



PUBLIC UTILITIES
anaheim.net/utilities

ANNUAL REPORT

For the Fiscal Year Ended June 30, 2022

Relating to:

CITY OF ANAHEIM PUBLIC UTILITIES DEPARTMENT (WATER SYSTEM)

- \$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)
- \$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)
- \$44,955,000 Anaheim Housing and Public Improvements Authority Revenue Bonds, Series 2022-A (Water System Project)
- \$79,260,000 Anaheim Housing and Public Improvements Authority Revenue Refunding Bonds, Series 2022-B (Water System Refunding) (Taxable)
- \$31,600,000 Anaheim Housing and Public Improvements Authority Revenue Refunding Bonds, Series 2022-C (Water System Refunding)

Dated as of:
December 28, 2022

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) :

⁽⁺⁾ CUSIP® is a registered trademark of American Bankers Association. CUSIP® Global Services (CGS) is managed on behalf of the American Bankers Association by S&P Capital IQ. Copyright© 2020 CUSIP Global Services. All rights reserved. CUSIP® data herein is provided by CUSIP Global Services. This data is not intended to create a database and does not serve in any way as a substitute for the CGS database. CUSIP® numbers are provided for convenience of reference only. The APU does not assume responsibility for the accuracy of such numbers.

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 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	

**Anaheim Housing and Public Improvements Authority Revenue Bonds,
Series 2022-A
(Water System Project)**

032556JF0	032556JP8	032556JW3
032556JG8	032556JQ6	032556JX1
032556JH6	032556JR4	032556JY9
032556JJ2	032556JS2	032556JZ6
032556JK9	032556JT0	032556KA9
032556JL7	032556JU7	032556KB7
032556JM5	032556JV5	032556KC5
032556JN3		

**Anaheim Housing and Public Improvements Authority Revenue Refunding
Bonds, Series 2022-B
(Water System Refunding)(Taxable)**

032556KD3	032556KJ0	032556KP6
032556KE1	032556KK7	032556KQ4
032556KF8	032556KL5	032556KR2
032556KG6	032556KM3	032556KS0
032556KH4	032556KN1	032556KT8

**Anaheim Housing and Public Improvements Authority Revenue Refunding
Bonds, Series 2022-C
(Water System Refunding)**

032556KU5	032556LA8	032556LG5
032556KV3	032556LB6	032556LH3
032556KW1	032556LC4	032556LJ9
032556KX9	032556LD2	032556LK6
032556KY7	032556LE0	032556LL4
032556KZ4	032556LF7	032556LM2

TABLE OF CONTENTS

Page

TRANSMITTAL LETTER	1
FINANCIAL AND OPERATING INFORMATION	3
TABLE 1 - Water System Statistics	3
TABLE 2 - Water Production	3
TABLE 3 - Water Sales	3
TABLE 4 - Major Water Customers	4
TABLE 5 - Operating Expenses	4
TABLE 6 - Financial Results of the Water System	4
AUDITED FINANCIAL STATEMENTS - Attached as separate file	



City of Anaheim
PUBLIC UTILITIES DEPARTMENT
Administration

Date: December 28, 2022

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 2022 - Ongoing Disclosure of Financial Information and Operating Data Relating to the Water System

This submission constitutes the 2022 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:

- \$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)
- \$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)
- \$44,955,000 Anaheim Housing and Public Improvements Authority Revenue Bonds, Series 2022-A (Water System Project)
- \$79,260,000 Anaheim Housing and Public Improvements Authority Revenue Refunding Bonds, Series 2022-B (Water System Refunding) (Taxable)
- \$31,600,000 Anaheim Housing and Public Improvements Authority Revenue Refunding Bonds, Series 2022-C (Water System Refunding)

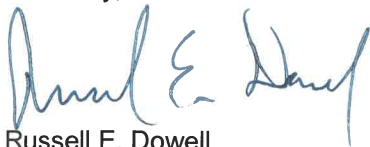
The 2022 Annual Report is provided pursuant to the covenants made by the Department in connection with the issuance of (i) the 2010-B Bonds as required by the Continuing Disclosure Agreement by and between the City and U.S Bank National Association dated as of October 1, 2010, (ii) the 2015-A Bonds as 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 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, and the 2022-A, 2022-B and 2022-C Bonds as required by the Continuing Disclosure Agreement by and between the City and U.S. Bank National Association dated as of April 1, 2022,.

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 28, 2022 with Electronic Municipal Market Access (emma.msrb.org).

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

Sincerely,

A handwritten signature in blue ink that reads "Russell E. Dowell". The signature is written in a cursive style with a large initial 'R' and 'D'.

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>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Anaheim Population Served	341,245	353,468	357,059	356,669	357,084
Population Served Outside City (Est.)	4,257	4,409	4,648	4,568	5,812
Total Population served	<u>345,502</u>	<u>357,877</u>	<u>361,707</u>	<u>361,237</u>	<u>362,896</u>
Total Water Sales (Million Gallons)	17,968	17,733	17,361	17,760	18,806
Capacity (Million Gallons Per Day)					
From Metropolitan Water District Connections	110	110	110	110	110
From Water System Wells (Average)	75	75	58	75	77
Total Supply Capacity	<u>185</u>	<u>185</u>	<u>168</u>	<u>185</u>	<u>187</u>
Treatment Plant Capacity	20	20	15	15	15
Peak day Distribution (Million Gallons)	66.9	67.4	66.7	77.1	80.1
Average Daily Distribution (Million Gallons)	52.2	51.3	50.4	50.9	54.0
Average Daily Sales Per Capita (Gallons)	142.5	132.0	130.0	133.7	142.0

2. Water Production (Millions of Gallons)

	Fiscal Year Ended June 30				
	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
<u>From MWD</u>					
Purchases, not including in-lieu water	13,715	13,673	7,877	3,581	4,854
In-lieu Program or CUP Water ⁽¹⁾	-	-	-	-	3,913
Total Purchases from MWD	<u>13,715</u>	<u>13,673</u>	<u>7,877</u>	<u>3,581</u>	<u>8,767</u>
Percentage of Total Supply	71%	74%	42%	20%	45%
<u>From Water System Wells</u>					
Pumping from Groundwater Wells	5,470	4,921	10,947	14,603	14,655
In-lieu Program or CUP Water ⁽¹⁾	-	-	-	-	(3,913)
Pumping above BPP per OCWD's request	-	-	-	-	-
Total Pumping from System Wells	<u>5,470</u>	<u>4,921</u>	<u>10,947</u>	<u>14,603</u>	<u>10,742</u>
Percentage of Total Supply (not incl in-lieu)	29%	26%	58%	80%	55%
Total Water Production ⁽²⁾	<u>19,185</u>	<u>18,594</u>	<u>18,824</u>	<u>18,184</u>	<u>19,509</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>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Water Sold (in millions of gallons)					
Residential	10,455	10,979	10,255	10,213	10,795
Commercial and Industrial	7,267	6,487	6,847	7,285	7,739
Other	246	267	259	262	272
Total	<u>17,968</u>	<u>17,733</u>	<u>17,361</u>	<u>17,760</u>	<u>18,806</u>
Billed Revenues (in thousands)					
Residential	\$ 59,024	\$ 57,753	\$ 50,006	\$ 45,704	\$ 45,302
Commercial and Industrial	37,708	31,810	29,996	29,022	28,926
Other	4,187	4,144	3,905	3,746	3,675
Total	<u>\$ 100,919</u>	<u>\$ 93,707</u>	<u>\$ 83,907</u>	<u>\$ 78,472</u>	<u>\$ 77,903</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				
	2022	2021	2020	2019	2018
Purchased water	\$ 52,079	\$ 50,358	\$ 40,952	\$ 33,789	\$ 35,028
Treatment and pumping	5,157	4,799	6,712	7,622	7,954
Operations, maintenance and administration	16,141	21,779	20,620	16,693	15,949
Right of way fee	1,378	1,274	1,195	1,169	1,044
Total	\$ 74,755	\$ 78,210	\$ 69,479	\$ 59,273	\$ 59,975

6. Financial Results of the Water System

(\$ in thousands)

	Fiscal Year Ended June 30				
	2022	2021	2020	2019	2018
REVENUES:					
Sale of water					
Residential	\$ 59,024	\$ 57,753	\$ 50,006	\$ 45,704	\$ 45,302
Commercial/Industrial	37,708	31,810	29,996	29,022	28,926
Other	4,187	4,144	3,905	3,746	3,675
Billed revenue from the sale of water	100,919	93,707	83,907	78,472	77,903
Change in unbilled water revenue					
Total revenue from the sale of water	100,919	93,707	83,907	78,472	77,903
Rate Stabilization Account revenues	-	1,670	-	-	-
Other revenue (including interest income)	272	1,719	4,641	4,607	2,228
Total gross revenues	101,191	97,096	88,548	83,079	80,131
EXPENSES (excluding depreciation and amortization):					
Purchased water	52,079	50,358	40,952	33,789	35,028
Treatment and pumping	5,157	4,799	6,712	7,622	7,954
Operations, maintenance, and administration	17,519	23,053	21,815	17,862	16,993
Total expenses	74,755	78,210	69,479	59,273	59,975
NET REVENUES (a)	26,436	18,886	19,069	23,806	20,156
Senior Bond debt service requirements (b)	-	-	-	-	-
Deposits to Renewal and Replacement Account	457	(111)	274	93	(127)
SURPLUS REVENUES (c)	25,979	18,997	18,795	23,713	20,283
Qualified Obligations (d)	13,475	13,481	10,882	11,009	11,008
NET REVENUES AFTER SENIOR AND PARITY DEBT SERVICE PAYMENTS	12,504	5,516	7,913	12,704	9,275
Net Transfers from (to) General Fund of the City	613	600	600	600	600
Net Transfers from (to) other funds of the City	(168)	(1,770)	(277)	(227)	(492)
BALANCE FOR OTHER PURPOSES	\$ 12,949	\$ 4,346	\$ 8,236	\$ 13,077	\$ 9,383
Senior Bond debt service coverage (a/b)	N/A	N/A	N/A	N/A	N/A
Qualified Obligation debt service coverage (c/d)	1.9	1.4	1.7	2.2	1.8
Total debt service coverage (a/(b+d))	2.0	1.4	1.8	2.2	1.8

AUDITED FINANCIAL STATEMENTS

The City of Anaheim Water Utility Fund Financial Statements for the Fiscal Year Ended June 30, 2022 (With Independent Auditors' Report Thereon dated December 23, 2022) is attached as a separate file.