

***Mendocino County Russian River Flood Control &
Water Conservation Improvement District***

STAFF REPORT

**Agenda Item 6: Proposed Final Fiscal Year 2025-2026 Budget and Rate Setting
Monday, June 2, 2025**

The Strategic Plan relevant priority is **Administration** - ensuring sound and sustainable management of District finances.

Significance

An annual budget sharpens understanding and provides reflection on the progress of District goals as determined in the Strategic Plan. It encourages effective ways of measuring, reporting, and planning while facilitating discussion of financial strategies and health. The budget helps to avoid surprises and maintain fiscal control of the public resources managed by the District.

Background

The Board reviewed the proposed budget at both the April 7, 2025 and May 5, 2025 Board Meetings, providing feedback and direction to Staff.

In its proceedings, the Board considered expected operational expenses as well as the less predictable project expenses such as for the future of the Eel to Russian River Trans Basin Diversion and Coyote Valley Dam Modernization. Setting the annual rate of \$66 per acre foot with all 7,940 acre feet contractually allocated provides sufficient revenue to meet District obligations and prepare for financial resiliency and flexibility.

Discussion

The following table shows the Proposed Final Fiscal Year 2025-2026 Budget, beginning July 1, 2025.

The Board will hold a Public Hearing and invite comments and questions.

SUMMARY	FY 2024/25	FY 2024/25	Difference	Change	FY 2025/26	Amt Change	% Change
	APPROVED Budget	Actuals Projected to 6/30/25	of Actual from Budget	Budget to Actual in %	DRAFT Budget	from previous FY Budget	From previous FY Budget
TOTAL REVENUE	\$ 537,376	\$ 611,612	\$ 74,236	14%	\$ 616,040	\$ 78,664	15%
less TOTAL EXPENSE	\$ 491,300	\$ 499,100	\$ 7,800	2%	\$ 616,000	\$ 124,700	25%
equals	\$ 46,076	\$ 112,512			\$ 40		

Recommended Action:

1. Hold a Public Hearing on the Final Proposed Draft of the Fiscal Year 2025-2026 Budget and
2. Move to approve Resolution #25-01 Adopting the Final Budget for Fiscal Year 2025-2026.

Attachments:

- o Resolution #25-01 Adopting the Final Budget for Fiscal Year 2025-2026
- o Public Hearing Notice for Fiscal Year 2025-2026 Budget

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Prepared and submitted to the Board of Trustees by: Elizabeth Salomone, General Manager

Resolution #25-01
of the
**Mendocino County Russian River Flood Control
& Water Conservation Improvement District**

**Adopting the
Final Budget for Fiscal Year 2025-2026**

WHEREAS, the Mendocino County Russian River Flood Control & Water Conservation Improvement District Board of Trustees, hereinafter referred to as the “Board of Trustees,” annually adopts a final budget; and

WHEREAS, the Board of Trustees heard and fully considered all oral and written public comment and General Manager’s report at a Regular Board Meeting on April 7, 2025 and May 5, 2025 and held a public hearing at a Regular Board Meeting on June 2, 2025;

NOW, THEREFORE, BE IT RESOLVED that the District Board of Trustees hereby approves the Final Budget for Fiscal Year 2025-2026 as set forth in Exhibit A, attached hereto with revenue in the amount of \$616,040 and expenses in the amount of \$616,000;

BE IT FURTHER RESOLVED that the District Board of Trustees hereby sets the water rate at \$66 per acre foot for the contract term of January 1, 2025 to September 30, 2025.

ADOPTED 2nd of June, 2025 by the Board of Trustees of the Mendocino County Russian River Flood Control & Water Conservation Improvement District, by the following vote:

Christopher Watt	Yes/ No / Abstain / Absent
Tyler Rodrigue	Yes/ No / Abstain / Absent
John Bailey	Yes/ No / Abstain / Absent
John Reardan	Yes/ No / Abstain / Absent
Dave Koball	Yes/ No / Abstain / Absent

Signed: _____
Christopher Watt, Board of Trustees President _____ Date

Attest: _____
Elizabeth Salomone, General Manager _____ Date

Exhibit A
Mendocino County Russian River Flood Control
Water Conservation Improvement District
Fiscal Year 2025-2026 Proposed Budget
for Board Consideration on June 6, 2025

REVENUE		
Water Sales, Contracted (7,940 af at \$66 per af)	\$	524,040
Property Taxes	\$	65,000
Interest, LAIF & Savings	\$	27,000
TOTAL REVENUE		\$ 616,040

EXPENSES		
Payroll Expenses		
Unfunded Pension Liability	\$	9,000
Other payroll expenses	\$	198,000
Total Payroll Expenses		\$ 207,000
Water Supply Expenses		
Water Rights Compliance	\$	28,000
Stream flow gage (USGS)	\$	15,000
Inland Water & Power Commission JPA (operations only)	\$	10,000
Channel Maintenance	\$	20,000
Water Supply Projects	\$	237,000
Water Supply Expenses Total		\$ 310,000
General & Administrative Expenses		
Consulting (including general legal counsel)	\$	43,000
Vehicle	\$	2,000
Insurance	\$	14,000
Local Agency Formation Commission (LAFCo)	\$	1,500
Memberships	\$	7,000
Rent, Utilities, Office Operating	\$	12,000
Training, Conferences, Associated Costs	\$	5,000
Stipends, Meetings, Associated Costs	\$	13,000
Property Tax Administration Fees	\$	1,500
General & Administrative Expenses Total		\$ 99,000
TOTAL EXPENSES		\$ 616,000

SUMMARY		
TOTAL REVENUE		\$ 616,040
less TOTAL OPERATING EXPENSES		\$ 616,000
EQUALS		\$ 40
RESERVES		
	Capital (15% of fixed assets + 10% operating expense budget)	\$ 92,000
	Emergency (Emergency: 25% of fixed assets)	\$ 50,000
	Operating(Operating: 50% of operating expense budget)	\$ 308,000
Water Supply Reliability (Remainder)		

Mendocino County

Russian River Flood Control & Water Conservation Improvement District

P.O. Box 2104 Ukiah, CA 95482 707.462.5278 Website: RRFC.net DistrictManager@rrfc.net

NOTICE OF PUBLIC HEARING

at a
**Regular Meeting on
Monday, June 2, 2025 5:30 pm**

NOTICE IS HEREBY GIVEN that at the Monday, June 2, 2025 Regular Meeting, the Mendocino County Russian River Flood Control & Water Conservation Improvement District will hold a Public Hearing to consider adoption of Proposed 2025-2026 Fiscal Year Budget, Rate Setting, and Vacancy Update. The Resolution adopting the 2025-2026 budget will also set the applicable district water rate.

Related documents are available on the District website www.rrfc.net, at the District office in Ukiah by appointment, or emailed by request. All those interested are invited to attend, be heard, and participate in the hearing. Written comments can be submitted prior to the hearing to DistrictManager@rrfc.net or 707-462-5278.

By Order of
Mendocino County Russian River Flood Control
and Water Conservation Improvement District



Elizabeth Salomone, General Manager

Date Posted: May 6, 2025

President
Christopher Watt

Vice President
Tyler Rodrigue

Treasurer
John Bailey

Trustee
John Reardan

Trustee
Dave Koball

Ukiah Daily Journal

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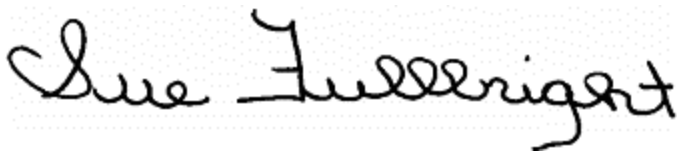
**STATE OF CALIFORNIA
COUNTY OF MENDOCINO**

I am a citizen of the United States and a resident of the County aforesaid; I am over the age of eighteen years, and not a party to or interested in the above entitled matter. I am the principal clerk of the printer of the Ukiah Daily Journal, a newspaper of general circulation, printed and published daily in the City of Ukiah, County of Mendocino and which newspaper has been adjudged a newspaper of general circulation by the Superior Court of the County of Mendocino, State of California, under the date of September 22, 1952, Case Number 9267; that the notice, of which the annexed is a printed copy (set in type not smaller than non-pareil), has been published in each regular and entire issue of said newspaper and not in any supplement thereof on the following dates, to wit:

05/15/2025

I certify (or declare) under the penalty of perjury that the foregoing is true and correct.

Dated at Ukiah, California,
May 15th, 2025



Sue Fullbright, LEGAL CLERK

Legal No. **0006895871**

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Pub: 5/15/2025