



Topic: **Reservoir Committee Agenda Item 2.2**

**2021 July 15**

Subject: **Budget Policy**

---

**Requested Action:**

Approve a new Budget Policy to provide budget approval requirements for the Sites Reservoir Project in line with governing board expectations.

**Detailed Description/Background:**

The Authority currently does not have a Budget Policy. The attached Budget Policy provides necessary flexibility to make budget transfers or assign unrestricted reserves expediently to support expected Project progress while maintaining rigorous accounting controls, ensuring internal and external transparency of operations, and in alignment with the Authority Board approved limitations set forth in the Delegation of Authority.

The Policy also provides for restricted reserve funds intended to cover approximately three months of critical activities to maintain project progress that can only be utilized following the approval of the Reservoir Committee and Authority Board.

Finally, the Policy provides for the development of fiscal year (i.e., calendar year) budgets that will be provided to the Authority for approval and satisfy the requirements for annual financial audits and tracking and reporting purposes.

**Prior Action:**

None.

**Fiscal Impact/Funding Source:**

There is no fiscal impact associated with the proposed policy.

**Staff Contact:**

Joe Trapasso

**Attachments:**

Attachment A – Sites Project Authority Budget Policy