

ANNUAL DISCLOSURE REPORT

CITY OF RIVERSIDE

PUBLIC UTILITIES DEPARTMENT

FISCAL YEAR ENDING JUNE 30, 2020

Series	Dated	CUSIP Numbers
WATER REVENUE/REFUNDING BONDS, ISSUE OF 2009A (TAX EXEMPT)	DECEMBER 22, 2009	769076TH3 through 769076UB4
WATER REVENUE BONDS, ISSUE OF 2009B (FEDERALLY TAXABLE – BUILD AMERICA BONDS)	DECEMBER 22, 2009	769076UC2 through 769076UG3
VARIABLE RATE REFUNDING WATER REVENUE BONDS, ISSUE OF 2011A	MAY 26, 2011	769076UH1
WATER REVENUE REFUNDING BONDS, ISSUE OF 2019A	FEBRUARY 26, 2019	769076UJ7 through 769076VF4

Prepared by
City of Riverside

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Fiscal Year 2020 Annual Report for the City of Riverside’s:

- Water Revenue/Refunding Bonds, Issue of 2009A (Tax Exempt) (the “2009A Bonds”)
- Water Revenue Bonds, Issue of 2009B (Federally Taxable – Build America Bonds) (the “2009B Bonds”)
- Variable Rate Refunding Water Revenue Bonds, Issue of 2011A (the “2011A Bonds”)
- Water Revenue Refunding Bonds, Issue of 2019A (the “2019A Bonds”)

As required by the continuing disclosure certificates executed and delivered by the City of Riverside (the “City”) relating to the above-referenced bonds, the City provides the following:

Audited Financial Statements: Included by reference is the City of Riverside Public Utilities Financial Report, which includes the audited financial statements of the City’s Water Utility/Water System for the year ending June 30, 2020 prepared in accordance with generally accepted accounting principles. The City’s Public Utilities Financial Report was filed with the Municipal Securities Rulemaking Board’s Electronic Municipal Access System (“EMMA”) on March 26, 2021.

Principal amount of the bonds outstanding as of the end of the immediately preceding Fiscal Year:

Series	Principal Outstanding as of June 30, 2020
2009A Bonds	\$2,360,000
2009B Bonds	\$67,790,000
2011A Bonds	\$24,050,000
2019A Bonds	\$110,965,000

Updated information comparable to the information in the table entitled “Water System General Statistics” as it appears in the Official Statement:

WATER SYSTEM GENERAL STATISTICS	
Fiscal Year Ended June 30, 2020	
No. of Service Connections Billed	66,031
Annual Potable Urban Water Production⁽¹⁾	
Local Groundwater Wells	26,851
Purchased from WMWD	-
Total Annual Water Production	<u>26,851</u>
Peak Daily Distribution ⁽²⁾	89.6
Average Daily Production ⁽²⁾⁽³⁾	59.0

⁽¹⁾ In millions of gallons at the entry point to the distribution system, includes retail, wholesale and wheeled water.

⁽²⁾ In millions of gallons per day at the entry point to the distribution system, includes retail, wholesale, and wheeled water.

⁽³⁾ Refers to Average Daily Distribution at the entry point to the distribution system.

Updated information comparable to the information in the table entitled “Number of Meters” / “Number of Metered Customers Billed” as it appears in the Official Statement:

NUMBER OF METERS/ METERED CUSTOMERS BILLED	
Fiscal Year Ended June 30, 2020	
Residential	59,598
Commercial/Industrial	5,070
Other	1,363
Total - All Classes	<u><u>66,031</u></u>

Updated information comparable to the information in the table entitled “Water Sales and Distribution” as it appears in the Official Statement:

WATER SALES AND DISTRIBUTION	
Fiscal Year Ended June 30, 2020	
Retail Water Sales ⁽¹⁾⁽²⁾	18,345
Average Daily Production ⁽²⁾⁽³⁾	59.0
Maximum Daily Distribution ⁽¹⁾	89.6
Average Daily Sales per Meter (In Gallons)	759.0

⁽¹⁾ Retail water sales to Water System’s customers only. Excludes wholesale sales and wheeled water.

⁽²⁾ In millions of gallons.

⁽³⁾ Average Daily Production includes retail and wholesale water.

Updated information comparable to the information in the table entitled “Historical Summary of Operations and Debt Service Coverage” as it appears in the Official Statement:

HISTORICAL SUMMARY OF OPERATIONS AND DEBT SERVICE COVERAGE
For Fiscal Year Ended June 30, 2020
(Dollars in Thousands)

Operating Revenues

Water Sales:	
Residential	\$ 39,001
Commercial	21,244
Other sales	1,885
Water Conveyance	3,255
Other Operating Revenues ⁽¹⁾	3,312
Total Operating Revenues	<u>68,697</u>

Investment Income	2,073
Contributions in Aid ⁽²⁾	2,530
Non-Operating Revenues	1,043
Total Revenues	<u>\$ 5,646</u>

Operating and Maintenance Expenses ⁽³⁾

Operations and Maintenance	\$ 40,242
Purchased Energy	5,583
Total Operating and Maintenance Expenses ⁽⁴⁾	<u>\$ 45,825</u>

Net Operating Revenues Available for Debt Service and Depreciation	<u>\$ 28,518</u>
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Debt Service Requirements Including BAB Subsidy	\$ 15,810
Debt Service Requirements Excluding BAB Subsidy	\$ 17,184

Debt Service Coverage Ratio Including BAB Subsidy	1.80x
Debt Service Coverage Ratio Excluding BAB Subsidy	1.74x

⁽¹⁾ Net of uncollectibles.

⁽²⁾ Reflects cash collections from connection fees paid by developers and grant funded projects.

⁽³⁾ Total of field operations, production and operations, and engineering operating expenses.

⁽⁴⁾ Excludes Governmental Accounting Standards Board (“GASB”) Statement No. 68 (Accounting and Financial Reporting for Pension) non-cash adjustment of \$1046, GASB Statement No. 68 became effective July 1, 2014. Excludes GASB Statement No. 75 (Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions) adjustments of \$197. GASB Statement No. 75 became effective on July 1, 2017.

With respect to the 2009A Bonds and 2009B Bonds, a description of any Additional Bonds and Parity Debt issued during the immediately preceding fiscal year:

During Fiscal Year 2020, the City of Riverside did not issue any parity debt with respect to the 2009A Bonds or 2009B Bonds.