

*Mendocino County*

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

*P.O. Box 2104 Ukiah, CA 95482 707.462.5278 Website: [RRFC.net](http://RRFC.net) [DistrictManager@rrfc.net](mailto:DistrictManager@rrfc.net)*

August 10, 2023

Dear Customers,

**RE: Fiscal Year 2023-24 Budget Approved & 2023 Water Rate set at \$68 per acre foot**

At the August 7, 2023 Regular Meeting, the Board of the Mendocino County Russian River Flood Control & Water Conservation Improvement District adopted the attached Fiscal Year 2023-2024 Budget and set the rates for the 2023 calendar/contract year.

The basic operational costs of the District have increased, and a shortfall was projected based on the revenue generated from the rate in place since 2009 - \$47 per acre foot. Additionally, the Board allocated \$250,000 to addressing water supply reliability issues.

A combination of a rate increase and use of reserves was used to meet the projected 2023 deficit as summarized below:

***EXPENSES:*** \$761,700

***REVENUE:*** \$567,906

***USE OF RESERVES:*** \$200,000

***WATER RATE FOR 2023:*** \$68 per acre foot

Total increase from \$47 to \$68 = \$21 per acre foot

(\$14 per acre foot to meet operational deficit)

(\$7 per acre foot for water supply reliability projects)

The new water rate of \$68 per acre foot will be implemented in the January 2024 invoicing for the 2023 calendar year.

The Board wishes to 'smooth out' the rate increases for customers by strategically using water supply reliability reserves to engage in a variety of important and time-sensitive activities. The Board will continue to manage District financials to secure water supply in rapidly changing conditions, setting the water rate annually to adjust for projected expenses.

More information can be found on the District's website (<https://rrfc.specialdistrict.org/finances>.)

Thank you,



Elizabeth Salomone, General Manager

***President***  
*Christopher Watt*

***Vice President***  
*Alfred White*

***Treasurer***  
*John Bailey*

***Trustee***  
*Tyler Rodrigue*

***Trustee***  
*John Reardan*

**DRAFT Resolution #23-03**  
of the  
**Mendocino County Russian River Flood Control  
& Water Conservation Improvement District**

**Adopting the  
Final Budget for Fiscal Year 2023-2024**

**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 including the Strategic Plan Implementation Budget Ad Hoc and General Manager’s report and recommendations for consideration of the Budget at a Regular Board Meeting on June 5, 2023, a Special Board Meeting on July 18, 2023, and a Regular Board Meeting on August 7, 2023;

**NOW, THEREFORE, BE IT RESOLVED** that the District Board of Trustees hereby approves the Final Budget for Fiscal Year 2023-2024 as set forth in Exhibit A, attached hereto with revenue in the amount of \$567,906, expenses in the amount of \$761,700;

**BE IT FURTHER RESOLVED** that the District Board of Trustees hereby authorizes the use of up to \$100,000 from the LAIF Water Supply Reliability Reserve Fund and up to \$100,000 from the Savings Account Water Supply Reliability Reserve Fund;

**BE IT FURTHER RESOLVED** that the District Board of Trustees hereby sets the water rate at \$68 per acre foot for the contract term of 2023 Calendar year.

**ADOPTED** 7<sup>th</sup> of August, 2023 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
Alfred White	Yes/ No / Abstain / Absent
John Bailey	Yes/ No / Abstain / Absent
Tyler Rodrigue	Yes/ No / Abstain / Absent
John Reardan	Yes/ No / Abstain / Absent

Signed:

\_\_\_\_\_  
Christopher Watt, Board of Trustees President

\_\_\_\_\_  
Date

Attest:

\_\_\_\_\_  
Elizabeth Salomone, General Manager

\_\_\_\_\_  
Date

A copy of this resolution, the agreement, and any attachments thereto shall be on file in the office of Mendocino County Russian River Flood Control & Water Conservation Improvement District, 304 N. State Street #2, Ukiah, CA 95482.

**Exhibit A**  
Mendocino County Russian River Flood Control  
Water Conservation Improvement District  
**Fiscal Year 2023-2024 Final Budget**

<b>REVENUE</b>	<b>Approved</b>
Water Sales, Contracted (7,497.15 af at \$68per af )	\$ 509,806
Property Taxes	\$ 55,000
Interest, LAIF & Savings	\$ 3,100
<b>TOTAL REVENUE</b>	<b>\$ 567,906</b>

<b>EXPENSES</b>	<b>Approved</b>
Consulting (General other than legal)	\$ 28,000
Groundwater Sustainability Agency	\$ 100,000
Insurance	\$ 7,800
Inland Water & Power Commission JPA	\$ 3,300
Legal Counesl (General)	\$ 20,000
Local Agency Formation Commission (LAFCo)	\$ 2,000
Memberships	\$ 6,000
Payroll Expenses	\$ 262,600
Property Tax Administration Fees	\$ 1,000
Rent, Utilities, Office Operating	\$ 12,000
Stream flow gage (USGS)	\$ 16,000
Stipends	\$ 13,500
Training, Conferences, Associated Costs	\$ 6,000
Unfunded Pension Liability	\$ 9,500
Vehicle	\$ 2,000
Water Rights	\$ 22,000
Water Supply Reliabilty Projects	\$ 250,000
<b>TOTAL EXPENSES</b>	<b>\$ 761,700</b>

	<b>Approved</b>
<b>TOTAL REVENUE</b>	<b>\$ 567,906</b>
<b>less TOTAL OPERATING EXPENSES</b>	<b>\$ 761,700</b>
<b>EQUALS</b>	<b>\$ (193,794)</b>
<b>less USE OF LAIF WATER SUPPLY RELIABILTY RESERVE FUNDS</b>	<b>\$ 100,000</b>
<b>less USE OF SAVINGS ACCT WATER SUPPLY RELIABILTY RESERVE FUNDS</b>	<b>\$ 100,000</b>
<b>EQUALS</b>	<b>\$ 6,206</b>

<b>RESERVES</b>	<b>Approved</b>
Capital ( 15% of fixed assets + 10% operating expense budget)	\$ 73,670
Emergency (Emergency: 25% of fixed assets)	\$ 37,500
Operating (Operating: 50% of operating expense budget)	\$ 255,850
Water Supply Reliability (Remainder)	\$ 29,238
<b>TOTALS:</b>	<b>\$ 396,258</b>