



## AGENDA

### MIDDLE FORK PROJECT FINANCE AUTHORITY

Thursday, October 17, 2024  
10:00 AM, Regular Meeting

American River Room  
144 Ferguson Road  
Auburn, California

Members of the Board of Directors:

#### ***PLACER COUNTY WATER AGENCY***

Primo Santini, District 2

Mike Lee, District 3, Chair

#### ***COUNTY OF PLACER***

Jim Holmes, District 3, Vice-Chair

Cindy Gustafson, District 5

#### A. Call to Order

1. Roll Call
2. Pledge of Allegiance
3. Announcements, Introductions, and Recognitions

#### B. Public Comment

This is the time for any member of the public to address the Board of Directors on any matter not on the agenda that is within the subject matter jurisdiction of the Authority. Members of the public are requested to come to the podium and use the microphone. Comments shall be limited to five minutes per person, or such other time limit as may be imposed by the Chair, in order to enable the Board to complete its agenda within a reasonable period of time.

#### C. Agenda Changes and Review

#### D. Consent Calendar

All items listed under the consent calendar are considered to be routine and may be approved by one motion.

1. Consider approving the July 18 and September 11, 2024, minutes.
2. Consider approving a contract with Davis Farr LLP in an amount not to exceed \$7,189 to provide financial statement auditing services for the year ending December 31, 2024.
3. Receive and file Treasurer's Investment Reports for the months ending July 31, 2024, August 31, 2024, and September 30, 2024.
4. Receive and file Check Register 24-04 expenses disbursed.

E. General Items

1. Receive report on 2024 Budget and Actual Schedules for the period ended September 30, 2024.
2. Consider approving the following items:
  - a. The Proposed 2025 Middle Fork Project Finance Authority Budget; and
  - b. Direct any and all additional 2024 Revenue over Expenditures and Appropriations to fund reserves.

F. Reports by Directors

In Accordance with Government Code Section 54954.2(a), Directors may make brief announcements or brief reports on their own activities. They may ask questions for clarification, make a referral to staff or take action to have staff place a matter of business on a future agenda.

G. Reports by General Counsel

H. Reports by Secretary

I. Reports by Executive Director

J. Adjournment

**THE NEXT RESOLUTION NUMBER IS 24-04**

The administrative affairs of the MFP Finance Authority are managed by PCWA. Inquiries regarding the MFP Finance Authority should be directed to the PCWA General Manager's office (530) 823-4860 for reply.

The meeting room is accessible to persons with disabilities. If you are hearing impaired, we have listening devices available upon request. If you require additional disability-related modifications or accommodations, including auxiliary aids or services, please contact the Clerk of the Board at (530) 823-4860. All requests must be received by the Clerk no later than 12:00 PM on the Monday preceding the meeting to enable the Agency to make reasonable arrangements to ensure accessibility to this meeting. Requests received after that time will be accommodated only if time permits.

In accordance with Government Code Section 54954.2 this notice and agenda was posted on the Agency's website at [www.pcwa.net/board-of-directors/mfpfa-meeting-agendas](http://www.pcwa.net/board-of-directors/mfpfa-meeting-agendas), and on the Agency's outdoor bulletin board at the Placer County Water Agency Business Center at 144 Ferguson Road, Auburn, California, on or before October 11, 2024.

Any writing that is a public record under the Public Records Act that relates to an agenda item for an open session of the Board meeting that is distributed less than 72 hours prior to the meeting will be made available for public inspection at the time the writing is distributed to any Board members. Also, any such writing will be available for public inspection at the Agency's office located at 144 Ferguson Road, Auburn, California, during normal business hours. Contracts that are on the agenda are on file with the Clerk to the Board and available for review upon request.

**Schedule of Upcoming Meetings**

**Thursday, January 16, 2025, 10:00 a.m.** - Regular Board of Directors' meeting at Placer County Water Agency Business Center, 144 Ferguson Road, Auburn, California.

**Thursday, April 17, 2025, 10:00 a.m.** - Regular Board of Directors' meeting at Placer County Water Agency Business Center, 144 Ferguson Road, Auburn, California.



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## MEMORANDUM

TO: Middle Fork Project Finance Authority

FROM: Lori Young, Clerk to the Board

DATE: October 2, 2024

RE: July 18 and September 11, 2024, Minutes

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### RECOMMENDATION:

Approve the July 18 and September 11, 2024, minutes.

### **ATTACHMENTS:**

Description	Upload Date	Type
July 18, 2024, Minutes	10/2/2024	Minutes
September 11, 2024, Minutes	10/2/2024	Minutes



## MINUTES

### MIDDLE FORK PROJECT FINANCE AUTHORITY

**Thursday, July 18, 2024, and Friday, July 19, 2024  
8:30 a.m., Regular Meeting**

Board Members Present: Chair Mike Lee, Vice-Chair Jim Holmes, and Primo Santini

Board Members Absent: Cindy Gustafson

PCWA Personnel Present Who Spoke: Andy Fecko, General Manager and MFP Finance Authority Executive Director; Joseph Parker, Director of Financial Services and MFP Finance Authority Treasurer; Lori Young, Clerk

#### A. Call to Order

Chair Lee called the regular meeting of the Middle Fork Project (MFP) Finance Authority Board of Directors to order at 8:31 a.m. in the American River Room, Placer County Water Agency Business Center, 144 Ferguson Road, Auburn, California.

##### 1. Roll Call

The Clerk conducted roll call.

Present: Vice-Chair JIM HOLMES, PRIMO SANTINI, and Chair MICHAEL "MIKE" LEE

Absent: CINDY GUSTAFSON

##### 2. Pledge of Allegiance

Chair Lee led the Pledge of Allegiance.

##### 3. Announcements, Introductions, and Recognitions

- a. Consider adopting Resolution 24-03 Honoring Board Member Michael R. Lee for 40 Years of Public Service.

Andy Fecko and the Board expressed their appreciation to Chair Lee for the friendship and



mentoring he provided over the years, and for his leadership throughout the Agency and Placer County.

There was no public comment.

Motion by Director Santini adopting Resolution 24-03; motion seconded by Director Holmes. Roll call vote: Director Gustafson ABSENT, Director Holmes AYE, Director Santini AYE, Chair Lee AYE. The motion passed.

B. Public Comment:

The Chair invited the public to comment. No members of the public commented.

C. Agenda Review and Changes

Items F through J were deferred to a future meeting.

D. Consent Calendar:

1. Consider approving the April 18, 2024, minutes.
2. Receive and file the monthly Treasurer's Investment Reports for the Second Quarter Ending June 30, 2024.
3. Receive and file Check Register 24-03 expenses disbursed.

There was no public comment.

Motion by Director Holmes approving Consent Calendar items 1, 2, and 3; motion seconded by Director Santini and adopted by unanimous vote of Directors present.

E. General Items

1. Receive 2024 Mid-Year Budget Financial Report.

Joseph Parker highlighted the Budget and Actual Schedule for the period ended June 30, 2024.

There was no public comment.

F. ~~Recess~~

G. ~~Tour~~

- ~~1. Approximately 9:00 a.m. begin driving tour to Agency's Middle Fork American River Project facilities. Reconvene at approximately 9:45 a.m. at Michigan Bluff (Gorman Ranch Road @ Chicken Hawk Road 39.037456N, 120.748967W). Recess and drive to the Hell Hole Dormitory.~~

H. ~~Reconvene and Call to Order~~

- ~~1. Reconvene at approximately 1:30 p.m. at Hell Hole Dormitory (20900 Soda Springs Road, Foresthill, California) for Board workshop to discuss strategic planning initiatives for the next year.~~

~~This is a workshop session. The Chair may not entertain any motions and the Board may not take any actions. The Board may, however, provide informal direction to staff and request that issues be brought back for action at a future Board meeting.~~

I. ~~Recess~~

J. ~~Reconvene and Call to Order~~

- ~~1. Reconvene on Friday, July 19, 2024, at approximately 8:30 a.m. at the Big Meadows Campground (39.072070N, 120.429441W).~~

K. Adjournment

At 8:49 a.m. the Chair adjourned the meeting.

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Lori Young, Clerk to the Board

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Date



**MINUTES**

**MIDDLE FORK PROJECT  
FINANCE AUTHORITY**

**Thursday, September 11, 2024  
10:00 a.m., Special Meeting**

Board Members Present: Chair Mike Lee, Vice-Chair Jim Holmes, Cindy Gustafson, and Primo Santini

Board Members Absent: None

PCWA Personnel Present Who Spoke: Andy Fecko, General Manager and MFP Finance Authority Executive Director; Lori Young, Clerk

A. Call to Order

Chair Lee called the special meeting of the Middle Fork Project (MFP) Finance Authority Board of Directors to order at 10 a.m. in the American River Room, Placer County Water Agency Business Center, 144 Ferguson Road, Auburn, California.

1. Roll Call

The Clerk conducted roll call.

Present: CINDY GUSTAFSON, Vice-Chair JIM HOLMES, PRIMO SANTINI, and  
Chair MICHAEL "MIKE" LEE

Absent: none

2. Pledge of Allegiance

Chair Lee led the Pledge of Allegiance.

3. Announcements, Introductions, and Recognitions

There were none.

B. Public Comment:

There was no public comment.

C. Agenda Review and Changes

There were no changes.

D. Closed Session

With all members present, as heretofore designated, the meeting adjourned to closed session at 10:01 a.m. to consider the following:

1. Conference with Legal Counsel – Existing Litigation – Pursuant to Paragraph (1) of subdivision (d) of Section 54956.9 of the Government Code.

Name of Case: Mosquito Fire Cases

San Francisco County Superior Court Case No. CJC-23-005272, JCCP No. 5272

E. Report from Closed Session

The Board returned from closed session at 11:20 a.m. Chair Lee reported the Board gave direction to staff.

F. Adjournment

At 11:21 a.m. the Chair adjourned the meeting.

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Lori Young, Clerk to the Board

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Date



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## MEMORANDUM

TO: Middle Fork Project Finance Authority

FROM: Joseph H. Parker, CPA, Treasurer

DATE: October 3, 2024

RE: Financial Statement Audit Services for the year ending December 31, 2024

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### RECOMMENDATION:

Approve a contract with Davis Farr LLP in an amount not to exceed \$7,189 to provide financial statement auditing services for the year ending December 31, 2024.

### BACKGROUND:

Attached herewith is the engagement letter (contract) from Davis Farr LLP dated October 3, 2024, to provide the Authority with financial statement auditing services for the year ending December 31, 2024.

The Agency has a practice to solicit for financial statement audit services every five years which is a process overseen by the Agency's Audit Committee. In 2021 the audit service RFP was sent to 25 potential firms, which requested their qualifications and annual price bids for 5 years (years ending 2021 – 2025). Davis Farr LLP was selected to be the auditors for Placer County Water Agency. Because PCWA maintains the books and records of the Authority and the internal control environment is the same, the Authority's Policy states that PCWA's auditors will audit the Authority's financial statements. The December 31, 2024 year-end financial statement audit will be the 10th year Davis Farr LLP has served as the Authority's audit firm however in 2021 the Audit partner was rotated as required by Government Auditing Standards.

### DISCUSSION:

The engagement letter discusses more specifics regarding the scope of work Davis

Farr LLP will perform during their financial statement audit. Accompanying their engagement letter and as required by Government Auditing Standards, Davis Farr LLP has provided the Authority with a copy of their most recent quality control review report for the year ended May 31, 2022.

We are anticipating the 2024 financial statement audit to commence with interim fieldwork in December 2024 and final fieldwork in March 2025 with the conclusion of the auditing, reporting and financial statements in April 2025. The audited financial statements will be submitted to the Board once the audit is completed.

**FISCAL IMPACT:**

The attached engagement letter sets forth a fixed fee totaling \$7,189 for the Authority's 2024 financial statement audit.

**ATTACHMENTS:**

Description	Upload Date	Type
Engagement Letter	10/3/2024	Backup Material
Peer Review	10/3/2023	Backup Material

**October 3, 2024**

**Middle Fork Project Financing Authority  
144 Ferguson Road  
Auburn, CA 95603**

We are pleased to confirm the arrangements of our engagement and the nature of the services we will provide Middle Fork Project Financing Authority (the "Entity").

You have requested that we audit the financial statements of the Entity, as of December 31, 2024, and for the year then ended and the related notes, which collectively comprise the Entity's basic financial statements as listed in the table of contents.

The objectives of our audit are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with auditing standards generally accepted in the United States of America (GAAS) and, if applicable, in accordance with Government Auditing Standards, and/or any state or regulatory audit requirements will always detect a material misstatement when it exists. Misstatements, including omissions, can arise from fraud or error and are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

Accounting principles generally accepted in the United States of America, (U.S. GAAP,) as promulgated by the Governmental Accounting Standards Board (GASB) require that certain required supplementary information ("RSI") such as management's discussion and analysis be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the GASB, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. As part of our engagement, we will apply certain limited procedures to the required supplementary information (RSI) in accordance with auditing standards generally accepted in the United States of America, (U.S. GAAS). These limited procedures will consist primarily of inquiries of management regarding their methods of measurement and presentation, and comparing the information for consistency with management's responses to our inquiries. We will not express an opinion or provide any form of assurance on the RSI. The following RSI is required by U.S. GAAP. This RSI will be subjected to certain limited procedures but will not be audited:

1. Management's Discussion and Analysis

### **Auditor Responsibilities**

We will conduct our audit in accordance with GAAS and in accordance with Government Auditing Standards. As part of an audit in accordance with GAAS and in accordance with Government Auditing Standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.<sup>2</sup> However, we will communicate to you in writing concerning any significant deficiencies or material weaknesses in internal control relevant to the audit of the financial statements that we have identified during the audit.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Conclude, based on the audit evidence obtained, whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Entity's ability to continue as a going concern for a reasonable period of time.

Because of the inherent limitations of an audit, together with the inherent limitations of internal control, an unavoidable risk that some material misstatements may not be detected exists, even though the audit is properly planned and performed in accordance with GAAS and in accordance with Government Auditing Standards.

Our responsibility as auditors is limited to the period covered by our audit and does not extend to any other periods.

### **Compliance with Laws and Regulations**

As previously discussed, as part of obtaining reasonable assurance about whether the basic financial statements are free of material misstatement, we will perform tests of the Entity's compliance with the provisions of applicable laws, regulations, contracts, and agreements. However, the objective of our audit will not be to provide an opinion on overall compliance and we will not express such an opinion.

### **Management Responsibilities**

Our audit will be conducted on the basis that management acknowledge and understand that they have responsibility:



- a. For the preparation and fair presentation of the basic financial statements in accordance with accounting principles generally accepted in the United States of America;
- b. For the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of basic financial statements that are free from material misstatement, whether due to error, fraudulent financial reporting, misappropriation of assets, or violations of laws, governmental regulations, grant agreements, or contractual agreements; and
- c. To provide us with:
  - i. Access to all information of which management is aware that is relevant to the preparation and fair presentation of the basic financial statements such as records, documentation, and other matters;
  - ii. Additional information that we may request from management for the purpose of the audit;
  - iii. Unrestricted access to persons within the entity from whom we determine it necessary to obtain audit evidence.
  - iv. A written acknowledgement of all the documents that management expects to issue that will be included in the annual report and the planned timing and method of issuance of that annual report; and
  - v. A final version of the annual report (including all the documents that, together, comprise the annual report) in a timely manner prior to the date of the auditor's report.
- d. For including the auditor's report in any document containing basic financial statements that indicates that such basic financial statements have been audited by us;
- e. For identifying and ensuring that the entity complies with the laws and regulations applicable to its activities;
- f. For adjusting the basic financial statements to correct material misstatements and confirming to us in the management representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the current year period(s) under audit are immaterial, both individually and in the aggregate, to the basic financial statements as a whole; and
- g. For acceptance of nonattest services, including identifying the proper party to oversee nonattest work;
- h. For maintaining adequate records, selecting and applying accounting principles, and safeguarding assets;
- i. For informing us of any known or suspected fraud affecting the entity involving management, employees with significant role in internal control and others where fraud could have a material effect on the financials; and
- j. For the accuracy and completeness of all information provided.

With regard to the supplementary information referred to above, you acknowledge and understand your responsibility: (a) for the preparation of the supplementary information in accordance with the applicable criteria; (b) to provide us with the appropriate written representations regarding supplementary information; (c) to include our report on the supplementary information in any document that contains the supplementary information and that indicates that we have reported on such supplementary information; and (d) to present the supplementary information with the audited basic financial statements, or if the supplementary information will not be presented with the audited basic financial statements, to make the audited basic financial statements readily available to the intended users of the supplementary information no later than the date of issuance by you of the supplementary information and our report thereon.

As part of our audit process, we will request from management, written confirmation concerning representations made to us in connection with the audit.

### **Nonattest Services**

With respect to any nonattest services we perform,

At the end of the year, we agree to perform the following:

- Propose adjusting or correcting journal entries detected during the audit, if applicable, to be reviewed and approved by the Entity's management.

We will not assume management responsibilities on behalf of the Entity. However, we will provide advice and recommendations to assist management of the Entity in performing its responsibilities.

The Entity's management is responsible for (a) making all management decisions and performing all management functions; (b) assigning a competent individual to oversee the services; (c) evaluating the adequacy of the services performed; (d) evaluating and accepting responsibility for the results of the services performed; and (e) establishing and maintaining internal controls, including monitoring ongoing activities.

Our responsibilities and limitations of the nonattest services are as follows:

- We will perform the services in accordance with applicable professional standards
- The nonattest services are limited to the services previously outlined. Our firm, in its sole professional judgment, reserves the right to refuse to do any procedure or take any action that could be construed as making management decisions or assuming management responsibilities, including determining account coding and approving journal entries.

### **Reporting**

We will issue a written report upon completion of our audit of the Entity's basic financial statements. Our report will be addressed to the Board of Directors of the Entity. Circumstances may arise in which our report may differ from its expected form and content based on the results of our audit. Depending on the nature of these circumstances, it may be necessary for us to modify our opinions, add an emphasis-of-matter or other-matter paragraph(s) to our auditor's report, or if necessary, withdraw from the engagement. If our opinions on the basic financial statements are other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed opinions, we may decline to express opinions or to issue a report as a result of this engagement.

In accordance with the requirements of Government Auditing Standards, we will also issue a written report describing the scope of our testing over internal control over financial reporting and over compliance with laws, regulations, and provisions of grants and contracts, including the results of that testing. However, providing an opinion on internal control and compliance will not be an objective of the audit and, therefore, no such opinion will be expressed.

## **Preparation of State Controller's Report**

You have requested that we prepare the Financial Transactions Report Financial Statements ("FTR"). The FTR will not include related notes to the financial statements.

The objective of our engagement is to prepare the FTR in accordance with the California State Controller's Office Instructions based on information provided by you. We will conduct our engagement in accordance with Statements on Standards for Accounting and Review Services (SSARs) promulgated by the Accounting and Review Services Committee of the AICPA and comply with the AICPA's Code of Professional Conduct, including the ethical principles of integrity, objectivity, professional competence, and due care.

We are not required to, and will not, verify the accuracy or completeness of the information you will provide to us for the engagement or otherwise gather evidence for the purpose of expressing an opinion or a conclusion. Accordingly, we will not express an opinion or a conclusion or provide any assurance on the FTR.

Our engagement cannot be relied upon to identify or disclose any FTR misstatements, including those caused by fraud or error, or to identify or disclose any wrongdoing within the Entity or noncompliance with laws and regulations. The engagement to be performed is conducted on the basis that management acknowledges and understands that our role is to prepare the FTR in accordance with the State Controller's Office Instructions. Management has the following overall responsibilities that are fundamental to our undertaking the engagement to prepare your FTR in accordance with SSARs:

- a. The selection of accounting principles generally accepted in the United States of America as the financial reporting framework to be applied in the preparation of the financial statements
- b. The design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error
- c. The prevention and detection of fraud.
- d. To ensure that the Entity complies with the laws and regulations applicable to its activities
- e. The accuracy and completeness of the records, documents, explanations, and other information, including significant judgments, you provide to us for the engagement to prepare financial statements
- f. To provide us with:
  - i. Documentation, and other related information that is relevant to the preparation and presentation of the financial statements
  - ii. Additional information that may be requested for the purpose of the preparation of the financial statements, and
  - iii. Unrestricted access to persons within the Entity of whom we determine necessary to communicate.

As part of our engagement, we will issue a disclaimer that will state that the FTR was not subjected to an audit, review, or compilation engagement by us and, accordingly, we do not express an opinion, a conclusion, nor provide any assurance on them.

**Engagement Fees**

Our our fixed fees for the services previously outlined are as follows:

Financial Statement Audit	\$ 6,056
State Controller’s Report	<u>1,133</u>
	<u>\$ 7,189</u>

Additionally, our fees are dependent on the availability, quality, and completeness of the Entity’s records and, where applicable, upon the Entity’s personnel providing the level of assistance identified in the “prepared by client” request list distributed at the end of our planning work (e.g., Entity employees preparing confirmations and schedules we request, locating documents selected by us for testing, etc.).

Should our assumptions with respect to these matters be incorrect, or should the condition of the records, degree of cooperation, or other matters beyond our reasonable control require additional commitments by us beyond those upon which our estimated fees are based, we may adjust our fees and planned completion dates. If significant additional time is necessary, we will discuss it with management and arrive at a new fee estimate as soon as reasonably practicable.

**Other Engagement Matters**

During the course of the engagement, we may communicate with you or your personnel via fax or e-mail, and you should be aware that communication in those mediums contains a risk of misdirected or intercepted communications.

Enclosed, as required by *Government Auditing Standards*, is a copy of the report on the most recent peer review of our firm.

Government Auditing Standards require that we document an assessment of the skills, knowledge, and experience of management, should we participate in any form of preparation of the basic financial statements and related schedules or disclosures as these actions are deemed a non-audit service.

Jonathan Foster, CPA, is the engagement partner responsible for supervising the engagement and signing the report.

During the course of the audit we may observe opportunities for economy in, or improved controls over, your operations. We will bring such matters to the attention of the appropriate level of management, either orally or in writing.

You agree to inform us of facts that may affect the basic financial statements of which you may become aware during the period from the date of the auditor’s report to the date the financial statements are issued.

We agree to retain our audit documentation or work papers for a period of at least seven years from the date of our report.

At the conclusion of our audit engagement, we will communicate to the Board of Directors the following significant findings from the audit:

- Our view about the qualitative aspects of the entity’s significant accounting practices;

- Significant difficulties, if any, encountered during the audit;
- Uncorrected misstatements, other than those we believe are trivial, if any;
- Disagreements with management, if any;
- Other findings or issues, if any, arising from the audit that are, in our professional judgment, significant and relevant to those charged with governance regarding their oversight of the financial reporting process;
- Material, corrected misstatements that were brought to the attention of management as a result of our audit procedures;
- Representations we requested from management;
- Management’s consultations with other accountants, if any; and
- Significant issues, if any, arising from the audit that were discussed, or the subject of correspondence, with management.

The audit documentation for this engagement is the property of Davis Farr LLP and constitutes confidential information. However, we may be requested to make certain audit documentation available to regulatory agencies pursuant to authority given to it by law or regulation, or to peer reviewers. If requested, access to such audit documentation will be provided under the supervision of Davis Farr LLP’s personnel. Furthermore, upon request, we may provide copies of selected audit documentation to regulatory agencies. The regulatory agencies may intend, or decide, to distribute the copies of information contained therein to others, including other governmental agencies.

Please sign and return the attached copy of this letter to indicate your acknowledgment of, and agreement with, the arrangements for our audit of the basic financial statements including our respective responsibilities.

We appreciate the opportunity to provide these services and believe this letter accurately summarizes the significant terms of our engagement.

Very truly yours,



Jonathan Foster, Partner  
Davis Farr LLP

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The services and arrangements described in this letter are in accordance with our understanding and are acceptable to us.

**Middle Fork Project Financing Authority**

By \_\_\_\_\_  
**Executive Director**

By \_\_\_\_\_  
**Treasurer**

Date \_\_\_\_\_

Date \_\_\_\_\_



## Report on the Firm's System of Quality Control

### **Davis Farr LLP**

and the Peer Review Committee of the California Society of CPAs

We have reviewed the system of quality control for the accounting and auditing practice of Davis Farr LLP (the firm) in effect for the year ended May 31, 2022. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants (Standards).

A summary of the nature, objectives, scope, limitations of, and the procedures performed in a System Review as described in the Standards may be found at [www.aicpa.org/prsummary](http://www.aicpa.org/prsummary). The summary also includes an explanation of how engagements identified as not performed or reported on in conformity with applicable professional standards, if any, are evaluated by a peer reviewer to determine a peer review rating.

### **Firm's Responsibility**

The firm is responsible for designing and complying with a system of quality control to provide the firm with reasonable assurance of performing and reporting in conformity with the requirements of applicable professional standards in all material respects. The firm is also responsible for evaluating actions to promptly remediate engagements deemed as not performed or reported on in conformity with the requirements of applicable professional standards, when appropriate, and for remediating weaknesses in its system of quality control, if any.

### **Peer Reviewer's Responsibility**

Our responsibility is to express an opinion on the design of and compliance with the firm's system of quality control based on our review.

### **Required Selections and Considerations**

Engagements selected for review included engagements performed under *Government Auditing Standards*, including a compliance audit under the Single Audit Act; and examination of a service organization (SOC 1 engagement).

As part of our peer review, we considered reviews by regulatory entities as communicated by the firm, if applicable, in determining the nature and extent of our procedures.

### **CPAs ■ Advisors**

4120 Concours, Suite 100, Ontario, CA 91764  
909.948.9990 / 800.644.0696 / FAX 909.948.9633  
gyl@gylcpa.com  
www.gylcpa.com

MFP Regular Meeting - October 17, 2024

**CPAmerica**  
Member  Crowe Global

## Opinion

In our opinion, the system of quality control for the accounting and auditing practice of Davis Farr LLP in effect for the year ended May 31, 2022, has been suitably designed and complied with to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of *pass*, *pass with deficiency(ies)* or *fail*. Davis Farr LLP has received a peer review rating of *pass*.

***GYL LLP***

Ontario, California  
August 8, 2022





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## MEMORANDUM

TO: Middle Fork Project Finance Authority

FROM: Joseph Parker, CPA, Treasurer

DATE: October 3, 2024

RE: Treasurer's Investment Reports Third Quarter 2024

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### RECOMMENDATION:

Receive and file Treasurer's Investment Reports for the months ending July 31, 2024, August 31, 2024, and September 30, 2024.

### **ATTACHMENTS:**

Description	Upload Date	Type
Treasurer's Report for the Third Quarter Ending September 30, 2024	10/8/2024	Backup Material





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# Middle Fork Project Finance Authority

## Treasurer's Investment Report July 31, 2024

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144 Ferguson Road • Auburn, California 95604  
Telephone: (530) 823-4875

## Treasurer's Discussion

### Middle Fork Project Finance Authority Treasurer's Report

July 31, 2024

This Treasurer's Report includes three sections: 1. Portfolio Summary, 2. Portfolio Details – Investments, and 3. Activity by Type for the prior month.

For the purpose of clarification, the following definitions of investment terms are provided:

**Book Value** is the purchase price of a security plus amortization of any premium or discount. This may be more or less than face value depending upon whether the security was purchased at a premium or at a discount.

**Par (Face) Value** is the principal amount of a security and the amount of principal that will be paid at maturity.

**Market Value** is the value at which a security can be sold at the time it is priced including accrued interest. Individual securities market prices are obtained from US Bank, (safekeeper and third-party custodian). Market values are only relevant if the investment is sold prior to maturity. A gain or loss would be realized only if the specific investment were to be sold. It is the Authority's practice to hold to maturity.

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The investments held in the portfolio are in accordance with the Investment Policy of Middle Fork Project Finance Authority and California Government Code.



**MFP Finance Authority  
Portfolio Management  
Portfolio Summary  
July 31, 2024**

Investments	Par Value	Market Value	Book Value	% of Portfolio	Term	Days to Mat./Call	YTM 365 Equiv.
Local Agency Investment Funds	71,643,902.96	71,181,307.66	71,643,902.96	34.31	1	1	4.480
Checking Accounts	6,726,519.16	6,726,519.16	6,726,519.16	3.22	1	1	0.000
Money Market	4,800,740.19	4,800,740.19	4,800,740.19	2.30	1	1	0.000
Medium Term Notes	3,000,000.00	2,911,140.00	3,000,000.00	1.44	1,461	642	4.000
Federal Agency Coupon Securities	87,255,000.00	87,204,367.30	87,050,071.18	41.69	960	345	4.512
Treasury Coupon Securities	21,000,000.00	20,742,270.00	20,821,048.21	9.97	443	287	4.650
Municipal Bonds	2,500,000.00	2,461,850.00	2,500,808.80	1.20	1,269	122	0.332
Cash with Fiscal Agent	12,271,220.93	12,271,220.93	12,271,220.93	5.88	1	1	0.000
	<b>209,197,383.24</b>	<b>208,299,415.24</b>	<b>208,814,311.43</b>	<b>100.00%</b>	<b>481</b>	<b>184</b>	<b>3.943</b>

Cash and Accrued Interest							
Accrued Interest at Purchase *		0.00	0.00				
Ending Accrued Interest		1,367,253.04	1,367,253.04				
Subtotal		1,367,253.04	1,367,253.04				
	<b>209,197,383.24</b>	<b>209,666,668.28</b>	<b>210,181,564.47</b>		<b>481</b>	<b>184</b>	<b>3.943</b>

Total Earnings	July 31 Month Ending						
Current Year	672,840.37	* 74,197.22 Accrued at Purchase is Included in Book Value.					

**Average Daily Balance** 206,900,192.20  
**Effective Rate of Return** 3.83%

The investments held in portfolio are in accordance with the Investment Policy of the Middle Fork Project Finance Authority.

*Joseph H. Parker*

Aug 6, 2024

Joseph H. Parker, CPA

Reporting period 07/01/2024-07/31/2024

Run Date: 08/05/2024 - 11:34

No fiscal year history available

Portfolio MFP  
AC  
PM (PRF\_PM1) 7.3.0  
Report Ver. 7.3.6.1

**MFP Finance Authority  
Portfolio Management  
Portfolio Details - Investments  
July 31, 2024**

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	Term	Days to Mat./Call	YTM 365	Maturity Date
<b>Local Agency Investment Funds</b>												
LAIF	10001	Local Agency Investment Fund		01/01/2021	71,643,902.96	71,181,307.66	71,643,902.96	4.480	1	1	4.480	
<b>Subtotal and Average</b>			<b>71,205,556.79</b>		<b>71,643,902.96</b>	<b>71,181,307.66</b>	<b>71,643,902.96</b>		<b>1</b>	<b>1</b>	<b>4.480</b>	
<b>Checking Accounts</b>												
1265-OPERATIONS	10100	US Bank		01/01/2021	6,726,519.16	6,726,519.16	6,726,519.16		1	1	0.000	
<b>Subtotal and Average</b>			<b>3,854,379.26</b>		<b>6,726,519.16</b>	<b>6,726,519.16</b>	<b>6,726,519.16</b>		<b>1</b>	<b>1</b>	<b>0.000</b>	
<b>Money Market</b>												
MONEY MARKET	10121	US Bank		09/30/2021	4,800,740.19	4,800,740.19	4,800,740.19		1	1	0.000	
<b>Subtotal and Average</b>			<b>9,392,232.36</b>		<b>4,800,740.19</b>	<b>4,800,740.19</b>	<b>4,800,740.19</b>		<b>1</b>	<b>1</b>	<b>0.000</b>	
<b>Medium Term Notes</b>												
06048WV56	10128	Bank of America Corp		05/05/2022	3,000,000.00	2,911,140.00	3,000,000.00	4.000	1,461	642	4.000	05/05/2026
<b>Subtotal and Average</b>			<b>7,064,625.57</b>		<b>3,000,000.00</b>	<b>2,911,140.00</b>	<b>3,000,000.00</b>		<b>1,461</b>	<b>642</b>	<b>4.000</b>	
<b>Federal Agency Coupon Securities</b>												
31422XB50	10132	FARMER MAC		07/28/2022	3,000,000.00	2,961,990.00	2,999,008.33	3.630	1,096	361	3.666	07/28/2025
31422X5Y4	10145	FARMER MAC		08/25/2023	3,290,000.00	3,292,566.20	3,282,245.81	4.850	720	378	5.091	08/14/2025
31422X6U1	10147	FARMER MAC		09/08/2023	2,000,000.00	2,013,780.00	1,999,074.78	4.625	1,096	768	4.649	09/08/2026
31424WHB1	10154	FARMER MAC		04/19/2024	4,000,000.00	4,016,000.00	3,983,149.85	4.650	719	615	5.004	04/08/2026
3133EKP75	10095	Federal Farm Credit Bank		09/17/2019	3,000,000.00	2,984,910.00	2,999,963.20	1.600	1,827	47	1.610	09/17/2024
3133EK3B0	10097	Federal Farm Credit Bank		10/18/2019	3,000,000.00	2,975,220.00	2,999,157.81	1.500	1,825	76	1.641	10/16/2024
3133ENJH4	10124	Federal Farm Credit Bank		12/29/2021	2,000,000.00	1,965,240.00	1,999,593.69	0.940	1,094	148	0.991	12/27/2024
3133ENVC1	10125	Federal Farm Credit Bank		05/02/2022	3,000,000.00	2,952,990.00	2,996,656.33	2.750	1,089	267	2.910	04/25/2025
3133EPYK5	10150	Federal Farm Credit Bank		10/30/2023	9,000,000.00	9,054,360.00	9,005,460.56	5.125	711	435	5.069	10/10/2025
3133EP6K6	10153	Federal Farm Credit Bank		04/18/2024	6,000,000.00	6,046,740.00	5,971,401.98	4.500	1,072	967	4.806	03/26/2027
3133ERCF6	10155	Federal Farm Credit Bank		04/23/2024	6,000,000.00	6,137,580.00	5,990,022.44	4.625	1,644	1,544	4.669	10/23/2028
3130AT4W4	10133	Federal Home Loan Bank		09/15/2022	3,000,000.00	2,984,070.00	3,000,000.00	4.180	1,096	45	4.180	09/15/2025
3130AVJZ6	10137	Federal Home Loan Bank		03/30/2023	3,800,000.00	3,797,112.00	3,800,000.00	5.000	547	57	5.000	09/27/2024
3130AVQW5	10139	Federal Home Loan Bank		05/05/2023	3,365,000.00	3,364,125.10	3,365,000.00	5.000	1,452	86	4.998	04/26/2027
3130AW4T4	10141	Federal Home Loan Bank		05/26/2023	2,800,000.00	2,796,024.00	2,800,000.00	5.000	915	25	5.000	11/26/2025
3130AWXW5	10143	Federal Home Loan Bank		08/21/2023	3,000,000.00	2,999,250.00	3,000,000.00	5.330	396	50	5.335	09/20/2024
3130AWZV5	10144	Federal Home Loan Bank		08/28/2023	6,000,000.00	5,999,760.00	6,000,000.00	5.380	366	27	5.318	08/28/2024
3130B1Z75	10156	Federal Home Loan Bank		07/19/2024	5,000,000.00	5,003,400.00	5,001,388.89	5.000	234	221	5.010	03/10/2025
3134GXR63	10136	Federal Home Loan Mtg Corp		10/26/2022	3,000,000.00	2,976,390.00	2,976,143.84	4.050	1,037	27	4.849	08/28/2025

**MFP Finance Authority  
Portfolio Management  
Portfolio Details - Investments  
July 31, 2024**

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	Term	Days to Mat./Call	YTM 365	Maturity Date
<b>Federal Agency Coupon Securities</b>												
3134GXB29	10142	Federal Home Loan Mtg Corp		05/12/2023	3,000,000.00	2,984,820.00	2,993,918.37	4.000	598	60	4.511	12/30/2024
3134H1BD4	10146	Federal Home Loan Mtg Corp		08/28/2023	4,000,000.00	3,993,560.00	3,967,400.00	5.125	1,827	27	5.356	08/28/2028
3135G03U5	10135	Federal National Mtg Assn		10/26/2022	3,000,000.00	2,908,170.00	2,920,485.30	0.625	909	264	4.532	04/22/2025
3135GAHL8	10140	Federal National Mtg Assn		05/15/2023	3,000,000.00	2,996,310.00	3,000,000.00	5.100	550	14	5.100	11/15/2024
<b>Subtotal and Average</b>			<b>84,138,182.69</b>		<b>87,255,000.00</b>	<b>87,204,367.30</b>	<b>87,050,071.18</b>		<b>960</b>	<b>345</b>	<b>4.512</b>	
<b>Treasury Coupon Securities</b>												
91282CEH0	10151	U.S. Treasury		12/29/2023	7,500,000.00	7,381,500.00	7,401,944.04	2.625	473	257	4.557	04/15/2025
91282CDS7	10152	U.S. Treasury		12/29/2023	7,500,000.00	7,366,650.00	7,380,943.01	1.125	383	167	4.732	01/15/2025
91282CFW6	10157	U.S. Treasury		07/23/2024	6,000,000.00	5,994,120.00	6,038,161.16	4.500	480	471	4.663	11/15/2025
<b>Subtotal and Average</b>			<b>16,519,454.00</b>		<b>21,000,000.00</b>	<b>20,742,270.00</b>	<b>20,821,048.21</b>		<b>443</b>	<b>287</b>	<b>4.650</b>	
<b>Municipal Bonds</b>												
13067WSU7	10118	State of California		06/11/2021	2,500,000.00	2,461,850.00	2,500,808.80	0.508	1,269	122	0.332	12/01/2024
<b>Subtotal and Average</b>			<b>2,500,903.38</b>		<b>2,500,000.00</b>	<b>2,461,850.00</b>	<b>2,500,808.80</b>		<b>1,269</b>	<b>122</b>	<b>0.332</b>	
<b>Cash with Fiscal Agent</b>												
20 REF BOND	10117	US Bank		03/31/2020	12,271,220.93	12,271,220.93	12,271,220.93		1	1	0.000	
<b>Subtotal and Average</b>			<b>12,224,858.17</b>		<b>12,271,220.93</b>	<b>12,271,220.93</b>	<b>12,271,220.93</b>		<b>1</b>	<b>1</b>	<b>0.000</b>	
<b>Total and Average</b>			<b>206,900,192.20</b>		<b>209,197,383.24</b>	<b>208,299,415.24</b>	<b>208,814,311.43</b>		<b>481</b>	<b>184</b>	<b>3.943</b>	

**MFP Finance Authority  
Portfolio Management  
Portfolio Details - Cash  
July 31, 2024**

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	Term	Days to Mat./Call	YTM 365
		<b>Average Balance</b>	<b>0.00</b>	Accrued Interest at Purchase *		0.00	0.00			<b>0</b>	<b>0</b>
				Ending Accrued Interest		1,367,253.04	1,367,253.04				
				Subtotal		1,367,253.04	1,367,253.04				
		<b>Total Cash and Investment Value</b>	<b>206,900,192.20</b>		<b>209,197,383.24</b>	<b>209,666,668.28</b>	<b>210,181,564.47</b>		<b>481</b>	<b>184</b>	<b>3.943</b>

\* 74,197.22 Accrued at Purchase is Included in Book and Market Values

**MFP Finance Authority  
Portfolio Management  
Activity By Type  
July 1, 2024 through July 31, 2024**

CUSIP	Investment #	Issuer	Stated Rate	Transaction Date	Purchases or Deposits	Redemptions or Withdrawals	Balance
<b>Local Agency Investment Funds (Monthly Summary)</b>							
LAIF	10001	Local Agency Investment Fund	4.480		799,337.14	0.00	
		<b>Subtotal</b>			<b>799,337.14</b>	<b>0.00</b>	<b>71,643,902.96</b>
<b>Checking Accounts (Monthly Summary)</b>							
1265-OPERATIONS	10100	US Bank			7,493,486.30	4,525,608.40	
		<b>Subtotal</b>			<b>7,493,486.30</b>	<b>4,525,608.40</b>	<b>6,726,519.16</b>
<b>Money Market (Monthly Summary)</b>							
MONEY MARKET	10121	US Bank			294,769.98	5,039,311.89	
		<b>Subtotal</b>			<b>294,769.98</b>	<b>5,039,311.89</b>	<b>4,800,740.19</b>
<b>Medium Term Notes</b>							
48133DN55	10131	JP Morgan Chase Financial	4.050	07/29/2024	0.00	3,000,000.00	
742651DP4	10092	Private Export Funding	2.450	07/15/2024	0.00	3,000,000.00	
		<b>Subtotal</b>			<b>0.00</b>	<b>6,000,000.00</b>	<b>3,000,000.00</b>
<b>Federal Agency Coupon Securities</b>							
3130B1Z75	10156	Federal Home Loan Bank	5.000	07/19/2024	5,000,000.00	0.00	
		<b>Subtotal</b>			<b>5,000,000.00</b>	<b>0.00</b>	<b>87,050,071.18</b>
<b>Treasury Coupon Securities</b>							
91282CFW6	10157	U.S. Treasury	4.500	07/23/2024	5,987,298.00	0.00	
		<b>Subtotal</b>			<b>5,987,298.00</b>	<b>0.00</b>	<b>20,821,048.21</b>
<b>Municipal Bonds</b>							
		<b>Subtotal</b>					<b>2,500,808.80</b>
<b>Cash with Fiscal Agent</b>							
20 REF BOND	10117	US Bank			47,908.19	0.00	
		<b>Subtotal</b>			<b>47,908.19</b>	<b>0.00</b>	<b>12,271,220.93</b>
		<b>Total</b>			<b>19,622,799.61</b>	<b>15,564,920.29</b>	<b>208,814,311.43</b>



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# Middle Fork Project Finance Authority

## Treasurer's Investment Report August 31, 2024

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144 Ferguson Road • Auburn, California 95604  
Telephone: (530) 823-4875



## Treasurer's Discussion

### Middle Fork Project Finance Authority Treasurer's Report

August 31, 2024

This Treasurer's Report includes three sections: 1. Portfolio Summary, 2. Portfolio Details – Investments, and 3. Activity by Type for the prior month.

For the purpose of clarification, the following definitions of investment terms are provided:

**Book Value** is the purchase price of a security plus amortization of any premium or discount. This may be more or less than face value depending upon whether the security was purchased at a premium or at a discount.

**Par (Face) Value** is the principal amount of a security and the amount of principal that will be paid at maturity.

**Market Value** is the value at which a security can be sold at the time it is priced including accrued interest. Individual securities market prices are obtained from US Bank, (safekeeper and third-party custodian). Market values are only relevant if the investment is sold prior to maturity. A gain or loss would be realized only if the specific investment were to be sold. It is the Authority's practice to hold to maturity.

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The investments held in the portfolio are in accordance with the Investment Policy of Middle Fork Project Finance Authority and California Government Code.



**MFP Finance Authority  
Portfolio Management  
Portfolio Summary  
August 31, 2024**

Investments	Par Value	Market Value	Book Value	% of Portfolio	Term	Days to Mat./Call	YTM 365 Equiv.
Local Agency Investment Funds	71,643,902.96	71,181,307.66	71,643,902.96	33.69	1	1	4.516
Checking Accounts	9,978,966.82	9,978,966.82	9,978,966.82	4.69	1	1	0.000
Money Market	11,234,336.71	11,234,336.71	11,234,336.71	5.28	1	1	0.000
Medium Term Notes	3,000,000.00	2,969,460.00	3,000,000.00	1.41	1,461	611	4.000
Federal Agency Coupon Securities	81,255,000.00	81,445,830.15	81,103,874.76	38.14	991	424	4.372
Treasury Coupon Securities	21,000,000.00	20,826,150.00	20,855,796.71	9.81	443	256	4.650
Municipal Bonds	2,500,000.00	2,470,300.00	2,500,606.60	1.18	1,269	91	0.332
Cash with Fiscal Agent	12,320,901.96	12,320,901.96	12,320,901.96	5.79	1	1	0.000
	<b>212,933,108.45</b>	<b>212,427,253.30</b>	<b>212,638,386.52</b>	<b>100.00%</b>	<b>457</b>	<b>197</b>	<b>3.705</b>

Investments	Par Value	Market Value	Book Value	% of Portfolio	Term	Days to Mat./Call	YTM 365 Equiv.
<b>Investments</b>							
<b>Cash and Accrued Interest</b>							
Accrued Interest at Purchase *		0.00	0.00				
Ending Accrued Interest		1,602,503.89	1,602,503.89				
Subtotal		1,602,503.89	1,602,503.89				
	<b>212,933,108.45</b>	<b>214,029,757.19</b>	<b>214,240,890.41</b>		<b>457</b>	<b>197</b>	<b>3.705</b>

**Total Cash and Investments Value**

Total Earnings	August 31 Month Ending	Fiscal Year To Date
Current Year	722,877.25	5,713,259.28

\* 75,030.55 Accrued at Purchase is Included in Book Value.

**Average Daily Balance** 208,385,715.59

**Effective Rate of Return** 4.08%

The investments held in portfolio are in accordance with the Investment Policy of the Middle Fork Project Finance Authority.

*Joseph H. Parker*

Sep 5, 2024

Joseph H. Parker, CPA

Reporting period 08/01/2024-08/31/2024

Run Date: 09/04/2024 - 09:05

Portfolio MFP  
AC  
PM (PRF\_PM1) 7.3.0  
Report Ver. 7.3.6.1

**MFP Finance Authority  
Portfolio Management  
Portfolio Details - Investments  
August 31, 2024**

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	Term	Days to Mat./Call	YTM 365	Maturity Date
<b>Local Agency Investment Funds</b>												
LAIF	10001	Local Agency Investment Fund			71,643,902.96	71,181,307.66	71,643,902.96	4.516	1	1	4.516	
<b>Subtotal and Average</b>			<b>71,643,902.96</b>		<b>71,643,902.96</b>	<b>71,181,307.66</b>	<b>71,643,902.96</b>		<b>1</b>	<b>1</b>	<b>4.516</b>	
<b>Checking Accounts</b>												
1265-OPERATIONS	10100	US Bank			9,978,966.82	9,978,966.82	9,978,966.82		1	1	0.000	
<b>Subtotal and Average</b>			<b>6,831,436.83</b>		<b>9,978,966.82</b>	<b>9,978,966.82</b>	<b>9,978,966.82</b>		<b>1</b>	<b>1</b>	<b>0.000</b>	
<b>Money Market</b>												
MONEY MARKET	10121	US Bank			11,234,336.71	11,234,336.71	11,234,336.71		1	1	0.000	
<b>Subtotal and Average</b>			<b>5,008,275.56</b>		<b>11,234,336.71</b>	<b>11,234,336.71</b>	<b>11,234,336.71</b>		<b>1</b>	<b>1</b>	<b>0.000</b>	
<b>Medium Term Notes</b>												
06048WV56	10128	Bank of America Corp		05/05/2022	3,000,000.00	2,969,460.00	3,000,000.00	4.000	1,461	611	4.000	05/05/2026
<b>Subtotal and Average</b>			<b>3,000,000.00</b>		<b>3,000,000.00</b>	<b>2,969,460.00</b>	<b>3,000,000.00</b>		<b>1,461</b>	<b>611</b>	<b>4.000</b>	
<b>Federal Agency Coupon Securities</b>												
31422XB50	10132	FARMER MAC		07/28/2022	3,000,000.00	2,971,320.00	2,999,091.67	3.630	1,096	330	3.666	07/28/2025
31422X5Y4	10145	FARMER MAC		08/25/2023	3,290,000.00	3,296,119.40	3,282,869.47	4.850	720	347	5.091	08/14/2025
31422X6U1	10147	FARMER MAC		09/08/2023	2,000,000.00	2,025,680.00	1,999,111.44	4.625	1,096	737	4.649	09/08/2026
31424WHB1	10154	FARMER MAC		04/19/2024	4,000,000.00	4,033,600.00	3,984,263.53	4.650	719	584	5.004	04/08/2026
3133EKP75	10095	Federal Farm Credit Bank		09/17/2019	3,000,000.00	2,995,710.00	2,999,987.20	1.600	1,827	16	1.610	09/17/2024
3133EK3B0	10097	Federal Farm Credit Bank		10/18/2019	3,000,000.00	2,986,560.00	2,999,494.69	1.500	1,825	45	1.641	10/16/2024
3133ENJH4	10124	Federal Farm Credit Bank		12/29/2021	2,000,000.00	1,973,180.00	1,999,677.18	0.940	1,094	117	0.991	12/27/2024
3133ENVC1	10125	Federal Farm Credit Bank		05/02/2022	3,000,000.00	2,963,070.00	2,997,036.29	2.750	1,089	236	2.910	04/25/2025
3133EPYK5	10150	Federal Farm Credit Bank		10/30/2023	9,000,000.00	9,078,660.00	9,005,078.70	5.125	711	404	5.069	10/10/2025
3133EP6K6	10153	Federal Farm Credit Bank		04/18/2024	6,000,000.00	6,083,040.00	5,972,818.67	4.500	1,072	936	4.806	03/26/2027
3133ERCF6	10155	Federal Farm Credit Bank		04/23/2024	6,000,000.00	6,186,060.00	5,990,219.11	4.625	1,644	1,513	4.669	10/23/2028
3130AT4W4	10133	Federal Home Loan Bank		09/15/2022	3,000,000.00	2,989,560.00	3,000,000.00	4.180	1,096	14	4.180	09/15/2025
3130AVJZ6	10137	Federal Home Loan Bank		03/30/2023	3,800,000.00	3,799,088.00	3,800,000.00	5.000	547	26	5.000	09/27/2024
3130AVQW5	10139	Federal Home Loan Bank		05/05/2023	3,365,000.00	3,364,158.75	3,365,000.00	5.000	1,452	55	4.998	04/26/2027
3130AW4T4	10141	Federal Home Loan Bank		05/26/2023	2,800,000.00	2,798,124.00	2,800,000.00	5.000	915	86	5.000	11/26/2025
3130AWXW5	10143	Federal Home Loan Bank		08/21/2023	3,000,000.00	2,999,970.00	3,000,000.00	5.330	396	19	5.335	09/20/2024
3130B1Z75	10156	Federal Home Loan Bank		07/19/2024	5,000,000.00	5,012,050.00	5,001,388.89	5.000	234	190	5.010	03/10/2025
3130B2HK4	10158	Federal Home Loan Bank		08/28/2024	4,000,000.00	3,990,560.00	4,005,076.99	3.750	1,552	1,548	3.724	11/27/2028
3134GXR63	10136	Federal Home Loan Mtg Corp		10/26/2022	3,000,000.00	2,985,990.00	2,977,993.15	4.050	1,037	88	4.849	08/28/2025

**MFP Finance Authority  
Portfolio Management  
Portfolio Details - Investments  
August 31, 2024**

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	Term	Days to Mat./Call	YTM 365	Maturity Date
<b>Federal Agency Coupon Securities</b>												
3134GXB29	10142	Federal Home Loan Mtg Corp		05/12/2023	3,000,000.00	2,988,210.00	2,995,142.86	4.000	598	29	4.511	12/30/2024
3135G03U5	10135	Federal National Mtg Assn		10/26/2022	3,000,000.00	2,926,020.00	2,929,624.92	0.625	909	233	4.532	04/22/2025
3135GAHL8	10140	Federal National Mtg Assn		05/15/2023	3,000,000.00	2,999,100.00	3,000,000.00	5.100	550	75	5.100	11/15/2024
<b>Subtotal and Average</b>			<b>86,289,592.60</b>		<b>81,255,000.00</b>	<b>81,445,830.15</b>	<b>81,103,874.76</b>		<b>991</b>	<b>424</b>	<b>4.372</b>	
<b>Treasury Coupon Securities</b>												
91282CEH0	10151	U.S. Treasury		12/29/2023	7,500,000.00	7,410,525.00	7,413,771.80	2.625	473	226	4.557	04/15/2025
91282CDS7	10152	U.S. Treasury		12/29/2023	7,500,000.00	7,398,525.00	7,403,043.41	1.125	383	136	4.732	01/15/2025
91282CFW6	10157	U.S. Treasury		07/23/2024	6,000,000.00	6,017,100.00	6,038,981.50	4.500	480	440	4.663	11/15/2025
<b>Subtotal and Average</b>			<b>20,838,982.92</b>		<b>21,000,000.00</b>	<b>20,826,150.00</b>	<b>20,855,796.71</b>		<b>443</b>	<b>256</b>	<b>4.650</b>	
<b>Municipal Bonds</b>												
13067WSU7	10118	State of California		06/11/2021	2,500,000.00	2,470,300.00	2,500,606.60	0.508	1,269	91	0.332	12/01/2024
<b>Subtotal and Average</b>			<b>2,500,701.18</b>		<b>2,500,000.00</b>	<b>2,470,300.00</b>	<b>2,500,606.60</b>		<b>1,269</b>	<b>91</b>	<b>0.332</b>	
<b>Cash with Fiscal Agent</b>												
20 REF BOND	10117	US Bank		03/31/2020	12,320,901.96	12,320,901.96	12,320,901.96		1	1	0.000	
<b>Subtotal and Average</b>			<b>12,272,823.54</b>		<b>12,320,901.96</b>	<b>12,320,901.96</b>	<b>12,320,901.96</b>		<b>1</b>	<b>1</b>	<b>0.000</b>	
<b>Total and Average</b>			<b>208,385,715.59</b>		<b>212,933,108.45</b>	<b>212,427,253.30</b>	<b>212,638,386.52</b>		<b>457</b>	<b>197</b>	<b>3.705</b>	

**MFP Finance Authority  
Portfolio Management  
Portfolio Details - Cash  
August 31, 2024**

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	Term	Days to Mat./Call	YTM 365	
		<b>Average Balance</b>	<b>0.00</b>	Accrued Interest at Purchase *		0.00	0.00			<b>0</b>	<b>0</b>	
				Ending Accrued Interest		1,602,503.89	1,602,503.89					
				Subtotal		1,602,503.89	1,602,503.89					
		<b>Total Cash and Investment Value</b>	<b>208,385,715.59</b>		<b>212,933,108.45</b>	<b>214,029,757.19</b>	<b>214,240,890.41</b>			<b>457</b>	<b>197</b>	<b>3.705</b>

\* 75,030.55 Accrued at Purchase is Included in Book and Market Values

**MFP Finance Authority  
Portfolio Management  
Activity By Type  
August 1, 2024 through August 31, 2024**

CUSIP	Investment #	Issuer	Stated Rate	Transaction Date	Purchases or Deposits	Redemptions or Withdrawals	Balance
<b>Local Agency Investment Funds (Monthly Summary)</b>							
<b>Subtotal</b>							<b>71,643,902.96</b>
<b>Checking Accounts (Monthly Summary)</b>							
1265-OPERATIONS	10100	US Bank			9,203,383.17	5,950,935.51	
<b>Subtotal</b>							<b>9,978,966.82</b>
<b>Money Market (Monthly Summary)</b>							
MONEY MARKET	10121	US Bank			6,433,596.52	0.00	
<b>Subtotal</b>							<b>11,234,336.71</b>
<b>Medium Term Notes</b>							
<b>Subtotal</b>							<b>3,000,000.00</b>
<b>Federal Agency Coupon Securities</b>							
3130AWZV5	10144	Federal Home Loan Bank	5.380	08/28/2024	0.00	6,000,000.00	
3130B2HK4	10158	Federal Home Loan Bank	3.750	08/28/2024	4,004,252.00	0.00	
3134H1BD4	10146	Federal Home Loan Mtg Corp	5.125	08/28/2024	0.00	3,968,000.00	
<b>Subtotal</b>							<b>81,103,874.76</b>
<b>Treasury Coupon Securities</b>							
<b>Subtotal</b>							<b>20,855,796.71</b>
<b>Municipal Bonds</b>							
<b>Subtotal</b>							<b>2,500,606.60</b>
<b>Cash with Fiscal Agent</b>							
20 REF BOND	10117	US Bank			49,681.03	0.00	
<b>Subtotal</b>							<b>12,320,901.96</b>
<b>Total</b>					<b>19,690,912.72</b>	<b>15,918,935.51</b>	<b>212,638,386.52</b>



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# Middle Fork Project Finance Authority

## Treasurer's Investment Report September 30, 2024

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144 Ferguson Road • Auburn, California 95604  
Telephone: (530) 823-4875

## Treasurer's Discussion

### Middle Fork Project Finance Authority Treasurer's Report

September 30, 2024

This Treasurer's Report includes three sections: 1. Portfolio Summary, 2. Portfolio Details – Investments, and 3. Activity by Type for the prior month.

For the purpose of clarification, the following definitions of investment terms are provided:

**Book Value** is the purchase price of a security plus amortization of any premium or discount. This may be more or less than face value depending upon whether the security was purchased at a premium or at a discount.

**Par (Face) Value** is the principal amount of a security and the amount of principal that will be paid at maturity.

**Market Value** is the value at which a security can be sold at the time it is priced including accrued interest. Individual securities market prices are obtained from US Bank, (safekeeper and third-party custodian). Market values are only relevant if the investment is sold prior to maturity. A gain or loss would be realized only if the specific investment were to be sold. It is the Authority's practice to hold to maturity.

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The investments held in the portfolio are in accordance with the Investment Policy of Middle Fork Project Finance Authority and California Government Code.





**MFP Finance Authority  
Portfolio Management  
Portfolio Summary  
September 30, 2024**

Investments	Par Value	Market Value	Book Value	% of Portfolio	Term	Days to Mat./Call	YTM 365 Equiv.
Local Agency Investment Funds	71,643,902.96	71,181,307.66	71,643,902.96	32.60	1	1	4.579
Checking Accounts	16,552,070.40	16,552,070.40	16,552,070.40	7.53	1	1	0.000
Money Market	11,523,855.27	11,523,855.27	11,523,855.27	5.24	1	1	0.000
Medium Term Notes	3,000,000.00	2,957,550.00	3,000,000.00	1.36	1,461	581	4.000
Federal Agency Coupon Securities	75,455,000.00	75,907,204.30	75,296,966.23	34.26	990	470	4.389
Treasury Coupon Securities	27,000,000.00	26,908,410.00	26,909,571.66	12.24	504	332	4.424
Municipal Bonds	2,500,000.00	2,482,275.00	2,500,404.40	1.14	1,269	61	0.332
Cash with Fiscal Agent	12,370,668.11	12,370,668.11	12,370,668.11	5.63	1	1	0.000
	<b>220,045,496.74</b>	<b>219,883,340.74</b>	<b>219,797,439.03</b>	<b>100.00%</b>	<b>436</b>	<b>211</b>	<b>3.596</b>

Cash and Accrued Interest						
Accrued Interest at Purchase *		0.00		0.00		
Ending Accrued Interest		1,759,813.06		1,759,813.06		
Subtotal		1,759,813.06		1,759,813.06		
	<b>220,045,496.74</b>	<b>221,643,153.80</b>		<b>221,557,252.09</b>	<b>436</b>	<b>211 3.596</b>

Total Earnings	September 30 Month Ending	Fiscal Year To Date
Current Year	668,353.18	6,456,517.38

\* 65,221.77 Accrued at Purchase is Included in Book Value.

**Average Daily Balance** 217,224,669.51  
**Effective Rate of Return** 3.74%

The investments held in portfolio are in accordance with the Investment Policy of the Middle Fork Project Finance Authority.

*Joseph H. Parker*  
Joseph H. Parker, CPA

10/08/2024

Reporting period 09/01/2024-09/30/2024

Run Date: 10/07/2024 - 06:30

Portfolio MFP  
AC  
PM (PRF\_PM1) 7.3.0  
Report Ver. 7.3.6.1

**MFP Finance Authority  
Portfolio Management  
Portfolio Details - Investments  
September 30, 2024**

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	Term	Days to Mat./Call	YTM 365	Maturity Date
<b>Local Agency Investment Funds</b>												
LAIF	10001	Local Agency Investment Fund			71,643,902.96	71,181,307.66	71,643,902.96	4.579	1	1	4.579	
<b>Subtotal and Average</b>			<b>71,643,902.96</b>		<b>71,643,902.96</b>	<b>71,181,307.66</b>	<b>71,643,902.96</b>		<b>1</b>	<b>1</b>	<b>4.579</b>	
<b>Checking Accounts</b>												
1265-OPERATIONS	10100	US Bank			16,552,070.40	16,552,070.40	16,552,070.40		1	1	0.000	
<b>Subtotal and Average</b>			<b>10,198,070.27</b>		<b>16,552,070.40</b>	<b>16,552,070.40</b>	<b>16,552,070.40</b>		<b>1</b>	<b>1</b>	<b>0.000</b>	
<b>Money Market</b>												
MONEY MARKET	10121	US Bank			11,523,855.27	11,523,855.27	11,523,855.27		1	1	0.000	
<b>Subtotal and Average</b>			<b>11,243,987.33</b>		<b>11,523,855.27</b>	<b>11,523,855.27</b>	<b>11,523,855.27</b>		<b>1</b>	<b>1</b>	<b>0.000</b>	
<b>Medium Term Notes</b>												
06048WV56	10128	Bank of America Corp		05/05/2022	3,000,000.00	2,957,550.00	3,000,000.00	4.000	1,461	581	4.000	05/05/2026
<b>Subtotal and Average</b>			<b>3,000,000.00</b>		<b>3,000,000.00</b>	<b>2,957,550.00</b>	<b>3,000,000.00</b>		<b>1,461</b>	<b>581</b>	<b>4.000</b>	
<b>Federal Agency Coupon Securities</b>												
31422XB50	10132	FARMER MAC		07/28/2022	3,000,000.00	2,981,250.00	2,999,175.00	3.630	1,096	300	3.666	07/28/2025
31422X5Y4	10145	FARMER MAC		08/25/2023	3,290,000.00	3,304,410.20	3,283,493.13	4.850	720	317	5.091	08/14/2025
31422X6U1	10147	FARMER MAC		09/08/2023	2,000,000.00	2,034,420.00	1,999,148.11	4.625	1,096	707	4.649	09/08/2026
31424WHB1	10154	FARMER MAC		04/19/2024	4,000,000.00	4,049,320.00	3,985,377.21	4.650	719	554	5.004	04/08/2026
31424WNG3	10159	FARMER MAC		09/03/2024	4,000,000.00	4,009,440.00	3,994,948.40	3.875	730	702	3.944	09/03/2026
3133EK3B0	10097	Federal Farm Credit Bank		10/18/2019	3,000,000.00	2,995,860.00	2,999,831.56	1.500	1,825	15	1.641	10/16/2024
3133ENJH4	10124	Federal Farm Credit Bank		12/29/2021	2,000,000.00	1,981,580.00	1,999,760.67	0.940	1,094	87	0.991	12/27/2024
3133ENVC1	10125	Federal Farm Credit Bank		05/02/2022	3,000,000.00	2,975,790.00	2,997,416.25	2.750	1,089	206	2.910	04/25/2025
3133EPYK5	10150	Federal Farm Credit Bank		10/30/2023	9,000,000.00	9,109,710.00	9,004,696.84	5.125	711	374	5.069	10/10/2025
3133EP6K6	10153	Federal Farm Credit Bank		04/18/2024	6,000,000.00	6,115,680.00	5,957,735.36	4.500	1,072	906	4.806	03/26/2027
3133ERCF6	10155	Federal Farm Credit Bank		04/23/2024	6,000,000.00	6,230,880.00	5,990,415.78	4.625	1,644	1,483	4.669	10/23/2028
3130AT4W4	10133	Federal Home Loan Bank		09/15/2022	3,000,000.00	2,995,260.00	3,000,000.00	4.180	1,096	75	4.180	09/15/2025
3130AVQW5	10139	Federal Home Loan Bank		05/05/2023	3,365,000.00	3,363,452.10	3,365,000.00	5.000	1,452	25	4.998	04/26/2027
3130AW4T4	10141	Federal Home Loan Bank		05/26/2023	2,800,000.00	2,798,992.00	2,800,000.00	5.000	915	56	5.000	11/26/2025
3130B1Z75	10156	Federal Home Loan Bank		07/19/2024	5,000,000.00	5,010,450.00	5,000,000.00	5.000	234	160	5.010	03/10/2025
3130B2HK4	10158	Federal Home Loan Bank		08/28/2024	4,000,000.00	4,023,400.00	4,004,993.56	3.750	1,552	1,518	3.724	11/27/2028
3134GXR63	10136	Federal Home Loan Mtg Corp		10/26/2022	3,000,000.00	2,993,760.00	2,979,842.47	4.050	1,037	58	4.849	08/28/2025
3134GXB29	10142	Federal Home Loan Mtg Corp		05/12/2023	3,000,000.00	2,993,700.00	2,996,367.35	4.000	598	90	4.511	12/30/2024
3135G03U5	10135	Federal National Mtg Assn		10/26/2022	3,000,000.00	2,939,340.00	2,938,764.54	0.625	909	203	4.532	04/22/2025

**MFP Finance Authority  
Portfolio Management  
Portfolio Details - Investments  
September 30, 2024**

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	Term	Days to Mat./Call	YTM 365	Maturity Date
<b>Federal Agency Coupon Securities</b>												
3135GAHL8	10140	Federal National Mtg Assn		05/15/2023	3,000,000.00	3,000,510.00	3,000,000.00	5.100	550	45	5.100	11/15/2024
<b>Subtotal and Average</b>			<b>81,830,298.56</b>		<b>75,455,000.00</b>	<b>75,907,204.30</b>	<b>75,296,966.23</b>		<b>990</b>	<b>470</b>	<b>4.389</b>	
<b>Treasury Coupon Securities</b>												
91282CEH0	10151	U.S. Treasury		12/29/2023	7,500,000.00	7,435,350.00	7,425,218.02	2.625	473	196	4.557	04/15/2025
91282CDS7	10152	U.S. Treasury		12/29/2023	7,500,000.00	7,425,900.00	7,424,430.89	1.125	383	106	4.732	01/15/2025
91282CFW6	10157	U.S. Treasury		07/23/2024	6,000,000.00	6,038,460.00	6,039,775.38	4.500	480	410	4.663	11/15/2025
91282CLH2	10160	U.S. Treasury		09/13/2024	6,000,000.00	6,008,700.00	6,020,147.37	3.750	717	699	3.640	08/31/2026
<b>Subtotal and Average</b>			<b>24,485,347.43</b>		<b>27,000,000.00</b>	<b>26,908,410.00</b>	<b>26,909,571.66</b>		<b>504</b>	<b>332</b>	<b>4.424</b>	
<b>Municipal Bonds</b>												
13067WSU7	10118	State of California		06/11/2021	2,500,000.00	2,482,275.00	2,500,404.40	0.508	1,269	61	0.332	12/01/2024
<b>Subtotal and Average</b>			<b>2,500,502.13</b>		<b>2,500,000.00</b>	<b>2,482,275.00</b>	<b>2,500,404.40</b>		<b>1,269</b>	<b>61</b>	<b>0.332</b>	
<b>Cash with Fiscal Agent</b>												
20 REF BOND	10117	US Bank		03/31/2020	12,370,668.11	12,370,668.11	12,370,668.11		1	1	0.000	
<b>Subtotal and Average</b>			<b>12,322,560.83</b>		<b>12,370,668.11</b>	<b>12,370,668.11</b>	<b>12,370,668.11</b>		<b>1</b>	<b>1</b>	<b>0.000</b>	
<b>Total and Average</b>			<b>217,224,669.51</b>		<b>220,045,496.74</b>	<b>219,883,340.74</b>	<b>219,797,439.03</b>		<b>436</b>	<b>211</b>	<b>3.596</b>	

**MFP Finance Authority  
Portfolio Management  
Portfolio Details - Cash  
September 30, 2024**

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	Days to Term Mat./Call	YTM 365	
		<b>Average Balance</b>	<b>0.00</b>	Accrued Interest at Purchase *		0.00	0.00		<b>0</b>	<b>0</b>	
				Ending Accrued Interest		1,759,813.06	1,759,813.06				
				Subtotal		1,759,813.06	1,759,813.06				
		<b>Total Cash and Investment Value</b>	<b>217,224,669.51</b>		<b>220,045,496.74</b>	<b>221,643,153.80</b>	<b>221,557,252.09</b>		<b>436</b>	<b>211</b>	<b>3.596</b>

\* 65,221.77 Accrued at Purchase is Included in Book and Market Values

**MFP Finance Authority  
Portfolio Management  
Activity By Type  
September 1, 2024 through September 30, 2024**

CUSIP	Investment #	Issuer	Stated Rate	Transaction Date	Purchases or Deposits	Redemptions or Withdrawals	Balance
<b>Local Agency Investment Funds (Monthly Summary)</b>							
<b>Subtotal</b>							<b>71,643,902.96</b>
<b>Checking Accounts (Monthly Summary)</b>							
1265-OPERATIONS	10100	US Bank			9,171,199.88	2,598,096.30	
<b>Subtotal</b>							<b>16,552,070.40</b>
<b>Money Market (Monthly Summary)</b>							
MONEY MARKET	10121	US Bank			504,720.67	215,202.11	
<b>Subtotal</b>							<b>11,523,855.27</b>
<b>Medium Term Notes</b>							
<b>Subtotal</b>							<b>3,000,000.00</b>
<b>Federal Agency Coupon Securities</b>							
31424WNG3	10159	FARMER MAC	3.875	09/03/2024	3,994,744.00	0.00	
3133EKP75	10095	Federal Farm Credit Bank	1.600	09/17/2024	0.00	3,000,000.00	
3130AVJZ6	10137	Federal Home Loan Bank	5.000	09/27/2024	0.00	3,800,000.00	
3130AWXW5	10143	Federal Home Loan Bank	5.330	09/20/2024	0.00	3,000,000.00	
<b>Subtotal</b>							<b>75,296,966.23</b>
<b>Treasury Coupon Securities</b>							
91282CLH2	10160	U.S. Treasury	3.750	09/13/2024	6,012,378.00	0.00	
<b>Subtotal</b>							<b>26,909,571.66</b>
<b>Municipal Bonds</b>							
<b>Subtotal</b>							<b>2,500,404.40</b>
<b>Cash with Fiscal Agent</b>							
20 REF BOND	10117	US Bank			49,766.15	0.00	
<b>Subtotal</b>							<b>12,370,668.11</b>
<b>Total</b>					<b>19,732,808.70</b>	<b>12,613,298.41</b>	<b>219,797,439.03</b>



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## MEMORANDUM

TO: Middle Fork Project Finance Authority

FROM: Joseph H. Parker, CPA, Treasurer

DATE: October 3, 2024

RE: Check Register 24-04

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### RECOMMENDATION:

Check Register 24-04 expenses disbursed, receive and file.

### **ATTACHMENTS:**

Description	Upload Date	Type
Check Register 24-04	10/3/2024	Backup Material

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**MIDDLE FORK PROJECT FINANCE AUTHORITY**  
**Check Register # 24-04**

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The Board of Directors of the Middle Fork Project Finance Authority as of this date 10/17/2024, do hereby receive and file the following check register listing for the period from 7/06/2024 to 10/04/2024 from the MFP Finance Authority Checking Account.

PLACER COUNTY WATER AGENCY	MFP REIMBURSEMENT	2,489,918.99
PLACER COUNTY WATER AGENCY	MFP REIMBURSEMENT	2,046,854.33
PLACER COUNTY WATER AGENCY	MFP REIMBURSEMENT	1,984,731.20
PLACER COUNTY WATER AGENCY	MFP REIMBURSEMENT	1,165,298.41
PLACER COUNTY WATER AGENCY	MFP REIMBURSEMENT	1,071,455.54
PLACER COUNTY WATER AGENCY	MFP REIMBURSEMENT	677,202.33
PLACER COUNTY WATER AGENCY	MFP REIMBURSEMENT	600,363.59
PLACER COUNTY WATER AGENCY	MFP REIMBURSEMENT	595,664.47
PLACER COUNTY WATER AGENCY	MFP REIMBURSEMENT	542,209.35
PLACER COUNTY WATER AGENCY	MFP REIMBURSEMENT	507,089.31
PLACER COUNTY WATER AGENCY	MFP REIMBURSEMENT	419,013.17
PLACER COUNTY WATER AGENCY	MFP REIMBURSEMENT	379,769.82
PLACER COUNTY WATER AGENCY	MFP REIMBURSEMENT	236,769.83
U.S. BANK	ADMINISTRATION FEES	300.00
<b>CHECK REGISTER TOTAL</b>		<b>\$12,716,640.34</b>

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## MEMORANDUM

TO: Middle Fork Project Finance Authority

FROM: Joseph H. Parker, CPA, Treasurer

DATE: October 1, 2024

RE: 2024 Budget and Actual Schedules for the Period Ended September 30, 2024

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### RECOMMENDATION:

Receive report on 2024 Budget and Actual Schedules for the period ended September 30, 2024.

### BACKGROUND:

Through the period ended September 30, 2024, revenue and other financing sources totals \$92.6 million with operating expenditures and capital appropriations totaling \$48.9 million.

### DISCUSSION:

See transmittal included within the 2024 Budget and Actual Schedules for the period ended September 30, 2024 for more details and analysis.

### ATTACHMENTS:

Description	Upload Date	Type
MFPFA 2024 BvA Report	10/8/2024	Backup Material





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M E M O R A N D U M

**TO:** Board of Directors Middle Fork Project Finance Authority

**FROM:** Joseph H. Parker, CPA, Treasurer

**DATE:** October 17, 2024

**RE:** 2024 Budget and Actual Schedules for the Period Ended September 30, 2024

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**Recommended Action:**

Receive 2024 Budget and Actual Schedules for the period ended September 30, 2024.

**September 30, 2024 Revenue Budget Report:**

September 30<sup>th</sup> marks the end of the 2024 water year, which had a slow start with late winter and early spring storms, resulting in a below normal year with precipitation at 86% of average. By the April snow survey, the snowpack's water equivalent was recorded at 108% of average and runoff was very close to average for the water year. As of September, reservoir storage measured at 172,000 acre-feet.

For the period ended September 30, 2024, Energy Sales totaled \$35.6 million, which is \$8.9 million, or 34% above the year-to-date budgeted amount. Energy generation from January through September totaled 785,000 MWh, or 15% above the annual budgeted amount of 680,000 MWh. In addition, Energy Products revenue comprised of Resource Adequacy, Renewable Energy Credits and Carbon Free, is \$6.7 million above budgeted revenue. The reason for this favorable variance is additional carbon free energy was sold at current market price.

**Expenditure Budget Report**

**Operating**

Power Division Operating expenditures are favorable at \$4 million, or 17% below the budget for the period ended September 30, 2024. The favorable variance is expected to decrease as the bulk of the annual field work continues into the fall season, however there may be some favorable variances resulting from year-to-date savings in general maintenance and consulting expenses.

## Capital Projects

As of September 30, 2024, \$24.1 million of the \$45.1 million adopted 2024 capital projects budget has been funded. It is anticipated that the remainder of the capital projects will be funded by year-end.

Attached for the Board's information are the 2024 Budget and Actual schedules for the period ended September 30, 2024 as follows:

**MFP Finance Authority Budget Schedule with Note References** – This schedule summarizes the 2024 adopted and adjusted budgets, proposed and approved budget amendments and the adjusted September 30, 2024, year-to-date budget.

**MFP Finance Authority Budget and Actual Schedule with Discussion of Variances** – This schedule summarizes the MFP Finance Authority financial activity for the period ended September 30, 2024 with the adjusted year-to-date budget and year-to-date actual activity noting variances between the two amounts with referenced explanations.

**MFP Finance Authority Reserve Schedule** – This schedule summarizes the MFP Finance Authority reserve account activity through September 30, 2024 and indicates the full funding target for each reserve account.

**PCWA MFP Capital Projects** – This schedule summarizes the Project-to-Date Budget and Expenses through September 30, 2024. PCWA manages and administers these projects and are included because they are funded by the MFP Finance Authority. As the scope of these activities is multi-year, the budget and expense information is included.

**MIDDLE FORK PROJECT FINANCE AUTHORITY**  
**Budget Schedule**  
**For the Period Ended**  
**September 30, 2024**

	2024 Adopted Annual Budget January 1, 2024	Budget Adjustments & Transfers (Note 4)	2024 Adjusted Annual Budget September 30, 2024	September 30, 2024 Year-to-date Adjusted Budget
<b>Revenues and Other Financing Sources (Note 1) :</b>				
Power Sales				
Energy Sales	\$ 31,290,000	-	31,290,000	26,670,360
Energy Products	20,309,200	-	20,309,200	16,719,895
<b>Total Power Sales</b>	<b>51,599,200</b>	<b>-</b>	<b>51,599,200</b>	<b>43,390,255</b>
Interest Income	800,000	-	800,000	600,000
Other Financing Source				
Board Adopted Budget Deficit Carryover from 2023	29,833,451	-	29,833,451	29,833,451
<b>Total Revenues and Other Financing Sources</b>	<b>82,232,651</b>	<b>-</b>	<b>82,232,651</b>	<b>73,823,706</b>
<b>Expenditures:</b>				
<b>Administration:</b>				
Operating Supplies/Services	10,000	-	10,000	7,405
Administration	150,000	-	150,000	111,075
Professional Services	51,300	-	51,300	37,988
Total Administrative Expenditures	211,300	-	211,300	156,468
<b>PCWA Power Division - Operating:</b>				
Power Operations	17,104,122	-	17,104,122	12,665,602
General and Administrative	7,401,215	-	7,401,215	5,480,600
Natural Resources Management	3,905,887	-	3,905,887	2,892,309
Power Resources Management	1,645,227	-	1,645,227	1,218,291
Routine Capital	1,447,900	-	1,447,900	1,072,170
Total PCWA Power Division - Operating	31,504,351	-	31,504,351	23,328,972
<b>Debt Service</b>	<b>5,407,000</b>	<b>-</b>	<b>5,407,000</b>	<b>5,407,000</b>
<b>Capital Projects (Note 2) :</b>				
Current Year Capital Project Appropriation	45,110,000	-	45,110,000	45,110,000
<b>Total Expenditures and Appropriations</b>	<b>82,232,651</b>	<b>-</b>	<b>82,232,651</b>	<b>74,002,440</b>
<b>Net Revenue</b>	<b>\$ -</b>	<b>-</b>	<b>-</b>	<b>(178,734)</b>
<b>Reserve Activity (Funding)/Use (Note 3):</b>				
Operating Reserve	-	-	-	-
Emergency Reserve	-	-	-	-
Capital Reserve	-	-	-	-
Total Reserve Use	-	-	-	-

**Note:** See reference discussion on the following page.

**MIDDLE FORK PROJECT FINANCE AUTHORITY**  
**2024 Budget Schedule**  
**Note References**  
**For the Period Ended September 30, 2024**

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**Note 1: Revenues and Other Financing Sources**

The MFPFA **Power Sales** budget includes the resource adequacy (RA), carbon free and renewable energy credit (REC) sales amounts based on bi-lateral contracts and energy sales on 80% of average generation, and projected energy prices. The Power Sales amounts have been determined by Energy Marketing projections based on anticipated sales of resource adequacy, carbon free, renewable energy credits and estimated energy sales for January 1 to December 31, 2024.

**Note 2:** The **Capital Projects** adopted budget totals \$45.1 million and \$24.1 million has been funded to date.

**Note 3:** As the **Reserve Accounts** are used or target funding is revised, replenishment or funding shall be performed at year-end in accordance with the Authority General Financial Policies.

**Note 4:** There are no **Budget Adjustment and Transfers** to report to the Board for the period ended September 30, 2024.

**MIDDLE FORK PROJECT FINANCE AUTHORITY**  
**Budget and Actual Schedule**  
**For the Period Ended**  
**September 30, 2024**

	September 30, 2024		Variances		Ref
	Year-to-date Budget	Actual	\$	%	
<b>Revenues and Other Financing Sources:</b>					
Power Sales					
Energy Sales	\$ 26,670,360	35,653,264	8,982,904	34%	
Energy Products	16,719,895	23,414,275	6,694,380	40%	
<b>Total Power Sales</b>	<b>43,390,255</b>	<b>59,067,539</b>	<b>15,677,284</b>	<b>36%</b>	
Interest Income	600,000	3,657,673	3,057,673	510%	
Other Financing Sources					
Board Adopted Budget Deficit Carryover from 2023	29,833,451	29,833,451	-	0%	
<b>Total Revenues and Other Financing Sources</b>	<b>73,823,706</b>	<b>92,558,663</b>	<b>18,734,957</b>	<b>25%</b>	<b>A</b>
<b>Expenditures:</b>					
<b>Administration:</b>					
Operating Supplies/Services	7,405	3,671	3,734	50%	
Administration	111,075	34,628	76,447	69%	
Professional Services	37,988	21,480	16,508	43%	
<b>Total Administrative Expenditures</b>	<b>156,468</b>	<b>59,779</b>	<b>96,689</b>	<b>62%</b>	<b>B</b>
<b>PCWA Power Division - Operating:</b>					
Power Operations	12,665,602	10,664,764	2,000,838	16%	
General and Administrative	5,480,600	6,057,575	(576,975)	-11%	
Natural Resources Management	2,892,309	1,426,946	1,465,363	51%	
Power Resources Management	1,218,291	829,096	389,195	32%	
Routine Capital	1,072,170	342,873	729,297	68%	
<b>Total PCWA Power Division - Operating</b>	<b>23,328,972</b>	<b>19,321,254</b>	<b>4,007,718</b>	<b>17%</b>	<b>C</b>
<b>Debt Service</b>	<b>5,407,000</b>	<b>5,407,000</b>	<b>-</b>	<b>0%</b>	<b>D</b>
<b>Capital Projects:</b>					
Current Year Adopted Budget / Funded Budget Appropriations	45,110,000	24,078,000	21,032,000	47%	
<b>Total Capital Project Appropriations</b>	<b>45,110,000</b>	<b>24,078,000</b>	<b>21,032,000</b>	<b>47%</b>	<b>E</b>
<b>Total Expenditures and Appropriations</b>	<b>74,002,440</b>	<b>48,866,033</b>	<b>25,136,407</b>	<b>34%</b>	
<b>Revenue and Other Financing Sources over/(under) Expenditures and Appropriations</b>	<b>\$ (178,734)</b>	<b>43,692,630</b>			

**Note:** See 2024 Budget to Actual Variances discussion on the following page.

**MIDDLE FORK PROJECT FINANCE AUTHORITY**  
**Budget and Actual Schedule**  
**Discussion of 2024 Budget to Actual Variances**  
**For the Period Ended September 30, 2024**

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**Ref**      **Revenues and Other Financing Sources:**

**A**      **Power Sales Revenue** – The Power Sales revenue is subject to significant volatility due to variations in hydrology, energy market prices and a variety of other factors. Energy Sales revenue for the period ended September 30, 2024 is \$35.6 million, 34% above budgeted revenue. Energy Products revenue is \$23.4 million, 40% above budgeted revenue, as a result of additional carbon free energy sold at market price.

**Interest Income** – Interest income for the period ended September 30, 2024 is 510% above the year-to-date budgeted amount because of high interest rates and conservative budgeting.

**Expenditures:**

**B**      **Administration** is under budget for the period ended September 30, 2024 by 62%.

**C**      **PCWA Power Division – Operating** is under budget by 17% through the period ended September 30, 2024. The overall favorable variance is expected to decrease as the bulk of the annual field work continues into the fall season.

**D**      **Debt Service** was paid in February in an amount totaling \$5.4 million. This is the amount of annual debt service required to continue the debt service pre-funding program included in the 2024 adopted budget.

**Capital Projects:**

**E**      Appropriations for the 2024 Capital Projects have been funded at \$24.1 million. Funding of the remaining appropriations will be funded from the remaining 2023 carryover and current year revenues.

**MIDDLE FORK PROJECT FINANCE AUTHORITY**

**Reserve Schedule  
For the Period Ended  
September 30, 2024**

	<b>2024 Target</b>	<b>Beginning Balance January 1, 2024</b>	<b>Year-to-Date Activity</b>	<b>Balance September 30, 2024</b>	<b>Amount Needed to Fund Target</b>
	<b>A</b>	<b>B</b>	<b>C</b>	<b>D=B+C</b>	<b>E=A-D</b>
<b>Operating Reserve</b>	\$ 31,715,651	31,715,651	-	31,715,651	-
<b>Emergency Reserve</b>	40,000,000	23,377,471	-	23,377,471	16,622,529
<b>Capital Reserve</b>	81,000,000	3,856,589	-	3,856,589	77,143,411
<b>Total</b>	\$ 152,715,651	58,949,711	-	58,949,711	93,765,940

**Notes:**

**General Note:** The reserve accounts are funded in accordance with the Authority's General Financial Policies after the year-end closing process and before any distributions of Net Revenue.

**Operating Reserve:** The **Operating Reserve** funding target is one year of operating expenditures, currently set at \$31.7 million. The Operating Reserve account is to provide readily available cash to operate the MFP under conditions of significantly reduced revenue due to hydrology, energy prices and/or prolonged outages or unanticipated variations in expenses.

**Emergency Reserve:** The **Emergency Reserve** funding target is currently set at \$40 million to provide interim appropriations and immediate funding for unforeseen needs or events. The Emergency Reserves will be assessed annually and the Authority Treasurer will propose recommended changes as needed for Board approval.

**Capital Reserve:** The **Capital Reserve** funding target is currently set at \$81 million. Per current policy, the Capital Reserve account is to provide funds for appropriation of unforeseen and unplanned capital needs.

**PLACER COUNTY WATER AGENCY**  
**MFP Capital Projects**  
**As Funded by the Middle Fork Project Finance Authority**  
**For the Period Ended**  
**September 30, 2024**

Project No.	Project Description	Total Estimated Project Cost (Note 1)	PTD Budget (December 31, 2023)	2024 Adopted Budget	2024 Budget Funded	Budget Adjustments Q1-Q2	Budget Adjustments Quarter 3	Project-to-Date Adjusted Budget (September 30, 2024)	Prior Years' Expenses	2024 Year-to-Date Expenses	Project-to-Date Expenses	Outstanding Encumbrances	Project-to-Date Available Balance
			A		B	C	D	E=A+B+C+D	F	G	H=F+G	I	J=E-H-I
<b>MINOR PROJECTS - TOTAL</b>			\$ 1,192,380	632,000	-	-		1,192,380	450,552	1,032	451,584	-	740,796
<b>MAJOR PROJECTS - AUTHORIZED</b>													
14007P	French Meadows Powerhouse Reliability Upgrades	Ongoing	4,696,895	3,730,000	2,230,000	-	-	6,926,895	750,337	101,054	851,390	2,027,857	4,047,647
14003P	Hell Hole Powerhouse Reliability Upgrades	Ongoing	1,490,084	670,000	520,000	-	-	2,010,084	4,840	-	4,840	-	2,005,244
14009P	Middle Fork Powerhouse Reliability Upgrades	Ongoing	8,169,193	6,840,000	840,000	-	-	9,009,193	2,104,320	413,130	2,517,449	538,426	5,953,318
14010P	Oxbow Powerhouse Reliability Upgrades	Ongoing	1,208,916	745,000	595,000	25,822	-	1,829,738	652,492	89,838	742,330	383,177	704,231
12015A	Project Wide Communications Upgrade	16,603,271	16,603,271	-	-	-	-	16,603,271	16,010,040	(1,195,022)	14,815,019	15,311	1,772,941
12029A	Project Wide SCADA Reliability Upgrades	1,120,000	1,120,000	-	-	-	-	1,120,000	1,044,554	11,496	1,056,050	29,324	34,626
14012P	Ralston Powerhouse Reliability Upgrades	Ongoing	1,686,019	7,900,000	150,000	291	-	1,836,310	1,066,231	38,549	1,104,780	1,506	730,025
14013P	FERC License Implementation - Project Infrastructure	54,700,000	42,953,884	11,775,000	12,275,000	-	-	55,228,884	9,785,341	4,444,610	14,229,951	16,691,492	24,307,440
14014P	FERC License Implementation - Project Recreation Facilities	35,200,000	31,093,366	4,068,000	3,468,000	-	-	34,561,366	2,974,552	227,142	3,201,694	1,135,840	30,223,832
17004P	French Meadows Forest Management	2,425,000	2,225,000	200,000	200,000	-	-	2,425,000	2,071,480	74,192	2,145,672	20,017	259,311
20046W	ERP System	1,800,000	1,426,793	-	-	-	-	1,426,793	324,301	120,610	444,911	-	981,882
23027P	Sediment Removal	13,900,000	5,902,762	8,000,000	3,500,000	-	-	9,402,762	4,359,060	1,915	4,360,975	24,495	5,017,292
20047P	Hell Hole Land Acquisition and Exchange	650,000	647,620	-	-	-	-	647,620	510,896	6,728	517,624	47,431	82,566
22034P	Mosquito Fire	8,000,000	8,000,000	-	-	-	-	8,000,000	3,158,025	2,141,227	5,299,251	1,324,123	1,376,626
22036P	Long Canyon Project	550,000	250,000	300,000	300,000	-	-	550,000	110,703	69,318	180,021	153,794	216,185
	Backup Generator Upgrades	250,000	-	250,000	-	-	-	-	-	-	-	-	-
<b>TOTAL MAJOR PROJECTS</b>			<b>127,473,803</b>	<b>44,478,000</b>	<b>24,078,000</b>	<b>26,113</b>	<b>-</b>	<b>151,577,916</b>	<b>44,927,170</b>	<b>6,544,788</b>	<b>51,471,958</b>	<b>22,392,792</b>	<b>77,713,166</b>
<b>PROJECTS CLOSED IN 2024</b>													
<b>MAJOR PROJECTS CLOSED</b>													
14034P	OXPH Battery Replacement	73,863	99,685	-	-	(25,822)	-	73,863	73,863	-	73,863	-	-
21039P	RAPH Transformer Replacement	278,553	278,844	-	-	(291)	-	278,553	278,553	-	278,553	-	-
<b>TOTAL PROJECTS CLOSED 2024</b>			<b>378,529</b>	<b>-</b>	<b>-</b>	<b>(26,113)</b>	<b>-</b>	<b>352,416</b>	<b>352,416</b>	<b>-</b>	<b>352,416</b>	<b>-</b>	<b>-</b>
<b>TOTAL CAPITAL PROJECTS</b>			<b>\$ 129,044,712</b>	<b>45,110,000</b>	<b>24,078,000</b>	<b>-</b>	<b>-</b>	<b>153,122,712</b>	<b>45,730,138</b>	<b>6,545,819</b>	<b>52,275,958</b>	<b>22,392,792</b>	<b>78,453,962</b>

Note 1: Major Projects may be comprised of a variety of sub-projects for which appropriations will be allocated, administered and accounted for as separate "Projects" at the PCWA project management level, as PCWA is the lead entity for MFP Projects. For budgeting purposes, the **Total Estimated Project Cost** for the powerhouse reliability upgrades projects is defined as **"Ongoing"** because underlying sub-projects will be added, completed and removed over time.

Note 2: At the end of 2023, there was ongoing litigation to resolve the failed Communication Towers at Bunker Hill. This caused a large outstanding encumbrance to carryover into 2024, and is expected to be resolved in Q4.





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## MEMORANDUM

TO: Middle Fork Project Finance Authority

FROM: Joseph H. Parker, CPA, Treasurer

DATE: October 1, 2024

RE: Proposed 2025 MFPFA Budget

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### RECOMMENDATION:

Approve the following items:

- a. The Proposed 2025 Middle Fork Project Finance Authority Budget; and
- b. Direct any and all additional 2024 Revenue over Expenditures and Appropriations to fund reserves.

### BACKGROUND:

Attached is the Proposed 2025 Middle Fork Project Finance Authority Budget, which totals \$80.9 million and is comprised of \$39.4 million in operating expense and \$41.5 million in capital appropriations. See transmittal included within the Proposed 2025 MFPFA Budget attachment for more details and analysis.

### ATTACHMENTS:

Description	Upload Date	Type
Proposed 2025 MFPFA Budget	10/4/2024	Backup Material
Proposed 2025 MFPFA Budget Powerpoint	10/4/2024	Backup Material



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M E M O R A N D U M

**TO:** Board of Directors Middle Fork Project Finance Authority

**FROM:** Joseph H. Parker, CPA, Treasurer

**DATE:** October 17, 2024

**RE:** Proposed 2025 MFP Finance Authority Annual Budget

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**Overview**

Attached herewith is the Proposed 2025 Middle Fork Project Finance Authority (Authority) Budget totaling \$80.9 million, which is comprised of a \$39.4 million operating budget and a \$41.5 million capital budget. The 5-year Budget is provided with 2024 (Adjusted and Projection), the Proposed 2025 Budget (amounts **bolded**), as well as the following four years (2026 - 2029) in the following attached schedules:

- Budget Schedule Years 2024 - 2029
- Reserve Schedule Years 2024 - 2029
- MFP Capital Plan as funded by the Authority 2025 - 2029

In accordance with the Authority's General Financial Policies, the budget was prepared with the consultation and involvement of both Placer County Water Agency and Placer County staff for presentation to the Authority Board.

The following pages provide additional details regarding budgetary changes from 2024, discussion and analysis, and other background information.

**2025 Proposed Budget - Overview**

**Power Sales:**

The Proposed 2025 Power Sales revenue reflects a \$29.1 million increase or 56.4% from the Adjusted 2024 Budget. Power Sales is comprised of two primary sources: Energy and Energy Products. Energy and ancillary services are sold directly in the California Independent System Operator (CAISO) while the Energy Products component of Power Sales are conveyed through short-term bilateral agreements. The Energy component of the Power Sales budget is based on 80% of average generation and projected energy prices from the forward price curve. The Horizons Energy Hydrology Stochastic Analysis completed in September 2022 noted that over the past 20 years (2002 – 2021), average generation has trended down. Beginning with the

2023 Budget, the annual Power Sales Energy component Budget commenced using this new average generation of 850,000 MWh at 80% calculating the Power Sales budget, which totals 680,000 MWh. The forecasted power prices have trended down, resulting in slightly lower budgeted Power Sales Revenue for Energy in 2025 compared to the Adjusted 2024 Budget.

The Energy Products component of the Power Sales budget includes revenue from resource adequacy contracts, renewable energy credits and carbon-free contracts. The revenue total from these bilateral contracts increased in the 2025 Proposed Budget as compared to the 2024 Adjusted Budget, largely driven by a significant increase in resource adequacy contracted prices. This price increase is a result of the California Public Utilities Commission's (CPUC) new mandate for load serving entities (LSE) to increase their reserve margin from 110% to almost 120%. In order for CAISO to maintain the electric grid reliability during severe temperature and weather events, CPUC is requiring all California LSE to increase the reserve margin. Contributing to the increased renewable prices is the phasing out of fossil fuel generators, which are being replaced with renewable resources such as wind and solar. In addition, CAISO requires battery resources to demonstrate that they have the energy supply to recharge the batteries. Therefore, with the increase in reserve margins and lack of dispatchable energy supplies, resource adequacy value along with renewable energy credits and carbon-free products have escalated in the foreseeable future.

The 2025 **Total Operating Expenditures** increased \$2.3 million, or 6.3% compared with the Adjusted 2024 Budget. The following discussion provides a comparison between the Adjusted 2024 Budget and the Proposed 2025 Budget for the Operating Budget Expenditures:

**Administration:**

The Proposed 2025 Budget amounts remain the same as the 2024 Adjusted Budget at \$211,300.

**PCWA Power Division – Operating:**

**Power Operations** is increased by \$2.5 million, or 15% from the 2024 Adjusted Budget. A significant portion of this increase is in Contracted Services with a \$883,000 increase in anticipated consulting services for efforts that includes the LL Anderson Crest Material Investigation, LL Anderson P12 Comprehensive Assessment, Asset Management Study, as well as a contingency for the FERC 5-year dam inspections, a \$210,000 increase in surveying for French Meadows and Hell Hole reservoirs bathymetry, and a \$158,000 increase for the microwave system upgrade. Additionally, in Operating Services, facilities repair increased \$703,000 for required periodic civil dam inspections, dam vegetation

clearing, electrical repairs for aging equipment, and an increase of \$154,000 for software licensing. Finally, a \$488,000 increase in Personnel Services resulting from the 3% COLA increase to labor and anticipated increases in labor for the Power salary survey.

**General and Administrative** is increasing by \$494,000, or 6.7%, is the result of increases to: 1. Personnel Services is increasing \$240,000 based on the required unfunded accrued pension liability as well as a 3% COLA increase to labor; 2. Insurance is increasing \$198,000 because of rising premiums in an increasingly hard insurance market; 3. Service Level Support is increasing \$73,000 resulting from increased departmental support costs shared through the cost allocation plan.

**Natural Resources Management** is decreasing by \$296,000, or 7.6% from the 2024 Adjusted Budget, a result of FERC License Operating Implementation costs that are budgeted to decrease in accordance with specific contracts as the Agency moves into the monitoring phase of the plan, decreasing \$213,000. Additionally, a decrease of \$82,000 in cost share partnerships.

**Power Resources Management** is increasing by \$11,000, or 0.7% from the 2024 Adjusted Budget, a result of an increase in forecasting tools, travel and training, and a decrease in consulting needs.

**Routine Capital** is decreasing by \$433,000 with less computer and equipment replacement purchases planned for 2025. The 2025 routine capital budget does include the replacement of four vehicles, a new skip loader and portable generator at the Middle Fork Powerhouse.

**Debt Service** 2025 Proposed budget is \$5.4 million. This is per the debt service maturity schedule and is the amount required to continue the debt service pre-funding program the Board approved and implemented in 2020.

**Capital Plan** – The 2025 Capital Projects appropriations and 5-Year Capital Plan reflect necessary investments in infrastructure, as determined by three significant factors: the FERC license requirements, continual renewal and replacement of existing aging capital infrastructure and any remaining revenue upgrade projects.

The Proposed 2025 MFP Capital Plan appropriations total \$41.5 million, and are segmented into two broad categories:

1. Upgrades and Renewal, Replacement and Reliability Projects, and
2. FERC License Implementation Projects.

The first category of Upgrades and Renewal, Replacement and Reliability Projects are capital projects that are recurring and are required to maintain the operational effectiveness of the Middle Fork Project. Conversely, Upgrades are considered infrequent expenditures (performed every 20 – 30 years) as these projects implement new technology and enhance generation flexibility for more efficient, effective, and improved generating or operating capabilities of the MFP. Over the next 5-years, this Capital Plan category totals \$93.0 million or 62% of the total projected 5-year Capital Plan.

The second category of FERC License Implementation Projects are considered “one-time” capital projects which total \$56.0 million or 38% of the 5-year total projected Capital Plan. These capital projects are required by the new FERC License (License). The issuance of the License in June 2020 began a timeline under which certain capital projects must be completed in accordance with the License requirements, ranging from 2 to 15 years. To meet this timeline, the Authority will incur substantial capital outlay costs related to the FERC License Implementation over the next 4 years and beyond.

Continued impacts were felt in 2024 as a result of the Mosquito Fire burn scars and damage sustained to Mosquito Ridge Road (MRR) during the 2022-23 winter. In addition to the administrative closure of the forest, November 2023 through May 2024 saw physical closures of the MRR by Tahoe National Forest and the National Highway Administration while Federal contractors repaired four damaged sections of the MRR. During that time, access to the project was only possible via Eleven Pines Road through the Eldorado National Forest which severely impacted travel times and limited access to the Middle Fork Project facilities. Road repairs were completed in May 2024 and the administrative closure of MRR was cancelled just prior to Memorial Day weekend. Because of the road closure through mid-2024, this affected operations and capital project execution, therefore some projects in the 5-year capital plan have been re-prioritized or pushed out.

**Reserves** – The Authority’s General Financial Policies requires reserve funding which is rooted in the Authority’s JPA requirement to establish and maintain prudent reserve levels. This Policy sets forth three reserve categories: Operating, Capital, and Emergency. Reserve funding and reporting is to be part of the annual budget process. At the January 2024 Board meeting, the Board took action to further increase the reserve funding targets by moving Emergency Reserve Funding target to \$40 million. The Capital Reserve Funding Target is based on year’s 2 and 3 of

the Budgeted Capital Plan with a \$25 million floor. The reserve category full funding targets in priority funding order with the funding amount set by the Authority Treasurer, as follows:

**Operating Reserve:** The Operating Reserve funding target is one year of operating expenditures, based on the Proposed Budget, currently at \$34.0 million.

**Emergency Reserve:** The Emergency Reserve funding target is currently set at \$40 million to provide interim appropriations and immediate funding for unforeseen needs or events, primarily for insurance deductible.

**Capital Reserve:** The Capital Reserve funding target is currently set at \$63.3 million. Per policy, the Capital Reserve account is to provide funds for appropriation of unforeseen and unplanned capital needs.

Per Policy, the Operating Reserve is to be fully funded prior to funding the Emergency and Capital Reserves or reporting net revenue. Based on the 2024 Projection, the Operating and Emergency reserve targets plan to be fully funded at year-end 2024. The Capital Reserves will not be fully funded at year-end 2024.

Pursuant to the Authority's General Financial Policy, funds shall be appropriated and encumbered for the budgeted purposes once the Authority Board approves the annual budget.

### **Five Year Budget Schedule (2025 – 2029)**

In the Budget Schedule, Power Sales revenue exhibits an increase in years 2025 - 2027 because of an increase in energy products revenue as a result of new contracts for resource adequacy (2025-2027), renewable energy credits (2025-2026) and carbon free (2025-2026).

The 5-year Capital Plan totals \$149 million. Some significant projects in the 5-year plan include Middle Fork Powerhouse and Ralston Powerhouse Transformer Replacements, Sediment Removal and Hell Hole Outlet Works Upgrade.

The Proposed 2025 5-year Budget, with power sales revenue budgeted at 80% of the historical average and the increased energy products revenue, is not expected to use Reserves to balance the respective year's Budgets. The ever-changing nature of the energy market and its underlying prices create future revenue uncertainties. New regulatory requirements, inflationary pressures, aging facilities and risk mitigation/insurance needs will impact current projections. The 2026-2029 projections are subject to change, which will be reported to the Board as needed or annually in future budget processes. Once the bulk of the FERC license capital projects are completed, the Capital Reserve is projected to be replenished and fully funded by end of year 2028.

# MIDDLE FORK PROJECT FINANCE AUTHORITY

## Budget Schedule

### Years 2024 - 2029

	Adjusted 2024	Projection 2024	Proposed 2025	Projected 2026	Projected 2027	Projected 2028	Projected 2029	Total 2025-2029
<b>Revenues and Other Financing Sources:</b>								
Power Sales ( Note 2 )								
Energy	\$ 31,290,000	46,800,000	<b>30,830,000</b>	35,010,000	35,720,000	35,010,000	35,010,000	171,580,000
Energy Products	20,309,200	25,700,000	<b>49,885,896</b>	49,885,896	54,035,896	36,317,500	31,660,000	221,785,188
<b>Total Power Sales</b>	<b>51,599,200</b>	<b>72,500,000</b>	<b>80,715,896</b>	<b>84,895,896</b>	<b>89,755,896</b>	<b>71,327,500</b>	<b>66,670,000</b>	<b>393,365,188</b>
Interest Income	800,000	800,000	<b>1,000,000</b>	1,000,000	800,000	800,000	800,000	4,400,000
Other Financing Sources								
Board Adopted Budget Carryover	29,833,451	29,833,451	-	-	-	-	-	-
<b>Total Revenues and Other Financing Sources</b>	<b>82,232,651</b>	<b>103,133,451</b>	<b>81,715,896</b>	<b>85,895,896</b>	<b>90,555,896</b>	<b>72,127,500</b>	<b>67,470,000</b>	<b>397,765,188</b>
<b>Expenditures and Other Uses:</b>								
<b>Administration:</b>								
Operating Supplies/Services	10,000	10,000	<b>10,000</b>	10,300	10,600	10,900	11,200	53,000
Administration	150,000	150,000	<b>150,000</b>	154,000	158,000	162,200	166,500	790,700
Professional Services	51,300	51,300	<b>51,300</b>	52,700	54,100	55,500	57,000	270,600
Total Administration Expenditures	211,300	211,300	<b>211,300</b>	217,000	222,700	228,600	234,700	1,114,300
<b>PCWA Power Division - Operating:</b>								
Power Operations	17,104,122	17,104,122	<b>19,664,003</b>	20,156,000	20,660,000	21,177,000	21,706,000	103,363,003
General and Administrative	7,401,215	7,401,215	<b>7,894,869</b>	8,010,000	8,210,000	8,415,000	8,625,000	41,154,869
Natural Resources Management	3,905,887	3,905,887	<b>3,609,771</b>	3,547,000	4,142,000	4,294,000	2,869,000	18,461,771
Power Resources Management	1,645,227	1,645,227	<b>1,656,431</b>	1,698,000	1,740,000	1,784,000	1,829,000	8,707,431
Routine Capital	1,447,900	1,447,900	<b>1,015,000</b>	700,000	500,000	500,000	500,000	3,215,000
Total PCWA Power Division - Operating	31,504,351	31,504,351	<b>33,840,074</b>	34,111,000	35,252,000	36,170,000	35,529,000	174,902,074
<b>Debt Service ( Note 3 )</b>								
Total Operating Expenditures	37,122,651	37,122,651	<b>39,459,124</b>	39,744,250	40,891,450	41,822,850	41,191,700	203,109,374
<b>Capital Plan Appropriations:</b>								
Upgrades & Renewal, Replacement and Reliability	29,267,000	29,267,000	<b>23,915,000</b>	22,465,000	19,275,000	13,325,000	14,050,000	93,030,000
FERC License Implementation Projects	15,843,000	15,843,000	<b>17,550,000</b>	8,380,000	13,160,000	12,420,000	4,470,000	55,980,000
Total Appropriations to Capital Projects	45,110,000	45,110,000	<b>41,465,000</b>	30,845,000	32,435,000	25,745,000	18,520,000	149,010,000
<b>Total Expenditures and Appropriations</b>	<b>82,232,651</b>	<b>82,232,651</b>	<b>80,924,124</b>	<b>70,589,250</b>	<b>73,326,450</b>	<b>67,567,850</b>	<b>59,711,700</b>	<b>352,119,374</b>
<b>Revenue over/(under) Expenditures and Appropriations</b>	<b>-</b>	<b>20,900,800</b>	<b>791,772</b>	<b>15,306,646</b>	<b>17,229,446</b>	<b>4,559,650</b>	<b>7,758,300</b>	<b>45,645,814</b>
<b>Projected Reserve Use/(Funding):</b>								
Operating Reserve	-	(2,335,723)	-	(276,626)	(1,146,700)	(923,900)	634,900	(1,712,326)
Emergency Reserve	-	(16,622,529)	-	-	-	-	-	-
Capital Reserve	-	(1,942,548)	<b>(791,772)</b>	<b>(15,030,020)</b>	<b>(16,082,746)</b>	<b>(816,325)</b>	<b>(1,480,000)</b>	<b>(34,200,863)</b>
Total Projected Reserve Use/(Funding)	-	(20,900,800)	<b>(791,772)</b>	<b>(15,306,646)</b>	<b>(17,229,446)</b>	<b>(1,740,225)</b>	<b>(845,100)</b>	<b>(35,913,189)</b>
<b>Net Revenue</b>	<b>\$ -</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,819,425</b>	<b>6,913,200</b>	<b>9,732,625</b>
<b>Reserves - Projected Year-End Balances:</b>								
<b>Operating Reserve</b>	<b>\$ 31,715,651</b>	<b>34,051,374</b>	<b>34,051,374</b>	<b>34,328,000</b>	<b>35,474,700</b>	<b>36,398,600</b>	<b>35,763,700</b>	<b>35,763,700</b>
<b>Emergency Reserve</b>	<b>23,377,471</b>	<b>40,000,000</b>	<b>40,000,000</b>	<b>40,000,000</b>	<b>40,000,000</b>	<b>40,000,000</b>	<b>40,000,000</b>	<b>40,000,000</b>
<b>Capital Reserve</b>	<b>3,856,589</b>	<b>5,799,137</b>	<b>6,590,909</b>	<b>21,620,929</b>	<b>37,703,675</b>	<b>38,520,000</b>	<b>40,000,000</b>	<b>40,000,000</b>
<b>Total</b>	<b>\$ 58,949,711</b>	<b>79,850,511</b>	<b>80,642,283</b>	<b>95,948,929</b>	<b>113,178,375</b>	<b>114,918,600</b>	<b>115,763,700</b>	<b>115,763,700</b>

**Note 1:** Significant uncertainties exist in Revenue, Operating Costs and Capital Outlay. The ever-changing nature of the energy market and its underlying prices create future revenue uncertainties. New regulatory requirements, inflationary pressures, aging facilities and risk mitigation/insurance needs will impact the current projections. The 2026-2029 projections are subject to change, which will be reported to the Board as needed or annually in future budget processes.

**Note 2:** Power Sales revenue for years 2025-2029 is based on 80% of the 20 year historical average of 850,000 MWh per Policy, which provides an intended conservative revenue budget.

**Note 3:** At December 31, 2024, the Authority will be required to pay a total of \$2.9 million in principal and \$1.3 million in interest will be paid (prefunded), and will be held by the Trustee at December 31, 2024.

**MIDDLE FORK PROJECT FINANCE AUTHORITY**  
**Reserve Schedule**  
**Years 2024 - 2029**

		Adjusted 2024	Projection 2024	Proposed 2025	Projected 2026	Projected 2027	Projected 2028	Projected 2029
<b>Operating Reserve [First Priority - (Note 1)]:</b>	<i>Target</i>	<i>31,715,651</i>	<i>34,051,374</i>	<i>34,051,374</i>	<i>34,328,000</i>	<i>35,474,700</i>	<i>36,398,600</i>	<i>35,763,700</i>
Beginning of Year		31,715,651	31,715,651	<b>34,051,374</b>	34,051,374	34,328,000	35,474,700	36,398,600
Contributions and Uses		-	2,335,723	-	276,626	1,146,700	923,900	(634,900)
Balance End of Year		<u>\$ 31,715,651</u>	<u>34,051,374</u>	<u><b>34,051,374</b></u>	<u>34,328,000</u>	<u>35,474,700</u>	<u>36,398,600</u>	<u>35,763,700</u>
Amount Needed to Meet the Target		<u>(2,335,723)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Emergency Reserve [Second Priority - (Note 2)]:</b>	<i>Target</i>	<i>40,000,000</i>	<i>40,000,000</i>	<i>40,000,000</i>	<i>40,000,000</i>	<i>40,000,000</i>	<i>40,000,000</i>	<i>40,000,000</i>
Beginning of Year		\$ 23,377,471	23,377,471	<b>40,000,000</b>	40,000,000	40,000,000	40,000,000	40,000,000
Contributions and Uses		-	16,622,529	-	-	-	-	-
Balance End of Year		<u>\$ 23,377,471</u>	<u>40,000,000</u>	<u><b>40,000,000</b></u>	<u>40,000,000</u>	<u>40,000,000</u>	<u>40,000,000</u>	<u>40,000,000</u>
Amount Needed to Meet the Target		<u>(16,622,529)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Capital Reserve [Third Priority - (Note 3)]:</b>	<i>Target</i>	<i>81,000,000</i>	<i>63,280,000</i>	<i>63,280,000</i>	<i>58,180,000</i>	<i>44,265,000</i>	<i>38,520,000</i>	<i>40,000,000</i>
Beginning of Year		\$ 3,856,589	3,856,589	<b>5,799,137</b>	6,590,909	21,620,929	37,703,675	38,520,000
Contributions and Uses		-	1,942,548	<b>791,772</b>	15,030,020	16,082,746	816,325	1,480,000
Balance End of Year		<u>\$ 3,856,589</u>	<u>5,799,137</u>	<u><b>6,590,909</b></u>	<u>21,620,929</u>	<u>37,703,675</u>	<u>38,520,000</u>	<u>40,000,000</u>
Amount Needed to Meet the Target		<u>\$ (77,143,411)</u>	<u>\$ (57,480,863)</u>	<u><b>(56,689,091)</b></u>	<u><b>(36,559,071)</b></u>	<u><b>(6,561,325)</b></u>	<u>-</u>	<u>-</u>
<b>Total Reserve Balance</b>		<u>\$ 58,949,711</u>	<u>79,850,511</u>	<u><b>80,642,283</b></u>	<u>95,948,929</u>	<u>113,178,375</u>	<u>114,918,600</u>	<u>115,763,700</u>

**Note 1:** The **Operating Reserve** funding target is one year of operating expenditures, currently set at \$34 million. The Operating Reserve account is to provide readily available cash to operate the MFP under conditions of significantly reduced revenue due to hydrology, energy prices and/or prolonged outages or unanticipated variations in expenses.

**Note 2:** The **Emergency Reserve** is to provide interim appropriations and immediate funding for unforeseen needs or events, primarily insurance deductible. PCWA will annually assess the level of Emergency Reserve and the Authority Treasurer will propose recommended changes as needed for Board approval. For 2025 the Emergency Reserve funding target is \$40 million.

**Note 3:** The **Capital Reserve** is to provide funds for appropriation of unforeseen and unplanned capital needs. The target is based on years' 2 and 3 of the 5-year Budgeted Capital Plan with a \$25 million floor. The 2025 Capital Reserve funding target is \$63.3 million.



**PLACER COUNTY WATER AGENCY**  
**MFP Capital Plan**  
**As Funded by the Middle Fork Project Finance Authority**  
**2025-2029**

Project No.	Project Description	Project Lead	Project Type	Total Estimated Project Cost (Note 2)	Prior Funding	Proposed 2025	Projected 2026	Projected 2027	Projected 2028	Projected 2029	TOTAL 2025-2029
<b>MINOR PROJECTS - TOTAL</b>						\$ 500,000	700,000	-	-	-	1,200,000
<b>MAJOR PROJECTS - AUTHORIZED: (Note 1)</b>											
22036P	Long Canyon Project	SARM	Environmental	2,250,000	550,000	400,000	400,000	300,000	300,000	300,000	1,700,000
	Backup Generator Upgrades	PWR	Plant	2,350,000	250,000	-	2,000,000	100,000	-	-	2,100,000
20046W	ERP System	IT	Computer Systems	1,800,000	1,426,000	200,000	-	-	-	-	200,000
17004P	French Meadows Forest Management	SARM	Environmental	3,000,000	2,425,000	250,000	50,000	50,000	50,000	50,000	450,000
14007P	French Meadows Powerhouse Reliability Upgrades	PWR	Plant	Ongoing	6,930,000	2,825,000	1,300,000	9,950,000	3,400,000	3,600,000	21,075,000
14003P	Hell Hole Powerhouse Reliability Upgrades	PWR	Plant	Ongoing	2,160,000	800,000	8,620,000	250,000	2,500,000	-	12,170,000
14009P	Middle Fork Powerhouse Reliability Upgrades	PWR	Plant	Ongoing	15,000,000	6,150,000	2,345,000	3,275,000	2,775,000	5,000,000	19,545,000
14010P	Oxbow Powerhouse Reliability Upgrades	PWR	Plant	Ongoing	1,980,000	2,770,000	2,100,000	1,700,000	800,000	2,000,000	9,370,000
14012P	Ralston Powerhouse Reliability Upgrades	PWR	Plant	Ongoing	9,587,000	6,770,000	2,450,000	1,150,000	1,000,000	600,000	11,970,000
14013P	FERC License Implementation - Project Infrastructure	PWR	Plant	85,000,000	55,229,000	12,500,000	1,990,000	3,840,000	6,900,000	3,150,000	28,380,000
14014P	FERC License Implementation - Project Recreation Facilities	ENG	Environmental	64,000,000	34,562,000	5,050,000	6,390,000	9,320,000	5,520,000	1,320,000	27,600,000
23027P	Sediment Removal	PWR	Plant	24,000,000	9,403,000	3,250,000	2,500,000	2,500,000	2,500,000	2,500,000	13,250,000
<b>SUBTOTAL - MAJOR AUTHORIZED PROJECTS</b>						<b>40,965,000</b>	<b>30,145,000</b>	<b>32,435,000</b>	<b>25,745,000</b>	<b>18,520,000</b>	<b>147,810,000</b>
<b>TOTAL CAPITAL PROJECTS</b>						<b>\$ 41,465,000</b>	<b>30,845,000</b>	<b>32,435,000</b>	<b>25,745,000</b>	<b>18,520,000</b>	<b>149,010,000</b>

**Note 1:** Major Projects are projects that exceed \$1 million in total estimated project cost. These projects may be comprised of a variety of sub-projects for which appropriations will be allocated, administered and accounted for as separate "Projects" at the PCWA project management level, as PCWA is the lead entity for MFP projects.

**Note 2:** Total Estimated Project Cost may include prior funding and completed sub-projects. These costs for the powerhouse reliability projects are defined as "Ongoing" because underlying sub-projects will be added, completed and removed over time. Stand alone Project Cost estimates are continually updated as the scope of the project may evolve over time.

**PLACER COUNTY WATER AGENCY**  
**MFP Capital Plan**  
**As Funded by the Middle Fork Project Finance Authority**  
**2025 - 2029**

**Minor Projects - Total**

Minor Projects - Total is comprised of the following sub-projects:

1. Project Adjustment Fund



Funding Source	Proposed 2025	Projected 2026	Projected 2027	Projected 2028	Projected 2029	Total
Middle Fork Project Finance Authority	\$ 500,000	700,000	-	-	-	1,200,000

Minor Projects are defined as projects with a total estimated project cost equal to or less than \$1 million dollars and are included in the MFPFA Capital Plan as one total amount. This amount is comprised of a variety of sub-projects that will be allocated, administered and accounted for as "Projects" through PCWA's budget and accounting system, as PCWA is the lead entity for MFP projects.

**PLACER COUNTY WATER AGENCY**  
**MFP Capital Plan**  
**As Funded by the Middle Fork Project Finance Authority**  
**2025 - 2029**

**Long Canyon Project**

Project Number: 22036P  
 Project Category: Major-Authorized  
 Project Lead: SARM  
 Project Type: Environmental

Long Canyon Project (formerly known as Middle Fork Project Forest Management) will expand the forest thinning activities begun as part of the French Meadows Project throughout the watershed in an effort to reduce the threat of extreme wildfires and the associated impacts to MFP infrastructure, water quality, recreation, and the environment.



Funding Source	Total Estimated Project Cost	Proposed 2025	Projected 2026	Projected 2027	Projected 2028	Projected 2029	Total
Middle Fork Project Finance Authority	\$ 2,250,000	400,000	400,000	300,000	300,000	300,000	1,700,000

This project is a Major Project, or project category, with a total estimated project cost at more than \$1 million, as defined by MFPFA policy as Potential, Planned or Authorized. Major Projects may be comprised of a variety of sub-projects that will be allocated, administered and accounted for as separate "Projects" through PCWA's accounting system, as PCWA is the lead entity for MFP projects.

**PLACER COUNTY WATER AGENCY**  
**MFP Capital Plan**  
**As Funded by the Middle Fork Project Finance Authority**  
**2025 - 2029**

**Backup Generator Upgrades**

Project Category: Major-Authorized  
 Project Lead: Power  
 Project Type: Plant

This project will examine backup diesel generator needs at the powerhouses. Powerhouses that do not currently have backup diesel generator power will be evaluated for installation of new diesel generators. Powerhouses that currently have diesel generators will be evaluated for replacement of the existing diesel generator.



French Meadows Powerhouse

Funding Source	Total Estimated Project Cost	Proposed 2025	Projected 2026	Projected 2027	Projected 2028	Projected 2029	Total
Middle Fork Project Finance Authority	\$ 2,350,000	-	2,000,000	100,000	-	-	2,100,000

This project is a Major Project, or project category, with a total estimated project cost at more than \$1 million, as defined by MFPFA policy as Potential, Planned or Authorized. Major Projects may be comprised of a variety of sub-projects that will be allocated, administered and accounted for as separate "Projects" through PCWA's accounting system, as PCWA is the lead entity for MFP projects.



**PLACER COUNTY WATER AGENCY**  
**MFP Capital Plan**  
**As Funded by the Middle Fork Project Finance Authority**  
**2025 - 2029**

**ERP System**

Project Category: Major-Authorized  
 Project Lead: IT  
 Project Type: Computer Systems

Power System will pay a share of the costs for the replacement of the Agency's existing Enterprise Resource Planning (ERP) software system. The integrated software includes financials, work orders, inventory, and HR.



Funding Source	Proposed 2025	Projected 2026	Projected 2027	Projected 2028	Projected 2029	Total
Middle Fork Project Finance Authority	\$ 200,000	-	-	-	-	200,000

Minor Projects are defined as projects with a total estimated project cost equal to or less than \$1 million dollars and are included in the MFPFA Capital Plan as one total amount. This amount is comprised of a variety of sub-projects that will be allocated, administered and accounted for as "Projects" through PCWA's budget and accounting system, as PCWA is the lead entity for MFP projects.

**PLACER COUNTY WATER AGENCY**  
**MFP Capital Plan**  
**As Funded by the Middle Fork Project Finance Authority**  
**2025-2029**

**French Meadows Forest Management**

Project Number: 17004P  
 Project Category: Major-Authorized  
 Project Lead: SARM  
 Project Type: Environmental

The French Meadows Project aims to accelerate ecologically-based forest and watershed restoration on approximately 28,000 acres of Tahoe National Forest and private lands around the French Meadows Reservoir through a shared stewardship approach involving collaborative management, diverse fundraising, innovative project implementation, and watershed research.



Funding Source	Total Estimated Project Cost	Proposed 2025	Projected 2026	Projected 2027	Projected 2028	Projected 2029	Total
Middle Fork Project Finance Authority	\$ 3,000,000	250,000	50,000	50,000	50,000	50,000	450,000

This project is a Major Project, or project category, with a total estimated project cost at more than \$1 million, as defined by MFPFA policy as Potential, Planned or Authorized. Major Projects may be comprised of a variety of sub-projects that will be allocated, administered and accounted for as separate “Projects” through PCWA’s accounting system, as PCWA is the lead entity for MFP projects.

**PLACER COUNTY WATER AGENCY**  
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**2025 - 2029**

**French Meadows Powerhouse Reliability Upgrades**

Project Number: 14007P  
 Project Category: Major-Authorized  
 Project Lead: Power  
 Project Type: Plant

Powerhouse reliability upgrades encompass projects that will sustain or increase generator availability (the percentage of time a generator is available to be synchronized to the grid and produce electricity) and projects that will improve employee safety.

1. French Meadows Penstock Interior Inspection and Relining
2. French Meadows Penstock Exterior Coating Inspection
3. French Meadows Powerhouse Generator and GSU Protection Upgrade
4. French Meadows Powerhouse Turbine PRV Replacement
5. French Meadows Powerhouse TRU Replacement
6. LL Anderson Dam - Crest Improvements
7. LL Anderson Dam - Log Boom Replacement



Funding Source	Total Estimated Project Cost	Proposed 2025	Projected 2026	Projected 2027	Projected 2028	Projected 2029	Total
Middle Fork Project Finance Authority	Ongoing	\$ 2,825,000	1,300,000	9,950,000	3,400,000	3,600,000	21,075,000

This project is a Major Project, or project category, with a total estimated project cost at more than \$1 million, as defined by MFPFA policy as Potential, Planned or Authorized. Major Projects may be comprised of a variety of sub-projects that will be allocated, administered and accounted for as separate "Projects" through PCWA's accounting system, as PCWA is the lead entity for MFP projects.



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**As Funded by the Middle Fork Project Finance Authority**  
**2025 - 2029**

**Hell Hole Powerhouse Reliability Upgrades**

Project Number: 14003P  
 Project Category: Major-Authorized  
 Project Lead: Power  
 Project Type: Plant

Powerhouse reliability upgrades encompass projects that will sustain or increase generator availability (the percentage of time a generator is available to be synchronized to the grid and produce electricity) and projects that will improve employee safety.

1. Hell Hole Substation



Funding Source	Total Estimated Project Cost	Proposed 2025	Projected 2026	Projected 2027	Projected 2028	Projected 2029	Total
Middle Fork Project Finance Authority	Ongoing	\$ 800,000	8,620,000	250,000	2,500,000	-	12,170,000

This project is a Major Project, or project category, with a total estimated project cost at more than \$1 million, as defined by MFPFA policy as Potential, Planned or Authorized. Major Projects may be comprised of a variety of sub-projects that will be allocated, administered and accounted for as separate "Projects" through PCWA's accounting system, as PCWA is the lead entity for MFP projects.



**PLACER COUNTY WATER AGENCY**  
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**2025 - 2029**

**Middle Fork Powerhouse Reliability Upgrades**

Project Number: 14009P  
 Project Category: Major-Authorized  
 Project Lead: Power  
 Project Type: Plant

Powerhouse reliability upgrades encompass projects that will sustain or increase generator availability (the percentage of time a generator is available to be synchronized to the grid and produce electricity) and projects that will improve employee safety.

1. Middle Fork Penstock Internal Coating
2. Middle Fork Powerhouse Main Transformer and Bus Protection Replacement
3. Middle Fork Powerhouse Transformer Replacement
4. Middle Fork Powerhouse Online Partial Discharge Monitoring Upgrade
5. MF Penstock Drainage
6. Middle Fork Penstock External Coating Inspection
7. Middle Fork Powerhouse Plant RTU Replacement
8. Interbay Dam Radial Gate Structural Retrofit



Funding Source	Total Estimated Project Cost	Proposed 2025	Projected 2026	Projected 2027	Projected 2028	Projected 2029	Total
Middle Fork Project Finance Authority	Ongoing	\$ 6,150,000	2,345,000	3,275,000	2,775,000	5,000,000	19,545,000

This project is a Major Project, or project category, with a total estimated project cost at more than \$1 million, as defined by MFPFA policy as Potential, Planned or Authorized. Major Projects may be comprised of a variety of sub-projects that will be allocated, administered and accounted for as separate "Projects" through PCWA's accounting system, as PCWA is the lead entity for MFP projects.

**PLACER COUNTY WATER AGENCY**  
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**2025 - 2029**

**Oxbow Powerhouse Reliability Upgrades**

Project Number: 14010P  
 Project Category: Major-Authorized  
 Project Lead: Power  
 Project Type: Plant

Powerhouse reliability upgrades encompass projects that will sustain or increase generator availability (the percentage of time a generator is available to be synchronized to the grid and produce electricity) and projects that will improve employee safety.

1. Oxbow Powerhouse Plant RTU Replacement
2. Abay Dam Radial Gate Structural Retrofit
3. Abay Dam Radial Gate Hoist Improvement
4. Abay Dam Lift Joint "Body" Drains
5. After-Bay LLO Gate Modifications
6. Oxbow Powerhouse Battery Bank Online Monitoring Equipment Upgrade
7. After-Bay Log Boom Replacement



Oxbow Powerhouse

Funding Source	Total Estimated Project Cost	Proposed 2025	Projected 2026	Projected 2027	Projected 2028	Projected 2029	Total
Middle Fork Project Finance Authority	Ongoing	\$ 2,770,000	2,100,000	1,700,000	800,000	2,000,000	9,370,000

This project is a Major Project, or project category, with a total estimated project cost at more than \$1 million, as defined by MFPFA policy as Potential, Planned or Authorized. Major Projects may be comprised of a variety of sub-projects that will be allocated, administered and accounted for as separate "Projects" through PCWA's accounting system, as PCWA is the lead entity for MFP projects.



**PLACER COUNTY WATER AGENCY**  
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**2025 - 2029**

**Ralston Powerhouse Reliability Upgrades**

Project Number: 14012P  
 Project Category: Major-Authorized  
 Project Lead: Power  
 Project Type: Plant

Powerhouse reliability upgrades encompass projects that will sustain or increase generator availability (the percentage of time a generator is available to be synchronized to the grid and produce electricity) and projects that will improve employee safety.

1. Ralston Penstock Internal Relining
2. Ralston Powerhouse Online Partial Discharge Monitoring Upgrade
3. Ralston Powerhouse Main Transformer Replacement
4. Ralston Penstock External Coating Inspection
5. Ralston Powerhouse Battery Bank Online Monitoring Equipment Upgrade



Funding Source	Total Estimated Project Cost	Proposed 2025	Projected 2026	Projected 2027	Projected 2028	Projected 2029	Total
Middle Fork Project Finance Authority	Ongoing	\$ 6,770,000	2,450,000	1,150,000	1,000,000	600,000	11,970,000

This project is a Major Project, or project category, with a total estimated project cost at more than \$1 million, as defined by MFPFA policy as Potential, Planned or Authorized. Major Projects may be comprised of a variety of sub-projects that will be allocated, administered and accounted for as separate "Projects" through PCWA's accounting system, as PCWA is the lead entity for MFP projects.

**PLACER COUNTY WATER AGENCY**  
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**2025 - 2029**

**FERC License Implementation - Project Infrastructure**

Project Number: 14013P  
 Project Category: Major-Authorized  
 Project Lead: Power  
 Project Type: Plant

These capital projects consist of infrastructure work required under the new FERC license. The work includes:

1. Duncan Creek Diversion Dam Upgrade and & Recreation Trail
2. South Fork Long Canyon Diversion Upgrades
3. North Fork Long Canyon Diversion Upgrades
4. Hell Hole Dam Seasonal Storage
5. Hell Hole Outlet Works Upgrade
6. Interbay Dam LLO Gate Modifications
7. Middle Fork Project Cooperative Road Management
8. Ralston Afterbay Sediment Relocation Plan



Funding Source	Total Estimated Project Cost	Proposed 2025	Projected 2026	Projected 2027	Projected 2028	Projected 2029	Total
Middle Fork Project Finance Authority	\$ 85,000,000	12,500,000	1,990,000	3,840,000	6,900,000	3,150,000	28,380,000

This project is a Major Project, or project category, with a total estimated project cost at more than \$1 million, as defined by MFPFA policy as Potential, Planned or Authorized. Major Projects may be comprised of a variety of sub-projects that will be allocated, administered and accounted for as separate "Projects" through PCWA's accounting system, as PCWA is the lead entity for MFP projects.



**PLACER COUNTY WATER AGENCY**  
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**2025 - 2029**

**FERC License Implementation - Project Recreation Facilities**

Project Number: 14014P  
 Project Category: Major-Authorized  
 Project Lead: Engineering  
 Project Type: Environmental

This project consists of work to rehabilitate recreational facilities that will be required by the new FERC license. The work includes:

1. French Meadows South Shore Water Supply
2. Indian Bar River Access
3. French Meadows Campground and Dump Station
4. Hell Hole Recreation Work Station & Storage Facility for USFS
5. Hell Hole Support Facilities Water Supply
6. French Meadows Boat Ramp Extension and Picnic Area
7. French Meadows North Shore Water Supply
8. McGuire Picnic Area Conversion to Group Campground
9. Lewis Campground
10. Afterbay Picnic Area
11. Hell Hole Worker Campground
12. Middle Fork Powerhouse Pedestrian Bypass
13. Abay Sediment Removal Access Point
14. Hell Hole Boat Ramp Extension
15. Ahart Campground
16. Gates Group Campground
17. MF Stream Gage Trail Improvements
18. Middle Meadows Campground Vertical Well
19. HH Parking Improvements
20. HH and Big Meadows Campground



Funding Source	Total Estimated Project Cost	Proposed 2025	Projected 2026	Projected 2027	Projected 2028	Projected 2029	Total
Middle Fork Project Finance Authority	\$ 64,000,000	5,050,000	6,390,000	9,320,000	5,520,000	1,320,000	27,600,000

This project is a Major Project, or project category, with a total estimated project cost at more than \$1 million, as defined by MFPFA policy as Potential, Planned or Authorized. Major Projects may be comprised of a variety of sub-projects that will be allocated, administered and accounted for as separate "Projects" through PCWA's accounting system, as PCWA is the lead entity for MFP projects.

**PLACER COUNTY WATER AGENCY**  
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**2025 - 2029**

**Sediment Removal**

Project Number: 23027P  
 Project Category: Major-Authorized  
 Project Lead: Power  
 Project Type: Plant

These capital projects consist of sediment removal. The work includes:

1. Ralston Afterbay Sediment Removal (Mosquito Fire)
2. Interbay Sediment Removal



**Ralston Dam**

Funding Source	Total Estimated Project Cost	Proposed 2025	Projected 2026	Projected 2027	Projected 2028	Projected 2029	Total
Middle Fork Project Finance Authority	\$ 24,000,000	3,250,000	2,500,000	2,500,000	2,500,000	2,500,000	13,250,000


This project is a Major Project, or project category, with a total estimated project cost at more than \$1 million, as defined by MFPFA policy as Potential, Planned or Authorized. Major Projects may be comprised of a variety of sub-projects that will be allocated, administered and accounted for as separate "Projects" through PCWA's accounting system, as PCWA is the lead entity for MFP projects.





# MIDDLE FORK PROJECT

## FINANCE AUTHORITY



# Proposed 2025 Budget Overview

## October 17, 2024



# Revenue

**Power Sales Revenue** is increasing **\$29.1 million** or **56.4%** compared to the Adjusted 2024 Budget

- Energy Revenue is budgeted at 80% of average generation, or 680,000 MWh.
- Energy Products Revenue is driving this increase due to resource adequacy contacted prices.

**Interest Income** increased but the projected and proposed Budget amounts remain conservative

	Adjusted 2024	Projection 2024	Proposed 2025
<b>Power Sales</b>			
Energy	\$ 31,290,000	46,800,000	<b>30,830,000</b>
Energy Products	20,309,200	25,700,000	<b>49,885,896</b>
<b>Total Power Sales</b>	<b>51,599,200</b>	<b>72,500,000</b>	<b>80,715,896</b>
Interest Income	800,000	800,000	<b>1,000,000</b>
<b>Total Revenue</b>	<b>\$ 52,399,200</b>	<b>73,300,000</b>	<b>81,715,896</b>



Ralston Afterbay Stream Maintenance Valve





# Operating Expenditures

	Adjusted 2024	Proposed 2025
<b>Administration:</b>		
Operating Supplies/Services	\$ 10,000	<b>10,000</b>
Administration	150,000	<b>150,000</b>
Professional Services	51,300	<b>51,300</b>
<b>Total Administration Expenditures</b>	<b>211,300</b>	<b>211,300</b>
<b>PCWA Power Division - Operating:</b>		
Power Operations	17,104,122	<b>19,664,003</b>
General and Administrative	7,401,215	<b>7,894,869</b>
Natural Resources Management	3,905,887	<b>3,609,771</b>
Power Resources Management	1,645,227	<b>1,656,431</b>
Routine Capital	1,447,900	<b>1,015,000</b>
<b>Total PCWA Power Division - Operating</b>	<b>31,504,351</b>	<b>33,840,074</b>
Debt Service	5,407,000	<b>5,407,750</b>
<b>Total Operating Expenditures</b>	<b>\$ 37,122,651</b>	<b>39,459,124</b>

Overall increase of **\$2.3 million** or 6.3% compared to the 2024 Adjusted Budget.



French Meadows Powerhouse



# PCWA Power Division – Operating Detail

	Adjusted 2024	Proposed 2025	\$ Variance	% Variance
<b>PCWA Power Division - Operating:</b>				
Power Operations	\$ 17,104,122	<b>19,664,003</b>	2,559,881	15.0%
General and Administrative	7,401,215	<b>7,894,869</b>	493,654	6.7%
Natural Resources Management	3,905,887	<b>3,609,771</b>	(296,116)	-7.6%
Power Resources Management	1,645,227	<b>1,656,431</b>	11,204	0.7%
Routine Capital	1,447,900	<b>1,015,000</b>	(432,900)	-29.9%
<b>Total PCWA Power Division - Operating</b>	<b>\$ 31,504,351</b>	<b>33,840,074</b>	<b>2,335,723</b>	<b>7.4%</b>

**Power Operations** – Increase of \$883k in consulting services for LL Anderson Crest Material Investigation and Asset Management Study, increase of \$210k in surveying for French Meadows and Hell Hole reservoir bathymetry, increase in facilities repair of \$703k for periodic dam inspections and vegetation clearing. Additionally, a net increase of \$488k in Personnel Services for the 3% COLA and anticipated increases in labor for the Power salary survey.

**General and Admin** – Increase of \$240k based on the required unfunded accrued pension liability, Insurance increasing \$198k due to rising premiums, and Service Level support increasing \$73k.

**Natural Resources Management** – Decrease of \$213k in FERC License Operating Implementation costs as the focus is on monitoring the plan, and a decrease of \$82k in cost share partnerships.

**Power Resources Management** – Increase in forecasting tools offset by a decrease in consulting needs.

**Routine Capital** – Decrease in planned replacements for computers, equipment and tools, and an increase for replacement vehicles, a skip loader and portable generator.



# 2025 Capital Plan Appropriations



Middle Fork Powerhouse

**Upgrades & Renewal, Replacement and Reliability** projects account for 58% of the 2025 Capital Plan and include projects such as Sediment Removal and Main Transformer Replacements.

**FERC License Implementation** projects account for 42% of the 2025 Capital Plan as certain projects must be completed in accordance with the FERC License requirements.

	Adjusted 2024	Proposed 2025
<b>Capital Plan Appropriations:</b>		
Upgrades & Renewal, Replacement and Reliability	\$ 29,267,000	<b>23,915,000</b>
FERC License Implementation Projects	15,843,000	<b>17,550,000</b>
<b>Total Appropriations to Capital Projects</b>	<b>\$ 45,110,000</b>	<b>41,465,000</b>





# 2025 5-Year Capital Plan

	Proposed 2025	Projected 2026	Projected 2027	Projected 2028	Projected 2029	Total 2025-2029
<b>Capital Plan Appropriations:</b>						
Upgrades & Renewal, Replacement and Reliability	\$ 23,915,000	22,465,000	19,275,000	13,325,000	14,050,000	93,030,000
FERC License Implementation:						
FERC License Implementation Projects - Project Infrastructure	12,500,000	1,990,000	3,840,000	6,900,000	3,150,000	28,380,000
FERC License Implementation Projects - Project Recreation Facilities	5,050,000	6,390,000	9,320,000	5,520,000	1,320,000	27,600,000
<b>Subtotal FERC License Implementation Projects</b>	<b>17,550,000</b>	<b>8,380,000</b>	<b>13,160,000</b>	<b>12,420,000</b>	<b>4,470,000</b>	<b>55,980,000</b>
<b>Total Appropriations to Capital Projects</b>	<b>\$ 41,465,000</b>	<b>30,845,000</b>	<b>32,435,000</b>	<b>25,745,000</b>	<b>18,520,000</b>	<b>149,010,000</b>



Ralston Afterbay



# 2025 Capital Plan – Significant Upgrade, Renewal, Replacement and Reliability Projects

Upgrade, Minor, Renewal, Replacement and Reliability Capital Projects totals **\$23.9M**

**\$5.3M** – Ralston Penstock Internal Relining

**\$3.6M** – Middle Fork Powerhouse Transformer Replacement

**\$2.5M** – Interbay Sediment Removal

**\$2.0M** – French Meadows Powerhouse Turbine PRV Replacement

**\$1.2M** – Middle Fork Penstock Drainage



Jib Crane Replacement



# 2025 Capital Plan – Significant FERC License Implementation Projects: Infrastructure

FERC License Implementation - Infrastructure Capital Projects totals **\$12.5M**



Hell Hole Dam and Powerhouse

**\$6.0M** – Hell Hole Outlet Works Upgrade

**\$2.5M** – North Fork Long Canyon Diversion Upgrade

**\$2.5M** – South Fork Long Canyon Diversion Upgrade

**\$0.75M** – Hell Hole Dam Seasonal Storage





# 2025 Capital Plan – Significant FERC License Implementation Projects: Recreation

FERC License Implementation - Recreation Capital Projects totals **\$5.1M**

- \$1.00M** – Abay Sediment Removal Access Point
- \$0.80M** – Afterbay Picnic Area
- \$0.50M** – French Meadows Campground/Dump Station
- \$0.50M** – HH Support Facilities Water Supply
- \$0.50M** – French Meadows Boat Ramp Extension
- \$0.30M** – McGuire Picnic Area Conversion
- \$0.25M** – Indian Bar River Access
- \$0.20M** – HH Worker Campground



French Meadows Campground



# Summary of Revenue over Expenditures and Appropriations

	Adjusted 2024	Projection 2024	Proposed 2025
<b>Total Revenues and Other Financing Sources</b>	\$ 82,232,651	103,133,451	<b>81,715,896</b>
<b>Total Expenditures and Appropriations</b>	82,232,651	82,232,651	<b>80,924,124</b>
<b>Revenue over/(under) Expenditures and Appropriations</b>	\$ -	20,900,800	<b>791,772</b>

- Projected 2024 Revenue over Expenditures and Appropriations anticipates **\$20.9 million** to fund Reserves.
- Proposed 2025 Revenue over Expenditures and Appropriations expected to fund **\$792K** to Reserves.





# Reserves

- Based on 2024 Projections, the Operating and Emergency reserve targets will be fully funded.
- Capital Reserves target of \$63.3 million will not be fully funded at year-end 2024.

	Adjusted 2024	Projection 2024	Proposed 2025
<b>Reserves - Projected Year-End Balances:</b>			
Operating Reserve	\$ 31,715,651	34,051,374	<b>34,051,374</b>
Emergency Reserve	23,377,471	40,000,000	<b>40,000,000</b>
Capital Reserve	3,856,589	5,799,137	<b>6,590,909</b>
<b>Total</b>	<b>\$ 58,949,711</b>	<b>79,850,511</b>	<b>80,642,283</b>



# Questions?

