



PUBLIC UTILITIES
anaheim.net/utilities

ANNUAL REPORT

For the Fiscal Year Ended June 30, 2021

Relating to:

CITY OF ANAHEIM PUBLIC UTILITIES DEPARTMENT (WATER SYSTEM)

- **\$4,835,000 Anaheim Public Financing Authority Revenue Bonds, Series 2010-A (Water System Project) (Tax Exempt)**
- **\$29,690,000 Anaheim Public Financing Authority Revenue Bonds, Series 2010-B (Water System Project) (Federally Taxable Build America Bonds)**
- **\$95,885,000 California Municipal Finance Authority Revenue Bonds, Series 2015-A (City of Anaheim Water System Project)**
- **\$35,225,000 Anaheim Housing and Public Improvements Authority Revenue Bonds, Series 2016-A (Water System Project)**
- **\$38,000,000 Anaheim Housing and Public Improvements Authority Revenue Bonds, Series 2020-A (Water System Project)**
- **\$32,445,000 Anaheim Housing and Public Improvements Authority Revenue Bonds, Series 2020-B (Water System Refunding) (Taxable)**

Dated as of:
December 27, 2021

BONDS

Each Bond issue identified on the cover page of this Annual Report (collectively, the (Bonds'')) is identified with a listing of the corresponding CUSIP⁽⁺⁾ number set forth below (an * indicates that the bond has matured or been redeemed and/or defeased) :

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Anaheim Public Financing Authority Revenue Bonds, Series 2010-A (Water System Project) (Tax Exempt)

03255MPP6*	03255MPU5*
03255MPQ4*	03255MPV3*
03255MPR2*	03255MPW1*
03255MPS0*	03255MPX9*
03255MPT8*	

Anaheim Public Financing Authority Revenue Bonds, Series 2010-B (Water System Project) (Federally Taxable Build America Bonds)

03255MPY7 03255MPZ4 03255MQA8 03255MQB6

California Municipal Finance Authority Revenue Bonds, Series 2015-A (Water System Project)

13048TTV5*	13048TUD3	13048TUL5
13048TTW3*	13048TUE1	13048TUM3
13048TTX1*	13048TUF8	13048TUN1
13048TTY9*	13048TUG6	13048TUP6
13048TTZ6*	13048TUH4	13048TUQ4
13048TUA9*	13048TUJ0	13048TUR2
13048TUB7*	13048TUK7	13048TUS0
13048TUC5		

Anaheim Housing and Public Improvements Authority Revenue Bonds, Series 2016-A (Water System Refunding) (Taxable)

032556AA0*	032556AJ1*	032556AS1*
032556AB8*	032556AK8*	032556AT9*
032556AC6*	032556AL6*	032556AU6*
032556AD4*	032556AM4*	032556AV4*
032556AE2*	032556AN2*	032556AW2*
032556AF9*	032556AP7*	032556AX0*
032556AG7*	032556AQ5*	032556AY8*
032556AH5*	032556AR3*	

**Anaheim Housing and Public Improvements Authority Revenue Bonds,
Series 2020-A
(Water System Project)**

032556FT4*	032556GB2	032556GK2
032556FU1*	032556GC0	032556FM9
032556FV9	032556GD8	032556FN7
032556FW7	032556GE6	032556FP2
032556FX5	032556GF3	032556FQ0
032556FY3	032556GG1	032556FR8
032556FZ0	032556GH9	032556FS6
032556GA4	032556GJ5	

**Anaheim Housing and Public Improvements Authority Revenue Bonds,
Series 2020-B
(Water System Refunding) (Taxable)**

032556EU2*	032556FA5	032556FG2
032556EV0*	032556FB3	032556FH0
032556EW8	032556FC1	032556FJ6
032556EX6	032556FD9	032556FK3
032556EY4	032556FE7	032556FL1
032556EZ1	032556FF4	

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City of Anaheim
PUBLIC UTILITIES DEPARTMENT
Administration

Date: December 27, 2021

To: Holders and Beneficial Owners of the Anaheim Housing and Public Improvements Authority, Anaheim Public Financing Authority Bonds and California Municipal Finance Authority as listed below

From: Public Utilities Department of the City of Anaheim, California

RE: Fiscal Year 2021 - Ongoing Disclosure of Financial Information and Operating Data Relating to the Water System

This submission constitutes the 2021 Annual Report of the City of Anaheim ("the City") and is being provided by the City's Department of Public Utilities ("the Department") to provide updated financial and operating information of the Department's Water Utility of the type included in the final official statements for the following:

- \$4,835,000 Anaheim Public Financing Authority Revenue Bonds, Series 2010-A (Water System Project) (Tax Exempt)
- \$29,690,000 Anaheim Public Financing Authority Revenue Bonds, Series 2010-B (Water System Project) (Federally Taxable Build America Bonds)
- \$95,885,000 California Municipal Finance Authority Revenue Bonds, Series 2015-A (City of Anaheim Water System Project)
- \$35,225,000 Anaheim Housing and Public Improvements Authority Revenue Bonds, Series 2016-A (Water System Project)
- \$38,000,000 Anaheim Housing and Public Improvements Authority Revenue Bonds, Series 2020-A (Water System Project)
- \$32,445,000 Anaheim Housing and Public Improvements Authority Revenue Bonds, Series 2020-B (Water System Refunding) (Taxable)

The 2021 Annual Report is provided pursuant to the covenants made by the Department in connection with the issuance of (i) the 2010-A and 2010-B Bonds as required by the Continuing Disclosure Agreement by and between the City and U.S Bank National Association dated as of October 1, 2010, (ii) the 2015-A Bonds as required by the Continuing Disclosure Agreement by and between the City and U.S. Bank National Association dated as of April 1, 2015, (iii) the 2016-A Bonds as required by the Continuing Disclosure Agreement by and between the City and U.S. Bank National Association dated as of October 1, 2016 and (iv) the 2020-A and 2020-B Bonds as required by the Continuing Disclosure Agreement by and between the City and U.S. Bank National Association dated as of March 1, 2020.

The information provided in this submission pertains only as of its date and is subject to change without notice. The submission of this information may not create an implication that there has been no change to the information provided. The City has not agreed to provide notice in the event of subsequent changes to the information provided.

The Annual Report and Audited Financial Statements were filed on December 27, 2021 with Electronic Municipal Market Access (emma.msrb.org).

For further information regarding this Report, please contact Russell Dowell at (714) 765-4628.

Sincerely,



Russell E. Dowell
Controller
Public Utilities Department
City of Anaheim, CA

City of Anaheim Water Utility
Continuing Disclosure Tabular Requirements

1. Water System Statistics

Fiscal Year Ended June 30

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Anaheim Population Served	346,824	365,646	359,339	357,084	358,546
Population Served Outside City (Est.)	4,409	4,648	4,568	5,812	2,839
Total Population served	<u>351,233</u>	<u>370,294</u>	<u>363,907</u>	<u>362,896</u>	<u>361,385</u>
Total Water Sales (Million Gallons)	17,733	17,361	17,760	18,806	17,424
Capacity (Million Gallons Per Day)					
From Metropolitan Water District Connections	110	110	110	110	110
From Water System Wells (Average)	75	58	75	77	76
Total Supply Capacity	<u>185</u>	<u>168</u>	<u>185</u>	<u>187</u>	<u>186</u>
Treatment Plant Capacity	20	15	15	15	15
Peak day Distribution (Million Gallons)	67.4	66.7	77.1	80.1	80.1
Average Daily Distribution (Million Gallons)	51.3	50.4	50.9	53.4	50.4
Average Daily Sales Per Capita (Gallons)	132.0	130.0	133.7	142.0	132.1

2. Water Production (Millions of Gallons)

Fiscal Year Ended June 30

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
<u>From MWD</u>					
Purchases, not including in-lieu water	13,673	7,877	3,581	4,854	4,170
In-lieu Program or CUP Water ⁽¹⁾	-	-	-	3,913	-
Total Purchases from MWD	<u>13,673</u>	<u>7,877</u>	<u>3,581</u>	<u>8,767</u>	<u>4,170</u>
Percentage of Total Supply	74%	42%	20%	45%	23%
<u>From Water System Wells</u>					
Pumping from Groundwater Wells	4,921	10,947	14,603	14,655	14,217
In-lieu Program or CUP Water ⁽¹⁾	-	-	-	(3,913)	-
Pumping above BPP per OCWD's request	-	-	-	-	-
Total Pumping from System Wells	<u>4,921</u>	<u>10,947</u>	<u>14,603</u>	<u>10,742</u>	<u>14,217</u>
Percentage of Total Supply (not incl in-lieu)	26%	58%	80%	55%	77%
Total Water Production ⁽²⁾	<u>18,594</u>	<u>18,824</u>	<u>18,184</u>	<u>19,509</u>	<u>18,387</u>

(1) In-lieu Program or Conjunctive Use Program (CUP) Water represents water taken from MWD, at OCWD's request and at the OCWD standard rate, in lieu of permitted groundwater pumping in order to replenish the Orange County Groundwater Basin.

(2) Total Water Production represents all water produced in local wells and purchases from MWD. This differs from water sales, which also accounts for water losses in the system that occur during distribution, and timing differences between actual production and billing.

3. Water Sales

Fiscal Year Ended June 30

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Water Sold (in millions of gallons)					
Residential	10,979	10,255	10,213	10,795	10,004
Commercial and Industrial	6,487	6,847	7,285	7,739	7,163
Other	267	259	262	272	257
Total	<u>17,733</u>	<u>17,361</u>	<u>17,760</u>	<u>18,806</u>	<u>17,424</u>
Billed Revenues (in thousands)					
Residential	\$ 57,753	\$ 50,006	\$ 45,704	\$ 45,302	\$ 39,750
Commercial and Industrial	31,810	29,996	29,022	28,926	24,929
Other	4,144	3,905	3,746	3,675	3,515
Total	<u>\$ 93,707</u>	<u>\$ 83,907</u>	<u>\$ 78,472</u>	<u>\$ 77,903</u>	<u>\$ 68,194</u>

**City of Anaheim Water Utility
Continuing Disclosure Tabular Requirements**

4. Major Water Customers (in alphabetic order)

Commercial and Industrial Customers

Anaheim Hills Planned Community Association	Homeowners Association
Colony Park Condominium Association	Homeowners Association
Disneyland Resort	Recreation, Entertainment and Lodging
Expo Dyeing and Finishing, Inc.	Textile Manufacturer
Kaiser Foundation	Healthcare
Anaheim Shores HOA	Homeowners Association
Makar Anaheim, LLC	Hotel Operations
Nor-Cal Beverage Company, Inc.	Beverage Container Manufacturer
Rondell Homes, Inc.	Management Company
Summit Community Homeowners Association	Homeowners Association

Public Agency Customers

Anaheim Union High School District	Education
Anaheim Elementary School District	Education
City of Anaheim	Municipal Government
County of Orange	County Government

5 Operating Expenses

(Excluding Depreciation and Amortization)
(\$ in thousands)

Fiscal Year Ended June 30

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Purchased water	\$ 50,358	\$ 40,952	\$ 33,789	\$ 35,028	\$ 27,581
Treatment and pumping	4,799	6,712	7,622	7,954	8,367
Operations, maintenance and administration	21,779	20,620	16,693	15,949	19,645
Right of way fee	1,274	1,195	1,169	1,044	894
Total	\$ 78,210	\$ 69,479	\$ 59,273	\$ 59,975	\$ 56,487

6. Financial Results of the Water System

(\$ in thousands)

Fiscal Year Ended June 30

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
REVENUES:					
Sale of water					
Residential	\$ 57,753	\$ 50,006	\$ 45,704	\$ 45,302	\$ 39,750
Commercial/Industrial	31,810	29,996	29,022	28,926	24,929
Other	4,144	3,905	3,746	3,675	3,515
Billed revenue from the sale of water	93,707	83,907	78,472	77,903	68,194
Change in unbilled water revenue					
Total revenue from the sale of water	93,707	83,907	78,472	77,903	68,194
Rate Stabilization Account revenues	1,670	-	-	-	1,375
Other revenue (including interest income)	1,719	4,641	4,607	2,228	2,468
Total gross revenues	97,096	88,548	83,079	80,131	72,037
EXPENSES (excluding depreciation and amortization):					
Purchased water	50,358	40,952	33,789	35,028	27,581
Treatment and pumping	4,799	6,712	7,622	7,954	8,367
Operations, maintenance, and administration	23,053	21,815	17,862	16,993	20,539
Total expenses	78,210	69,479	59,273	59,975	56,487
NET REVENUES (a)	18,886	19,069	23,806	20,156	15,550
Senior Bond debt service requirements (b)	-	-	-	-	-
Deposits to Renewal and Replacement Account	(111)	274	93	(127)	11
SURPLUS REVENUES (c)	18,997	18,795	23,713	20,283	15,539
Qualified Obligations (d)	13,481	10,882	11,009	11,008	10,195
NET REVENUES AFTER SENIOR AND PARITY DEBT SERVICE PAYMENTS	5,516	7,913	12,704	9,275	5,344
Net Transfers from (to) General Fund of the City	600	600	600	600	600
Net Transfers from (to) other funds of the City	(1,770)	(277)	(227)	(492)	(53)
BALANCE FOR OTHER PURPOSES	\$ 4,346	\$ 8,236	\$ 13,077	\$ 9,383	\$ 5,891
Senior Bond debt service coverage (a/b)	N/A	N/A	N/A	N/A	N/A
Qualified Obligation debt service coverage (c/d)	1.4	1.7	2.2	1.8	1.5
Total debt service coverage (a/(b+d))	1.4	1.8	2.2	1.8	1.5

AUDITED FINANCIAL STATEMENTS

The City of Anaheim Water Utility Fund Financial Statements for the Fiscal Year Ended June 30, 2021 (With Independent Auditors' Report Thereon dated December 22, 2021) is attached as a separate file.