252	\$5,254	\$10,000	\$12,000
Education, Training & Conferences	\$0	\$2,403	\$4,931	\$24,800	\$39,400
Consulting	\$0	\$0	\$0	\$120,000	\$200,000
Water Quality	\$0	\$1,378	\$0	\$0	\$0
Other Expenses	\$0	\$168	\$179	\$1,000	\$1,000
<b>Total Operating Expenses:</b>	<b>\$1,314,575</b>	<b>\$994,437</b>	<b>\$911,649</b>	<b>\$2,786,880</b>	<b>\$2,153,480</b>
<b>Total Departmental Expense:</b>	<b>\$2,556,331</b>	<b>\$2,338,119</b>	<b>\$2,654,241</b>	<b>\$5,566,577</b>	<b>\$4,561,986</b>
<b>Total Expense Objects:</b>	<b>\$2,556,331</b>	<b>\$2,338,119</b>	<b>\$2,654,241</b>	<b>\$5,566,577</b>	<b>\$4,561,986</b>

# Watermaster

## Department # 90

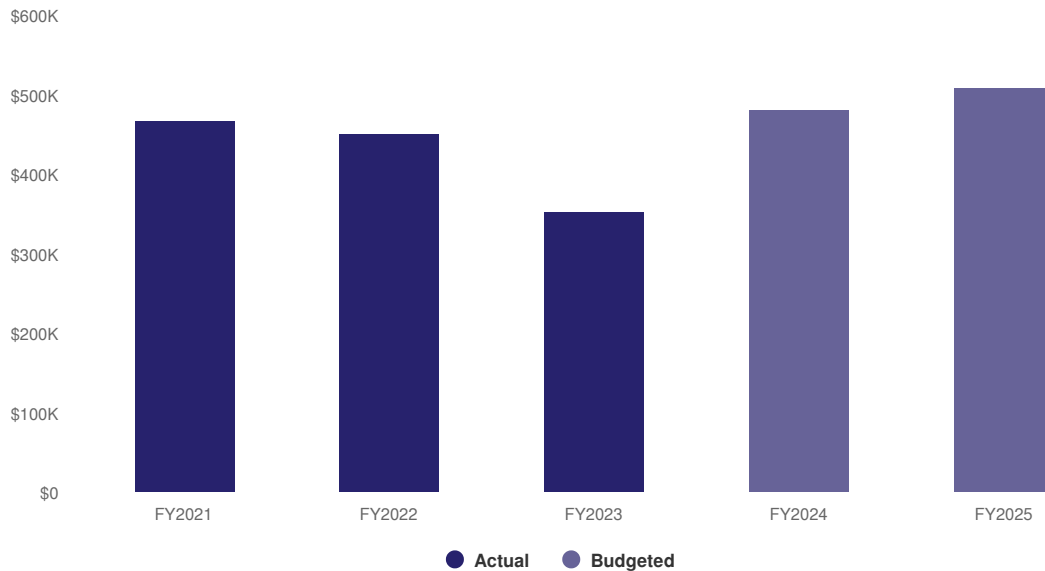
This division oversees the adjudication settlement that controls how much and when water may be pumped from High Desert aquifers.

### Expenditures Summary

The expenses in the Watermaster department have stayed relatively flat throughout the years. The dip in expenses for fiscal year 2022/23 is largely due to vacant positions in the department. The vacant positions were filled midway through the 2023/24 fiscal year, which is reflected by the increase, bringing the department to its normal expense range.

**\$509,678** **\$27,985**  
(5.81% vs. prior year)

#### Watermaster Proposed and Historical Actuals



Name	FY2021 Actual	FY2022 Actual	FY2023 Actual	FY2024 Budgeted	FY2025 Budgeted
Expense Objects					
Departmental Expense					
Personnel Expenses					
Wages	\$495,533	\$431,005	\$373,810	\$452,677	\$527,592
Salaries Labor Out	-\$383,004	-\$348,901	-\$250,971	-\$322,952	-\$381,228
Wages Overtime	\$2,847	\$2,366	\$1,955	\$4,000	\$2,000
Flex Benefits Plan	\$64,779	\$62,758	\$60,814	\$117,060	\$117,085
Payroll Taxes	\$14,691	\$14,226	\$6,908	\$13,128	\$7,650
Misc. Benefit	\$0	\$0	\$5,918	\$720	\$0
Workers Compensation	\$1,786	\$966	\$1,612	\$3,780	\$6,960
Health Insurance - Dental/Vision - Employees	\$7,525	\$7,480	\$5,956	\$5,337	\$4,985
Health Exp. Reimb: Employees	-\$16	\$0	\$0	\$0	\$0
Deferred Comp Contributions	\$22,902	\$21,987	\$17,511	\$22,634	\$26,380
PERS	\$155,945	\$164,849	\$48,187	\$67,483	\$71,804
<b>Total Personnel Expenses:</b>	<b>\$382,988</b>	<b>\$356,738</b>	<b>\$271,701</b>	<b>\$363,868</b>	<b>\$383,228</b>
Operating Expenses					
Safety Supplies	\$0	\$0	\$0	\$100	\$0
Tools & Equipment Under \$5,000	\$0	\$0	\$32	\$100	\$100
Books & Subscriptions	\$0	\$0	\$56	\$50	\$100
Printing	\$112	\$1,112	\$0	\$650	\$0
Auto Expenses	\$287	\$235	\$386	\$500	\$500
Travel Expenses	\$0	\$639	\$4,171	\$6,300	\$7,500
Education, Training & Conferences	\$1,535	\$0	\$1,555	\$5,000	\$6,000
Engineering, General	\$73,485	\$80,920	\$63,858	\$93,500	\$93,500
Aerial Photos	\$9,531	\$10,625	\$11,625	\$11,625	\$18,750
Other Expenses	\$0	\$0	\$190	\$0	\$0
<b>Total Operating Expenses:</b>	<b>\$84,950</b>	<b>\$93,530</b>	<b>\$81,874</b>	<b>\$117,825</b>	<b>\$126,450</b>
<b>Total Departmental Expense:</b>	<b>\$467,938</b>	<b>\$450,268</b>	<b>\$353,575</b>	<b>\$481,693</b>	<b>\$509,678</b>
<b>Total Expense Objects:</b>	<b>\$467,938</b>	<b>\$450,268</b>	<b>\$353,575</b>	<b>\$481,693</b>	<b>\$509,678</b>

# Post-Employment Expenses

## Non-Departmental

Non-Departmental is used for expenses not associated with a specific department, such as pension and OPEB obligations.

### Expenditures Summary

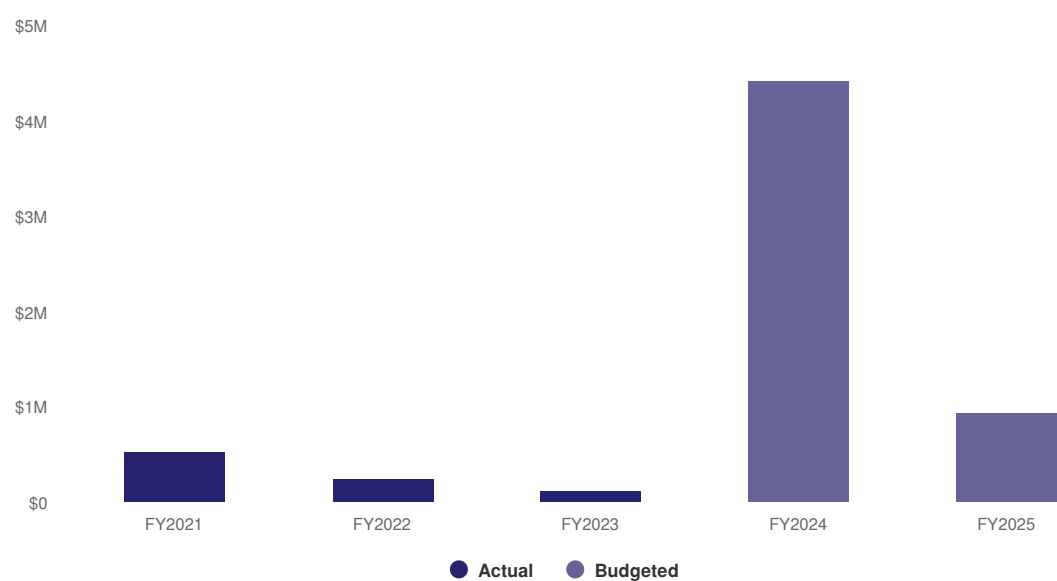
A one-time additional payment of \$3.5M towards the CalPERS unfunded liability was made in FY 2023/24 reducing the liability and equating to a savings of approximately \$2M in future interest costs. The pay down of this liability reflects not only active employees but also liabilities attributable to retirees.

\$936,049

-\$3,487,121

(-78.84% vs. prior year)

Post-Employment Expenses Proposed and Historical Actuals



<b>Name</b>	<b>FY2021 Actual</b>	<b>FY2022 Actual</b>	<b>FY2023 Actual</b>	<b>FY2024 Budgeted</b>	<b>FY2025 Budgeted</b>
<b>Expense Objects</b>					
<b>Departmental Expense</b>					
<b>Personnel Expenses</b>					
OPEB Expense	\$175,297	\$156,601	\$191,463	\$222,570	\$191,307
PERS Unfunded Accrued Liability (UAL)			\$627,256	\$4,200,600	\$744,742
Net OPEB Expense	-\$169,580	-\$102,504	-\$32,488	\$0	\$0
Net Pension Expense	\$526,790	\$194,507	-\$658,364	\$0	\$0
<b>Total Personnel Expenses:</b>	<b>\$532,507</b>	<b>\$248,604</b>	<b>\$127,867</b>	<b>\$4,423,170</b>	<b>\$936,049</b>
<b>Total Departmental Expense:</b>	<b>\$532,507</b>	<b>\$248,604</b>	<b>\$127,867</b>	<b>\$4,423,170</b>	<b>\$936,049</b>
<b>Total Expense Objects:</b>	<b>\$532,507</b>	<b>\$248,604</b>	<b>\$127,867</b>	<b>\$4,423,170</b>	<b>\$936,049</b>

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# DEBT

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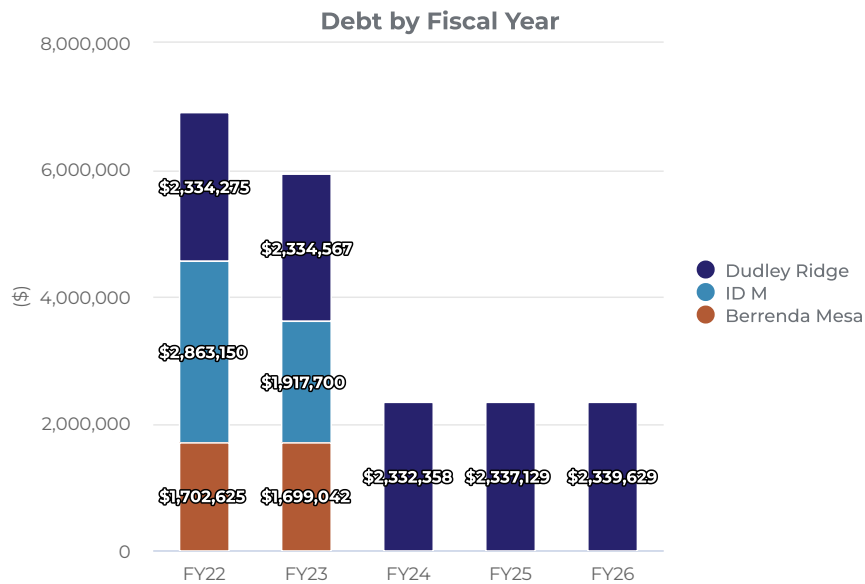


## Debt Service

The Agency issues debt to finance major capital purchases. After many years with multiple debt issuance, in FY23/24 the Improvement District "M" General Obligation Bonds for the Morongo Basin Pipeline Extension as well as the Revenue Bond Series 2014A for the Berrenda Mesa 25,000 AF water entitlement have been paid off; making the Revenue Bond Series 2017A being the only remaining debt issuance.

### Revenue Bond, Series 2017A - Dudley Ridge 14,000 AF Water Entitlement

In 2009, the Agency issued COP's for an additional 14,000 acre feet of Table A entitlement water from the Dudley Ridge Water District for a total cost of \$73.5 million, increasing the total Table A entitlement of the Agency to 89,800 (7,000 acre feet transfer in 2010, 3,000 in 2015 and the final 4,000 in 2020). The outstanding debt was refunded in July 2017, and reissued as the Mojave Water Agency, Refunding Revenue Bonds, Series 2017A. The debt service for fiscal year 2024/25 will be \$2,337,129.



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# **CAPITAL IMPROVEMENTS**

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## Capital Improvements: One-year Plan

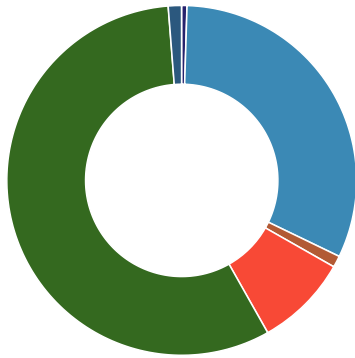
The Capital Improvement Plan (CIP) budget is a five-year plan to capture investments that need to be made to the Agency's infrastructure, both investments and reinvestments in existing infrastructure. Capital projects are long-term and strategic investments in physical solutions that enable the Agency to import, store and deliver water to our region. This includes water recharge basins, pipelines and all other appurtenances, as well as the information technology and scientific monitoring to make data-informed and scientifically sound decisions for our future. The large nature of these investments requires a thoughtful process whereby Departments identify projects that are needed through a variety of planning mechanisms and come together to prioritize and put together the CIP.

### Total Capital Requested

# \$24,351,000

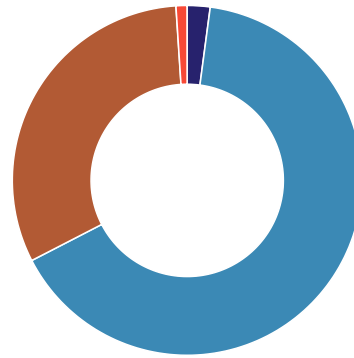
33 Capital Improvement Projects

Total Funding Requested by Department



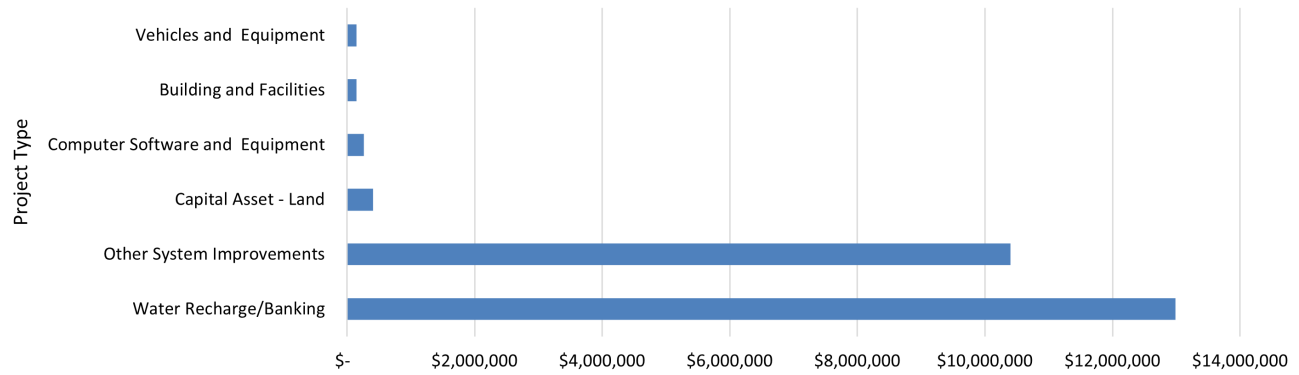
Administration (0%)	\$120,000.00
Engineering (32%)	\$7,710,000.00
Information Technology (1%)	\$260,000.00
Operations (9%)	\$2,093,000.00
Water Resources (57%)	\$13,868,000.00
Water Resources - Field (1%)	\$300,000.00
<b>TOTAL</b>	<b>\$24,351,000.00</b>

Total Funding Requested by Source



Funding Source 1 (2%)	\$410,000.00
Grant Funding (65%)	\$12,698,747.00
MWA Cash (Pay-Go) (32%)	\$6,131,001.00
Outside Funding (1%)	\$200,000.00
<b>TOTAL</b>	<b>\$19,439,748.00</b>

### Capital Budget On-year Plan



### Grants

Mojave Water Agency has used grant funding to secure funding for large game-changing projects for projects such as the Mojave River Pipeline, the R<sup>3</sup> (Regional Recharge and Recovery) Project, and the Groundwater Banking Study. These grants from both State and Federal Programs enable the Agency to extend its reach, provide proof of concept for large innovative projects and increase the affordability of water for the many disadvantaged and severely disadvantaged communities within our service area. On behalf of others within our service area, the Agency also identifies, assists and administers grants in service of implementing Agencies and districts to reduce the administrative burden on small water system with more limited capacity.

The Agency's grant revenue fluctuates on the related grant expenses primarily due to the fact that many grants are done on a reimbursement basis.

Grant Administration	\$ 120,000
Lucerne Valley Groundwater Recharge Ponds	347,430
Data Monitoring Network	517,617
MRP Travelling Screen	1,569,491
West VV Groundwater Banking	<u>5,000,000</u>
Subtotal	<u>\$ 7,554,538</u>
Pass-Thru Grants total	\$ 4,262,633
Total	<u>\$11,817,171</u>

# Water Resources Requests

## Itemized Requests for 2025

<b>Ames Reche Recharge Facility</b>	<b>\$400,000</b>
Relocate the current Ames Reche Recharge facility out of Pipes Wash into a secured/fenced MWA-Owned parcel free from onerous permit requirements. Move recharge out of pipes wash from a highly regulated environmentally sensitive area to MWA-owned...	
<b>Data Monitoring Network Helendale and Arrowhead Monitoring Wells</b>	<b>\$250,000</b>
Install 2 multi-completion monitoring wells. The Lake Arrowhead Replacement, aims to replace a previous well that is no longer accessible and is of questionable quality. This replacement well is intended to provide new and reliable scientific...	
<b>Groundwater Bank (R3)</b>	<b>\$100,000</b>
Water Bank Phase 1 is leveraging the existing unused capacity of the R3 System as the first step in developing a functional MWA Water Banking Program. The R3 infrastructure exists and only lacks a SWP return connection, including a...	
<b>Groundwater Bank (Unnamed Wash in Upper Basin) Recharge</b>	<b>\$100,000</b>
The Unnamed Wash recharge will be built around the existing and underutilized SWP facilities. The project will provide leave behind water to local aquifers, provide significant water quality benefits, and increase drought resiliency. Water...	
<b>Groundwater Banking Study</b>	<b>\$700,000</b>
Ongoing KJ Banking Study to determine the feasibility and development for an MWA Regional Water Bank.	
<b>Lucerne Pump Station Recharge Monitoring Well</b>	<b>\$950,000</b>
Install a scientific monitoring well to investigate and characterize aquifer conditions at the proposed Lucerne Pump Station recharge facility. This will provide vital monitoring capability of aquifer conditions both before (baseline monitoring)...	
<b>Lucerne Valley Pump Station Recharge Basin</b>	<b>\$100,000</b>
Construct an approximate 3-acre groundwater recharge area on vacant land within MWA's existing 5-acre Lucerne Valley Booster Pump Station property. The pump station is part of the Morongo Basin Pipeline. The recharge area will be developed by...	
<b>Master Plan</b>	<b>\$850,000</b>
The Mojave Water Agency Master Plan (Plan) will be a planning document to provide a clear, long-term vision for services to be provided by MWA to meet groundwater resource use demands in a changing climate and the infrastructure and resources...	
<b>Oeste Demonstration Recharge Pilot PHASE 1</b>	<b>\$100,000</b>
Design and construct groundwater recharge pilot test facilities using artificial recharge basins and a scientific monitoring well to store water in groundwater at California Aqueduct turnout sites in Oeste and West Victorville (Attached...	
<b>Oeste Permanent Aqueduct Turnout PHASE 2</b>	<b>\$100,000</b>
Construct a permanent SWP Turnout in Oeste. This will be determined after the status of the Oeste Demonstration Recharge Project.	
<b>Water Resources Warehouse Upgrades</b>	<b>\$30,000</b>
Replace the HVAC for the warehouse restrooms and upgrade the rollup doors with sensors.	
<b>West Victorville Groundwater Banking Pilot Test Project PHASE 1</b>	<b>\$10,188,000</b>
Design and establish a data baseline for a water banking feasibility pilot test using artificial recharge basin(s) and test production wells to store and recover groundwater at the California Aqueduct Mojave River Pipeline Turnout site in West...	

Water Resources - Field Requests

Itemized Requests for 2025

Ongoing Monitoring Well Maintenance Program	\$300,000
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This project will be to perform higher level well maintenance to our current monitoring wells, including replacing vault lids at existing sites that are failing, stove pipe replacements or maintenance, and re-development of monitoring wells to...

Total: \$300,000

# Operations Requests

## Itemized Requests for 2025

### Anode Replacement and Installation

**\$35,000**

This project replaces existing anode beds where the existing anodes have been depleted in approximately seven locations along both the Mojave River Pipeline and the Morongo Basin Pipeline. It also includes the addition of new anode beds as...

### Deep Creek Sleeve Valve Rebuild

**\$390,000**

The Deep Creek recharge site delivers a controlled amount of State Water Project water to the Deep Creek area for recharge purposes. A sleeve valve is used to reduce water pressure and control the flow of water while recharging. The sleeve valve...

### Electrical Panel Replacement (MCC)

**\$100,000**

The existing electrical panels, motor control centers (MCC's), are aging and becoming harder to find replacement parts for at the Johnson Valley Pump Station. These MCC's are housing all the electrical equipment that operates and controls...

### EV Fleet Evaluation

**\$20,000**

A consultant is needed to evaluate and make recommendations on future vehicle purchases while ensuring that the agency is in compliance with the State of California.

### Johnson Valley Surge Tank Air Compressors

**\$130,000**

This is to replace or repair the existing air compressors and related appurtenances that maintain adequate air levels for the surge tanks at the Johnson Valley Pump Station.

### Johnson Valley Underground Slab Inspection

**\$15,000**

This project covers the investigation of possible under slab voids at the Johnson Valley Pump Station (pump area) from a previous leak under the slab.

### Lenwood Flow Meter Replacement

**\$18,000**

The Lenwood recharge facility allows controlled releases of State Water Project water used for recharging ground water from the Mojave River Pipeline. This project will replace an existing water meter that is no longer registering the flow of water.

### Mesa Street trench repair

**\$1,000,000**

This is to cover construction costs associated with the trench repairs on Mesa Street in the City of Victorville.

### Newberry Springs Corrosion Protection

**\$150,000**

Current testing results have shown that additional corrosion protection may be required on this segment of pipeline on the Mojave River Pipeline (Newberry Springs Reach 4B). There is minimal corrosion protection on this Reach and with minimal...

### Newberry Springs Reach 4B pipe condition assessment

**\$80,000**

This is to cover costs associated with evaluating and providing a non-destructive test for a short section of pipe for Reach 4B which is located on the Mojave River Pipeline. The following budget year will provide additional testing which was not...

### Purchase of dump trailer with two roll off bins

**\$50,000**

These bins will provide additional storage for aggregates and other debris/materials.

### R3 Investigation

**\$30,000**

This is to provide an initial inspection of the R3 conveyance system and determine areas of concern which may include but not limited to trench settling, above ground appurtenances, etc. A consultant may be needed for additional evaluation.

Replace 2010 Ford F150

\$75,000

Replace 2010 Ford F150

**Total: \$2,093,000**

## Engineering Requests

### Itemized Requests for 2025

#### Easement and Land Acquisitions

**\$410,000**

Implementation of MWA's Master Plan will require property purchases for recharge basins, infrastructure, and installation of monitoring wells throughout MWA's boundary. In addition, easements and right of way acquisitions will be...

#### Mojave River Pipeline Traveling Screen Project

**\$7,000,000**

The Mojave River Pipeline (MRP) Traveling Screen Project (Project) adds a new traveling screen within the California Aqueduct (White Road Turn Out). Installation of this screen would eliminate the need to repair or replace the existing drum...

#### R3 Chlorination Optimization Project

**\$300,000**

This project helps to optimize and maintain chlorine residuals in the R3 pipeline system by improving the existing chlorine application method. The improved and optimized chlorination method will adapt to the number of wells that will be in...

**Total: \$7,710,000**

## Administration Requests

### Itemized Requests for 2025

#### Re-pavement of Front and Back Parking lots

**\$120,000**

Repaving the front and back parking lots will eliminate trip hazards, potholes and major cracks, ensuring a safer environment for pedestrians and vehicles. Repaving our parking lots will offer a complete refresh that will address the structural...

**Total: \$120,000**



# Information Technology Requests

## Itemized Requests for 2025

<b>Asset Management Software</b>	<b>\$80,000</b>
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Asset Management Software for Operations

<b>Board Meeting Room Upgrades</b>	<b>\$80,000</b>
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The MWA Board Chambers does not currently have integrated video/cameras as part of the system. The system is controlled by a room controller, so the addition of video will require integration with the current room system and...

<b>Operations Office Microwave Link Upgrade</b>	<b>\$100,000</b>
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Upgrade the microwave network link to the HQ office, which is currently the bottleneck in all communications to the Operations office (which hosts our SCADA servers). This link provides all data and phone communications for the Operations...

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**Total: \$260,000**

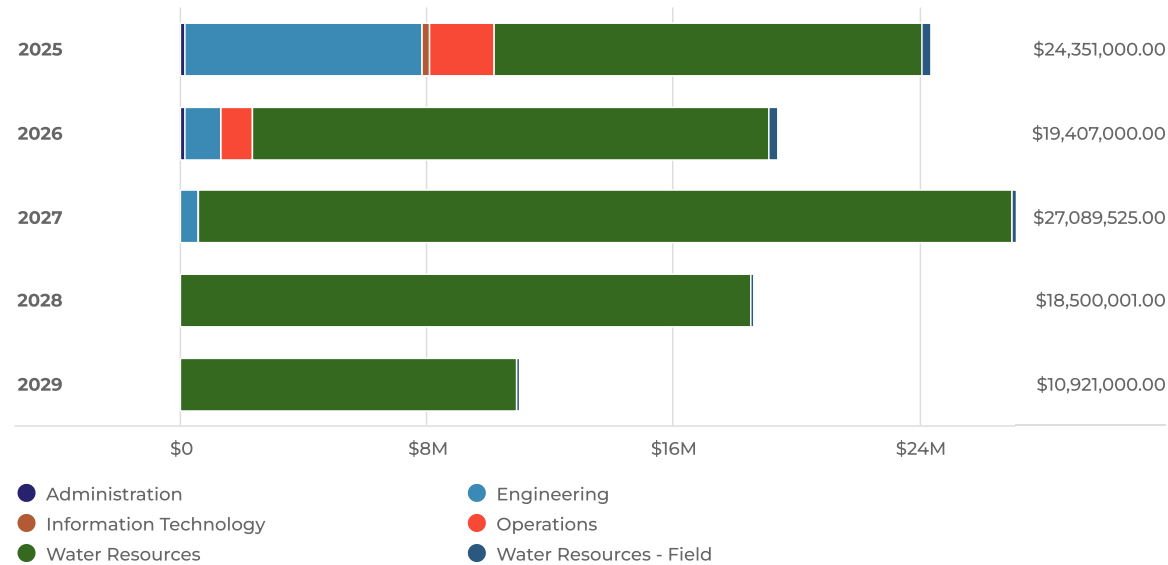
## Capital Improvements: Multi-year Plan

The 5-year Capital Improvement budget is projected to be \$100M for Recharge and Recovery projects (\$85M), the Traveling Screen project (\$8M) and a new Asset Management plan that will assist in identifying other repair and replacement projects. Grants will be sought after for the projects identified with a forecast of \$26M in potential future grant revenue to offset the large capital expenses.

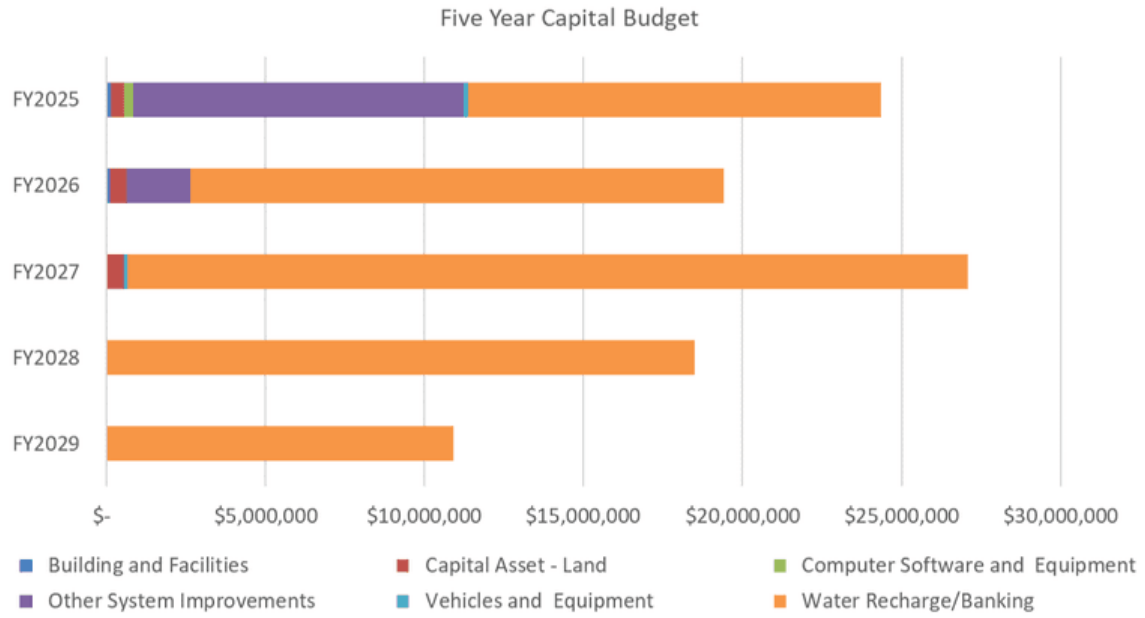
**Total Capital Requested**  
**\$100,268,526**

52 Capital Improvement Projects

### Total Funding Requested by Department



## Capital Improvement by Project Type



# Water Resources Requests

## Itemized Requests for 2025-2029

<b>Ames Reche Recharge Facility</b>	<b>\$11,447,000</b>
Relocate the current Ames Reche Recharge facility out of Pipes Wash into a secured/fenced MWA-Owned parcel free from onerous permit requirements. Move recharge out of pipes wash from a highly regulated environmentally sensitive area to MWA-owned...	
<b>Data Monitoring Network Helendale and Arrowhead Monitoring Wells</b>	<b>\$500,000</b>
Install 2 multi-completion monitoring wells. The Lake Arrowhead Replacement, aims to replace a previous well that is no longer accessible and is of questionable quality. This replacement well is intended to provide new and reliable scientific...	
<b>Groundwater Bank (R3)</b>	<b>\$100,000</b>
Water Bank Phase 1 is leveraging the existing unused capacity of the R3 System as the first step in developing a functional MWA Water Banking Program. The R3 infrastructure exists and only lacks a SWP return connection, including a...	
<b>Groundwater Bank (Unnamed Wash in Upper Basin) Recharge</b>	<b>\$100,000</b>
The Unnamed Wash recharge will be built around the existing and underutilized SWP facilities. The project will provide leave behind water to local aquifers, provide significant water quality benefits, and increase drought resiliency. Water...	
<b>Groundwater Banking Study</b>	<b>\$700,000</b>
Ongoing KJ Banking Study to determine the feasibility and development for an MWA Regional Water Bank.	
<b>Lucerne Pump Station Recharge Monitoring Well</b>	<b>\$950,000</b>
Install a scientific monitoring well to investigate and characterize aquifer conditions at the proposed Lucerne Pump Station recharge facility. This will provide vital monitoring capability of aquifer conditions both before (baseline monitoring)...	
<b>Lucerne Valley Pump Station Recharge Basin</b>	<b>\$5,710,000</b>
Construct an approximate 3-acre groundwater recharge area on vacant land within MWA's existing 5-acre Lucerne Valley Booster Pump Station property. The pump station is part of the Morongo Basin Pipeline. The recharge area will be developed by...	
<b>Master Plan</b>	<b>\$850,000</b>
The Mojave Water Agency Master Plan (Plan) will be a planning document to provide a clear, long-term vision for services to be provided by MWA to meet groundwater resource use demands in a changing climate and the infrastructure and resources...	
<b>Oeste Demonstration Recharge Pilot PHASE 1</b>	<b>\$9,240,000</b>
Design and construct groundwater recharge pilot test facilities using artificial recharge basins and a scientific monitoring well to store water in groundwater at California Aqueduct turnout sites in Oeste and West Victorville (Attached...	
<b>Oeste Permanent Aqueduct Turnout PHASE 2</b>	<b>\$11,569,526</b>
Construct a permanent SWP Turnout in Oeste. This will be determined after the status of the Oeste Demonstration Recharge Project.	
<b>Water Resources Warehouse Upgrades</b>	<b>\$30,000</b>
Replace the HVAC for the warehouse restrooms and upgrade the rollup doors with sensors.	
<b>West Victorville Groundwater Banking Pilot Test Project PHASE 1</b>	<b>\$18,263,000</b>
Design and establish a data baseline for a water banking feasibility pilot test using artificial recharge basin(s) and test production wells to store and recover groundwater at the California Aqueduct Mojave River Pipeline Turnout site in West...	

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**West Victorville Groundwater Banking Pilot Test Project PHASE 2****\$27,031,000**

Major construction of water banking feasibility pilot test infrastructure using artificial recharge basin(s) and test production wells to store and recover groundwater at the California Aqueduct Mojave River Pipeline Turnout site in West...

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**Total: \$86,490,526**

## **Water Resources - Field Requests**

### **Itemized Requests for 2025-2029**

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**Ongoing Monitoring Well Maintenance Program****\$600,000**

This project will be to perform higher level well maintenance to our current monitoring wells, including replacing vault lids at existing sites that are failing, stove pipe replacements or maintenance, and re-development of monitoring wells to...

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**Replace Water Resources 2014 Ford F150****\$100,000**

Replace Water Resources 2014 Ford F150

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**Total: \$700,000**

# Operations Requests

## Itemized Requests for 2025-2029

### Anode Replacement and Installation

**\$35,000**

This project replaces existing anode beds where the existing anodes have been depleted in approximately seven locations along both the Mojave River Pipeline and the Morongo Basin Pipeline. It also includes the addition of new anode beds as...

### Deep Creek Sleeve Valve Rebuild

**\$390,000**

The Deep Creek recharge site delivers a controlled amount of State Water Project water to the Deep Creek area for recharge purposes. A sleeve valve is used to reduce water pressure and control the flow of water while recharging. The sleeve valve...

### Electrical Panel Replacement (MCC)

**\$600,000**

The existing electrical panels, motor control centers (MCC's), are aging and becoming harder to find replacement parts for at the Johnson Valley Pump Station. These MCC's are housing all the electrical equipment that operates and controls...

### EV Fleet Evaluation

**\$20,000**

A consultant is needed to evaluate and make recommendations on future vehicle purchases while ensuring that the agency is in compliance with the State of California.

### Johnson Valley Surge Tank Air Compressors

**\$130,000**

This is to replace or repair the existing air compressors and related appurtenances that maintain adequate air levels for the surge tanks at the Johnson Valley Pump Station.

### Johnson Valley Underground Slab Inspection

**\$70,000**

This project covers the investigation of possible under slab voids at the Johnson Valley Pump Station (pump area) from a previous leak under the slab.

### Lenwood Flow Meter Replacement

**\$18,000**

The Lenwood recharge facility allows controlled releases of State Water Project water used for recharging ground water from the Mojave River Pipeline. This project will replace an existing water meter that is no longer registering the flow of water.

### Mesa Street trench repair

**\$1,000,000**

This is to cover construction costs associated with the trench repairs on Mesa Street in the City of Victorville.

### Newberry Springs Corrosion Protection

**\$500,000**

Current testing results have shown that additional corrosion protection may be required on this segment of pipeline on the Mojave River Pipeline (Newberry Springs Reach 4B). There is minimal corrosion protection on this Reach and with minimal...

### Newberry Springs Reach 4B pipe condition assessment

**\$180,000**

This is to cover costs associated with evaluating and providing a non-destructive test for a short section of pipe for Reach 4B which is located on the Mojave River Pipeline. The following budget year will provide additional testing which was not...

### Purchase of dump trailer with two roll off bins

**\$50,000**

These bins will provide additional storage for aggregates and other debris/materials.

### R3 Investigation

**\$30,000**

This is to provide an initial inspection of the R3 conveyance system and determine areas of concern which may include but not limited to trench settling, above ground appurtenances, etc. A consultant may be needed for additional evaluation.

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Replace 2010 Ford F150

\$75,000

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Replace 2010 Ford F150

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**Total: \$3,098,000**

## Engineering Requests

### Itemized Requests for 2025-2029

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**Easement and Land Acquisitions**

**\$1,480,000**

Implementation of MWA's Master Plan will require property purchases for recharge basins, infrastructure, and installation of monitoring wells throughout MWA's boundary. In addition, easements and right of way acquisitions will be...

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**Mojave River Pipeline Traveling Screen Project**

**\$7,000,000**

The Mojave River Pipeline (MRP) Traveling Screen Project (Project) adds a new traveling screen within the California Aqueduct (White Road Turn Out). Installation of this screen would eliminate the need to repair or replace the existing drum...

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**R3 Chlorination Optimization Project**

**\$1,000,000**

This project helps to optimize and maintain chlorine residuals in the R3 pipeline system by improving the existing chlorine application method. The improved and optimized chlorination method will adapt to the number of wells that will be in...

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**Total: \$9,480,000**

## Administration Requests

### Itemized Requests for 2025-2029

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**HQ Office Space Reconfiguration**

**\$120,000**

The current office configuration no longer suits the current staffing work space needs. The building was constructed and configured using a specific vendor who now has limited distribution. The office reconfiguration will allow for more private...

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**Re-pavement of Front and Back Parking lots**

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