



Restored River Floodplain and Riparian Habitat Constructed by Southport Levee Project



COMPREHENSIVE ANNUAL FINANCIAL REPORT

For The Fiscal Year Ending June 30, 2020
West Sacramento, California

**WEST SACRAMENTO AREA FLOOD
CONTROL AGENCY
JOINT POWERS AUTHORITY**

COMPREHENSIVE ANNUAL FINANCIAL REPORT
For the year ended June 30, 2020

**Prepared by
FINANCE AND TECHNOLOGY DEPARTMENT**

INTRODUCTORY SECTION

WEST SACRAMENTO AREA FLOOD CONTROL AGENCY
JOINT POWERS AUTHORITY

COMPREHENSIVE ANNUAL FINANCIAL REPORT
For the year ended June 30, 2020

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Letter of Transmittal

West Sacramento Area Flood Control Agency

January 29, 2021

To the West Sacramento Area Flood Control Area Board and Citizens served by the Agency:

Formal Transmittal of the Comprehensive Annual Financial Report (CAFR)

The West Sacramento Area Flood Control Agency (the Agency or WSAFCA) is a special district Joint Powers Authority (JPA) tasked with the improvement of West Sacramento's levee system. This report is published to fulfill the independent audit and financial reporting requirement for fiscal year ended June 30, 2020.

Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal controls that it has established for this purpose. Because the cost of internal controls should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

The firm, Crowe, LLP, was selected to audit the Agency's financial records. The auditor's report on the basic financial statement is included in the financial section of this report.

Management's Discussion and Analysis (MD&A) immediately follows the independent auditor's report and provides a narrative introduction, overview, and analysis of the basic financial statements. The MD&A complements the letter of transmittal and should be read in conjunction with it.

Internal Controls

WSAFCA's management is responsible for establishing and maintaining internal controls designed to ensure that the Agency's assets are protected from loss, theft, or misuse, and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with accounting principles generally accepted in the United States of America. The internal controls are designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and, (2) the valuation of costs and benefits requires estimates and judgments by management. Management relies on and is confident that the internal controls in place are adequate to ensure the accuracy of the financial data provided herein.

As a recipient of state and local funding collected to construct levee improvements, the Agency is also responsible for ensuring that adequate internal controls are in place to ensure compliance with applicable laws and regulations related to these programs. These internal controls are subject to periodic evaluation by management and staff of the City of West Sacramento Finance Division.

In addition, the Agency maintains extensive budgetary controls. The objective of these controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the Agency Board. Activities for all funds are included in the annual appropriated budget.

As demonstrated by the statements and schedules included in the financial section of this report, the Agency continues to meet its responsibility for sound financial management.

Governmental Structure, Local Economic Condition Outlook

WSAFCA is a joint powers authority created by agreement between the City of West Sacramento (the "City"), Reclamation District No. 900 (RD 900), and Reclamation District No. 537 (RD 537). The Agency was created for the purpose of comprehensively managing the levee system, which reduces flood risk for West Sacramento's citizens, businesses, and assets.

The three-member WSAFCA Board formulates and enacts policy for the Agency. The boards of RD 900, RD 537, and the West Sacramento City Council each appoint a director and alternate director to serve as the WSAFCA Board.

The Agency provides services related to the financing, design, construction, and maintenance of West Sacramento's levee system. Services include the capital rehabilitation and improvement of levee facilities, fulfilling legal requirements associated with federal and state programs that relate to the Agency's mission, and activities that relate to and provide for the public's health and safety in regard to flood risk reduction.

The Agency is required to adopt by resolution a final biennial budget by June 30. The Fiscal Year 2019/20 budget was adopted on June 20, 2019. The budget serves as the foundation for the Agency's financial planning and control. The Agency's budget is organized and prepared by fund and activity or appropriation level within each category present in the financial statements. The Agency may transfer appropriations and establish new appropriation levels as resources allow.

At this point in time, the Agency is focused on an ambitious capital improvement of the levee system as outlined in the West Sacramento Levee Improvement Program (WSLIP). Typically, staff develops budget proposals for Board consideration based on project priority, developed through the Problem Identification and the Alternatives Analysis Reports, and the design, environmental, and construction stage of the project. As such, the Agency focuses its effort on correcting the highest risk system deficiencies first.

Local/Regional Economy

The annual job report in the six-county Sacramento region, of which the City is an integral part, is an essential component of the local/regional economic analysis. According to the 2020 Mid-Year Review, published by the Sacramento Business Review, COVID-19 is a dominant factor currently impacting the national and local economy. As the pandemic came in March 2020, state and federal governments imposed shelter-in-place/stay-at-home orders leaving millions immediately unemployed and many small businesses were sent into a state of shock and uncertainty. The Sacramento Region has been greatly impacted by the coronavirus and corresponding economic restrictions causing a spike in unemployment rates. Every sector of the Sacramento region economy has been affected, including leisure and entertainment, trade, transportation, and utilities. Service jobs were more impacted than goods producing jobs with service jobs down 16.4% compared to an 11.5% decline in good producing jobs. However, with some early signs that the economy may bounce back quickly both locally and nationally, there is hope that these job losses are temporary. Although, it is not likely the economy will make a full recovery for quite some time.

According to the California Employment Development Department (EDD) September 2020 report, Yolo County’s unemployment rate was 7.1% in comparison to the State of California unemployment rate of 10.8%.

The table below illustrates the unemployment rate for the Yolo County in comparison with the State of California.

Unemployment Rate			
	Yolo County	California	Difference
September 2020	7.1%	10.8%	-3.7%
August 2020	9.5%	11.2%	-1.7%
September 2019	3.1%	3.9%	-0.8%

Source: California Employment Development Department Labor Market Review September 2020

The sectors that gained jobs in the last month, per the California Employment Development’s (EDD) September 2020 report, were Leisure and Hospitality (+48,400) Trade, Transportation and Utilities (+30,600), and Professional and Business Services (+15,700).

The 2020 Mid-year Update, published by Sacramento Business Review, breaks real estate into four major sectors; Office, Industrial, Retail, and Single-family. The Office sector has seen a decrease in market activity due to the coronavirus economic shutdown with an overall vacancy rate of 7.4% but is expected to be well-positioned to weather the impact of COVID-19. The Industrial sector saw a similar decrease as the Office sector but remains near full occupancy with a vacancy rate of 5.2%. Industrial is expected to be the least impacted sector by the pandemic. The Retail sector has been the most impacted sector by the pandemic. Mandatory shutdown of many retail establishments resulted in layoffs and business closures. The Single-family housing market continues to see growth, with median sale prices seeing an increase of 7.7% year-over-year. Future resale prices could continue to climb as new build construction, which sets price-ceilings on resales, decreased significantly with the economic shutdown.

In summary, the Sacramento Business Review stated that the Sacramento region fared slightly better than the nation as a whole for declines in the labor market, consumer confidence, business sentiment, small business lending, and commercial real estate. In addition, the housing market is expected to stay flat given the mass exodus of residents from the Bay Area in search of a better quality of life as working from home increases due to the pandemic. It is anticipated that 2021 will bring continued strong recovery and growth as the economy rebounds from the pandemic.

Long-Term Financial Planning

The Agency’s planning and project development are informed and greatly facilitated by state and federal funding. The current cash flow model is premised on near-term participation of the State of California through its Early Implementation and Urban Flood Risk Reduction Programs. The West Sacramento Levee Improvement Program has been authorized as a federal project with its inclusion in the 2016 Water Infrastructure Improvements for the Nation Act of 2016 (P.L. 144-322, § 1401(2)). With the passing of the FY 2020 Appropriations bill, the US Army Corps of Engineers is now fully funded to complete pre-construction, engineering, and design (PED) work on the first increment of the federal project.

Relevant Financial Policies

The Agency's cash and investments, stated at fair value, are on account with and pooled with other governmental agencies by the City of West Sacramento's Finance Division for the purpose of capital preservation through conservative investment activity. Union Bank of California Trust Services serves as the Agency's fiscal agent for special assessment debt, i.e. bond proceeds that fund capital projects.

Major Initiatives

During the fiscal year, the Agency completed its fourth major project under the State's Early Implementation Program (EIP).

Southport Levee Improvement Project

The Southport Levee Improvement Project is the largest project undertaken by the Agency to date. Phase I constructed Village Parkway, which replaced South River Road (previously located on the levee crown) as the primary roadway for the east Southport area. Relocating the roadway from the levee to the new alignment disentangled levee maintenance operations and flood fighting from the public right of way and emergency evacuation route functions. Phase II, construction of the levee improvements, was completed in 2018. Additional drainage improvements at the project's west boundary and restoration of the borrow sites were completed in 2020.

Phase III, restoration of the floodplain, consists of habitat improvements and planting of the offset area flood plain created by Phase II of the project. Fine grading and planting were substantially completed in the fall of 2019. Establishment of the vegetation was completed in 2020. The project's use of an offset levee design reestablished more than 120 acres of river flood plain. The area has significant habitat value and will be used to help mitigate the impacts of future levee improvements.

North Area Project Close Out

The North Area projects were the Agency's initial levee improvement projects constructed to advance the WSLIP. The projects were constructed in partnership with the California Department of Water Resources utilizing funding provided in the State's Early Implementation and Urban Flood Risk Reduction Programs. Three projects, I Street Bridge South, CHP Academy, and Rivers, have completed construction. Remaining work consists of project close out documentation approvals and the transfer of real estate rights to the Sacramento San Joaquin Drainage District. Staff anticipates close out in 2021.

The Federal Project

The Southport project (all phases) was constructed in advance and is an integral part of the larger federal project identified in the US Army Corps of Engineers (USACE) West Sacramento General Reevaluation Report (2016). The West Sacramento Project was authorized by the Water Infrastructure Improvements for the Nation Act of 2016 (Sec. 1401(2)(8)). With the passing of the FY 2020 Appropriations bill, the US Army Corps of Engineers is now fully funded to complete pre-construction, engineering, and design (PED) work on the first increment of the federal project. The USACE, the Agency and the Central Valley Flood Protection Board have executed agreements to complete design of the first increment. The Agency is leading the design effort, which is scheduled to be complete in early 2021.

Regional Flood Management Program

The Agency received and administrated a State Regional Flood Management Plan grant for the Lower Sacramento Delta North Plan Region. Regional Plans were completed in 2014 and the State has developed a new program titled the Regional Flood Management Program. Where the 2012 guidelines focused on plans the 2019 guidelines will expand the scope of activities that can be pursued. The Agency will continue its role in leading this effort on behalf of the region's work to successfully balance flood improvements with public safety, environmental stewardship, and economic stability.

Future Projects

The Agency entered into design agreements with USACE and the Central Valley Flood Protection Board to initiate design of levee improvements on the Yolo Bypass Levee. This work will be fast tracked with the objective to produce 100% plans and specs ready to bid in 2021. A construction ready project will better position the Agency to secure federal construction funding when that funding becomes available.

AWARDS

The GFOA awarded a Certificate of Achievement for Excellence in Financial Reporting to the WSAFCA for its comprehensive annual financial report for the fiscal year ended June 30, 2019. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. In our opinion, the current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and it will be submitted to the GFOA to determine its eligibility for recognition.

ACKNOWLEDGMENTS

We would like to express our appreciation to the entire Finance Division of the Administrative Services Department and Flood Division of the Community Development Department for their effort in maintaining accurate and timely accounting records from which this report was prepared. We would also like to acknowledge the professional work and advice of Crowe, LLP.

Respectfully submitted,



Rebecca Robertson, Finance Manager



Roberta Raper, WSAFCA Treasurer



Greg Fabun, WSAFCA General Manager

WEST SACRAMENTO AREA FLOOD CONTROL AGENCY
JOINT POWERS AUTHORITY
LIST OF PRINCIPAL APPOINTED OFFICIALS

<u>Name</u>	<u>Title</u>	<u>Represented Agency</u>	<u>Email</u>
Tom Ramos	Chair	RD 537	wsrd@pacbell.net
Beverly Sandeen	Director/Vice Chair	City of West Sacramento	beverlys@cityofwestsacramento.org
Chris Ledesma	Director	RD 900	chrisl@cityofwestsacramento.org
Quirina Orozco	Alternate Director	City of West Sacramento	quirinao@cityofwestsacramento.org

Officials with RD 900 and RD 537 can be contacted at 916-371-1483. Officials with the City of West Sacramento can be contacted at 916-617-4500.

WEST SACRAMENTO AREA FLOOD CONTROL AGENCY
JOINT POWERS AUTHORITY
ADMINISTRATIVE STAFF

<u>Name</u>	<u>Title</u>	<u>Agency</u>
Greg Fabun	WSAFCA General Manager / Flood Protection Manager	City of West Sacramento
Aaron Laurel	City Manager	City of West Sacramento
Amanda Berlin	Assistant City Manager	City of West Sacramento
Roberta Raper	WSAFCA Treasurer	City of West Sacramento
Jon Robinson	Interim Director of Community Development	City of West Sacramento
Paul Dirksen	Flood Protection Planner	City of West Sacramento
Mark Zollo	Senior Analyst	City of West Sacramento
Brian Brown	Senior Civil Engineer	City of West Sacramento
Jenn Nguyen	Secretary	City of West Sacramento



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**West Sacramento Area
Flood Control Agency, California**

For its Comprehensive Annual
Financial Report
For the Fiscal Year Ended

June 30, 2019

Christopher P. Morrill

Executive Director/CEO

FINANCIAL SECTION

INDEPENDENT AUDITOR'S REPORT

Members of the Board of the
West Sacramento Area Flood Control
Agency Joint Powers Authority
West Sacramento, California

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, and each major fund of West Sacramento Area Flood Control Agency Joint Powers Authority (Agency), as of and for the year ended June 30, 2020 and the related notes to the financial statements, which collectively comprise Agency's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States and the State Controller's Minimum Audit Requirements for California Special Districts. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund, of the West Sacramento Area Flood Control Agency Joint Powers Authority as of June 30, 2020, and the respective changes in financial position and the budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

(Continued)

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the *Management's Discussion and Analysis* on pages 3 to 8 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by Governmental Accounting Standards Board 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. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the West Sacramento Area Flood Control Agency Joint Powers Authority's basic financial statements. The introductory section, supplemental information and statistical section listed in the table contents are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The supplementary information as listed in the table of contents is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information as listed in the table of contents, is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated January 29, 2021 on our consideration of West Sacramento Area Flood Control Agency Joint Powers Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of West Sacramento Area Flood Control Agency Joint Powers Authority's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering West Sacramento Area Flood Control Agency Joint Powers Authority's internal control over financial reporting and compliance.


Crowe LLP

Sacramento, California
January 29, 2021

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE FISCAL YEAR ENDED JUNE 30, 2020

The Management of the West Sacramento Area Flood Control Agency (Agency), a Joint Powers Authority, presents readers of the Agency's financial statements this narrative overview and analysis of the financial activities of the Agency for the fiscal year ended June 30, 2020. Readers are encouraged to consider the information presented here in conjunction with additional information furnished in the Letter of Transmittal, which can be found on pages iii to vii of this report.

OVERVIEW OF THE COMPREHENSIVE ANNUAL FINANCIAL REPORT

This Comprehensive Annual Financial Report is in three major parts:

- 1) The **Introductory section**, which includes the Letter of Transmittal and general information;
- 2) The **Financial section**, which includes the Management's Discussion and Analysis (MDA, this section), the Basic Financial Statements, including the Government-wide and Fund Financial Statements along with the notes to these Financial Statements; and
- 3) The **Statistical section**.

The Basic Financial Statements

The Basic Financial Statements consist of the Government-wide Financial Statements and the Fund Financial Statements; these two sets of financial statements provide two different views of the Agency's financial activities and financial position.

The Government-wide Financial Statements

The Government-wide Financial Statements provide a broad overview of the Agency's activities as a whole, and consist of the Statement of Net Position and the Statement of Activities. The Statement of Net Position provides information about the financial position of the Agency as a whole, including all its capital assets and long-term liabilities on the full-accrual basis, similar to that used by corporations. The Statement of Activities provides information about the Agency's revenues and all its expenses, also on the full-accrual basis, with the emphasis on measuring net revenues or expenses of each of the Agency's programs. The Statement of Activities explains in detail the change in Net Position for the year.

The Statement of Net Position summarizes the financial position of all the Agency's Governmental Activities in a single column and includes the activities of the Agency's General Fund.

The format of the Statement of Activities presents the Agency's expenses first, listed by program. Program revenues are then deducted from program expenses to arrive at the change in net position.

Fund Financial Statements

A *fund* is a group of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The WSAFCA, like other state and local agencies, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The Agency utilizes four fund categories, each with a distinct purpose.

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

The General Fund is used for all financial resources other than those that require accounting in another fund. The General Fund is used to pay all administrative, operating, and other expenditures incurred by the Agency, and to account for special benefit assessment and contribution revenues.

DWR/Flood Protection Grant/WSAFCA Special Revenue Fund account is for revenues and expenditures associated with the grant funds received from the State of California Department of Water Resources that are set aside prior to reconciliation.

Debt Service Fund accounts are for the accumulation of resources and payments of bond principal and interest of the Assessment Revenue Bonds (2011, 2015, and 2020) to finance construction of certain public capital improvements related to flood protection.

JPA Construction Capital Projects Fund account is for revenues and expenditures associated with the funding from various sources and expenditures to various approved capital improvement projects.

Because the focus of the Governmental Funds Financial Statements is narrower than that of the Government-wide Financial Statements, it is useful to compare the information presented for governmental funds to governmental activities in the Government-wide Financial Statement. By doing so, readers may better understand the long-term impact of the government's near-term financial decisions. Both the governmental funds balance sheet and the governmental funds statements of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The Governmental Funds Financial Statements provide detailed information about the Agency's most significant funds, called the *major funds*. The concept of *major funds*, and the determination of which are *major funds*, was established by Governmental Accounting Standards Board (GASB) Statement 34 and replaces the concept of combining like funds and presenting them as one total. Instead, each *major fund* is presented individually, with all *non-major funds* summarized and presented only in a single column. Subordinate schedules present the detail of these *non-major funds*. *Major funds* present the major activities of the Agency for the year, and may change from year to year as a result of changes in the pattern of the Agency's activities. For the fiscal year ending June 30, 2020, the Agency's *major Governmental funds* are as follows:

- General Fund - Fund 870
- Special Revenue Fund - Fund 257
- Debt Service Funds - Fund 882, Fund 883, and Fund 884
- Capital Projects Fund - Fund 871

The Board, on a multi-year basis, initially covenanted debt service and projects with bond proceeds. Other projects in the capital projects funds are budgeted by the Board on a multi-year basis.

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the Government-wide and Fund Financial Statements. The notes to the financial statements can be found starting on page 17 of this report.

Supplemental Section

The schedules of revenues, expenditures and changes in fund balances – budget and actual of debt service and capital projects funds are presented immediately following the Notes to the Financial Statements. The Supplemental Section can be found starting on page 31 of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

The Agency presents its financial statements under the reporting model required by the GASB Statement No. 34, Basic Financial Statements – and Management's Discussion and Analysis (MD&A) – for State and Local Governments. For comparison purposes, two years of financial information is provided.

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. Assets plus deferred outflows of resources exceeded liabilities by \$172.4 million in Fiscal Year 2020 and \$165.3 million in Fiscal Year 2019. The increase of \$7.1 million in Fiscal Year 2020 is primarily due to the receipt of the funding from the State of California, Department of Water Resources, in the Southport Levee Implementation and Construction project.

CONDENSED STATEMENT OF NET POSITION
AS OF JUNE 30, 2020, and 2019

	Governmental Activities	
	2020	2019
Current and other assets	\$ 32,825,879	\$ 27,263,347
Capital assets	194,108,148	189,342,910
Total Assets	226,934,027	216,606,257
Deferred amount on refunding of debt	1,372,850	511,891
Total Deferred Outflows of Resources	1,372,850	511,891
Current and other liabilities	16,845,253	11,781,989
Non-current liabilities	39,084,490	39,995,110
Total Liabilities	55,929,743	51,777,099
Net investment in capital assets	155,230,898	148,000,309
Restricted	2,557,047	2,852,879
Unrestricted	14,589,189	14,487,861
Total Net Position	\$ 172,377,134	\$ 165,341,049

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

Governmental Activities

Special flood assessments have increased by 2% each year since the assessment was implemented Fiscal Year 2008. The special assessment levied on each parcel is a direct tax that reflects the relative benefit received from reduced flood risk and not related to property value. For the Fiscal Year 2020, the total governmental activities revenues were reported at \$20.1 million, a decrease of \$13.3 million when compared to Fiscal Year 2019. The decrease was primarily reported in the intergovernmental capital grants and contributions due to the near completion of the construction of the Southport Levee project. In 2019 the Agency received \$29.1 million in advance funding for the construction. In Fiscal Year 2020, approximately \$3.3 million of the advance funding was recorded as unearned revenue pending the Department of Water Resources approval of qualified expenditures. Total governmental expenses for Fiscal Year 2020 were \$13.0 million, an increase of \$7.9 million.

		CONDENSED STATEMENT OF ACTIVITIES	
		Governmental Activities	
		2020	2019
REVENUES			
Program revenues:			
Special benefit assessment for operations	\$	5,437,993	\$ 5,236,891
Intergovernmental capital grants and contributions		14,063,787	27,347,061
General revenues:			
Investment earnings		556,217	799,510
Other		-	491
TOTAL REVENUES		20,057,997	33,383,953
EXPENSES			
Program expenses:			
Operations and maintenance		11,154,819	3,360,972
Interest and fiscal charges		1,867,093	1,761,725
TOTAL EXPENSES		13,021,912	5,122,697
INCREASE IN NET POSITION		7,036,085	28,261,256
Net position at July 1		165,341,049	137,079,793
NET POSITION AT JUNE 30		\$ 172,377,134	\$ 165,341,049

Financial Analysis of the Agency's Funds

The Agency uses fund accounting to assure and demonstrate compliance with finance-related legal requirements. The fund financial statements focus on individual parts of the Agency government, reporting the Agency's operations in more detail than the Government-wide financial statements.

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

Governmental Funds

The governmental funds reported a combined fund balance of \$10.3 million at fiscal year end June 30, 2020, an increase of \$0.8 million from prior year. The increase was primarily in the Agency's Special Revenue Fund for advance funding of the Department of Water Resources Grant. Most of the advance received in the prior fiscal years from the grant was approved and recorded as earned revenue in Fiscal Year 2020 due to the levee construction project. The overall assets increased by \$5.6 million which was primarily due to the increase of Due from Other Governments. There was a contribution of \$3.1 million made from the WSAFCA General Fund to the Capital Project Fund in Fiscal Year 2020. The \$3.0 million increase of the net fund balance in the JPA construction Capital Projects Fund 871 is the result of the contribution from the Agency's General Fund.

AS OF JUNE 30, 2020, and 2019			
Governmental Funds			
	2020		2019
Total Fund Balances (deficits)	\$	10,338,804	\$ 9,491,682

The change in balance in the DWF/Flood Protection Grant Special Revenue Fund 257 was due to a reclassification of the prior advance from unearned to earned revenue for all allowable expenses incurred and approved by DWR for the levee construction.

The significant decrease in the 2011 Bond Debt Service Fund 882 cash and investment balance was due to the advance refunding of these bonds in January 2020. The slight increase in the 2015 Bond Debt Service Funds 882 and 883 cash and investment balances was due to a change approved by the Board to fund the full year of debt payment requirements as of June 30th. The 2020 Bond Debt Service Fund 884 represents the advance refunding of the Assessment Revenue Bonds, Series 2011. The cash and investment balances in these funds are restricted or committed for future debt service payments. The General Fund 870 provided \$3.5 million of funding for debt service payments in these funds. Expense activity represents scheduled debt service payments made and debt issuance costs for the advance refunding of the Assessment Revenue Bonds, Series 2011.

The cash and investment balance of the JPA Construction Capital Projects Fund increased from \$0.7 million to \$4.1 million. The significant increase of the cash and investment balance was due to a contribution of \$3.1 million made from the General Fund to the Capital Project Fund in Fiscal Year 2020. The minimum cash on hand was due to the active levee construction project which required immediate cash flow. The grants receivable remained nearly the same at \$7.5 million as the construction projects were nearly complete at the end of 2020. Fund 871 revenues decreased from \$35.2 million to \$13.9 million as additional grant revenues and contributions were received in the prior fiscal year. Fund 871 capital outlay expenses decreased from \$33.7 million to \$13.3 million due to the final stages of the levee construction projects.

General Fund Budgetary Highlights

The Agency has historically adopted two budgets. The first is an operational biennial budget that includes operational costs, staffing, vehicles, and minor departmental capital expenditures. The second is a capital improvement program approved by Agency Board separate from the original operating budget on a project by project basis. The capital program prioritizes projects by their ability to minimize risk to the community and leverage available grant funding opportunities at the

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE FISCAL YEAR ENDED JUNE 30, 2020

State and Federal levels. Each month, a report of actual revenue and expenditures are provided to the Board to monitor the fund balance. For the Fiscal Year 2020, the total revenues for General Fund were \$0.4 million over the final budget due to a slight increase in the assessment revenue and interest earnings. The total expenditures were \$0.2 million over the final budget due to an increase in the City staff costs. The Agency budgets revenues and expenditures conservatively to ensure the challenges with revenues and expenditures are managed properly.

Capital assets

The Agency's capital assets, net of depreciation, for its governmental activities as of June 30, 2020 and June 30, 2019 were \$194.1 million and \$189.3 million, respectively. The Agency's capital assets were reported as construction in progress and land in each of the last five years for land purchases and construction of levee improvements. More detail about the capital assets can be found in Note 3 of the Financial Statements.

Major capital asset projects during the year included the construction of the Southport Levee project and design of the first increment of the federal West Sacramento Project.

Long-term debt

The Agency's debt financing of capital assets for its governmental activities as of June 30, 2020 and June 30, 2019 were \$40.3 million and \$40.8 million, respectively. The decrease in 2020 was due to normal debt service payments being made. The most recent debt issuance was the 2020 Assessment Revenue Bonds. All debt proceeds were used to finance levee improvements or to refund previous debt issues for levee improvements.

More detail of the long-term liabilities and current transactions can be found in Note 4 of the Financial Statements.

Economic Outlook

Based on past revenues and current economic projections, The Agency forecasts the special assessment will continue to increase slightly above an average of 2% each year. The forecast growth will be based on a likely 2% Board approved assessment increase to fund the West Sacramento Levee Improvement Program which is entering the federal cost share phase and due to increased economic development in the community.

Requests for Information

This Comprehensive Annual Financial Report is intended to provide citizens, taxpayers, investors, and creditors with a general overview of the Agency's finances. If you have any questions about this report, need additional financial information, or would like to obtain component unit financial statements, contact the WSAFCA Administrative Services Department, 1110 West Capitol Avenue, West Sacramento, CA 95691, or visit the Agency's web page at <http://www.cityofwestsacramento.org/city/flood/default.asp>.

WEST SACRAMENTO AREA FLOOD CONTROL AGENCY
JOINT POWERS AUTHORITY
For the year ended June 30, 2020

STATEMENT OF NET POSITION AND STATEMENT OF ACTIVITIES

The statement of net position and the statement of activities summarize the West Sacramento Area Flood Control Agency Joint Powers Authority's (the "Agency") entire financial activities and financial position. They are prepared on the same basis as is used by most businesses, which means they include all of the Agency's assets, deferred outflows of resources, liabilities and deferred inflows of resources, as well as all its revenues and expenses. This is known as the full accrual basis—the effect of all of the Agency's transactions is taken into account, regardless of whether or when cash changes hands.

The statement of net position reports the difference between the Agency's total assets and deferred outflows of resources total liabilities and deferred inflows of resources, including all the Agency's capital assets and all its long-term debt. The statement of net position focuses the reader on the composition of the Agency's net position by subtracting total liabilities and deferred inflows of resources from total assets and deferred outflows of resources.

The statement of net position summarizes the financial position of all the Agency's governmental activities in a single column. The Agency's governmental activities include the activities of its General Fund.

The statement of activities reports increases and decreases in the Agency's net position. It is also prepared on the full accrual basis, which means it includes all the Agency's revenues and all its expenses, regardless of when cash changes hands. This differs from the "modified accrual" basis used in the fund financial statements, which reflect only current assets, deferred outflows of resources, liabilities and deferred inflows of resources, available revenues and measurable expenditures.

The format of the statement of activities presents the Agency's expenses first, listed by program. Program revenues - that is, revenues which are generated directly by these programs - are then deducted from program expenses to arrive at the net expense of each governmental program. The Agency's general revenues are then listed in the governmental activities column, as appropriate, and the change in net position is computed and reconciled with the statement of net position.

WEST SACRAMENTO AREA FLOOD CONTROL AGENCY
 JOINT POWERS AUTHORITY
 STATEMENT OF NET POSITION
 June 30, 2020

	<u>Governmental Activities</u>
ASSETS	
Cash and investments:	
City Treasury - unrestricted	\$ 9,098,362
City Treasury - restricted	9,643,435
Fiscal Agents	1,706,470
Accounts receivable:	
Other	54,382
Grants receivable	7,540,717
Due from other governments	4,782,513
Capital assets:	
Non depreciable	155,790,434
Depreciable, net	<u>38,317,714</u>
Total capital assets	<u>194,108,148</u>
 Total assets	 <u>226,934,027</u>
DEFERRED OUTFLOWS OF RESOURCES	
Deferred amount from refunding of debt	<u>1,372,850</u>
LIABILITIES	
Accounts payable	7,012,840
Due to other governments	4,650,623
Interest payable	733,285
Unearned revenue	3,282,895
Long-term liabilities:	
Due within one year	1,165,610
Due in more than one year	<u>39,084,490</u>
 Total liabilities	 <u>55,929,743</u>
NET POSITION	
Net investment in capital assets	155,230,898
Restricted for debt service	1,706,470
Restricted for reclamation plan performance	850,577
Unrestricted	<u>14,589,189</u>
 Total net position	 <u>\$ 172,377,134</u>

See accompanying notes to financial statements.

WEST SACRAMENTO AREA FLOOD CONTROL AGENCY
JOINT POWERS AUTHORITY
STATEMENT OF ACTIVITIES
For the year ended June 30, 2020

	<u>Governmental Activities</u>
Program expenses	
Flood control	\$ 11,154,819
Interest	<u>1,867,093</u>
Total program expenses	<u>13,021,912</u>
Program revenues	
Operating grants and contributions	5,437,993
Capital grants and contributions	<u>14,063,787</u>
Total program revenues	<u>19,501,780</u>
Net program revenue	<u>6,479,868</u>
General revenues	
Investment earnings	<u>556,217</u>
Change in net position	7,036,085
Net Position, beginning of year	<u>165,341,049</u>
Net Position, end of year	<u><u>\$ 172,377,134</u></u>

See accompanying notes to financial statements.

WEST SACRAMENTO AREA FLOOD CONTROL AGENCY
 JOINT POWERS AUTHORITY
 BALANCE SHEET – GOVERNMENTAL FUNDS
 June 30, 2020

	General Fund (870)	DWR/Flood Protection Grant Special Revenue Fund (257)	2011 Flood Bond Debt Service Fund (882)	2015 WSAFCA Bond Debt Service Fund (883)	2020 WSAFCA Bond Debt Service Fund (884)	JPA Construction Capital Projects Fund (871)	Total
ASSETS							
Cash and investments							
City Treasury - unrestricted	\$ 3,897,756	\$ -	\$ 44,799	\$ 517,676	\$ 527,706	\$ 4,110,425	\$ 9,098,362
City Treasury - restricted	850,577	8,792,858	-	-	-	-	9,643,435
Fiscal Agents	-	-	200	1,706,270	-	-	1,706,470
Accounts receivable	54,382	-	-	-	-	-	54,382
Grants receivable	-	-	-	-	-	7,540,717	7,540,717
Due from other governments	245,132	-	-	-	-	4,537,381	4,782,513
Total assets	<u>\$ 5,047,847</u>	<u>\$ 8,792,858</u>	<u>\$ 44,999</u>	<u>\$ 2,223,946</u>	<u>\$ 527,706</u>	<u>\$ 16,188,523</u>	<u>\$ 32,825,879</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES							
Liabilities							
Accounts payable	\$ 12,381	\$ -	\$ -	\$ -	\$ -	\$ 7,000,459	\$ 7,012,840
Due to other governments	112,997	4,537,381	-	-	-	245	4,650,623
Unearned revenue	-	3,282,895	-	-	-	-	3,282,895
Total liabilities	<u>125,378</u>	<u>7,820,276</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>7,000,704</u>	<u>14,946,358</u>
Deferred inflows of resources							
Unavailable revenues	-	-	-	-	-	7,540,717	7,540,717
Fund balances							
Restricted for debt service	-	-	200	1,706,270	-	-	1,706,470
Restricted for reclamation plan performance	850,577	-	-	-	-	-	850,577
Committed for capital projects	-	972,582	-	-	-	1,647,102	2,619,684
Committed for debt service	-	-	44,799	517,676	527,706	-	1,090,181
Unassigned	4,071,892	-	-	-	-	-	4,071,892
Total fund balances (deficits)	<u>4,922,469</u>	<u>972,582</u>	<u>44,999</u>	<u>2,223,946</u>	<u>527,706</u>	<u>1,647,102</u>	<u>10,338,804</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 5,047,847</u>	<u>\$ 8,792,858</u>	<u>\$ 44,999</u>	<u>\$ 2,223,946</u>	<u>\$ 527,706</u>	<u>\$ 16,188,523</u>	<u>\$ 32,825,879</u>

See accompanying notes to financial statements.

WEST SACRAMENTO AREA FLOOD CONTROL AGENCY
 JOINT POWERS AUTHORITY
 RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
 TO THE STATEMENT OF NET POSITION
 June 30, 2020

Total fund balances - Governmental Funds \$ 10,338,804

Amounts reported for governmental activities in the statement of net position are different from those reported in the governmental funds because:

Long-Term Receivables -

Long-term receivables are not available to pay current period expenditures and, deferred in governmental funds. These revenues are recognized in the government-wide statements. 7,540,717

Capital Assets -

Capital assets used in governmental activities are not current assets or financial resources and, therefore, are not reported in governmental funds. 194,108,148

Long-Term Liabilities -

Long-term liabilities are not due and payable in the current portion period and, therefore, are not reported in governmental funds. Those liabilities consist of:

Interest payable	(733,285)
Bonds payable	(40,250,100)

In governmental funds, losses on the refunding of debt are recognized as expenditures in the period they are incurred. In the government-wide statements, they are categorized as deferred outflows of resources and are amortized over the shortened life of the refunded debt or refunding of debt. 1,372,850

Total net position - Governmental Activities \$ 172,377,134

WEST SACRAMENTO AREA FLOOD CONTROL AGENCY
 JOINT POWERS AUTHORITY
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
 IN FUND BALANCE – GOVERNMENTAL FUNDS
 For the Year Ended June 30, 2020

	General Fund (870)	DWR/Flood Protection Grant Special Revenue Fund (257)	2011 Flood Bond Debt Service Fund (882)	2015 WSAFCA Bond Debt Service Fund (883)	2020 WSAFCA Bond Debt Service Fund (884)	JPA Construction Capital Projects Fund (871)	Total
Revenues							
Special benefit assessment for operations	\$ 5,437,993	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,437,993
Reimbursements	14	-	-	-	-	15	29
Intergovernmental	-	-	-	-	-	13,833,634	13,833,634
Contributions from developers	125,000	-	-	-	-	-	125,000
Use of money and property	<u>152,804</u>	<u>223,272</u>	<u>13,518</u>	<u>50,234</u>	<u>31,622</u>	<u>84,767</u>	<u>556,217</u>
Total revenues	<u>5,715,811</u>	<u>223,272</u>	<u>13,518</u>	<u>50,234</u>	<u>31,622</u>	<u>13,918,416</u>	<u>19,952,873</u>
Expenditures							
Current:							
Flood control:							
Operations and maintenance	1,572,111	-	-	-	-	740,082	2,312,193
Capital outlay	-	-	-	-	-	13,338,380	13,338,380
Debt service							
Principal payments	-	-	285,000	450,000	-	-	735,000
Debt Issuance Costs	-	-	-	-	269,484	-	269,484
Interest and fiscal charges	-	-	596,494	1,221,537	-	-	1,818,031
Total expenditures	<u>1,572,111</u>	<u>-</u>	<u>881,494</u>	<u>1,671,537</u>	<u>269,484</u>	<u>14,078,462</u>	<u>18,473,088</u>
Excess (deficiency) of revenues over (under) expenditures	<u>4,143,700</u>	<u>223,272</u>	<u>(867,976)</u>	<u>(1,621,303)</u>	<u>(237,862)</u>	<u>(160,046)</u>	<u>1,479,785</u>
Other financing (uses) sources							
Proceeds from the issuance of debt	-	-	-	-	11,655,000	-	11,655,000
Payment to refunding escrow	-	-	-	-	(12,287,663)	-	(12,287,663)
Transfers in	-	-	865,879	2,108,731	1,694,519	3,132,828	7,801,957
Transfers out	<u>(6,602,487)</u>	<u>-</u>	<u>(903,182)</u>	<u>-</u>	<u>(296,288)</u>	<u>-</u>	<u>(7,801,957)</u>
Total other financing (uses) sources	<u>(6,602,487)</u>	<u>-</u>	<u>(37,303)</u>	<u>2,108,731</u>	<u>765,568</u>	<u>3,132,828</u>	<u>(632,663)</u>
Change in fund balances	(2,458,787)	223,272	(905,279)	487,428	527,706	2,972,782	847,122
Fund balances - beginning	<u>7,381,256</u>	<u>749,310</u>	<u>950,278</u>	<u>1,736,518</u>	<u>-</u>	<u>(1,325,680)</u>	<u>9,491,682</u>
Fund balances - ending	<u>\$ 4,922,469</u>	<u>\$ 972,582</u>	<u>\$ 44,999</u>	<u>\$ 2,223,946</u>	<u>\$ 527,706</u>	<u>\$ 1,647,102</u>	<u>\$ 10,338,804</u>

See accompanying notes to financial statements.

WEST SACRAMENTO AREA FLOOD CONTROL AGENCY
 JOINT POWERS AUTHORITY
 RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCES
 OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
 June 30, 2020

Net change in fund balances - total Governmental Funds \$ 847,122

Amounts reported for governmental activities in the statement of activities are different because:

Long-Term Receivables

Long-term receivables are not available to pay current period expenditures and funds. These revenues are recognized in the government-wide statements.

This amount represents the change in unavailable revenues. 105,124

Capital Assets Transactions

Governmental funds report capital outlay as expenditures. However, in the statement of assets are capitalized and allocated over their useful lives and reported as depreciation expense, if any.

Capital outlay expenditures 13,338,380

Loss on disposal of assets: Transfer of land not used in flood control projects (2,846,462)

If a planned capital project is canceled and will not be completed, cost previously capitalized as work-in-progress must be written off to expense. (4,029,509)

Depreciation expense (1,697,171)

Long-Term Debt Transactions

Debt proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the government-wide statements. Repayment of principal is an expenditure in governmental funds, but reduces the long-term debt in the government-wide statements.

Issuance of debt (11,655,000)

Principal payments 12,135,000

Amortization of debt premium 100,610

Deferred gain on refunding of debt 887,663

Amortization of deferred amount from refunding of debt (26,704)

Some expenses reported in the government-wide statements do not require the use of current financial resources and, therefore, are not expenditures in the governmental funds.

Change in interest payable (122,968)

Change in Net Position of Governmental Activities \$ 7,036,085

See accompanying notes to financial statements.

WEST SACRAMENTO AREA FLOOD CONTROL AGENCY
 JOINT POWERS AUTHORITY
 STATEMENT OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCES
 BUDGET AND ACTUAL - GENERAL FUND (870)
 For the year ended June 30, 2020

	<u>Budget</u>		<u>Actual</u>	Variance Favorable (Unfavorable)
	<u>Original</u>	<u>Final</u>		
Revenues:				
Special benefit assessment for operations	\$ 5,305,890	\$ 5,305,890	\$ 5,437,993	\$ 132,103
Reimbursements	-	-	14	14
Use of money and property	30,000	30,000	152,804	122,804
Contributions from developers	<u>-</u>	<u>-</u>	<u>125,000</u>	<u>125,000</u>
 Total revenues	 <u>5,335,890</u>	 <u>5,335,890</u>	 <u>5,715,811</u>	 <u>379,921</u>
Expenditures:				
Current:				
Flood control:				
Operations and maintenance	1,303,607	1,344,495	1,572,111	(227,616)
Debt service	-	-		
Interest and fiscal charges	<u>1,200</u>	<u>1,200</u>	<u>-</u>	<u>1,200</u>
 Total expenditures	 <u>1,304,807</u>	 <u>1,345,695</u>	 <u>1,572,111</u>	 <u>(226,416)</u>
 Excess of revenues over expenditures	 <u>4,031,083</u>	 <u>3,990,195</u>	 <u>4,143,700</u>	 <u>153,505</u>
Other financing sources (uses):				
Transfers out	<u>(2,553,032)</u>	<u>(6,602,487)</u>	<u>(6,602,487)</u>	<u>-</u>
 Net change in fund balance	 1,478,051	 (2,612,292)	 (2,458,787)	 153,505
Fund balance - beginning	<u>7,381,256</u>	<u>7,381,256</u>	<u>7,381,256</u>	<u>-</u>
Fund balance - ending	<u>\$ 8,859,307</u>	<u>\$ 4,768,964</u>	<u>\$ 4,922,469</u>	<u>\$ 153,505</u>

See accompanying notes to financial statements.

WEST SACRAMENTO AREA FLOOD CONTROL AGENCY
JOINT POWERS AUTHORITY
NOTES TO BASIC FINANCIAL STATEMENTS
For the year ended June 30, 2020

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNT POLICIES

Organization and Purpose : The West Sacramento Area Flood Control Agency Joint Powers Authority (the "Agency") was created in July, 1994, under the provisions of Chapter 5 of Division 7 of the Title 1 of the California Government Code (commencing with section 6500) for the purpose of controlling and conserving waters for the protection of life and property that would or could be damaged by being inundated by still or flowing water. The Agency's Governing Board is comprised of one representative from each charter member agency. The charter member agencies are the City of West Sacramento, Reclamation District No. 900 and Reclamation District No. 537. Each representative of the governing board has one vote. The members are appointed by the respective City Council or Board of Directors.

The Agency is partnering with the California State Department of Water Resources, the Central Valley Flood Protection Board and the Army Corps of Engineers to improve levees around the City of West Sacramento to meet 200-year state and federal flood protection standards by 2025. The Agency uses a special assessment on property owners, State Proposition 1E grant revenue and funding from other local agencies to complete its flood protection projects.

The Agency is also lead agency in developing the Regional Flood Management Plan (RFMP), which is a state grant funded flood risk reduction planning effort for the Lower Sacramento-Delta North Region of the larger Central Valley Flood Protection Plan. The Agency is funding grant application costs and each participating agency, including the County of Yolo and Sacramento Area Flood Control Agency, reimburses the Agency for their share of the costs, which are reported as intergovernmental revenues in the General Fund.

The accounting records of the Agency are maintained by the City of West Sacramento. The Agency has no employees and substantially all staff services are performed by City of West Sacramento personnel. Costs incurred by the City of West Sacramento to provide such services are reimbursed by the Agency.

The Agency is considered to be a separate legal entity and is not a component unit of the above members because its Governing Board is not controlled by any member and it has no financial benefit or burden relationship with any member. However, the noncapital assets are reported within an agency fund in the City of West Sacramento's basic financial statements.

Basis of Presentation: The Agency's basic financial statements are prepared in conformity with accounting principles generally accepted in the United States of America. The Government Accounting Standards Board is the acknowledged standard setting body for establishing accounting and financial reporting standards followed by governmental entities in the United States of America. These Standards require that the financial statements described below be presented.

Government-wide Financial Statements: The statement of net position and the statement of activities include the financial activities of the overall Agency's governmental activities. Governmental activities generally are financed through intergovernmental revenues. The Agency is the only entity included in these financial statements.

(Continued)

WEST SACRAMENTO AREA FLOOD CONTROL AGENCY
JOINT POWERS AUTHORITY
NOTES TO BASIC FINANCIAL STATEMENTS
For the year ended June 30, 2020

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNT POLICIES (Continued)

The statement of activities presents a comparison between direct expenses and program revenues for each function of the Agency's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenues include (a) special benefit assessments for operations of the programs, (b) contributions that are restricted to meeting the operational needs of a particular program and (c) fees, grants and contributions that are restricted to financing the acquisition or construction of capital assets. Revenues that are not classified as program revenues are presented as general revenues.

Fund Financial Statements: The fund financial statements provide information about the Agency. The emphasis of fund financial statements is on major individual governmental funds. The Agency has the following major funds:

General Fund - The General Fund is the general operating fund of the Agency. It is used to account for all financial resources except those required to be accounted for in another fund. This fund is used to pay all administrative, operating and other expenditures incurred by the Agency, and to account for special benefit assessment and contribution revenues.

DWR/Flood Protection Grant Special Revenue Fund - Special Revenue Funds are used to account for specific revenues that are restricted by law or administrative action to expenditures for particular purposes. The DWR/Flood Protection Grant Special Revenue Fund is used to account for revenues and noncapital expenditures associated with the grant funds received from the State of California Department of Water Resources for levee improvements.

2011 Flood Bond Debt Service Fund - The 2011 Flood Bond Debt Service Fund is used to account for the accumulation of resources and payments of bond principal and interest of the Assessment Revenue Bonds, Series 2011, issued to finance the construction of certain public capital improvements related to flood protection.

2015 WSAFCA Bond Debt Service Fund - The 2015 Flood Bond Debt Service Fund is used to account for the accumulation of resources and payments of bond principal and interest of the Assessment Revenue Bonds, Series 2015, issued to finance the construction of certain public capital improvements related to levee improvements and flood control and to refund a portion of the Assessment Revenue Bonds, Series 2008.

2020 WSAFCA Bond Debt Service Fund - The 2020 Flood Bond Debt Service Fund is used to account for the accumulation of resources and payments of bond principal and interest of the Assessment Revenue Bonds, Series 2020, issued to finance the construction of certain public capital improvements related to levee improvements and flood control and to refund the remaining portion of the Assessment Revenue Bonds, Series 2011.

JPA Construction Capital Projects Fund - Capital projects funds are used to account for resources that are restricted, committed or assigned to expenditures for capital outlays, including the acquisition and construction of capital facilities. The JPA Construction Capital Projects Fund is used to account for revenues and capital expenditures associated with the grant funds received from the State of California Department of Water Resources for levee improvements.

(Continued)

WEST SACRAMENTO AREA FLOOD CONTROL AGENCY
JOINT POWERS AUTHORITY
NOTES TO BASIC FINANCIAL STATEMENTS
For the year ended June 30, 2020

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNT POLICIES (Continued)

Basis of Accounting: The government-wide financial statements are reported using the economic resources measurement focus and the full accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Interfund transactions are eliminated.

Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when they are both measurable and available. Expenditures are recorded when the related fund liability is incurred. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of long-term debt and acquisitions under capital leases are reported as other financing sources.

Non-exchange transactions, in which the Agency gives or receives value without directly receiving or giving equal value in exchange, may include property taxes, grants, entitlements, and donations. Revenue from property taxes, special benefit assessments, is recognized in the fiscal year for which the taxes are levied if received in the availability period. Revenue from cost reimbursement grants is recognized in the fiscal year in which eligible costs have been incurred, if received in the availability period.

When both restricted and unrestricted resources are available for use, the Agency's policy is to use restricted resources first, then unrestricted resources as they are needed.

Restricted Assets: Restricted assets include fiscal agent cash and investments held by bond trustees that are restricted to principal and interest payments by the related bond indentures and an advance from the State Department of Water Resources (DWR) and related interest earnings totaling \$8,792,858 that must be held and used on prescribed Southport Levee construction project expenditures. The restricted Agency pledged funds of \$1,101,055 to assure performance of the reclamation plan for the Borrow One site in lieu of a performance bond under the Surface Mining Reclamation Act was released and ended on June 30, 2020. In fiscal year 2020, the Agency pledged funds of \$850,577 for a letter of credit for surety of mitigation plantings in the Southport areas.

Receivables: Grants receivable represent Proposition 1E revenue earned as of year-end and due from the State of California Department of Water Resources. The amounts of the qualifying expenditures have been estimated and the actual amount realized may differ from the amount paid by the Department of Water Resources. Due from other governments represents reimbursements due from other governments for the RFMP. Governmental fund revenues are accrued as revenues if received within the "availability period", which is generally within 60 days of year-end, with the exception of grants and sales and use taxes, which are considered available if received within 90 days of year-end.

Capital Assets: The cost of assets sold or retired (and related accumulated depreciation) are eliminated from the accounts in the year of sale or retirement and the resulting gain or loss is included in the operating statement of the related fund. In governmental funds, the sale of general capital assets is included in the statement of revenues, expenditures and changes in fund balances as proceeds from sale.

Capital assets, which include land, buildings, improvements, equipment and infrastructure assets (e.g., roads, bridges, curbs and gutters, streets and sidewalks, drainage systems, and lighting systems), are reported in the government-wide financial statements. Capital assets are defined by the government as assets with an initial cost of more than \$5,000 and an estimated useful life in excess of two years. Such assets are recorded at historical cost if purchased or constructed. Donated capital assets are recorded at the acquisition value, which is the price that would be paid to acquire an asset with equivalent service potential in an orderly market transaction at the acquisition date.

(Continued)

WEST SACRAMENTO AREA FLOOD CONTROL AGENCY
JOINT POWERS AUTHORITY
NOTES TO BASIC FINANCIAL STATEMENTS
For the year ended June 30, 2020

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNT POLICIES (Continued)

For certain older assets, including infrastructure, estimated historical costs are used. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. Depreciable lives of capital assets are as follows:

Buildings	50 years
Improvements	10-40 years
Equipment	5-25 years
Infrastructure	25-80 years

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase is reflected in the capitalized value of the asset constructed, net of interest earned on the invested proceeds over the same period.

Unearned Revenue: Unearned revenues arise when resources are received before the Agency has legal claim to them (i.e. when cost reimbursement grant revenues are received prior to the incurrence of qualifying expenditures). The Agency's unearned revenues consist of grant revenues received from the DWR for levee projects. Amounts held must be used for qualifying expenses or returned to the DWR.

Deferred Outflows and Inflows of Resources: Deferred outflows and inflows of resources are separate financial statement elements that represent a consumption (outflow) or acquisition (inflow) of net position that applies to a future period and so will not be recognized as an outflow (expense/expenditure) or inflow (revenue) of resources until the earnings process is complete. Governmental fund revenues that are not received within the Agency's availability period under modified accrual accounting are reported as deferred inflows of resources until available. Such amounts are recognized as revenue in the government-wide statements. Deferred amounts on refunding of debt may also be reported as deferred outflows or inflows of resources.

Interfund Transactions: Activity between funds that is representative of lending/borrowing arrangements outstanding at the end of the fiscal year is referred to as "due to/from other funds" (i.e., the current portion of interfund loans). Transfers are used to move revenues from the fund that statute or budget requires to collect them to the funds that statute or budgets require to expend them or to move receipts restricted to debt service from the funds collecting them to the debt service funds as payments are due. Transfers were made from the General Fund to the debt service funds to fund debt service payments.

Budgets and Budgetary Accounting: Budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP), with the exception of capital outlay expense that is not budgeted. Budget amounts in the financial statements are as originally adopted, or as amended by the Board. Individual amendments were not material in relation to the original appropriations. Expenditures may not legally exceed appropriations at the fund level, which is the legal level of control. Formal budgetary integration is employed as a management control device. Encumbrance accounting is employed as an extension of formal budgetary integration in all funds. Under encumbrance accounting, purchase orders, contracts and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation. Encumbrances outstanding at year end are reported as commitments or assignments of fund balances since they do not constitute expenditures or liabilities and are re-appropriated in the following year. The DWR/Flood Protection Grant – Special Reserve Fund did not have a legally adopted budget for fiscal year 2020, therefore a budget to actual schedule is excluded from the report.

(Continued)

WEST SACRAMENTO AREA FLOOD CONTROL AGENCY
JOINT POWERS AUTHORITY
NOTES TO BASIC FINANCIAL STATEMENTS
For the year ended June 30, 2020

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNT POLICIES (Continued)

Fund Balance Classification:

Net Position - The government-wide financial statement includes the following categories of net position:

1. Net investment in capital assets - This represents the Agency's total investment in capital assets, net of associated outstanding debt obligations related to those capital assets. To the extent debt has been incurred but not yet expended for capital assets, such amounts are not included as a component of net investment in capital assets
2. Restricted net position - This category presents external restrictions imposed by creditors, grantors, contributors or laws and regulations of other governments and restrictions imposed by law through constitutional provisions or enabling legislation.
3. Unrestricted net position – any amount that is not restricted.

Fund Balance - In the fund financial statements, fund balance amounts are reported based on the Agency's constraints on the use of funds.

1. *Nonspendable* - are not expected to be converted to cash within the next operating cycle and are typically comprised of prepaid items. As of June 30, 2020, the Agency had no nonspendable fund balances.
2. *Restricted* - are subject to external restrictions imposed by creditors, grantors, contributors, laws, regulations, or enabling legislation which requires the resources to be used only for a specific purpose.
3. *Committed* - are subject to constraints imposed by formal action of the Agency's Board which may be altered only by formal action of the Agency's Board through a resolution.
4. *Assigned* - are amounts constrained by the Agency's intent to be used for a specific purpose, but are neither restricted nor committed. Intent is expressed by the Agency's Board or management and may be changed at their discretion. As of June 30, 2020, the Agency had no assigned fund balances.
5. *Unassigned* - is the residual amount of the General Fund not included in the four classifications described above. In other governmental funds in which expenditures incurred for specific purposes exceeded amounts restricted, committed, or assigned to those purposes, a negative unassigned fund balance is reported. This includes the residual general fund balance and residual fund deficits, if any, of other governmental funds. The Agency typically spends resources in the following order when an expenditure is incurred: restricted, committed, assigned, and unassigned.

(Continued)

WEST SACRAMENTO AREA FLOOD CONTROL AGENCY
 JOINT POWERS AUTHORITY
 NOTES TO BASIC FINANCIAL STATEMENTS
 For the year ended June 30, 2020

NOTE 2 - CASH AND INVESTMENTS

The Agency pools cash from all sources with the City of West Sacramento so that it can be invested at the maximum yield, consistent with safety and liquidity, while individual funds can make expenditures at any time. The City's investment policy and the California Government Code permit investments in Securities of the U.S. Government or its agencies, certificates of deposit, negotiable certificates of deposit, medium-term notes, commercial paper, banker's acceptances, commercial paper, the State of California Local Authority Investment Fund (LAIF Pool), repurchase agreements, and passbook savings account demand deposits. The City's full investment policy may be found in the City's Comprehensive Annual Financial report on the City's website at cityofwestsacramento.org.

The Agency follows the practice of pooling cash and investment of all funds. Cash and investments as of June 30, 2020 are classified in the accompanying financial statements as follows:

City Treasury - Unrestricted	\$ 9,098,362
City Treasury - Restricted	<u>9,643,435</u>
Total City Treasury	18,741,797
Fiscal Agents:	
U.S. Agency Securities	1,655,528
Money Market Mutual Funds	<u>50,942</u>
Total Cash and Investments with Fiscal Agents	<u>1,706,470</u>
Total	<u>\$ 20,448,267</u>

Investments Authorized by the California Government Code and the City's Investment Policy: The Agency has adopted the City of West Sacramento's investment policy for all investments with the exception of investments held by bond trustees that are governed by the provisions of the debt agreements of the Agency's, rather than the Agency's investment policy.

<u>Authorized Investment Type</u>	<u>Maximum Maturity</u>	<u>Minimum Credit Quality</u>	<u>Maximum % of Portfolio*</u>	<u>Maximum Investment in One Issuer</u>
California Local Agency Investment Fund (LAIF)	N/A	N/A	None	None
U.S. Treasury Obligations	5 years	N/A	None	None
U.S. Agency Securities	5 years	N/A	None	25%
Banker's Acceptances	180 days	N/A	40%	5%
Collateralized Certificates of Deposit	5 years	N/A	30%	30%
Negotiable Certificates of Deposit	5 years	N/A	30%	30%
Commercial Paper	270 days	A-1	25%	5%
Repurchase Agreements	1 year	N/A	None	None
Reverse Repurchase Agreements	92 days	N/A	20% of base value	None
California Local Agency Debt	5 years	N/A	None	None
Local Agency Bonds	5 years	N/A	None	None
Medium Term Notes	5 years	A-1	30%	30%
Mutual Funds	5 years	AAA	20%	10%
Mortgage Pass-through Securities	5 years	AA	20%	20%
Money Market Mutual Funds	N/A	AAA	20%	10%
County Pooled Investment Funds	N/A	N/A	None	None
JPA Pools, including CAMP	N/A	N/A	None	None

(Continued)

WEST SACRAMENTO AREA FLOOD CONTROL AGENCY
 JOINT POWERS AUTHORITY
 NOTES TO BASIC FINANCIAL STATEMENTS
 For the year ended June 30, 2020

NOTE 2 - CASH AND INVESTMENTS (Continued)

Investments Authorized by Debt Agreements: The Agency must maintain required amounts of cash and investments with trustees or fiscal agents under the terms of certain debt issues. These funds are unexpended bond proceeds or are pledged reserves to be used if the Agency fails to meet its obligations under these debt issues. The California Government Code requires these funds to be invested in accordance with Agency resolutions, bond indentures or State statutes. The investments authorized by debt agreements include all of the investments listed in the previous table authorized by the City's investment policy. The debt agreements also authorize debt proceeds to be invested in guaranteed investment contracts that are guaranteed by a financial institution that has an unsecured rating or the agreement itself is rated in one of the two highest rating categories by two or more rating agencies. The agreements must be secured at all times by securities consisting of United States Obligations with a market value of 105% of the principal amount of the obligation. The debt agreements do not specify a maximum percentage of the portfolio or maximum amount in one issuer for guaranteed investment contracts.

Interest Rate and Credit Risk: Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. One of the ways the Agency manages its exposure to interest rate risk is by purchasing a combination of shorter term and longer-term investments and by timing cash flows from maturities so that a portion of the portfolio is maturing or coming close to maturity evenly over time as necessary to provide the cash flow and liquidity needed for operations.

Information about the sensitivity of the fair values of the Agency's investments (including investments held by bond trustees) to market interest rate fluctuations is provided by the following table that shows the distribution of the Agency's investments by maturity:

<u>Investment Type</u>	<u>Total</u>	<u>12 Months or Less</u>	<u>13 to 24 Months</u>
Cash and Investments in City Treasury - Unrestricted	\$ 9,098,362	\$ 9,098,362	\$ -
Cash and Investments in City Treasury - Restricted	9,643,435	9,643,435	-
Cash and Investments with Fiscal Agents:			
U.S. Agency Securities	1,655,528	1,655,528	-
Money Market Mutual Funds	<u>50,942</u>	<u>50,942</u>	<u>-</u>
Total	<u>\$ 20,448,267</u>	<u>\$ 20,448,267</u>	<u>\$ -</u>

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. Presented below is the minimum rating required by (where applicable) the California Government Code, the Agency's investment policy, or debt agreements, and the actual rating as of year-end for each investment type.

(Continued)

WEST SACRAMENTO AREA FLOOD CONTROL AGENCY
 JOINT POWERS AUTHORITY
 NOTES TO BASIC FINANCIAL STATEMENTS
 For the year ended June 30, 2020

NOTE 2 - CASH AND INVESTMENTS (Continued)

<u>Investment Type</u>	<u>Total</u>	<u>Exempt From Disclosure</u>	<u>AAA</u>
Cash and Investments in City Treasury - Unrestricted	\$ 9,098,362	\$ 9,098,362	\$ -
Cash and Investments in City Treasury - Restricted	9,643,435	9,643,435	-
Cash and Investments with Fiscal Agents:			
U.S. Agency Securities	1,655,528	-	1,655,528
Money Market Mutual Funds	<u>50,942</u>	<u>-</u>	<u>50,942</u>
Total	<u>\$ 20,448,267</u>	<u>\$ 18,741,797</u>	<u>\$ 1,706,470</u>

Fair Value Measurements: The following methods and assumptions were used by the Agency to estimate fair value of its financial instruments as of June 30, 2020.

Fair value is the exchanged price that would be received for an asset or paid to transfer a liability (exit price) in the principal of most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. There are three levels of inputs that may be used to measure fair values:

Level 1 – Quoted market prices or identical instruments traded in active exchange markets.

Level 2 – Significant other observable inputs such as quoted prices for identical or similar instruments in markets that are not active, and model-based valuation techniques for which all significant assumptions are observable or can be corroborated by observable market data.

Level 3 – Significant unobservable inputs that reflect a reporting entity's own assumptions about the methods that market participants would use in pricing an asset or liability.

The Agency has the following recurring fair value measurements as of June 30, 2020:

	<u>Amount</u>	<u>Fair Value Measurement Using</u>		
		<u>(Level 1)</u>	<u>(Level 2)</u>	<u>(Level 3)</u>
Investments by fair value level:				
U.S. Agency Securities	\$ <u>1,655,528</u>	\$ -	\$ <u>1,655,528</u>	\$ -
Investments measured at net asset value or not categorized:				
Cash and Investments in City Treasury - Unrestricted	9,098,362			
Cash and Investments in City Treasury - Restricted	9,643,435			
Money market mutual funds	<u>50,942</u>			
Total cash and investments	<u>\$ 20,448,267</u>			

(Continued)

WEST SACRAMENTO AREA FLOOD CONTROL AGENCY
 JOINT POWERS AUTHORITY
 NOTES TO BASIC FINANCIAL STATEMENTS
 For the year ended June 30, 2020

NOTE 3 - CAPITAL ASSETS

Capital assets activity was as follows for the year ended June 30:

	Balance at July 1, <u>2019</u>	<u>Additions</u>	Transfers & <u>Adjustments</u>	Balance at June 30, <u>2020</u>
Capital assets, not being depreciated:				
Land	\$ 37,222,849	\$ -	\$ (2,846,462)	\$ 34,376,387
Construction in progress	<u>112,105,176</u>	<u>13,338,380</u>	<u>(4,029,509)</u>	<u>121,414,047</u>
Total capital assets not being depreciated	<u>149,328,025</u>	<u>13,338,380</u>	<u>(6,875,971)</u>	<u>155,790,434</u>
Capital assets, being depreciated				
Infrastructure	43,733,300	-	-	43,733,300
Less accumulated depreciation	<u>(3,718,415)</u>	<u>(1,697,171)</u>	<u>-</u>	<u>(5,415,586)</u>
Capital assets being depreciated, net	<u>40,014,885</u>	<u>(1,697,171)</u>	<u>-</u>	<u>38,317,714</u>
Total capital assets, net	<u>\$ 189,342,910</u>	<u>\$ 11,641,209</u>	<u>\$ (6,875,871)</u>	<u>\$ 194,108,148</u>

NOTE 4 - LONG-TERM LIABILITIES

The following is a summary of changes in long-term liabilities for the year ended June 30:

	Balance at July 1, <u>2019</u>	<u>Additions</u>	<u>Deductions</u>	Balance at June 30, <u>2020</u>	<u>Current Portion</u>
Assessment Revenue Bonds:					
2011 Assessment 2.25%-5.25%, due 09/1/41	\$ 11,685,000	\$ -	\$ (11,685,000)	\$ -	\$ -
2015 Assessment 2.00%-5.00%, due 09/1/45	26,555,000	-	(450,000)	26,105,000	470,000
2020 Assessment 1.75%-3.52%, due 09/1/41	<u>-</u>	<u>11,655,000</u>	<u>-</u>	<u>11,655,000</u>	<u>595,000</u>
	38,240,000	11,655,000	(12,135,000)	37,760,000	1,065,000
2015 bond premium	<u>2,590,710</u>	<u>-</u>	<u>(100,610)</u>	<u>2,490,100</u>	<u>100,610</u>
	<u>\$ 40,830,710</u>	<u>\$ 11,655,000</u>	<u>\$ (12,235,610)</u>	<u>\$ 40,250,100</u>	<u>\$ 1,165,610</u>

Description of Debt: *West Sacramento Area Flood Control Agency Assessment Revenue Bonds, Series 2011* - In 2011, the Agency issued revenue bonds to fund construction of WSLIP repair projects, and fund planning, environmental, and engineering program costs related to the Southport Sacramento River Levee EIP Project. The bonds are payable solely from annual assessment installments for capital facilities to be levied by the Agency on all parcels in the City of West Sacramento. Principal payments of \$100,000 to \$840,000 are due annually on September 1 through September 1, 2041. Interest payments of \$22,055 to \$464,895 are due semi-annually on March 1 and September 1 through September 1, 2041. Interest rates range from 2.2% to 5.25%.

(Continued)

WEST SACRAMENTO AREA FLOOD CONTROL AGENCY
 JOINT POWERS AUTHORITY
 NOTES TO BASIC FINANCIAL STATEMENTS
 For the year ended June 30, 2020

NOTE 4 - LONG-TERM LIABILITIES (Continued)

West Sacramento Area Flood Control Agency Assessment Revenue Bonds, Series 2015 - In 2015, the Agency issued revenue bonds to continue levee improvement projects. Proceeds will be used to provide the local match for the construction phase of the Southport Project, which includes significant right of way acquisition, planning, environmental, and design studies for the next major flood project proposed for the northern portion of the City and referred to as the "North Area Project. A portion of the proceeds was also used to defease a portion of the Agency's outstanding Assessment Revenue Bonds, Series 2008. The bonds are payable solely from annual assessment installments for capital facilities to be levied by the Agency on all parcels in the City of West Sacramento. Principal payments of \$45,000 to \$2,445,000 are due annually on September 1 through 2045. Interest payments of \$122,250 to \$1,266,388 are due annually on September 1 through 2045. Interest rates range from 2.0% to 5.0%.

West Sacramento Area Flood Control Agency Assessment Revenue Refunding Bonds, Series 2020 - In 2020, the Agency issued revenue bonds to defease and refund the Agency's outstanding Assessment Revenue Bonds, Series 2011. The bonds are payable solely from annual assessment installments for capital facilities to be levied by the Agency on all parcels in the City of West Sacramento. Principal payments of \$405,000 to \$705,000 are due annually on September 1 through 2041. Interest payments of \$24,795 to \$324,765 are due annually on September 1 through 2041. Interest rates range from 1.7% to 3.5%. The Agency in effect reduced its aggregate debt service payments by \$3,309,211 over the next 21 years and obtained an economic gain of \$1,484,870.

Calculation of difference in cash flow requirements and economic gain are as follows:

Old debt service cash flows	\$ 19,457,513
New debt service cash flows	<u>16,148,302</u>
 Total cash flow difference	 <u>\$ 3,309,211</u>
 Present value of old debt service cash flows	 \$ 14,021,204
Present value of new debt service cash flows	<u>12,536,334</u>
 Economic gain	 <u>\$ 1,484,870</u>

Debt Service Requirements: The annual debt service requirements at June 30, 2020 are as follows:

Year Ending <u>June 30:</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2021	\$ 1,065,000	\$ 1,398,159	\$ 2,463,159
2022	900,000	1,501,427	2,401,427
2023	930,000	1,468,774	2,398,774
2024	965,000	1,434,702	2,399,702
2025	1,000,000	1,398,754	2,398,754
2026-2030	5,605,000	6,382,517	11,987,517
2031-2035	6,630,000	5,364,130	11,994,130
2036-2040	7,900,000	4,038,688	11,938,688
2041-2045	10,320,000	1,974,931	12,294,931
2046	<u>2,445,000</u>	<u>61,126</u>	<u>2,506,126</u>
	<u>\$ 37,760,000</u>	<u>\$ 25,023,208</u>	<u>\$ 62,783,208</u>

(Continued)

WEST SACRAMENTO AREA FLOOD CONTROL AGENCY
JOINT POWERS AUTHORITY
NOTES TO BASIC FINANCIAL STATEMENTS
For the year ended June 30, 2020

NOTE 4 - LONG-TERM LIABILITIES (Continued)

Pledged Revenues: The Agency has pledged future assessment revenues, net of specified expenses, to repay all of the 2011, 2015, and 2020 Series Bonds through 2041 and 2045. The purpose of the Bonds is described above. The total principal and interest remaining to be paid on the bonds is \$62,783,208. The principal and interest paid for the current year and total customer net revenues were \$2,553,031 and \$3,865,882, respectively. Bond payments were approximately 68% of net revenues.

Line of Credit: In February 2017, the Agency executed a \$3.5 million unsecured line of credit agreement with First Northern Bank of Dixon (the Bank) that expires on June 30, 2021 to assist with any cash flow needs on the Southport Project. The Agency pays a 0.50% unused line of credit fee annually on the unused portion of line of credit determined by averaging the daily amount outstanding and subtracting that amount from the credit limit. Any disbursements are subject to a variable interest rate equal to the Wall Street Journal Prime Rate less 1.435% with a 2.015% floor and may change daily. Under the terms of the agreement, if the Agency issues any bonds totaling in excess of \$5 million in connection with the Southport Project, the Bank may require some or all of the proposed bond proceeds to be used to repay all or a portion of the outstanding balance under the agreement and/or terminate the agreement at its discretion. The Agency is required to maintain a deposit account at the Bank to facilitate draws and payments under the agreement. The Agreement may be terminated by the Agency with 30 days' notice. As of June 30, 2020, the Agency had no outstanding balance for the line of credit.

NOTE 5 - RISK MANAGEMENT

The Agency is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Agency purchases insurance coverage for commercial general liability, public officials' and management liability. There have been no significant reductions in insurance coverage from the prior year by major categories of risk and there have been no settlements exceeding insurance coverage for the past three years.

(Continued)

WEST SACRAMENTO AREA FLOOD CONTROL AGENCY
 JOINT POWERS AUTHORITY
 NOTES TO BASIC FINANCIAL STATEMENTS
 For the year ended June 30, 2020

NOTE 6 - COMMITMENTS AND CONTINGENCIES

Long-Term Commitments: The Agency had the following significant contract commitments as of June 30, 2020:

Description	Contract Amount	Remaining
Southport ID/IQ (Includes Task Orders 1-6)	\$ 20,106,348	\$ 1,412,219
Borrow Restoration Hauling	11,534,000	11,534,000
Const Mgmt Services TO2	9,008,609	316,260
Southport Floodplain Restoration	5,010,073	2,986,214
Southport Env Support	3,619,509	99,879
YBEL Design	2,239,551	1,083,345
Const Mgmt Services TO3	1,943,242	937,607
Southport Land	1,494,866	264,403
Gen Supportw/ Fin Mgmt	1,343,700	1,018,301
Southport Restoration Design	1,279,960	485,334
Southport Surveying	1,258,781	316,342
Time Oil Env Ass & Cons Services	1,196,124	429,488
RFMP Project Delivery Team	850,000	850,000
Const Mgmt Services TO4	482,788	168,145
NAP	306,945	74,690
North Area Surveing	228,931	35,745
Southport Plant Propagation	177,500	229
Const Mgmt Services TO1	151,225	40,077
Federal Lobbying	102,500	67,500
YBEL Environmental Review	63,355	61,739
Enterprise Crossings Tech Memo	50,000	50,000
	<u>\$ 62,448,007</u>	<u>\$ 22,231,517</u>

The commitments above represent encumbrances of the JPA Construction Capital Projects Fund. The Agency acquired a number of properties under eminent domain proceedings as part of flood control projects. As of June 30, 2020, the Agency made deposits into escrow accounts controlled by the State of California based on external appraisals to be able to access the related properties, but several landowners have disputed the fair value assigned by the Agency.

The Agency's management believes there will be no significant additional liabilities for the properties acquired; however, the amount that will ultimately be paid for the properties may potentially change. The Agency received grants from other governmental agencies that are subject to compliance audits by the granting agency. No audits have been conducted by the granting agencies during the year. The amount, if any, of expenditures that may be disallowed by the granting agencies cannot be determined at this time although the Agency expects the amounts, if any, to be immaterial.

(Continued)

WEST SACRAMENTO AREA FLOOD CONTROL AGENCY
JOINT POWERS AUTHORITY
NOTES TO BASIC FINANCIAL STATEMENTS
For the year ended June 30, 2020

NOTE 7 – INTERFUND TRANSFERS

Transfers are used to move revenues from the fund that statute of budget requires to collect them to the funds that statute of budget requires to expend them, move receipts restricted to debt service from the funds collecting the receipts to the debt service fund as debt service payments become due, and subsidize operating losses.

Interfund transfers for the 2019-2020 fiscal year were as follows:

Transfer from the General Fund to the JPA Construction Capital Projects Fund for local capital project funding.	\$ 3,132,828
Transfer from the General Fund to the 2011 Flood Bond Debt Service Fund for debt service.	569,591
Transfer from the 2020 WSAFCA Bond Debt Service Fund to the 2011 Flood Bond Debt Service Fund for return of excess funds transferred.	296,288
Transfer from the General Fund to the 2015 WSAFCA Bond Debt Service Fund for debt service.	2,107,696
Transfer from the 2011 Flood Bond Debt Service Fund to the 2015 WSAFCA Bond Debt Service Fund to transfer reserve funds after bond defeasance for debt service.	1,035
Transfer from the General Fund to the 2020 WSAFCA Bond Debt Service Fund for debt service.	792,372
Transfer from the 2011 Flood Bond Debt Service Fund to the 2020 WSAFCA Bond Debt Service Fund for the advance refunding of the 2011 bonds.	<u>902,147</u>
	<u>\$ 7,801,957</u>

NOTE 8 - NEW PRONOUNCEMENTS

The following pronouncement has been implemented this fiscal year.

GASB Statement No. 95, *Postponement of the Effective Dates of Certain Authoritative Guidance*, issued May 2020. The primary objective of this Statement is to provide temporary relief to governments and other stakeholders in light of the COVID-19 pandemic. That objective is accomplished by postponing the effective dates of certain provisions in Statements and Implementation Guides that first became effective or are scheduled to become effective for periods beginning after June 15, 2018, and later. This Statement is effective for the Agency's fiscal year ending June 30, 2020. This implementation of this Statement did not have a material effect on the financial statements.

(Continued)

WEST SACRAMENTO AREA FLOOD CONTROL AGENCY
JOINT POWERS AUTHORITY
NOTES TO BASIC FINANCIAL STATEMENTS
For the year ended June 30, 2020

NOTE 8 - NEW PRONOUNCEMENTS (Continued)

GASB has issued the following statements which may impact the Agency's financial reporting requirements in the future:

GASB Statement No. 84, *Fiduciary Activities*, issued January 2017. The provisions of this Statement are effective for reporting periods beginning after December 15, 2019.

GASB Statement No. 87, *Leases*, issued June 2017. The provisions of this Statement are effective for reporting periods beginning after June 15, 2021.

GASB Statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period*, issued June 2018. The provisions of this Statement are effective for reporting periods beginning after December 15, 2020.

GASB Statement No. 90, *Majority Equity Interests—an amendment of GASB Statements No. 14 and No. 61*, issued September 2018. The provisions of this Statement are effective for reporting periods beginning after December 15, 2019.

GASB Statement No. 91, *Conduit Debt Obligations*, issued May 2019. The provisions of this Statement are effective for reporting periods beginning after December 15, 2021.

GASB Statement No. 93, *Replacement of Interbank Offered Rates*, issued March 2020. The provisions of this Statement, except for paragraphs 11b, 13, and 14 which have later effective dates, are effective for fiscal years beginning after June 15, 2020.

GASB Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*, issued March 2020. The provisions of this Statement are effective for fiscal years beginning after June 15, 2022.

GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*, issued May 2020. The provisions of this Statement are effective for fiscal years beginning after June 15, 2022.

GASB Statement No. 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans – an amendment of GASB Statements No. 14 and no. 84, and a supersession of GASB Statement No. 32*, issued June 2020. The provisions of this Statement, except for those provisions effective immediately, are effective for fiscal years beginning after June 15, 2021.

NOTE 9 – COVID-19 PANDEMIC IMPACT

In December 2019, a novel strain of coronavirus has spread around the world resulting in business and social disruption. The coronavirus was declared a Public Health Emergency of International Concern by the World Health Organization on January 30, 2020. In March 2020, the State of California issued a statewide shelter-in-place order that continues to have a significant impact on the State of California and local economy. The extent to which the coronavirus may impact economic activity or investment results will depend on future developments, which are highly uncertain and cannot be predicted, including new information which may emerge concerning the severity of the coronavirus and the actions required to contain the coronavirus. Management has not included any contingencies in the financial statements specific to this recent event.

SUPPLEMENTAL SECTION

WEST SACRAMENTO AREA FLOOD CONTROL AGENCY
 JOINT POWERS AUTHORITY
 SCHEDULE OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCES
 BUDGET AND ACTUAL - 2011 FLOOD BOND
 DEBT SERVICE FUND (882)
 For the year ended June 30, 2020

	<u>Budget</u>		<u>Actual</u>	Variance Favorable (Unfavorable)
	<u>Original</u>	<u>Final</u>		
Revenues:				
Use of money and property	\$ 12,500	\$ 12,500	\$ 13,518	\$ 1,018
Expenditures:				
Debt service:				
Principal payments	285,000	285,000	285,000	-
Interest and fiscal charges	<u>596,494</u>	<u>596,494</u>	<u>596,494</u>	<u>-</u>
Total expenditures	<u>881,494</u>	<u>881,494</u>	<u>881,494</u>	<u>-</u>
Deficiency of revenues under expenditures	<u>(868,994)</u>	<u>(868,994)</u>	<u>(867,976)</u>	<u>1,018</u>
Other financing sources (uses):				
Transfers in	881,494	865,879	865,879	-
Transfers out	<u>-</u>	<u>(903,182)</u>	<u>(903,182)</u>	<u>-</u>
Total other financing sources (uses)	<u>881,494</u>	<u>(37,303)</u>	<u>(37,303)</u>	<u>-</u>
Net change in fund balance	12,500	(906,297)	(905,279)	1,018
Fund balance - beginning	<u>950,278</u>	<u>950,278</u>	<u>950,278</u>	<u>-</u>
Fund balance - ending	<u>\$ 962,778</u>	<u>\$ 43,981</u>	<u>\$ 44,999</u>	<u>\$ 1,018</u>

WEST SACRAMENTO AREA FLOOD CONTROL AGENCY
 JOINT POWERS AUTHORITY
 SCHEDULE OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCES
 BUDGET AND ACTUAL - 2015 WSAFCA BOND
 DEBT SERVICE FUND (883)
 For the year ended June 30, 2020

	<u>Budget</u>		<u>Actual</u>	Variance Favorable (Unfavorable)
	<u>Original</u>	<u>Final</u>		
Revenues:				
Use of money and property	\$ 1,500	\$ 1,500	\$ 50,234	\$ 48,734
Expenditures:				
Debt service:				
Principal payments	450,000	920,000	450,000	470,000
Interest and fiscal charges	<u>1,221,538</u>	<u>1,827,807</u>	<u>1,221,537</u>	<u>606,270</u>
Total expenditures	<u>1,671,538</u>	<u>2,747,807</u>	<u>1,671,537</u>	<u>1,076,270</u>
Deficiency of revenues under expenditures	<u>(1,670,038)</u>	<u>(2,746,307)</u>	<u>(1,621,303)</u>	<u>1,125,004</u>
Other financing sources:				
Transfers in	<u>1,671,538</u>	<u>2,108,731</u>	<u>2,108,731</u>	<u>-</u>
Net change in fund balance	1,500	(637,576)	487,428	1,125,004
Fund balance - beginning	<u>1,736,518</u>	<u>1,736,518</u>	<u>1,736,518</u>	<u>-</u>
Fund balance - ending	<u>\$ 1,738,018</u>	<u>\$ 1,098,942</u>	<u>\$ 2,223,946</u>	<u>\$ 1,125,004</u>

WEST SACRAMENTO AREA FLOOD CONTROL AGENCY
 JOINT POWERS AUTHORITY
 SCHEDULE OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCES
 BUDGET AND ACTUAL - 2020 WSAFCA BOND
 DEBT SERVICE FUND (884)
 For the year ended June 30, 2020

	<u>Budget</u>		<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Use of money and property	\$ -	\$ -	\$ 31,622	\$ 31,622
Expenditures:				
Debt service:				
Principal payments	-	595,000	-	595,000
Debt Issuance Costs			269,484	(269,484)
Interest and fiscal charges	-	197,372	-	197,372
Total expenditures	-	792,372	269,484	522,888
Deficiency of revenues under expenditures	-	(792,372)	(237,862)	554,510
Other financing sources (uses):				
Proceeds from the issuance of debt	-	-	11,655,000	11,655,000
Payment to refunding escrow	-	-	(12,287,663)	(12,287,663)
Transfers in	-	1,694,519	1,694,519	-
Transfers out	-	(296,288)	(296,288)	-
Total other financing sources (uses)	-	1,398,231	765,568	(632,663)
Net change in fund balance	-	605,859	527,706	(78,153)
Fund balance - beginning	-	-	-	-
Fund balance - ending	<u>\$ -</u>	<u>\$ 605,859</u>	<u>\$ 527,706</u>	<u>\$ (78,153)</u>

WEST SACRAMENTO AREA FLOOD CONTROL AGENCY
 JOINT POWERS AUTHORITY
 SCHEDULE OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCES
 BUDGET AND ACTUAL - JPA CONSTRUCTION
 CAPITAL PROJECTS FUND (871)
 For the year ended June 30, 2020

	<u>Budget</u>		<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Intergovernmental	\$ -	\$ 850,000	\$ 13,833,634	\$ 12,983,634
Reimbursements	-	-	15	15
Use of money and property	-	-	84,767	84,767
Total revenues	-	850,000	13,918,416	13,068,416
Expenditures:				
Flood control:				
Operations and maintenance	-	1,910,903	740,082	1,170,821
Capital outlay	-	-	13,338,380	(13,338,380)
Total expenditures	-	1,910,903	14,078,462	(12,167,559)
Deficiency of revenues under expenditures	-	(1,060,903)	(160,046)	900,857
Other financing sources:				
Transfers in	-	3,132,828	3,132,828	-
Net change in fund balance	-	2,071,925	2,972,782	900,857
Fund balance - beginning	(1,325,680)	(1,325,680)	(1,325,680)	-
Fund balance - ending	\$ (1,325,680)	\$ 746,245	\$ 1,647,102	\$ 900,857

STATISTICAL SECTION

WEST SACRAMENTO AREA FLOOD CONTROL AGENCY
JOINT POWERS AUTHORITY
STATISTICAL SECTION
June 30, 2020

This part of the West Sacramento Area Flood Control Agency Joint Powers Authority's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the Agency's overall financial health.

Financial Trends

These schedules contain financial trend information for assessing the Agency's financial performance and well-being over time.

1. Net Position by Component
2. Changes in Net Position
3. Fund Balances of Governmental Funds
4. Changes in Fund Balance of Governmental Funds

Revenue Capacity

These schedules present revenue capacity information to assess the Agency's ability to generate revenues. Special assessments, intergovernmental revenues and reimbursements from other agencies are the Agency's most significant revenue sources.

1. Assessed Value and Estimated Actual Value of Taxable Property
2. Direct and Overlapping Property Tax Rates
3. Flood Assessment Special Tax Rates
4. Principal Property Taxpayers
5. Special Tax Levies and Collections

Debt Capacity

These schedules present information to assess the affordability of the Agency's current levels of outstanding debt and the Agency's ability to issue additional debt.

1. Ratios of Outstanding Debt by Type
2. Direct and Overlapping Governmental Activities Debt
3. Pledged-Revenue Coverage

Demographic and Economic Information

These schedules provide information on the demographic and economic environment in which the Agency conducts business.

1. Demographic and Economic Statistics
2. Principal Employers

(Continued)

WEST SACRAMENTO AREA FLOOD CONTROL AGENCY
JOINT POWERS AUTHORITY
STATISTICAL SECTION
June 30, 2020

Operating Information

These schedules provide information on the City's service infrastructure to assist the reader in understanding how the information in the City's financial report relates to the services the City provides and the activities it performs

1. Full Time Equivalents City Government Employees by Function/Program
2. Operating Indicators by Function/Program
3. Capital Assets Statistics by Function/Program

Sources

Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports of the relevant years. The Agency prepared a CAFR for the first time during the year ended June 30, 2011. Information is not available prior to that date.

WEST SACRAMENTO AREA FLOOD CONTROL AGENCY
 JOINT POWERS AUTHORITY
 NET POSITION BY COMPONENT
 LAST TEN FISCAL YEARS
 June 30, 2020
 (accrual basis of accounting)

	Fiscal Year <u>2020</u>	Fiscal Year <u>2019</u>	Fiscal Year <u>2018</u>	Fiscal Year <u>2017</u>	Fiscal Year <u>2016</u>	Fiscal Year <u>2015</u>	Fiscal Year <u>2014</u>	Fiscal Year <u>2013</u>	Fiscal Year <u>2012</u>	Fiscal Year <u>2011</u>
Governmental Activities										
Net investment in capital assets	\$ 155,230,898	\$ 149,024,091	\$ 115,436,139	\$ 76,881,713	\$ 61,925,563	\$ 34,432,627	\$ 40,611,646	\$ 32,955,978	\$ 27,079,075	\$ 10,811,196
Restricted	2,557,047	3,717,737	3,674,112	3,659,810	2,621,033	3,042,071	1,577,016	1,185,822	-	-
Unrestricted	<u>14,589,189</u>	<u>12,599,221</u>	<u>17,969,542</u>	<u>29,111,161</u>	<u>30,076,654</u>	<u>21,432,022</u>	<u>12,190,922</u>	<u>10,111,366</u>	<u>6,797,020</u>	<u>5,558,941</u>
Total Governmental Activities net position	<u>\$ 172,377,134</u>	<u>\$ 165,341,049</u>	<u>\$ 137,079,793</u>	<u>\$109,652,684</u>	<u>\$ 94,623,250</u>	<u>\$ 58,906,720</u>	<u>\$ 54,379,584</u>	<u>\$ 44,253,166</u>	<u>\$ 33,876,095</u>	<u>\$ 16,370,137</u>

Source: City Finance Division

WEST SACRAMENTO AREA FLOOD CONTROL AGENCY
 JOINT POWERS AUTHORITY
 CHANGES IN NET POSITION
 LAST TEN FISCAL YEARS
 June 30, 2020
 (accrual basis of accounting)

	Fiscal Year <u>2020</u>	Fiscal Year <u>2019</u>	Fiscal Year <u>2018</u>	Fiscal Year <u>2017</u>	Fiscal Year <u>2016</u>	Fiscal Year <u>2015</u>	Fiscal Year <u>2014</u>	Fiscal Year <u>2013</u>	Fiscal Year <u>2012</u>	Fiscal Year <u>2011</u>
PROGRAM EXPENSES										
Flood Control	\$ 11,154,819	\$ 3,360,972	\$ 5,200,162	\$ 1,757,819	\$ 2,375,307	\$ 2,447,462	\$ 1,376,893	\$ 216,731	\$30,396,844	\$ 16,632,533
Interest	<u>1,867,093</u>	<u>1,761,725</u>	<u>1,784,432</u>	<u>1,803,363</u>	<u>1,888,977</u>	<u>1,154,469</u>	<u>1,107,461</u>	<u>1,495,376</u>	<u>969,456</u>	<u>1,274,196</u>
Total Program Expenses	<u>13,021,912</u>	<u>5,122,697</u>	<u>6,984,594</u>	<u>3,561,182</u>	<u>4,264,284</u>	<u>3,601,931</u>	<u>2,484,354</u>	<u>1,712,107</u>	<u>31,366,300</u>	<u>17,906,729</u>
PROGRAM REVENUES										
Operating grants and contributions	5,437,993	5,236,891	5,011,603	4,917,198	4,849,560	4,565,090	4,452,137	4,270,716	4,242,967	4,194,636
Capital grants and contributions	<u>14,063,787</u>	<u>27,347,061</u>	<u>29,075,285</u>	<u>13,587,121</u>	<u>34,991,327</u>	<u>3,493,827</u>	<u>8,134,436</u>	<u>7,807,516</u>	<u>44,627,392</u>	<u>17,125,977</u>
Total Program Revenues	<u>19,501,780</u>	<u>32,583,952</u>	<u>34,086,888</u>	<u>18,504,319</u>	<u>39,840,887</u>	<u>8,058,917</u>	<u>12,586,573</u>	<u>12,078,232</u>	<u>48,870,359</u>	<u>21,320,613</u>
NET (EXPENSES) REVENUES	<u>6,479,868</u>	<u>27,461,255</u>	<u>27,102,294</u>	<u>14,943,137</u>	<u>35,576,603</u>	<u>4,456,986</u>	<u>10,102,219</u>	<u>10,366,125</u>	<u>17,504,059</u>	<u>3,413,884</u>
GENERAL REVENUES AND OTHER CHANGES IN NET POSITION										
Investment earnings	556,217	799,510	320,986	65,579	132,783	67,422	22,199	10,946	-	-
Miscellaneous	<u>-</u>	<u>491</u>	<u>3,823</u>	<u>20,724</u>	<u>7,144</u>	<u>2,728</u>	<u>2,000</u>	<u>-</u>	<u>1,899</u>	<u>55,980</u>
Total General Revenues	<u>556,217</u>	<u>800,001</u>	<u>324,809</u>	<u>86,303</u>	<u>139,927</u>	<u>70,150</u>	<u>24,199</u>	<u>10,946</u>	<u>1,899</u>	<u>55,980</u>
Change in Net Position Governmental Activities	<u>\$ 7,036,085</u>	<u>\$ 28,261,256</u>	<u>\$ 27,427,103</u>	<u>\$ 15,029,440</u>	<u>\$35,716,530</u>	<u>\$ 4,527,136</u>	<u>\$ 10,126,418</u>	<u>\$ 10,377,071</u>	<u>\$17,505,958</u>	<u>\$ 3,469,864</u>

Source: City Finance Division

WEST SACRAMENTO AREA FLOOD CONTROL AGENCY
 JOINT POWERS AUTHORITY
 FUND BALANCES OF GOVERNMENTAL FUNDS
 LAST TEN FISCAL YEARS
 June 30, 2020
 (modified accrual basis of accounting)
 (in thousands)

	Fiscal Year <u>2020</u>	Fiscal Year <u>2019</u>	Fiscal Year <u>2018</u>	Fiscal Year <u>2017</u>	Fiscal Year <u>2016</u>	Fiscal Year <u>2015</u>	Fiscal Year <u>2014</u>	Fiscal Year <u>2013</u>	Fiscal Year <u>2012</u>	Fiscal Year <u>2011</u>
GENERAL FUND										
Restricted	\$ 850	\$ 1,101	\$ 1,101	\$ 1,101	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unassigned	<u>4,072</u>	<u>6,280</u>	<u>6,552</u>	<u>3,445</u>	<u>1,213</u>	<u>11,613</u>	<u>3,062</u>	<u>5,373</u>	<u>12,602</u>	<u>15,888</u>
Total General Fund	<u>4,922</u>	<u>7,381</u>	<u>7,653</u>	<u>4,546</u>	<u>1,213</u>	<u>11,613</u>	<u>3,062</u>	<u>5,373</u>	<u>12,602</u>	<u>15,888</u>
ALL OTHER GOVERNMENTAL FUNDS										
Restricted	1,706	2,617	2,573	2,557	2,621	3,042	1,576	1,559	(1,213)	1,808
Committed	3,711	819	283	4,339	4,605	7,410	869	-	-	-
Unassigned	-	(1,325)	(3,551)	-	-	-	-	-	-	-
Special revenue funds	-	-	-	-	-	-	-	(237)	-	-
Debt service funds	-	-	-	-	-	-	(1)	-	-	-
Total all other Governmental Funds	<u>5,417</u>	<u>2,111</u>	<u>(695)</u>	<u>6,896</u>	<u>7,226</u>	<u>10,452</u>	<u>2,444</u>	<u>1,322</u>	<u>(1,213)</u>	<u>1,808</u>
Total Governmental Funds	<u>\$ 10,339</u>	<u>\$ 9,492</u>	<u>\$ 6,958</u>	<u>\$ 11,442</u>	<u>\$ 8,439</u>	<u>\$ 22,065</u>	<u>\$ 5,506</u>	<u>\$ 6,695</u>	<u>\$ 11,389</u>	<u>\$ 17,696</u>

Source: City Finance Division

WEST SACRAMENTO AREA FLOOD CONTROL AGENCY
 JOINT POWERS AUTHORITY
 CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
 LAST TEN FISCAL YEARS
 June 30, 2020
 (modified accrual basis of accounting)
 (in thousands)

	Fiscal Year 2020	Fiscal Year 2019	Fiscal Year 2018	Fiscal Year 2017	Fiscal Year 2016	Fiscal Year 2015	Fiscal Year 2014	Fiscal Year 2013	Fiscal Year 2012	Fiscal Year 2011
REVENUES										
Special benefit assessment for operations	\$ 5,438	\$ 5,237	\$ 5,012	\$ 4,917	\$ 4,850	\$ 4,565	\$ 4,452	\$ 4,271	\$ 4,243	\$ 4,194
Contributions from City of West Sacramento	-	-	-	-	4,500	-	-	-	1,650	13,167
Contributions from developers	125	6,500	-	-	-	-	-	-	-	-
Reimbursements	-	7	605	14	-	9	-	-	22,094	2,342
Intergovernmental revenues	13,834	28,708	35,000	16,511	10,765	6,951	4,479	2,832	20,883	1,617
Use of money and property	556	800	321	66	133	67	22	11	-	-
Other revenues	-	-	122	21	7	3	2	-	2	56
Total revenues	19,953	41,252	41,060	21,529	20,255	11,595	8,955	7,114	48,872	21,376
EXPENDITURES										
Flood Control:										
Operations and maintenance	2,312	2,452	2,449	1,729	2,347	1,904	1,377	217	151	1,507
Contributions to other agencies	-	-	-	-	-	-	-	-	1,157	13,018
Pass-thru to other agencies	-	-	-	-	-	-	-	-	25,035	2,107
Capital outlay	13,338	33,713	40,542	14,241	29,226	12,597	7,215	10,184	27,691	6,562
Principal payments	735	710	690	670	510	450	440	285	-	-
Debt issuance costs	270	-	-	-	-	543	-	-	-	-
Interest and fiscal charges	1,818	1,844	1,864	1,884	1,799	1,074	1,112	1,123	1,144	1,444
Total expenditures	18,473	38,719	45,545	18,524	33,882	16,568	10,144	11,809	55,178	24,638
Excess (deficiency) of revenues over expenditures	1,480	2,533	(4,485)	3,005	(13,627)	(4,973)	(1,189)	(4,695)	(6,306)	(3,262)
OTHER FINANCING SOURCES (USES)										
Proceeds from debt	11,655	-	-	-	-	30,668	-	-	-	13,360
Paid to refunding escrow	(12,288)	-	-	-	-	(9,135)	-	-	-	-
Transfers in	7,802	4,075	1,594	4,756	14,285	28,805	3,933	2,263	-	-
Transfers out	(7,802)	(4,075)	(1,594)	(4,756)	(14,285)	(28,805)	(3,933)	(2,263)	-	-
Total other financing sources (uses)	(633)	-	-	-	-	21,533	-	-	-	13,360
Net Change in Fund Balances	\$ 847	\$ 2,533	\$ (4,485)	\$ 3,005	\$ (13,627)	\$ 16,560	\$ (1,189)	\$ (4,695)	\$ (6,306)	\$ 10,098
Debt service as a percentage of noncapital expenditures	60.03%	51.02%	51.05%	59.63%	49.59%	38.38%	52.99%	86.65%	4.16%	7.99%

Source: City Finance Division

WEST SACRAMENTO AREA FLOOD CONTROL AGENCY
 JOINT POWERS AUTHORITY
 ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
 LAST TEN FISCAL YEARS
 June 30, 2020
 (rate per \$100 of assessed value)

<u>Fiscal Year</u>	<u>Residential Property</u>	<u>Commercial Property</u>	<u>Industrial Property</u>	<u>Rural Property</u>	<u>Total Taxable Assessed Value ⁽¹⁾</u>	<u>Total Direct Tax Rate</u>
2011	\$ 2,611,728,813	\$ 770,362,958	\$ 1,090,248,638	\$ 466,530,830	\$ 4,938,871,239	1.0000
2012	\$ 2,521,019,014	\$ 762,460,367	\$ 1,084,902,102	\$ 460,443,882	\$ 4,828,825,365	1.0000
2013	\$ 2,390,456,495	\$ 826,461,975	\$ 1,081,749,090	\$ 387,557,652	\$ 4,686,225,212	1.0000
2014	\$ 2,527,440,451	\$ 861,097,407	\$ 1,067,256,406	\$ 415,021,042	\$ 4,870,815,306	1.0000
2015	\$ 2,911,448,351	\$ 852,966,247	\$ 1,086,329,095	\$ 391,518,816	\$ 5,242,262,509	1.0000
2016	\$ 3,198,076,385	\$ 872,281,981	\$ 1,170,227,505	\$ 407,490,615	\$ 5,648,076,486	1.0000
2017	\$ 3,418,952,537	\$ 876,707,082	\$ 1,210,252,185	\$ 462,111,815	\$ 5,968,023,619	1.0000
2018	\$ 3,610,347,763	\$ 898,080,802	\$ 1,224,327,014	\$ 501,047,158	\$ 6,233,802,737	1.0000
2019	\$ 3,884,799,486	\$ 944,285,643	\$ 1,291,970,705	\$ 517,487,447	\$ 6,638,543,281	1.0000
2020	\$ 4,110,320,466	\$ 973,893,515	\$ 1,406,994,230	\$ 512,100,520	\$ 7,003,308,461	1.0000

(1) Includes the assessed value of the Redevelopment Agency of \$2,077,868,964 (2013); \$2,424,781,608 (2014); \$2,449,410,832 (2015); \$2,670,024,211 (2016); \$3,270,136,086 (2017); \$3,354,775,638 (2018); \$3,542,382,076 (2019) and \$3,730,937,499 (2020).

In 1978 the voters of the State of California passed Proposition 13, which limited property taxes to a total maximum rate of 1% based upon the assessed value of property being taxed. Each year, the assessed value of the property may be increased by an "inflation factor" (limited to a maximum increase of 2%). With few exceptions, property is only reassessed at the time that it is sold to a new owner. At that point, the new assessed value is reassessed at the purchase price of the property sold. The assessed valuation data shown above represents the only data currently available with respect to the actual market value of taxable property and is subject to the limitations described above.

Sources: Assessed value data provided by the California Municipal Statistics, Inc.

WEST SACRAMENTO AREA FLOOD CONTROL AGENCY
 JOINT POWERS AUTHORITY
 DIRECT AND OVERLAPPING PROPERTY TAX RATES
 LAST TEN FISCAL YEARS
 June 30, 2020
 (rate per \$100 of assessed value)

Fiscal Year Ended June 30	City Direct Rates			Overlapping Rates			
	Basic Rate	General Obligation Debt Service	Total City Direct Rate	Washington Unified School District	Los Rios Community College District	Yolo County	Total Direct Rate
2011	1.0000	-	1.0000	0.0595	0.0090	1.0685	1.1370
2012	1.0000	-	1.0000	0.0595	0.0192	1.0787	1.1574
2013	1.0000	-	1.0000	0.0595	0.0193	1.0788	1.1576
2014	1.0000	-	1.0000	0.0695	0.0181	1.0876	1.1752
2015	1.0000	-	1.0000	0.0695	0.0113	1.0808	1.1616
2016	1.0000	-	1.0000	0.1083	0.0091	1.1174	1.2348
2017	1.0000	-	1.0000	0.1082	0.0141	1.1223	1.2446
2018	1.0000	-	1.0000	0.1038	0.0130	1.1168	1.2336
2019	1.0000	-	1.0000	0.0920	0.0131	1.1051	1.2102
2020	1.0000	-	1.0000	0.0810	0.0232	1.1042	1.2084

In 1978, California voters passed Proposition 13 which sets the property tax rate at a 1.00% fixed amount. This 1.00% is shared by all taxing agencies for which the subject property resides within. In addition to the 1.00% fixed amount, property owners are charged taxes as a percentage of assessed property values for the payment of Washington Unified School District and Los Rios Community College District bonds.

Agency did not track this information prior to 2010.

Sources: Assessed value data provided by the California Municipal Statistics, Inc.

WEST SACRAMENTO AREA FLOOD CONTROL AGENCY
 JOINT POWERS AUTHORITY
 FLOOD ASSESSMENT SPECIAL TAX RATES
 LAST TEN FISCAL YEARS
 June 30, 2020

Fiscal Year 2020		RATE BY FLOOD ZONE			
		0' to 1'	1' to 5'	5' to 10'	GT 10'
Land Use	Factors	0	1	2	3
Single-Family Residential	Parcel (per Acre) (1)	60.617	60.617	60.617	60.617
	Building Factor Constant: First Floor SqFt Less than or equal to	19.17	43.03	91.30	103.01
	Building Factor Constant: First Floor SqFt Greater than 1050 Sq	29.88	65.74	139.48	157.40
Residential-Condo	Parcel (per Acre)	60.617	60.617	60.617	60.617
	Building Factor Constant	17.39	38.26	81.15	91.56
Residential-Mobile Home Park	Parcel (per Acre)	60.617	60.617	60.617	60.617
	Building (per FF Sq Ft)	0.011000	0.024000	0.051000	0.057000
Multi-Family Residential	Parcel (per Acre)	67.138	67.138	67.138	67.138
	Building (per FF Sq Ft)	0.022000	0.048000	0.101000	0.114000
Commercial	Parcel (per Acre)	133.789	133.789	133.789	133.789
	Building (per FF Sq Ft)	0.034000	0.122000	0.211000	0.247000
Industrial	Parcel (per Acre)	56.269	56.269	56.269	56.269
	Building (per FF Sq Ft)	0.071000	0.089000	0.127000	0.164000
Vacant	Parcel (per Acre)	29.221	29.221	29.221	29.221
	Building (per FF Sq Ft)	0.000000	0.000000	0.000000	0.000000
Agricultural	Parcel (per Acre)	6.036	6.036	6.036	6.036
	Building (per FF Sq Ft)	0.000000	0.000000	0.000000	0.000000

(1) First Floor (FF) Sq Ft not including garage area.

NOTE: Increase of 2% approved by WSAFCA Board 8/15/19.
 Rate update prepared by the City of West Sacramento Flood Protection Division.

Source: City Finance Division

(Continued)

WEST SACRAMENTO AREA FLOOD CONTROL AGENCY
 JOINT POWERS AUTHORITY
 FLOOD ASSESSMENT SPECIAL TAX RATES
 LAST TEN FISCAL YEARS
 June 30, 2020

Fiscal Year 2019		RATE BY FLOOD ZONE			
		0' to 1'	1' to 5'	5' to 10'	GT 10'
Land Use	Factors	0	1	2	3
Single-Family Residential	Parcel (per Acre) (1)	59.428	59.428	59.428	59.428
	Building Factor Constant: First Floor SqFt Less than 1050 Sq Ft	18.79	42.19	89.51	100.99
	Building Factor Constant: First Floor SqFt Greater than 1050 Sq Ft	29.29	64.45	136.74	154.31
Residential-Condo	Parcel (per Acre)	59.428	59.428	59.428	59.428
	Building Factor Constant	17.05	37.51	79.56	89.77
Residential-Mobile Home Park	Parcel (per Acre)	59.428	59.428	59.428	59.428
	Building (per FF Sq Ft)	0.010655	0.023440	0.049721	0.056113
Multi-Family Residential	Parcel (per Acre)	65.822	65.822	65.822	65.822
	Building (per FF Sq Ft)	0.021311	0.046879	0.099439	0.112226
Commercial	Parcel (per Acre)	131.166	131.166	131.166	131.166
	Building (per FF Sq Ft)	0.033147	0.119329	0.207167	0.241970
Industrial	Parcel (per Acre)	55.166	55.166	55.166	55.166
	Building (per FF Sq Ft)	0.069844	0.087602	0.124299	0.160998
Vacant	Parcel (per Acre)	28.648	28.648	28.648	28.648
	Building (per FF Sq Ft)	0.000000	0.000000	0.000000	0.000000
Agricultural	Parcel (per Acre)	5.918	5.918	5.918	5.918
	Building (per FF Sq Ft)	0.000000	0.000000	0.000000	0.000000

(1) For large lot Single Family Residential parcels (parcel area greater than 0.5 acres) multiply area greater than 0.5 acre by Agricultural Parcel rate.
 (2) First Floor (FF) Sq Ft not including garage area.

NOTE: Increase of 2% approved by WSAFCA Board 7/19/18.
 Rate update prepared by the City of West Sacramento Flood Protection Division.

Source: City Finance Division

(Continued)

WEST SACRAMENTO AREA FLOOD CONTROL AGENCY
 JOINT POWERS AUTHORITY
 FLOOD ASSESSMENT SPECIAL TAX RATES
 LAST TEN FISCAL YEARS
 June 30, 2020

Fiscal Year 2018		RATE BY FLOOD ZONE			
		0' to 1'	1' to 5'	5' to 10'	GT 10'
Land Use	Factors	0	1	2	3
Single-Family Residential	Parcel (per Acre) ⁽¹⁾	58.262	58.262	58.262	58.262
	Building Factor Constant: First Floor SqFt Less than 1050 Sq Ft ⁽²⁾	18.42	41.36	87.75	99.01
	Building Factor Constant: First Floor SqFt Greater than 1050 Sq Ft ⁽²⁾	28.71	63.19	134.06	151.29
Residential-Condo	Parcel (per Acre)	58.262	58.262	58.262	58.262
	Building Factor Constant	16.72	36.77	78.00	88.01
Residential-Mobile Home Park	Parcel (per Acre)	58.262	58.262	58.262	58.262
	Building (per FF Sq Ft)	0.010446	0.022981	0.048746	0.055013
Multi-Family Residential	Parcel (per Acre)	64.531	64.531	64.531	64.531
	Building (per FF Sq Ft)	0.020893	0.045960	0.097490	0.110025
Commercial	Parcel (per Acre)	128.594	128.594	128.594	128.594
	Building (per FF Sq Ft)	0.032497	0.116989	0.203104	0.237225
Industrial	Parcel (per Acre)	54.084	54.084	54.084	54.084
	Building (per FF Sq Ft)	0.068475	0.085884	0.121861	0.157841
Vacant	Parcel (per Acre)	28.087	28.087	28.087	28.087
	Building (per FF Sq Ft)	0.000000	0.000000	0.000000	0.000000
Agricultural	Parcel (per Acre)	5.802	5.802	5.802	5.802
	Building (per FF Sq Ft)	0.000000	0.000000	0.000000	0.000000

(1) For large lot Single Family Residential parcels (parcel area greater than 0.5 acres) multiply area greater than 0.5 acre by Agricultural Parcel rate.
 (2) First Floor (FF) Sq Ft not including garage area.

NOTE: Increase of 2% approved by WSAFCA Board 7/19/17.
 Rate update prepared by the City of West Sacramento Flood Protection Division.

Source: City Finance Division

(Continued)

WEST SACRAMENTO AREA FLOOD CONTROL AGENCY
 JOINT POWERS AUTHORITY
 FLOOD ASSESSMENT SPECIAL TAX RATES
 LAST TEN FISCAL YEARS
 June 30, 2020

Fiscal Year 2017		RATE BY FLOOD ZONE			
		0' to 1'	1' to 5'	5' to 10'	GT 10'
Land Use	Factors	0	1	2	3
Single-Family Residential	Parcel (per Acre) ⁽¹⁾	58.262	58.262	58.262	58.262
	Building Factor Constant: First Floor SqFt Less than 1050 Sq Ft ⁽²⁾	18.42	41.36	87.75	99.01
	Building Factor Constant: First Floor SqFt Greater than 1050 Sq Ft ⁽²⁾	28.71	63.19	134.06	151.29
Residential-Condo	Parcel (per Acre)	58.262	58.262	58.262	58.262
	Building Factor Constant	16.72	36.77	78.00	88.01
Residential-Mobile Home Park	Parcel (per Acre)	58.262	58.262	58.262	58.262
	Building (per FF Sq Ft)	0.010446	0.022981	0.048746	0.055013
Multi-Family Residential	Parcel (per Acre)	64.531	64.531	64.531	64.531
	Building (per FF Sq Ft)	0.020089	0.045960	0.097490	0.110025
Commercial	Parcel (per Acre)	128.594	128.594	128.594	128.594
	Building (per FF Sq Ft)	0.032497	0.116989	0.203104	0.237225
Industrial	Parcel (per Acre)	54.084	54.084	54.084	54.084
	Building (per FF Sq Ft)	0.068475	0.085884	0.121861	0.157841
Vacant	Parcel (per Acre)	28.087	28.087	28.087	28.087
	Building (per FF Sq Ft)	0.000000	0.000000	0.000000	0.000000
Agricultural	Parcel (per Acre)	5.802	5.802	5.802	5.802
	Building (per FF Sq Ft)	0.000000	0.000000	0.000000	0.000000

(1) For large lot Single Family Residential parcels (parcel area greater than 0.5 acres) multiply area greater than 0.5 acre by Agricultural Parcel rate.

(2) First Floor (FF) Sq Ft not including garage area.

NOTE: Increase of 2% approved by WSAFCA Board 7/19/16.
 Rate update prepared by the City of West Sacramento Flood Protection Division (7/20/2017).

Source: City Finance Division

(Continued)

WEST SACRAMENTO AREA FLOOD CONTROL AGENCY
 JOINT POWERS AUTHORITY
 FLOOD ASSESSMENT SPECIAL TAX RATES
 LAST TEN FISCAL YEARS
 June 30, 2020

Fiscal Year 2016		RATE BY FLOOD ZONE			
		0' to 1'	1' to 5'	5' to 10'	GT 10'
Land Use	Factors	0	1	2	3
Single-Family Residential	Parcel (per Acre) ⁽¹⁾	56.000	56.000	56.000	56.000
	Building Factor Constant: First Floor SqFt Less than 1050 Sq Ft ⁽²⁾	18.06	39.75	84.34	95.17
	Building Factor Constant: First Floor SqFt Greater than 1050 Sq Ft ⁽²⁾	27.60	60.74	128.85	145.41
Residential-Condo	Parcel (per Acre)	56.000	56.000	56.000	56.000
	Building Factor Constant	16.07	35.34	74.97	84.59
Residential-Mobile Home Park	Parcel (per Acre)	56.000	56.000	56.000	56.000
	Building (per FF Sq Ft)	0.010040	0.022088	0.046853	0.052877
Multi-Family Residential	Parcel (per Acre)	62.025	62.025	62.025	62.025
	Building (per FF Sq Ft)	0.020081	0.044175	0.093704	0.105753
Commercial	Parcel (per Acre)	123.601	123.601	123.601	123.601
	Building (per FF Sq Ft)	0.031235	0.112446	0.195218	0.228014
Industrial	Parcel (per Acre)	51.984	51.984	51.984	51.984
	Building (per FF Sq Ft)	0.065816	0.082549	0.117130	0.151712
Vacant	Parcel (per Acre)	26.996	26.996	26.996	26.996
	Building (per FF Sq Ft)	0.000000	0.000000	0.000000	0.000000
Agricultural	Parcel (per Acre)	5.576	5.576	5.576	5.576
	Building (per FF Sq Ft)	0.000000	0.000000	0.000000	0.000000

(1) For large lot Single Family Residential parcels (parcel area greater than 0.5 acres) multiply area greater than 0.5 acre by Agricultural Parcel rate.
 (2) First Floor (FF) Sq Ft not including garage area.

NOTE: Increase of 2% approved by WSAFCA Board 7/15/15.
 Rate update prepared by the City of West Sacramento Flood Protection Division (7/21/2015).

Source: City Finance Division

(Continued)

WEST SACRAMENTO AREA FLOOD CONTROL AGENCY
 JOINT POWERS AUTHORITY
 FLOOD ASSESSMENT SPECIAL TAX RATES
 LAST TEN FISCAL YEARS
 June 30, 2020

Fiscal Year 2015		RATE BY FLOOD ZONE			
		0' to 1'	1' to 5'	5' to 10'	GT 10'
Land Use	Factors	0	1	2	3
Single-Family Residential	Parcel (per Acre) ⁽¹⁾	54.902	54.902	54.902	54.902
	Building Factor Constant: First Floor SqFt Less than 1050 Sq Ft ⁽²⁾	17.71	38.97	82.69	93.30
	Building Factor Constant: First Floor SqFt Greater than 1050 Sq Ft ⁽²⁾	27.06	59.55	126.32	142.56
Residential-Condo	Parcel (per Acre)	54.902	54.902	54.902	54.902
	Building Factor Constant	15.75	34.65	73.50	82.93
Residential-Mobile Home Park	Parcel (per Acre)	54.902	54.902	54.902	54.902
	Building (per FF Sq Ft)	0.009843	0.021655	0.045935	0.051840
Multi-Family Residential	Parcel (per Acre)	60.809	60.809	60.809	60.809
	Building (per FF Sq Ft)	0.019687	0.043309	0.091867	0.103679
Commercial	Parcel (per Acre)	121.177	121.177	121.177	121.177
	Building (per FF Sq Ft)	0.030623	0.110241	0.191390	0.223543
Industrial	Parcel (per Acre)	50.965	50.965	50.965	50.965
	Building (per FF Sq Ft)	0.064525	0.080930	0.114833	0.148737
Vacant	Parcel (per Acre)	26.467	26.467	26.467	26.467
	Building (per FF Sq Ft)	0.000000	0.000000	0.000000	0.000000
Agricultural	Parcel (per Acre)	5.467	5.467	5.467	5.467
	Building (per FF Sq Ft)	0.000000	0.000000	0.000000	0.000000

(1) For large lot Single Family Residential parcels (parcel area greater than 0.5 acres) multiply area greater than 0.5 acre by Agricultural Parcel rate.
 (2) First Floor (FF) Sq Ft not including garage area.

NOTE: Increase of 2% approved by WSAFCA Board 7/10/14
 Rate update prepared by the City of West Sacramento Flood Protection Division (7/21/2014)

Source: City Finance Division

(Continued)

WEST SACRAMENTO AREA FLOOD CONTROL AGENCY
 JOINT POWERS AUTHORITY
 FLOOD ASSESSMENT SPECIAL TAX RATES
 LAST TEN FISCAL YEARS
 June 30, 2020

Fiscal Year 2014		RATE BY FLOOD ZONE			
		0' to 1'	1' to 5'	5' to 10'	GT 10'
Land Use	Factors	0	1	2	3
Single-Family Residential	Parcel (per Acre) ⁽¹⁾	53.825	53.825	53.825	53.825
	Building Factor Constant: First Floor SqFt Less than 1050 Sq Ft ⁽²⁾	17.36	38.21	81.07	91.47
	Building Factor Constant: First Floor SqFt Greater than 1050 Sq Ft ⁽²⁾	26.53	58.38	123.84	139.76
Residential-Condo	Parcel (per Acre)	53.825	53.825	53.825	53.825
	Building Factor Constant	15.44	33.97	72.06	81.30
Residential-Mobile Home Park	Parcel (per Acre)	53.825	53.825	53.825	53.825
	Building (per FF Sq Ft)	0.009650	0.021230	0.045034	0.050824
Multi-Family Residential	Parcel (per Acre)	59.617	59.617	59.617	59.617
	Building (per FF Sq Ft)	0.019301	0.042460	0.090066	0.101646
Commercial	Parcel (per Acre)	118.801	118.801	118.801	118.801
	Building (per FF Sq Ft)	0.030023	0.108079	0.187637	0.219160
Industrial	Parcel (per Acre)	49.966	49.966	49.966	49.966
	Building (per FF Sq Ft)	0.063260	0.079343	0.112581	0.145821
Vacant	Parcel (per Acre)	25.948	25.948	25.948	25.948
	Building (per FF Sq Ft)	0.000000	0.000000	0.000000	0.000000
Agricultural	Parcel (per Acre)	5.360	5.360	5.360	5.360
	Building (per FF Sq Ft)	0.000000	0.000000	0.000000	0.000000

(1) For large lot Single Family Residential parcels (parcel area greater than 0.5 acres) multiply area greater than 0.5 acre by Agricultural Parcel rate.
 (2) First Floor (FF) Sq Ft not including garage area.

NOTE: Increase of 2% approved by WSAFCA Board 7/11/13.
 Rate update prepared by the City of West Sacramento Flood Protection Division (7/13/2013).

Source: City Finance Division

(Continued)

WEST SACRAMENTO AREA FLOOD CONTROL AGENCY
 JOINT POWERS AUTHORITY
 FLOOD ASSESSMENT SPECIAL TAX RATES
 LAST TEN FISCAL YEARS
 June 30,2020

Fiscal Year 2013		RATE BY FLOOD ZONE			
		0' to 1'	1' to 5'	5' to 10'	GT 10'
Land Use	Factors	0	1	2	3
Single-Family Residential	Parcel (per Acre) ⁽¹⁾	52.770	52.770	52.770	52.770
	Building Factor Constant: First Floor SqFt Less than 1050 Sq Ft ⁽²⁾	17.02	37.46	79.48	89.68
	Building Factor Constant: First Floor SqFt Greater than 1050 Sq Ft ⁽²⁾	26.01	57.24	121.41	137.02
Residential-Condo	Parcel (per Acre)	52.770	52.770	52.770	52.770
	Building Factor Constant	15.14	33.30	70.65	79.71
Residential-Mobile Home Park	Parcel (per Acre)	52.770	52.770	52.770	52.770
	Building (per FF Sq Ft)	0.009461	0.020814	0.044151	0.049827
Multi-Family Residential	Parcel (per Acre)	58.448	58.448	58.448	58.448
	Building (per FF Sq Ft)	0.018923	0.041627	0.088300	0.099653
Commercial	Parcel (per Acre)	116.472	116.472	116.472	116.472
	Building (per FF Sq Ft)	0.029434	0.105960	0.183958	0.214863
Industrial	Parcel (per Acre)	48.986	48.986	48.986	48.986
	Building (per FF Sq Ft)	0.062020	0.077787	0.110374	0.142962
Vacant	Parcel (per Acre)	25.439	25.439	25.439	25.439
	Building (per FF Sq Ft)	0.000000	0.000000	0.000000	0.000000
Agricultural	Parcel (per Acre)	5.255	5.255	5.255	5.255
	Building (per FF Sq Ft)	0.000000	0.000000	0.000000	0.000000

(1) For large lot Single Family Residential parcels (parcel area greater than 0.5 acres) multiply area greater than 0.5 acre by Agricultural Parcel rate.

(2) First Floor (FF) Sq Ft not including garage area.

NOTE: Increase of 2% approved by WSAFCA Board 7/14/11
 Rate update prepared by the City of West Sacramento Flood Protection Division (8/10/2011).

Source: City Finance Division

(Continued)

WEST SACRAMENTO AREA FLOOD CONTROL AGENCY
 JOINT POWERS AUTHORITY
 FLOOD ASSESSMENT SPECIAL TAX RATES
 LAST TEN FISCAL YEARS
 June 30,2020

Fiscal Year 2012		RATE BY FLOOD ZONE			
		0' to 1'	1' to 5'	5' to 10'	GT 10'
Land Use	Factors	0	1	2	3
Single-Family Residential	Parcel (per Acre) ⁽¹⁾	51.735	51.735	51.735	51.735
	Building Factor Constant: First Floor SqFt Less than 1050 Sq Ft ⁽²⁾	16.69	36.73	77.92	87.92
	Building Factor Constant: First Floor SqFt Greater than 1050 Sq Ft ⁽²⁾	25.50	56.12	119.03	134.33
Residential-Condo	Parcel (per Acre)	51.735	51.735	51.735	51.735
	Building Factor Constant	14.84	32.65	69.26	78.15
Residential-Mobile Home Park	Parcel (per Acre)	51.735	51.735	51.735	51.735
	Building (per FF Sq Ft)	0.009275	0.020406	0.043285	0.048850
Multi-Family Residential	Parcel (per Acre)	57.302	57.302	57.302	57.302
	Building (per FF Sq Ft)	0.018552	0.040811	0.086569	0.097699
Commercial	Parcel (per Acre)	114.188	114.188	114.188	114.188
	Building (per FF Sq Ft)	0.028857	0.103882	0.180351	0.210650
Industrial	Parcel (per Acre)	48.025	48.025	48.025	48.025
	Building (per FF Sq Ft)	0.060804	0.076262	0.108210	0.140159
Vacant	Parcel (per Acre)	29.940	29.940	29.940	29.940
	Building (per FF Sq Ft)	0.000000	0.000000	0.000000	0.000000
Agricultural	Parcel (per Acre)	5.152	5.152	5.152	5.152
	Building (per FF Sq Ft)	0.000000	0.000000	0.000000	0.000000

(1) For large lot Single Family Residential parcels (parcel area greater than 0.5 acres) multiply area greater than 0.5 acre by Agricultural Parcel rate.
 (2) First Floor (FF) Sq Ft not including garage area.

NOTE: Increase of 2% approved by WSAFCA Board 7/14/11.
 Rate update prepared by the City of West Sacramento Flood Protection Division (8/10/2011).

Source: City Finance Division

(Continued)

WEST SACRAMENTO AREA FLOOD CONTROL AGENCY
 JOINT POWERS AUTHORITY
 FLOOD ASSESSMENT SPECIAL TAX RATES
 LAST TEN FISCAL YEARS
 June 30,2020

Fiscal Year 2011		RATE BY FLOOD ZONE			
		0' to 1'	1' to 5'	5' to 10'	GT 10'
Land Use	Factors	0	1	2	3
Single-Family Residential	Parcel (per Acre) ⁽¹⁾	50.721	50.721	50.721	50.721
	Building Factor Constant: First Floor SqFt Less than 1050 Sq Ft ⁽²⁾	16.36	36.01	76.39	86.20
	Building Factor Constant: First Floor SqFt Greater than 1050 Sq Ft ⁽²⁾	25.00	55.02	116.70	131.70
Residential-Condo	Parcel (per Acre)	50.721	50.721	50.721	50.721
	Building Factor Constant	14.55	32.01	67.90	76.62
Residential-Mobile Home Park	Parcel (per Acre)	50.721	50.721	50.721	50.721
	Building (per FF Sq Ft)	0.009093	0.020006	0.042436	0.047892
Multi-Family Residential	Parcel (per Acre)	56.178	56.178	56.178	56.178
	Building (per FF Sq Ft)	0.018188	0.040011	0.084872	0.095783
Commercial	Parcel (per Acre)	111.949	111.949	111.949	111.949
	Building (per FF Sq Ft)	0.028291	0.101845	0.176815	0.206520
Industrial	Parcel (per Acre)	47.083	47.083	47.083	47.083
	Building (per FF Sq Ft)	0.059612	0.074767	0.106088	0.137411
Vacant	Parcel (per Acre)	24.451	24.451	24.451	24.451
	Building (per FF Sq Ft)	0.000000	0.000000	0.000000	0.000000
Agricultural	Parcel (per Acre)	5.051	5.051	5.051	5.051
	Building (per FF Sq Ft)	0.000000	0.000000	0.000000	0.000000

(1) For large lot Single Family Residential parcels (parcel area greater than 0.5 acres) multiply area greater than 0.5 acre by Agricultural Parcel rate.

(2) First Floor (FF) Sq Ft not including garage area.

NOTE: Increase of 2% approved by WSAFCA Board 7/08/10.
 Rate update prepared by the City of West Sacramento Flood Protection Division (7/26/2010).

Source: City Finance Division

WEST SACRAMENTO AREA FLOOD CONTROL AGENCY
 JOINT POWERS AUTHORITY
 PRINCIPAL PROPERTY TAXPAYERS
 CURRENT YEAR AND EIGHT YEARS AGO
 June 30, 2020

<u>Taxpayer*</u>	2020		<u>Taxpayer*</u>	2012	
	<u>Annual Assessment</u>	Percentage of Total Special Assessments <u>Value</u>		<u>Annual Assessment</u>	Percentage of Total Special Assessments <u>Value</u>
Washington Unified School District	\$ 195,686	3.54%	Prologis-A4 Ca I LP	\$ 48,157	1.29%
Harsch Investment Prop LLC	187,078	3.39%	Sacramento Foodco Inv LLC	45,872	1.23%
State of California	132,688	2.40%	Oates Marvin L Tr Etal	37,000	0.99%
Bre Delta Industrial Sac LP	131,501	2.38%	Panattoni Development Co Etal	31,931	0.85%
Us Postal Service	71,135	1.29%	Ikea California LLC	30,914	0.83%
City Of West Sacramento	63,215	1.14%	3689 3689 Industrial Blvd LC	30,730	0.82%
Massie Court Investors LLC	59,548	1.08%	Wal-Mart Stores Inc	25,826	0.69%
Ramco Properties LP	58,868	1.07%	Target Corporation P-2268	23,016	0.62%
Sheares Logistics Assets LLC	58,800	1.06%	Jb Management LP	21,191	0.57%
LVA RVI-CO XXXIV LLC	55,707	1.01%	Harsch Investment Corp	20,335	0.54%
Total	\$ 1,014,226	18.37%	Total	\$ 314,972	8.42%

*Secured role properties

Agency did not track this information prior to 2012.

Sources: California Municipal Statistics, Inc.

WEST SACRAMENTO AREA FLOOD CONTROL AGENCY
 JOINT POWERS AUTHORITY
 SPECIAL TAX LEVIES AND COLLECTIONS
 LAST TEN FISCAL YEARS
 (in thousands, except per capita)
 June 30, 2020

Fiscal Year Ended June 30	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount ⁽¹⁾	Percentage of Levy		Amount	Percentage of Levy
2011	\$ 4,263,400	\$ 4,194,636	98.4%	N/A	\$ 4,194,636	98.4%
2012	\$ 4,314,952	\$ 4,242,967	98.3%	N/A	\$ 4,242,967	98.3%
2013	\$ 4,412,518	\$ 4,270,716	96.8%	N/A	\$ 4,270,716	96.8%
2014	\$ 4,515,177	\$ 4,452,137	98.6%	N/A	\$ 4,452,137	98.6%
2015	\$ 4,629,393	\$ 4,567,344	98.7%	N/A	\$ 4,567,344	98.7%
2016	\$ 4,853,120	\$ 4,834,612	99.6%	N/A	\$ 4,834,612	99.6%
2017	\$ 4,984,123	\$ 4,917,198	98.7%	N/A	\$ 4,917,198	98.7%
2018	\$ 5,094,673	\$ 5,011,603	98.4%	N/A	\$ 5,011,603	98.4%
2019	\$ 5,313,952	\$ 5,236,891	98.5%	N/A	\$ 5,236,891	98.5%
2020	\$ 5,533,509	\$ 5,437,993	98.3%	N/A	\$ 5,437,993	98.3%

(1) Secured role revenue

Sources: City Finance Division

WEST SACRAMENTO AREA FLOOD CONTROL AGENCY
 JOINT POWERS AUTHORITY
 RATIOS OF OUTSTANDING DEBT BY TYPE
 LAST TEN FISCAL YEARS
 (in thousands, except per capita)
 June 30, 2020

Fiscal Year Ended <u>June 30</u>	Assessment <u>Bonds</u>	Flood Special of Personal <u>Income</u>	Percentage Per <u>Capita</u>
2011	\$ 23,030	2.42%	\$ 472
2012	\$ 22,855	2.44%	\$ 466
2013	\$ 22,570	2.30%	\$ 456
2014	\$ 22,130	2.17%	\$ 437
2015	\$ 43,813	4.09%	\$ 859
2016	\$ 43,203	4.03%	\$ 814
2017	\$ 42,432	3.37%	\$ 798
2018	\$ 41,641	3.18%	\$ 783
2019	\$ 40,831	2.87%	\$ 757
2020	\$ 51,650	3.49%	\$ 965

Source: City Finance Division

WEST SACRAMENTO AREA FLOOD CONTROL AGENCY
JOINT POWERS AUTHORITY
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
June 30, 2020

2019/20 Assessed Valuation \$ 7,495,234,615

	<u>% Applicable ⁽¹⁾</u>	<u>Debt as of June 30, 2020</u>	<u>Estimated Share of Overlapping Debt</u>
Overlapping Tax and Assessment Debt			
Los Rios Community College District	3.609%	\$ 455,515,000	\$ 16,439,536
River Delta Joint Unified School District School	1.213%	6,669,378	80,900
Washington Unified School District	99.938%	89,913,895	89,858,148
City of West Sacramento Community Facilities District No. 8	100	24,815,000	24,815,000
City of West Sacramento Community Facilities District No. 9	100	120,000	120,000
City of West Sacramento Community Facilities District No. 10	100	14,104,373	14,104,373
City of West Sacramento Community Facilities District No. 11	100	2,522,649	2,522,649
City of West Sacramento Community Facilities District No. 12	100	3,580,656	3,580,656
City of West Sacramento Community Facilities District No. 14	100	8,485,000	8,485,000
City of West Sacramento Community Facilities District No. 15	100	1,263,143	1,263,143
City of West Sacramento Community Facilities District No. 16	100	9,154,978	9,154,978
City of West Sacramento Community Facilities District No. 17	100	3,940,000	3,940,000
City of West Sacramento Community Facilities District No. 18	100	563,576	563,576
City of West Sacramento Community Facilities District No. 19	100	1,903,470	1,903,470
City of West Sacramento Community Facilities District No. 20	100	8,025,000	8,025,000
City of West Sacramento Community Facilities District No. 21	100	2,450,000	2,450,000
City of West Sacramento Community Facilities District No. 23	100	2,405,000	2,405,000
City of West Sacramento Community Facilities District No. 24	100	1,035,000	1,035,000
City of West Sacramento Community Facilities District No. 27	100	28,310,000	28,310,000
City of West Sacramento Community Facilities District No. 29	100	3,645,000	3,645,000
California Statewide Communities Development Authority 1915 Act Bonds	100	6,851,318	6,851,318
West Sacramento Area Flood Control District Assessment District	100	<u>37,760,000</u>	<u>37,760,000</u>
Total overlapping tax and assessment debt		713,032,436	267,312,747
Overlapping General Fund Debt			
Yolo County Certificates of Participation	25.930%	37,396,305	9,696,862
Yolo County Board of Education Certificates of Participation	25.930%	5,375,000	1,393,738
Washington Unified School District Certificates of Participation	99.938%	75,974,410	75,927,306
City of West Sacramento General Fund Obligations	100	20,333,573	20,333,573
City of West Sacramento Pension Obligation Bonds	100	<u>878,200</u>	<u>878,200</u>
Total gross direct and overlapping general fund debt		<u>139,957,488</u>	<u>108,229,679</u>
Less: City of West Sacramento supported obligations			<u>8,771,581</u>
Total net direct and overlapping general fund debt			<u>99,458,098</u>
Overlapping tax increment debt			
City of West Sacramento Successor Agency	100	73,220,241	73,220,241
Total gross direct debt			21,211,773
Total net direct debt			12,440,192
Total overlapping debt			427,550,894
Gross combined total debt			<u>448,762,667</u>
Net combined total debt			<u>\$ 439,991,086</u>

(1) The percentage of overlapping debt applicable to the city is estimated using taxable assessed property value. Applicable percentages were estimated by determining the portion of the overlapping district's assessed value that is within the boundaries of the city divided by the district's total taxable assessed value.

(2) Excludes tax and revenue anticipation notes, enterprise revenue, mortgage revenue and non-bonded capital lease obligations. Qualified Zone Academy Bonds are included based on principal due at maturity.

Ratios to 2019-20 Assessed Valuation:

Total Overlapping Tax and Assessment Debt	3.57%
Total Gross Direct Debt (\$23,541,613)	28.00%
Total Net Direct Debt (\$14,201,510)	17.00%
Gross Combined Total Debt	5.99%
Net Combined Total Debt	5.87%

Sources: Assessed value data used to estimate applicable percentages provided by the California Municipal Statistics, Inc. Debt outstanding data provided by City Finance Division.

WEST SACRAMENTO AREA FLOOD CONTROL AGENCY
JOINT POWERS AUTHORITY
NOTES TO DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
June 30, 2020

NOTE 1 - For debt repaid with property taxes, the percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of another government unit's taxable assessed value that is within the City's boundaries and dividing it by each unit's total taxable assessed value.

Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the City. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the City. This process recognizes that, when considering the City's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping government.

NOTE 2 - On February 1, 2012, the State of California eliminated the Redevelopment Agencies in California pursuant to Assembly Bill 1x26. The liabilities of the Redevelopment Agencies are reported as Redevelopment Obligation Retirement Fund, a private purpose trust fund.

WEST SACRAMENTO AREA FLOOD CONTROL AGENCY
 JOINT POWERS AUTHORITY
 PLEDGED-REVENUE COVERAGE
 LAST TEN FISCAL YEARS
 (dollars in thousands)
 June 30, 2020

Fiscal Year	Flood Special Assessment Bonds						Coverage
	Special Tax Assessment Revenues ⁽¹⁾	Less Operating Expenses ⁽²⁾	Net Available Revenue	Debt Service			
				Principal	Interest		
2011	\$ 4,195	\$ 2,254	\$ 1,941	\$ 170	\$ 498	2.91	
2012	\$ 4,243	\$ 2,451	\$ 1,792	\$ 175	\$ 957	1.58	
2013	\$ 4,271	\$ 217	\$ 4,054	\$ 285	\$ 1,123	2.88	
2014	\$ 4,452	\$ 1,377	\$ 3,075	\$ 440	\$ 1,112	1.98	
2015	\$ 4,629	\$ 1,704	\$ 2,925	\$ 450	\$ 1,074	1.92	
2016	\$ 4,928	\$ 1,936	\$ 2,992	\$ 510	\$ 1,799	1.30	
2017	\$ 4,918	\$ 1,729	\$ 3,189	\$ 670	\$ 1,884	1.25	
2018	\$ 5,012	\$ 2,449	\$ 2,563	\$ 690	\$ 1,865	1.00	
2019	\$ 5,237	\$ 2,452	\$ 2,785	\$ 710	\$ 1,844	1.09	
2020	\$ 5,438	\$ 2,312	\$ 3,126	\$ 735	\$ 1,818	1.22	

(1) Total special assessments and other revenues.

(2) Total operating expenses, excluding depreciation and amortization.

Source: City Finance Division

WEST SACRAMENTO AREA FLOOD CONTROL AGENCY
 JOINT POWERS AUTHORITY
 DEMOGRAPHIC AND ECONOMIC STATISTICS
 LAST TEN FISCAL YEARS
 June 30, 2020

Calendar Year	Personal Income Population	Per Capita Personal (In thousands)	Income	Unemployment Rate
2011	48,744	\$ 951,471	\$ 19,519	12.2%
2012	49,045	\$ 937,725	\$ 19,120	9.7%
2013	49,523	\$ 982,077	\$ 19,830	12.9%
2014	50,640	\$ 1,018,596	\$ 20,114	6.7%
2015	51,005	\$ 1,072,329	\$ 21,024	6.0%
2016	53,082	\$ 1,172,284	\$ 20,201	5.8%
2017	53,163	\$ 1,257,503	\$ 26,414	5.0%
2018	54,163	\$ 1,310,099	\$ 24,188	6.1%
2019	53,911	\$ 1,422,270	\$ 27,224	4.0%
2020	53,519	\$ 1,482,013	\$ 29,415	3.7%

Sources: State Department of Finance and City Finance Division.

WEST SACRAMENTO AREA FLOOD CONTROL AGENCY
 JOINT POWERS AUTHORITY
 PRINCIPAL EMPLOYERS
 CURRENT YEAR AND NINE YEARS AGO
 June 30, 2020

<u>Employer</u>	<u>2020</u>		<u>Employer</u>	<u>2011</u>	
	<u>Number of Employees</u>	<u>Percentage of Total City Employment</u>		<u>Number of Employees</u>	<u>Percentage of Total City Employment</u>
University of California Davis	10,309	34.26%	United State Postal Service	1,620	12.74%
State of California	3,546	11.79%	State of California, General Services	1,200	9.44%
U.S. Government	2,334	7.76%	California State Teachers' Retirement System	1,200	9.44%
Cache Creek Casino Resort	2,300	7.64%	United Parcel Service (UPS)	1,182	9.30%
Yolo County	1,490	4.95%	Affiliated Computer Services	900	7.08%
Woodland Joint Unified School District	1,105	3.67%	Washington Unified School District	775	6.10%
Dignity Health	995	3.31%	Raley's/Bel Air	634	4.99%
Raley's Inc.	950	3.16%	Xyratex International	546	4.30%
Sutter Health	928	3.08%	Walmart	500	3.93%
Clark Pacific	843	2.80%	Tony's Fine Food	470	3.70%
Walgreens	719	2.39%	Conventry Healthcare	400	3.15%
Pacific Gas and Electric Co.	714	2.37%	ABM Janitorial	400	3.15%
Nugget Market Inc.	500	1.66%	City of West Sacramento	335	2.64%
Nor-Cal Beverage Co. Inc.	395	1.31%	Hunter Douglas/Bytheways Inc.	302	2.38%
City of West Sacramento	360	1.20%	Siemens Healthcare Diagnostics	286	2.25%
City of Davis	345	1.15%	All Phase Security, Inc.	280	2.20%
Beckman Coulter Microbiology	300	1.00%	Nor-Cal Beverage	250	1.97%
City of Woodland	292	0.97%	West Sacramento IKEA Home Furnishings	247	1.94%
Communicare Health Centers	292	0.97%	KOVR TV 13	232	1.90%
Yolo County Office of Education	279	0.93%	Farmers' Rice Cooperative	230	1.81%
Bayer CropScience, Vegetable Seeds Division	262	0.87%	Clark Pacific	195	1.53%
Hunter Douglas Inc.	246	0.82%	Idexx Veterinary Services	168	1.32%
Skyline Homes Inc.	200	0.66%	Target Corporation	143	1.12%
Safeway	194	0.64%	Home Depot	110	0.87%
HM Clause Inc.	190	0.63%	Lowes' Home Improvement	97	0.76%
	<u>30,088</u>			<u>12,712</u>	

* The 2020 employer data is for Yolo County.

Sources: Sacramento Business Journal and City Economic Development Department.

WEST SACRAMENTO AREA FLOOD CONTROL AGENCY
 JOINT POWERS AUTHORITY
 FULL-TIME EQUIVALENT EMPLOYEES BY FUNCTION/PROGRAM
 LAST SEVEN FISCAL YEARS
 June 30, 2020

<u>Function/ Program</u>	<u>Fiscal Year 2020</u>	<u>Fiscal Year 2019</u>	<u>Fiscal Year 2018</u>	<u>Fiscal Year 2017</u>	<u>Fiscal Year 2016</u>
Flood Division	6.755	7.375	6.875	6.875	6.5

<u>Function/ Program</u>	<u>Fiscal Year 2015</u>	<u>Fiscal Year 2014</u>	<u>Fiscal Year 2013</u>
Flood Division	7	7	7

Agency did not track this information prior to 2013.

Source: City Finance Division

WEST SACRAMENTO AREA FLOOD CONTROL AGENCY
JOINT POWERS AUTHORITY
OPERATING INDICATORS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS
June 30, 2020

<u>Function/Program</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
	-	-	-	-	-	-	-	-	-	-

Note. The Agency does not track this information, however, will present prospectively

Source: City Finance Division

WEST SACRAMENTO AREA FLOOD CONTROL AGENCY
 JOINT POWERS AUTHORITY
 CAPITAL ASSETS STATISTICS BY FUNCTION/PROGRAM
 LAST TEN FISCAL YEARS
 June 30,2020

<u>Function/Program</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Flood Control: Land (parcels)	60	65	58	57	54	9	-	-	-	-

Agency did not track this information prior to 2015.

Source: City Finance Division

COMPLIANCE REPORT

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL
REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF
FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS

Members of the Board of the
West Sacramento Area Flood Control
Agency Joint Powers Authority
West Sacramento, California

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, and each major fund of West Sacramento Area Flood Control Agency Joint Powers Authority, as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise West Sacramento Area Flood Control Agency Joint Powers Authority's basic financial statements and have issued our report thereon dated January 29, 2021.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered West Sacramento Area Flood Control Agency Joint Powers Authority's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of West Sacramento Area Flood Control Agency Joint Powers Authority's internal control. Accordingly, we do not express an opinion on the effectiveness of West Sacramento Area Flood Control Agency Joint Powers Authority's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did identify a deficiency in internal control, described in the accompanying *Schedule of Findings and Responses* as Finding 2020-01 that we consider to be a material weakness.

(Continued)

Compliance and Other Matters

As part of obtaining reasonable assurance about whether West Sacramento Area Flood Control Agency Joint Powers Authority's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

West Sacramento Area Flood Control Agency Joint Powers Authority Response to Findings

West Sacramento Area Flood Control Agency Joint Powers Authority's response to the findings identified in our audit are described in the accompanying *Schedule of Findings and Responses*. West Sacramento Area Flood Control Agency Joint Powers Authority's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the West Sacramento Area Flood Control Agency Joint Powers Authority internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.


Crowe LLP

Sacramento, California
January 29, 2021

WEST SACRAMENTO AREA FLOOD CONTROL AGENCY
JOINT POWERS AUTHORITY
SCHEDULE OF FINDINGS AND RESPONSES
For the year ended June 30, 2020

CURRENT YEAR FINDINGS - FINANCIAL STATEMENT AUDIT

2020-01 – MATERIAL WEAKNESS – CASH AND INVESTMENTS AND LONG-TERM LIABILITIES

Criteria

Financial statements prepared in accordance with GASB Statement No. 34 and No. 62 must include activities related to long-term liabilities. Reporting of long-term liabilities requires management to ensure that debt payment activities and new long-term debt are maintained and reconciled to ensure that outstanding balances relating to liabilities are reported accurately.

Condition

During the year end procedures relating to long-term liabilities, Crowe identified incorrect balances related to the defeasance of the 2011 Assessment Revenue Bonds and the initial recording of the 2020 Assessment Revenue Refunding Bonds. This resulted in cash and investments balances in the 2020 WASFCA Bond Debt Service Fund being overstated by \$12,298,210. In addition, the long-term liabilities balance was overstated by \$11,400,000.

Cause

The Agency's internal control over financial reporting did not function at a sufficient level of precision to identify the misstatement during the journal entry review process.

Effect

The Agency's financial statements contained material misstatements related to cash and investments, long-term liabilities.

Recommendation

We recommend the Agency continue its monitoring of these records to ensure proper recording of these accounts in its financial statements.

Management's Response and Planned Corrective Action

Management staff will continue to monitor records to ensure proper recording of these accounts in its financial statements. For rare transactions, including more complicated debt refinancing, management staff in the Finance division will coordinate with auditors and/or other financial experts during the posting of the transaction to be sure all appropriate entries are made and reviewed appropriately before posting to the general ledger. In addition, staff will continue to attend trainings to provide continued growth in the finance and accounting sector.

WEST SACRAMENTO AREA FLOOD CONTROL AGENCY
JOINT POWERS AUTHORITY
STATUS OF PRIOR YEAR FINDINGS AND RESPONSES
For the year ended June 30, 2020

Finding 2019-01: Information System Controls (Significant Deficiency)

Condition

We evaluated system access to the City's Active Directory as well as the financial system, OneSolution. The Active Directory authenticates and authorizes all users and computers in a Windows domain type network—assigning and enforcing security policies for all computers and installing or updating software. For example, when a user logs into a computer that is part of a Windows domain, Active Directory checks the submitted password and determines whether the user is an authorized user.

Recommendation

We recommend that management should establish written system access policies and procedures which provide for the appropriate levels of user access based on the relative roles and responsibilities within the financial reporting system. A best practice is to provide the lowest level of access based on operational need. Further, we recommend the City perform a systematic review and maintain documentation of user's access rights within the financial reporting system, to ensure that a) there are not users with super user access who also have the ability to perform operational functions within the financial system and b) users access roles are only for those functions which are necessary to perform in the normal course of business. Additionally, we recommend that the City consider removing user access accounts for users which no longer have a business purpose to retain such access.

Current Status

Implemented.