

# Staff Report

for the Regular Meeting of the Board of Directors, December 13, 2017

**TO:** Board of Directors

**FROM:** Gary D. King PE, PhD, Engineering Manager  
Marvin Davis MBA, CPA, Finance Manager  
Doug Roderick PE, Senior Engineer

**DATE:** December 6, 2017

**SUBJECT:** Informational Item - Centennial Reservoir Project (FATR#7013)

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***ENGINEERING***

**RECOMMENDATION:**

Discuss current project budget and expenditures.

**BACKGROUND:**

The following presents project expenses and overall cost as of October 31, 2017 and include labor, consulting, permitting and property acquisition:

2014: \$1,414,239  
2015: \$1,807,895  
2016: \$4,825,146  
2017: \$3,255,930  
Total: \$11,303,209

The attached budget and expenditure summary shows costs spent for the project from August 25, 2014 to October 31, 2017. The summary shows budget overages in 2015 and 2016. These occurred due to missed financial internal controls such as an approved yet unrecorded budget amendment in 2015, purchase order tracking and a missed 2015-2016 encumbrance carryover to assist in controlling these costs.

These financial reporting challenges have been resolved with the creation of the uniform Chart of Accounts (COA), automated budget amendment system, contract linking on our purchase orders and systematic encumbrance rollover approach.

**BUDGETARY IMPACT:**

See attached spreadsheet.

**ATTACHMENT:**

- Budget and expenditure summary spreadsheet

DR

**Nevada Irrigation District**  
**Centennial Project: 7013**  
**For Dates 8/25/14 through 10/31/2017**

	2014	2015	2016	@ 10/31 2017
<b><u>Operating Budget (Labor &amp; Legal)</u></b>	\$69,054	\$218,637	\$145,933	\$139,377
<b><u>Operating Expenses</u></b>				
Salary & Benefits	60,032	189,087	123,014	54,569
Legal Fees	9,022	29,550	22,919	84,808
<b>Total Operating Expenses</b>	<b>69,054</b>	<b>218,637</b>	<b>145,933</b>	<b>139,377</b>
<b><u>Capital Budget</u></b>				
Original Capital Budget	-	500,000	4,500,000	3,500,000
Budget Amendment	500,000	200,000	-	-
Budget Amendment	250,000	250,000	-	-
Budget Amendment	790,331	-	-	-
<b>Total Capital Budget</b>	<b>1,540,331</b>	<b>950,000</b>	<b>4,500,000</b>	<b>3,500,000</b>
<b><u>Capital Expenses</u></b>				
Engineering Consultants	50,866	835,796	2,318,168	1,384,625
Real Estate Consultants	-	15,450	63,088	33,040
State/County Fees	499,521	-	-	387
Property Acquisitions	791,911	699,853	2,284,951	1,678,804
Materials/Supplies/Other	2,887	38,159	13,006	19,697
<b>Total Capital Expenses</b>	<b>1,345,185</b>	<b>1,589,258</b>	<b>4,679,213</b>	<b>3,116,553</b>
<b><u>Totals</u></b>				
Project Budgets	1,609,385	1,168,637	4,645,933	3,639,377
Project Expenses	1,414,239	1,807,895	4,825,146	3,255,930
<b>Budget vs Actual</b>	<b>\$ 195,146</b>	<b>\$ (639,258)</b>	<b>\$ (179,213)</b>	<b>\$ 383,447</b>