

July 18, 2024

TO: San Joaquin Area Flood Control Agency Board of Directors

FROM: Chris Elias, Executive Director
Sylvia Razniak, Finance & Admin Manager

SUBJECT: **RESOLUTION TO APPROVE THE PROPOSED OPERATING AND CAPITAL BUDGETS FOR FISCAL YEAR 2024/25 FOR THE SAN JOAQUIN AREA FLOOD CONTROL AGENCY**

RECOMMENDATION

It is recommended the Board of Directors of the San Joaquin Area Flood Control Agency (SJAFCA or the Agency) receive information and adopt a resolution approving the following proposed fiscal year (FY) 2024/25 budgets for SJAFCA for the following:

1. Agency Operations (Fund #55601)
2. Lower San Joaquin River Project (Phase 1) (Fund #55653)
3. Mossdale Tract Area Program (Funds #55679/55680/*Future Fund # for OAD*)
4. Regional Flood Management Planning Program (Fund #55667)
5. Paradise Cut Project (Fund #55665)
6. Smith Canal Gate Project (Funds #55654/55666)
7. Levee Construction & Maintenance Assessment District (Fund #55668)

DISCUSSION

The SJAFCA Board of Directors adopted its Strategic Plan in September 2019. In January 2022, the Board updated its Strategic Plan to set the framework for the Agency's actions and decisions. It contains the Agency's mission statement, goals, objectives, and priority actions. SJAFCA's work directly supports each priority action and in turn its overall mission to, "Reduce and manage the region's flood risk." SJAFCA staff is presenting to the Board proposed combined budgets supporting Agency Operations and the following five capital improvement programs (CIP's):

- Lower San Joaquin River Project (Phase 1);
- Mossdale Tract Area Program;
- Regional Flood Management Planning;
- Paradise Cut Project; and,
- Smith Canal Gate Project.

The Agency currently has two additional programs that are funded with special benefit assessments and these programs include:

- AD 96-1 Flood Protection Restoration Project (FPRP) O&M Program; and,
- Levee Construction & Maintenance Assessment (LCMA) District

The budget for AD 96-1 FPRP will be handled separately as part of the annual approval of the levy of assessments. This program budget will be considered by the Board separately on this Agenda. The LCMA District was formed by the Board on June 8, 2023. The Annual

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Budget for FY 2024/25 is presented herein for the Board's consideration as part of this recommendation.

An additional assessment district, the Mossdale Tract Overlay Assessment District (OAD), is recommended for formation and the levy of assessments in FY 2024/25 by staff as part of a separate item on this Agenda. The recommended CIP budget for FY 2024/25 is reflective of this recommendation.

Each of the seven budgets for consideration by the Board at this time are addressed in a separate section within this report. A comprehensive view of the Agency's budget will be presented by staff and consultants during the meeting.

1. Agency Operations (Fund 55601)

On July 20, 2023, the Board adopted SJAFCA Resolution No. 23-20 approving the Agency's proposed budget for FY 23/24 (Exhibit A & summarized in Table 1). Also, shown in Exhibit A is the updated final budget for the fiscal year.

As of June 30, 2024, with an estimated 100 percent of the FY lapsed, the Agency has spent about 92% of the total operating budget (Table 1). Overall operating costs are 10 percent under the projected budget.

TABLE 1 – SUMMARY OF FISCAL YEAR 2023/24 BUDGET & ACTUALS (Fund 55601)

	FY 23/24 Budget	23/24 Expenses As of 7/9/24	
SJAFCA/CITY Employee Services	\$1,280,059	\$1,095,019	86%
Professional Services	414,000	\$475,939	115%
Materials & Supplies	204,290	\$216,942	106%
Other Expenses	106,993	\$102,257	96%
Approved Operating Budget:	\$2,005,342	\$1,890,156	94%

The proposed FY 24/25 budget is also reflected in **Exhibit A** and is summarized in Table 2 below. Exhibit A presents the Agency's anticipated expenditures for general administration, operations, and support costs for existing capital improvement projects. The proposed FY 24/25 expenditure budget has been updated to accommodate a significant change in how the Agency's will operate given the relocation of the Agency's office to a new location and the change in how administrative support services, such as IT and others are procured by the Agency.

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TABLE 2 - FISCAL YEAR 2024/25 SJAFCA
PROPOSED OPERATING EXPENDITURE
BUDGET SUMMARY (Fund 55601)

	FY 24/25 Proposed Budget
SJAFCA Employee Services	\$1,501,910
Professional Services	573,500
Materials & Supplies	243,090
Other Expenses	114,500
Proposed Operating Budget:	\$2,433,000

Funding for the Proposed FY 24/25 Budget

The Agency's Operating budget is supported through the allocation of costs to the Agency's program / project related funds. Because SJAFCA's mission of "Reducing and managing the region's flood risk" is achieved through the advancement of programs and projects, as was the case with last year's budget, staff has incorporated an allocation of its operating budget to program budgets. The attached Exhibit B shows the allocation that, with the approval of the Operating Budget by the Board, would be incorporated into Program Budgets by staff. The allocation of costs has been adjusted relative to last year's approved allocation. The relative level of activity has changed between programs warranting an adjustment to the allocation. Further, with the assignment of Project Management staff to projects, a portion of the staff-related expenses (payroll and benefits) is allocated based on the tracking of staff time to certain projects. Further, certain grant funded programs have varying provisions with respect to the allowable cost recovery for General Overhead & Administrative expenses through the grants. The proposed allocation of the Operating Budget to SJAFCA's Projects and Program Budgets, with reference to their primary funds, is shown in Table 3 below.

TABLE 3 – OPERATING FUND COST ALLOCATION SUMMARY

Fund	No.	Allocation %
General	55601	5%
O&M	55694	10%
Smith Canal	55666	5%
Mossdale	55679	35%
LSJR	55653	33%
RFMP	55667	2%
Paradise Cut	55665	10%

Note – the above allocation represents a high-level summary of the allocation of GO&A expenses. The allocation of certain staff time and employee benefits varies from the allocations noted here. Refer to Exhibit B for additional details.

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Operating Fund Cost Allocations:

SJAFCA Operating Fund (Fund 55601). The SJAFCA Operating Fund balances are made up of assets that were derived from the Flood Protection Restoration Project (FPRP) completed in 1998, the unexpended bond proceeds for that project, fees collected by both the City of Stockton and County of San Joaquin for the Agency's former equalization fee program, and reimbursement received from the U.S. Army Corps of Engineers (USACE) for the original flood control improvements. In addition to earned interest, some funding from in-County local agencies was received to help pay the local share of costs for the Lower San Joaquin River Feasibility Study. Revenues received from local agencies and through Funding Agreements reimbursed the Agency for some of the costs it incurred to support these projects.

Over the last several years, the Reserve Fund balances have been used to pay for the Agency's operating costs as well as work that supported some of the Agency's capital improvement projects, such as the Lower San Joaquin River Feasibility Study (LSJRFS), the recertification of the Bear Creek and Calaveras River levee reaches, and to advance funds for the Smith Canal Gate project before the Smith Canal Area Assessment District was established. With the FY 2020/21 through the 2023/24 budgets, as described above, the Agency allocated its operating costs (the General & Administrative expenses) to minimize the amount of reserves used to fund operating expenses. With the passage of the LCMA District last year, the Agency is now able to allocate funding from the LCMA District to support the GO&A activities of SJAFCA. The available funding from the LCMA District that is utilized to support the ongoing flood protection services for Zone 9 that SJAFCA provides can support a portion of the operating costs of the Agency.

Operations and Maintenance (O&M) Fund (Fund 55694). The O&M Fund accounts for money collected annually through the Agency's O&M assessment. The levy of this assessment provides resources for ongoing maintenance of the Agency's FPRP improvements. Each year, the Board reviews the Annual Engineer's Report and establishes the O&M assessments. The O&M budget for FY 24/25 was presented to and approved by the Board separately on May 16, 2024 (Agenda Item 5.1) as part of the annual hearing process to approve the annual assessment levy. The allocation approach discussed above and shown in Exhibit B allocates up to \$243,300 of GO&A expenses to the O&M fund. This allocation is covered by the amount allocated for SJAFCA's administration budget of \$298,500 which was included in the O&M Budget approved by the Board with its action on May 16, 2024.

Smith Canal Gate Project (Funds 55666/55654). These funds account for money collected annually for the Smith Canal Gate Project. The allocation approach discussed above, and shown in Exhibit B, would allocate up to \$121,650 of GO&A expenses to the Smith Canal Project fund. Funding for this would come from funds authorized to advance the Smith Canal Project (grant funding from DWR) and its

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associated maintenance (the Levee Construction and Maintenance Assessment District).

Mossdale Tract Fund (Fund 55679/55680). These funds were created as part of a Board-approved action on February 26, 2018 (SJAFCA Resolution 18-06), to address flood protection for the Mossdale Tract Area. The local sources of funding include previously funded forgivable loans from member agencies: City of Stockton, San Joaquin County, City of Lathrop and City of Manteca, a Regional Development Impact Fee program the Mossdale Tract Enhanced Infrastructure Financing District (EIFD) formed on July 21, 2022. Additional funding has been provided through an Urban Flood Risk Reduction (UFRR) program grant from DWR for a feasibility study, preliminary design and environmental review of the Project. Program activities are also funded from a grant from the Bay Area Council. Additional funding will also come from an expected amendment to the UFRR Program Grant with DWR allocating State funding for the implementation of improvements to the Mossdale Tract Levees. Further, additional funding will also come from the newly formed Mossdale Tract Area Overlay Assessment District expected to be formed as part of separate Board Action during this meeting. All of these funds are used to pay for activities to advance the Mossdale Tract Program. As a multi-year capital project, unexpended prior year funding authorized by the Board under this program rolls forward to future fiscal years. The allocation approach discussed above and shown in Exhibit B would allocate up to \$851,550 of GO&A expenses to the Mossdale fund. The additional funding requested under this item, discussed later in this report, reflects this GO&A allocation.

Lower San Joaquin River Phase 1 (Federal) Project (Fund 55653). As further discussed below, staff and consultants of the Agency are currently working with the USACE, DWR and CVFPB to advance the Lower San Joaquin River Project. This work includes advancing, in earnest, the first increment toward construction, design of subsequent increments as well as advancing the non-federal sponsor obligations including land acquisition. With this effort, and consistent with the approach described above, like last year, staff proposes to incorporate an allocation of GO&A costs to the Lower San Joaquin River Project. The allocation would be \$802,890. Funding for this would come from fund balances in Lower San Joaquin River Federal Project Fund and revenues from the recently approved LCMA District

Regional Flood Management Plan (Fund 55667). With the execution of the RFMP grant during FY 20/21 staff established Fund 55667 to track and account for the RFMP Program. The program funded by DWR has been extended, most recently in April, to add additional time and funding through FY 25/26. The budget request last year reflected an allocation of GO&A expenses for FY 22/23. The budget request for FY 24/25, which is reflected later in this report, includes an additional year of GO&A expenses of up to \$48,660 consistent with the proposed allocation noted in Exhibit B.

Paradise Cut (Fund 55665). SJAFCA has executed an Agreement with DWR during FY 2023/24 to advance the Paradise Cut Feasibility Study. The agreement is now effective and working will continue through FY 24/25. Consistent with the Agency's

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practice of allocating operating expense to projects, the allocation of GO&A expense to this fund would be approximately \$243,020.

Operating Budget. The Agency's Operating Budget as summarized above in Table 1 and presented in Exhibit A for FY 24/25 totals \$2,433,000. This is about 21% higher than the total budget from FY 23/24 and takes into consideration the change in staffing and administrative cost as a result of the Agency's relocation to a new physical location and the provision of support services. Staff has prepared the Operating Budget utilizing consistent categories as prior years. These categories of expenses are described further below:

- **SJAFCA/CITY Employee Services.** This category includes salary and benefits for 8 SJAFCA positions: Executive Director, Deputy Executive Director, Executive Project Manager, Senior Civil Engineer, Accounting & Finance Administrator, and administrative support staff (2). One position is a City of Stockton position and the balance are Agency positions. City of Stockton costs include an allocation of salary and benefits for administration and City payroll services. The total allocation of resources to support these staffing costs is \$1,501,910.
- **Professional Services.** These expenses include professional services such as legal counsel, federal and State advocacy efforts, technical consultants, and annual auditing services as well as temporary staffing costs. The total allocation for Other Services is \$573,500.
- **Materials and Supplies.** This category includes expenses for general office supplies, computer software, the maintenance of the Agency's office scanner/copier equipment. This category also includes equipment rental, computer technology support, postage, mailing, duplicating services, file storage and vehicle costs. Rent for Agency's new full service office space. The anticipated cost for Materials and Supplies is \$243,090.
- **Other Expenses.** This category includes costs for travel, parking, training and staff development, professional memberships, permits/certifications, website development and maintenance. This category also includes the Agency's general liability insurance premiums and association memberships. The total anticipated cost for Other Expenses is \$114,500.

The Operating Budget illustrated in Exhibits A and B (summarized in Tables 2 and 3) includes the full costs for the proposed positions and the allocations to the Projects and Programs supporting the Agency's mission. The Agency's Annual Operating Budget and GO&A allocation policy are reviewed annually and adjustments are made as part of the Budget Approval process for the following year.

Capital Improvement Program (CIP) Budget

As further described above, the Agency now has 5 capital programs that support flood protection projects. The matrix below describes the current and planned sources of funding for those programs:

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	Smith Canal	Mossdale Tract	Lower San Joaquin River Phase 1	Regional Planning	Paradise Cut
Funding Sources	<ul style="list-style-type: none"> - LCMA Assessments (including Bond Revenues) - EIP/UFRR Grants - Allocation of Agency Reserves 	<ul style="list-style-type: none"> - Local Funding Agreements - DWR Grant funding - The Mossdale Regional Levee Impact Fee - Climate Resiliency Grant - EIFD - Mossdale Tract Overlay Assessment (including Bond Revenues) 	<ul style="list-style-type: none"> - SJAFCA Fund Reserves - Local Funding Agreements - Federal Reimbursement - LCMA Assessment Revenues 	<ul style="list-style-type: none"> - RFMP Grant (DWR) 	<ul style="list-style-type: none"> - DWR Grant

These programs and their associated Capital Budget augmentation requests are described further below.

2. Smith Canal Gate Project (Fund 55666)

As noted in the matrix above, funding for the Smith Canal Gate Project has included grant revenues from the DWR, an allocation of agency reserves, assessments from the Smith Canal Area Assessment District (SCAAD) and proceeds from the sale of Bonds secured by assessments. SCAAD assessment levies began in FY 14/15 and have now ceased with the passage of the LCMA District. The Agency has issued new Bonds and redeemed the SCAAD bonds effectively replacing the SCAAD with the LCMA District. The last year SJAFCA levied the SCAAD Assessments was FY 22/23. The first year the Agency levied LCMA Assessments was FY 23/24.

In year's past, the annual CIP budget for the Smith Canal Project was approved by the Board as part of the annual SCAAD assessment levy authorization. Because the SCAAD Assessment is no longer levied, as was the case last year, the annual capital budget for the Smith Canal Project has been incorporated as part of the recommended omnibus CIP approval shown here. The total estimated expenditures for the Smith Canal Gate Project are \$96.968 Million. No additional augmentation is requested at this time. The Project has completed construction and Project closeout activities, including the process of starting up Operations and Maintenance activities, are extending into Fiscal Year 2024/25. The total expenditure budget for the Project was previously approved with prior authorizations. Table 4 below summarizes the authorized CIP budget and is reflective of prior adjustments between budget categories and updated actual costs. The budget categories align the expenditures with the appropriate categories of the DWR grant funding.

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TABLE 4 – SMITH CANAL GATE CIP BUDGET SUMMARY (Fund 55666)

FY 2023/24 SMITH CANAL GATE Program CIP Budget	Approved Budget thru FY 22/23	Estimated Expenses thru 7/9/2024	Budget balance as of 7/9/2024	Proposed Budget Realignment	Budget thru FY 24/25
EXPENDITURES					
Design Phase	\$6,672,358	\$6,672,358	\$0	\$0	\$6,672,358
Supplemental Engineering	\$2,477,651	\$2,481,283	(\$3,632)	\$0	\$2,477,651
Independent Review	\$403,381	\$203,381	\$200,000	\$0	\$403,381
Project Management	\$4,803,603	\$4,359,680	\$443,923	\$0	\$4,803,603
Construction	\$60,280,447	\$49,029,538	\$11,250,910	\$0	\$60,280,447
Construction Management	\$18,660,472	\$16,086,981	\$2,573,491	\$0	\$18,660,472
Real Estate Contingency	\$360,000	\$290,573	\$69,427	\$0	\$360,000
Real Estate Acquisition	\$450,000	\$450,000	\$0	\$0	\$450,000
Public Outreach	\$118,710	\$68,090	\$50,620	\$0	\$118,710
Environmental Mitigation	\$2,724,726	\$2,724,726	\$0	\$0	\$2,724,726
Recreational Enhancements	\$17,500	\$17,500	(\$0)	\$0	\$17,500
TOTAL EXPENDITURES	\$96,968,849	\$82,384,109	\$14,584,739	\$0	\$96,968,849

The sources of funding for the Smith Canal Gate Project are summarized in Table 5 below. All of these sources have been secured and are in place and available to fund the Smith Canal Gate Project.

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TABLE 5 – SMITH CANAL GATE SUMMARY OF FUNDING SOURCES

FY 2023/24 SMITH CANAL GATE Program CIP Revenues	Amount	Date / Note
State Funding (secured)		
Design Phase (Prop 1E)	\$2,412,500	September-12
Construction Phase (Prop 1E)	\$22,309,666	October-17
Amendment 1 (Prop 1E)	\$13,562,092	October-19
Amendment 3 (General Fund)	\$2,000,000	May-22
Amendment 4 (Legislative)	\$18,000,000	November-22
Total State Funding	\$58,284,258	
Local Funding (secured)		
SCAAD Revenues	\$14,793,130	Reflects 9 years of assessments
Net Financing (Proceeds less Debt Service)	\$18,380,871	2020 Bond proceeds less debt service paid
SJAFCA Allocation of Reserves	\$5,000,000	Allocation of Agency reserves (June 2021)
Allocation of LCMA Revenues	\$860,000	Allocated in FY 2023/24 [1]
Total Local Funding	\$39,034,002	
Total Funding	\$97,318,260	

[1] Represents approved allocation of 2023/24 revenues from LCMA District for the Smith Canal Project based on amount of revenues that would have otherwise been available if the SCAAD had remained in place through 23/24. Actual fund transfer has not yet taken place, however, the available fund balance in the LCMA fund is reflective of this transfer.

The recommended Board Action includes approval of expenditures for Smith Canal Funds and for the activities needed to continue to advance the Smith Canal Gate Project. The budget is fully funded.

During FY 2024/25, the Smith Canal Gate Project implementation will be completed the Agency will be closing out the Project's funding agreement with DWR. SJAFCA will be transitioning the Project into its long-term Operations and Maintenance phase during the Fiscal Year. Funding for the Operations and Maintenance of the Gate will come from the LCMA District. The budget for this funding is reflected as part of the LCMA budget presented within this report for this Fiscal Year. The Agency may, in future years, present this budget separately once it determines how best to track the Operations and Maintenance activities for completed components of the Lower San Joaquin River Project.

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3. Mossdale Tract Program (Funds 55769/55680)

To date, the Mossdale Tract Program has been supported by the following funding sources:

- Advanced funding from Member Agencies;
- A Regional Development Impact Fee program;
- A grant from DWR under its Urban Flood Risk Reduction Program to advance a Feasibility Study, Preliminary Design and Environmental review; and,
- A grant from the Bay Area Council to support Climate Resiliency.

During FY 2022/23, the Agency completed the formation of an Enhanced Infrastructure Financing District (EIFD) and helped establish the new Public Financing Authority to govern the EIFD. To further accomplish the goal of achieving an Urban Level of Flood Protection for the Mossdale Tract Area, during Fiscal Year 2023/24, the Agency advanced the successful formation of the Mossdale Tract Overlay Assessment District (OAD). Formation of the OAD is presented as a separate item on this July 18, 2024 Agenda.

On July 20, 2023 the SJAFCA Board approved the last budget augmentation to the previously approved CIP budget to fund the Mossdale Tract Program through FY 2023/24. The following discussion describes the work covered in the proposed augmentation to cover activities through FY 2024/25 and the status of current efforts.

Prior board approvals of budget for the Mossdale Tract Program involved a series of actions to create the financial infrastructure to allow SJAFCA to continue the efforts to advance 200-Year flood protection for the Mossdale Tract area started by the Cities of Lathrop & Manteca. These actions included funding to:

- 1) Transition of the Urban Flood Risk Reduction (UFRR) Program Feasibility Study, Design and Permitting Agreement with DWR from Lathrop to SJAFCA;
- 2) Completion of the UFRR Feasibility Study and approval of a scope amendment to the UFRR Agreement;
- 3) Completion of an Administrative Draft Environmental Impact Report, development of a 35% Basis of Design Report and supporting design drawings, and development of multi-benefit features and restoration design.
- 4) Advance efforts to achieve an Urban Level of Flood Protection including Adequate Progress Annual Reporting, Technical Support, and Local Funding Program Implementation for the Mossdale Tract Basin including an update to the Development Impact Fee Program, the formation of the Mossdale Tract Enhanced Infrastructure Financing District and the formation of Mossdale Tract Overlay Assessment District.

These efforts to advance an ULOP continue along with the additional items described below.

Phase 2 of the Lower San Joaquin River Project, known as the Lathrop & Manteca Feasibility Study, in partnership with the USACE and the State of California (CVFPB), is cost-shared (50% Federal, 25% State of California and 25% SJFACA), is well underway. A Feasibility Cost Share Agreement was executed between USACE, the CVFPB and SJAFCA on

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September 30, 2022 for a \$7 million - 4 ½ year feasibility study. To date, \$1,750,000 in federal funding and \$1,080,000 in State funding and \$970,000 in SJAFCA funding has been received to advance the Study.

The budget augmentation presented herein provides support for continued engagement in the Study with USACE to work towards a favorable determination of federal interest along with the pursuit of federal and State funding. The budget also reflects the anticipated execution of a 6th Amendment to the State UFRR Funding Agreement allocating an additional \$75,000,000 of State Funding to advance implementation of flood risk reduction improvements and ecosystem restoration components identified in the finalized UFRR Feasibility study. Implementation efforts include completion of the CEQA as well as the design and permitting of the Dryland Levee.

As it relates to the implementation of the Local Funding Program for the Mossdale Tract Area, the budget augmentation presented herein provides funding for the ongoing administration of the current in place funding sources as well as and the first year's implementation of the recently approved Overlay Assessment District.

As previously presented in 2022, SJAFCA executed an agreement in 2020 with the Bay Area Council for a \$200,000 Climate Resiliency Challenge grant and in 2021, after completion of the initial scope of work with the Council, SJAFCA received an additional \$100,000 to help complete the second phase. In 2023, SJAFCA authorized this additional match of \$100,000 for total grant funding of \$300,000. The FY 2024/25 Mossdale Budget reflects this level of funding and associated scope of work.

The recommended budget augmentation for Fiscal Year 2024/25 summarized in Table 6 below for the proposed Mossdale Tract Fund addresses the following categories of costs:

UFRR Feasibility Study (Phase 1)

- Work by Peterson Brustad Inc. / R&F, Inc. (*Note – The State feasibility study portion of the UFRR Agreement was completed in 2021, expenses incurred in excess of the budget were tracked under this prior Phase and have now been recategorized as part of the UFRR Preliminary Design grant as requested by DWR. The budget adjustments presented here reflect the realignment of the budget to reflect actual costs as requested by DWR.*)

Program Management

- Staff Support & Allocated Overhead
- Consulting Support
- Legal Support
- Strategic Planning and Implementation
- Public Outreach

Local Funding Implementation

- Funding Implementation including Regional Development Impact Fee, EIFD & Overlay Assessment District

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- ULOP Adequate Progress Report and Financing Plan updates
- Budget Support and funding Administration Services

Project Implementation

(Note – As presented as part of this CIP Budget, four sub-categories for Project Implementation have now been identified for additional budget clarity and transparency.)

State / Local – UFRR Project

- Preliminary Design, Environmental Review (CEQA), Project Management, ROW Planning and Support, and Public Outreach (partially cost shared with DWR under the UFRR Grant)
- Manteca Dryland Levee extension design and permitting
- Mitigation / Restoration Site development for implementation

UFRR Phase 3 – Project Construction

- As a continuation of the UFRR Project and the allocation of additional State funding for Construction as part of the 6th Amendment to the UFRR Agreement, an additional sub-category has been added. This category reflects Project Management/Coordination efforts, Right of Way Acquisition Construction Management, and Construction.

Federal State / Local – Lathrop Manteca Study

- Federal Program Consultation Phase 2 Feasibility Study Coordination, design team support and Public Outreach
- Direct Cost Share Payments to USACE

Climate Resiliency Grant

- Program Admin and Grant Management, Plan Formulation and Final Report / Case Study preparation.

In summary, the budgeted costs for the Mossdale Tract fund are summarized in Table 6 as follows:

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TABLE 6 – MOSSDALE TRACT FY 2024/25 CIP BUDGET SUMMARY
(Funds 55769/55680)

FY 2024/25 Mosssdale Tract Program CIP Budget Expenditures	Approved Budget Through 23/24	Expended through 7/9/2024	Budget Balance through 6/19/2024*	Proposed Budget Augmentation	Proposed Budget Through 24/25
UFRR Feasibility Study (Phase 1)	\$1,341,759	\$338,404	\$1,003,355	-\$983,000	\$358,759
Program Management	\$4,080,171	\$4,110,493	-\$30,322	\$1,266,700	\$5,346,871
Local Funding Implementation	\$2,336,649	\$1,550,837	\$785,812	\$0	\$2,336,649
Project Implementation (State/Local UFRR Project - CEQA/Prelim Design)	\$5,229,745	\$5,148,620	\$81,125	\$2,792,800	\$8,022,545
Project Implementation (State/Local UFRR Project - Construction)	\$0	\$0	\$0	\$3,350,000	\$3,350,000
Project Implementation (Fed/State/Local – Lathrop Manteca Project)	\$1,794,748	\$1,599,167	\$195,581	\$1,033,500	\$2,828,248
Climate Resiliency	\$300,000	\$214,210	\$85,790	\$0	\$300,000
TOTAL EXPENDITURES	\$15,083,072	\$12,961,731	\$2,121,341	\$7,460,000	\$22,543,072

The above expenses would represent the total cumulative Capital Improvement Program (CIP) budget for the Mosssdale Tract Program through FY 2024/25. Further, as is the case with all CIP budgets, if the above budget is not expended through FY 2024/25, the budget would roll over to the next fiscal year.

The requested budget augmentation of \$7.4 million focuses on additional efforts to do the following; finalize the CEQA Environmental Impact Report for the project, continue design of the Dryland Levee Extension, initiate project permitting, plan for real estate acquisition, and advance the project toward construction, continue to earnestly advance efforts on the Lathrop Manteca Federal Feasibility Study to garner Federal Interest, maintain Adequate Progress, and administer the existing program features by sharing in the Agency's operational costs.

The revenues supporting the expenditure budget come from multiple sources. These include:

- The UFRR funding agreement with State of California assigned from the City of Lathrop to SJAFCA, including the bank of local credit as a result of prior local investment by the Cities of Lathrop and Manteca
- SJAFCA's funding agreements with its members structured in the form of loans. The funding was received in FY 17/18 and is available to fund all project efforts. These loans will be repaid once the future local funding mechanisms are in place and able to provide sufficient cash flow to cover future project expenses.
- Development Impact Fee revenues collected and transmitted to SJAFCA pursuant to a

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collection agreement with each member land use agency.

- Transfer of EIFD Revenues from the Mossdale Tract EIFD Public Financing Authority pursuant to a Memorandum of Understanding between SJAFCA and the PFA.
- Revenues from the Mossdale Tract Overlay Assessment District.
- Grant funding from the Bay Area Council's Climate Resilience Challenge.

A summary of the estimated revenues covering the budgeted expenses detailed are shown in Table 7 below.

TABLE 7 – MOSSDALE TRACT FY 2024/25 CIP REVENUES

FY 2024/25 Mossdale Tract Program CIP Budget Revenues	Approved Budget Through 23/24	Actual through 6/19/2024*	Budget Balance through 6/19/2024	Proposed Budget Augmentation	Proposed Budget Through 24/25
DWR UFRF Funding	\$3,250,000	\$2,411,581	-\$838,419	\$2,500,000	\$5,750,000
Levee Impact Fees	\$10,755,697	\$14,526,391	\$3,770,694	\$3,770,694	\$14,526,391
Member Agency Seed Funding	\$310,000	\$310,000	\$0	\$0	\$310,000
Climate Resiliency Grant Funding	\$300,000	\$250,000	-\$50,000	\$0	\$300,000
Mossdale EIFD PFA Funding	\$800,000	\$2,778,465	\$1,978,465	\$1,978,465	\$2,778,465
Fund Interest Earned	\$98,034	\$574,823	\$476,789	\$476,789	\$574,823
Mossdale Overlay Assessment District	\$0	\$0	\$0	\$2,200,000	\$2,200,000
TOTAL REVENUES	\$15,513,731	\$20,851,261	\$5,337,530	\$10,925,949	\$26,439,680

The recommended Board Action includes approval of additional funding for the Mossdale Tract Funds and for the activities needed to continue to advance the Mossdale Tract Program. The budget is fully funded.

4. Lower San Joaquin River Project (Fund 55653)

The overall estimated cost for the Lower San Joaquin River Project (LSJRP) is approximately \$1.4 billion. This project is expected to be implemented in several increments over a decade or more timeframe. The first increment of the LSJRP, TS_30_L, Tenmile Slough, is designed and is out for bid with construction starting in 2025.

Design started on the next increment, Shima Tract Phase A, which will extend into 2025, and several other increments of the program will start designs this upcoming fiscal year, including Calaveras River Left Bank, Duck Creek/French Camp Slough. As such, USACE plans to spend \$35M in the upcoming Federal fiscal year and requires cost sharing and land acquisition and utility relocations from the non-Federal Sponsors (SJAFCA and DWR).

To generate funding for the Local Share of the Design efforts back in September 2018, the Board authorized the Executive Director to execute cost share agreements for the LSJRP

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with the local stakeholder agencies impacted by the Feasibility Study. This was the same approach taken to fund the local share of the Feasibility Study. However, at the same time, SJAFCA had been working to receive a \$10.06 million reimbursement for completed work on the prior Federal project. This money was received in July 2019. Around that time, staff met with the local agencies to discuss cost share agreements, and at the same time the Board had been discussing the identification of a local funding mechanism to set up full local share of entire authorized LSJRP. In lieu of executing cost share agreements, SJAFCA authorized the use of a portion (up to \$3.14 million) of the \$10.06 million in funds (now part of SJAFCA's reserves) to match the Federal FY 2020 Funding allocated for the Project. The remaining funding, after an allocation to the Smith Canal Project (noted above), was to be focused on developing the long-term funding needed to generate the remaining local share of the overall LSJRP. SJAFCA used this funding to partner with the San Joaquin County Flood Control and Water Conservation District to advance the successful formation of the LCMA District which was completed in June 2023. At the same time the Board approved the formation of the LCMA District, the Board authorized the sale of Assessment Revenue bonds to both redeem and defease the outstanding SCAAD Assessment Revenues bonds, but also generate project proceeds of \$5.0 million. The sale of these was completed on August 2, 2023.

Since Federal Fiscal Year 2020, USACE has appropriated \$107M toward the design and construction of the Lower San Joaquin River Project. SJAFCA's cost share obligation for the project is 10.5%, which can come in the form of credit for in-kind work, credit for land, easements, rights-of-way, relocations and disposal areas (LERRD), and cash. SJAFCA's approach is to continue to fully leverage Smith Canal credit and in-kind work credit to minimize cash outlays. The project's priority remains the planned delivery of the first increment of construction at Ten Mile Slough in the Brookside neighborhood (TS_30_L) and working with USACE to advance other increments of the project, at Shima Tract, Calaveras, and San Joaquin River at Van Buskirk. Funding for SJAFCA FY24/25 continues to support land acquisition requirements, project support and consulting services, and all cash contributions which may be requested by USACE. The augmentation to the previously approved fiscal year 2023/2024 budget of \$10.83 million, which includes additional authorizations made in mid-2023/24, for continued support of the LSJRP is \$6.82 million brings the total authorization for the project up to \$17.64 million.

Funding for the continued advancement of the LSJRP comes from several sources.

- Remaining fund balances from the previous federal reimbursement.
- Grant funding from the State of California DWR as the result of an amendment to the Smith Canal Gate Project UFRR Funding Agreement in the amount of \$2,501,182 specifically for the purpose of supporting advancing of the LSJRP.
- A cash advance from the State of California in the amount of \$900,000 under the Local Project Partnership Agreement for the LSJRP.
- Revenues from the LCMA District as well as proceeds from the sale Assessment Revenue Bonds secured by the assessments.

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The budget summarized in Table 8 below takes into consideration the updated approach for budgeting the LSJRP by Phase of implementation, presented at the 2023/24 Mid-Year Budget as well, and the funding requirements needed to continue to support implementation of the Lower San Joaquin Federal Project Phase 1 Project.

TABLE 8 – LOWER SAN JOAQUIN RIVER PROJECT
FY 2023/24 CIP BUDGET SUMMARY (Fund 55653)

	Approved Budget Through 23/24	Expended through 6/26/2024*	Budget Balance through 6/6/2024*	Proposed Budget Augmentation	Proposed Budget Through 24/25
Overall Program Management					
Program Admin, Staff Support & Legal	\$1,139,886	\$1,570,280	(\$430,394)	\$971,790	\$2,111,676
Assessments & Financing Efforts	\$500,000	\$581,382	(\$81,382)	\$99,073	\$599,073
USACE Payments	\$0		\$0	\$3,675,000	\$3,675,000
Property Acquisition (LERRDS)	\$0		\$0	\$1,020,000	\$1,020,000
Subtotal Overall Program Management	\$1,639,886	\$2,151,662	(\$511,776)	\$5,765,862	\$7,405,748
TS 30L					
Project Admin, Eng. & Environ.	\$763,386	\$650,504	\$112,882	(\$57,996)	\$705,390
USACE Payments	\$3,904,000	\$3,903,744	\$256	(\$256)	\$3,903,744
Property Acquisition (LERRDS)	\$4,254,000	\$1,475,000	\$2,779,000	(\$1,748,932)	\$2,505,068
Subtotal TS 30L	\$8,921,386	\$6,029,249	\$2,892,137	(\$1,807,183)	\$7,114,203
Shima Tract Levee					
Project Admin, Eng. & Environ.	\$202,386	\$113,131	\$89,255	\$551,821	\$754,207
USACE Payments	\$0	\$0	\$0	\$0	\$0
Property Acquisition (LERRDS)	\$63,000	\$81,472	(\$18,472)	\$2,017,800	\$2,080,800
Subtotal Shima Tract Levee	\$265,386	\$194,603	\$70,783	\$2,569,621	\$2,835,007
Calaveras River - Left Bank					
Project Admin, Eng. & Environ.	\$0	\$4,287	(\$4,287)	\$4,287	\$4,287
Property Acquisition (LERRDS)	\$0	\$27,797	(\$27,797)	\$33,747	\$33,747
Subtotal Calaveras River - Left Bank	\$0	\$32,083	(\$32,083)	\$38,033	\$38,033
Duck Creek & French Camp Slough					
Project Admin, Eng. & Environ.	\$0	\$0	\$0	\$140,000	\$140,000
Property Acquisition (LERRDS)	\$0	\$0	\$0	\$500,000	\$500,000
Subtotal Duck Creek & French Camp Slough	\$0	\$0	\$0	\$640,000	\$640,000
TOTAL EXPENDITURES	\$10,826,658	\$8,407,598	\$2,419,060	\$7,206,334	\$18,032,992

Table 9 below details the funding sources available for the above noted expenditure budget. With the increase in spending, additional funding from the LCMA District is proposed to be allocated to the Project to meet the additional expenditure requirements.

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**TABLE 9 – LOWER SAN JOAQUIN RIVER PROJECT
PROGRAM FUNDING SOURCES**

FY 24/25 Proposed Lower San Joaquin Project (LSJRP) Funding Sources	
	Amounts Secured
Prior Allocation of SJAFCA Reserves (2021/22)	\$3,140,000
Smith Canal Gate UFRR Grant Amendment (State Share Amount)	2,501,182
Local Project Partnership Agreement with State of California (LPPA) Cash Advance from DWR	900,000
Levee Construction and Maintenance Assessment Bond Proceeds	5,000,000
FY 2024/25 Allocation of Levee Construction and Maintenance Assessment Revenues	\$6,500,000
Total LSJRP CIP Funding:	\$18,041,182

5. Regional Flood Management Planning (Fund 55667)

Money received for the first two Phases of Regional Flood Management Planning (RFMP) was used to reimburse the Agency for its efforts to provide critical information about local flood management needs and priorities as part of the 2017 Central Valley Flood Protection Plan (CVFPP) update. As an extension of RFMP efforts, in 2020/21 DWR advanced a third phase of regional planning to support the 2022 CVFPP update. Staff worked with the State to put this grant in place and support the Agency's projects. Staff finalized a scope of work and budget with DWR for the Phase 3 RFMP Grant and the grant was approved for \$850,000 for approximately 3-Years of work. Last year, SJAFCA executed a grant agreement for an additional \$260,000 for a "2023 round" of RFMP funding (i.e., a 4th phase). The State has identified an additional funding source for a future 5th phase with an estimated amount of funding of approximately \$315,000. The cumulative authorizations previously approved by the Board totaled \$1,396,000 based on prior budget estimates from DWR. Given the proposed 5th phase of funding, an augmentation of an additional \$29,000 is needed to align the budget with the total funding authorized by DWR. Because the scope of the additional funding from DWR is still being negotiated with DWR, staff's proposal is to augment the overall program and implement adjustments between program items to align the authorized spending once the scope is approved by DWR.

Table 10 below presents the current approved budget, the estimated expenses incurred through June 30, 2024, and the updated budget based on the expected spending moving forward. The budget includes funding for the allocated agency General and Administrative Services as described further above.

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TABLE 10 – RFMP FY 2024/245 CIP BUDGET SUMMARY (Fund 55667)

	Budget through FY 23/24	Estimated Expenses through July, 9 2024	Remaining Budget	Budget Realignment for 23/24	Final Total Budget	Remaining after updated Final Budget
RFMP - 1 - PROGRAM MANAGEMENT [1]	\$448,550	\$611,521	(\$162,971)	\$281,000	\$729,550	\$118,029
RFMP - 2 - COMMUNICATION AND ENGAGEMENT	\$119,718	\$78,030	\$41,688	(\$40,000)	\$79,718	\$1,688
RFMP - 3 - RFMP ACT UPDATES CVFPP	\$104,985	\$84,199	\$20,786	(\$20,000)	\$84,985	\$786
RFMP - 4 - FINAN. PLANG. & FUNDING SUPPOR	\$75,544	\$60,563	\$14,981	(\$14,000)	\$61,544	\$981
RFMP - 5 - REGIONAL GOVERNANCE	\$15,000	\$16,502	(\$1,502)	\$2,000	\$17,000	\$498
RFMP - 6 - MULTI BENEFIT OPP. & PARF TRAC	\$111,686	\$95,769	\$15,916	(\$15,000)	\$96,686	\$916
RFMP - 7 - REGIONAL CLIMATE RESILIENCE	\$139,367	\$56,013	\$83,355	(\$83,000)	\$56,367	\$355
RFMP - 8 - INSTITUTIONAL BARRIERS	\$178,000	\$175,537	\$2,463	(\$2,000)	\$176,000	\$463
RFMP - 9 - NFIP RELATED ACTIVITIES	\$4,000	\$2,667	\$1,333	(\$1,000)	\$3,000	\$333
RFMP - 10 - REGION SPECIFIC ACTIVITIES	\$124,150	\$25,560	\$98,590	(\$98,000)	\$26,150	\$590
RFMP - 11 - WATER RESOURCE PORTFOLIO 25.4	\$75,000	\$0	\$75,000	(\$10,000)	\$65,000	\$65,000
Budget Augmentation for Phase 5 [2]	\$0	\$0	\$0	\$29,000	\$29,000	\$29,000
TOTAL	\$1,396,000	\$1,206,360	\$189,640	\$29,000	\$1,425,000	\$218,640

[1] Includes allocated Agency overhead.

[2] Budget allocation to be refined further to support administration of RFMP Funding Agreement activities and administration with DWR.

Original Budget	\$1,396,000
Estimated Expenses through 6/24	-\$1,206,360
Remaining Budget	\$189,640
Net Budget Augmentation [1]	\$29,000
Adjusted Remaining Budget	\$218,640
Prior expenses	\$1,206,360
plus Adjusted Remaining Budget	\$218,640
Final Total Budget	\$1,425,000
[1] Previously approved budget was based on estimated additional funding from DWR. The net budget augmentation reflects a finalized estimate for cumulative DWR funding for RFMP Activities since 2020.	

6. Paradise Cut Program (Fund 55665)

In December 2021, the Board directed and authorized staff to enter into a funding agreement with the DWR to fund the combined Paradise Cut Expansion and South Delta Restoration Project (Paradise Cut). The work would be funded by Proposition 68 under DWR's System Wide Flood Risk Reduction (SWFRR) program. The goal of the grant is to advance Phase 3 of the Paradise Cut Project. The scope of work entails establishment of a Technical Review Panel, Outreach and Engagement, the preparation of a Feasibility Study and the preparation of Preliminary Engineering and Landscapes Designs to facilitate the development of engineers cost estimate (10%) for the preferred alternative including landscape-scale plans for multiple-benefit ecosystem restoration in the Project footprint.

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In December 2021, it was reported that the term of the grant was expected to run from June 2022 through June 2024, however, execution of the Grant was delayed. The Board approved an updated agreement and delegated authority for the Grant's execution in April 2023. Initial work by SJAFCA and the consulting team has been funded through the RFMP Program. In April 2024 the Board authorized the execution of Master Services Agreements with various consultants obligating \$2,997,536 of Task Orders. As a result of the delayed execution of agreements, minimal expenses have been incurred during FY 2023/24. The overall budget for the program remains \$3,000,000 and the budget for the Program was approved in FY 2022/23. No augmentation is requested this year. The budget presented and previously approved is summarized in Table 10 below. As a CIP budget, the budget will roll forward to FY 2024/25. The Agency's allocable portion of overhead is included within the Program Management budget.

TABLE 11 – PARADISE CUT FY 2024/25 CIP BUDGET SUMMARY (Fund 55665)

Scope of Work Elements	Estimated Costs
Task 1 - Project Management and Administration	\$425,000
Task 2 - Technical Review Panel	\$175,000
Task 3 - Strategic Outreach and Local Engagement	\$350,000
Task 4 - Feasibility Study	\$1,750,000
Task 5 - Preliminary Engineering and Landscape Designs	\$300,000
TOTAL	\$3,000,000

The scope of work detailed above is supported by a grant from DWR under its Systemwide Flood Risk Reduction (SWFRR) Program for \$3.0 million. Additional funding in the amount of \$10,000 was provided by the Southern Delta Levee Protection and Channel Maintenance JPA. Cash flow funding has been made available through the authorization of up \$1,000,000 of temporary fund transfers (i.e. a loan) authorized in April 2024 from the Mossdale fund.

7. Levee Construction & Maintenance Assessment District (Fund 55668)

On June 15, 2023, after a successful Proposition 218 Property Owner protest ballot proceeding, the SJAFCA Board approved the formation of the LCMA District. During the Mid-Year Budget Update, the Board received an updated budget from Staff which reflected a more refined budget based on actual expenditures and information from the successful sale of Assessment Revenue Bonds. Table 12 below presents a comparison of the projected actual expenditures relative to the approved budget for Fiscal Year 2023/24 as well as estimate of the budget for Fiscal Year 2024/25. The Budgeted revenues for Fiscal Year 2024/25 reflect

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a 2.93% escalation rate¹ which is the maximum annual assessment escalation authorized within the approved Engineer's Report. The approval of this budget would be consistent with the requested authorization to levy assessments the maximum annual authorized rate for FY 2024/25 presented as a separate item on this agenda.

The LCMA Assessment Revenues are authorized to provide funding Levee Improvement and Maintenance services. Funding from assessment for Fiscal Year 2024/25 will be utilized for the following:

- To provide funding directly to SJAFCA and Zone 9 of the San Joaquin Flood Control and Water Conservation District to support Levee Operations and Maintenance and Flood Control Improvements within the Zone 9;
- To provide funding to SJAFCA to support the Operations and Maintenance of the Smith Canal Gate;
- To provide funding to SJAFCA to support the local sponsor obligations of the Lower San Joaquin River Phase 1 Project;
- To pay debt service on Bonds Issued by SJAFCA secured by LCMA Assessment Revenues; and,
- To fund the administrative costs of the Assessment District.

Additional details regarding the budget for ongoing Smith Canal Gate Operations and Maintenance as shown as part of the FY 2024/25 LCMA Budget are shown in Table 13. As noted previously, the Agency may, in future years, present the Smith Canal Gate operations and maintenance budget separately once it determines how best to track these activities for completed components of the Lower San Joaquin River Project.

¹ The authorized escalation rate is based on change in the February to February CPI-W Index for All Items in San Francisco-Oakland-Hayward geography, not seasonally adjusted (base year 1982-84=100)

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**TABLE 12 – LEVEE CONSTRUCTION & MAINTENANCE ASSESSMENT DISTRICT
FY 2023/24 BUDGET TO ACTUAL COMPARISON & FY 2024/25 BUDGET (Fund 55668)**

	Approved Budget Fiscal Year 23/24	Estimated Actuals Through Fiscal Year 23/24		Proposed Budget Fiscal Year 24/25
REVENUES				
Direct Assessments [1]	\$7,519,066	\$7,547,470		\$7,738,100
Bond Proceeds (Project Fund Deposit)	\$5,000,000	\$5,000,000		\$0
*Bond Proceeds (Costs of Issuance Fund)	\$304,388	\$304,388		\$0
Total Revenues	\$12,823,454	\$12,851,858		\$7,738,100
EXPENDITURES				
Assessment Administration	\$166,000	\$72,647		\$168,000
Bond Issuance Fees & Expenses	\$291,323	\$291,323		\$0
O&M Services				
O&M Services - Direct Transfer to Zone 9	\$841,000	\$0		\$841,000
O&M Services - SJAFCA Support for Zone 9	\$477,000	\$0		\$518,500
Subtotal O&M Services	\$1,318,000	\$0		\$1,359,500
Levee Construction Services				
Smith Canal Gate [2]	\$860,000	\$860,000		\$606,700
Lower San Joaquin River Project Expenditures	\$5,000,000	\$6,000,000		\$6,500,000
Estimated Debt Service (2023 Bonds)	\$1,900,000	\$1,717,109		\$1,714,537
Subtotal Construction Services	\$7,760,000	\$8,577,109		\$8,521,237
TOTAL EXPENDITURES	\$9,535,323	\$8,941,079		\$10,348,737
NET FUND BALANCE CHANGE	\$3,288,131	\$3,910,779		(\$2,610,637)
ESTIMATED BEGINNING BALANCE	\$0	\$0		\$3,910,779
ENDING BALANCE	\$3,288,131	\$3,910,779		\$1,300,142

[1] FY 2023/24 Actuals include interest earned on the fund balance to date.

[2] FY 2024/25 for Smith Canal Gate reflects O&M Start-Up (one year allocation). See Additional detail Table 13 for Smith Canal Gate Operating Expenses for FY 2024/25

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**TABLE 13 – LEVEE CONSTRUCTION & MAINTENANCE ASSESSMENT DISTRICT
SMITH CANAL GATE FY 2024/25 OPERATIONS & MAINTENANCE BUDGET**

FY 2024/25 SCG 1ST-Year O&M Cost Estimate (From LCMA) Program Budget	Budget Through 24/25
EXPENDITURES	
County O&M Estimated Request	\$350,000
<i>One Time Start Up Cost Details</i>	
Parking Lot Re-Surface	\$20,000
Generator Procurement	\$60,000
Electronic Communications Interface	\$25,000
Miscellaneous / Other Items	\$60,000
One Time Start Up Costs	\$165,000
<i>10-Yr Recurrent Interval Set Asides</i>	
Stop Log Install	\$34,900
Miscellaneous Repairs / Inspections	\$34,900
Permitting (Balance Not Funded w/ Project)	\$21,900
Total Reserve Set Asides	\$91,700
Subtotal FY 2024/25 SCG O&M Services	\$606,700

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FISCAL IMPACT

Summary

The estimated Agency operating fund carry over Fund balance at the beginning of FY 23/24 is expected to be approximately \$1.8 million. The proposed FY 24/25 budget anticipates total operating costs to be \$2.433 million with the majority of these costs (95%) allocated to SJAFA's projects.

By approving the attached Omnibus Budget Resolution (Exhibit C) attached to this staff report, the Board will adopt and approve the Agency's proposed FY 24/25 operating budget, associated allocation approach to capital programs and the supporting capital budgets for the Lower San Joaquin River Project, Smith Canal Gate Project, Mossdale Tract Area Program, Regional Flood Management Planning Program, Paradise Cut Project, and Levee Construction & Maintenance Assessment District reflected with this staff report.

STRATEGIC PLAN CONSISTENCY ANALYSIS

Consideration of the FY 2024/25 budget process is consistent with the Mission and Goals of the Board-adopted Strategic Plan. Specifically, it is consistent with the *Goal #1, "to Plan for and Implement System Resilience"*, and to *Goal #3, "Facilitate Funding Structures that are most Beneficial to Local Interests."*

PREPARED BY: Sylvia Razniak, Finance & Admin Manager



APPROVED:
CHRIS ELIAS
EXECUTIVE DIRECTOR

SR:smw

Attachments

Exhibit A – FY 24/25 General and Admin Budget
Exhibit B – FY 24/25 Operating Budget and Proposed Allocation to Programs
Exhibit C – FY 24/25 Budget Resolution

SAN JOAQUIN AREA FLOOD CONTROL AGENCY
General Overhead and Administrative Budget (Actual FY 23/24 and Proposed FY 24/25)

EXHIBIT A

	FY 23/24 Approved Budget	FY 23/24 thru 6/24/23	FY 23/24 Projected	FY 24/25 Proposed Budget
700 AGENCY MANAGEMENT - GO&A				
7-30401 SALARIES & WAGES	1,036,900	\$872,915	\$14,349	1,226,700.00
7-30402 BENEFITS	220,828	\$198,984	\$3,271	248,710.00
7-30403 PAYROLL TAX EXPENSE	12,000	\$10,964	\$180	12,000.00
7-30404 WORKER'S COMP. INSURANCE	6,264	\$7,991	\$131	8,500.00
7-30405 PAYROLL PROCESSING EXPENSE	4,067	\$4,165	\$68	6,000.00
Subtotal SJAFCA/City Employees Services	\$1,280,059	\$1,095,019	\$18,000	\$1,501,910
7-30600 AUDIT EXPENSE	16,000	\$111,200	\$1,828	\$150,000
7-40600 OUTSIDE STAFFING SERVICES	35,000	\$0	\$0	\$0
7-50100 PROFESSIONAL SERVICES - AGENCY	363,000	\$317,010	\$5,211	\$423,500
Subtotal Professional Services	\$414,000.00	\$428,210	\$1,828	\$573,500
7-40100 GENERAL OFFICE EXPENSES	203,290	\$216,417	\$3,558	\$242,090
7-40500 MISCELLANEOUS	1,000	\$525	\$9	\$1,000
Subtotal Materials & Supplies	\$204,290.00	\$216,942	\$3,566	\$243,090
7-40200 INSURANCE BOND & MALPRACTICE	45,743	\$46,097	\$758	\$46,000
7-40400 MEMBERSHIPS & LICENSE RENEWALS	23,000	\$24,857	\$409	\$30,000
7-40700 PERMITS & CERTIFICATIONS	10,000	\$2,129	\$35	\$5,000
7-40800 PUBLICATIONS & LEGAL NOTICES	1,000	\$0	\$0	\$500
7-30800 COMMUNICATIONS	4,740	\$4,634	\$76	\$7,000
7-60100 REPAIRS & MAINTENANCE EQUIPMENT		\$5,000	\$82	
7-60200 TRANSPORTATION & TRAVEL	16,000	\$14,341	\$236	\$19,000
7-60300 WEBSITE HOSTING	6,510	\$5,040	\$83	\$7,000
Subtotal Other Expenses	\$106,993	\$102,098	\$1,678	\$114,500
Total 700 - AGENCY MANAGEMENT - GO&A (Rounded)	\$2,005,342	\$1,842,268	\$25,073	\$2,433,000

SAN JOAQUIN AREA FLOOD CONTROL AGENCY
General Overhead and Administrative Budget (Proposed FY 24/25 Allocation to Programs)

EXHIBIT B

	General 55601 5%	O&M 55694 10%	Smith Canal 55666 5%	Mossdale 55679 35%	LSJR Fed 55653 33%	RFMP 55667 2%	Paradise Cut 55665 10%	FY 24/25 Proposed Budget
700 AGENCY MANAGEMENT - GO&A								
7-30400 ADMINISTRATIVE CHARGES								
7-30401 SALARIES & WAGES	61,335	122,670	61,335	429,345	404,811	24,534	122,670	1,226,700
7-30402 BENEFITS	12,435	24,871	12,435	87,048	82,074	4,974	24,871	248,710
7-30403 PAYROLL TAX EXPENSE	600	1,200	600	4,200	3,960	240	1,200	12,000
7-30404 WORKER'S COMP. INSURANCE	425	850	425	2,975	2,805	170	850	8,500
7-30405 PAYROLL PROCESSING EXPENSE	300	600	300	2,100	1,980	120	600	6,000
Total 7-30400 ADMINISTRATIVE CHARGES	\$ 75,095.50	\$ 150,191.00	\$ 75,095.50	\$ 525,668.50	\$ 495,630.30	\$ 30,038.20	\$ 150,191.00	\$ 1,501,910.00
7-30600 AUDIT EXPENSE								
7-30610 AUDITORS CHARGES	1,250	2,500	1,250	8,750	8,250	500	2,500	25,000
7-30620 AUDITORS DRCT ASSMT SERV CHARGE	6,250	12,500	6,250	43,750	41,250	2,500	12,500	125,000
Total 7-30600 AUDIT EXPENSE	\$ 7,500.00	\$ 15,000.00	\$ 7,500.00	\$ 52,500.00	\$ 49,500.00	\$ 3,000.00	\$ 15,000.00	\$ 150,000.00
7-30800 COMMUNICATIONS	350	700	350	2,450	2,310	140	700	7,000
7-40100 GENERAL OFFICE EXPENSES								
7-40110 AUTOMOTIVE EQUIP RENTAL	2,750	5,500	2,750	19,250	18,150	1,100	5,500	55,000
7-40120 COMPUTER / TECH / OPER SUPPORT	2,500	5,000	2,500	17,500	16,500	1,000	5,000	50,000
7-40140 PRINT-STORAGE	250	500	250	1,750	1,650	100	500	5,000
7-40150 POSTAGE & GENERAL	50	100	50	350	330	20	100	1,000
7-40160 OFFICE LIABILITY INSURANCE	50	100	50	350	330	20	100	1,000
7-40170 OFFICE RENT	3,150	6,300	3,150	22,050	20,790	1,260	6,300	63,000
7-40180 MATERIALS & SUPPLIES	1,500	3,000	1,500	10,500	9,900	600	3,000	30,000
7-40190 INDIRECT COSTS ALLOCATION	1,855	3,709	1,855	12,982	12,240	742	3,709	37,090
Total 7-40100 GENERAL OFFICE EXPENSES	\$ 12,104.50	\$ 24,209.00	\$ 12,104.50	\$ 84,731.50	\$ 79,889.70	\$ 4,841.80	\$ 24,209.00	\$ 242,090.00
7-40200 INSURANCE BOND & MALPRACTICE	2,300	4,600	2,300	16,100	15,180	920	4,600	46,000
7-40400 MEMBERSHIPS & LICENSE RENEWALS	1,500	3,000	1,500	10,500	9,900	600	3,000	30,000
7-40500 MISCELLANEOUS	50	100	50	350	330	20	100	1,000
7-40700 PERMITS & CERTIFICATIONS	250	500	250	1,750	1,650	100	500	5,000
7-40800 PUBLICATIONS & LEGAL NOTICES	25	50	25	175	165	10	50	500

RESOLUTION NO. SJAFCA 24-21

SAN JOAQUIN AREA
FLOOD CONTROL AGENCY

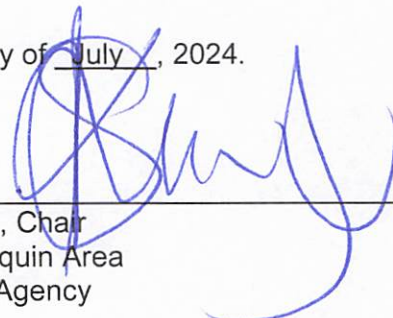
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**RESOLUTION TO APPROVE THE PROPOSED OPERATING FUND AND CAPITAL BUDGETS
FOR FISCAL YEAR 2024/25 FOR THE SAN JOAQUIN AREA FLOOD CONTROL AGENCY**

BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE SAN JOAQUIN AREA
FLOOD CONTROL AGENCY, AS FOLLOWS:

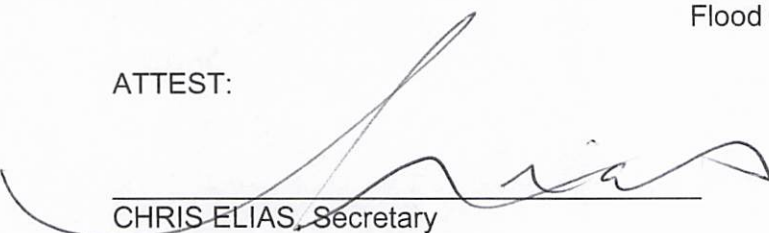
1. That the San Joaquin Area Flood Control Agency's 2024-2025 Proposed Operating Fund Budget, a copy of which is attached as Exhibit "A" and Exhibit "B," is incorporated by this reference and hereby approved and adopted.
2. That the San Joaquin Area Flood Control Agency's 2024-2025 Proposed Capital Improvement Program budget augmentations and adjustments as described in the supporting July 18, 2024 staff report are incorporated by this reference and hereby approved and adopted.
3. That any new appropriations and/or adjustments to the Agency's 2024-2025 fiscal year budget will be brought back before the Board for consideration and approval.

PASSED, APPROVED AND ADOPTED this 18TH day of July, 2024.



PAUL AKINJO, Chair
of the San Joaquin Area
Flood Control Agency

ATTEST:



CHRIS ELIAS, Secretary
of the San Joaquin Area
Flood Control Agency

APPROVED AS TO FORM:



SCOTT L. SHAPIRO, Legal Counsel
for the San Joaquin Area
Flood Control Agency