

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

STAFF REPORT

To: Board of Trustees
From: E. Salomone, General Manager
Meeting: Monday, April 3, 2023
RE: Agenda Item 7a: March 2023 Financial Reports Summary

Revenue

February 2023 Additional revenue not shown on previous report: None

March 2023: \$128,550 in water sales

Ordinary Expenses

February 2023 Additional expenses not shown on previous report: None

March 2023: \$19,380.75 in expenses at time of writing this report, notably:

- \$2,980 legal expenses
- \$1,170 human resources consulting
- \$1,062.89 office operating – computer equipment purchase and maintenance

Other

- Financial reports subject to change after corrections and adjustments by Accountant and Auditor.
- Reconciliations for checking and savings are up to date as of the end of March 2023.
- Additional reports or information available upon request.

Recommendation:

Move to accept and file the financial reports for March 2023.

Attachments:

1. Income & Expense Report – March 2023 only
2. Income & Expense / Budget Vs Actual Report – Fiscal Year to date
3. Profit & Loss Previous Year Comparison Report
4. Balance Sheet Previous Year Comparison Report
5. Monthly Payment Detail Report – March 2023
6. Contracted Water Worksheet

**Russian River Flood Control District
Income & Expense
March 2023**

	Mar 23
Ordinary Income/Expense	
Income	
4001 · Contract Water Sales	128,550.00
4050 · Property Taxes	0.00
4080 · Interest-LAIF	0.00
4081 · Interest-SBMC	0.00
Total Income	128,550.00
Expense	
Payroll Expenses	13,283.10
Operating Expenses	
5030 · Projects	92.20
5040 · USGS, streamflow gage	0.00
5060 · Rent, Utilities	0.00
Total Operating Expenses	92.20
5052.01 · Groundwater Sustainability	0.00
General & Administrative Exp	
5100 · Consulting	
5105 · Legal	2,980.20
5100 · Consulting - Other	1,170.00
Total 5100 · Consulting	4,150.20
5120 · Vehicle	64.31
5130 · Insurance	446.66
5140 · LAFCO Apportionment Fee	0.00
5150 · Memberships	0.00
5160 · Office Operating Expenses	1,062.89
5170 · Training & Conferences	281.39
5180 · Stipends, Meetings	0.00
5200 · Election	0.00
Total General & Administrative Exp	6,005.45
Total Expense	19,380.75
Net Ordinary Income	109,169.25
Net Income	109,169.25

Russian River Flood Control District

Income & Expense / Budget vs. Actual

Cash Basis

July 2022 through June 2023

	<u>Jul '22 - Jun...</u>	<u>Budget</u>	<u>\$ Over Budg...</u>	<u>% of Budget</u>
Ordinary Income/Expense				
Income				
4001 · Contract Water Sales	133,297.00	348,935.00	-215,638.00	38.2%
4010 · Water Application Fee	800.00			
4050 · Property Taxes	33,264.25	55,000.00	-21,735.75	60.5%
4080 · Interest-LAIF	3,333.66	2,500.00	833.66	133.3%
4081 · Interest-SBMC	25.22	500.00	-474.78	5.0%
4100 · Other Income	257.95			
Total Income	170,978.08	406,935.00	-235,956.92	42.0%
Expense				
Payroll Expenses	132,507.67	180,510.00	-48,002.33	73.4%
Operating Expenses				
5020 · Water Rights	16,939.21			
5030 · Projects	3,829.20	40,000.00	-36,170.80	9.6%
5040 · USGS, streamflow gage	7,237.50	15,000.00	-7,762.50	48.3%
5060 · Rent, Utilities	3,375.00	5,000.00	-1,625.00	67.5%
Total Operating Expenses	31,380.91	60,000.00	-28,619.09	52.3%
5052.01 · Groundwater Sustainability	68,750.00	68,000.00	750.00	101.1%
General & Administrative Exp				
5100 · Consulting	70,684.89	40,000.00	30,684.89	176.7%
5120 · Vehicle	992.45	2,000.00	-1,007.55	49.6%
5130 · Insurance	10,104.81	14,000.00	-3,895.19	72.2%
5140 · LAFCO Apportionment Fee	1,268.73	2,500.00	-1,231.27	50.7%
5150 · Memberships	5,930.00	7,000.00	-1,070.00	84.7%
5160 · Office Operating Expenses	5,015.56	5,000.00	15.56	100.3%
5170 · Training & Conferences	3,241.95	4,000.00	-758.05	81.0%
5180 · Stipends, Meetings	4,650.00	6,000.00	-1,350.00	77.5%
5200 · Election	331.74	5,000.00	-4,668.26	6.6%
5299 · Miscellaneous Expense (Reve...	-6.00			
Total General & Administrative Exp	102,214.13	85,500.00	16,714.13	119.5%
Payroll Taxes- old	0.00			
Total Expense	334,852.71	394,010.00	-59,157.29	85.0%
Net Ordinary Income	-163,874.63	12,925.00	-176,799.63	-1,267.9%
Other Income/Expense				
Other Expense	0.00			
Net Other Income	0.00	0.00	0.00	0.0%
Net Income	-163,874.63	12,925.00	-176,799.63	-1,267.9%

Russian River Flood Control District Profit & Loss Prev Year Comparison

July 2022 through March 2023

Cash Basis

	Jul '22 - Mar 23	Jul '21 - Mar 22	\$ Change	% Change
Ordinary Income/Expense				
Income				
4001 · Contract Water Sales	133,297.00	249,389.05	-116,092.05	-46.6%
4010 · Water Application Fee	800.00	0.00	800.00	100.0%
4050 · Property Taxes	33,264.25	32,523.04	741.21	2.3%
4080 · Interest-LAIF	3,333.66	580.78	2,752.88	474.0%
4081 · Interest-SBMC	25.22	88.86	-63.64	-71.6%
4100 · Other Income	257.95	0.00	257.95	100.0%
4110 · Reimbursed Expenses	0.00	37,601.48	-37,601.48	-100.0%
Total Income	170,978.08	320,183.21	-149,205.13	-46.6%
Expense				
Payroll Expenses				
5001 · Gross Wages	91,354.16	84,913.38	6,440.78	7.6%
5002 · CalPERS Employer Expense	6,729.00	6,609.94	119.06	1.8%
5003 · CalPERS 457 Roth Expense	3,200.00	2,462.50	737.50	30.0%
5004 · Health Insurance	14,832.00	9,000.00	5,832.00	64.8%
5005 · Medicare	1,494.64	1,276.92	217.72	17.1%
5006 · FICA	7,218.87	5,459.93	1,758.94	32.2%
5007 · CalPERS 1959 Survivor Billing	18.00	80.40	-62.40	-77.6%
5009 · Unfunded Pension Liability	7,011.00	8,419.00	-1,408.00	-16.7%
Vacation/Sick	0.00	3,000.00	-3,000.00	-100.0%
Payroll Expenses - Other	650.00	150.00	500.00	333.3%
Total Payroll Expenses	132,507.67	121,372.07	11,135.60	9.2%
Operating Expenses				
5020 · Water Rights	16,939.21	17,868.73	-929.52	-5.2%
5030 · Projects				
5032 · Outreach & Education	92.20	7,397.32	-7,305.12	-98.8%
5033 · Water Resiliency - Other	3,737.00	20,516.25	-16,779.25	-81.8%
Total 5030 · Projects	3,829.20	27,913.57	-24,084.37	-86.3%
5040 · USGS, streamflow gage	7,237.50	20,505.00	-13,267.50	-64.7%
5060 · Rent, Utilities	3,375.00	5,702.35	-2,327.35	-40.8%
Total Operating Expenses	31,380.91	71,989.65	-40,608.74	-56.4%
5052.01 · Groundwater Sustainability	68,750.00	10,513.64	58,236.36	553.9%
General & Administrative Exp				
5100 · Consulting				
5102 · Audit	9,500.00	2,400.00	7,100.00	295.8%
5104 · Grants & Funding	2,362.50	0.00	2,362.50	100.0%
5105 · Legal	17,198.73	26,638.53	-9,439.80	-35.4%
5106 · Metering	1,081.00	0.00	1,081.00	100.0%
5100 · Consulting - Other	40,542.66	417.75	40,124.91	9,605.0%
Total 5100 · Consulting	70,684.89	29,456.28	41,228.61	140.0%
5120 · Vehicle	992.45	284.38	708.07	249.0%
5130 · Insurance	10,104.81	7,057.62	3,047.19	43.2%
5140 · LAFCO Apportionment Fee	1,268.73	1,396.13	-127.40	-9.1%
5150 · Memberships	5,930.00	5,670.00	260.00	4.6%
5160 · Office Operating Expenses	5,015.56	3,404.03	1,611.53	47.3%
5170 · Training & Conferences	3,241.95	900.00	2,341.95	260.2%
5180 · Stipends, Meetings	4,650.00	2,925.00	1,725.00	59.0%
5200 · Election	331.74	0.00	331.74	100.0%
5299 · Miscellaneous Expense (Revenue)	-6.00	0.00	-6.00	-100.0%
Total General & Administrative Exp	102,214.13	51,093.44	51,120.69	100.1%
Payroll Taxes- old	0.00	0.00	0.00	0.0%
Total Expense	334,852.71	254,968.80	79,883.91	31.3%

	<u>Jul '22 - Mar 23</u>	<u>Jul '21 - Mar 22</u>	<u>\$ Change</u>	<u>% Change</u>
Net Ordinary Income	-163,874.63	65,214.41	-229,089.04	-351.3%
Other Income/Expense				
Other Expense	<u>0.00</u>	<u>93,750.00</u>	<u>-93,750.00</u>	<u>-100.0%</u>
Net Other Income	<u>0.00</u>	<u>-93,750.00</u>	<u>93,750.00</u>	<u>100.0%</u>
Net Income	<u><u>-163,874.63</u></u>	<u><u>-28,535.59</u></u>	<u><u>-135,339.04</u></u>	<u><u>-474.3%</u></u>

Russian River Flood Control District Balance Sheet Prev Year Comparison

As of March 31, 2023

Cash Basis

	Mar 31, 23	Mar 31, 22	\$ Change	% Chan...
ASSETS				
Current Assets				
Checking/Savings				
1000 · SBMC Checking	282,598.95	440,549.52	-157,950.57	-35.9%
1001 · SBMC Savings	100,113.71	100,088.49	25.22	0.0%
1010 · LAIF				
1011 · Capital Reserve	56,000.00	48,000.00	8,000.00	16.7%
1012 · Emergency Reserve	28,000.00	28,000.00	0.00	0.0%
1013 · Operating Reserve	210,000.00	153,000.00	57,000.00	37.3%
1014 · Water Reliability Reserve	198,004.78	259,411.40	-61,406.62	-23.7%
1010 · LAIF - Other	4,253.07	2,287.29	1,965.78	85.9%
Total 1010 · LAIF	496,257.85	490,698.69	5,559.16	1.1%
1019 · LAIF - Fair Market Value	-6,322.52	0.00	-6,322.52	-100.0%
Total Checking/Savings	872,647.99	1,031,336.70	-158,688.71	-15.4%
Total Current Assets	872,647.99	1,031,336.70	-158,688.71	-15.4%
Fixed Assets				
1401 · Meters & Vehicles	147,783.80	139,849.78	7,934.02	5.7%
1499 · Accumulated Depreciation	-79,418.55	-59,942.72	-19,475.83	-32.5%
Total Fixed Assets	68,365.25	79,907.06	-11,541.81	-14.4%
Other Assets				
1600 · Deferred Outflows	24,734.00	24,734.00	0.00	0.0%
Total Other Assets	24,734.00	24,734.00	0.00	0.0%
TOTAL ASSETS	965,747.24	1,135,977.76	-170,230.52	-15.0%
LIABILITIES & EQUITY				
Liabilities				
Current Liabilities				
Other Current Liabilities				
2010 · Accrued Expenses	-7,237.50	0.00	-7,237.50	-100.0%
2030 · Vacation Accrual	21,458.23	15,922.00	5,536.23	34.8%
2050 · Payroll Liabilities				
2051 · Federal Withholding	1,450.00	1,255.00	195.00	15.5%
2052 · State Withholding CA	738.44	656.11	82.33	12.6%
2053 · FICA	1,393.28	1,311.30	81.98	6.3%
2054 · Medicare	325.86	306.68	19.18	6.3%
2055 · ER PERS Payable	373.50	0.00	373.50	100.0%
2056 · EE PERS Payable	337.50	0.00	337.50	100.0%
2057 · Roth 457(b) Payable	1,250.00	0.00	1,250.00	100.0%
2058 · 1959 Survivor Benefits (Liab)	1.00	0.00	1.00	100.0%
2059 · Employee Health Insurance ...	0.00	-1,800.00	1,800.00	100.0%
2050 · Payroll Liabilities - Other	0.00	150.00	-150.00	-100.0%
Total 2050 · Payroll Liabilities	5,869.58	1,879.09	3,990.49	212.4%
Total Other Current Liabilities	20,090.31	17,801.09	2,289.22	12.9%
Total Current Liabilities	20,090.31	17,801.09	2,289.22	12.9%
Long Term Liabilities				
2600 · Deferred Inflows	471.00	471.00	0.00	0.0%
2700 · Net Pension Liability	50,063.00	50,063.00	0.00	0.0%
Total Long Term Liabilities	50,534.00	50,534.00	0.00	0.0%
Total Liabilities	70,624.31	68,335.09	2,289.22	3.4%
Equity				
3000 · Opening Bal Equity	541,116.95	541,116.95	0.00	0.0%
3001 · Retained Earnings	517,880.61	555,061.31	-37,180.70	-6.7%

Russian River Flood Control District
Balance Sheet Prev Year Comparison

As of March 31, 2023

Cash Basis

	<u>Mar 31, 23</u>	<u>Mar 31, 22</u>	<u>\$ Change</u>	<u>% Chan...</u>
Net Income	-163,874.63	-28,535.59	-135,339.04	-474.3%
Total Equity	<u>895,122.93</u>	<u>1,067,642.67</u>	<u>-172,519.74</u>	<u>-16.2%</u>
TOTAL LIABILITIES & EQUITY	<u>965,747.24</u>	<u>1,135,977.76</u>	<u>-170,230.52</u>	<u>-15.0%</u>

Russian River Flood Control District
Monthly Payment Detail
As of March 31, 2023

Cash Basis

Type	Date	Name	Memo	Paid Amount
1000 · SBMC Checking				
Bill Pm...	02/04/2023	State Compensation Insurance F...	2022-23 FY Policy charges 1/9 to 2/9/23	-446.66
Bill Pm...	02/06/2023	CA Tax and Fee Admin-Water ...	Annual Water Rights fees, 7/1/22-6/30/23 - 3 pymt v...	-16,886.72
Bill Pm...	02/06/2023	Herum/Crabtree/Suntag	Legal Counsel, Dec 22 & Jan 23 service dates	-1,671.00
Bill Pm...	02/06/2023	USGS	Gages, Bill #9100745 Fed FY Qtr for 7/25/22 agree...	-7,237.50
Bill Pm...	02/09/2023	Cardmember Service	Credit card 12/14/22 to 1/12/23	-55.41
Bill Pm...	02/18/2023	US Cellular	Cell service 1/14 - 2/13/23 service dates	-51.57
Bill Pm...	02/20/2023	Eide Bailly	Accounting, January 23 service Dates	-3,669.75
Bill Pm...	02/20/2023	Intuit	Monthly Payroll Subscription	-5.00
Bill Pm...	02/23/2023	Chevalier Vineyard Manageme...	Meter Reading/annual downloads February 2022	-481.80
Bill Pm...	02/28/2023	LACO	Consulting -Funding/Grant support	-2,362.50
Bill Pm...	03/02/2023	State Compensation Insurance F...	2022-23 FY Policy charges 2/9 to 3/9/23	-446.66
Check	03/08/2023	Salomone, Elizabeth A	Adjustment from 10/15/22 pay check for CalPERS 4...	-138.53
Check	03/08/2023	Salomone, Elizabeth A	Unused vacation payout as per 3/6/23 Board Approval	-8,999.64
Bill Pm...	03/08/2023	Intuit	Monthly Payroll Subscription	-5.00
Bill Pm...	03/09/2023	Cardmember Service	Credit card 1/13 to 2/10/23	-631.22
Bill Pm...	03/14/2023	Herum/Crabtree/Suntag	Legal Counsel Februrary 2023 Service Dates	-2,980.20
Bill Pm...	03/14/2023	RTI "Respectech"	IT support	-813.00
Bill Pm...	03/14/2023	Leap Solutions Group, Inc	Invoice #5534 HR Consulting	-1,170.00
Bill Pm...	03/22/2023	US Cellular	Cell service 2/14 - 3/13/23 service dates	-51.57
Total 1000 · SBMC Checking				-48,103.73
TOTAL				-48,103.73

5 **DRAFT MINUTES**
6 **Regular Meeting of March 6, 2023**
7

8 IN COMPLIANCE WITH ASSEMBLY BILL 361, THIS MEETING WAS HELD VIA ZOOM.

9 **1. Roll Call**

10 President Watt called the meeting to order at 5:32 PM.

11 Trustees Present: Christopher Watt, President
12 Alfred White, Vice President
13 John Bailey, Treasurer
14 Tyler Rodrigue, Trustee (Arrived 5:36 PM)
15 John Reardan, Trustee
16

17 Staff: Elizabeth Salomone, General Manager
18 Jeanne Zolezzi, Legal Counsel
19

20 **2. Approval of Agenda**

21 Vice President White moved to approve the agenda. Trustee Reardan seconded the motion. The motion was
22 approved by the following vote:

23 Ayes: 4 (Reardan, Bailey, White, Watt)
24 Absent: 1 (Rodrigue)
25

26 **3. Public Expression**

27 No one indicated interest in speaking.

28 **CLOSED SESSION 5:34 PM – 6:10 PM**

29 **4. Conference with Legal Counsel – Anticipated Litigation**
30 Gov. Code § 54956.9(d) Significant exposure to litigation: (1 potential case)
31

32 The Board held a closed session to confer with and receive advice from its legal counsel regarding potential
33 litigation, and as authorized by Government Code 54956.9(d). GM Salomone reported out after that direction was
34 given to staff.

35 **ITEMS FOR DISCUSSION AND POSSIBLE ACTION**

36 **5. Water Supply Conditions Update and District Response**

37 GM Salomone presented the item. The Board held a discussion. Public comment was offered by Sean White, City
38 of Ukiah Director of Water and Wastewater.
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40 **6. Russian River Water Forum Update**

41 GM Salomone presented the item including a PowerPoint presentation. The Board held a discussion.
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7. District Personnel and Organization

GM Salomone presented the item.

Treasurer Bailey moved to approve the recommended action to issue a one-time vacation payout to GM Elizabeth Salomone of 156 hours. Trustee Reardan seconded the motion. The motion was approved by the following vote:

Ayes: 5 (Bailey, Reardan, Rodrigue, Watt, White)

REGULAR BUSINESS, INFORMATION, AND REPORT ITEMS

8. Consent Calendar

- a) Acceptance of the February 2023 Financial Report
- b) Approval of February 6, 2023 Regular Board Meeting Minutes

GM Salomone addressed several questions.

Vice President White moved to approve the Consent Calendar items a & b. Trustee Rodrigue seconded the motion. The motion was approved by the following vote:

Ayes: 5 (Bailey, Reardan, Rodrigue, Watt, White)

9. Trustee & Committee Reports

- a. Budgeting for Strategic Plan Implementation Ad Hoc: Did not meet since last meeting.
- b. GM Evaluation Ad Hoc: Did not meet since last meeting.

Trustee Reardan: Provided an update from the Redwood Valley County Water District Board meeting.

10. General Manager Report & Correspondence

GM presented the written report.

11. Direction on Future Agenda Items - None noted.

ADJOURNMENT

Trustee Reardan moved to adjourn the meeting at 7:19 PM. Vice President White seconded the motion. The motion was approved by the following vote:

Ayes: 5 (Bailey, Reardan, Rodrigue, Watt, White)

APPROVED by Board of Trustees on April 3, 2023

President of the Board of Trustees

Secretary of the Board of Trustees

77
78
79
80

President
Christopher Watt

Vice President
Alfred White

Treasurer
John Bailey

Trustee
Tyler Rodrigue

Trustee
John Reardan

5 **DRAFT MINUTES**
6 **Special Meeting of March 6, 2023**
7

8 **Hybrid Meeting:**
9 **County Ag Building Meeting Room, 890 N. Bush Street, Ukiah and on Zoom platform**

10
11 This was a meeting held jointly with the
12 Mendocino County Inland Water & Power Commission Special Meeting
13

14 **1. Call to Order & Roll Call**

- 15 President Watt called the meeting to order at 5:02 PM.
16
17 Trustees Present: Christopher Watt, President
18 Alfred White, Vice President
19 Tyler Rodrigue, Trustee (Arrived 5:03 PM)
20 John Reardan, Trustee
21 Trustee Absent: John Bailey, Treasurer
22 Staff: Elizabeth Salomone, General Manager
23
24

25 **2. Public Expression**

26 Janet Pauli, Chair of Mendocino County Inland Water & Power Commission (MCIWPC), Frost Pauli, Chair of the
27 Mendocino County Farm Bureau Water Committee, and Guinness McFadden, Member of the Potter Valley
28 irrigation District Board all offered public comment regarding water supply conditions.

29 **ITEMS FOR DISCUSSION AND POSSIBLE ACTION**

30 **3. Mendocino Russian River Water Forum Caucus: Special Joint Meeting of Water Suppliers and**
31 **Agricultural Interests**
32

- 33 a) Overview and update on the Water Forum
34 Janet Pauli (MCIWPC) provided a presentation.
35
36 b) Explanation of the process to nominate representatives for the Water Forum Planning Committee.
37 Janet Pauli (MCIWPC) provided report.
38
39 c) Discussion and possible nomination of representatives from Mendocino County to the Russian River
40 Water Forum Planning Committee. There are three categories of nominees for the following groups:
41 *Water Suppliers: 4 regular seats, 4 alternate seats*
42 *County: 1 regular seat, 1 alternate seat*
43 *Agriculture NGO/RCD: 2 regular seats, 2 alternate seats*
44

45 Janet Pauli (MCIWPC) facilitated discussion.
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47

