

Requested Action:

Reservoir Committee and Authority Board consider acceptance of the Sites Project Authority's Second Quarter 2025 Budget Quarterly Financial Report.

Detailed Description/Background:

This report covers the Q2 2025 budget year quarterly financial report and fulfills the Authority's Budget Policy requirement for quarterly financial update reports to the Reservoir Committee (RC) and Authority Board (AB).

Key takeaways of this report include:

- **Funds received** in Q1 2025 were \$556k which represents approximately \$33k over plan. This slight increase in revenue over plan was a result of additional interest revenue accumulated due to slowed spending.
- **Cash disbursements** in Q2 2025 were approximately \$5.9M, which represents approximately \$872k under plan. The reduced disbursements were across all subject areas and represents the Authority taking measures to reduce effort not related to the 3 imperatives.
- The Authority's **Bank Account Balance** at the end of Q2 was approximately \$24.8M, representing a decrease of \$5.8M over the reporting period. It is anticipated that the account balance will be drawn down over the remainder of the year and the first 6 months of 2026. At present, the only other significant source of funds to cover expenses until the conclusion of investor commitment and initiating loan funding is Reclamation reimbursements.
- There were 4 instances of allocating **unrestricted contingency** this period. All 4 contingency releases were supporting the Engineering subject area. At the June Board meeting, a revised 2025 budget was adopted which reallocated the remainder of contingency funds to key activities and additional funding to support activities in 2026.
- **Contract Activity** this period includes a revision to the adopted 2025 budget and reapproval of contract authority limits, as necessary. This bulk update to contract status can be found in the meeting minutes for the June Board meeting (Agenda item 02-01) and July Board meeting (Agenda item 01-04). All other contract changes during the Q2 period are provided

below, in accordance with reporting requirements outlined in the Authority Delegation of Authority and corresponding policies.

- One new contract with All Commercial Fence, Inc to provide property fence installation services.
- 10 contract changes occurred during the Q2 period:
 - 2x – AECOM amendments for confidential legal services
 - AECOM & CH2M Hill amendments for expanded services primarily related to the cost estimate and risk analysis
 - Mark Lasswell amendment to expand strategic planning services
 - ICF zero-sum budget reallocation to reflect change in conditions
 - Brown & Caldwell added a subconsultant for Business System selection services
 - Regional Government Services expanded board clerk services
 - CDFW amendment to extend their period of performance into FY25/26 as well as an overall reduction in budget
 - CH2M Hill amendment to expand support of operations modeling and water right services

Budget and Finance Committee has reviewed the Q2 2025 Financial Report and all comments have been incorporated into the attached report.

Prior Authority Board Action:

May 2025: Accepted the Sites Project Authority's First Quarter 2025 Budget Year Quarterly Financial Report.

Fiscal Impact/Funding Source:

The approved Amendment 3 Work Plan contains sufficient funds to continue financial reporting through June 30, 2026. Staff will continue to monitor budget status throughout the Amendment 3 period. Work Plan status updates will continue to be provided to the Board biannually, with the next update planned for October 2025.

Staff Contact: Shayleen O'Connell/ Marcus Maltby

Primary Service Provider:

Brown and Caldwell

Attachments:

Attachment A – Q2 2025 Financial Report



Quarterly Financial Report

Fiscal Year 2025 – Second Quarter Financial Report

Funds Received (figures x \$1,000)

Figures provided below are on a cash basis

Funding Source	Q1	Q2	Q3	Q4	FY to Date	Budget ¹ FY2025
Authority Board Membership	410	5			415	415
Federal WIIN Act Funding	-				-	2,105
Interest Income	352	303			654	924
Reservoir Committee Cash Calls	6,012	248			6,260	6,660
State Prop 1 (WSIP)	-				-	-
Funds Received Total	6,774	556	-	-	7,329	10,104
Carryover from 2024						29,887
Estimated Total Available Funds in 2025						39,991

1 - FY Budget figures from Work Plan Budget Update approved at 6/2025 Board meeting.

2 - Total revenue received to date from FAA3 (Federal) is \$18,421,496 of the \$30,000,000 agreement ceiling.

Cash Disbursements Activity (figures x \$1,000)

Figures provided below are on a modified cash basis

Subject Area	Q1	Q2	Q3	Q4	FY to Date	Budget FY2025	% Spent
Communications	128	95			223	453	49%
Engineering	1,085	1,411			2,496	6,896	36%
External Affairs	95	95			189	378	50%
General Project Activities	148	162			310	769	40%
Permitting	2,147	2,427			4,574	9,310	49%
Planning	41	42			83	153	54%
Program Ops	1,429	1,334			2,763	5,913	47%
Real Estate	3,054	350			3,404	4,393	77%
Work Package #1					-	1,667	0%
Total Cash Disbursements	8,126	5,916	0	0	14,042	29,932	47%

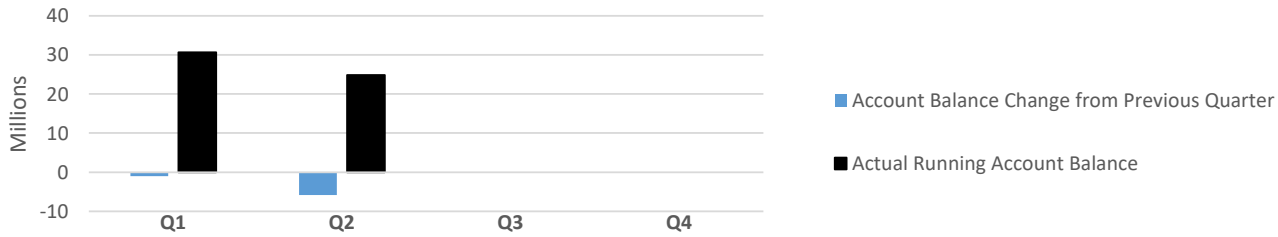
FY2025Q2 Net Income (figures x \$1,000) | Funds Received – Cash Disbursements = -\$5360 | FYTD = -\$6,713

Bank Account Balance (figures x \$1,000)

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

Cash Balances of 4 Accounts	Actual				
	End 2024	Q1	Q2	Q3	Q4
Account Balance Change from Previous Quarter		(1,003)	(5,828)		
Actual Running Account Balance	31,680	30,676	24,848		

FY2025 Bank Account Balance by Quarter



Unrestricted Contingency Balance

Unrestricted Contingency Changes per Subject Area						
Subject Area	Work Plan Budget	Q1	Q2	Q3	Q4	Current Balance
Communications	-	-	-			-
Engineering	307,611	-	(307,611)			-
External Affairs	-	-	-			-
General Project Activities	-	-	-			-
Permitting	-	-	-			-
Planning	-	-	-			-
Program Ops	-	-	-			-
Real Estate	-	-	-			-
Total Unrestricted Contingency	307,611	-	(307,611)	-	-	-

Note: Unrestricted contingency budget has been reset to \$0 at June 2025 budget re-adoption.

Approval by | ED = Executive Director

| AB = Authority Board

Unrestricted Contingency Releases During Q2 Period

Subject Area Source	Date	Description of Change	\$ Authorized
Engineering	4/14/2025	AECOM-hr (Confidential Legal)	(10,400)
Engineering	4/14/2025	AECOM-hr (Confidential Legal)	(12,000)
Engineering	4/18/2025	California ISO (Deposit & Fees)	(73,211)
Engineering	4/18/2025	CH2M Hill Engineers (Cost Est., VE, and Risk)	(212,000)
Total			(307,611)

New Contracts and Amendments

Funding Source | UNC = Unrestricted Contingency

| WP = Work Plan

Contract Changes During Q2 Period

New Contract	Contracted Party	Authorization Date	Scope of Work Description	\$ Authorized	Funding Source
	AECOM-hr	4/7/2025	TOA 4.7 Confidential Legal	10,400	UNC
	AECOM-hr	4/7/2025	TOA 4.8 Confidential Legal	12,000	UNC
	AECOM-hr	4/18/2025	TOA 4.9 Additional Cost Est. Services	207,549	WP
	CH2M Hill Engineers (Conveyance)	4/18/2025	TOA 4.7 Additional Cost Est., VE, and Risk services	309,534	WP/UNC
	Mark Lasswell	4/23/2025	TOA 1.1 Expanded Strategic Planning Services	25,000	WP
	ICF International	6/3/2025	TOA 4.9 Budget Reallocation	-	WP
	Brown and Caldwell	6/4/2025	TOA 5.8 Added Business System Subconsultant	-	WP
✓	All Commercial Fence, Inc	6/11/2025	TOA 1.0 Red Stick Farms Fence Contractor	211,370	WP
	Regional Government Services	6/18/2025	TOA 1.1 Expanded Clerk Services	9,000	WP
	California Dept. of Fish & Wildlife (S)	6/25/2025	TOA 1.2 Reduced overall commitment over Federal FY24-25 & FY25-26 and extended schedule.	-	WP
	CH2M Hill Engineers (Operations)	6/26/2025	TOA 4.10 Additional Ops Modeling & Water Rights Services	83,658	WP

Note: Bulk budget and consultant contract changes associated with mid year budget readoption are not captured in this table. See June Board meeting agenda item 02-01 and July Board meeting agenda item 01-04 for complete list.

figures x \$1,000

Contract Changes During FY2025

Subject Area	Initially Contracted	Q1	Q2	Q3	Q4	Currently Contracted
Communications	460	-				460
Engineering	6,856	309	539			7,705
External Affairs	378	-				378
General Project Activities	276	414				690
Permitting	8046	-	84			8,130
Planning	175	-				175
Program Ops	7135	36	34			7,205
Real Estate	1366	2,898	211			4,476
Total Contract Changes	24,692	3,657	869	0	0	29,218

1 - Currently contracted column reflects changes associated with the mid-year budget readoption and contract authority adjustments as approved at the June and July 2025 Board meetings.

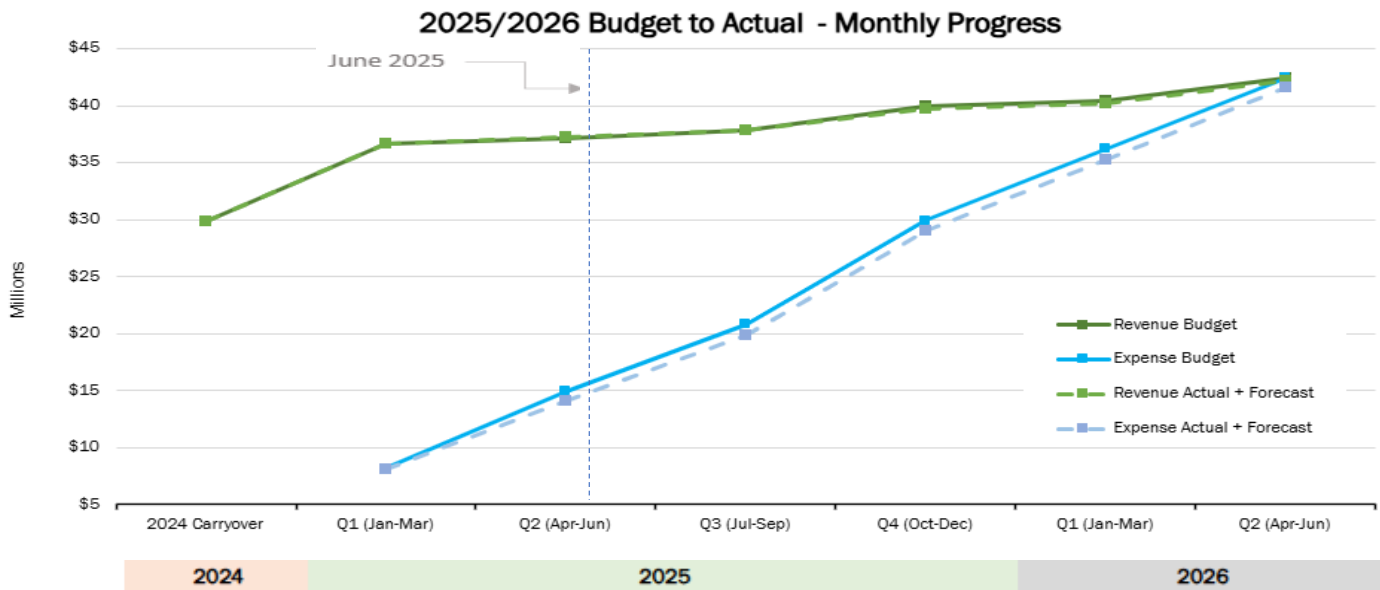
2 - Bulk contract changes associated with mid-year budget readoption and contract authority adjustments are not captured in this table, please see meeting minutes for June Board meeting agenda item 02-01 and July Board meeting agenda item 01-04 for complete list.

Closed Contracts / Task Orders

figures x \$1,000

Closed Contract / Task Orders during Q2

Contracted Party	Period of Performance		Task Order ID	\$ Authorized	\$ Spent
	Start	Finish			
none this period					



Note: Cash flow graph reflects revised budgets adopted at June 2025 Board meeting.

	Year-to-date (June 2025)		Revised Annual 2025 Budget	
	Budget	Actual	Budget	Actual+Forecast
Expense	\$14,960,000	\$14,040,000	\$29,930,000	\$29,010,000
Revenue**	\$37,180,000	\$37,220,000	\$39,990,000	\$39,720,000

Note: Provided values have been rounded for simplicity

**Revenue figures include 2024 Carryover funds for illustrative purposes only