



Meeting: **Reservoir Committee & Authority Board Agenda  
Item 1.4**

**May 17, 2024**

Subject: **First Quarter (Q1) 2024 Financial Report**

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**Requested Action:**

Reservoir Committee and Authority Board consider acceptance of the Sites Project Authority's First Quarter 2024 Budget Year Quarterly Financial Report.

**Detailed Description/Background:**

This report covers the Q1 2024 budget year quarterly financial report and fulfills 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 Q1 2024 were approximately \$132k under the plan. This was due to a two late Reservoir Committee Cash Call payments not received during the reporting period, a reduction in Authority Board annual membership cost, and the addition of interest income not accounted for in the revenue budget. Overall actuals came within approximately 0.5% of plan.
- **Expenses** in Q1 2024 were approximately \$6.4M less than plan. The majority of the reduced expenditures are a result of delays in land purchase which the plan had assumed to occur in Q1 2024.
- The Authority's Bank Account Balance at the end of Q1 was approximately \$43.0M, representing a net increase of \$16.5M over the reporting period. The majority of 2024 revenue is received in the first quarter resulting in a large increase to our cash position at the beginning of the year.
- There were 14 instances of allocating unrestricted contingency funds this period, totaling \$3.3M. The 10 of the 14 unrestricted contingency allocations were in support of litigation support services, including moving related budget to a dedicated litigation line item. The total remaining unrestricted contingency balance, cumulative of all subject areas, at the end of Q1 was approximately \$611k. Staff are allocating contingency to supplement budget for new work scope in accordance with the Board's delegation of authority. There continue to be no plans to request cash calls beyond that remaining to be collected in FY25 per the Project Agreement. At the current budget, funds are fully depleted, with only a minimum reserve balance remaining at the end of FY25.
- Contract activity during this period includes:

- Three new contracts were issued during this period, of which the budget for each was included in the Amendment 3 Work Plan.
- Eight amendments were issued, resulting in no change to the overall approved 2024 budget. Four amendments required an allocation of unrestricted contingency for additional scope. Two amendments resulted in committing budget identified in the Work Plan. Two amendments resulted in no budget change (i.e. reallocating budget within approved task order budget).

**Prior Authority Board Action:**

February 2024: Approved the Q4 2023 Financial Report.

**Fiscal Impact/Funding Source:**

There are sufficient funds in the approved Amendment 3 work plan to continue financial reporting. Carryover funds from 2023 to 2024 came in under what was assumed in the revised Work Plan approved in October 2023 (adjustments approved in December 2023). Staff is evaluating options to balance our budget for the remainder of the work plan, should they be necessary, to be discussed at the semi-annual work plan check-in scheduled for June 2024.

**Staff Contact:**

Joe Trapasso/Marcus Maltby

**Primary Service Provider:**

Brown and Caldwell

**Attachments:**

Attachment A – Q1 2024 Financial Report



# Quarterly Financial Report

## Fiscal Year 2024 – First Quarter Financial Report

### Revenue Activity (figures x \$1,000)

Funding Source	Q1	Q2	Q3	Q4	FY to Date	Budget <sup>1</sup> FY2024
Authority Board Membership <sup>2</sup>	410				410	455
Federal WIIN Act Funding	-				-	13,000
Interest Income	345				345	-
Reservoir Committee Cash Calls	24,608				24,608	25,640
State Prop 1 (WSIP)	-				-	-
<b>Revenue Total</b>	<b>25,363</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>25,363</b>	<b>39,095</b>
<b>Carryover from 2023</b>	<b>23,145</b>					<b>23,145</b>
<b>Estimated Total Available Funds in 2024</b>						<b>62,240</b>

1 - FY Budget figures from Work Plan Budget Update approved at 10/2023 Board meeting. Not included are figures that contribute to cash on hand balances like carryover funds from Amendment 2 and Revenue in exceedance of expenses in FY23.

2 – Change in membership dues and reduction of one associate member after work plan update approval has reduced expected membership revenue to \$410k

### Expense Activity (figures x \$1,000)

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

Subject Area	Q1	Q2	Q3	Q4	FY to Date	Budget <sup>1</sup> FY2024	% Spent
Communications	140				140	475	29%
Engineering	4,858				4,858	23,519	21%
External Affairs	90				90	360	25%
General Project Activities	83				83	480	17%
Permitting	1,232				1,232	8,197	15%
Planning	814				814	3,115	26%
Program Ops	1,691				1,691	6,155	27%
Real Estate	96				96	6,141	2%
<b>Total Expenses</b>	<b>9,004</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>9,004</b>	<b>48,443</b>	<b>19%</b>

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

**FY2024Q1 Net Income (figures x \$1,000) | Revenue – Expenses = \$16,359 | FYTD = \$16,359**

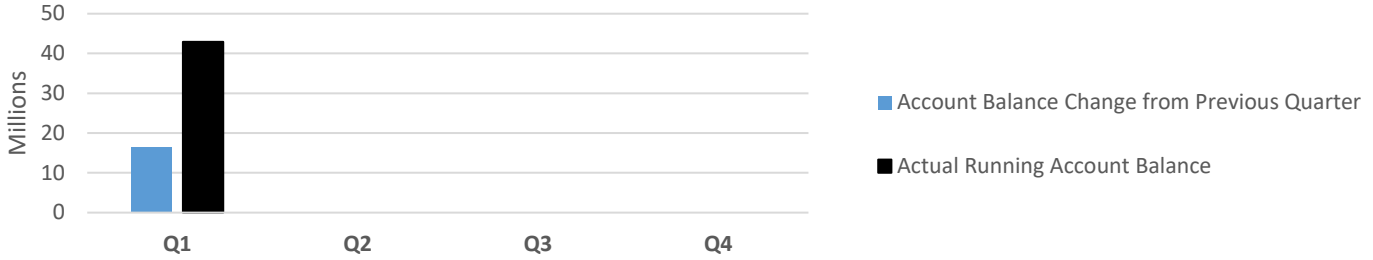
### Bank Account Balance<sup>1</sup> (figures x \$1,000)

Balances shown are captured from the last day of the period shown.

Cash Balances of 4 accounts	Actual				
	End 2023	Q1	Q2	Q3	Q4
Account Balance Change from Previous Quarter		16,519			
<b>Actual Running Account Balance</b>	<b>26,433</b>	<b>42,952</b>			

1 - Prior year quarterly report balances reported based on accruals and have moved to reporting true bank account balance.

### FY2024 Bank Account Balance by Quarter



### Unrestricted Contingency Balance (figures x \$1,000)

Unrestricted Contingency Changes per Subject Area						
Subject Area	Work Plan Budget	Q1	Q2	Q3	Q4	Current Balance
Communications	28	-	-	-	-	28
Engineering	1,750	(1,499)				251
External Affairs	32	(32)				-
General Project Activities	33	(1)				32
Permitting	795	(695)				100
Planning	367	(367)				-
Program Ops	483	(383)				100
Real Estate	424	(324)				100
<b>Total Unrestricted Contingency</b>	<b>3,912</b>	<b>(3,301)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>611</b>

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

### Unrestricted Contingency Releases During Q1 Period

	Subject Area Source	Date	Description of Change	\$ Authorized
ED	Permitting	10/30/2023 <sup>1</sup>	Colusa County Clerk Recorder (EIR/EIS Fees)	(3,839)
AB	External Affairs	1/19/2024	CH2 Operations TO 4.3 (Litigation Services )	(32,000)
AB	Program Ops	1/19/2024	CH2 Operations TO 4.3 (Litigation Services )	(18,000)
AB	Program Ops	1/19/2024	HDR TO 5.3 (Litigation Services)	(75,000)
AB	Planning	1/19/2024 <sup>2</sup>	Unallocated Litigation Contractor (Litigation Services)	(725,000)
AB	General Project Activities	2/16/2024	FWA 1.1 (Payment Request Form)	(1,000)
AB	Engineering	2/16/2024 <sup>2</sup>	Colusa County TO 2.0 (Land Use Planning)	(250,000)
AB	Engineering	3/6/2024	Perkins Coie TO 2.6 (Litigation Services)	(1,199,353)
AB	Permitting	3/6/2024	Perkins Coie TO 2.6 (Litigation Services)	(694,931)
AB	Program Ops	3/6/2024	Perkins Coie TO 2.6 (Litigation Services)	(105,716)
AB	Program Ops	3/6/2024	ICF Environmental TO 4.4 (Litigation Services)	(150,000)
AB	Program Ops	3/19/2024	Reallocation of UNC (Litigation Services)	(34,111)
AB	Real Estate	3/19/2024	Reallocation of UNC (Litigation Services)	(323,572)
AB	Planning	3/19/2024	Reallocation of UNC (Litigation Services)	357,683
AB	Engineering	3/22/2024 <sup>2</sup>	Glenn County TO 1.0 (Land Use Planning)	(50,000)
			<b>Total</b>	<b>(3,304,839)</b>

1. Payment Request Form authorized and budget transferred in 2023 Q4, but was not previously reported.

2. UNC Budget Released prior to execution of Contract and therefore will not be reported in the Contract Changes table until Contract is authorized.

## New Contracts and Amendments

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

### Contract Changes During Q1 Period

New Contract	Contracted Party	Authorization Date	Scope of Work Description	\$ Authorized	Funding Source
✓	Water Resource Economics, LLC.	1/18/2024	1.0 - Wheeling Rate Services	50,000	WP
	CH2M Hill Engineers (Operations)	2/2/2024	4.3 - Litigation Services	50,000	UNC
	Brown and Caldwell	2/5/2024	5.4 - No cost change re-allocation	-	-
	Integra Realty Resources	2/19/2024	1.0 - Appraisals for Red Stick Farms	6,500	WP
	HDR (Integration)	2/22/2024	5.3 - Litigation Services	75,000	UNC
✓	Leanne Link, LLC	3/1/2024	1.0 - County Agreements Services	20,000	WP
	Fetcher & Company, CPAs	3/4/2024	1.4 - Auditing Services	24,000	WP
	ICF Jones & Stokes, Inc. (Permitting)	3/6/2024	4.4 - Litigation Services	150,000	UNC
	Perkins Coie, LLP	3/15/2024	2.6 - Litigation Services	2,000,000	UNC
	MBK Engineers (Operations)	3/21/2024	1.2 - Development of Reclamation Partnership Agreement	-	-
✓	Cox, Castle & Nicholson	3/27/2024	1.0 - Construction Legal Environmental Mitigation	200,000	WP

figures x \$1,000

### Contract Changes During FY2024

Subject Area	Initially Contracted	Q1	Q2	Q3	Q4	Currently Contracted
Communications	447					447
Engineering	20,806					20,806
External Affairs	360					360
General Project Activities	160	20				180
Permitting	7,826	200				8,026
Planning	115	2,275				2,390
Program Ops	3,848	74				3,922
Real Estate	1,444	7				1,451
<b>Total Contract Changes</b>	<b>35,007</b>	<b>2,576</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>37,583</b>

## Closed Contracts / Task Orders

### Closed Contract / Task Orders during FY2024

Contracted Party	Task Order Closure Date	Task Order ID	Task Order Description	\$ Authorized	\$ Spent
-- None --					

## 2024-2025 Cash Flow (figures x \$1,000,000)

Amendment 3 Cash flow for 2024 & 2025 was revised by Work Plan Update approved at the 10/2023 Board meeting and revised at the 12/2023 Board meeting.

