



 **Mojave Water Agency**

Fiscal Year 2027 Budget

Board Adopted May 28, 2026



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Transmittal Letter



To the Honorable Board of Directors:

I am pleased to present the Budget for Fiscal Year (FY) 2027. As the Agency faces many challenges in water management, this budget represents positioning the Agency for the future in managing these challenges. The Agency's 2021 Strategic Plan identified future risks to imported water supply from the State Water Project, groundwater basin management, and financial sustainability, and established goals and objectives to address them. To operationalize those goals, the Board adopted the Policy to Maximize Customer Value, which provides a structured framework for identifying what customers and communities need, estimating the full cost of delivering those outcomes, and matching available resources to the Agency's highest priorities. The Master Plan, now in active development with key milestones anticipated in FY 2027, is the multi-year planning instrument through which those priorities will be translated into programs of work on a regular cycle. This budget reflects that governance and the Agency's commitment to data-driven decision making and infrastructure resilience.

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 to manage through low allocation years, or in years when water may not be available. This also provides an opportunity to bring in revenues during low allocation years when market demand for water is at its highest. The risk in our imported water supply's 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, subsidence, and earthquake-induced levee failure that can interrupt supplies from the State Water Project. Additionally, the ability of the State Water Project to deliver water reliably remains under stress as legal challenges and new or changing policies and regulatory constraints delay the progress of important investments in the system 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 principal drivers for this are the increasing age of our infrastructure and the greater operational need we have for it when water supplies need to be moved. The Agency's Infrastructure Asset Management Plan and Master Plan are in active development to 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 existing infrastructure and evaluating new investments to store, recover, and move water when it is needed, to where it is needed will be essential.

Meeting all these challenges is costly. We continue to experience increasing costs associated with our water supply contract with the Department of Water Resources (DWR) 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 deliberate in how we plan and prepare for these expenses, develop partnerships, and explore new revenue streams necessary to be successful.

The FY 2027 budget was developed with these challenges in mind. Major planning efforts to provide strategic approaches to managing the Agency's greatest risks are underway. This includes continued engagement with DWR to anticipate and plan for our imported water supply availability and 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 recruiting and maintaining competent and motivated staff that can respond to the increasingly complex challenges facing the Agency.

As long-tenured staff reach retirement, we are competing in a highly aggressive job market. This budget prioritizes competitive compensation to retain our subject matter experts and attract the next generation of water professionals. 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. Further, the Agency is implementing a new performance development framework designed to align individual goals to Agency priorities, provide ongoing feedback and coaching, and support the growth and retention of our team. With the Policy to Maximize Customer Value adopted, the Master Plan in active development, and a performance development framework launching in FY 2027, the Agency is better positioned than ever to translate its Strategic Plan goals into measurable outcomes for the region and its communities.

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 the Agency's department managers and Board members who contributed to the development of this budget. Special thanks to the finance team at Mojave Water Agency, including Lauren Warrem, Karry LaClair, Cristina Hall, Martha Cortes, Beth Naval-Go, and Carolyn Snay.

Respectfully submitted,

Adnan Anabtawi, P.E.

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 per year.

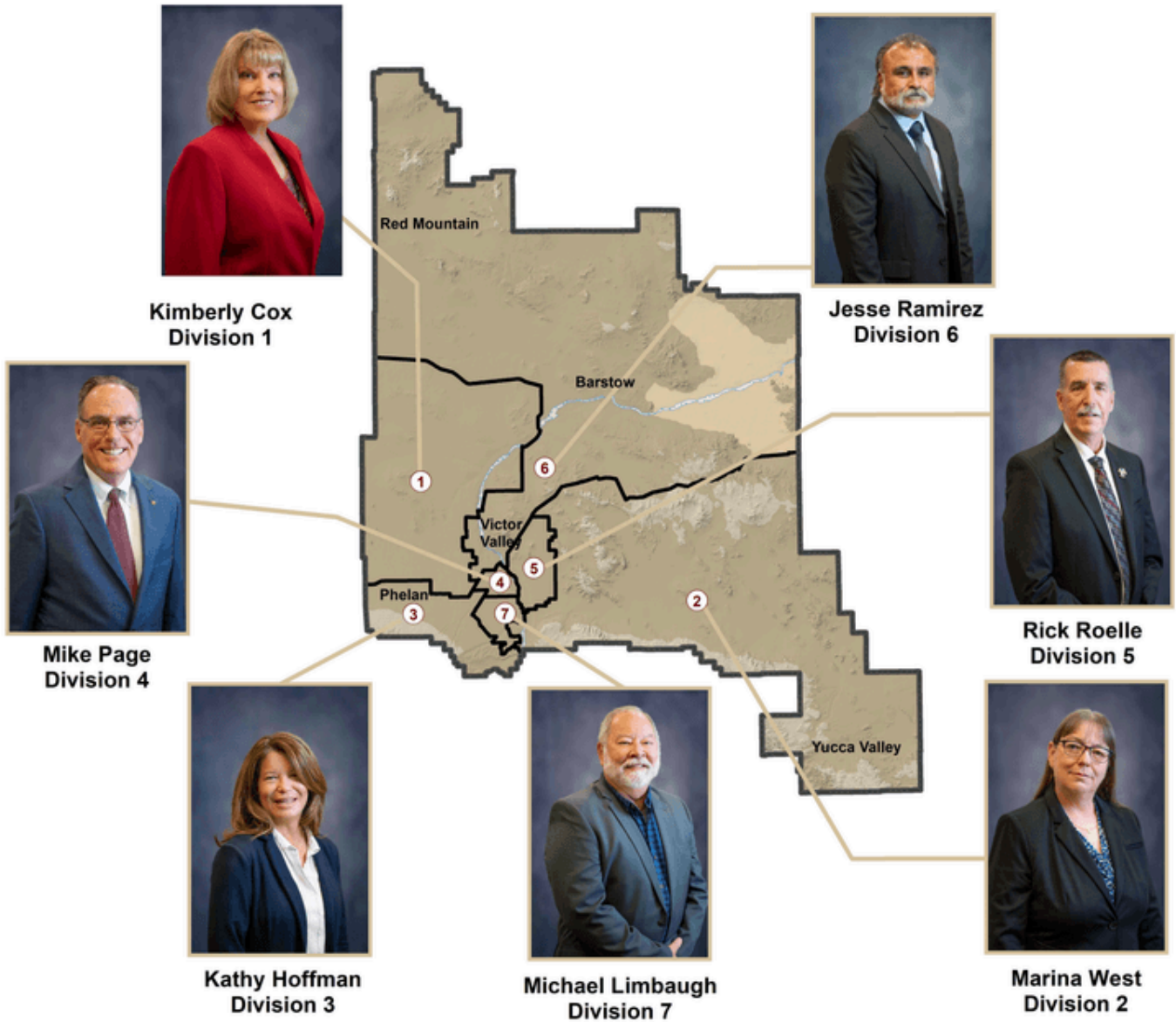


Purpose

"...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.



Vision, Mission, and Core 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 Challenges

State Water Project

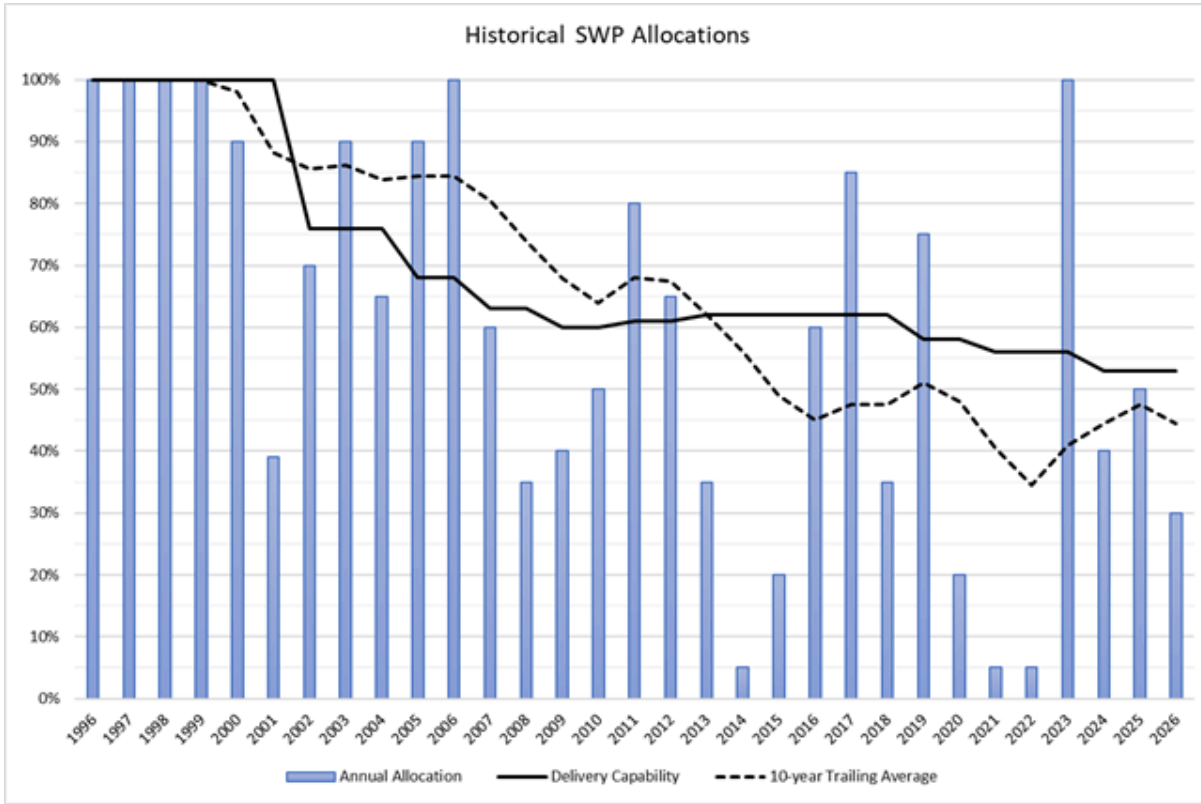
Over the past 20 years, the environment within which the State Water Project (SWP) operates has changed drastically due to many factors including:

- 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 noticeable decline in expected 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 Healthy 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 (DCP), including active participation in governance of the DCP, design/construction oversight, and long-term cost and operational implications.

Reliability versus Sustainability

An important distinction exists between water supply reliability and water supply sustainability. The chart below depicts the historical SWP annual water supply availability. The bars 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 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 forecasted demands with existing and forecasted water supply availability. Water service sustainability is confirmed when the forecasted available supplies exceed the forecasted demand. The chart below demonstrates the projection of MWA’s water service availability through 2065 based on the most recent urban water management plans for the region. Although demand is forecast to increase and the 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 under constant threat of a reduction in the long-term sustainable supply as the State grapples with climate change and regulatory protection for endangered species. Work has begun to update the urban water management plans for the region.

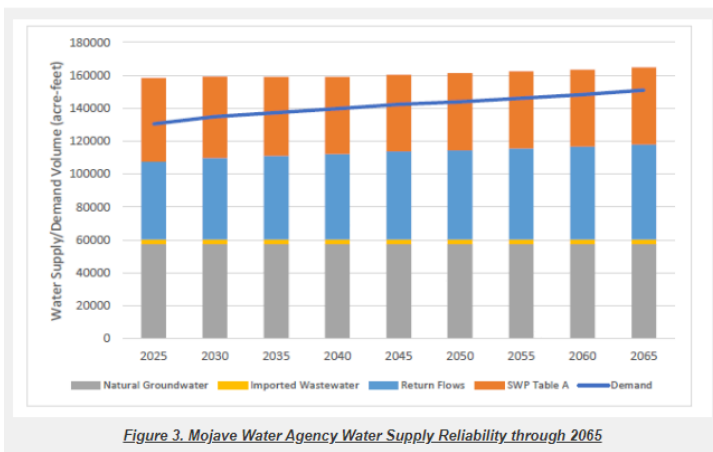


Figure 3. Mojave Water Agency Water Supply Reliability through 2065

Basin Management

The Agency is also experiencing several uncertainties and associated risks regarding 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 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 in groundwater levels occurring.

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, it may be beneficial for the Agency to 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. Evaluations have begun to determine the potential feasibility of these types of investments.

Meanwhile, the infrastructure in the region for both the use of groundwater resources and replenishment of the groundwater basins is aging, resulting in risks to both maintenance costs and reliability of access. To address these risks, the Agency completed the first phase of its Infrastructure Asset Management Program (IAMP) development, resulting in the creation of an asset inventory and identified a framework to assess risk and criticality of Agency assets, and will be building on this foundation to prioritize assets, assess condition, and initiate a cyclical asset management planning process to inform maintenance, repair, and replacement.

The Agency is also working to identify and develop programs to understand groundwater conditions in our region and identify investments that support groundwater management 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 fixed 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 managing the Agency's available imported water, 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 need for significant investment and risk to meet the expected demand for water within the region. The Agency works to strategically steward financial resources to maintain a high level of service to our region while managing costs responsibly.

In recognition of these challenges, the Agency has strengthened its planning framework by adopting the Policy to Maximize Customer Value to ensure that investment decisions are grounded in clear priorities, long-term fiscal sustainability, and meaningful outcomes.

Organizational

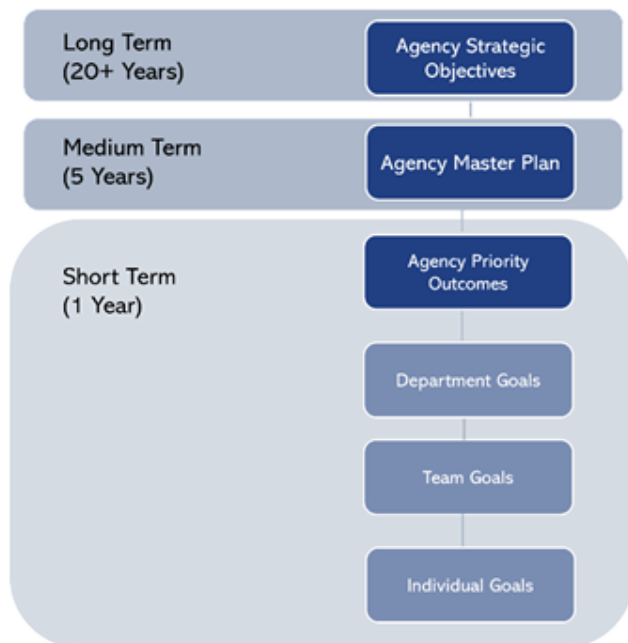
The Agency's ability to respond to these challenges depends on maintaining a skilled and stable workforce. Retirements of long-tenure staff, a competitive labor market, and a limited regional talent pool create ongoing pressure on organizational capacity. At the same time, the scope and complexity of the Agency's commitments continue to expand, requiring more from staff across every function. The Agency's budget reflects continued investment in competitive compensation, professional development and growth, investment in technology and information systems that support staff, and succession planning to ensure staff depth across critical Agency functions and initiatives.

Strategic Plan 2021-2026

The Agency adopted its current Strategic Plan in 2021, updating a framework originally established in 2002 and revised in 2006. The 2021 Strategic Plan update was specifically aimed at identifying future risks to imported water supply from the State Water Project, groundwater basin management, and financial sustainability and developing a set of mitigation measures to address them. The Strategic Plan establishes the Agency's durable goals and objectives and was designed to be operationalized through time-bound, completable actions, namely Strategic Initiatives, that would be regularly updated to reflect evolving priorities. As the Agency's operating environment has grown more complex, a more rigorous approach to periodic initiative updates was needed. In response, the Board adopted the Policy to Maximize Customer Value, which establishes a structured framework for identifying what our customers and communities need, estimating the full cost of delivering those outcomes, and matching available resources to the priorities that matter most to the region. The Policy directs staff to conduct Master Planning as the mechanism for that, replacing the Strategic Initiative structure with a comprehensive, cyclical planning process that translates the Strategic Plan's goals into prioritized, fully costed programs of work on a regular multi-year cycle. The Master Plan project is now underway, with key milestones anticipated in Fiscal Year 2027.

Intent of Strategic Plan and Master Plan

The Strategic Plan and Master Plan serve distinct but complementary roles in the Agency's planning hierarchy. The Strategic Plan defines who we are, what we are working to achieve, and the goals and objectives that will guide the organization over time. The Master Plan is designed to operationalize those goals, translating them into a 20-year look ahead, updated on a regular cycle, that defines the commitments the Agency will deliver, estimates the full cost of providing them, identifies the staff, budget, and infrastructure required, and sets measurable indicators to track progress. The annual budget will then draw from the Master Plan's priorities to determine what will be invested in the coming fiscal year. Together, these three layers—Strategic Plan, Master Plan, and annual budget—form the integrated framework through which the Agency's mission will be converted into action and accountability each year. As the Master Plan's first cycle is completed, this framework will become fully operational. In the interim, priority outcomes for this budget were identified through a deliberate process involving Agency staff, with direction and final approval provided by the Board of Directors through adoption of this budget. Directors, executive staff, and staff work to achieve the goals and objectives by implementing the priorities established through this planning process.



Elements of the Strategic Plan and Master Plan

The Strategic Plan and Master 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 daily. Memorializing our organization's vision, mission, and values, the Strategic Plan and Master Plan provide the basis for incorporating these aspirations into actions. The goals set forth 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 continues to explore and identify the most important outcomes that can help the inhabitants of the region have access to sufficient water for their intended beneficial uses. The Agency's Policy to Maximize Customer Value provides the decision-making framework through which Strategic Plan objectives are prioritized in the budget process: identifying what customers value most, estimating the full cost of delivering those outcomes, and ensuring resources are matched to the results customers need.

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.

Objectives

1. Manage groundwater basins sustainably.
2. Identify and maintain access to imported water supplies in sufficient quantities that, when combined with local supplies, meet Urban Water Management Planning Act requirements which support local communities' land use plans.
3. Develop, manage, and maintain a water portfolio and infrastructure to provide reliable water supplies.
4. Achieve urban water use efficiency consistent with current locally established efficiency targets.
5. Cultivate an organizational culture that successfully recruits, retains, trains, and develops effective team members and leaders to fulfill our mission.
6. Employ robust technology, science, and data management systems to support effective operations and decision-making to address the highest risks.
7. Responsibly steward the availability of financial resources required to fulfill our mission.
8. Create and maintain an active risk register and risk mitigation strategies.
9. Cultivate effective and collaborative working relationships with partner agencies, other responsible parties, and the public.

Budgeting to Achieve Priority Outcomes

This budget was developed by first identifying what Agency staff believe are the most important outcomes to achieve in the fiscal year. This process was informed by the best available information, existing planning studies, and conversations with the Board of Directors, customers, and constituents. The Agency is implementing a performance development framework that connects individual goals to Agency-wide priorities, with progress toward priority outcomes reported to the Board of Directors periodically throughout the year.

Budget Process

The Agency is guided by the Strategic Plan, adopted by the Board in 2021. The Plan includes the Agency's Vision and Mission Statements, defines the Agency's goals as a public agency, and establishes our culture as an organization of individuals. The Strategic Plan responds to the challenges of managing vital resources by establishing specific goals and objectives that guide organizational decision-making. Further, the Agency is advancing the Master Plan project, with key milestones anticipated in Fiscal Year 2027.

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

The financial management cycle is a continual effort of the Agency to support three core functions: aligning resources with priority outcomes that create value for customers; ensuring accountability through budget performance monitoring; and managing long-term risk through a multi-year financial planning model. Working together, the Agency comprehensively manages its financial resources, while engaging in new ideas in a consistent way.

The Agency can experience significant volatility, and challenges include forecasting unknown future conditions, which is where an emphasis is placed on key policy decisions, long-term planning, and trend analysis. Adequate cash reserves can help smooth out some of the volatility. The available resources, including staffing, limit our long-term ongoing commitments to a level that we can afford using the predictable and recurring revenue streams from taxes and water sales the Agency has available.

The detailed annual budget build is an agency-wide effort and requires extensive planning to create value in accordance with our Strategic Initiatives. The Agency utilizes a systematic and coherent framework to identify what needs to be invested in the next fiscal year to achieve the most important priority outcomes over the next few years to create value for the Agency's customers. Budget discussions are conducted with department managers to align on priority outcomes achievable with available staffing and resources, and to identify any additional staffing or resource needs required to deliver those outcomes as part of the budget build. Progress is tracked throughout the fiscal year, with ongoing monitoring focused on return on investment and value to Agency customers.

An in-depth review of the Board's adopted original budget as compared to actuals occurs about halfway through the fiscal year. This mid-year budget update is presented to the Board of Directors to receive feedback and can provide an opportunity to review priorities and realign resources to emerging needs. Several Agency meetings are held between department managers to identify the cross-functional intended outcomes associated with specific requests for funds and prioritization of work.

Revenue projections for the upcoming budget year are forecasted in coordination with expert guidance on the tax revenue and overall economic condition forecast. In partnership with HdL Coren & Cone and Beacon Economics, the Agency uses the best available information for the service area to develop tax revenue forecasts, by fund, for the upcoming budget years to ensure the Agency has adequate resources and spends within its means on a longer-term basis.

In the development of the budgeted expenses for the State Water Project cost projections, the Chief Financial Officer (CFO) regularly participates in meetings with the financial teams of the Department of Water Resources (DWR) and other State Water Contractors. In addition, the CFO participates in the annual DWR Financial Management Conference in February, to provide an outlook for the following year's spending outlook. The Statement of Charges (SOC) is the annual bill that the Agency pays for State Water entitlements. The SOC is based on a calendar year basis, and issued by July 1st, so the Agency prepares future estimates based on the current calendar year SOC and a forecast for the following calendar year SOC.

Throughout this process, the Board members and the public are engaged in the Personnel, Finance, Security, and Technology (PFS&T) Committee and the regular meetings of the Board of Directors on the revenue and expense outlooks. Multiple Budget Workshops are held in the February/March timeframe for detailed discussions on revenue and expense projections. In the April/May timeframe, a proposed draft budget document is circulated for Committee and Board review. A proposed final budget is presented for adoption by the Board no later than June 30th, for an effective date of July 1st.

- **June 12, 2025**
Board of Directors Budget Discussion and Adoption of the Fiscal Year 2026 Final Budget Book.
- **February 9, 2026**
Personnel, Finance, Security and Technology Committee Mid-Year Budget Review Workshop & Property Tax Review by HDL.
- **February 12, 2026**
Board of Directors Mid-Year Budget Review Workshop & Property Tax Review by HDL.
- **March 10, 2026**
Personnel, Finance, Security and Technology Committee Budget Workshop 1: Revenue Overview.
- **March 26, 2026**
Board of Directors Budget Workshop 1: Revenue Overview.
- **April 14, 2026**
Personnel, Finance, Security and Technology Committee Budget Discussions Draft Budget Book.
- **April 23, 2026**
Board of Directors Budget Discussions Draft Budget Book.
- **May 12, 2026**
Personnel, Finance, Security and Technology Committee Budget Discussions, Proposed Final Budget Book.
- **May 28, 2026**
Board of Directors Budget Discussions, Proposed Final Budget Book.
- **June 9, 2026**
As needed, Personnel, Finance, Security and Technology Committee Budget Discussion and adoption of the Proposed Final Budget Book.
- **June 11, 2026**
As needed, Board of Directors Budget Discussions, Proposed Final Budget Book for potential Board Adoption.
- **July 1, 2026**
Fiscal Year 2027 Budget effective date.

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 of expenses to ensure the fiscal health and financial future of the Agency. A timely and transparent process that is managed properly will help to maintain public trust. To aid in the management of the budget, certain “rules” or “controls” have been established in Board Policies that require appropriate levels of approval on the expense of Agency funds as well as reporting requirements of audited financial information to the Board and the public.

To monitor and track the progress of the budget, monthly financial statements are presented to the Personnel, Finance, Security and Technology Committee to report the results of operations, which include the budget amounts to measure performance, efficiency, and planning. This report is also presented to the full Board of Directors on a quarterly basis.

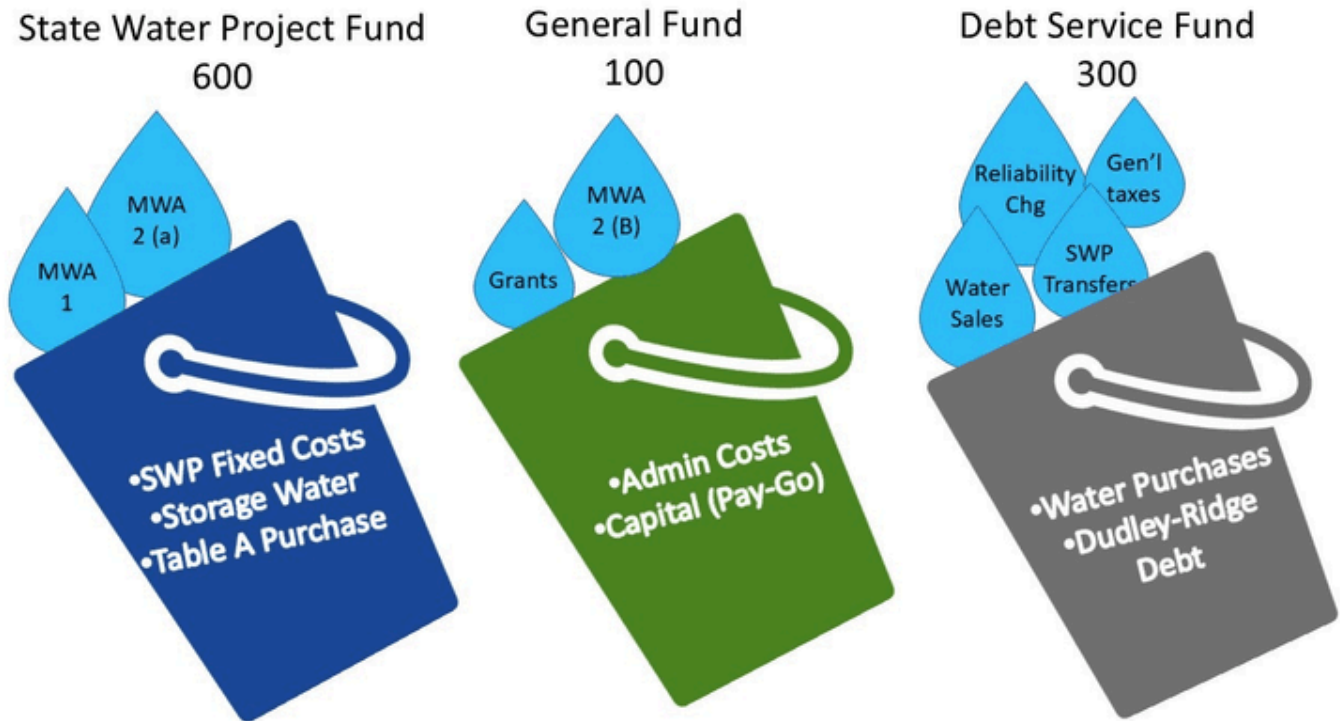
Fund Structure

The Agency utilizes Fund Accounting and has three funds for all operations to maintain and track legal spending restrictions.

The State Water Project (SWP) fund is restricted to the SWP and associated costs. It is funded through two types of taxes that are authorized in the Mojave Water Agency Act portion of the California Water Code referred to as MWA 1 and MWA 2(A) tax revenues. This fund can only be used for SWP costs and water purchases.

The General Fund is used for the administration of the Agency. The revenues from the MWA 2(B) tax are used to fund the administration, operating, and capital activities of the Agency. All other capital (pay-go) expenses of more than MWA 2 (B) revenue are funded via transfers from the Agency's third fund, the Debt Service Fund.

The Debt Service 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 Service Fund also provides revenue to fund Agency critical capital expenses when MWA 2(B) taxes are not sufficient to cover all administration expenses.



Executive Overview

Revenues:

Overall, Agency revenues are anticipated to be \$103.5 million. This is \$2.9 million, or 2.8%, higher than the prior year's budget. The largest portion of this revenue comes from property taxes, followed by water sales/transfers, grants revenue, and investment interest earnings.

The Agency is forecasting tax revenues with growth of about \$4.4 million over the prior year's budget for total tax revenue of \$62.5 million. Projected tax revenue is expected to increase by approximately 8% next year in the Agency's service area. The High Desert provides an excellent standard of living with an affordable price tag, especially in Southern California, along with its proximity to many different business opportunities and logistics. HdL Coren & Cone provides the Agency with an in-depth analysis and forecast of tax revenue each year to help with future cash flow analysis (see Reserve Funds section).

The Agency strategically continues its use of available water resources to engage in State Water Project (SWP) water transfers that were contracted under a multi-year agreement and when opportune single-year transfers arise. Opportunities to generate revenues from transfers arise from SWP water available to the Agency when the available water is more than customer demands and basin health needs. This can generate revenue to purchase additional water, offset costs, or build and maintain capital projects. Hydrology and the annual water revenues are hard to predict, as the State's 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 annual allocation process, which includes multiple updates throughout the calendar year, usually culminating in a final allocation around late May or June, after the budget is adopted. Based on unknown but best-informed expectations, the Agency is projecting water transfers revenue of \$6.5 million.

Grants are also a large part of the revenue portfolio. The Agency is currently projecting \$13.4 million in grant revenues for ongoing projects, mostly for capital projects. Grants are on a reimbursement basis, so will be billed as capital project costs are incurred. Additional groundwater recharge projects are prime for competing for additional grant revenue.

The Agency has also expanded its cash reserve investment portfolio, yielding a larger investment return. That, combined with a steady ending cash balance projection for the next fiscal year of approximately \$250 million, the income from investment interest is expected to be about \$8.7 million.

Expenses:

Total expenses of \$108.8 million are anticipated. Projected expenses are more than projected revenues by \$5.3 million. Cash balance reserves will fund the annual shortfall, due to large Capital expenses for projects that were delayed from prior years. The largest expense of the Agency is capital projects, departmental expenses, the SWP fixed costs (both capital and minimum OMP&R), and water purchases.

The capital improvement plan includes \$46.3 million for groundwater recharge and improvements to infrastructure critical for the importation and distribution of water supply. The increase in capital projects is also due to delays in capital projects. 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 and repair and maintenance needs.


SWP costs are escalating for reasons that are very similar to the Agency's general operating and capital budget, due to inflation and increasing repair and maintenance needs for aging infrastructure. With escalating costs, the Agency continues to be actively involved in working with the Department of Water Resources (DWR) to consider how

decisions impact the affordability of water for the communities served. Next year's costs of \$28.8 million are anticipated for DWR expenses. This does not include the potential for the construction of the Delta Conveyance Project, which will require future analysis.

Departmental expenses are budgeted to increase by \$2.0 million. The budget includes several strategic efforts that are planned for Fiscal Year 2027. Efforts will be made to increase 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. There will be continued efforts and future 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 Plan preparing the Agency to be successful in its mission and vision for the future.

Water purchases are always hard to plan for, as the amount of water allocation provided by the SWP can vary substantially from year to year. The water is provided on a calendar-year basis with the final allocation provided in the late May or June timeframe. The Agency developed an Imported Water Management Policy to help guide the Board in annual policy decisions on how much water to purchase and how much to transfer to earn revenues or keep in groundwater storage. The budget includes \$6.6 million. There are reserves of \$9.7 million per Board policy set aside should an extremely wet year occur where the Agency decides to purchase 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.

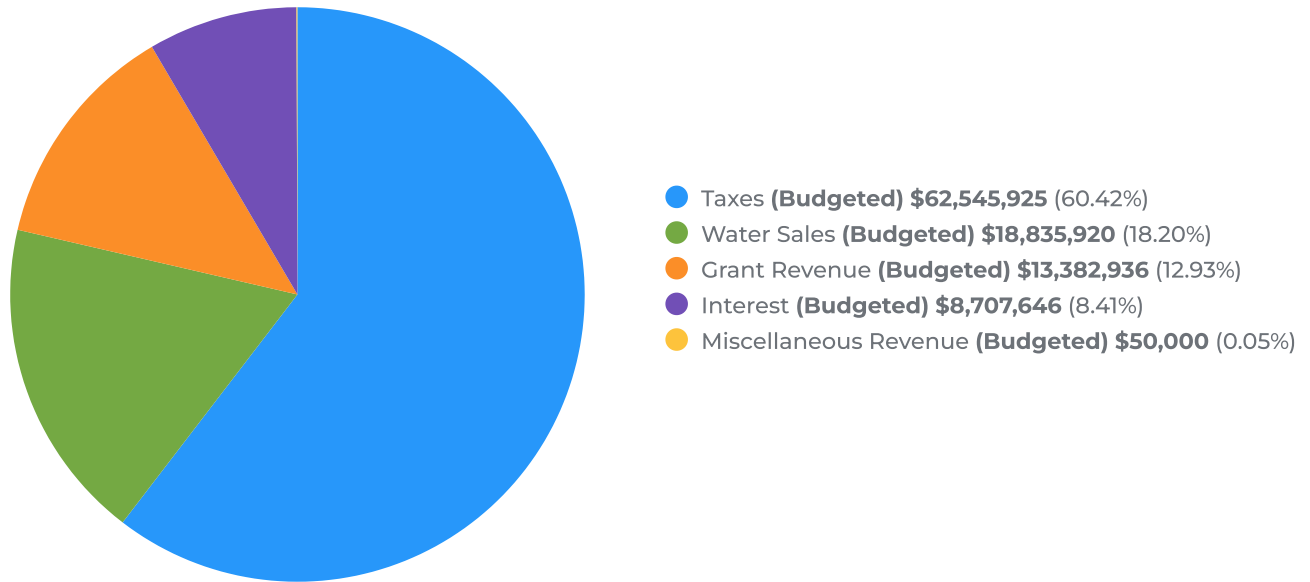
Budget Summary

 Mojave Water Agency	FY 2026 Original Budget	FY 2026 Mid-Year Budget	FY 2027 Proposed Budget	FY27 Draft to FY26 Original % Change
REVENUES				
Water Sales (net Reliability Assessment)	6,619,711	8,019,711	8,215,085	24%
Reliability Assessment	3,056,440	3,916,440	3,970,835	30%
SWP Water Transfers	12,000,000	12,000,000	6,500,000	(46%)
Minimal Producer Ord No. 14	70,000	70,000	150,000	114%
MWA 1 - 11.25¢	16,995,500	17,294,903	17,856,705	5%
MWA 2 (a) 3¢	17,313,080	17,531,259	18,744,910	8%
MWA 2 (b) 2.5¢	14,427,567	14,577,274	15,620,759	8%
General Property Tax	9,383,494	10,356,480	10,323,551	10%
Interest	6,468,278	7,430,653	8,707,646	35%
Grants	14,305,493	8,205,037	13,382,936	(6%)
Miscellaneous	22,000	411,546	50,000	127%
Total Revenues	\$ 100,661,563	\$ 99,813,303	\$ 103,522,427	3%
EXPENSES				
DWR Min OMP&R	14,072,045	15,269,932	15,891,123	13%
DWR Bond and Capital	9,893,042	9,579,838	9,221,931	(7%)
Delta Conveyance Project (Planning & Des	1,837,500	1,837,500	3,675,000	100%
SWC Member Allocation	269,859	269,859	248,810	(8%)
Tax Collection Exp	136,600	136,600	143,700	5%
Water Purchases	6,424,890	8,999,790	6,644,407	3%
Departmental Expenses	19,638,892	19,922,422	21,618,037	10%
Agency Grant Expenses	135,143	184,926	623,068	361%
Pass-through Grant Expenses	2,720,360	1,675,155	2,146,000	(21%)
Dudley Ridge Debt	2,335,129	2,335,129	2,334,629	0%
Capital	35,755,000	13,019,179	46,296,655	29%
Total Expenses	\$ 93,218,460	\$ 73,230,330	\$ 108,843,360	17%
A/R & A/P Adj.		\$ 18,224,208		
Ending Cash Balance	\$ 187,173,445	\$ 260,391,946	\$ 260,412,159	39%
Note: \$43,000 of Tax collection expense has been reclassified from Departmental Expenses to Tax Collection Expenses for presentation purposes.				

Revenues by Source

Total Revenue is budgeted to be \$103.5 million, higher by about \$2.9 million from the prior year's budget. Over half, or 78.6%, of the revenue budget is taxes and water sales totaling \$81.4 million. Grant revenue is a large portion; however, \$2.1 million of the \$13.4 million is pass-through grants. Interest income is forecasted to be \$8.7 million, or \$2.2 million higher than the prior year's budget. The higher interest income is driven by higher cash reserves, and diversifying the portfolio into longer-term and higher-yield investment strategies.

Projected Fiscal Year 2027 Revenues by Source

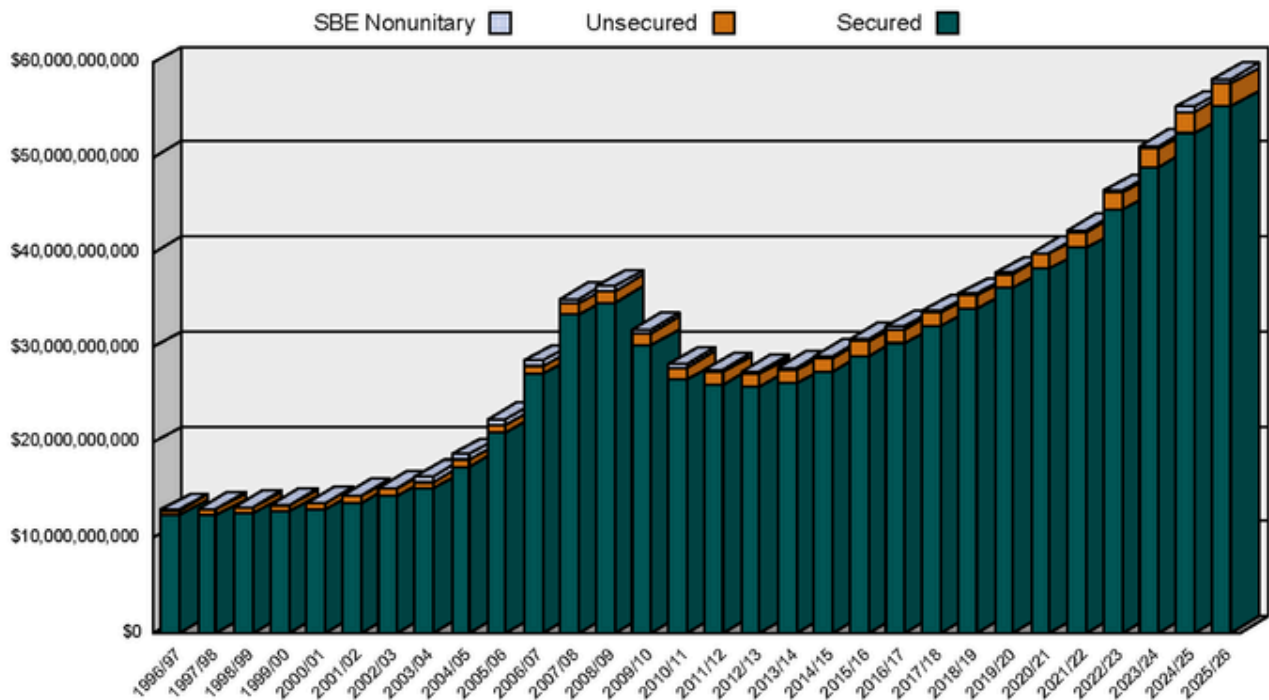


Tax Revenues

The Agency uses two firms to assist with the 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 2036 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 5.32%. An increase for Fiscal Year 2027 is expected, of \$4.4 million. The increases are driven by new construction as well as the re-sales of existing homes in the region.

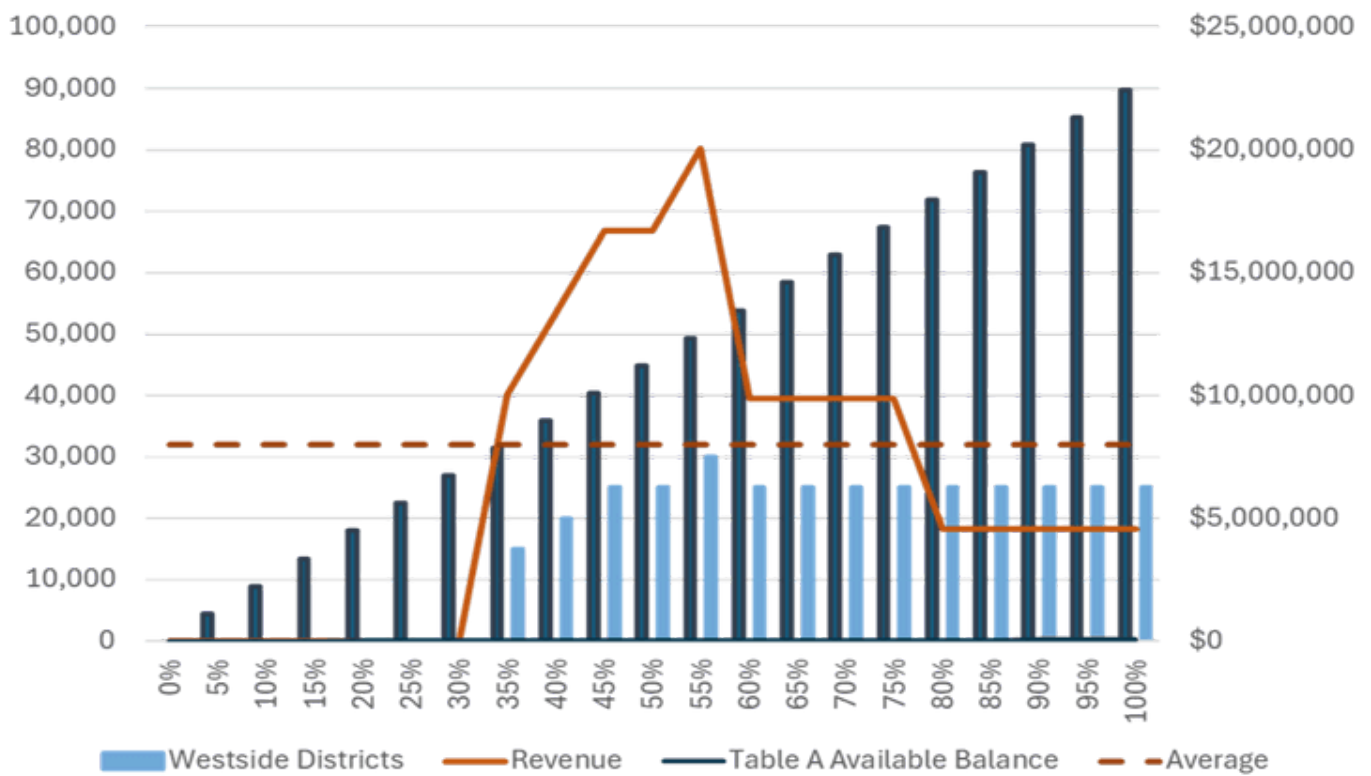
NET TAXABLE ASSESSED VALUE HISTORY

1996/97 - 2025/26 Taxable Property Values



Water Sales Revenues

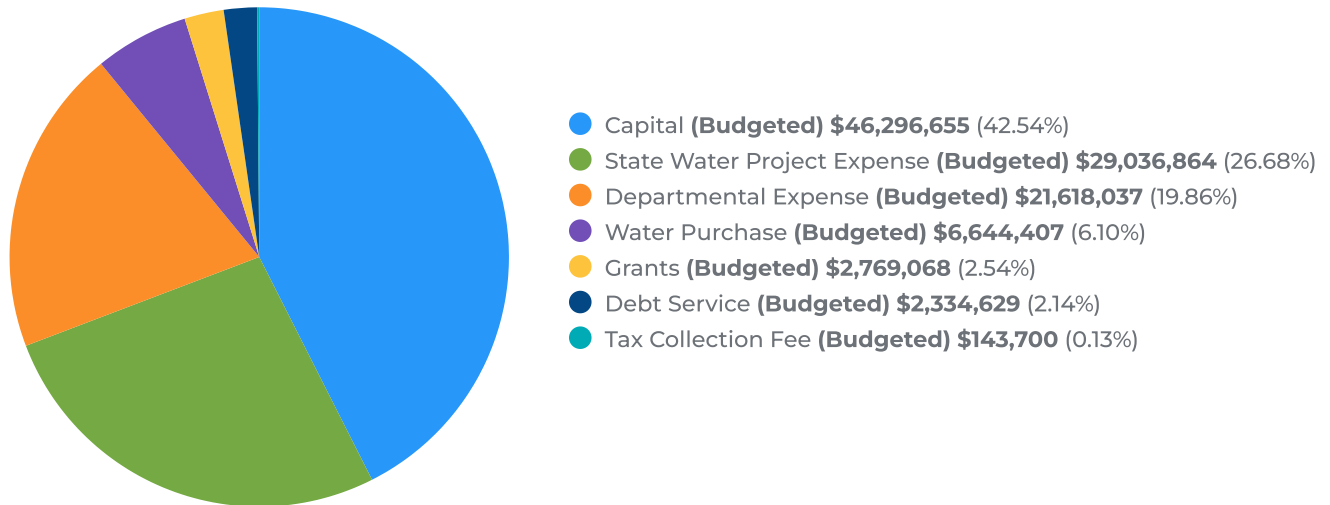
Water sales are from a combination of internal and external customers, with sales lower by \$3.0 million from the prior year for a total of \$21.7 million, or 14%, for Fiscal Year 2027. Internal customer demand is expected to increase from 14,000-acre feet to 18,500 acre-feet, totaling \$12.2 million. In addition to internal water sales, the Agency has been participating in water transfers, to sell or exchange water beyond what is needed locally for other State Water Contractors (SWC). External sales are wildcards as they are 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). Water transfers of 17,800 acre-feet is used to forecast \$6.5 million for budgeting purposes, and the allocation will not be known until late May or June 2026, as well as a new agreement currently in negotiations. On February 23, 2026, DWR increased the State Water Project (SWP) allocation for the 2026 calendar year to 30% of our Table A based on 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 the SWP system for 2027 and beyond are unknown and remain volatile year by year. The budget assumes that future allocations plus carryover and locally stored water will be sufficient to support water sales demand for all customers.



Expenses by Expense Type

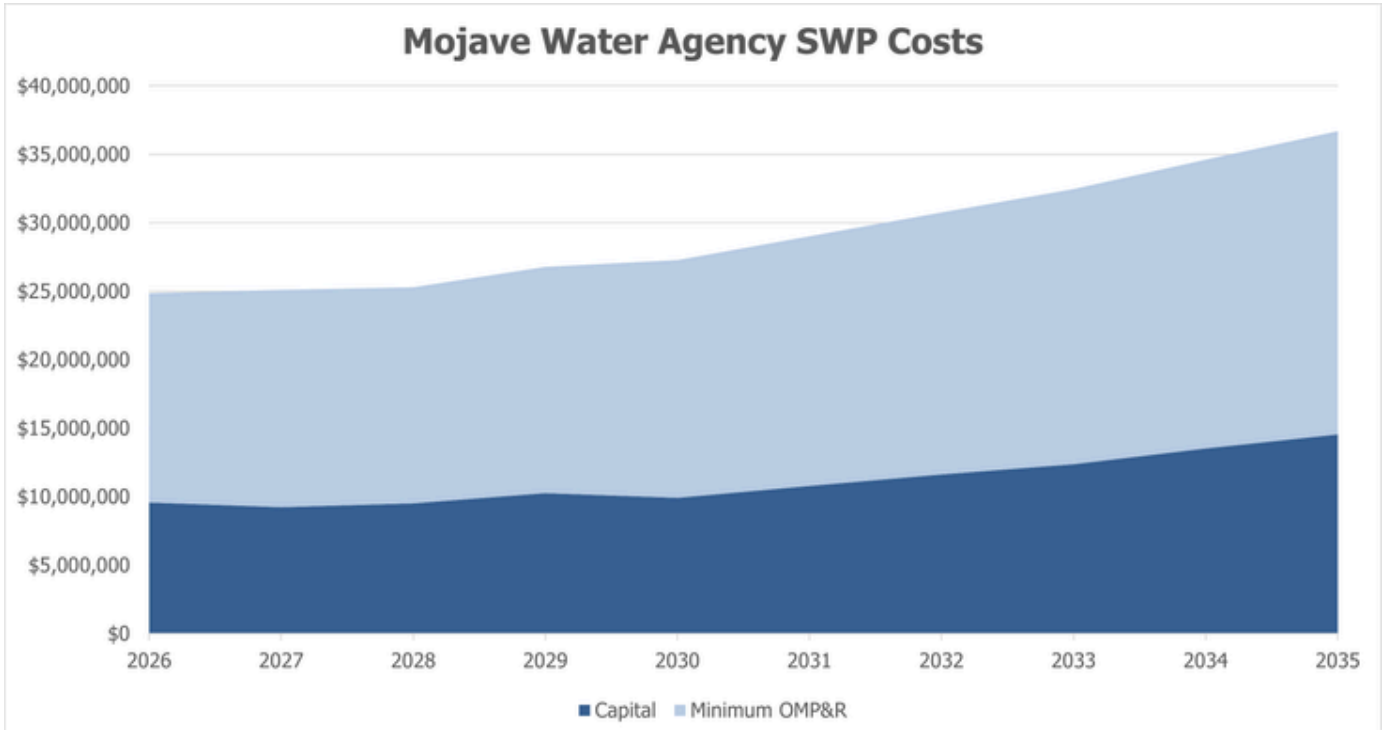
The budgeted expenses for Fiscal Year 2027 total \$108.8 million, which is an increase of \$15.6 million over the prior year, or 17% higher. The largest expense is capital projects making up 42.54%. The State Water Project (SWP) costs, making up 26.68% of the total expenses. SWP costs are due to the costs of delivering water to the region. Departmental expenses make up 19.86% of the total expenses and water purchases make up 6.10% of the total expenses.

Budgeted FY 2027 Expenses by Expense Type



State Water Project Expenses

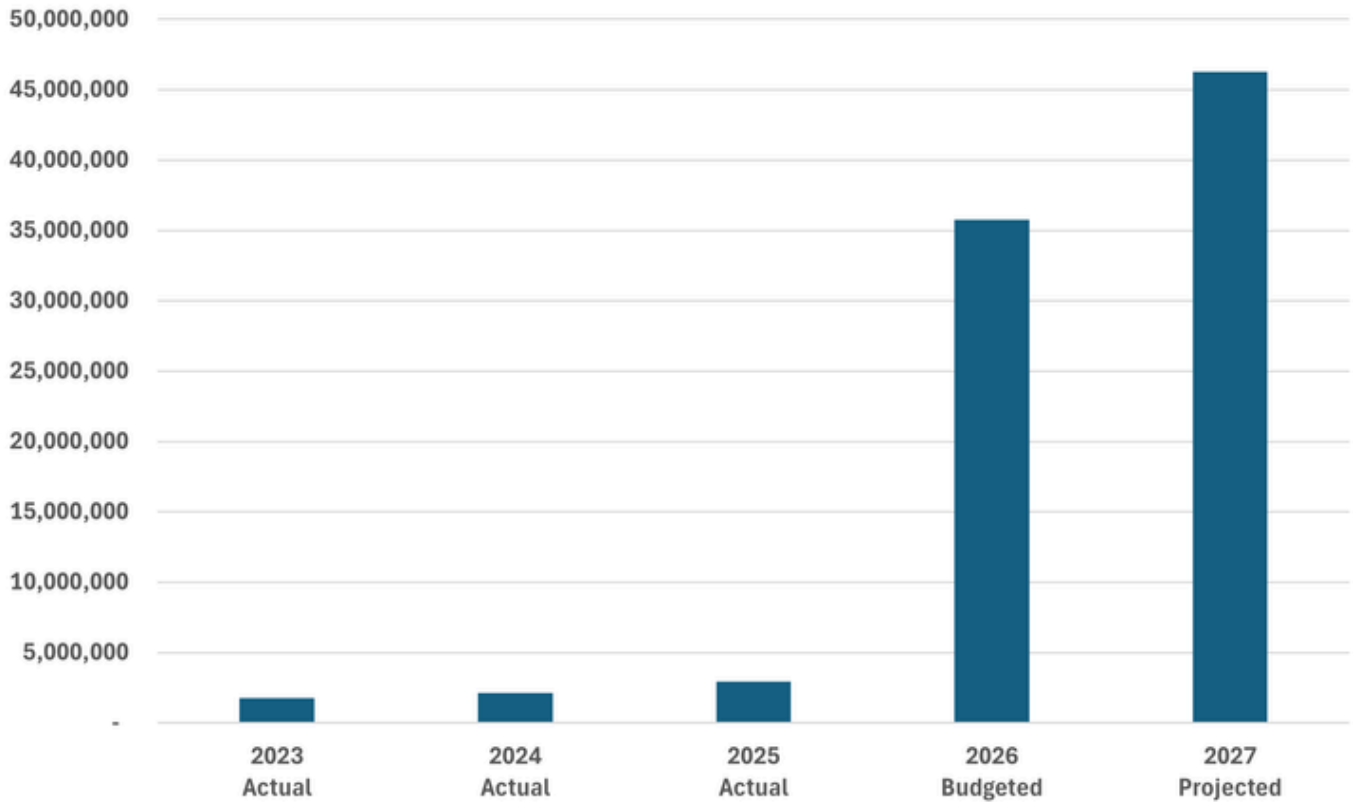
The State Water Project (SWP) expenses increased by \$3.0 million to \$29.0 million. The SWP expense projections for Fiscal Year 2027 are formulated using the Statement of Charges for calendar year 2026 and DWR's projections for calendar year 2027. These are expenses paid to DWR to cover costs for maintaining the SWP system.



Capital Improvement Expenses

Capital Improvement expenses are forecasted at \$46.3 million for Fiscal Year 2027. This is an increase of \$10.5 million from the previous year and equates to 48% of the total expenses. The main drivers of the increase are the West Victorville Groundwater Banking Pilot Test Project and the East Ames Reche Recharge Facility. Currently under development is a Master Plan and Infrastructure Asset Management Plan that will assist in managing projects and predicting future costs.

Capital Budget 5-Year Historical



Departmental Expenses

Departmental expenses are projected to increase by \$2.0 million to \$21.6 million. Personnel cost increases make up \$600,000 of the increase. Fiscal Year 2027 will bring one new position for a total of 55.5 full-time equivalent positions for the Agency. All positions are fully funded in FY 2027. 3.6% is budgeted for a CPI increase and 1.4% is budgeted for an average merit pool, for expected wage increases of \$360,000.

Operating expense increases make up \$1.6 million of the increase in departmental expenses. This consists of several one-time repair and maintenance projects and studies deemed priorities for FY 2027.

Water Purchase Expenses

Expenses for water purchases of \$6.6 million are budgeted based on expected purchases needed to purchase storage water or to replace expected water sales to customers.

Reserve Funds

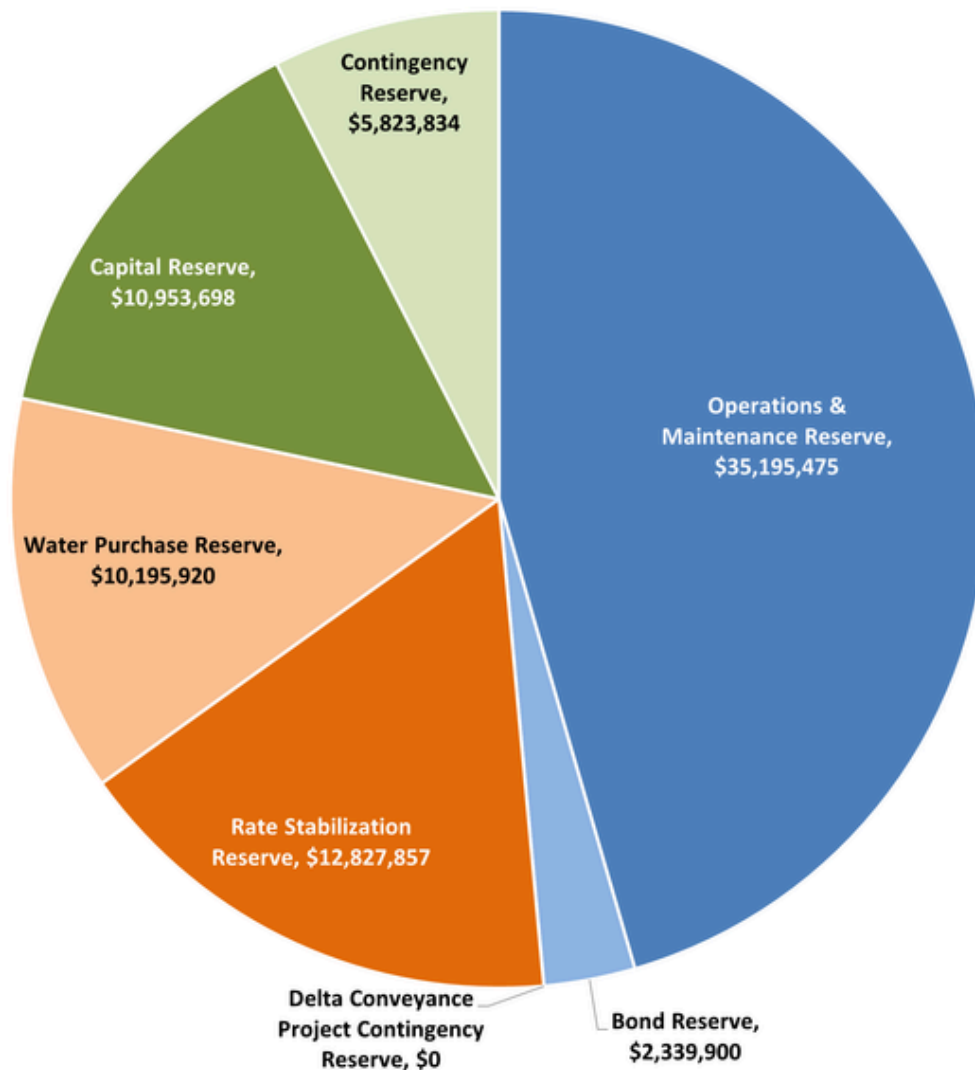
To manage the volatility of the economy and the availability of water from the State Water Project, the Agency will often budget with a long-term focus on surpluses or deficits based on the financial position of the Agency by utilizing or replenishing reserve funds. The graph below depicts the Agency's reserve target level. The Agency is projected to start Fiscal Year 2027 with approximately \$262 million in total reserves.

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:

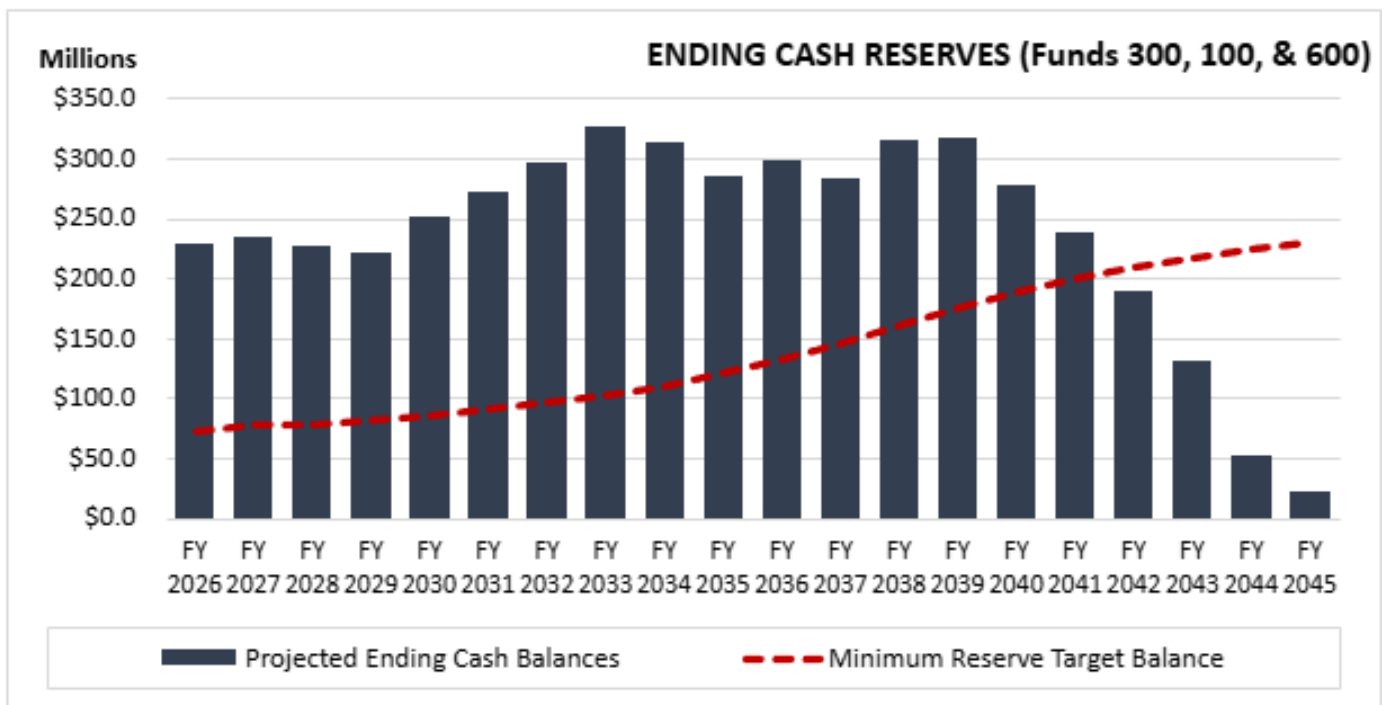
1. Timing of cash receipts for taxes and water sales (Blue shades: Operations & Maintenance and Bond Reserve) 48%
2. Mitigation for volatility of revenue (Green shades: Delta Conveyance Project, Rate Stabilization and Water Purchase) 22%
3. Preparation for unknown emergencies and capital (Orange shades: Contingency Reserve, Capital Reserve) 30%

For each of these categories there are specific reserve targets. For FY 2027, the total agency reserves exceed all targets as stated in the reserve policy.

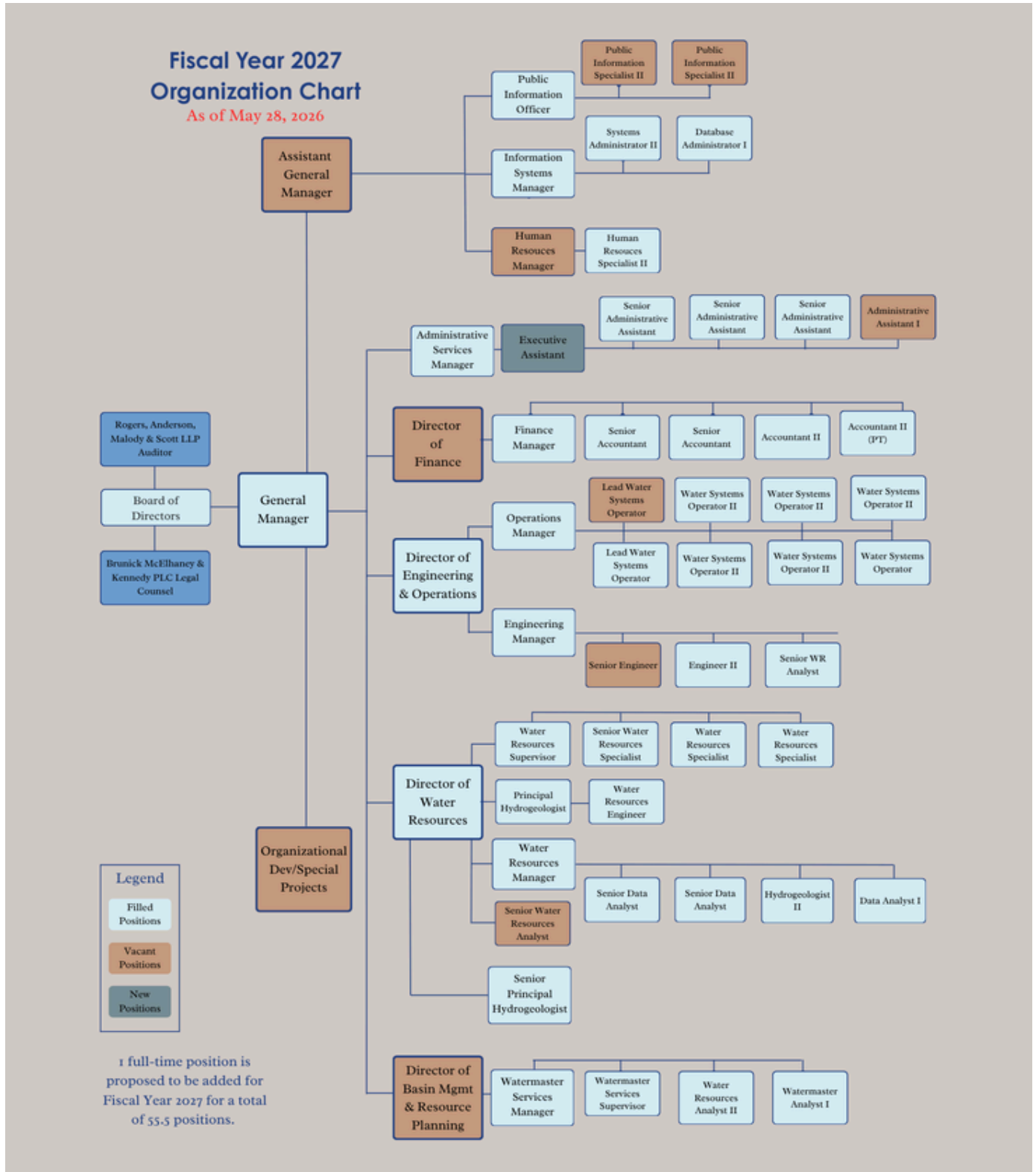


Future Cash Flows (measured against Reserve Fund Policy)

The Agency utilizes a Cash Flow Planning Model to help identify potential risks and potential cash flow issues to plan well in advance of problems occurring. This model has served the Agency well over the years and has allowed for a proactive approach to adjusting expenses well ahead of time to ensure long-term financial viability. The model continues to be updated with new information on at least an annual basis, or as needed. The chart below shows the current and projected cash reserve balances and the reserve target balance the Agency has identified in the Reserve Fund Policy. Over the next several years, the Agency can carry out the plans and initiatives discussed in the Executive Overview while staying above the reserve fund target. The Agency will be completing a long-term Infrastructure Asset Management Plan for the maintenance needs of aging facilities in Fiscal Year (FY) 2027. This data is not included in the chart below, and adding this data in the upcoming year is expected to decrease future cash balances. The financial model is scheduled to be updated in FY 2028 once this data is available, and it will be closely monitored for the impacts.



Human Resources: Personnel



Salary Schedule Effective July 1, 2026

Mojave Water Agency					
Position Classification/Salary Range Table					
Effective July 1, 2026					
Classification	Salary Range	Monthly			
		Bottom	Mid	Upper	Max*
Administrative Assistant I	11	4,271.68	4,983.63	5,980.36	6,578.39
Administrative Assistant II	15	4,715.14	5,501.00	6,601.20	7,261.32
Senior Administrative Assistant	22	5,604.82	6,538.96	7,846.75	8,631.42
Water Systems Operator I	22	5,604.82	6,538.96	7,846.75	8,631.42
Human Resources Specialist I	23	5,744.94	6,702.43	8,042.92	8,847.21
Public Information Specialist I	24	5,888.56	6,869.99	8,243.99	9,068.39
Water Resources Specialist I	25	6,035.78	7,041.74	8,450.09	9,295.10
Data Specialist I	25	6,035.78	7,041.74	8,450.09	9,295.10
Water Systems Operator II	26	6,186.67	7,217.78	8,661.34	9,527.47
Engineering Technician I	26	6,186.67	7,217.78	8,661.34	9,527.47
GIS Technician I	26	6,186.67	7,217.78	8,661.34	9,527.47
Accountant I	27	6,341.34	7,398.23	8,877.87	9,765.66
Human Resources Specialist II	27	6,341.34	7,398.23	8,877.87	9,765.66
Legislative Specialist I	27	6,341.34	7,398.23	8,877.87	9,765.66
Public Information Specialist II	28	6,499.87	7,583.18	9,099.82	10,009.80
Water Resources Specialist II	29	6,662.37	7,772.76	9,327.32	10,260.05
Data Specialist II	29	6,662.37	7,772.76	9,327.32	10,260.05
Engineering Technician II	30	6,828.93	7,967.08	9,560.50	10,516.55
GIS Technician II	30	6,828.93	7,967.08	9,560.50	10,516.55
Accountant II	31	6,999.65	8,166.26	9,799.51	10,779.46
Legislative Specialist II	31	6,999.65	8,166.26	9,799.51	10,779.46
Senior Water Systems Operator	32	7,174.64	8,370.42	10,044.50	11,048.95
Systems Administrator I	33	7,354.01	8,579.68	10,295.61	11,325.17
Senior Human Resources Specialist	33	7,354.01	8,579.68	10,295.61	11,325.17
Database Administrator I	33	7,354.01	8,579.68	10,295.61	11,325.17
Executive Assistant	34	7,537.86	8,794.17	10,553.00	11,608.30
Senior Public Information Specialist	34	7,537.86	8,794.17	10,553.00	11,608.30
Water Resources Analyst I	35	7,726.31	9,014.02	10,816.83	11,898.51
Watermaster Analyst I	35	7,726.31	9,014.02	10,816.83	11,898.51
Water Resources Scientist I	35	7,726.31	9,014.02	10,816.83	11,898.51
Senior Water Resources Specialist	35	7,726.31	9,014.02	10,816.83	11,898.51
Data Analyst I	35	7,726.31	9,014.02	10,816.83	11,898.51
Financial Analyst I	35	7,726.31	9,014.02	10,816.83	11,898.51
Management Analyst I	35	7,726.31	9,014.02	10,816.83	11,898.51
Senior Data Specialist	35	7,726.31	9,014.02	10,816.83	11,898.51
Legislative Analyst I	35	7,726.31	9,014.02	10,816.83	11,898.51
Hydrogeologist I	36	7,919.46	9,239.37	11,087.25	12,195.97
Engineer I	36	7,919.46	9,239.37	11,087.25	12,195.97
Water Resources Engineer I	36	7,919.46	9,239.37	11,087.25	12,195.97
Lead Water Systems Operator	36	7,919.46	9,239.37	11,087.25	12,195.97
Senior Engineering Technician	36	7,919.46	9,239.37	11,087.25	12,195.97
Senior GIS Technician	36	7,919.46	9,239.37	11,087.25	12,195.97
Senior Accountant	37	8,117.45	9,470.36	11,364.43	12,500.87
Systems Administrator II	37	8,117.45	9,470.36	11,364.43	12,500.87
Database Administrator II	37	8,117.45	9,470.36	11,364.43	12,500.87
Lead Human Resources Specialist	37	8,117.45	9,470.36	11,364.43	12,500.87
Senior Legislative Specialist	37	8,117.45	9,470.36	11,364.43	12,500.87
Lead Public Information Specialist	38	8,320.39	9,707.12	11,648.54	12,813.39
Data Analyst II	39	8,528.40	9,949.79	11,939.75	13,133.73
Water Resources Analyst II	39	8,528.40	9,949.79	11,939.75	13,133.73
Watermaster Analyst II	39	8,528.40	9,949.79	11,939.75	13,133.73
Water Resources Scientist II	39	8,528.40	9,949.79	11,939.75	13,133.73
Financial Analyst II	39	8,528.40	9,949.79	11,939.75	13,133.73
Management Analyst II	39	8,528.40	9,949.79	11,939.75	13,133.73
Lead Data Specialist	39	8,528.40	9,949.79	11,939.75	13,133.73
Lead Water Resources Specialist	39	8,528.40	9,949.79	11,939.75	13,133.73
Legislative Analyst II	39	8,528.40	9,949.79	11,939.75	13,133.73
Engineer II	40	8,741.61	10,198.54	12,238.25	13,462.07

Salary Schedule Effective July 1, 2026 (continued)

Mojave Water Agency					
Position Classification/Salary Range Table					
Effective July 1, 2026					
Classification	Salary Range	Monthly			
		Bottom	Mid	Upper	Max*
Water Resources Engineer II	40	8,741.61	10,198.54	12,238.25	13,462.07
Hydrogeologist II	40	8,741.61	10,198.54	12,238.25	13,462.07
Lead Engineering Technician	40	8,741.61	10,198.54	12,238.25	13,462.07
Lead GIS Technician	40	8,741.61	10,198.54	12,238.25	13,462.07
Lead Accountant	41	8,960.15	10,453.50	12,544.20	13,798.62
Lead Legislative Specialist	41	8,960.15	10,453.50	12,544.20	13,798.62
Water Systems Supervisor	42	9,184.15	10,714.84	12,857.81	14,143.59
Administrative Services Manager	42	9,184.15	10,714.84	12,857.81	14,143.59
Water Resources Supervisor	43	9,413.75	10,982.71	13,179.25	14,497.18
Senior Systems Administrator	43	9,413.75	10,982.71	13,179.25	14,497.18
Senior Database Administrator	43	9,413.75	10,982.71	13,179.25	14,497.18
Human Resources Supervisor	43	9,413.75	10,982.71	13,179.25	14,497.18
Public Information Supervisor	43	9,413.75	10,982.71	13,179.25	14,497.18
Accounting Supervisor	43	9,413.75	10,982.71	13,179.25	14,497.18
Senior Data Analyst	45	9,890.32	11,538.71	13,846.45	15,231.10
Senior Water Resources Analyst	45	9,890.32	11,538.71	13,846.45	15,231.10
Senior Watermaster Analyst	45	9,890.32	11,538.71	13,846.45	15,231.10
Senior Water Resources Scientist	45	9,890.32	11,538.71	13,846.45	15,231.10
Senior Financial Analyst	45	9,890.32	11,538.71	13,846.45	15,231.10
Senior Management Analyst	45	9,890.32	11,538.71	13,846.45	15,231.10
Senior Legislative Analyst	45	9,890.32	11,538.71	13,846.45	15,231.10
Information Systems Supervisor	45	9,890.32	11,538.71	13,846.45	15,231.10
Senior Hydrogeologist	46	10,137.58	11,827.18	14,192.61	15,611.88
Senior Engineer	46	10,137.58	11,827.18	14,192.61	15,611.88
Senior Water Resources Engineer	46	10,137.58	11,827.18	14,192.61	15,611.88
Lead Systems Administrator	47	10,391.02	12,122.86	14,547.43	16,002.17
Lead Database Administrator	47	10,391.02	12,122.86	14,547.43	16,002.17
Accounting Manager	51	11,469.74	13,381.37	16,057.64	17,663.40
Finance Manager	51	11,469.74	13,381.37	16,057.64	17,663.40
Human Resources Manager	51	11,469.74	13,381.37	16,057.64	17,663.40
Public Information Officer	51	11,469.74	13,381.37	16,057.64	17,663.40
Engineering Supervisor	51	11,469.74	13,381.37	16,057.64	17,663.40
Watermaster Services Supervisor	51	11,469.74	13,381.37	16,057.64	17,663.40
Information System Manager	53	12,050.40	14,058.80	16,870.56	18,557.61
Principal Financial Analyst	53	12,050.40	14,058.80	16,870.56	18,557.61
Principal Management Analyst	53	12,050.40	14,058.80	16,870.56	18,557.61
Principal Data Analyst	53	12,050.40	14,058.80	16,870.56	18,557.61
Principal Water Resources Analyst	53	12,050.40	14,058.80	16,870.56	18,557.61
Principal Watermaster Analyst	53	12,050.40	14,058.80	16,870.56	18,557.61
Principal Water Resources Scientist	53	12,050.40	14,058.80	16,870.56	18,557.61
Principal Water Resources Engineer	53	12,050.40	14,058.80	16,870.56	18,557.61
Principal Legislative Analyst	53	12,050.40	14,058.80	16,870.56	18,557.61
Operations Manager	53	12,050.40	14,058.80	16,870.56	18,557.61
Principal Hydrogeologist	54	12,351.66	14,410.27	17,292.32	19,021.55
Principal Engineer	54	12,351.66	14,410.27	17,292.32	19,021.55
Engineering Manager	59	13,974.77	16,303.90	19,564.67	21,521.14
Watermaster Services Manager	59	13,974.77	16,303.90	19,564.67	21,521.14
Water Resources Manager	59	13,974.77	16,303.90	19,564.67	21,521.14
Senior Principal Financial Analyst	59	13,974.77	16,303.90	19,564.67	21,521.14
Senior Principal Management Analyst	59	13,974.77	16,303.90	19,564.67	21,521.14
Senior Principal Data Analyst	59	13,974.77	16,303.90	19,564.67	21,521.14
Senior Principal Water Resources Analyst	59	13,974.77	16,303.90	19,564.67	21,521.14
Senior Principal Watermaster Analyst	59	13,974.77	16,303.90	19,564.67	21,521.14
Senior Principal Water Resources Scientist	59	13,974.77	16,303.90	19,564.67	21,521.14
Senior Principal Water Resources Engineer	59	13,974.77	16,303.90	19,564.67	21,521.14
Senior Principal Legislative Analyst	59	13,974.77	16,303.90	19,564.67	21,521.14
Senior Principal Engineer	60	14,324.14	16,711.49	20,053.79	22,059.17
Senior Principal Hydrogeologist	60	14,324.14	16,711.49	20,053.79	22,059.17

Salary Schedule Effective July 1, 2026 (continued)

Mojave Water Agency					
Position Classification/Salary Range Table					
Effective July 1, 2026					
Classification	Salary Range	Monthly			
		Bottom	Mid	Upper	Max*
Director of Finance	62	15,049.30	17,557.51	21,069.01	23,175.92
Director of Basin Management and Resource Planning	62	15,049.30	17,557.51	21,069.01	23,175.92
Director of Engineering	62	15,049.30	17,557.51	21,069.01	23,175.92
Director of Engineering and Operations	62	15,049.30	17,557.51	21,069.01	23,175.92
Director of Operations	62	15,049.30	17,557.51	21,069.01	23,175.92
Director of Organizational Development	62	15,049.30	17,557.51	21,069.01	23,175.92
Director of Water Resources	62	15,049.30	17,557.51	21,069.01	23,175.92
Assistant General Manager	67	17,026.90	19,864.71	23,837.66	26,221.42
General Manager	80	23,471.77	27,383.73	32,860.47	36,146.52

* Non-compounding compensation applied only for employees at the top ("Upper") of the range. Following the annual performance evaluation and merit percentage determination, employees at the top ("Upper") of the range may receive a non-compounding increase in pay based on the merit percent multiplied by the top ("Upper") of the range. Under no circumstance may an employee exceed the "Max" of their salary range.

Fiscal Year 2027 Personnel Cost Summary

All Depts	FY2026 Budget	% of Salaries & Benefits Budget	FY2027 Budget	% of Salaries & Benefits Budget	FY2027 Budget to FY2026 Budget Change	% of Change
Wages	7,342,677	70%	7,704,071	69%	361,393	5%
Salaries Labor Out	(413,888)	-4%	(435,957)	-4%	(22,069)	5%
Wages Overtime	44,520	0%	32,262	0%	(12,258)	-28%
Flex Benefits Plan	1,937,612	18%	2,158,357	19%	220,745	11%
Payroll Taxes	101,399	1%	106,390	1%	4,991	5%
Misc. Benefit	19,249	0%	15,600	0%	(3,649)	-19%
Workers Compensation	99,550	1%	78,311	1%	(21,239)	-21%
EE Health, Dental, Vision	153,274	1%	165,161	1%	11,887	8%
Deferred Comp Contributions	367,134	3%	379,646	3%	12,513	3%
PERS	854,400	8%	882,826	8%	28,426	3%
Temp Services	-	0%	-	0%	-	0%
Total	10,505,926	100%	11,086,666	100%	580,739	6%

Expenses Summary

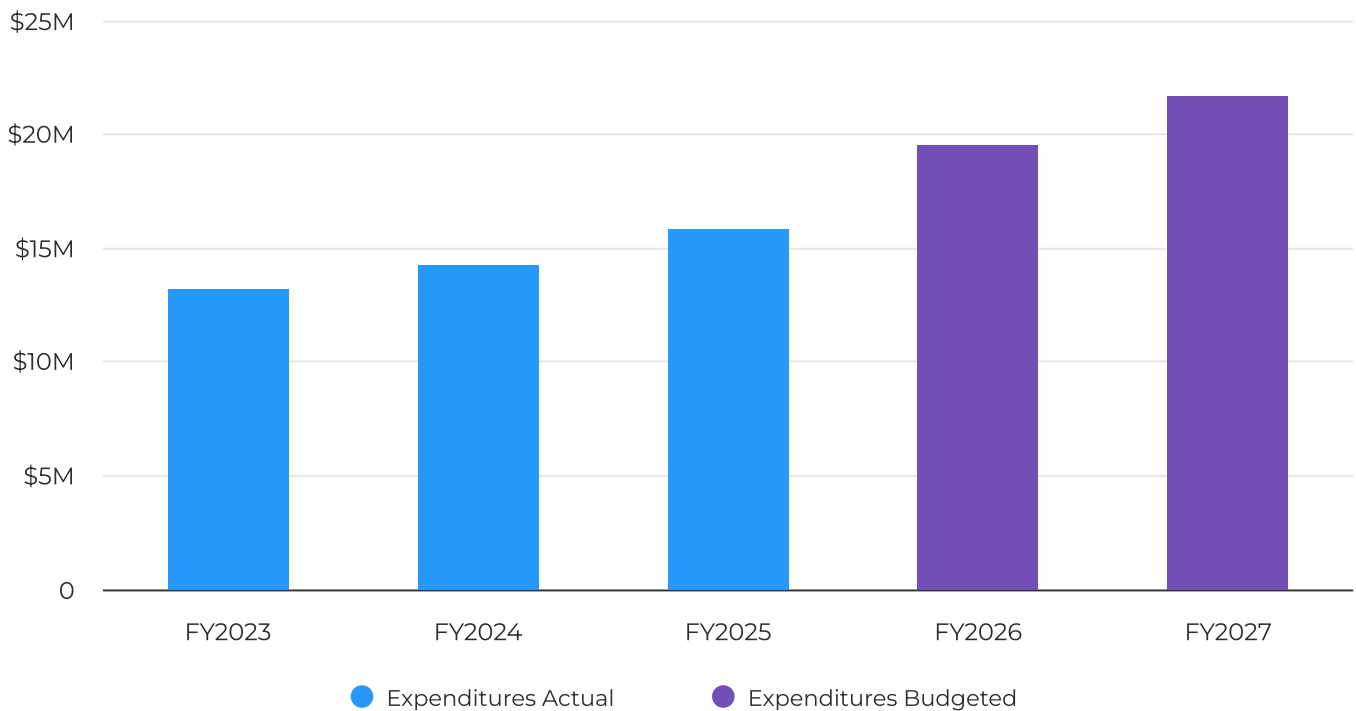
The Departmental budget for the Agency consists of personnel costs as well as operating costs. All Agency staff, administration, science and programmatic expenses are paid through departmental expenses. Historically, the Agency has taken extra effort into attracting and retaining top-notch employees 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.

Expense Summary

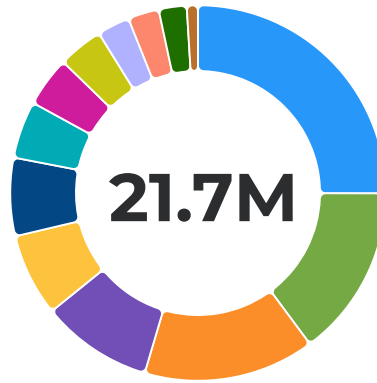
Total Departmental Expenses are projected at \$21.6 million, with an increase of \$1.9M for Fiscal Year 2027. The increase is due to an increase of \$600,000 in personnel costs, and an increase of \$1.4M in operational expenses. The personnel budget includes a CPI increase of 3.6% as approved by the Board, and an average merit pool of 1.4%. There is one new Administration Department position included for a total of 55.5 full-time equivalent positions. The Agency is budgeting for fully funded positions for all vacancies. The Operational Expenses budget includes several new items that were identified as Project Priority Outcomes to update our Strategic Planning tools, as well as some repair and maintenance items. In previous years, these types of items were included as part of the Capital Budget, however they are more appropriately identified in the Operational Budget for FY 2027.

Historical Expenses Across Departments



Expenses by Department

FY27 Expenses by Department



● Water Resources	\$5,423,753	25.04%
● Administration	\$3,208,967	14.81%
● Operations	\$3,190,396	14.73%
● Finance	\$2,078,411	9.60%
● Engineering	\$1,542,120	7.12%
● Information Technology	\$1,457,449	6.73%
● Public Information	\$1,071,283	4.95%
● Legacy Costs	\$931,413	4.30%
● Water Resources - Field	\$842,779	3.89%
● Human Resources	\$605,120	2.79%
● Watermaster	\$582,148	2.69%
● Boards of Directors	\$520,158	2.40%
● Legislation and Conservation	\$207,040	0.96%

Expenses by Department

Category	FY 2023 Actual	FY 2024 Actual	FY 2025 Actual	FY 2026 Adopted	FY 2027 Budgeted
Legacy Costs	\$127,867	\$1,332,496	\$1,068,389	\$819,275	\$931,413
Administration	\$2,490,181	\$2,199,522	\$2,263,569	\$2,822,846	\$3,208,967
Human Resources	\$398,840	\$454,780	\$426,263	\$620,956	\$605,120
Legislation and Conservation	\$686,719	\$319,269	\$242,289	\$298,240	\$207,040
Boards of Directors	\$292,560	\$327,813	\$350,976	\$428,108	\$520,158
Information Technology	\$818,897	\$866,346	\$1,160,434	\$1,244,089	\$1,457,449
Public Information	\$480,077	\$694,273	\$753,480	\$933,789	\$1,071,283
Engineering	\$533,602	\$723,686	\$783,493	\$1,353,205	\$1,542,120
Operations	\$3,358,533	\$2,576,665	\$2,174,425	\$2,882,706	\$3,190,396
Water Resources	\$1,949,219	\$2,512,674	\$3,714,031	\$4,358,530	\$5,423,753
Water Resources - Field	\$705,022	\$1,136,939	\$789,343	\$1,522,001	\$842,779
Finance	\$966,701	\$755,784	\$1,491,586	\$1,836,014	\$2,078,411
Watermaster	\$353,575	\$398,288	\$587,355	\$559,133	\$582,148
Total Expenditures	\$13,161,793	\$14,298,537	\$15,805,633	\$19,678,892	\$21,661,037

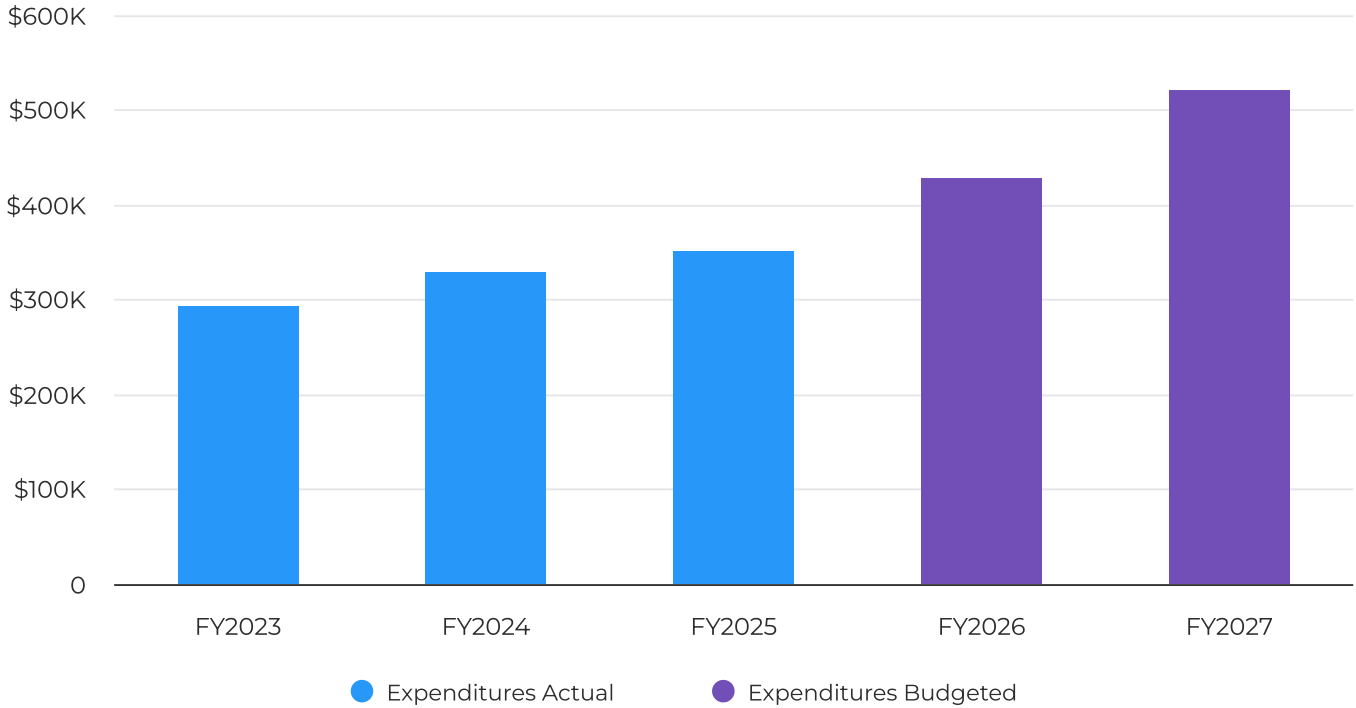
Board of Directors

The Board of Directors are elected by the public to serve as the decision-making and policy-setting body for the agency.

Expense Summary

The Board of Directors department has a slight increase in FY 2027 of \$92,000 due to fees and benefits.

Historical Expenses Across Department



Expenses by Expense Object

Expenses by Expense Object

Category	FY 2023 Actual	FY 2024 Actual	FY 2025 Actual	FY 2026 Adopted	FY 2027 Budgeted
Personnel Expenses	\$4,741	\$5,163	\$3,492		
Director: Payroll Taxes	\$2,748	\$2,580	\$2,935		
Director: Misc. Benefit	\$1,993	\$2,582	\$558		
Board of Directors	\$287,819	\$322,651	\$347,484	\$428,108	\$520,158
Director Fees	\$110,825	\$103,069	\$103,420	\$166,295	\$206,295
Director: Flex Benefits Plan	\$147,145	\$183,635	\$212,015	\$204,899	\$256,949
Director: Health, Dental, Vision	\$8,016	\$9,356	\$8,041	\$9,590	\$9,590
Director: Payroll Taxes				\$2,324	\$2,324

Category	FY 2023 Actual	FY 2024 Actual	FY 2025 Actual	FY 2026 Adopted	FY 2027 Budgeted
Director: Books and Subscriptions	\$230		\$100		
Director: Telephone	\$593				
Director: Legislative Travel	\$10,251	\$17,097	\$7,418	\$15,000	\$15,000
Director: Other Travel	\$2,701	\$924	\$6,539	\$20,000	\$20,000
Director: Approved Travel Within Boundaries	\$8,058	\$8,569	\$9,952	\$10,000	\$10,000
Total Expenditures	\$292,560	\$327,813	\$350,976	\$428,108	\$520,158

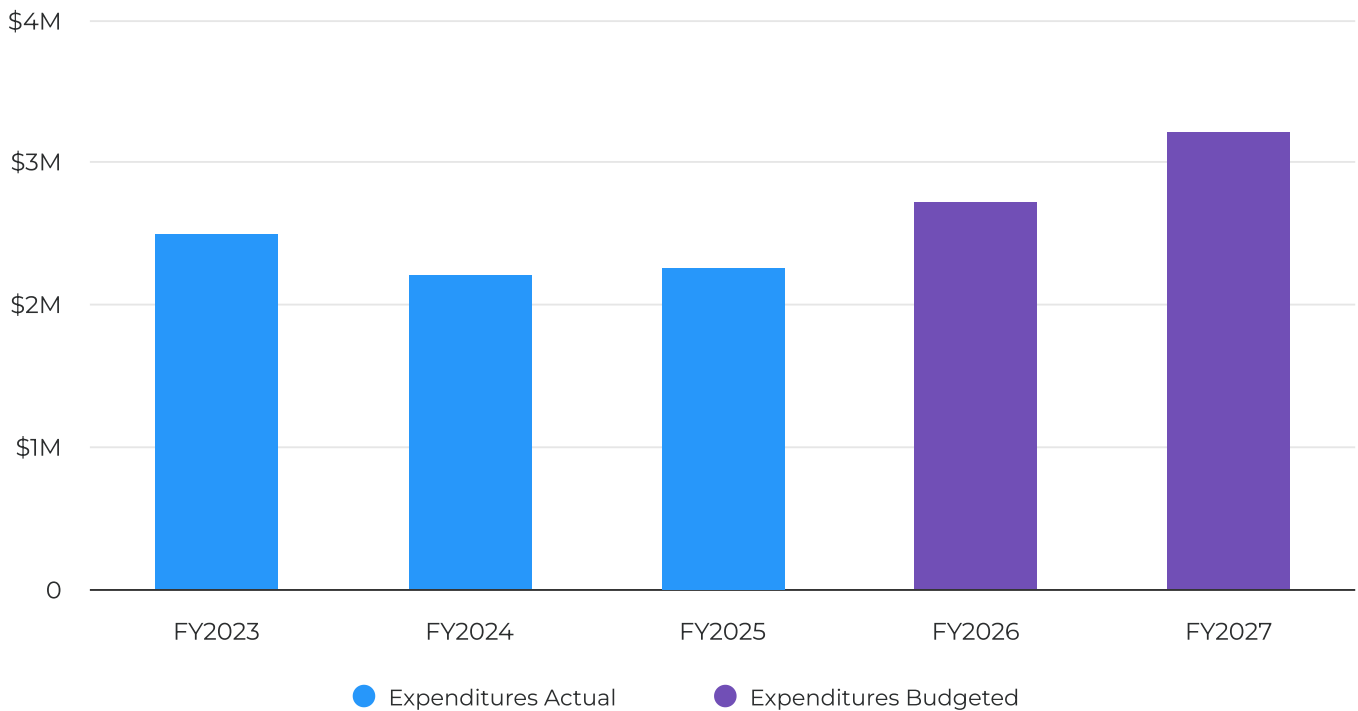
Administration

The Administration Department consists of the General Manager and Assistant General Manager positions. The Administration Department includes general administrative efforts not covered by another agency department and leads the Agency in record-keeping and public information efforts. The General Manager is the liaison to the Board of Directors and oversees the day-to-day operations of the Agency.

Expense Summary

The Administration Department had an increase of \$390,000 or 13.7% due to an increase in Legal expenses as well as an increase in personnel expenses. The Agency has transitioned to a retainer-based payment model to ensure consistent legal support and predictable monthly costs is planning on pursuing a building maintenance contract to assist with maintenance and repairs of the Agency's facilities. The Fiscal Year 2027 budget also includes funding for all vacancies for the full year, and an addition of one position to the Administration Department.

Historical Expenses Across Department



Expenses by Expense Object

Expenses by Expense Object

Category	FY 2023 Actual	FY 2024 Actual	FY 2025 Actual	FY 2026 Adopted	FY 2027 Budgeted
Personnel Expenses	\$1,348,939	\$1,083,630	\$981,014	\$1,715,888	\$1,977,328
Wages	\$972,516	\$768,433	\$650,056	\$1,168,544	\$1,323,327
Wages Overtime	\$681	\$73	\$25		
Flex Benefits Plan	\$153,456	\$168,289	\$175,215	\$284,420	\$346,879
Payroll Taxes	\$14,969	\$12,217	\$10,535	\$16,137	\$18,275
Misc. Benefit	\$34,908	\$17,775	\$9,244	\$9,600	\$9,600

Category	FY 2023 Actual	FY 2024 Actual	FY 2025 Actual	FY 2026 Adopted	FY 2027 Budgeted
Workers Compensation	\$2,050	\$5,803	\$2,671	\$5,260	\$4,908
EE Health, Dental, Vision	\$43,845	\$35,223	\$41,758	\$47,948	\$63,712
Deferred Comp Contributions	\$49,820	\$12,999	\$43,889	\$58,427	\$66,166
PERS	\$76,693	\$62,818	\$47,620	\$125,552	\$144,461
Operating Expenses	\$1,141,243	\$1,115,891	\$1,282,555	\$1,106,958	\$1,231,639
Equip. Lease/Rent	\$26,854	\$28,019	\$24,184	\$29,250	\$29,250
Safety Supplies	\$2,587	\$2,106	\$1,963		
Temporary Services	\$33,386		\$24,432		
Building Maintenance	\$187,514	\$144,844	\$171,285	\$324,060	\$361,246
Utilities	\$224,150	\$129,313	\$190,117	\$173,183	\$173,183
Postage & Mailing Costs	\$1,722	\$1,977	-\$48	\$5,000	\$8,000
Supplies & Materials	\$29,656	\$31,512	\$19,633	\$35,000	\$35,000
Small Tools				\$800	\$800
Books & Subscriptions	\$2,158	\$51,290	\$90	\$530	\$530
Telephone	\$108,461	\$75,984	\$115,443	\$109,700	\$109,700
Printing		\$271			
Insurance	\$44,495	\$204,620	\$137,316		
Licenses, Dues & Fees	\$94,606	\$93,774	\$96,994	\$71,105	\$76,655
Auto Expenses	\$1,514	\$1,323	\$1,164	\$800	\$800
Travel Expenses	\$27,565	\$19,477	\$20,457	\$115,600	\$57,600
Water Conferences				\$1,930	
Education, Training & Conferences	\$7,895	\$6,360	\$24,808		\$3,050
Consulting	\$53,333	\$31,405	\$271,245	\$35,000	\$35,000
Legal	\$260,058	\$279,639	\$94,307	\$200,000	\$335,825
Legislative Advocacy			\$400		
Election Costs	\$18,107		\$74,614		
Other Expenses	\$17,182	\$13,979	\$14,152	\$5,000	\$5,000
Total Expenditures	\$2,490,181	\$2,199,522	\$2,263,569	\$2,822,846	\$3,208,967

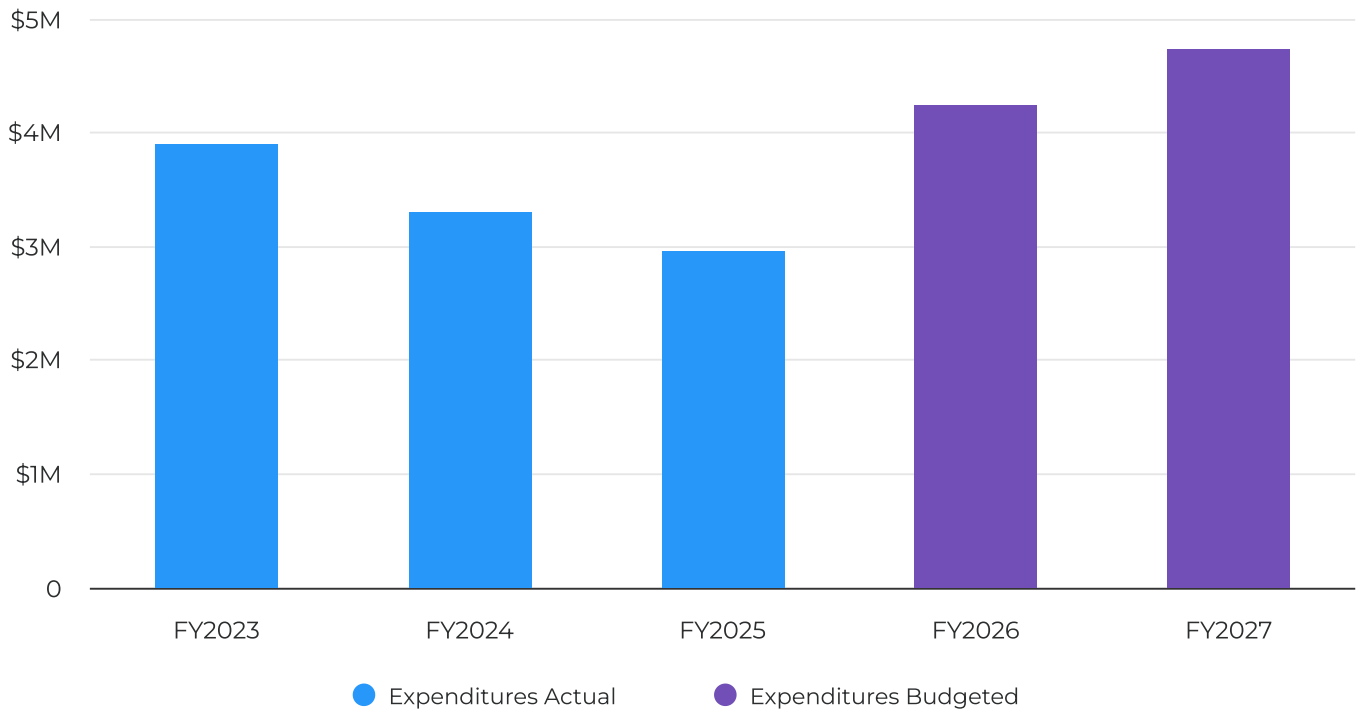
Engineering and Operations

The Engineering and Operations 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.

Expense Summary

The Engineering and Operations Department increased in Fiscal Year 2027 by about \$500,000, or 11.7%. The FY 2027 budget amount also includes a vacancy in Engineering that the department expects to fill in the coming year. The increase is due to a large increase in utilities for phone and electrical expenses.

Historical Expenses Across Department



Expenses by Expense Object

Expenses by Expense Object

Category	FY 2023 Actual	FY 2024 Actual	FY 2025 Actual	FY 2026 Adopted	FY 2027 Budgeted
Personnel Expenses	\$1,578,310	\$2,083,910	\$2,319,193	\$2,741,830	\$2,820,753
Wages	\$194,496	\$412,950	\$476,397	\$618,763	\$631,011
Wages Overtime	\$544	\$247			\$386
Flex Benefits Plan	\$40,324	\$85,268	\$88,797	\$142,210	\$154,168
Payroll Taxes	\$3,313	\$6,205	\$7,509	\$8,545	\$8,714
Misc. Benefit	\$3,080	\$353			
Workers Compensation	\$920	\$1,856	\$1,857	\$2,804	\$2,427

Category	FY 2023 Actual	FY 2024 Actual	FY 2025 Actual	FY 2026 Adopted	FY 2027 Budgeted
EE Health, Dental, Vision	\$3,717	\$6,159	\$7,671	\$9,618	\$8,458
Deferred Comp Contributions	\$10,171	\$19,946	\$23,817	\$30,938	\$31,551
PERS	\$24,179	\$52,824	\$68,121	\$87,677	\$83,055
Wages	\$892,134	\$973,381	\$1,068,293	\$1,159,900	\$1,207,764
Wages Overtime	\$33,307	\$36,140	\$28,373	\$35,000	\$22,754
Flex Benefits Plan	\$172,195	\$242,200	\$277,847	\$355,525	\$385,421
Payroll Taxes	\$13,172	\$15,209	\$16,966	\$16,018	\$16,679
Misc. Benefit	\$12,560	\$3,386			
Workers Compensation	\$20,570	\$41,467	\$48,165	\$44,624	\$40,378
EE Health, Dental, Vision	\$18,357	\$21,108	\$20,333	\$24,068	\$22,364
Deferred Comp Contributions	\$41,180	\$46,971	\$52,465	\$57,995	\$60,388
PERS	\$94,090	\$118,238	\$132,584	\$148,145	\$145,235
Operating Expenses	\$2,313,825	\$1,216,442	\$638,724	\$1,494,081	\$1,911,763
Safety Supplies	\$186	\$181		\$2,250	\$2,250
Postage & Mailing Costs				\$300	
Supplies & Materials	\$709	\$356		\$1,000	\$1,000
Tools & Equipment Under \$5,000	\$262	\$1,534	\$346	\$2,000	\$3,200
Books & Subscriptions		\$1,329		\$2,000	\$3,000
Licenses, Dues & Fees	\$2,700	\$267	\$3,353	\$600	\$1,400
Auto Expenses	\$117	\$746	\$170	\$3,500	\$3,500
Travel Expenses	\$2,594	\$3,377	\$1,177	\$6,000	\$4,000
Education, Training & Conferences	\$8,096	\$3,588	\$1,834	\$4,000	\$3,000
Consulting	\$237,441	\$123,516	\$101,810	\$430,000	\$600,000
Other Expenses	\$754	\$2,984	\$635	\$1,000	\$1,000
Equip. Lease/Rent	\$9,913	\$2,378	\$5,527	\$19,800	\$16,450
Safety Supplies	\$7,039	\$16,192	\$11,865	\$26,350	\$24,350
Building Maintenance	\$63,553	\$69,996	\$62,415	\$65,400	\$57,900
Utilities	\$1,510,982	-\$18,520	\$40,862	\$17,356	\$448,988
Postage & Mailing Costs		\$11		\$500	
Supplies & Materials	\$1,366	\$22,539	\$21,910	\$1,500	\$5,000
Tools & Equipment Under \$5,000	\$19,122	\$48,782	\$32,728	\$30,800	\$25,800
Books & Subscriptions	\$44		\$78	\$500	\$500
Telephone	\$6,953	\$16,211	\$8,991	\$37,000	\$37,000
Equipment Maintenance	\$235,258	\$717,573	\$117,221	\$444,700	\$240,500

Category	FY 2023 Actual	FY 2024 Actual	FY 2025 Actual	FY 2026 Adopted	FY 2027 Budgeted
Computer Licenses & Maintenance			\$11,132		
Data Collection		\$257	\$3,660		
Licenses, Dues & Fees	\$6,220	\$10,778	\$11,092	\$48,975	\$49,675
Auto Expenses	\$107,723	\$108,988	\$99,285	\$121,500	\$121,500
Travel Expenses	\$1,172		\$1,217	\$5,300	\$2,800
Education, Training & Conferences	\$3,274	\$8,109	\$6,085	\$11,250	\$17,950
Consulting	\$14,513	\$4,427	\$10,510	\$99,500	\$139,000
Environmental	\$1,391	\$520		\$4,000	\$2,000
Water Quality	\$57,960	\$43,427	\$65,354	\$88,000	\$81,000
Water Purchases	\$13,560	\$18,250	\$16,488	\$18,500	\$18,500
Other Expenses	\$922	\$8,647	\$2,978	\$500	\$500
Total Expenditures	\$3,892,134	\$3,300,352	\$2,957,917	\$4,235,911	\$4,732,516

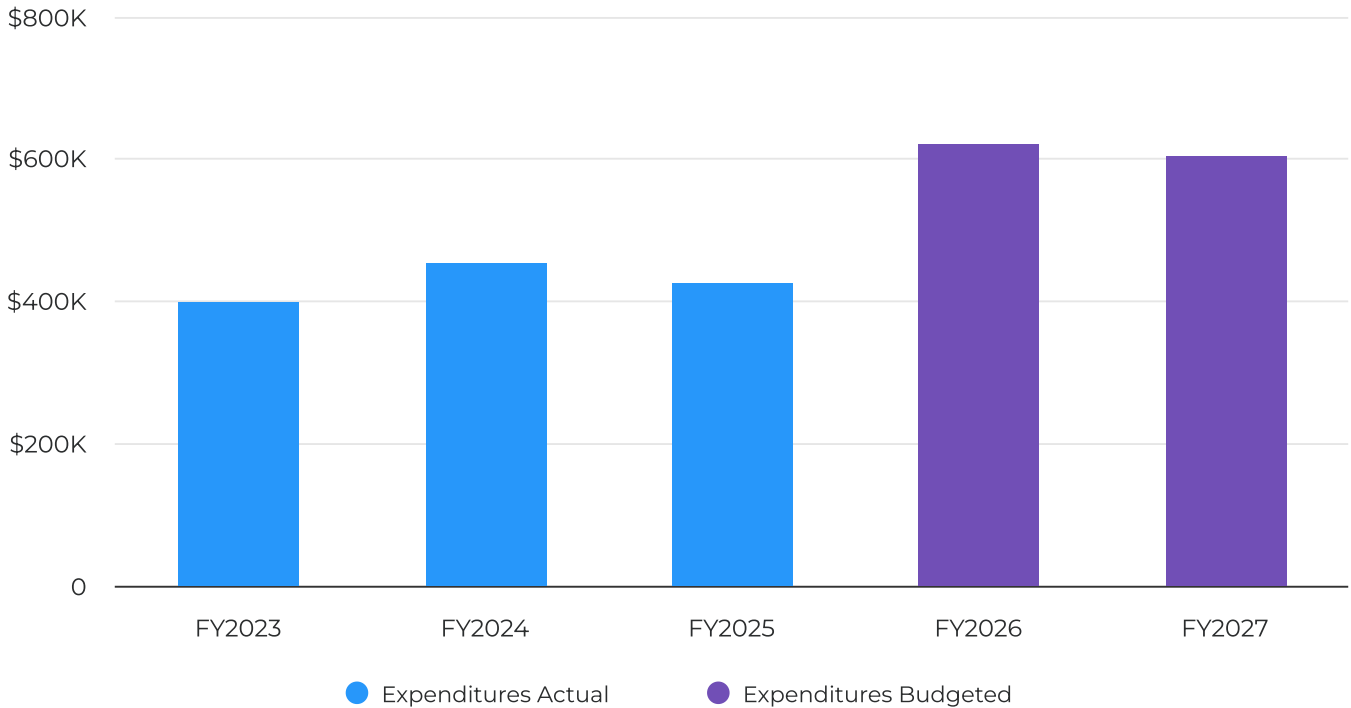
Human Resources

The Human Resources Department manages recruitments, onboarding, retention, compliance, and employee benefits for the Agency's employees.

Expense Summary

The Human Resources Department includes a minor decrease, primarily due to the retirement of a long-tenured employee and budgeting at a mid-range for the vacancy.

Historical Expenses Across Department



Expenses by Expense Object

Expenses by Expense Object

Category	FY 2023 Actual	FY 2024 Actual	FY 2025 Actual	FY 2026 Adopted	FY 2027 Budgeted
Personnel Expenses	\$348,295	\$375,236	\$379,175	\$425,106	\$377,370
Wages	\$250,266	\$260,456	\$260,051	\$288,945	\$250,958
Flex Benefits Plan	\$43,048	\$53,822	\$57,923	\$71,105	\$77,084
Payroll Taxes	\$3,886	\$3,951	\$5,116	\$3,990	\$3,466
Misc. Benefit	\$3,810	\$2,863			
Workers Compensation	\$692	\$1,394	\$1,367	\$1,246	\$938
EE Health, Dental, Vision	\$3,490	\$3,826	\$4,766	\$3,510	\$3,368
Deferred Comp Contributions	\$12,092	\$12,686	\$12,965	\$14,447	\$12,548
PERS	\$31,011	\$36,239	\$36,987	\$41,863	\$29,008

Category	FY 2023 Actual	FY 2024 Actual	FY 2025 Actual	FY 2026 Adopted	FY 2027 Budgeted
Operating Expenses	\$50,545	\$79,544	\$47,087	\$195,850	\$227,750
Human Resources Relations	\$8,733	\$6,767	\$11,836	\$56,000	\$62,500
Safety Supplies	\$4,837	\$5,693	\$2,789	\$6,500	\$9,000
Recruiting Expense	\$17,255	\$10,288	\$9,855	\$35,000	\$35,000
Supplies & Materials	\$1,144	\$77			
Books & Subscriptions	\$647	\$559	\$721	\$1,000	\$1,000
Printing		\$129	\$416	\$1,800	\$1,800
Licenses, Dues & Fees	\$4,920	\$5,669	\$5,644	\$6,100	\$1,300
Travel Expenses	\$1,823	\$1,007	\$6,161	\$7,400	\$7,400
Education, Training & Conferences	\$1,220	\$3,383	\$4,207	\$13,050	\$18,750
Consulting	\$9,966	\$45,973	\$5,459	\$50,000	\$55,000
Legal				\$19,000	\$36,000
Total Expenditures	\$398,840	\$454,780	\$426,263	\$620,956	\$605,120

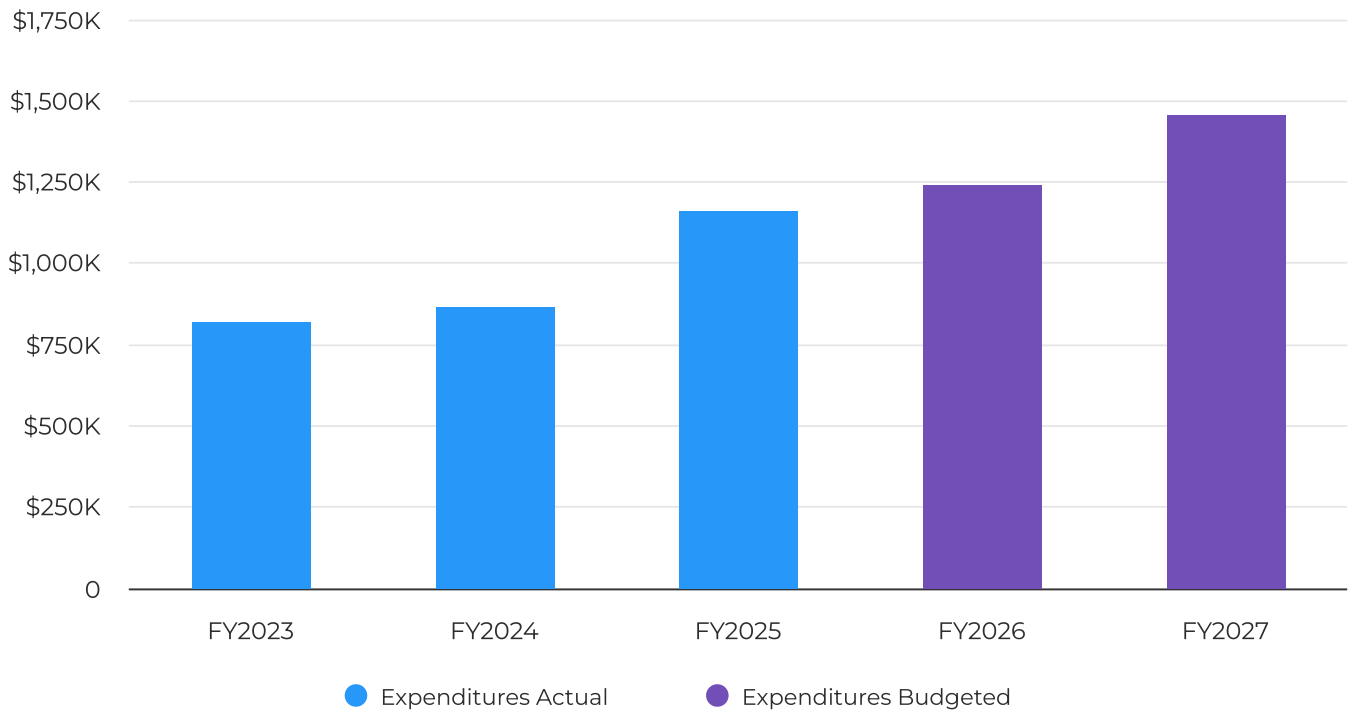
Information Technology

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

Expense Summary

The Information Technology (IT) Department expenses has a slight increase in Fiscal Year 2027 of \$213,000, or 17%. The increase is primarily due to increasing software expenses. Software expenses agency-wide, are budgeted in the IT Department to adhere to GASB 96, accounting for subscription-based IT arrangements (SBITAs).

Historical Expenses Across Department



Expenses by Expense Object

Expenses by Expense Object

Category	FY 2023 Actual	FY 2024 Actual	FY 2025 Actual	FY 2026 Adopted	FY 2027 Budgeted
Personnel Expenses	\$370,409	\$391,570	\$518,779	\$582,009	\$611,727
Wages	\$262,732	\$268,681	\$350,508	\$384,171	\$403,446
Wages Overtime	\$4,972	\$5,929	\$5,572	\$7,000	\$5,171
Flex Benefits Plan	\$43,049	\$53,822	\$85,317	\$106,658	\$115,626
Payroll Taxes	\$4,059	\$4,270	\$5,707	\$5,305	\$5,571
Misc. Benefit	\$3,977	\$466			
Workers Compensation	\$692	\$1,394	\$996	\$1,657	\$1,288
EE Health, Dental, Vision	\$4,889	\$4,368	\$5,289	\$6,186	\$6,031

Category	FY 2023 Actual	FY 2024 Actual	FY 2025 Actual	FY 2026 Adopted	FY 2027 Budgeted
Deferred Comp Contributions	\$12,682	\$13,194	\$17,500	\$19,209	\$20,172
PERS	\$33,358	\$39,447	\$47,890	\$51,823	\$54,422
Operating Expenses	\$448,488	\$474,776	\$641,655	\$662,080	\$845,722
Supplies & Materials	\$704	\$532	\$1,199	\$1,250	\$1,000
Tools & Equipment Under \$5,000	\$6,834	\$3,379	\$44	\$5,000	\$4,200
Books & Subscriptions	\$3,042	\$29	\$29		
Computer Hardware & Accessories		\$56,918	\$170,129	\$32,000	\$81,000
Software Licenses, Subscriptions & Maintenance	\$32,815	\$233,161	\$374,495	\$450,530	\$613,862
Licenses, Dues & Fees	\$273,405	\$65,458	\$63,872	\$27,300	\$55,960
Auto Expenses	\$176	\$53	\$176		\$200
Travel Expenses	\$3,463	\$2,240	\$2,305	\$8,000	\$4,000
Education, Training & Conferences	\$4,175	\$1,661	\$1,857	\$4,500	\$4,500
Consulting	\$100,525	\$87,806	\$26,738	\$126,500	\$81,000
Aerial Photos	\$23,250	\$23,250			
Contingency				\$7,000	
Other Expenses	\$100	\$288	\$811		
Total Expenditures	\$818,897	\$866,346	\$1,160,434	\$1,244,089	\$1,457,449

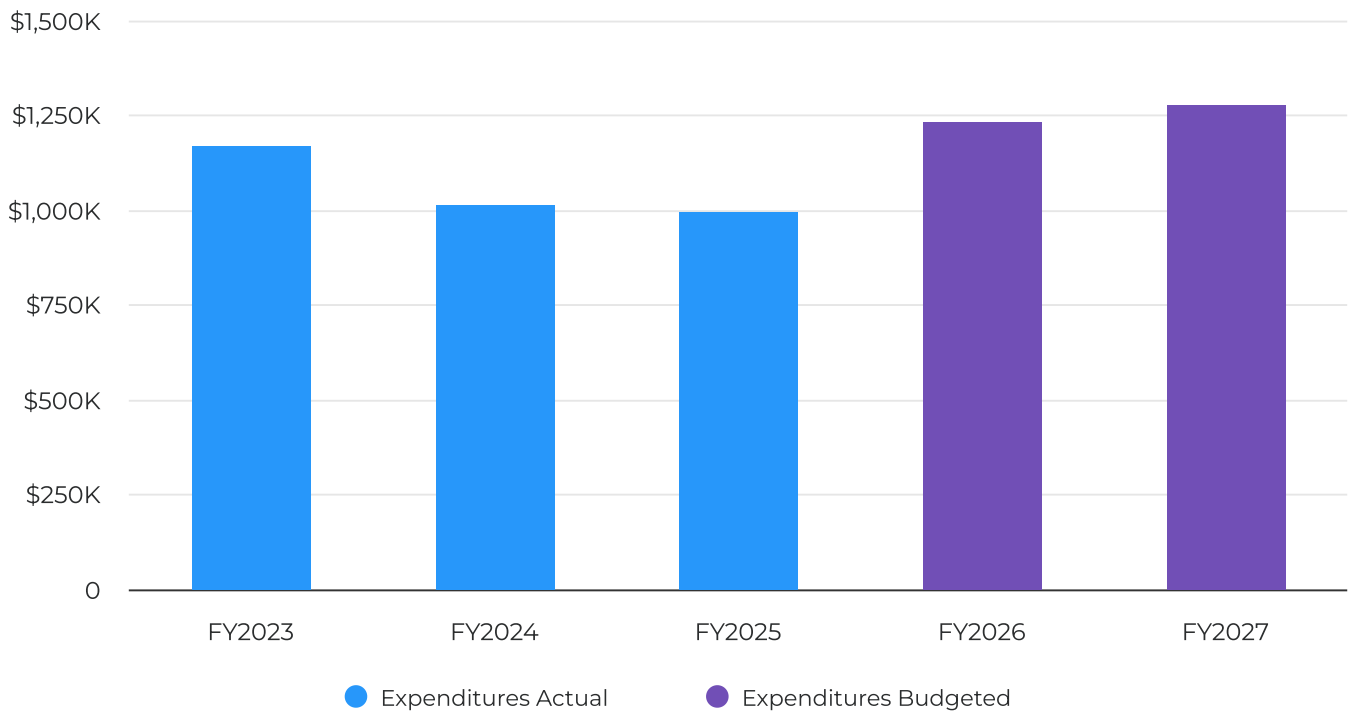
Public Information, Legislation and Conservation

The Public Information, Legislation, and Conservation Department works collaboratively with partners to enable beneficial legislation, engage the public on matters critical to the Agency's success, and how to use water efficiently.

Expense Summary

The Public Information, Legislation, and Conservation Department has a slight increase in Fiscal Year 2027 of less than \$50,000. This is primarily due to CPI and merit increase in the personnel budget. Overall, both departments' expenses remain steady.

Historical Expenses Across Department



Expenses by Expense Object

Expenses by Expense Object

Category	FY 2023 Actual	FY 2024 Actual	FY 2025 Actual	FY 2026 Adopted	FY 2027 Budgeted
Personnel Expenses	\$371,838	\$430,219	\$451,801	\$484,284	\$524,278
Wages	\$36,279				
Flex Benefits Plan	\$5,654				
Payroll Taxes	\$697				
Misc. Benefit	\$2,160				
Workers Compensation	\$367				
EE Health, Dental, Vision	\$466				

Category	FY 2023 Actual	FY 2024 Actual	FY 2025 Actual	FY 2026 Adopted	FY 2027 Budgeted
Deferred Comp Contributions	\$1,352				
PERS	\$2,104				
Wages	\$225,563	\$291,605	\$299,708	\$314,325	\$336,431
Wages Overtime	\$179	\$1,111	\$2,207	\$2,520	\$2,853
Flex Benefits Plan	\$51,490	\$80,733	\$90,863	\$106,658	\$115,626
Payroll Taxes	\$3,466	\$4,653	\$5,123	\$4,341	\$4,646
Misc. Benefit	\$3,428	\$506			
Workers Compensation	\$574	\$2,553	\$1,675	\$1,398	\$1,356
EE Health, Dental, Vision	\$5,250	\$5,536	\$5,257	\$5,611	\$5,944
Deferred Comp Contributions	\$10,904	\$14,003	\$14,985	\$15,716	\$16,822
PERS	\$21,905	\$29,519	\$31,982	\$33,715	\$40,600
Operating Expenses	\$794,958	\$583,323	\$543,968	\$747,745	\$754,045
Postage & Mailing Costs				\$1,200	
Supplies & Materials		\$479		\$500	\$500
Books & Subscriptions	\$900			\$750	\$750
Printing		\$2,213		\$2,000	\$2,000
Licenses, Dues & Fees	\$2,163				
Auto Expenses		\$30			
Travel Expenses	\$3,648	\$2,341	\$1,186	\$10,000	\$10,000
Education, Training & Conferences	\$1,989	\$120	\$760	\$8,090	\$8,090
Consulting	\$115,330	\$150,036	\$78,186	\$90,000	
Legislative Advocacy	\$155,364	\$158,598	\$160,392	\$185,700	\$185,700
Water Conservation	\$358,246	\$5,452	\$1,766		
Photo Expense	\$466	\$5,118	\$1,124	\$2,000	\$2,000
Postage & Mailing Costs				\$500	
Supplies & Materials	\$2,498	\$699	\$269	\$2,000	\$2,000
Tools & Equipment Under \$5,000			\$1,611	\$5,000	\$5,000
Books & Subscriptions	\$2,603	\$2,732	\$1,065	\$1,000	\$1,000
Printing	\$11,773	-\$7,311	-\$6,235	\$1,500	\$1,500
Licenses, Dues & Fees	\$2,039	\$3,350	\$22,637	\$28,500	\$28,500
Auto Expenses	\$249	\$268	\$546		
Travel Expenses	\$8,709	\$8,265	\$5,606	\$7,500	\$7,500
Education, Training & Conferences	\$3,666	\$8,332	\$14,914	\$8,755	\$8,755
Consulting	\$13,980		\$13,403	\$28,000	\$118,000
Public Information & Outreach	\$85,655	\$20,471	\$20,870	\$18,500	\$18,500

Category	FY 2023 Actual	FY 2024 Actual	FY 2025 Actual	FY 2026 Adopted	FY 2027 Budgeted
Water Conservation	\$24,378	\$12,522	\$44,016	\$75,000	\$75,000
Events		\$29,527	\$45,032	\$54,500	\$62,500
Sponsorships		\$25,700	\$16,250	\$40,750	\$40,750
Strategic Partnerships Program		\$153,713	\$120,510	\$175,000	\$175,000
Other Expenses	\$1,301	\$668	\$62	\$1,000	\$1,000
Total Expenditures	\$1,166,796	\$1,013,542	\$995,770	\$1,232,029	\$1,278,323

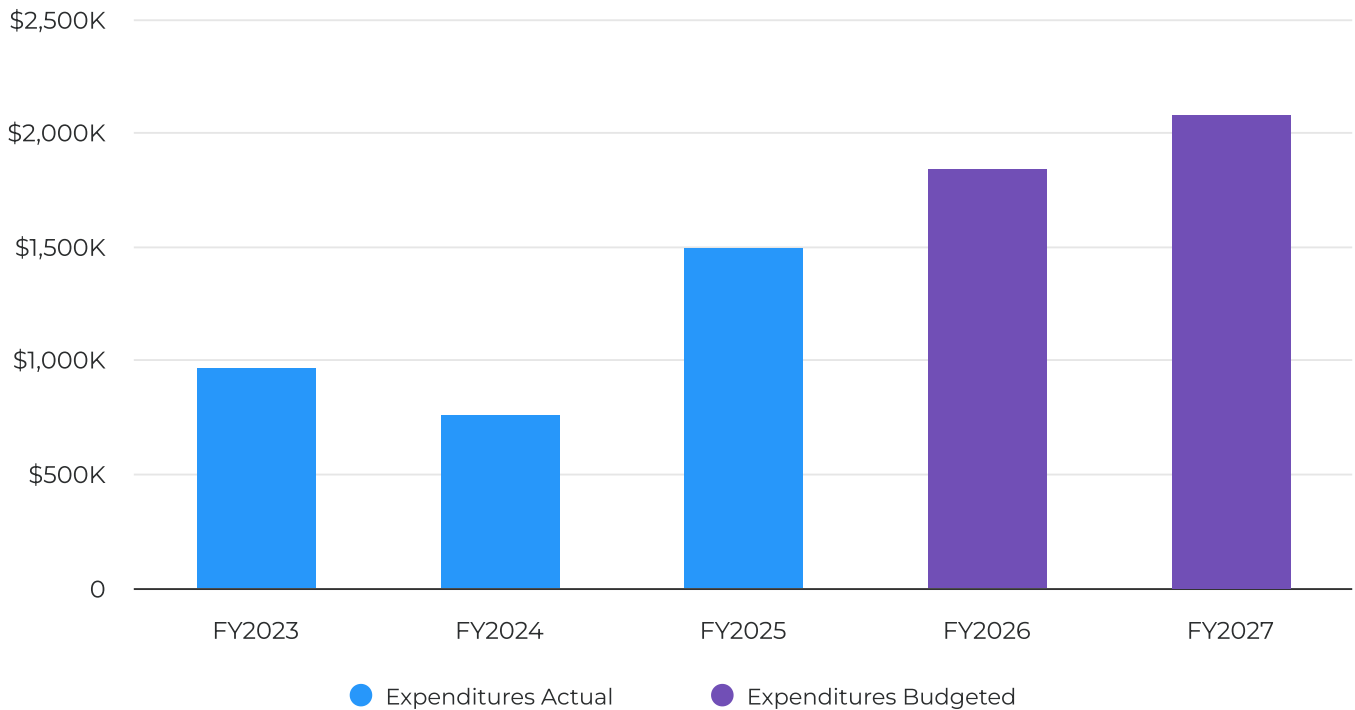
Finance

The Finance Department leads the accounting, budgeting, forecasting, treasury, payables, receivables, payroll, contracts, grants, risk management, and long-term financial planning for the Agency.

Expense Summary

The Finance Department increased in Fiscal Year 2027 by \$240,000, or 13%. An increase in insurance and consulting costs are the primary factors in the increase. Insurance costs increased due to an increase in premiums and a new earthquake insurance policy. Consulting costs increased primarily due to new procurement and debt management services, which more accurately align with the Agency's needs.

Historical Expenses Across Department



Expenses by Expense Object

Expenses by Expense Object

Category	FY 2023 Actual	FY 2024 Actual	FY 2025 Actual	FY 2026 Adopted	FY 2027 Budgeted
Personnel Expenses	\$603,855	\$500,904	\$895,818	\$1,228,771	\$1,247,870
Wages	\$444,614	\$390,726	\$640,641	\$872,147	\$868,551
Wages Overtime	\$24				
Flex Benefits Plan	\$75,335	\$83,054	\$136,295	\$195,539	\$231,253
Payroll Taxes	\$7,062	\$6,949	\$10,809	\$12,044	\$11,994
Misc. Benefit	\$12,920	\$2,109	\$5,778	\$6,000	\$6,000
Workers Compensation	\$1,612	\$2,553	\$2,173	\$3,348	\$2,627
EE Health, Dental, Vision	\$8,951	\$6,690	\$10,733	\$13,760	\$14,379

Category	FY 2023 Actual	FY 2024 Actual	FY 2025 Actual	FY 2026 Adopted	FY 2027 Budgeted
Deferred Comp Contributions	\$21,422	-\$17,723	\$29,469	\$43,607	\$37,870
PERS	\$31,914	\$26,546	\$59,920	\$82,326	\$75,196
Operating Expenses	\$327,750	\$216,355	\$554,606	\$567,243	\$787,541
Temporary Services		\$14,790			
Postage & Mailing Costs	\$8	\$43	\$7	\$10	
Supplies & Materials	\$1,211	\$263	\$67		
Books & Subscriptions	\$2,200	\$6	\$79	\$400	\$249
Printing		\$81	\$91		\$150
Bank and Investment Fees	\$58,910	\$70,278	\$74,988	\$72,180	\$130,300
Insurance	\$155,056		\$304,240	\$249,700	\$326,657
Licenses, Dues & Fees	\$1,778	\$954	\$2,789	\$2,750	\$2,740
Auto Expenses			\$95		\$50
Travel Expenses	\$16,232	\$4,082	\$28,577	\$33,000	\$49,500
Education, Training & Conferences	\$4,375	\$3,429	\$9,434	\$9,400	\$7,395
Consulting	\$56,147	\$58,789	\$60,791	\$125,203	\$193,900
Audit & Accounting	\$50,922	\$41,459	\$73,653	\$73,600	\$75,600
Other Expenses	-\$19,089	\$22,181	-\$206	\$1,000	\$1,000
Tax Collection Fee	\$35,097	\$38,526	\$41,161	\$40,000	\$43,000
County Tax Collection Fee - AD	\$35,097	\$38,526	\$41,161	\$40,000	\$43,000
Total Expenditures	\$966,701	\$755,784	\$1,491,586	\$1,836,014	\$2,078,411

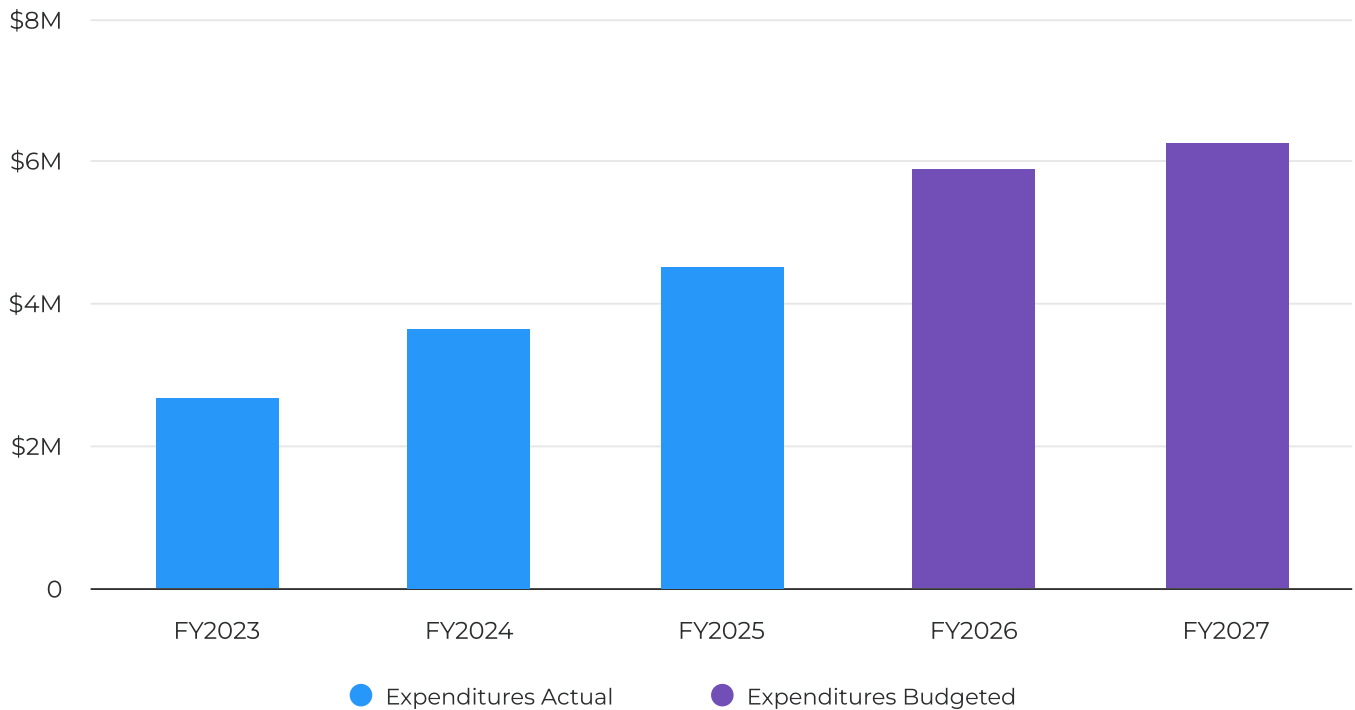
Water Resources

The Water Resources Department tracks and manages the Agency's various water resources, production, and scientific efforts.

Expense Summary

The Water Resources Department saw an increase in expenses in Fiscal Year 2027. The increase of \$390,000, or 6.6% is driven by a need for additional consulting services. The consulting services are for projects such as, the Urban Water Management Plan, the Agency's Master Plan, data monitoring network effectiveness, and ongoing water market analysis and transfer support.

Historical Expenses Across Department



Expenses by Expense Object

Expenses by Expense Object

Category	FY 2023 Actual	FY 2024 Actual	FY 2025 Actual	FY 2026 Adopted	FY 2027 Budgeted
Personnel Expenses	\$1,742,592	\$2,136,362	\$2,239,864	\$2,914,152	\$3,091,382
Wages	\$875,225	\$1,002,175	\$1,293,956	\$1,544,525	\$1,711,768
Wages Overtime		\$119			
Flex Benefits Plan	\$125,609	\$188,378	\$275,918	\$355,525	\$423,963
Payroll Taxes	\$12,401	\$15,024	\$21,667	\$21,329	\$23,639
Misc. Benefit	\$12,999	\$4,940	\$1,123	\$3,649	
Workers Compensation	\$2,067	\$4,175	\$3,034	\$20,220	\$9,426
EE Health, Dental, Vision	\$12,898	\$15,650	\$18,608	\$23,829	\$24,323

Category	FY 2023 Actual	FY 2024 Actual	FY 2025 Actual	FY 2026 Adopted	FY 2027 Budgeted
Deferred Comp Contributions	\$24,980	\$49,655	\$64,680	\$77,226	\$85,588
PERS	\$101,806	\$126,762	\$144,986	\$170,648	\$189,696
Wages	\$390,687	\$481,549	\$247,029	\$429,731	\$382,006
Wages Overtime	\$818	\$492			\$1,098
Flex Benefits Plan	\$102,904	\$134,556	\$90,863	\$177,763	\$154,168
Payroll Taxes	\$6,563	\$8,681	\$4,709	\$5,934	\$5,275
Misc. Benefit	\$6,445	\$913			
Workers Compensation	\$10,285	\$31,797	\$32,608	\$16,533	\$12,771
EE Health, Dental, Vision	\$8,208	\$9,400	\$8,070	\$10,214	\$8,317
Deferred Comp Contributions	\$19,043	\$23,837	\$12,344	\$21,487	\$19,100
PERS	\$29,655	\$38,260	\$20,268	\$35,539	\$40,244
Operating Expenses	\$911,649	\$1,513,251	\$2,263,509	\$2,966,379	\$3,175,150
Safety Supplies			\$289	\$1,000	\$1,000
Temporary Services	\$8,657	\$10,484			
Supplies & Materials	\$1,047	\$2,170	\$22	\$1,000	\$1,000
Tools & Equipment Under \$5,000	\$439	\$1,288		\$2,000	\$2,000
Books & Subscriptions	\$2,018	\$56	\$1,945	\$2,500	\$1,000
Equipment Maintenance	\$2,726	\$14		\$1,000	
Data Collection	\$2,188	\$5,324	\$17	\$1,000	\$1,000
Licenses, Dues & Fees	\$13,403	\$12,628	\$11,435	\$13,800	\$14,350
Auto Expenses	\$6,858	\$3,336	\$16,480		
Travel Expenses	\$19,372	\$8,653	\$16,830	\$38,000	\$60,000
Education, Training & Conferences	\$8,488	\$17,819	\$16,579	\$20,000	\$20,000
Consulting	\$242,216	\$553,334	\$1,254,249	\$1,518,490	\$2,210,000
USGS	\$450,000	\$467,435	\$537,348	\$500,000	\$600,000
Aerial Photos	\$22,000	\$21,864	\$34,750	\$37,789	\$40,000
Other Expenses	\$1,824	\$1,392	\$115	\$5,000	\$5,000
Safety Supplies	\$1,321	\$1,663	\$2,459	\$2,500	\$2,500
Postage & Mailing Costs			\$655	\$1,200	
Supplies & Materials	\$74	\$5,829	\$4,396	\$500	\$500
Tools & Equipment Under \$5,000	\$4,342	\$5,540	\$7,619	\$5,000	\$5,000
Books & Subscriptions		\$2,267	\$4,714	\$200	\$10,000
Equipment Maintenance	\$23,080	\$34,575	\$9,918	\$29,000	\$24,000
Data Collection and Analysis	\$76,040	\$120,316	\$93,581	\$275,000	\$102,500
Licenses, Dues & Fees	\$1,431	\$10	\$2,525	\$5,000	\$2,500

Category	FY 2023 Actual	FY 2024 Actual	FY 2025 Actual	FY 2026 Adopted	FY 2027 Budgeted
Auto Expenses	\$13,761	\$24,896	\$31,770	\$15,000	\$35,000
Travel Expenses	\$5,254	\$5,425	\$8,350	\$6,000	\$6,000
Education, Training & Conferences	\$4,931	\$13,587	\$6,747	\$34,400	\$30,800
Consulting		\$192,933	\$199,997	\$450,000	
Other Expenses	\$179	\$415	\$720	\$1,000	\$1,000
Total Expenditures	\$2,654,241	\$3,649,613	\$4,503,373	\$5,880,531	\$6,266,532

Watermaster

The Watermaster Department oversees the adjudication settlement that controls how much and when water may be pumped from High Desert aquifers.

Expense Summary

The Watermaster Department has stayed relatively flat throughout the years. The increase in expenses from Fiscal Year 2024 to 2025 is largely due to filling vacant positions in the department. The vacant positions were filled midway through FY 2024, which is reflected by the increase, bringing the department to a more normal expense range.

Historical Expenses Across Department



Expenses by Expense Object

Expenses by Expense Object

Category	FY 2023 Actual	FY 2024 Actual	FY 2025 Actual	FY 2026 Adopted	FY 2027 Budgeted
Personnel Expenses	\$271,701	\$297,282	\$387,874	\$413,888	\$435,958
Wages	\$373,810	\$411,056	\$535,917	\$561,627	\$588,810
Salaries Labor Out	-\$250,971	-\$285,510	-\$387,875	-\$413,888	-\$435,957
Wages Overtime	\$1,955	\$1,210			
Flex Benefits Plan	\$60,814	\$81,552	\$121,151	\$142,210	\$154,168
Payroll Taxes	\$6,908	\$6,665	\$8,577	\$7,756	\$8,131
Misc. Benefit	\$5,918	\$532			
Workers Compensation	\$1,612	\$2,553	\$2,173	\$2,462	\$2,192
EE Health, Dental, Vision	\$5,956	\$5,936	\$7,918	\$8,529	\$8,265

Category	FY 2023 Actual	FY 2024 Actual	FY 2025 Actual	FY 2026 Adopted	FY 2027 Budgeted
Deferred Comp Contributions	\$17,511	\$13,610	\$26,796	\$28,081	\$29,440
PERS	\$48,187	\$59,677	\$73,217	\$77,111	\$80,909
Operating Expenses	\$81,874	\$101,007	\$199,481	\$145,245	\$146,190
Safety Supplies		\$78			
Tools & Equipment Under \$5,000	\$32		\$8	\$50	\$50
Books & Subscriptions	\$56	\$50		\$100	\$100
Auto Expenses	\$386	\$297	\$426	\$500	\$500
Travel Expenses	\$4,171	\$3,451	\$4,175	\$7,500	\$7,500
Education, Training & Conferences	\$1,555	\$1,873	\$577	\$6,000	\$6,000
Engineering, General	\$63,858	\$83,633	\$176,920	\$112,200	\$112,200
Aerial Photos	\$11,625	\$11,625	\$17,375	\$18,895	\$19,840
Other Expenses	\$190				
Total Expenditures	\$353,575	\$398,288	\$587,355	\$559,133	\$582,148

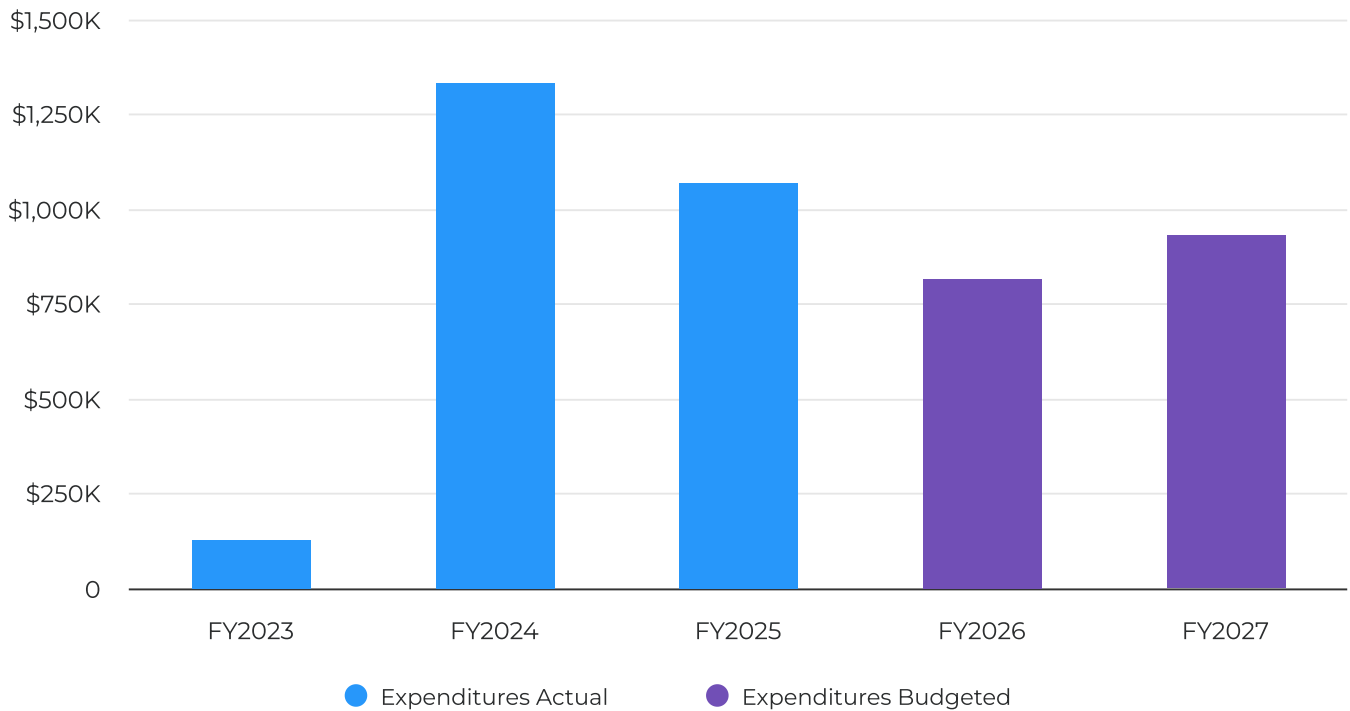
Post-Employment Expenses

Non-Departmental is used for expenses not associated with a specific department, such as Agency-wide pension and Other Post-Employment Benefit obligations.

Expense Summary

A one-time additional payment of \$3.5 million towards the CalPERS unfunded liability was made in Fiscal Year 2024 reducing the liability and equating to a savings of approximately \$2 million in future interest costs. The pay down of this liability reflects not only active employees but also liabilities attributable to retirees.

Historical Expenses Across Department



Expenses by Expense Object

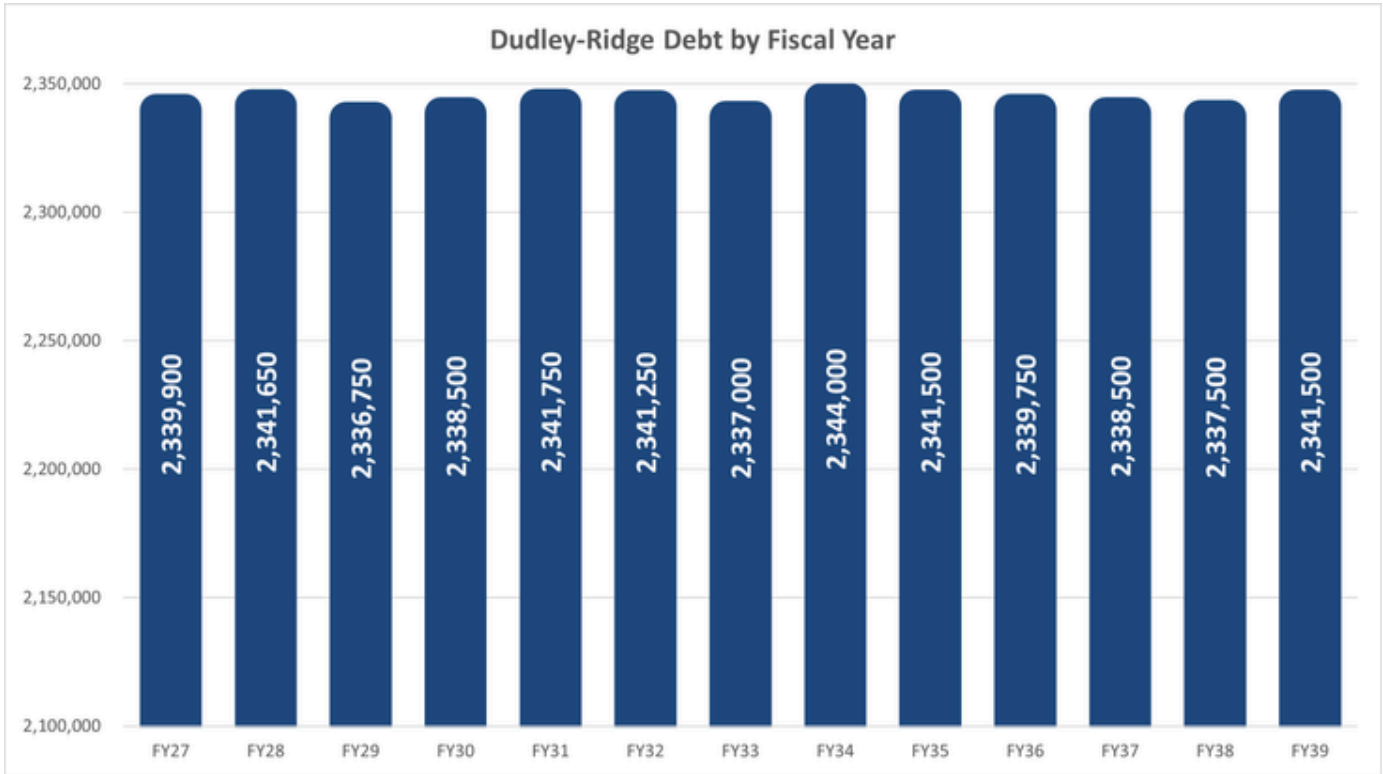
Expenses by Expense Object

Category	FY 2023 Actual	FY 2024 Actual	FY 2025 Actual	FY 2026 Adopted	FY 2027 Budgeted
Personnel Expenses	\$127,867	\$1,332,496	\$1,068,389	\$819,275	\$931,413
OPEB Expense	\$191,463	\$222,639	\$236,738	\$209,307	\$226,500
PERS Unfunded Accrued Liability (UAL)	\$627,256	\$4,085,911	\$466,970	\$609,968	\$704,913
Net OPEB Expense GASB 75	-\$32,488	-\$27,237	-\$944,423		
Net Pension Expense GASB 68	-\$658,364	-\$2,948,817	\$1,309,104		
Total Expenditures	\$127,867	\$1,332,496	\$1,068,389	\$819,275	\$931,413

Debt Service

Revenue Bond, Series 2017A - Dudley-Ridge 14,000 Acre-Feet 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 acre-feet (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 payment for FY 2027 is \$2,339,900 maintaining a level debt service methodology. The bonds mature in Fiscal Year 2039 and carry annual interest rates ranging from 3.00 to 5.00%. The bonds are annually rated by Fitch Ratings and maintain a rating of AA+, demonstrating a strong rating and low risk of default.



One-Year Plan Capital Improvement Plan

The Capital Improvement Plan (CIP) budget is a plan to capture investments in the Agency's 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 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 priority projects that are needed through a variety of planning mechanisms and come together to compile the CIP.

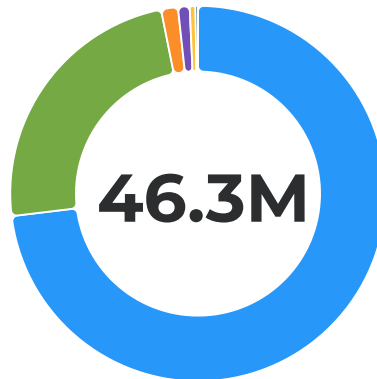
Capital Improvement Plan - Grants

Mojave Water Agency has used grant funding to secure funding for large game-changing projects for projects such as the Mojave River Pipeline, the East Ames Reche Facility, and the West Victorville Groundwater Banking Project. 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 the service of implementing agencies and districts to reduce the administrative burden on small water systems with more limited capacity. The Agency's grant revenue fluctuates with the related project expenses, due to reimbursement-based grants.

Prop 1 - City of Hesperia (pass-thru)	543,000
Prop 1 - City of Victorville (pass-thru)	990,000
Prop 1 Round 2 - Bighorn (pass-thru)	613,000
Subtotal - Pass-Thru	<u>\$ 2,146,000</u>
Grant Administration Prop 1 Round 2	294,888
Grant Administration Multi-Benefit	25,000
Prop 1 Round 2 - Water Resources Basin Wide Groundwater Level and	
Prop 1 Round 2 - East Ames Reche Facility	264,065
Urban Multi-Benefit - MRP Traveling Screen	-
EPA Community Grant - MRP Traveling Screen	300,000
Urban Multi-Benefit - Groundwater Banking Test Feasibility Study	10,352,983
SmartWater - Oeste Permanent Acquaduct Turnout	-
Subtotal - Agency	<u>\$ 11,236,936</u>
Total	<u>\$ 13,382,936</u>

Capital Improvement Plan - Project Types

FY27 Capital Costs By Project Type



● Water Infrastructure	\$33,837,455	73.09%
● Other Improvements	\$11,000,000	23.76%
● Vehicles and Wheeled Equipment	\$669,200	1.45%
● Capital Asset - Land	\$460,000	0.99%
● Building and Facilities	\$230,000	0.50%
● Other Equipment	\$100,000	0.22%

Water Infrastructure

	FY2027
Total Water Infrastructure	\$33,837,455

Other Improvements

	FY2027
Total Other Improvements	\$11,000,000

Vehicles and Wheeled Equipment

	FY2027
Total Vehicles and Wheeled Equipment	\$669,200

Capital Asset - Land

	FY2027
Total Capital Asset - Land	\$460,000

Building and Facilities

	FY2027
Total Building and Facilities	\$230,000

Other Equipment

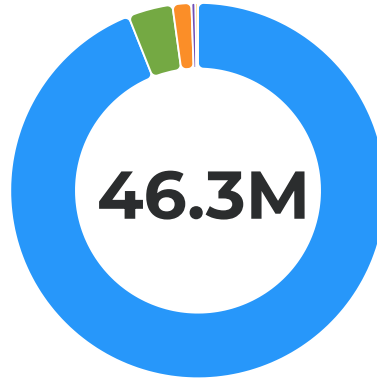
	FY2027
Total Other Equipment	\$100,000

Grand Total

	FY2027
Grand Total	\$46,296,655

Capital Improvement Plan - Departments

FY27 Capital Costs by Department



● Water Resources	\$43,502,455	93.96%
● Engineering	\$1,784,200	3.85%
● Operations	\$750,000	1.62%
● Information Technology	\$160,000	0.35%
● Water Resources - Field	\$100,000	0.22%

Water Resources

	FY2027
Total Water Resources	\$43,502,455

Engineering

	FY2027
Total Engineering	\$1,784,200

Operations

	FY2027
Total Operations	\$750,000

Information Technology

	FY2027
Total Information Technology	\$160,000

Water Resources - Field

	FY2027
Total Water Resources - Field	\$100,000

Grand Total

	FY2027
Grand Total	\$46,296,655

Capital Projects

Capital Projects

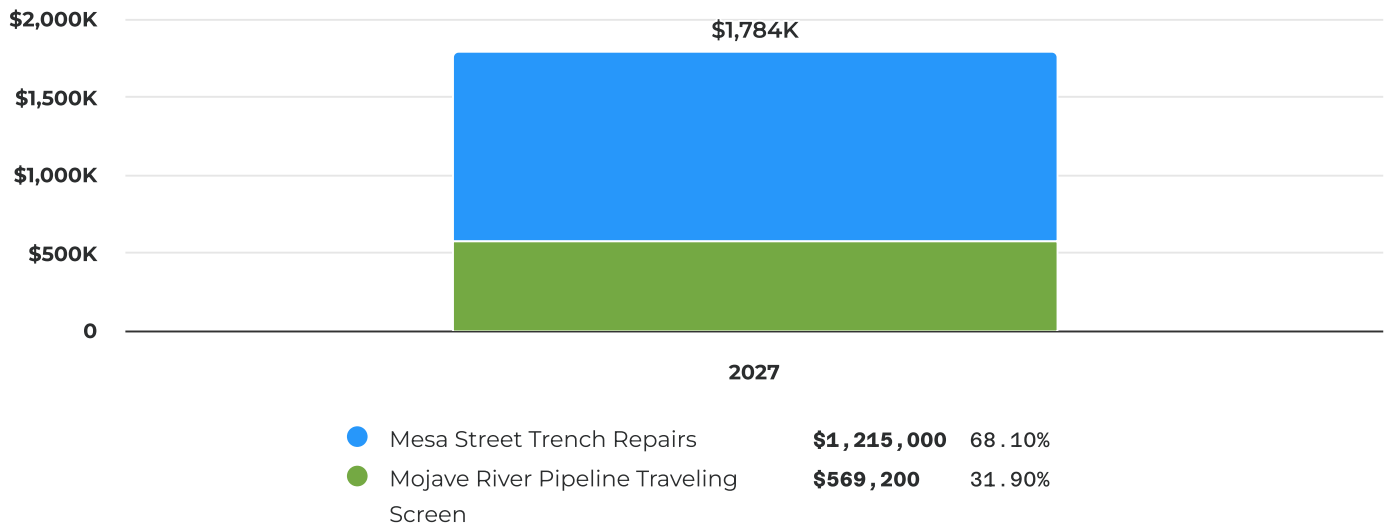
Project No. / Project Name	Years	Departments	Type	Total
0550 West Victorville Groundwater Banking Pilot Test Project PHASE 1 ("Groundwater Banking Test Basin Feasibility Study")	2027	Water Resources	Water Infrastructure	\$27,202,455
0562 East Ames Reche Recharge Facility	2027	Water Resources	Other Improvements	\$11,000,000
0567 Oeste Demonstration Recharge Pilot PHASE 1	2027	Water Resources	Water Infrastructure	\$3,300,000
-- Mesa Street Trench Repairs	2027	Engineering	Water Infrastructure	\$1,215,000
0584 Data Monitoring Network Helendale and Arrowhead Monitoring Wells	2027	Water Resources	Water Infrastructure	\$1,050,000
0538 Mojave River Pipeline Traveling Screen	2027	Engineering	Vehicles and Wheeled Equipment	\$569,200
0583 Johnson Valley Electrical Panel and VFD Upgrade	2027	Operations	Water Infrastructure	\$500,000
0594 Easement and Land Acquisitions	2027	Water Resources	Capital Asset - Land	\$460,000
-- Johnson Valley Pump Replacement	2027	Operations	Water Infrastructure	\$250,000
0568A Oeste Permanent Aqueduct Turnout PHASE 2	2027	Water Resources	Water Infrastructure	\$220,000
-- Ephemeral Washes Monitoring Wells	2027	Water Resources	Building and Facilities	\$170,000
-- Upgrade Operations Meeting Room Audiovisual System	2027	Information Technology	Other Equipment	\$100,000
0550 West Victorville Groundwater Banking Pilot Test Project PHASE 2	2027	Water Resources	Water Infrastructure	\$100,000
8010 Replace Water Resources 2014 Ford F150	2027	Water Resources - Field	Vehicles and Wheeled Equipment	\$100,000

Capital Projects

Project No. / Project Name	Years	Departments	Type	Total
-- Additional Remote Site Cameras	2027	Information Technology	Building and Facilities	\$60,000

Engineering

FY27 - FY27 Engineering Projects



Summary of Requests

Project No. / Category	FY2027
-- Mesa Street Trench Repairs	\$1,215,000
0538 Mojave River Pipeline Traveling Screen	\$569,200
Total Summary of Requests	\$1,784,200

Mesa Street Trench Repairs

Overview

Request Owner	Mike Simpson, Director of Operations
Department	Engineering
Type	Capital Improvement
Project Type	Water Infrastructure
Estimated Start Date	03/2/2026
Estimated Completion Date	06/30/2027

Project Location



Description

This project addresses trench compaction deficiencies and pavement settlement along Mesa Street in the City of Victorville. The R3 36 inch transmission pipeline, installed in approximately 2011 to deliver potable water to the communities of Victorville, Adelanto, Hesperia, and Apple Valley, was constructed within this corridor as part of a regional water supply program. Post-construction settlement has resulted in localized depressions in the roadway surface above the pipeline alignment.

The project will include correction of trench compaction deficiencies, reconstruction of affected pavement sections, and enhancements to long-term protection of the R3 mainline from adjacent and future utility installations. These improvements will ensure the pipeline remains adequately supported and safeguarded, reducing the risk of future maintenance needs and preserving service reliability.

Images



Mesa.png

Details

Type of Project: Repair and/or Rehabilitation

Capital Program: Repair, Replacement or Rehabilitation

Keywords: Water Quality

Capital Cost

FY2027 Budget
\$1.22M

Total Budget (all years)
\$1.22M

Project Total
\$1.22M

Detailed Breakdown

Category	FY2027 <i>Proposed</i>
Construction/Maintenance	\$1,200,000
Engineering	\$15,000
Total	\$1,215,000

Funding Sources

FY2027 Budget
\$1.22M

Total Budget (all years)
\$1.22M

Project Total
\$1.22M

Detailed Breakdown

Category	FY2027 <i>Proposed</i>
MWA Cash (Pay-Go)	\$1,215,000
Total	\$1,215,000

Mojave River Pipeline Traveling Screen

Overview

Request Owner	Tesfaye Demissie, Engineering
Department	Engineering
Type	Capital Equipment
Project Type	Vehicles and Wheeled Equipment
Project Number	0538

Description

The Mojave River Pipeline (MRP) Traveling Screen Project will install a new traveling screen at the California Aqueduct (White Road Turnout) to handle debris screening for the full pipeline capacity of 94 cfs. This eliminates the need for repairs or additional drum strainers at the Cassia site and reduces ongoing and future maintenance and operational issues. The project also includes the installation of a recharge basin on a 2-acre site to support groundwater replenishment, a stub-out to accommodate a future groundwater banking and recharge project on an adjacent parcel, and a new equipment building that will house two recharge pumps along with associated controls, SCADA systems, and electrical power supply.

Details

New Purchase or Replacement: New

Useful Life: 10 or more years

Capital Cost

FY2027 Budget	Total Budget (all years)	Project Total
\$569K	\$569K	\$569K

Detailed Breakdown

Category	FY2027 <i>Proposed</i>
Improvement Cost (from purchase to in-service)	\$569,200
Vehicle Cost	\$0
Total	\$569,200

Funding Sources

FY2027 Budget

\$569K

Total Budget (all years)

\$569K

Project Total

\$569K

Detailed Breakdown

Category

FY2027

Proposed

MWA Cash (Pay-Go)

\$353,325

Grant Funding

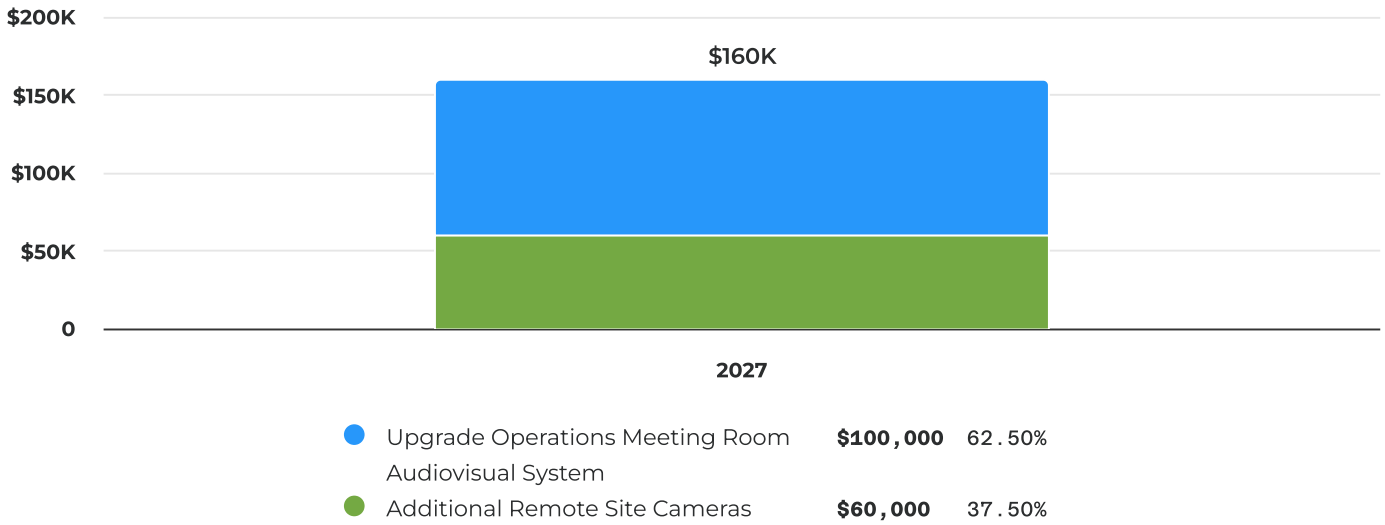
\$215,875

Total

\$569,200

Information Technology

FY27 - FY27 Information Technology Projects



Summary of Requests

Category	FY2027
Upgrade Operations Meeting Room Audiovisual System	\$100,000
Additional Remote Site Cameras	\$60,000
Total Summary of Requests	\$160,000

Additional Remote Site Cameras

Overview

Request Owner	Trevor Samorajski, Information Systems Manager
Department	Information Technology
Type	Capital Improvement
Project Type	Building and Facilities
Estimated Start Date	07/31/2026
Estimated Completion Date	12/19/2026

Project Location

Lucerne Valley



Description

The Agency operates multiple facilities throughout its service areas. Some locations have experienced incidents of vandalism and unauthorized access. The expansion of the Agency's security camera system will enhance monitoring capabilities, deter vandalism, and provide valuable documentation to support law enforcement when incidents occur.

This project will include installation at approximately two sites per fiscal year until all identified locations are equipped. Sites with a history of repeated incidents will be prioritized.

Images



Security Camera

Details

Type of Project: Other

Capital Cost

FY2027 Budget	Total Budget (all years)	Project Total
\$60K	\$60K	\$60K

Detailed Breakdown

Category	FY2027 <i>Proposed</i>
Construction/Maintenance	\$60,000
Total	\$60,000

Funding Sources

FY2027 Budget	Total Budget (all years)	Project Total
\$60K	\$60K	\$60K

Detailed Breakdown

Category	FY2027 <i>Proposed</i>
MWA Cash (Pay-Go)	\$60,000
Total	\$60,000

Upgrade Operations Meeting Room Audiovisual System

Overview

Request Owner	Trevor Samorajski, Information Systems Manager
Department	Information Technology
Type	Capital Equipment
Project Type	Other Equipment

Description

The meeting room at the Agency's Operations office has experienced several equipment failures and configuration changes, leaving the system in a state that is in an unreliable state. In order to use the room's technology, a technical support presence is typically required. An upgrade to the audiovisual system is necessary in order to facilitate and more effectively utilize this facility for staff and the public.

Images



Meeting Room Audio/Visual Graphic

Graphic illustrating staff training/presentation.

Details

New Purchase or Replacement: Replacement

Capital Cost

FY2027 Budget	Total Budget (all years)	Project Total
\$100K	\$100K	\$100K

Detailed Breakdown

Category	FY2027 <i>Proposed</i>
Equipment	\$80,000
Installation	\$20,000
Total	\$100,000

Funding Sources

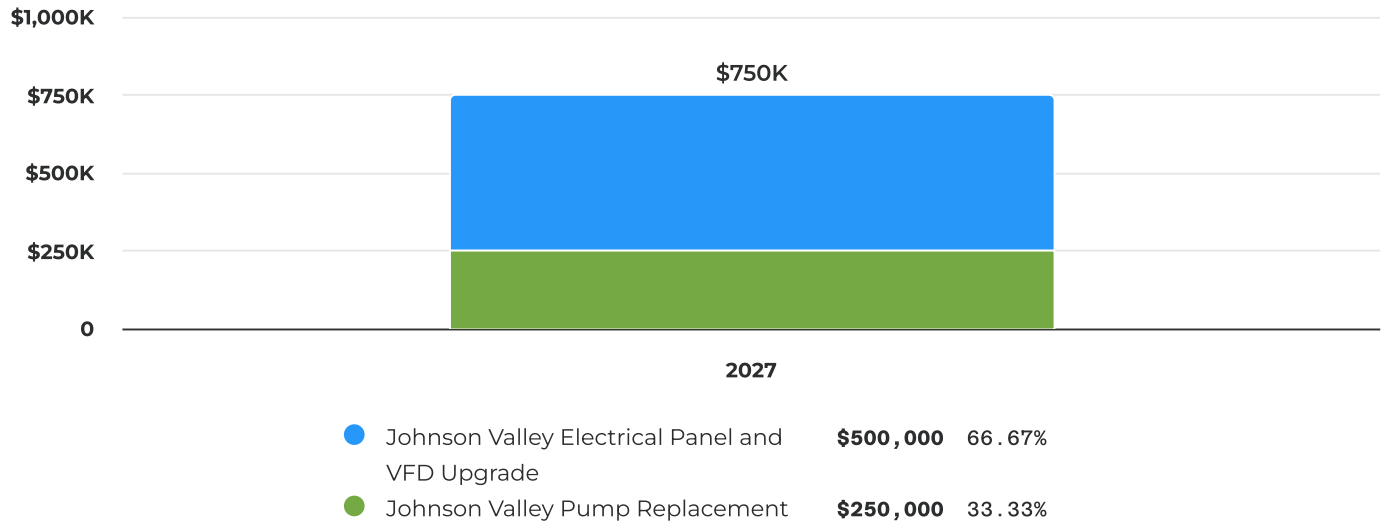
FY2027 Budget	Total Budget (all years)	Project Total
\$100K	\$100K	\$100K

Detailed Breakdown

Category	FY2027 <i>Proposed</i>
MWA Cash (Pay-Go)	\$100,000
Total	\$100,000

Operations

FY27 - FY27 Operations Projects



Summary of Requests

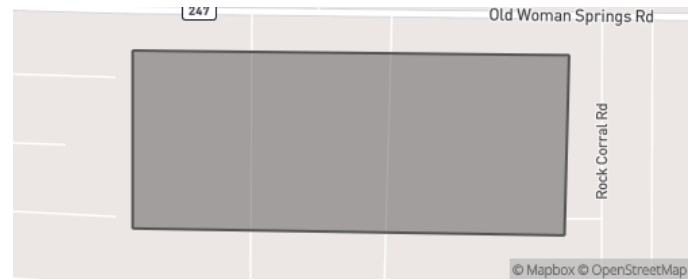
Project No. / Category	FY2027
0583 Johnson Valley Electrical Panel and VFD Upgrade	\$500,000
-- Johnson Valley Pump Replacement	\$250,000
Total Summary of Requests	\$750,000

Johnson Valley Electrical Panel and VFD Upgrade

Overview

Request Owner	Mike Simpson, Director of Operations
Department	Operations
Type	Capital Improvement
Project Type	Water Infrastructure
Project Number	0583
Estimated Start Date	04/1/2026
Estimated Completion Date	06/30/2029

Project Location

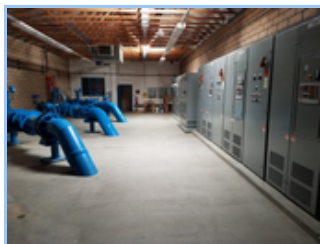


Description

The existing electrical panels and motor control centers (MCCs) at the Johnson Valley Pump Station are nearing the end of their service life, and replacement parts are increasingly difficult to obtain. These MCCs support and control four 600-horsepower pump motors that convey water to the Warren Vista Reservoir, making their reliability critical to system operations.

This project will be delivered in two phases. Phase 1 will procure an electrical engineering consultant to evaluate the condition, design, and remaining useful life of the existing electrical equipment. Based on this assessment, the consultant will prepare updated design plans and specifications identifying the improvements required to modernize the electrical system and ensure long-term reliability. Phase 2 will implement the recommended upgrades through construction, including installation of the new electrical equipment and associated system modifications.

Images



JV MMC panels

Details

Type of Project: Repair and/or Rehabilitation

Capital Program: Repair, Replacement or Rehabilitation

Keywords: Groundwater recharge

Capital Cost

FY2027 Budget
\$500K

Total Budget (all years)
\$500K

Project Total
\$500K

Detailed Breakdown

Category	FY2027 <i>Proposed</i>
Engineering	\$500,000
Total	\$500,000

Funding Sources

FY2027 Budget
\$500K

Total Budget (all years)
\$500K

Project Total
\$500K

Detailed Breakdown

Category	FY2027 <i>Proposed</i>
MWA Cash (Pay-Go)	\$500,000
Grant Funding	\$0
Total	\$500,000

Johnson Valley Pump Replacement

Overview

Request Owner	Doug Kerns, Water Systems Supervisor
Department	Operations
Type	Capital Improvement
Project Type	Water Infrastructure
Estimated Start Date	10/1/2026
Estimated Completion Date	06/1/2027

Project Location



Description

This will be for replacing the pumps and rebuilding the motors for two booster pumps at Johnson Valley Pump Station.

Images



Picture2.jpg

Details

Capital Program: Repair, Replacement or Rehabilitation

Capital Cost

FY2027 Budget	Total Budget (all years)	Project Total
\$250K	\$250K	\$250K

Detailed Breakdown

Category	FY2027 <i>Proposed</i>
Construction/Maintenance	\$250,000
Total	\$250,000

Funding Sources

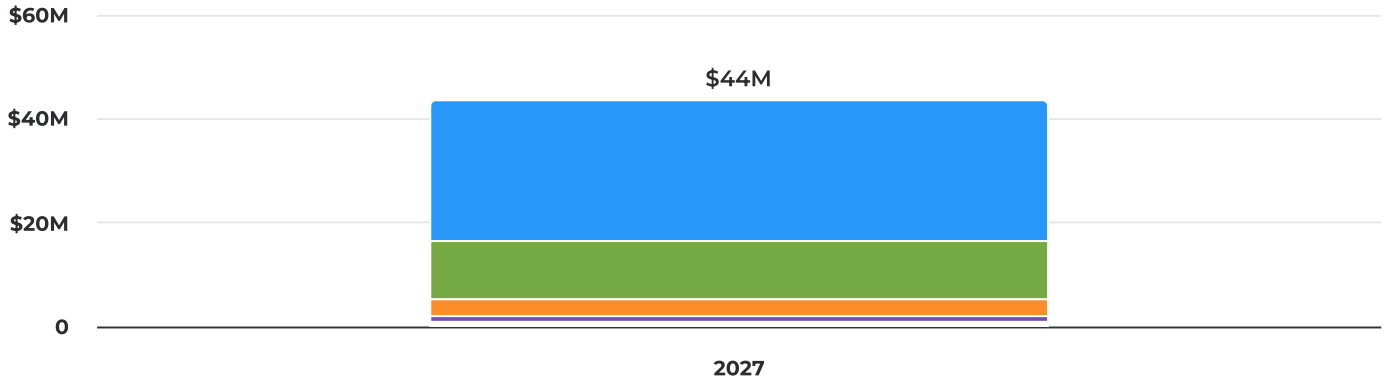
FY2027 Budget	Total Budget (all years)	Project Total
\$250K	\$250K	\$250K

Detailed Breakdown

Category	FY2027 <i>Proposed</i>
MWA Cash (Pay-Go)	\$250,000
Total	\$250,000

Water Resources

FY27 - FY27 Water Resources Projects



●	West Victorville Groundwater Banking Pilot Test Project PHASE 1 ("Groundwater Banking Test Basin Feasibility Study")	\$27,202,455	62.53%
●	East Ames Reche Recharge Facility	\$11,000,000	25.29%
●	Oeste Demonstration Recharge Pilot PHASE 1	\$3,300,000	7.59%
●	Data Monitoring Network Helendale and Arrowhead Monitoring Wells	\$1,050,000	2.41%
●	Easement and Land Acquisitions	\$460,000	1.06%
●	Oeste Permanent Aqueduct Turnout PHASE 2	\$220,000	0.51%
●	Ephemeral Washes Monitoring Wells	\$170,000	0.39%
●	West Victorville Groundwater Banking Pilot Test Project PHASE 2	\$100,000	0.23%

Summary of Requests

Project No. / Category	FY2027
0550 West Victorville Groundwater Banking Pilot Test Project PHASE 1 ("Groundwater Banking Test Basin Feasibility Study")	\$27,202,455
0562 East Ames Reche Recharge Facility	\$11,000,000
0567 Oeste Demonstration Recharge Pilot PHASE 1	\$3,300,000
0584 Data Monitoring Network Helendale and Arrowhead Monitoring Wells	\$1,050,000
0594 Easement and Land Acquisitions	\$460,000
0568A Oeste Permanent Aqueduct Turnout PHASE 2	\$220,000

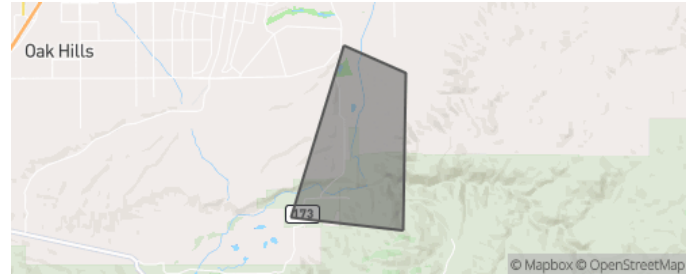
Project No. / Category	FY2027
-- Ephemeral Washes Monitoring Wells	\$170,000
0550 West Victorville Groundwater Banking Pilot Test Project PHASE 2	\$100,000
Total Summary of Requests	\$43,502,455

Data Monitoring Network Helendale and Arrowhead Monitoring Wells

Overview

Request Owner	Melody Bailey, Director of Water Resources
Department	Water Resources
Type	Capital Improvement
Project Type	Water Infrastructure
Project Number	0584
Estimated Start Date	05/29/2023
Estimated Completion Date	12/30/2027

Project Location



Description

This project is to install two multi-completion monitoring wells to provide new and reliable scientific quality data in the headwaters area of the Mojave River and to help characterize the fault and fault influence at the TZ/Centro Basin border. Each of these will fill identified data gaps providing both water level data and water quality data and enable long-term monitoring of the basin conditions for long term science based basin management.

The Helendale well was completed in 2025.

Completion of the Arrowhead monitoring well is anticipated in the fall of 2026.

Details

Type of Project: New Construction

Capital Program: Data monitoring and collection program

Keywords: Water Quality, Planning

Capital Cost

FY2027 Budget	Total Budget (all years)	Project Total
\$1.05M	\$1.05M	\$1.05M

Detailed Breakdown

Category	FY2027 <i>Proposed</i>
Construction/Maintenance	\$1,000,000
Engineering	\$50,000
Design	\$0
Total	\$1,050,000

Funding Sources

FY2027 Budget	Total Budget (all years)	Project Total
\$1.05M	\$1.05M	\$1.05M

Detailed Breakdown

Category	FY2027 <i>Proposed</i>
MWA Cash (Pay-Go)	\$839,000
Grant Funding	\$211,000
Total	\$1,050,000

Easement and Land Acquisitions

Overview

Request Owner	Melody Bailey, Director of Water Resources
Department	Water Resources
Type	Other
Project Type	Capital Asset - Land
Project Number	0594
Request Groups	Choice 1
Estimated Start Date	07/1/2024
Estimated Completion Date	06/30/2027

Description

Implementation of the Agency's Master Plan will require property purchases for recharge basins, infrastructure, and installation of monitoring wells throughout the Agency's boundary. In addition, easements and right of way acquisitions will be required for existing groundwater monitoring wells as well as pipelines which currently do not have easements or right of way for access, operation, and maintenance.

Capital Cost

FY2027 Budget	Total Budget (all years)	Project Total
\$460K	\$460K	\$460K

Detailed Breakdown

Category	FY2027 Proposed
Land	\$300,000
Consulting	\$160,000
Total	\$460,000

Funding Sources

FY2027 Budget

\$460K

Total Budget (all years)

\$460K

Project Total

\$460K

Detailed Breakdown

Category

FY2027
Proposed

Funding Source 1

\$460,000

Total

\$460,000

East Ames Reche Recharge Facility

Overview

Request Owner	Melody Bailey, Director of Water Resources
Department	Water Resources
Type	Capital Improvement
Project Type	Other Improvements
Project Number	0562
Estimated Start Date	01/8/2024
Estimated Completion Date	12/30/2026

Project Location



Description

This Project is currently in progress. The existing Ames-Reche Recharge basin has been operational since 2014 and consists of approximately 0.5 acres of functional recharge. However, the existing facility is located on BLM land and has various operational limitations and challenges that include capacity limitations, weekend shutdowns, equipment access issues, and onerous environmental permitting requirements that allow for limited operational flexibility. This project will reduce operational limitations, increase flexibility and increase the size and capacity of recharge to the Ames-Reche groundwater basin. This project also includes a multi-completion monitoring well on Agency-owned property to monitor groundwater levels, water quality and to help monitor the health of the basin. The increased size of the basin to 10 acres will utilize already existing pipeline infrastructure.

Images



Pipes Wash Recharge

Details

Type of Project: New Construction

Project Category: Groundwater Banking, Water Supply Recharge, Data Monitoring

Benefit to Community

This project will help with fulfillment of the MWA Act and increase the functionality of the basin as it relates to the Ames-Reche agreement providing more water resource security to the community.

Capital Cost

FY2027 Budget	Total Budget (all years)	Project Total
\$11M	\$11M	\$11M

Detailed Breakdown

Category	FY2027 <i>Proposed</i>
Construction/Maintenance	\$10,120,000
Engineering	\$880,000
Total	\$11,000,000

Funding Sources

FY2027 Budget	Total Budget (all years)	Project Total
\$11M	\$11M	\$11M

Detailed Breakdown

Category	FY2027 <i>Proposed</i>
MWA Cash (Pay-Go)	\$11,000,000
Total	\$11,000,000

Ephemeral Washes Monitoring Wells

Overview

Request Owner	Melody Bailey, Director of Water Resources
Department	Water Resources
Type	Capital Improvement
Project Type	Building and Facilities
Estimated Start Date	07/31/2026
Estimated Completion Date	09/30/2026

Description

The goal is to install a total of four monitoring wells in Kane Wash, and Sheep Creek Wash for monitoring water levels to help understand surface flow.

Details

Type of Project: New Construction

Capital Cost

FY2027 Budget	Total Budget (all years)	Project Total
\$170K	\$170K	\$170K

Detailed Breakdown

Category	FY2027 <i>Proposed</i>
Design	\$170,000
Total	\$170,000

Funding Sources

FY2027 Budget

\$170K

Total Budget (all years)

\$170K

Project Total

\$170K

Detailed Breakdown

Category

FY2027

Proposed

Grants

\$85,000

MWA Cash (Pay-Go)

\$85,000

Total

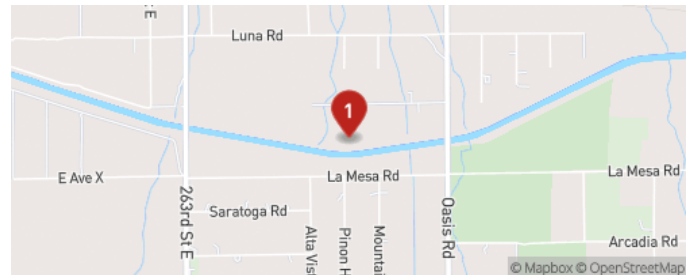
\$170,000

Oeste Demonstration Recharge Pilot PHASE 1

Overview

Request Owner	Melody Bailey, Director of Water Resources
Department	Water Resources
Type	Capital Improvement
Project Type	Water Infrastructure
Project Number	0567
Estimated Start Date	01/1/2022
Estimated Completion Date	06/30/2029

Project Location



Description

This project is currently in progress. Phase 1 includes design of the pilot Oeste Recharge basin and temporary siphon. Key activities include: Design of the recharge basin and necessary appurtenances, design of a deep multi-completion monitoring well and two shallow vadose wells per DWR for mounding along the California Aqueduct, Geotechnical and hydrogeological investigations to ensure the site is appropriate for recharge, permitting for CEQA, NEPA and WJT and Edison power and includes CM & Engineering support.

Images



Oeste Recharge Basin.jpg

Details

Type of Project: New Construction

Capital Program: Groundwater Banking Program, Pipeline Facilities, Data monitoring and collection program

Keywords: Groundwater recharge, Planning, Drought resiliency, Water Quality, Technical Assistance, Security, Innovation, Disadvantaged Communities

Capital Cost

FY2027 Budget

\$3.3M

Total Budget (all years)

\$3.3M

Project Total

\$3.3M

Detailed Breakdown

Category	FY2027 <i>Proposed</i>
Construction/Maintenance	\$3,000,000
Engineering	\$300,000
Total	\$3,300,000

Funding Sources

FY2027 Budget

\$3.3M

Total Budget (all years)

\$3.3M

Project Total

\$3.3M

Detailed Breakdown

Category	FY2027 <i>Proposed</i>
MWA Cash (Pay-Go)	\$2,800,000
Grant Funding	\$500,000
Total	\$3,300,000

Oeste Permanent Aqueduct Turnout PHASE 2

Overview

Request Owner	Melody Bailey, Director of Water Resources
Department	Water Resources
Type	Capital Improvement
Project Type	Water Infrastructure
Project Number	0568A
Estimated Start Date	01/8/2024
Estimated Completion Date	01/1/2028

Project Location



Description

Design and construct a permanent SWP Turnout in Oeste. This will be determined after the status of the Oeste Demonstration Recharge Project.

Images



Oeste Recharge Facility

Details

Type of Project: New Construction

Keywords: Groundwater recharge, Drought resiliency, Water Quality, Disadvantaged Communities

Capital Program: Groundwater Banking Program, Pipeline Facilities, Data monitoring and collection program

Capital Cost

FY2027 Budget	Total Budget (all years)	Project Total
\$220K	\$220K	\$220K

Detailed Breakdown

Category	FY2027 <i>Proposed</i>
Design	\$220,000
Total	\$220,000

Funding Sources

FY2027 Budget	Total Budget (all years)	Project Total
\$220K	\$220K	\$220K

Detailed Breakdown

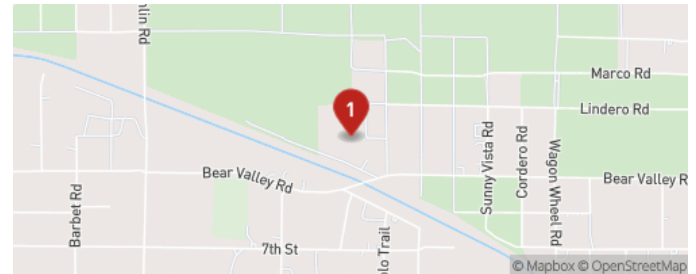
Category	FY2027 <i>Proposed</i>
MWA Cash (Pay-Go)	\$220,000
Total	\$220,000

West Victorville Groundwater Banking Pilot Test Project PHASE 1 ("Groundwater Banking Test Basin Feasibility Study")

Overview

Request Owner	Melody Bailey, Director of Water Resources
Department	Water Resources
Type	Capital Improvement
Project Type	Water Infrastructure
Project Number	0550
Estimated Completion Date	12/31/2026

Project Location



Description

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 Victorville. This will include groundwater model scenarios to test the feasibility of expanded groundwater banking in the Upper Mojave River Basin for Agency stakeholders and regional partners. Major elements of the project include (1) design, bidding, and construction of artificial recharge basin(s), (2) exploratory surface geophysical surveys at the project site, (3) well siting, design, bidding, and construction of monitoring wells, (4) siting, design, of test production wells, and (5) final report and project recommendations. (Items after #4 will be done in phase 2) Modeling scenarios for the pilot test will be conducted by the Agency's in-house modeling staff and leverage the Agency's existing Upper Mojave River Groundwater Model. This project would provide vital water supply drought security, not just for the Agency but also for regional SWP partners.

Details

Type of Project: New Construction

Capital Program: Groundwater Banking Program

Keywords: Groundwater recharge, Planning, Drought resiliency, Water Quality, Technical Assistance, Security, Innovation, Disadvantaged Communities

Capital Cost

FY2027 Budget
\$27.2M

Total Budget (all years)
\$27.2M

Project Total
\$27.2M

Detailed Breakdown

Category	FY2027 <i>Proposed</i>
Construction/Maintenance	\$25,202,455
Engineering	\$2,000,000
Total	\$27,202,455

Funding Sources

FY2027 Budget
\$27.2M

Total Budget (all years)
\$27.2M

Project Total
\$27.2M

Detailed Breakdown

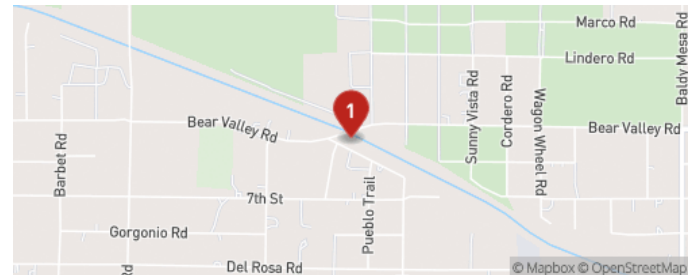
Category	FY2027 <i>Proposed</i>
MWA Cash (Pay-Go)	\$16,402,455
Grant Funding	\$10,800,000
Total	\$27,202,455

West Victorville Groundwater Banking Pilot Test Project PHASE 2

Overview

Request Owner	Melody Bailey, Director of Water Resources
Department	Water Resources
Type	Capital Improvement
Project Type	Water Infrastructure
Project Number	0550
Estimated Start Date	07/1/2026
Estimated Completion Date	12/29/2028

Project Location



Description

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 Victorville. This will include groundwater model scenarios to test the feasibility of expanded groundwater banking in the Upper Mojave River Basin for Agency stakeholders and regional partners. Major elements of the project include (Items before #4 are done in phase 1) (4) siting, design, bidding, construction, and testing of test production wells, and (5) final report and project recommendations (6) SCE Electrification of the project. Modeling scenarios for the pilot test will be conducted by the Agency's in-house modeling staff and leverage the Agency's existing Upper Mojave River Groundwater Model. This project would provide vital water supply drought security, not just for the Agency, but also for regional SWP partners.

Images



White Rd TO
Construction.jpg

Details

Type of Project: New Construction

Capital Program: Groundwater Banking Program, Pipeline Facilities, Data monitoring and collection program

Keywords: Groundwater recharge, Planning, Drought resiliency, Water Quality, Technical Assistance, Innovation, Disadvantaged Communities

Capital Cost

FY2027 Budget

\$100K

Total Budget (all years)

\$100K

Project Total

\$100K

Detailed Breakdown

Category	FY2027 <i>Proposed</i>
Other	\$100,000
Total	\$100,000

Funding Sources

FY2027 Budget

\$100K

Total Budget (all years)

\$100K

Project Total

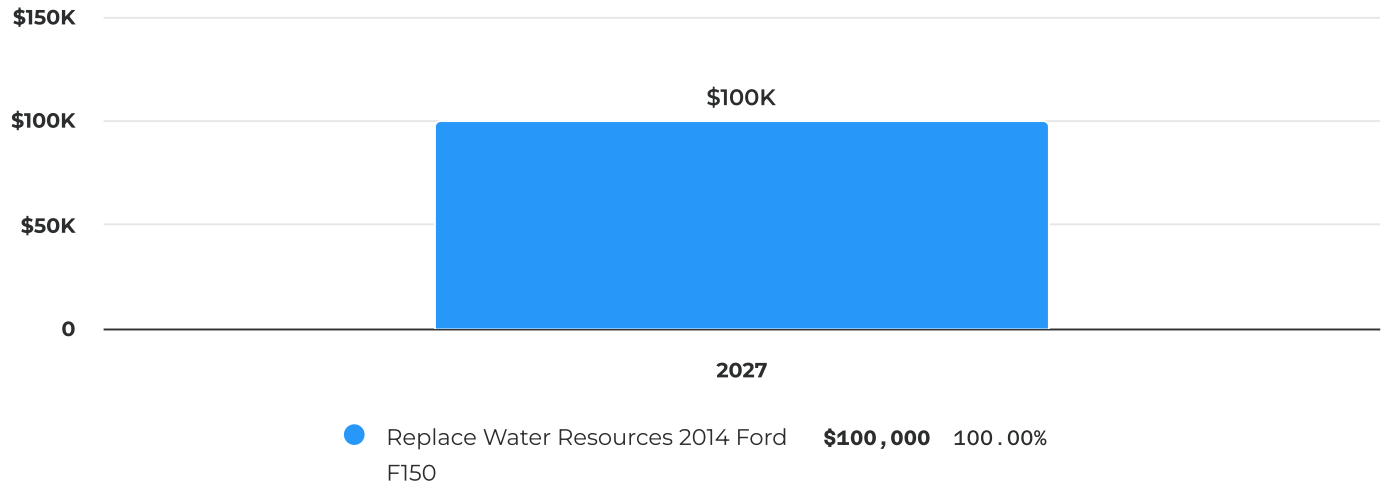
\$100K

Detailed Breakdown

Category	FY2027 <i>Proposed</i>
MWA Cash (Pay-Go)	\$100,000
Total	\$100,000

Water Resources - Field

FY27 - FY27 Water Resources - Field Projects



Summary of Requests

Project No. / Category	FY2027
8010 Replace Water Resources 2014 Ford F150	\$100,000
Total Summary of Requests	\$100,000

Replace Water Resources 2014 Ford F150

Overview

Request Owner	Melody Bailey, Director of Water Resources
Department	Water Resources - Field
Type	Capital Equipment
Project Type	Vehicles and Wheeled Equipment
Project Number	8010

Description

Replace Water Resources 2014 Ford F150.

Details

New Purchase or Replacement: Replacement **Useful Life:** 10 or more years

Capital Cost

FY2027 Budget	Total Budget (all years)	Project Total
\$100K	\$100K	\$100K

Detailed Breakdown

Category	FY2027 <i>Proposed</i>
Vehicle Cost	\$100,000
Total	\$100,000

Funding Sources

FY2027 Budget	Total Budget (all years)	Project Total
\$100K	\$100K	\$100K

Detailed Breakdown

Category	FY2027 <i>Proposed</i>
MWA Cash (Pay-Go)	\$100,000
Total	\$100,000