

June 12, 2025

TO: San Joaquin Area Flood Control Agency Board of Directors

FROM: Darren Suen, Executive Director
Sylvia Razniak, Director of Finance and Human Resources

SUBJECT: **RESOLUTION TO APPROVE THE PROPOSED OPERATING AND CAPITAL BUDGETS FOR FISCAL YEAR 2025/26 FOR THE SAN JOAQUIN AREA FLOOD CONTROL AGENCY**

RECOMMENDATION

It is recommended the Board of Directors of the San Joaquin Area Flood Control Agency (SJAFCFA or the Agency) receive information and adopt a resolution approving the following proposed fiscal year (FY) 2025/26 budgets for SJAFCFA for the following:

1. Agency Operations (Fund #55601)
2. Smith Canal Gate Project (Funds #55666)
3. Mossdale Tract Area Program (Funds #55679/55680/55681/55682)
4. Lower San Joaquin River Project (Phase 1) (Fund #55653)
5. Regional Flood Management Planning Program (Fund #55667)
6. Paradise Cut Project (Fund #55665)
7. Levee Construction & Maintenance Assessment District (Fund #55668)
8. Flood Protection Restoration District O&M Fund (Fund #55964)

DISCUSSION

Originally adopted in September 2019, the Strategic Plan sets the framework for the Agency's actions and decisions. It contains the Agency's mission statement, goals, objectives, and priority actions. SJAFCFA's proposed budget and work directly supports each priority action and in turn its overall mission to, "Reduce and manage the region's flood risk." SJAFCFA staff is presenting to the Board proposed combined budgets supporting Agency Operations and the following capital improvement programs (CIP's) and planning programs:

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

The Agency has three assessment districts that support programs. They are:

- The Flood Protection Restoration Project (FPRP) Assessment District 96-1 (AD 96-1);
- The Levee Construction & Maintenance Assessment (LCMA) District; and,
- The Mossdale Tract Overlay Assessment District (OAD).

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AD 96-1 supports an operations and maintenance program for the FPRP constructed in the 1990's by SJAFCA. The LCMA District provides funding for the LSJRP and the maintenance of levees within the San Joaquin County Flood Control and Water Conservation District Zone 9 that protect North and Central Stockton. The OAD provides funding for improvements to levees protecting the Mossdale Tract Area and, once constructed, will help fund ongoing operations and maintenance funding.

The budgets for AD 96-1 and the LCMA District are provided as separate items within this budget report and presented for approval. The recommended CIP budget for FY 2025/26 for the Mossdale Tract Program is reflective of the Mossdale OAD.

Additional details regarding the budgets for each of the three assessment districts are included within separate items on this Agenda for consideration by the Board as part of the respective actions considering approval of the levy of assessments.

Each of the eight 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 18, 2024, the Board adopted SJAFCA Resolution No. 24-21 approving the Agency's proposed budget for FY 24/25 (Exhibit A & summarized in Table 1). Also, shown in Exhibit A is the updated final budget for the fiscal year.

As of approximately May 19, 2025, with an estimated 88 percent of the FY elapsed, the Agency has spent about 81% of the total operating budget (Table 1). Overall operating costs are 19 percent under the projected budget.

TABLE 1 – SUMMARY OF FISCAL YEAR 2024/25 BUDGET & ACTUALS (Fund 55601)

	FY 24/25 Budget	24/25 Expenses As of 5/19/25	
SJAFCA Employee Services	\$1,501,910	\$1,204,536	80%
Professional Services	\$573,500	\$550,817	96%
Materials & Supplies	\$243,090	\$132,556	55%
Other Expenses	\$114,500	\$76,112	66%
Approved Operating Budget:	\$2,433,000	\$1,964,021	81%

The proposed FY 25/26 budget is also reflected in **Exhibit A** and is summarized in Table 2 below. Exhibit A represents the Agency's anticipated expenditures for general administration, operations, and support costs for existing capital improvement projects. The proposed FY 25/26 expenditure budget has been updated to more accurately reflect operating costs given the Agency's office relocation at the beginning of FY 24/25. The budget reflects how administrative support services are provided to the Agency.

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**TABLE 2 - FISCAL YEAR 2025/26 SJAFCA
PROPOSED OPERATING EXPENDITURE
BUDGET SUMMARY (Fund 55601)**

	FY 25/26 Proposed Budget
SJAFCA Employee Services	\$2,125,000
Professional Services	582,500
Materials & Supplies	342,500
Other Expenses	130,000
Proposed Operating Budget:	\$3,180,000

Staffing

The FY 2025/26 Operating Budget reflects the addition of three new staff members, two of which were hired in FY 2024/25, bringing the total staffing of the Agency to 11 Full Time Equivalent Positions (FTE's). Table 2 lists the positions authorized with the Board's approval of the proposed FY 2025/26 Operating Budget.

**TABLE 3 - FISCAL YEAR 2025/26 SJAFCA
STAFFING SUMMARY**

Position	FTE Count
Executive Director	1
Deputy Executive Director	1
Director of Finance & Human Resources	1
Advisor	0.5
Civil Engineer	1
Project Manager	3
Real Estate Advisor	0.5
Administrative Assistant	1
Accounting Technician	2
Total FTE's	11

Funding for the Proposed FY 2025/26 Operating 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, SJAFCA allocates a portion of its Operating Budget to program budgets. The attached Exhibit B shows the proposed allocation to be incorporated into the various program budgets.

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Currently, SJAFCA allocates costs to programs by directly billing all overhead and administrative costs to programs. Where applicable for grant funded programs, SJAFCA submits direct allocated overhead costs to granting agencies for reimbursement. The proposed operating budget includes funding for the development of a grant compliant indirect cost allocation plan (ICAP) to support the Agency's development of an indirect cost burden rate to support streamlined and efficient overhead cost recovery from grant funded programs.

For budgeting purposes, 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 budgeted 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. This approach, coupled with the development of an ICAP will support the recovery of operating costs from capital projects and programs. The proposed allocation of the Operating Budget to SJAFCA's project and program budgets, with reference to their primary funds, is shown in Table 3 below.

TABLE 4 – OPERATING FUND COST ALLOCATION SUMMARY

Fund	No.	Allocation %
General	55601	5%
O&M	55694	10%
Smith Canal	55666	5%
Mossdale	55679	35%
LSJR	55653	35%
RFMP	55667	2%
Paradise Cut	55665	8%

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 as well as an allocation of annual funding from the LCMA District.

Operations and Maintenance (O&M) Fund (Fund 55694). The O&M Fund accounts for money collected annually through the FPRP AD 96-1 O&M assessment. As noted previously, each year, the Board reviews the Annual Engineer's Report and establishes the O&M assessments. The O&M budget for FY 2025/26 is presented within this report and is consistent with the Budget presented within the Annual Engineer's Report supporting the Agency's annual authorization to levy assessments

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within AD 96-1 to be considered by the Board separately on this Agenda (Agenda Item 7.1). The allocation approach discussed above and shown in Exhibit B allocates up to \$318,000 of General Overhead and Administration (GO&A) expenses to the fund.

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 \$159,000 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 associated maintenance funded by the LCMA District.

Mossdale Tract Fund (Fund 55679/55680/55681/55682). These funds were created as part of a Board-approved actions 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), and the Mossdale Tract Overlay Assessment District (OAD). Additional funding is provided through an Urban Flood Risk Reduction (UFRR) program grant from DWR for a feasibility study, preliminary design and environmental review of the Project and early implementation actions. All of these revenues are used to pay for activities to advance the Mossdale Tract Program. As a multi-year capital program, unexpended prior year funding authorized by the Board under this program would roll forward to future fiscal years. The allocation approach discussed above and shown in Exhibit B allocates up to \$1,113,000 of GO&A expenses to the Mossdale Program. 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 the first increment of construction, design of subsequent increments, and non-federal sponsor obligations, including land acquisition. With this effort, and consistent with the approach described above, like last year, staff proposes to allocate \$1,113,000 of GO&A costs to the Lower San Joaquin River Project. Funding for this would come from fund balances in Lower San Joaquin River Federal Project Fund, revenues from the LCMA District, and funding from agreements with the Department of Water Resources as a cost sharing partner with SJAFCA.

Regional Flood Management Plan (Fund 55667). To support the RFMP grant program, staff established Fund 55667 to track and account for costs subject to reimbursement by DWR. The program has been extended several times to add additional time and funding and the latest phase extends through FY 2026/27. The budget request for FY 2025/26 includes an allocation of up to \$63,600 of GO&A expenses consistent with the proposed allocation noted in Exhibit B.

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Paradise Cut (Fund 55665). SJAFCA executed a funding Agreement with DWR during FY 2023/24 to advance the Paradise Cut Feasibility Study. An amendment adding additional funding has been approved during FY 2024/25. Work under the agreement will continue through FY 2025/26. The allocation of GO&A expense to this fund for FY 2025/26 is approximately \$254,400.

Operating Budget. The Agency's Operating Budget summarized above in Table 1 and presented in Exhibit A for FY 2025/26 totals \$3,180,000. This represents a 31% increase over the budget for FY 2024/25 and takes into consideration both increases in staffing and increases in overhead cost as a result of the Agency's relocation. Staff prepared the Operating Budget utilizing consistent categories as prior years. These categories of expenses are described further below:

- **SJAFCA Employee Services.** This category includes salary and benefits for the 11 FTE positions listed in Table 2 above. 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 Staffing budget is \$2,125,000.
- **Professional Services.** These expenses include services such as legal counsel, federal and State advocacy efforts, technical consultants, and annual auditing services as well as temporary staffing costs. The total Professional Services budget is \$582,500.
- **Materials and Supplies.** This category includes expenses for general office supplies, computer software, maintenance of the Agency's scanner/copier equipment. This category also includes equipment rental, computer technology support, postage, mailing, duplicating services, file storage and vehicle costs, and office rent. The Materials and Supplies budget is \$342,500.
- **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 insurance premiums and association memberships. The Other Expense budget is \$130,000.

The Operating Budget illustrated in Exhibits A and B (summarized in Tables 2 and 4) includes the full costs for the proposed positions and the allocations to the Projects and Programs supporting the Agency's mission.

Capital Improvement Program (CIP) Budget

As further described above, the Agency now has 5 capital programs that support the Agency's flood risk reduction mission. 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 financing) - DWR Grant funding - Allocation of Agency Reserves 	<ul style="list-style-type: none"> - Local Funding Agreements - DWR Grant funding - Mossdale Regional Levee Impact Fee - Climate Resiliency Grant - EIFD - Mossdale Tract Overlay Assessment (including financing) 	<ul style="list-style-type: none"> - SJAFCA Fund Reserves - Local Funding Agreements - DWR Project Partner Agreement - Federal Reimbursement - LCMA Assessment Revenues 	<ul style="list-style-type: none"> - RFMP Grant (DWR) 	<ul style="list-style-type: none"> - DWR Grant - Local Funding

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 and bond proceeds from the former Smith Canal Area Assessment District (SCAAD). SCAAD assessment levies began in FY 14/15 and ceased with the passage of the LCMA District in 2023. The Agency issued new Bonds and redeemed outstanding SCAAD bonds effectively replacing the SCAAD with the LCMA District. The last year SJAFCA levied SCAAD Assessments was FY 2022/23. The first year the Agency levied LCMA Assessments was FY 2023/24.

The total expenditure budget for the Smith Canal Gate Project remains \$96.968 Million. No additional augmentation is requested. Construction of the Project is substantially complete and Project closeout activities, including the process of starting up Operations and Maintenance, will extend into Fiscal Year 2025/26. Table 4 below summarizes the authorized CIP budget, actual costs through approximately May 15, 2025, and proposed adjustments between budget categories to reflect actual costs incurred and projected closeout related expenses. The budget categories align expenditures with the appropriate categories of cost within the DWR grant agreement.

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TABLE 5 – SMITH CANAL GATE CIP BUDGET SUMMARY (Fund 55666)

FY 2025/26 SMITH CANAL GATE Program CIP Budget	Approved Budget FY 24/25	Estimated Expenses 5/15/2025	Budget Balance 5/15/2025	Proposed Budget Realignment	Proposed Budget FY 25/26
EXPENDITURES					
Design Phase	\$6,672,358	\$6,672,358	\$0	\$0	\$6,672,358
Supplemental Engineering	\$2,477,651	\$2,481,283	(\$3,632)	\$3,632	\$2,481,283
Independent Review	\$403,381	\$203,381	\$200,000	(\$120,000)	\$283,381
Project Management	\$4,803,603	\$4,658,963	\$144,640	(\$94,640)	\$4,708,963
Construction	\$60,280,447	\$60,111,625	\$168,822	\$1,501,178	\$61,781,625
Construction Management	\$18,660,472	\$15,803,334	\$2,857,138	(\$1,370,715)	\$17,289,757
Real Estate Contingency	\$360,000	\$415,588	(\$55,588)	\$80,545	\$440,545
Real Estate Acquisition	\$450,000	\$450,000	\$0	\$0	\$450,000
Public Outreach	\$118,710	\$80,628	\$38,082	\$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	\$93,619,386	\$3,349,462	\$0	\$96,968,849

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

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TABLE 6 – SMITH CANAL GATE SUMMARY OF FUNDING SOURCES

FY 2025/26 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
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 2023/24.

The recommended Board Action includes approval of expenditures for the Smith Canal Project and the activities needed to continue closeout of the construction phase and transition the completed project to long-term Operations and Maintenance. During FY 2025/26, SJAFCA will continue efforts to closeout the Project's funding agreement with DWR and work with the County on the O&M transition. Funding for O&M will come from the LCMA District. Budget for O&M is reflected as part of the LCMA District budget presented within this report as well as the related action (Item 7.2) authorizing the levy of LCMA District assessments.

3. Mossdale Tract Program (Funds 55769/55680/55681/55682)

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

- Advanced funding from Member Agencies;
- The Mossdale Tract Area Regional Development Impact Fee;
- The Mossdale Tract Overlay Assessment District;
- The Mossdale Tract Enhanced Infrastructure Financing District;
- A grant from DWR under its Urban Flood Risk Reduction Program to advance a feasibility study, preliminary design, environmental review and implementation; and,

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- A grant from the Bay Area Council to support Climate Resiliency.

On July 18, 2024, the Board approved the last augmentation to the Mossdale Tract Program budget through FY 2024/25. The following discussion describes the work covered in the proposed augmentation to cover activities through FY 2025/26 and the status of current efforts.

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) and well underway. A Feasibility Cost Share Agreement was executed between USACE, the CVFPB and SJAFCA on September 30, 2022, for a \$7 million - 4 ½ year feasibility study. To date, \$2,220,000 in federal funding and \$1,500,000 in State funding and \$1,380,000 in SJAFCA funding has been authorized 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 additional federal and State funding.

The budget augmentation presented also reflects the execution of the 6th Amendment to the State UFRR Funding Agreement which allocated 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, the design and permitting of the Dryland Levee and restoration sites, as well as acquisition of necessary rights of way.

The recommended budget augmentation for Fiscal Year 2025/26 summarized in Table 6 below for the proposed Mossdale Tract Fund addresses the following categories of costs:

UFRR Feasibility Study (Phase 1)

- Reflects prior completed work. No further work is expected under this category.

Program Management

- Staff Support & Allocated Overhead
- Consultant Support
- Legal Support
- Strategic Planning and Implementation
- Legislative Advocacy
- Public Outreach

Local Funding Implementation / Administration

- Ongoing administration of the Regional Development Impact Fee, EIFD & Overlay Assessment District
- ULOP Adequate Progress Reporting and Financing Plan updates / implementation

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- Budget support and administrative support services

Project Implementation

State / Local – UFRR Project – CEQA / Preliminary Design

- DWR Grant administration
- 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

- Project Management, USACE coordination and crediting, Stakeholder Outreach, Independent Review
- Right of Way Planning, Acquisitions and Relocations
- Final Design plans and specifications,
- Permits & Approvals
- Dryland Levee Construction Management and Construction
- Ecosystem restoration improvement planning, permitting, design, right of way planning and acquisition

Federal / State / Local – Lathrop Manteca Study

- Federal Program consultation and 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 and grant closeout.

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

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TABLE 7 – MOSSDALE TRACT FY 2025/26 CIP BUDGET SUMMARY
(Funds 55679/55680/55681/55682)

FY 2025/26 Mosssdale Tract Program CIP Budget Expenditures	Approved Budget 2024/25	Estimated Expenses 5/15/2025	Budget Balance 5/15/2025	Proposed Budget Augmentation	Proposed Budget 2025/26
UFRR Feasibility Study (Phase 1)	\$358,759	\$329,065	\$29,694	\$0	\$358,759
Program Management	\$5,346,871	\$4,861,624	\$485,247	\$1,743,759	\$7,090,630
Local Funding Implementation / Administration	\$2,336,649	\$1,886,226	\$450,423	\$79,000	\$2,415,649
Project Implementation (State/Local UFRR Project - CEQA/Prelim Design)	\$8,022,545	\$5,746,046	\$2,276,500	\$450,000	\$8,472,545
Project Implementation (State/Local UFRR Project - Construction)	\$3,350,000	\$501,519	\$2,848,481	\$8,500,000	\$11,850,000
Project Implementation (Fed/State/Local – Lathrop Manteca Project)	\$2,828,248	\$2,241,551	\$586,697	\$940,300	\$3,768,548
Climate Resiliency	\$300,000	\$230,620	\$69,380	\$0	\$300,000
TOTAL EXPENDITURES	\$22,543,072	\$15,796,651	\$6,746,422	\$11,713,059	\$34,256,131

The above budget represents the total cumulative Capital Improvement Program (CIP) budget for the Mosssdale Tract Program through FY 2025/26. Further, as is the case with all CIP budgets, if the above budget is not expended through FY 2025/26, any remaining budget rolls over to the next fiscal year.

The requested budget augmentation of \$11.7 million focuses on the following additional efforts; finalize the CEQA Environmental Impact Report for the project, continue design of the Dryland Levee Extension, initiate project permitting, plan for and acquire necessary real estate for borrow, mitigation and restoration, and advance the project toward construction. The budget also continues to 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 DWR;
- SJAFA's funding agreements with its members structured in the form of loans. This

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funding was received in FY 2017/18 and is available to fund all project efforts. The loans will be repaid once all 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 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 (reference Item 7.3 on this Agenda).
- 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 8 below.

TABLE 8 – MOSSDALE TRACT FY 2025/26 CIP REVENUES

FY 2025/26 Mossdale Tract Program CIP Budget Revenues	Approved Budget 2024/25	Estimated Revenues 5/15/2025	Budget Balance 5/15/2025	Proposed Budget Augmentation	Proposed Budget 2025/26
DWR UFRR Funding	\$5,750,000	\$3,999,502	-\$1,750,498	\$2,545,000	\$8,295,000
Levee Impact Fees	\$14,526,391	\$18,402,105	\$3,875,714	\$3,875,714	\$18,402,105
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	\$2,778,465	\$4,171,548	\$1,393,083	\$4,221,535	\$7,000,000
Fund Interest Earned	\$574,823	\$936,451	\$361,628	\$361,628	\$936,451
Mossdale Overlay Assessment District	\$2,200,000	\$1,175,363	-\$1,024,637	\$2,302,156	\$4,502,156
TOTAL REVENUES	\$26,439,679	\$29,244,969	\$2,805,290	\$13,306,033	\$39,745,712

The recommended Board Action includes approval of additional funding 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 \$1.954 billion (USACE Total Project Cost Estimate Update 2024). This project is expected to be implemented in several increments over more than a decade. The first increment of the LSJRP, TS_30_L, is now under construction. Design on the next increment, Shima Tract Phase A continues, and several other increments of the program have started design including five design packages for Duck Creek/French Camp Slough. As such, USACE has

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approximately \$100M available and requires cost sharing, land acquisition, and utility relocations from the non-Federal Sponsors (SJAFCA and DWR).

To generate funding for the Local Share of the LSJRP, SJAFCA partnered with the San Joaquin County Flood Control and Water Conservation District to advance the formation of the LCMA District which was successfully formed 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 not only redeem the outstanding SCAAD Assessment Revenues bonds but also generate proceeds of \$5.0 million to advance the LSJRP. The bond sale was completed on August 2, 2023.

Since Federal Fiscal Year 2020, USACE has appropriated \$152M 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 (WIK), credit for land, easements, rights-of-way, relocations and disposal areas (LERRDs), and cash. SJAFCA's approach to funding its cost share obligation and minimizing cash outlays includes:

- WIK credit for the completion of the Smith Canal Gate Project;
- Participation in the inter-basin transfer of WIK credit between the Sutter Basin Project and the Lower San Joaquin River with the State and Sutter Butte Flood Control Agency (SBFCA);
- Acquiring LERRD's; and,
- Making cash payments to the USACE in partnership with the State.

The FY 2025/26 budget continues to support land acquisition requirements, project management and consultation services, payments to SBFCA for the inter-basin credit transfer, and all cash contributions which may be requested by USACE. The FY 2025/26 budget augmentation of \$2.96 million to the previously approved fiscal year 2024/25 budget of \$18.03 million brings the total authorization for the LSJRP up to \$20.99 million.

Funding for the budgeted expenditures 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.

The budget summarized in Table 9 below reflects an approach of budgeting the LSJRP by USACE's planned phases of implementation. Tracking costs in this manner will streamline SJAFCA's submission of WIK and LERRDs crediting packages to the USACE.

RESOLUTION TO APPROVE THE PROPOSED OPERATING AND CAPITAL BUDGETS FOR FISCAL YEAR 2025/26 FOR THE SAN JOAQUIN AREA FLOOD CONTROL AGENCY

TABLE 9 – LOWER SAN JOAQUIN RIVER PROJECT
FY 2025/26 CIP BUDGET SUMMARY (Fund 55653)

FY 2025/26 Lower San Joaquin River Project (Phase 1) Program CIP Budget	Approved Budget FY 24/25	Estimated Expenses 5/15/2025	Budget Balance 5/15/2025	Proposed Budget Augmentation	Proposed Budget FY 25/26
Overall Program Management					
Program Admin, Staff Support & Legal	\$2,211,676	\$2,586,586	(\$374,910)	\$2,088,324	\$4,300,000
Assessments & Financing Efforts	\$599,073	\$129,473	\$469,600	(\$469,600)	\$129,473
NFS Cash Contributions	\$3,360,000	\$3,903,744	(\$543,744)	\$4,744,000	\$8,104,000
Federal Credit Payments	\$0	\$0	\$0	\$900,000	\$900,000
Property Acquisition (LERRDS)	\$1,020,000	\$564,553	\$455,447	\$145,000	\$1,165,000
Subtotal Overall Program Management	\$7,190,749	\$7,184,357	\$6,392	\$7,407,724	\$14,598,473
TS 30L					
Project Admin, Engineering & Env.	\$705,390	\$740,263	(\$34,873)	\$146,610	\$852,000
Property Acquisition (LERRDS)	\$2,505,068	\$1,778,737	\$726,331	(\$358,068)	\$2,147,000
USACE Payments	\$3,903,744	\$0	\$3,903,744	(\$3,903,744)	\$0
Subtotal TS 30L	\$7,114,202	\$2,519,000	\$4,595,203	(\$4,115,202)	\$2,999,000
Shima Tract Levee					
Project Admin, Engineering & Env.	\$754,207	\$226,786	\$527,421	\$74,793	\$829,000
Property Acquisition (LERRDS)	\$2,080,800	\$92,841	\$1,987,959	(\$636,800)	\$1,444,000
Subtotal Shima Tract Levee	\$2,835,007	\$319,626	\$2,515,381	(\$562,007)	\$2,273,000
Calaveras River - Left Bank					
Project Admin, Engineering & Env.	\$9,287	\$9,679	(\$392)	\$15,713	\$25,000
Property Acquisition (LERRDS)	\$33,747	\$30,441	\$3,306	\$0	\$33,747
Subtotal Calaveras River - Left Bank	\$43,034	\$40,120	\$2,914	\$15,713	\$58,747
14 Mile Slough					
Project Admin, Engineering & Env.	\$210,000	\$199,714	\$10,286	\$0	\$210,000
Property Acquisition (LERRDS)	\$0	\$52,893	(\$52,893)	\$54,000	\$54,000
Subtotal 14 Mile Slough	\$210,000	\$252,607	(\$42,607)	\$54,000	\$264,000
Duck Creek & French Camp Slough					
Project Admin, Engineering & Env.	\$140,000	\$8,390	\$131,610	\$161,000	\$301,000
Property Acquisition (LERRDS)	\$500,000	\$0	\$500,000	\$0	\$500,000
Subtotal Duck Creek & French Camp Slough	\$801,000	\$8,390	\$631,610	\$161,000	\$801,000
TOTAL EXPENDITURES	\$18,032,992	\$10,324,100	\$7,708,892	\$2,961,228	\$20,994,220

Table 10 below details the funding sources available for the above expenditure budget. With the increase in spending, additional funding from the LCMA District is proposed to be allocated to the Project to meet the expenditure requirements.

RESOLUTION TO APPROVE THE PROPOSED OPERATING AND CAPITAL BUDGETS FOR FISCAL YEAR 2025/26 FOR THE SAN JOAQUIN AREA FLOOD CONTROL AGENCY

**TABLE 10 – LOWER SAN JOAQUIN RIVER PROJECT
PROGRAM FUNDING SOURCES**

FY 2025/26 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
FY 2025/26 Allocation of Levee Construction and Maintenance Assessment Revenues	\$3,000,000
Total LSJRP CIP Funding:	\$21,041,182

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. In 2023, SJAFCA executed a grant agreement for an additional \$260,000 for a "2023 round" of RFMP funding (i.e., a 4th phase). During FY 2023/24, the State identified an additional funding source for a future 5th phase with an estimated amount of funding of approximately \$315,000 bringing the cumulative authorizations approved by the Board to \$1,425,000. During FY 2024/25, SJAFCA and DWR approved a 5th Phase of RFMP funding at \$356,667, which represents an additional \$41,667 more than previously authorized in June 2024. Given this finalized 5th phase of funding, an augmentation of an additional \$41,667 is needed to align the budget with the total funding authorized by DWR.

Table 11 below presents the current approved budget, the estimated expenses incurred through May 15, 2025, and the updated budget based on the expected spending moving forward.

AGENDA ITEM 6.1

RESOLUTION TO APPROVE THE PROPOSED OPERATING AND CAPITAL BUDGETS FOR FISCAL YEAR 2025/26 FOR THE SAN JOAQUIN AREA FLOOD CONTROL AGENCY

TABLE 11 – RFMP FY 2025/26 CIP BUDGET SUMMARY (Fund 55667)

FY 2025/26 RFMP Program CIP Budget	Approved Budget FY 24/25	Estimated Expenses 5/15/2025	Budget Balance 5/15/2025	Proposed Budget Augmentation	Proposed Budget FY 25/26
RFMP - 1 - PROGRAM MANAGEMENT	\$758,550	\$734,972	\$23,578	\$40,022	\$798,572
RFMP - 2 - COMMUNICATION & ENGAGEMENT	\$79,718	\$78,030	\$1,688	\$13,061	\$92,779
RFMP - 3 – CVFPP UPDATES	\$84,985	\$84,199	\$786	\$21,905	\$106,890
RFMP - 4 - FINAN. PLANG. & FUNDING SUPPORT	\$61,544	\$67,636	(\$6,092)	\$6,092	\$67,636
RFMP - 5 - REGIONAL GOVERNANCE	\$17,000	\$16,502	\$498	(\$498)	\$16,502
RFMP - 6 - MULTI BENEFIT OPP. & PARF TRAC	\$96,686	\$95,769	\$917	\$5,891	\$102,577
RFMP - 7 - REGIONAL CLIMATE RESILIENCE	\$56,367	\$56,013	\$354	\$10,916	\$67,283
RFMP - 8 - INSTITUTIONAL BARRIERS	\$176,000	\$175,537	\$463	(\$463)	\$175,537
RFMP - 9 - NFIP RELATED ACTIVITIES	\$3,000	\$2,667	\$333	(\$333)	\$2,667
RFMP - 10 - REGION SPECIFIC ACTIVITIES	\$26,150	\$25,560	\$590	\$10,074	\$36,224
RFMP - 11 - WATER RESOURCE PORTFOLIO 25.4	\$65,000	\$0	\$65,000	(\$65,000)	\$0
TOTAL	\$1,425,000	\$1,336,884	\$88,116	\$41,667	\$1,466,667

Original Budget	\$1,425,000
Estimated Expenses through 5/15/25	-\$1,336,884
Remaining Budget	\$88,116
Net Budget Augmentation [1]	\$41,667
Adjusted Remaining Budget	\$129,783
Prior Expenses	\$1,336,884
plus Adjusted Remaining Budget	\$129,783
Final Total Budget	\$1,466,667
[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 is 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,

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RESOLUTION TO APPROVE THE PROPOSED OPERATING AND CAPITAL BUDGETS FOR FISCAL YEAR 2025/26 FOR THE SAN JOAQUIN AREA FLOOD CONTROL AGENCY

Outreach and Engagement, the preparation of a Feasibility Study and the preparation of Preliminary Engineering and Landscapes Designs to facilitate the development of an engineer's cost estimate (10%) for the preferred alternative including landscape-scale plans for multiple-benefit ecosystem restoration in the Project footprint.

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. In April 2024 the Board authorized the execution of Master Services Agreements with various consultants obligating the full budget for the Program. As a result of the delayed execution of agreements, minimal expenses had been incurred during FY 2023/24. In FY 2024/25, the program began advancing in earnest. During the course of delivering the study, additional scope of work was identified and requested by DWR and additional funding has been allocated through an amendment to the DWR funding agreement. The South Delta Water Agency and Central Delta Water Agency provided \$40,000 to support the project. The total available funding is now \$4,015,000. To align the authorized budget to the available funding, an augmentation to the Board approved budget is needed. Table 12 below presents the approved CIP budget, an estimate of expenses incurred through May 15, 2025 and the proposed augmentation through FY 2025/26. The Agency's allocable portion of overhead is included within the Program Management budget.

TABLE 12 – PARADISE CUT FY 2024/25 CIP BUDGET SUMMARY (Fund 55665)

FY 2025/26 Paradise Cut Program CIP Budget	Approved Budget FY 2024/25	Estimated Expenses 5/15/2025	Budget Balance 5/15/2025	Proposed Budget Augmentation	Proposed Budget FY 2025/26
Task 1 - Project Management and Administration	\$425,000	\$689,091	(\$264,091)	\$773,935	\$1,198,935
Task 2 - Technical Review Panel	\$175,000	\$39,399	\$135,601	\$0	\$175,000
Task 3 - Strategic Outreach and Local Engagement	\$350,000	\$160,490	\$189,510	(\$105,190)	\$244,810
Task 4 - Feasibility Study	\$1,750,000	\$1,046,560	\$703,440	\$45,170	\$1,795,170
Task 5 - Preliminary Engineering and Landscape Designs	\$300,000	\$33,786	\$266,214	\$181,085	\$481,085
Task 6 - Governance	\$0	\$0	\$0	\$75,000	\$75,000
Task 7 - Scoping Phase 4	\$0	\$0	\$0	\$45,000	\$45,000
Total	\$3,000,000	\$1,969,325	\$1,030,675	\$1,015,000	\$4,015,000

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. Table 13 presents a comparison of the projected actual expenditures relative to the approved budget for Fiscal Year 2024/25 as well as estimate of the budget for Fiscal Year 2025/26. The

RESOLUTION TO APPROVE THE PROPOSED OPERATING AND CAPITAL BUDGETS FOR FISCAL YEAR 2025/26 FOR THE SAN JOAQUIN AREA FLOOD CONTROL AGENCY

Budgeted Assessment Revenues for Fiscal Year 2025/26 reflect 2.71% escalation rate¹ which is the maximum allowable annual assessment escalation rate 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 2025/26 presented as a separate item on this agenda (Item 7.2).

The LCMA Assessment Revenues are authorized to provide funding Levee Improvement and Maintenance services. Funding from assessment for Fiscal Year 2025/26 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 Start Up and Operations and Maintenance of the Smith Canal Gate;
- To provide funding to SJAFCA to support the local sponsor obligations of the LJSRP;
- 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 the start-up of Smith Canal Gate Operations and Maintenance shown within the FY 2025/26 LCMA Budget are shown in Table 14.

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)

RESOLUTION TO APPROVE THE PROPOSED OPERATING AND CAPITAL BUDGETS FOR FISCAL YEAR 2025/26 FOR THE SAN JOAQUIN AREA FLOOD CONTROL AGENCY

**TABLE 13 – LEVEE CONSTRUCTION & MAINTENANCE ASSESSMENT DISTRICT
FY 2024/25 BUDGET TO ACTUAL COMPARISON & FY 2025/26 BUDGET (Fund 55668)**

FY 2025/26 LCMA District Program Budget	Approved Budget FY 2024/25	Estimated Actuals 5/15/2025	Proposed Budget FY 2025/26
REVENUES			
Direct Assessments	\$7,519,066	\$4,126,142	\$7,971,000
Interest	\$0	\$246,511	
Total Revenues	\$7,519,066	\$4,126,142	\$7,971,000
EXPENDITURES			
Assessment Administration	\$528,000	\$142,649	\$170,000
O&M Services			
O&M Services - Direct Transfer to Zone 9	\$841,000	\$91,570	\$889,000
O&M Services - SJAFCA Support for Zone 9	\$518,500	\$518,500	\$509,800
Subtotal O&M Services	\$1,359,500	\$610,070	\$1,398,800
Levee Construction Services			
Smith Canal Gate [1]	\$606,700	\$0	\$661,700
Lower San Joaquin River Project Allocation	\$6,500,000	\$3,000,000	\$3,000,000
Estimated Debt Service (2023 Bonds)	\$1,714,537	\$639,769	\$1,717,165
Subtotal Construction Services	\$8,821,237	\$3,639,769	\$5,378,865
TOTAL EXPENDITURES	\$10,708,737	\$4,392,488	\$6,947,665
NET FUND BALANCE CHANGE	(\$3,189,671)	(\$266,346)	\$1,024,335
ESTIMATED BEGINNING BALANCE [2]	\$5,284,226	\$5,284,226	\$2,341,066
ENDING BALANCE	\$2,094,555	\$5,017,880	\$3,364,401

[1] FY 2025/26 for Smith Canal Gate expenses O&M Start-Up (one year allocation). See Additional detail for Operating Expenses for FY 2025/26

[2] FY 2024/25 Starting fund balance per finalized Audit. FY 2025/26 Starting fund balance includes interest earned on the fund balance to date not previously budgeted.

RESOLUTION TO APPROVE THE PROPOSED OPERATING AND CAPITAL BUDGETS FOR FISCAL YEAR 2025/26 FOR THE SAN JOAQUIN AREA FLOOD CONTROL AGENCY

TABLE 14 – LEVEE CONSTRUCTION & MAINTENANCE ASSESSMENT DISTRICT SMITH CANAL GATE FY 2025/26 OPERATIONS & MAINTENANCE BUDGET

FY 2025/26 LCMA District Smith Canal Gate O&M Details	Approved Budget FY 2024/25	Estimated Actuals 5/15/25	Proposed Budget FY 2025/26
EXPENDITURES			
County O&M Estimated Request	\$350,000	\$0	\$350,000
<i>One Time Start Up Cost Details</i>			
Parking Lot Re-Surface	\$20,000	\$0	\$0
Generator Procurement	\$60,000	\$0	\$0
Electronic Communications Interface	\$25,000	\$0	\$0
Miscellaneous / Other Items	\$60,000	\$0	\$0
Property Liability Insurance	\$0	\$0	\$100,000
Interim O&M	\$0	\$0	\$120,000
One Time Start Up Costs / Interim O&M	\$165,000	\$0	\$220,000
<i>10-Yr Recurrent Interval Set Asides</i>			
Stop Log Install	\$34,900	\$34,900	\$34,900
Miscellaneous Repairs / Inspections	\$34,900	\$34,900	\$34,900
Permitting (Balance Not Funded w/ Project)	\$21,900	\$21,900	\$21,900
Total Reserve Set Asides	\$91,700	\$91,700	\$91,700
Subtotal SCG O&M Services	\$606,700	\$91,700	\$661,700

8. Flood Protection Restoration District O&M (AD 96-1) (Fund #55964)

SJAFCA approved the formation of the Flood Protection Restoration Assessment District 96-1 (AD 96-1) on February 28, 1996 to finance both the local share of the Flood Protection Restoration Project and provide ongoing funding for its Operations and Maintenance. After the completion of the FPRP and the retirement of bonds issued to finance the improvements, the assessment is levied solely to fund long term operations, maintenance and replacement of the improvements. Additional details regarding specific operations and maintenance

RESOLUTION TO APPROVE THE PROPOSED OPERATING AND CAPITAL BUDGETS FOR FISCAL YEAR 2025/26 FOR THE SAN JOAQUIN AREA FLOOD CONTROL AGENCY

activities are provided in the Engineer's Report supporting a separate item on this Agenda (Item 7.1) which would authorize the FY 2025/26 levy of AD 96-1 assessments.

Table 15 below presents a comparison of the projected actual expenditures relative to the approved budget for Fiscal Year 2024/25 as well as the proposed budget for Fiscal Year 2025/26. Budgeted revenues for Fiscal Year 2025/26 reflect an authorized 3.0% escalation rate which is the maximum annual assessment escalation authorized within the approved Engineer's Report. The Board's approval of the budget would be consistent with the requested authorization to levy assessments at the maximum annual authorized rate for FY 2025/26.

As shown in Table 15, the budgeted expenditures, based upon the projected cost of maintaining the improvements as requested by San Joaquin County Public Works, the entity tasked with maintaining the improvements, exceed the available revenues. As such, the budget request includes an allocation from reserves of \$192,245 to fund the projected FY 2025/26 O&M services and administration budget. In addition, an additional authorization of up to \$100,000 from reserves is requested in the event of an emergency. To the extent that the actual costs of Operations and Maintenance do not fully utilize the available revenues from the assessments then the additional appropriations would not be utilized and the appropriation would expire at the end of the Fiscal Year.

RESOLUTION TO APPROVE THE PROPOSED OPERATING AND CAPITAL BUDGETS FOR FISCAL YEAR 2025/26 FOR THE SAN JOAQUIN AREA FLOOD CONTROL AGENCY

TABLE 15 – FLOOD PROTECTION & RESTORATION ASSESSMENT DISTRICT
2025/26 OPERATIONS & MAINTENANCE BUDGET

FY 2025/26 FPRP AD 96-1 Program Budget	Approved Budget FY 2024/25	Estimated Actuals 5/15/2025		Proposed Budget FY 2025/26
REVENUES				
Direct Assessments	\$1,139,345	\$604,893		\$1,176,255
Interest	\$0	\$155,999		\$0
Reserve Appropriation - for Budget	\$213,555	\$0		\$192,245
Reserve Appropriation - for Emergencies	\$100,000	\$0		\$100,000
Total Revenues	\$1,452,900	\$760,892		\$1,468,500
EXPENDITURES				
Agency Management / Administration	\$310,000	\$129,165		\$329,500
O&M Services				
O&M Services - San Joaquin County O&M Budget	\$985,000	\$395,980		\$985,000
Aquatic Weed Control Program - 5 Mi Slough	\$57,900	\$825		\$54,000
Subtotal O&M Services	\$1,042,900	\$396,805		\$1,039,000
Emergency Budget	\$100,000	\$0		\$100,000
TOTAL EXPENDITURES	\$1,452,900	\$525,970		\$1,468,500
NET FUND BALANCE CHANGE	\$0	\$234,922		\$0
ESTIMATED BEGINNING BALANCE [1]	\$6,626,380	\$6,626,380		\$6,782,379
ENDING BALANCE	\$6,626,380	\$6,861,302		\$6,782,379

[1] FY 2024/25 Starting fund balance per finalized Audit. FY 2025/26 Starting fund balance includes interest earned on the fund balance to date not previously budgeted.

RESOLUTION TO APPROVE THE PROPOSED OPERATING AND CAPITAL BUDGETS FOR FISCAL YEAR 2025/26 FOR THE SAN JOAQUIN AREA FLOOD CONTROL AGENCY

FISCAL IMPACT

Summary

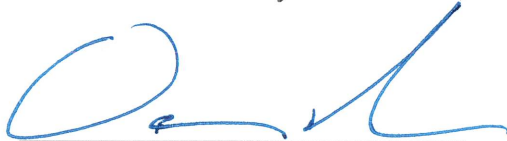
The estimated Agency operating fund carry over Fund balance at the beginning of FY 2025/26 is projected to be approximately \$2.26 million. The proposed FY 2025/26 budget anticipates total operating costs to be \$3.18 million with the majority of these costs (95%) allocated to SJAFCA's programs and projects.

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 2025/26 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 and Paradise Cut Project. In addition, the Board would be approving the budgets for the Levee Construction & Maintenance Assessment District, Mossdale Tract Overlay Assessment District and Flood Protection Restoration Project AD 96-1 Assessment District also reflected with this staff report.

STRATEGIC PLAN CONSISTENCY ANALYSIS

Consideration of the FY 2025/26 budget 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, Director of Finance and Human Resources



APPROVED:
DARREN SUEN
EXECUTIVE DIRECTOR

SR:smw

Attachments

Exhibit A – FY 25/26 General and Admin Budget
Exhibit B – FY 25/26 Operating Budget and Proposed Allocation to Programs
Exhibit C – FY 25/26 Budget Resolution

SAN JOAQUIN AREA FLOOD CONTROL AGENCY
General Overhead and Administrative Budget (Actual FY 24/25 and Proposed FY 25/26)

EXHIBIT A

	FY 24/25 Approved Budget	FY 24/25 thru 5/19/25	FY 24/25 Projected Remaining	FY 25/26 Proposed Budget
700 AGENCY MANAGEMENT - G&A				
7-30401 SALARIES & WAGES	1,226,700	\$974,428	\$112,126	1,742,000.00
7-30402 BENEFITS	248,710	\$201,215	\$23,154	350,100.00
7-30403 PAYROLL TAX EXPENSE	12,000	\$12,757	\$1,468	17,000.00
7-30404 WORKER'S COMP. INSURANCE	8,500	\$4,314	\$496	6,400.00
7-30405 PAYROLL PROCESSING EXPENSE	6,000	\$11,822	\$1,360	9,500.00
Subtotal SJAFCA/City Employees Services	\$1,501,910	\$1,204,536	\$138,604	\$2,125,000
7-30600 AUDIT EXPENSE	150,000	\$136,463	\$15,703	\$45,000
7-50100 PROFESSIONAL SERVICES - AGENCY	423,500	\$414,354	\$47,679	\$537,500
Subtotal Professional Services	\$573,500.00	\$550,817.22	\$63,381.71	\$582,500.00
7-40100 GENERAL OFFICE EXPENSES	242,090	\$131,731	\$15,053	\$339,500
7-40500 MISCELLANEOUS	1,000	\$825	\$95	\$3,000
Subtotal Materials & Supplies	\$243,090.00	\$132,556	\$15,148	\$342,500
7-40200 DIRECTORS & OFFICERS INSURANCE	46,000	\$30,558	\$3,516	\$46,000
7-40400 MEMBERSHIPS & LICENSE RENEWALS	30,000	\$25,823	\$2,971	\$34,000
7-40700 PERMITS & CERTIFICATIONS	5,000	\$0	\$0	\$5,000
7-40800 PUBLICATIONS & LEGAL NOTICES	500	\$0	\$0	\$1,000
7-30800 COMMUNICATIONS	7,000	\$6,389	\$735	\$12,000
7-60100 REPAIRS & MAINTENANCE EQUIPMENT	0	\$0	\$0	\$0
7-60200 TRANSPORTATION & TRAVEL	19,000	\$7,950	\$915	\$25,000
7-60300 WEBSITE HOSTING	7,000	\$5,393	\$621	\$7,000
Subtotal Other Expenses	\$114,500	\$76,112	\$8,758	\$130,000
Total 700 - AGENCY MANAGEMENT - G&A (Rounded)	\$2,433,000	\$1,964,021	\$225,892	\$3,180,000

SAN JOAQUIN AREA FLOOD CONTROL AGENCY
General Overhead and Administrative Budget (Proposed FY 25/26 Allocation to Programs)

EXHIBIT B

	General 55601 5%	O&M 55694 10%	Smith Canal 55666 5%	Mossdale 55679 35%	LSJR Fed 55653 35%	RFMP 55667 2%	Paradise Cut 55665 8%	FY 25/26 Proposed Budget
700 AGENCY MANAGEMENT - G&A								
7-30400 ADMINISTRATIVE CHARGES								
7-30401 SALARIES & WAGES	87,100	174,200	87,100	609,700	609,700	34,840	139,360	1,742,000
7-30402 BENEFITS	17,505	35,010	17,505	122,535	122,535	7,002	28,008	350,100
7-30403 PAYROLL TAX EXPENSE	850	1,700	850	5,950	5,950	340	1,360	17,000
7-30404 WORKER'S COMP. INSURANCE	320	640	320	2,240	2,240	128	512	6,400
7-30405 PAYROLL PROCESSING EXPENSE	475	950	475	3,325	3,325	190	760	9,500
Total 7-30400 ADMINISTRATIVE CHARGES	\$ 106,250.00	\$ 212,500.00	\$ 106,250.00	\$ 743,750.00	\$ 743,750.00	\$ 42,500.00	\$ 170,000.00	\$ 2,125,000.00
7-30600 AUDIT EXPENSE								
7-30610 AUDITORS CHARGES	1,750	3,500	1,750	12,250	12,250	700	2,800	35,000
7-30620 AUDITORS DRCT ASSMT SERV CHARGE	500	1,000	500	3,500	3,500	200	800	10,000
Total 7-30600 AUDIT EXPENSE	\$ 2,250.00	\$ 4,500.00	\$ 2,250.00	\$ 15,750.00	\$ 15,750.00	\$ 900.00	\$ 3,600.00	\$ 45,000.00
7-30800 COMMUNICATIONS	600	1,200	600	4,200	4,200	240	960	12,000
7-40100 GENERAL OFFICE EXPENSES								
7-40110 AUTOMOTIVE EQUIP RENTAL	2,750	5,500	2,750	19,250	19,250	1,100	4,400	55,000
7-40120 COMPUTER / TECH / OPER SUPPORT	6,000	12,000	6,000	42,000	42,000	2,400	9,600	120,000
7-40140 PRINT-STORAGE	2,750	5,500	2,750	19,250	19,250	1,100	4,400	55,000
7-40150 POSTAGE & GENERAL	50	100	50	350	350	20	80	1,000
7-40160 OFFICE LIABILITY INSURANCE	75	150	75	525	525	30	120	1,500
7-40170 OFFICE RENT	3,850	7,700	3,850	26,950	26,950	1,540	6,160	77,000
7-40180 MATERIALS & SUPPLIES	1,500	3,000	1,500	10,500	10,500	600	2,400	30,000
Total 7-40100 GENERAL OFFICE EXPENSES	\$ 16,975.00	\$ 33,950.00	\$ 16,975.00	\$ 118,825.00	\$ 118,825.00	\$ 6,790.00	\$ 27,160.00	\$ 339,500.00

SAN JOAQUIN AREA FLOOD CONTROL AGENCY
General Overhead and Administrative Budget (Proposed FY 25/26 Allocation to Programs)

EXHIBIT B

	General 55601 5%	O&M 55694 10%	Smith Canal 55666 5%	Mossdale 55679 35%	LSJR Fed 55653 35%	RFMP 55667 2%	Paradise Cut 55665 8%	FY 25/26 Proposed Budget
7-40200 INSURANCE BOND & MALPRACTICE	2,300	4,600	2,300	16,100	16,100	920	3,680	46,000
7-40400 MEMBERSHIPS & LICENSE RENEWALS	1,700	3,400	1,700	11,900	11,900	680	2,720	34,000
7-40500 MISCELLANEOUS	150	300	150	1,050	1,050	60	240	3,000
7-40700 PERMITS & CERTIFICATIONS	250	500	250	1,750	1,750	100	400	5,000
7-40800 PUBLICATIONS & LEGAL NOTICES	50	100	50	350	350	20	80	1,000
7-50100 PROFESSIONAL SERVICES - AGENCY	0	0	0	0	0	0	0	0
7-50110 HR & ORGANIZATIONAL SERVICES	500	1,000	500	3,500	3,500	200	800	10,000
7-50120 LEGAL CONSULTATION - GENERAL	6,000	12,000	6,000	42,000	42,000	2,400	9,600	120,000
7-50130 LEGISLATIVE CONSULTING	3,625	7,250	3,625	25,375	25,375	1,450	5,800	72,500
7-50140 LEGISLATIVE ADVOCACY	15,000	30,000	15,000	105,000	105,000	6,000	24,000	300,000
7-50150 DC ADVOCACY EXPENSE	1,000	2,000	1,000	7,000	7,000	400	1,600	20,000
7-50160 PUBLIC OUTREACH	750	1,500	750	5,250	5,250	300	1,200	15,000
Total 7-50100 PROFESSIONAL SERVICES - AGENCY	\$ 26,875.00	\$ 53,750.00	\$ 26,875.00	\$ 188,125.00	\$ 188,125.00	\$ 10,750.00	\$ 43,000.00	\$ 537,500.00
7-60100 REPAIRS & MAINTENANCE EQUIPMENT	0	0	0	0	0	0	0	0
7-60200 TRANSPORTATION & TRAVEL	0	0	0	0	0	0	0	0
7-60210 TRAVEL - GENERAL	650	1,300	650	4,550	4,550	260	1,040	13,000
7-60220 TRAVEL - STAFF DEVELMPT / CONF	600	1,200	600	4,200	4,200	240	960	12,000
Total 7-60200 TRANSPORTATION & TRAVEL	\$ 1,250.00	\$ 2,500.00	\$ 1,250.00	\$ 8,750.00	\$ 8,750.00	\$ 500.00	\$ 2,000.00	\$ 25,000.00
7-60300 WEBSITE HOSTING	350	700	350	2,450	2,450	140	560	7,000
Total 700 AGENCY MANAGEMENT - G&A	\$ 159,000.00	\$ 318,000.00	\$ 159,000.00	\$ 1,113,000.00	\$ 1,113,000.00	\$ 63,600.00	\$ 254,400.00	\$ 3,180,000.00

RESOLUTION NO. SJAFCA 25-05

SAN JOAQUIN AREA
FLOOD CONTROL AGENCY

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**RESOLUTION TO APPROVE THE PROPOSED OPERATING FUND, CAPITAL AND ASSESSMENT
DISTRICT BUDGETS FOR FISCAL YEAR 2025/26 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 2025-2026 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 2025-2026 Proposed Capital Improvement Program budget augmentations and adjustments as described in the supporting June 12, 2025 staff report are incorporated by this reference and hereby approved and adopted.
3. That the San Joaquin Area Flood Control Agency's 2025-2026 proposed budgets for each of its assessment districts; the Flood Protection Restoration Project Assessment District 96-1, the Levee Construction & Maintenance Assessment District, and the Mossdale Tract Overlay Assessment District, as described in the supporting June 12, 2025 staff report are incorporated by this reference and are hereby approved and adopted.
4. That any new appropriations and/or adjustments to the Agency's 2025-2026 fiscal year budget will be brought back before the Board for consideration and approval.

PASSED, APPROVED AND ADOPTED this 12th day of June, 2025.

Paul Canepa, Chair
of the San Joaquin Area
Flood Control Agency

ATTEST:

Darren Suen, 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