



Meeting: **Joint Reservoir Committee & Authority Board**
Agenda Item 1.5

November 17, 2023

Subject: **Third Quarter (Q3) 2023 Financial Report**

Requested Action:

Reservoir Committee and Authority Board consider acceptance of the Sites Project Authority's Third Quarter 2023 Budget Year Quarterly Financial Report.

Detailed Description/Background:

This report covers the Q3 2023 budget year quarterly financial report that meets the Authority's Budget Policy requirement for a quarterly financial update report to the Reservoir Committee and Authority Board.

Key takeaways of this report include:

- Revenues received in Q3 2023 were approximately \$11.1M less than plan. This was primarily due to a delay in executing a new federal funding agreement, FAA3. Since then, FAA3 has been executed and staff is preparing invoicing to cover reimbursements for work already performed since January 2022.
- Expenses in Q3 2023 were approximately \$3.3M less than plan. This is primarily due to shifts in the timing of field work. The plan was based on consultants being in the field for geotechnical investigations, overall project surveys, and initiating the aquatic study plan; however, these activities were either not needed (e.g., based on geotechnical pre-investigation surveys), or deferred. There were also delays in activities related to delay to the final EIR/EIS and Water Right processing.
- Cash Balance of the Authority's bank accounts at the end of Q3 was approximately \$23.6M, representing a net decrease of \$8.6M over the reporting period.
- There were four instances of allocating unrestricted contingency funds this period, with reallocations from Permitting, Planning, and Program Operation subject areas totaling \$523,327. The total unrestricted contingency balance, cumulative of all subject areas, at the end of Q3 is approximately \$3.2M. Staff are allocating contingency to supplement budget for new work scope in accordance with the Board's delegation of authority.
- Contract activity during this period includes:
 - No new contracts were issued during this period.

- Eight amendments were issued, resulting in no change to the overall approved 2023 budget. Three amendments required an allocation of unrestricted contingency for additional scope. Five amendments resulted in no budget change (i.e., schedule adjustments, adding subconsultants to a prime consultant's team, reallocating budget within approved task order budget)

Prior Authority Board Action:

August 2023: Approved the Q2 2023 Financial Report.

Fiscal Impact/Funding Source:

There are sufficient funds in the approved Amendment 3 work plan to continue financial reporting. An anticipated cash balance at the end of 2023 has been incorporated into the revised work plan for the remainder of Amendment 3.

Staff Contact:

Joe Trapasso/Marcus Maltby

Primary Service Provider:

Brown and Caldwell

Attachments:

Attachment A – Q3 2023 Financial Report



Quarterly Financial Report

Fiscal Year 2023 – Third Quarter Financial Report

Revenue Activity (figures rounded to the nearest \$1,000)

Funding Source	Q1	Q2	Q3	Q4	FY to Date	FY Projected ¹
Authority Board Membership	130	325	0		455	505 ²
Federal WIIN Act Funding	567	6,900	0		7,467	18,600
Interest Income	79	181	227		487	-
Reservoir Committee Cash Calls	15,580	70	800		16,450	15,600
State Prop 1 (WSIP)	0	4,050	1,696		5,746	8,800
Revenue Total	16,356	11,526	2,723		30,605	43,505

1 - FY Projected figures from Work Plan Update approved at 11/2022 board meeting. What is not included on this table are figures that contribute to cash on hand balances like:

- Carryover funds from A2 of \$7.3 M
- 2023 Assignment of \$1.0 M worth of real estate options (3-year assignment of \$2.0M)
- Revenue in exceedance of expenses in FY22 of \$5.1M

2 – Change in membership dues and reduction of one associate member after work plan update approval has reduced expected membership revenue to \$455k

Expense Activity (figures rounded to the nearest \$1,000)

Late Invoices received after publishing this report will be applied to proper period on next Quarterly Report.

Subject Area	Q1	Q2	Q3	Q4	FY to Date	FY23 Budget ¹	% Spent
Communications	158	181	174	-	513	652	79%
Engineering	4,015	5,931	6,682	-	16,628	36,350	46%
External Affairs	86	90	48	-	224	372	60%
General Project Activities	85	160	139	-	384	706	54%
Permitting	1,350	1,472	1,234	-	4,056	11,197	36%
Planning	1,141	868	772	-	2,781	3,638	76%
Program Ops	2,057	2,030	2,027	-	6,114	10,179	60%
Real Estate	183	176	212	-	571	2,771	21%
Total Expenses	9,075	10,908	11,288	-	31,271	65,865	47%

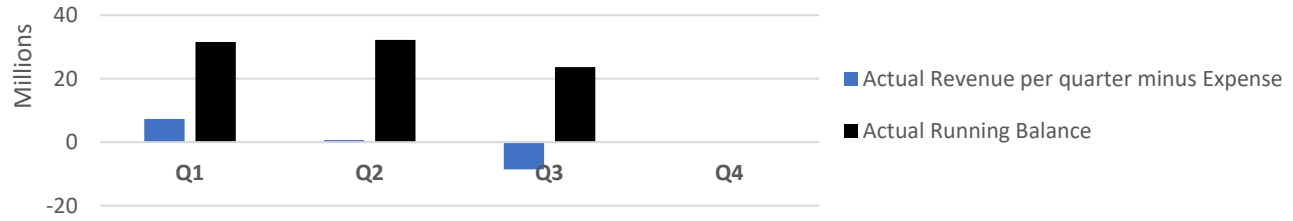
1 – FY Budget captures latest changes as of the end of this quarter

FY2023 Q3 Net Income (\$1,000's) | Revenue - Expenses = -\$8,563 | FYTD = -\$664

Cash Account Balance (figures rounded to the nearest \$1,000)

Cash Balances of 4 accounts	Actual			
	End 2022	Q1	Q2	Q3
Revenue minus Expense		7,282	618	-8,563
Running Balance	24,276	31,558	32,176	23,613

FY23 Cash Balance by Quarter



Unrestricted Contingency Balance & Reserve (figures rounded to the nearest \$1,000)

		Unrestricted Contingency Changes per Subject Area				
Subject Area	Work Plan Budget	Q1	Q2	Q3	Q4	Current Balance
Communications	-	-	-	-	-	-
Engineering	2,856	-250	-	-	-	2,606
External Affairs	-	-	-	-	-	-
General Project Activities	36	-	-	-	-	36
Permitting	591	-	-	-347	-	244
Planning	96	-	-	-96	-	0
Program Ops	495	-160	-	-80	-	255
Real Estate	57	-	-	-	-	57
Total Unrestricted Contingency	4,131	-410	0	-523	-	3,198

Approval by | ED = Executive Director
| AB = Authority Board

		Unrestricted Contingency Releases During Q3 Period	
Subject Area Source	Date	Description of Change	\$ Authorized
Planning	7/21/2023	Perkins Coie Amendment 2.3	96,000
Permitting	7/21/2023	Perkins Coie Amendment 2.3	254,000
Permitting	8/30/2023	HDR Mitigation Amendment 1.2	93,327
Program Ops	9/18/2023	Brian Thomas Consulting – Amendment 1.1	80,000

New Contracts and Amendments

Funding Source | UNC = Unrestricted Contingency
| WP = Work Plan

		Contract Changes During Q3 Period		
Contracted Party	Authorization Date	Scope of Work Description	\$ Authorized	Funding Source
Colusa County (Rent)	7/7/2023	1.6 - Increased Rent for Office/Storage spaces	4,200	WP
Perkins Coie	8/4/2023	2.3 – Prep Final EIR/EIS & Administrative record	350,000	UNC
UCSC	8/17/2023	0.2 - Amended Schedule	0	-
AECOM (Reservoir)	8/18/2023	4.1 - Added Subconsultant	0	-
HDR (mitigation)	8/30/2023	1.2 - Amendment to cover mitigation workshop	93,327	UNC
Somach Simmons & Dunn	9/13/2023	3.1 - Added Subconsultant	0	-
Brian Thomas Consulting	9/18/2023	1.1 – Extend Contract through end of FY24	80,000	UNC
CH2 Conveyance	9/20/2023	4.3 – No cost change, budget re-allocation	0	-

Subject Area	Initially Contracted	Contract Changes During FY23				Currently Contracted
		Q1	Q2	Q3	Q4	
Communications	552	100	-	-		652
Engineering	32,798	-	-	-		32,798
External Affairs	324	48	-	-		372
General Project Activities	553	-	-	4		557
Permitting	8,859	234	-334	172		8,931
Planning	2,690	388	450	271		3,799
Program Ops	8,839	75		80		8,994
Real Estate	1,356	45	32	-		1,433
Total Contract Changes	55,971	890	148	527	-	57,536

Closed Contracts / Task Orders

Contracted Party	Task Order Closure Date	Closed Contract / Task Orders during FY23			\$ Authorized	\$ Spent
		Task Order ID	Task Order Description			
-- None --						

Cash Flow - Amendment 3 (figures in \$1000's)

Graph includes projected budget and revenue from updated Work Plan 11/22. Cash flow for 2024 & 2025 has been superseded by Work Plan Update approved at the 10/23 Board meeting.

