



District Manager
Melissa Morton

VALLEJO FLOOD AND WASTEWATER DISTRICT
REGULAR MEETING AGENDA

6:00 P.M.

VALLEJO CITY HALL COUNCIL CHAMBERS
555 SANTA CLARA STREET, VALLEJO CA
94590

DECEMBER 14, 2021

Board of Trustees
Robert McConnell (President)
Tina Arriola
Hakeem Brown
Pippin Dew
Erin Hannigan
Mina Loera-Diaz
Katy Miessner
Rozzana Verder-Aliga

NOTE: IF THE MEETING HAS NOT BEGUN AT 6:00 PM, IT MAY BE DUE TO THE VALLEJO CITY COUNCIL BEING IN SESSION PAST 6PM, AND THE VFWD MEETING WILL BEGIN FOLLOWING THEIR ADJOURNMENT.

Members of the public will be able to participate in-person or remotely via Zoom.

All in-person participants are required to wear a face covering.

Members of the public interested in participating or observing remotely can join the Zoom webinar: <https://ZoomRegular.Cityofvallejo.net>.

The meeting may also be viewed by tuning in locally on Comcast Channel 28, or click this [link](#) to find and follow the meeting livestreamed.

PUBLIC COMMENT: Members of the Public may provide public comments during the Board Meeting in person, via [Zoom](#), or via phone, by dialing (669) 900-6833. For additional instructions on how to make public comment, please click [here](#).

Members of the public shall have the opportunity to comment on any item listed on this notice before or during consideration of that item by emailing as defined above. No other items may be discussed during this meeting.

The District will use best efforts to respond to any requests for disability-related modifications or accommodations, aids or services. Such requests should be made to the Clerk of the Board's office no less than 48 hours prior to the meeting as required by Section 202 of the Americans with Disabilities Act of 1990 and the federal rules and regulations adopted in implementation thereof. Please contact our office at (707) 644-8949.

Any writings or documents related to an agenda item for the open session of this meeting are available for public inspection on our website at www.vallejowastewater.org.

1. CALL TO ORDER

2. ROLL CALL AND PLEDGE OF ALLEGIANCE

3. COMMENTS ON CONSENT CALENDAR BY MEMBERS OF THE PUBLIC: *Members of the public wishing to address the Board on Consent Calendar Items are requested to follow the procedures noted [here](#). Each speaker is limited to five minutes. Requests for removal of Consent Items received from the public are subject to approval by a majority vote of the Board of Trustees. Items removed from the Consent Calendar will be heard immediately after approval of the Consent Calendar and Agenda.*

4. CONSENT CALENDAR AND APPROVAL OF AGENDA: *All matters are approved under one motion unless requested to be removed for discussion by the Board, District Manager, or requested for removal by a member of the public, which requires approval by a majority vote of the Board.*

- A. APPROVE MINUTES FROM THE REGULAR MEETING OF NOVEMBER 9, 2021.

PROPOSED ACTION

Approve the minutes from the regular meeting of November 9, 2021.

- B. APPROVE DISBURSEMENTS REGISTER FOR DECEMBER 14, 2021

PROPOSED ACTION

Adopt a resolution approving the Disbursements Register for December 14, 2021.

- C. RECEIVE MONTHLY INVESTMENT REPORT FOR OCTOBER 2021

PROPOSED ACTION

Receive the Monthly Investment Report for October 2021 as submitted.

- D. ADOPT RESOLUTION APPROVING THE 2022 REGULAR MEETING SCHEDULE FOR THE BOARD OF TRUSTEES AND THE FINANCING CORPORATION

PROPOSED ACTION

Adopt a resolution approving the 2022 regular meeting schedule for the Board of Trustees and the Financing Corporation.

- E. ADOPT RESOLUTION TO AUTHORIZE A SUPPLEMENTAL AGREEMENT TO REVISE SECTION 7.00 – “WORK SCHEDULES/WORK HOURS” OF THE TEAMSTERS LOCAL 315 MEMORANDUM OF UNDERSTANDING

PROPOSED ACTION

Adopt a resolution to authorize a supplemental agreement to revise Section 7.0 in the Teamsters Local 315 Memorandum of Understanding.

- F. RECEIVE UPDATE ON DISTRICT GOALS

PROPOSED ACTION

This item is for information only.

5. ADMINISTRATIVE ITEMS

- A. CONSIDERATION OF ADOPTING RESOLUTION TO ACCEPT THE ANNUAL COMPREHENSIVE FINANCIAL REPORT FOR FISCAL YEAR ENDING JUNE 30, 2021

PROPOSED ACTION

Adopt resolution to accept the Annual Comprehensive Financial Report for fiscal year ending June 30, 2021, as submitted.

6. DISTRICT MANAGER'S REPORT

7. **COMMUNITY FORUM:** *Anyone wishing to address the Board on any matter for which another opportunity to speak is not provided on the agenda, and which is within the jurisdiction of the Board to resolve, may follow the procedures noted [here](#). Pursuant to VFWD Rules of Procedure, Community Forum is limited to 15 minutes, with each speaker limited to **three minutes**.*
8. **REPORTS BY PRESIDING OFFICER AND TRUSTEES**
9. **ADJOURN TO CLOSED SESSION**
10. **REQUEST TO CONDUCT CLOSED SESSION**
Conference with Legal Counsel - Anticipated Litigation (Gov. Code section 54956.9)

Significant exposure to litigation pursuant to Section 54956.9(d)(2) and (4). (One case).



I, Rachelle Canones, Assistant Clerk of the Board for the Vallejo Flood and Wastewater District declare that the foregoing agenda for the December 14, 2021, Regular Meeting was posted and available for review by the required time as prescribed by law at the District office located at 450 Ryder Street, Vallejo, California. This agenda is also available on the District website at www.vallejowastewater.org.



District Manager
Melissa Morton

VALLEJO FLOOD AND WASTEWATER DISTRICT SPECIAL MEETING MINUTES

5:00 P.M.

NOVEMBER 9, 2021
VIA TELECONFERENCE

[Return to Agenda](#)

Board of Trustees
Robert McConnell (President)
Tina Arriola
Hakeem Brown
Pippin Dew
Mina Loera-Diaz
Erin Hannigan
Katy Miessner
Rozzana Verder-Aliga

1. **CALL TO ORDER** - The special meeting of the Vallejo Flood and Wastewater District was called to order at 5:02 PM by President McConnell.
2. **ROLL CALL AND PLEDGE OF ALLEGIANCE** – On roll call, present were: President McConnell, and Trustees Arriola, Dew, Hannigan, and Miessner. Trustees Brown and Loera-Diaz both arrived subsequent to both the Call to Order and consideration of Item 4 – Consent Calendar, but were present for consideration of Item 5 - Public Hearing.

Trustee Verder-Aliga was not present at the meeting.

Others present were: Melissa Morton, District Manager; MJ Brown, Clerk of the Board; Rachelle Canones, Asst. Clerk of the Board; Jeff Tucker, Director of Finance; and Leah Castella, General Counsel.

3. **COMMENTS ON CONSENT CALENDAR BY MEMBERS OF THE PUBLIC:** *Members of the public wishing to address the Board on Consent Calendar Items are requested to follow the procedures noted [here](#). Each speaker is limited to five minutes. Requests for removal of Consent Items received from the public are subject to approval by a majority vote of the Board of Trustees. Items removed from the Consent Calendar will be heard immediately after approval of the Consent Calendar and Agenda. – No speakers.*
4. **CONSENT CALENDAR AND APPROVAL OF AGENDA:** *All matters are approved under one motion unless requested to be removed for discussion by the Board, District Manager, or requested for removal by a member of the public, which requires approval by a majority vote of the Board.*

In the absence of the Vice-President, President McConnell moved for approval of the Consent Calendar and Agenda; the vote was taken by roll call.

AYES: President McConnell, Arriola, Dew, Hannigan, and Miessner
NOES: None
ABSENT: Brown, Loera-Diaz, Verder-Aliga
ABSTAIN: None

- A. APPROVE MINUTES FROM THE REGULAR MEETING OF NOVEMBER 9, 2021.

PROPOSED ACTION

Approve the minutes from the regular meeting of November 9, 2021.

- B. APPROVE DISBURSEMENTS REGISTER FOR NOVEMBER 9, 2021

PROPOSED ACTION

Adopt a resolution approving the Disbursements Register for November 9, 2021.
[Resolution 2021-6031](#)

- C. RECEIVE MONTHLY INVESTMENT REPORT FOR SEPTEMBER 2021
PROPOSED ACTION
Receive the Monthly Investment Report for September 2021 as submitted.
- D. RECEIVE FIRST QUARTER BUDGET TO ACTUAL REPORT FOR FY 2021-22
PROPOSED ACTION
This item is for information only.
- E. ADOPT RESOLUTION TO AWARD CONSTRUCTION CONTRACT FOR THE SOUTH SECONDARY CLARIFIER REHABILITATION PROJECT (PSC006) TO C. OVERAA & COMPANY , INC. IN THE AMOUNT OF \$1,346,000
PROPOSED ACTION
Adopt a resolution awarding the construction contract for the South Secondary Clarifier Rehabilitation Project (PSC006) to C. Overaa & Company based on a bid of \$1,346,000 and authorizing the District Manager to execute the construction contract and change orders up to a total amount not to exceed \$1,598,000.
[Resolution 2021-6032](#)

5. PUBLIC HEARING

- A. HOLD A PUBLIC HEARING AND APPROVE RESOLUTION FINDING NO MAJORITY PROTEST AND OVERRULING ALL PROTESTS, AUTHORIZING THE USE OF A MAIL BALLOT ELECTION, AND CALLING A SPECIAL MAIL BALLOT ELECTION FOR APRIL 7, 2022 FOR SUBMITTAL OF PROPOSED STORMWATER FEES TO OWNERS OF REAL PROPERTY SUBJECT TO THE FEES
PROPOSED ACTION
Hold a public hearing and approve the attached resolution finding no majority protest and overruling all protests, authorizing the use of a mail ballot election, calling a special mail ballot election for April 7, 2022, for submittal of proposed stormwater fees to owners of real property subject to the fees.
[Resolution 2021-6033](#)
[There was one speaker.](#)

6. **DISTRICT MANAGER'S REPORT** – [District Manager Melissa Morton reported on the recent large rain event and reviewed the District actions to prevent an overflow; she said the staff had done an extraordinary job preventing an environmental violation.](#)
7. **COMMUNITY FORUM:** *Anyone wishing to address the Board on any matter for which another opportunity to speak is not provided on the agenda, and which is within the jurisdiction of the Board to resolve, may follow the procedures noted [here](#). Pursuant to VFWD Rules of Procedure, Community Forum is limited to 15 minutes, with each speaker limited to **three minutes**. – [No comments](#)*
8. **REPORTS BY PRESIDING OFFICER AND TRUSTEES** – [None](#)
9. **ADJOURNMENT** – [5:30 PM](#)

This is to certify that the foregoing is the true and correct meeting minutes as approved by the Board of Trustees on December 14, 2021

VALLEJO FLOOD AND WASTEWATER DISTRICT
DISBURSEMENTS REGISTER
REGULAR MEETING OF THE BOARD OF TRUSTEES
MEETING DATE: DECEMBER 14, 2021

Ck Date	Ck No	Vendor Name	Amount	Description
11/1/2021	84301	CALPERS	7,773.54	PAYROLL SUMMARY
	84302	JACK FROST DESIGN INC	6,090.00	SERVER MAINT OCT-DEC 2021
		Subtotal	<u>13,863.54</u>	
11/5/2021	84303	A+ WATERWORKS	19,382.60	LOWER LATERAL REPLACE - 3 LOC
	84304	ACCOUNTING PRINCIPALS INC	2,000.00	1 TEMP - SVCS WK END 10/17/21
	84305	ACCOUNTING PRINCIPALS INC	1,600.00	1 TEMP - SVCS WK END 10/25/21
	84306	ADVANCED TRENCHLESS INC.	4,350.00	LOWER LATERAL REPLACEMENT
	84307	AFLAC	2,149.74	PAYROLL SUMMARY
	84308	B & G TIRES OF VALLEJO	203.28	FLAT REPAIR
	84309	BAY AREA BARRICADE INC	103.58	HIP BOOT 14 BOSS
	84310	BAYSHORE BUILDING MATERIALS	283.01	CONCRETE, TRAILER
	84311	BEARING ENGINEERING CO	420.13	V-BELTS, TIMING BELT
	84312	BEECHER ENGINEERING INC	1,600.00	SEARS PT PS CONDUIT REPAIR
	84313	BKF ENGINEERS	2,706.25	SW TRASH CAPTURE PROGRM
	84314	BOLT STAFFING SERVICE INC	4,130.31	2 TEMPS - SVCS WK END OCT 15, 17, 22, 24
	84315	KEVIN J BOOK	96.00	CWEA COLLECT SYST MAINT G2
	84316	CALIFORNIA SPECIAL DISTRICT ASSN	1,750.00	2022 CSDA RENEWAL
	84317	CALTEST LAB	1,745.15	LAB SERVICES
	84318	CAROLLO ENGINEERS, INC.	80,384.00	COLLECT SYST MASTER PLAN
	84319	CDW GOVERNMENT INC	22,083.46	ZOOM LICENSE/ ADOBE ACROBAT/ILLUSTR
	84320	CINTAS CORPORATION NO 3	844.97	LAUNDRY SERVICE
	84321	CITY OF VALLEJO	35,361.94	STREET SWEEPING QTR 1 FY21/22
	84322	CITY OF VALLEJO WATER BILLING	502.63	WATER CHARGES
	84323	COBRACHECK	1,080.00	ANNUAL COBRA SVC
	84324	CONCRETE WALL SAWING CO INC	880.00	CORE DRILLING
	84325	CSRMA	3,412.28	FILE NO. 3007953 CLAIM PAYMENT
	84326	DEPENDABLE JANITORIAL SVC & SUPPLY	5,900.00	OCT 2021 JANITOR SVCS

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	84327	DKF SOLUTIONS GROUP LLC	2,500.00	DEVELOP CBT RE: SAFETY
	84328	DLT SOLUTIONS LLC	7,141.24	AUTOCAD CIVIL3D, RENWALS
	84329	E & M INC	30,385.00	AVEVA HISTORIAN/SUPPRT - NETWRK REHB
	84330	ELAVON, INC.	162.78	SEPT MERCHANT FEES
	84331	EMPLOYMENT SCREENING RESOURCES	44.00	BACKGROUND CHECK
	84332	EOA INC	1,734.10	SW MGMT/REPORTING
	84333	ERIKA NOLI	3,150.00	UPPER LATERAL REPLACEMENT
	84334	GES, LLC	118,550.00	CRATER MAX MEDIA
	84335	GLOBALSTAR USA	336.61	08/16/21 - 11/15/21
	84336	WW GRAINGER	645.17	ELECT SUPPLIES
	84337	GRAYBAR	594.27	CABLE, GALVANIZED RIGID CPLG
	84338	GRAYMONT WESTERN US INC	8,291.47	HIGH CALCIUM QUICKLIME
	84339	HACH COMPANY	791.31	M-EI AGAR PLATES
	84340	HARRINGTON PLASTICS, INC	1,456.94	2199 ACT VLV PART & ACC
	84341	HAZEN AND SAWYER	23,538.75	WW TREATMENT PLAN
	84342	HDR ENGINEERING, INC.	23,114.00	SOLID BLDG FIRE ALARM SYS
	84343	HELIX LABORATORIES INC	27,180.45	COMMANDER 330 GALLON TOTE
	84344	INDUSTRIAL SCIENTIFIC CORP	1,919.35	INET GAS MONITOR OCT 2021
	84345	INFERRERA CONSTRUCTION MGMT GROUP	733.50	SW TRASH CAPTURE PROJECT
	84346	INFOSEND INC	15,463.37	FALL NEWSLETTER MAILING
	84347	INLAND BUSINESS SYSTEMS	302.37	CONTRACT BASE RATE
	84348	JOHN GORDON	2,750.00	UPPER LATERAL REPLACEMENT
	84349	JR'S ROAD SERVICE	1,410.20	REPAIR/MAINT - 7 EQ
	84350	K.J. WOODS CONSTRUCTION INC.	180,940.59	SW TRASH CAP PROJ -RETENTION
	84351	KAISER PERMANENTE MEDICAL GROUP	676.00	PHYSICAL EXAM
	84352	KELLY MOORE PAINT	368.93	PAINT
	84353	KEVIN GUAN	500.00	DISTRICT CLEANOUT
	84354	KIMBALL MIDWEST	2,758.22	FM SHOP SUPPLY RESTOCK
	84355	MICHAEL LAMPHEAR	192.00	CWEA COLL SYST MAINT G3

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	84356	LANGUAGE PEOPLE, INC.	125.00	BILINGUAL VERIFICATION
	84357	MALLORY SAFETY AND SUPPLY LLC	30.40	FREIGHT CHARGES
	84358	MCMaster-CARR SUPPLY COMPANY	2,785.95	FM/ELECT SUPPLIES
	84359	NAPA VALLEY PETROLEUM INC	69.91	ALUM F.L. CYL EX
	84360	O'CONNOR LUMBER	34.64	DR HLDR KICK-DOWN 4
	84361	PACIFIC GAS & ELECTRIC	9,600.58	GAS/ELECTRIC CHARGES
	84362	PFM ASSET MANAGEMENT	3,500.00	ARBITRAGE REPORT 2011A REV BONDS
	84363	PONCIA FERTILIZER, INC.	36,514.97	BIOSOLIDS TUBBS PROJECT
	84364	PONDER ENVIRONMENTAL SERVICES, INC.	1,810.10	TRANSPORT SCUM, WASHOUT
	84365	QUADIENT FINANCE USA, INC.	200.00	POSTAGE
	84366	RAMOS OIL CO	25,751.01	FUEL/DIESEL
	84367	RECOLOGY VALLEJO	6,308.21	OCTOBER SERVICE
	84368	RED WING SHOE STORE	529.90	SAFETY BOOTS - 2 EES
	84369	SAFETY-KLEEN SYSTEMS, INC.	504.04	AQUEOUS SAMPLE TUBE WASHR
	84370	SAYMA ARNAUTOVICH	1,721.00	UPPER LATERAL REPLACEMENT
	84371	SHANA ALEXANDER	2,473.00	UPPER LATERAL REPLACEMENT
	84372	SIERRA SAFETY TRAINING, INC.	1,595.00	CONFINED SPACE ENTRY REVIEW REGS
	84373	SOLANO PRINT PLUS	63.73	CUSTOMER INFO SSO FORM
	84374	SUAN CRACRAFT	2,425.00	UPPER LATERAL REPLACEMENT
	84375	T.H.E. OFFICE CITY	146.80	OFFICE SUPPLIES
	84376	THOMAS FISH CO	183.80	RAINBOW TROUT
	84377	TRITON TRUCK REPAIR INC.	375.00	CHECK ENGINE LIGHT
	84378	TYLER TECHNOLOGIES, INC.	652.00	ERP - PHASE 1 IMP
	84379	UNIVAR SOLUTIONS USA INC	7,131.31	SODIUM HYPOCHLORITE
	84380	URGENT CARE AND TELEHEALTH	4,680.00	COVID TESTING - 16, 21 & 14 EES
	84381	VALLEJO ELECTRIC MOTOR	33,947.50	OVERHAUL MOTOR/ REPLACE PUMP
	84382	VALLEJO TIMES HERALD	1,107.00	ADVERTISING
	84383	VWR SCIENTIFIC	248.47	LAB SUPPLIES
	84384	WECO INDUSTRIES LLC	2,123.16	SEWER HOSE

VALLEJO FLOOD AND WASTEWATER DISTRICT
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	84385	WEST YOST & ASSOCIATES	71,448.58	NEW BEDFORD PUMP STN
	84386	XEROX FINANCIAL SERVICES	546.20	OCT LEASE PMT
	84387	XTREME SCAFFOLDING	599.76	SET TWO MODULAR TOWERS
	84388	DEX YP	333.90	ADVERTISING CHARGES
	84389	ZENA EDWARDS	2,346.00	UPPER LATERAL REPLACEMENT
		Subtotal	<u>872,511.87</u>	
11/19/2021	84390	ABAG POWER	17,718.70	FY22 - LEVEL CHRG NAT GAS
	84391	ACCESS	484.36	STORAGE/SHREDDING 11/2021
	84392	ACCOUNTING PRINCIPALS INC	3,200.00	1 TEMP - SVCS WK END 10/31/21, 11/07/21
	84394	ACTENVIRO	184,362.70	SOLIDS BLDG JETTING/VACUUMING
	84395	ALLIANT INSURANCE SERVICES	1,805.00	1ST QTR ENDORSEMENT
	84396	AT&T	674.44	9/27/21 - 10/26/21
	84397	AT&T MOBILITY	11,987.89	09/03/21 - 11/02/21
	84398	B & G TIRES OF VALLEJO	425.82	FLAT REPAIR/ REPLACE TIRE
	84399	BAY AREA AIR QUALITY MGT DIST	1,105.00	PERMIT TO OPERATE/RENEWAL
	84400	BAYSHORE BUILDING MATERIALS	1,745.69	CONCRETE/TRAILER
	84401	BELL PRODUCTS INC	4,700.50	HVAC MAINT/REPAIR
	84402	BERT WILLIAMS & SONS INC	21.65	WINDSHIELD WIPER BLADE
	84403	BEST BEST & KRIEGER LLP	682.50	SW RATE ADOPTION
	84404	BKF ENGINEERS	48,067.03	TRASH CAPTURE - AUSTIN CK
	84405	BOLT STAFFING SERVICE INC	4,743.70	3 TEMPS SVCS WK END 10/29, 10/31, 11/07
	84406	BRENNTAG PACIFIC	8,359.56	SODIUM BISULFITE
	84407	BURKE, WILLIAMS & SORENSEN, LLP	9,842.00	LEGAL SVCS OCT 2021
	84408	CALPERS	8,088.04	PAYROLL SUMMARY
	84409	CALTEST LAB	581.40	LAB SERVICES
	84410	CANONES, RACHELLE	9.46	MILEAGE REIMB
	84411	CANTO	7,200.00	PHOTO MGMT SVCS

VALLEJO FLOOD AND WASTEWATER DISTRICT
DISBURSEMENTS REGISTER
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	84412	CDW GOVERNMENT INC	5,493.68	HNI SUPPORT, NVIDIA GRID VPC SUMS
	84413	CHAVEZ TRANSPORT, INC.	550.00	TRANSPORT
	84414	CINTAS CORPORATION NO 3	2,703.20	LAUNDRY SERVICE
	84415	CITY OF VALLEJO PUBLIC WORKS DEPT	2,384.00	EXCAVATION PERMIT - 2 LOC
	84417	CITY OF VALLEJO WATER BILLING	9,329.44	WATER CHARGES
	84418	COMCAST	164.84	10/29/21 - 11/28/21
	84419	CORE & MAIN LP	3,716.84	SEWER PIPE, SHEAR RING
	84420	CRESCO EQUIPMENT	185.86	HAND HELD CORE DRILL
	84421	DELTA DENTAL PLAN	33,145.98	SEPT & OCT 2021-DENTAL PRM
	84422	DENNIS O'HARA	1,946.00	UPPER LATERAL REPLACEMENT
	84423	DIANNE QUICK	1,760.00	UPPER LATERAL REPLACEMENT
	84424	DIRECT LINE, INC.	572.20	BASE RATE FOR NOV 2021
	84425	DKF SOLUTIONS GROUP LLC	9,600.00	CONSULT CALOSHA, CBT SAFETY POLICY
	84426	EAST BAY TIRE CO	1,147.53	FLAT REPAIR, NEW TIRES
	84427	ELAVON, INC.	240.41	MERCHANT FEES
	84428	ENTERPRISE FM TRUST	8,621.39	LEASE-ENTERPRISE
	84429	EOA INC	7,687.42	SW MGMT REPORTING
	84430	CHASTITY FADRIGO	3,925.00	EDUCATION ASSIST PROGRAM
	84431	GOOGLE, INC	756.76	GOOGLE CLOUD OCT 2021
	84432	WW GRAINGER	682.24	PHOTOCNTRL PIPE THREAD
	84433	GRAYBAR	2,504.57	PORTS, 8 SLOTS ETHERNET, AC SUPPLY
	84434	GRAYMONT WESTERN US INC	7,974.41	HIGH CALCIUM QUICKLIME
	84435	GSE CONSTRUCTION CO INC	66,775.00	REPAIR SOLID BLDG PLATFORM, CLFR STAIR
	84436	HAZEN AND SAWYER	10,675.00	SO SECOND CLARIFIER REHAB
	84437	INFOSEND INC	18,293.84	FALL MAILER PUBLIC HEARNG NOTICE
	84438	INLAND BUSINESS SYSTEMS	120.52	CONTRACT OVERAGE 10/21
	84439	INNOVATIVE TECHNICAL CONSULTING INC	5,500.00	IBM POWER 8 MAINT, SUNGRD APP UPGRD
	84440	ISLAND ENERGY	3,130.02	ENERGY CHARGES
	84441	JR'S ROAD SERVICE	2,468.13	REPAIR/MAINT - 10 EQUIP

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	84442	KIMBALL MIDWEST	2,440.67	FOPS/FM SHOP SUPPLIES
	84443	LAW OFFICE OF DANIEL P DOPORTO	245.00	DRAFT IOD EXHIBIT TO DDA
	84444	LIA MEDINA	1,850.00	UPPER LATERAL REPLACEMENT
	84445	LIPPINCOTT SUPPLY CO	95.10	WEDGE ANCH STAINLESS
	84446	LYSTEK INTERNATIONAL LIMITED	6,338.06	BIOSOLIDS DELIVERED
	84447	MANAGED HEALTH NETWORK	424.16	EMPLOYEE ASSISTANCE
	84448	MANN, URRUTIA, NELSON CPAS	8,000.00	AUDIT FY END 6/30/21
	84449	MATHEWS & SONS AUTOMOTIVE INC	129.96	SMOG - 2 VEHICLES
	84450	MCMASTER-CARR SUPPLY COMPANY	1,396.15	PLASTIC CORD GRIP, WASHDOWN ENCLOSURE
	84451	MUNICIPAL CODE CORPORATION	550.00	ONLINE CODE HOSTING
	84452	MUNICIPAL MAINTENANCE EQUIPMENT	511.17	TURBO NOZZLE REBUILD KIT
	84453	NEW IMAGE LANDSCAPE COMPANY	85,544.32	TILLED LAWN AREAS, WEED ABATEMENT
	84454	O'CONNOR LUMBER	15.16	EMT CONDUIT
	84455	ONE WORKPLACE	742.43	OVERHEAD BIN FOR DESK, BIN WITH LOCK
	84456	PACIFIC GAS & ELECTRIC	125,086.21	ELECTRIC/GAS CHARGES
	84457	PAN-PACIFIC SUPPLY COMPANY	4,560.91	CHESTERTON ARC SYS KIT
	84458	PANORAMA ENVIRONMENTAL, INC.	14,569.00	SW TRASH CAPTURE PROJ - AUSTIN CK
	84459	PLATT ELECTRIC	31.05	ELECTRICAL SUPPLIES
	84460	POLYDYNE INC	11,867.89	CLAIFLOC WE2100
	84461	PONDER ENVIRONMENTAL SERVICES, INC.	635.00	DELIVER 20 YD BIN
	84462	QUADIENT LEASING USA, INC.	1,149.13	LEASE PAYMENT 12/6/21-3/5/22
	84463	SOHRAB JOUZDANI	220.00	REFUND PLAN CHECK FEE
	84464	SPARTAN TOOL	15.42	SALES TAX NOT ON ORIG INV
	84465	SUEZ WTS SERVICES USA, INC.	108.92	RENTAL DI MIX BED
	84466	SVT GRUPPE, INC.	2,700.00	SECURITY PATROL SVC
	84467	SYAR INDUSTRIES INC	5,677.71	CUTBACK, 3/4 AGGREGATE BASE
	84468	T.H.E. OFFICE CITY	560.79	OFFICE SUPPLIES
	84469	TERRACON CONSULTANTS, INC.	490.00	TASK: SOILS
	84470	TPX COMMUNICATIONS	730.39	IN-HOUSE PHONE

VALLEJO FLOOD AND WASTEWATER DISTRICT
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MEETING DATE: DECEMBER 14, 2021

Ck Date	Ck No	Vendor Name	Amount	Description
	84471	UNIVAR SOLUTIONS USA INC	3,342.04	SODIUM HYPOCHLORITE
	84472	URGENT CARE AND TELEHEALTH	2,000.00	COVID TEST - 25 EES
	84473	VALLEJO TIMES HERALD	319.56	SO SECONDARY CARIFIER ADVERT
	84474	VALLEY YELLOW PAGES	300.00	PRINT ADVERTISING
	84475	VISION COMMUNICATIONS	21,281.57	INSTALL ANTENNA
	84476	VISION SERVICE PLAN (CA)	3,278.90	VISION PRM
	84477	VWR SCIENTIFIC	416.77	LAB SUPPLIES
	84478	WECO INDUSTRIES LLC	7,615.91	PIN DOWEL, SHAFT, GROMMET O-RING
	84479	WOODARD & CURRAN, INC.	35,164.44	SEARS PT PS PHASE 2
	84480	YOGA WITH YOUR BOOTS ON	5,600.00	16 & 12 YOGA CLASSES
		Subtotal	<u>883,863.51</u>	
		Grand Total	<u><u>1,770,238.92</u></u>	

RESOLUTION NUMBER 2021-

**A RESOLUTION TO APPROVE THE DISBURSEMENT REGISTER FOR
DECEMBER 14, 2021**

BE IT RESOLVED, by the Board of Trustees of the Vallejo Flood and Wastewater District of Solano County, California as follows:

WHEREAS, the District maintains general checking to facilitate operating cash disbursements;

WHEREAS, general checking disbursements must be authorized by the Board of Trustees;

WHEREAS, claims as enumerated on the attached Disbursement Register and for the respective amounts set opposite the name of each person or firm total \$1,770,238.92.

IT IS, THEREFORE, RESOLVED, by the Board of Trustees of the Vallejo Flood and Wastewater District that the Board approves the Disbursement Register for December 14th, 2021.

BE IT FURTHER RESOLVED, that all claims be paid.

ADOPTED by the Board of Trustees of the Vallejo Flood and Wastewater District on the 14th day of December 2021, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

WITNESS my hand and the Seal of said District this 14th day of December, 2021.

MJ BROWN
Clerk of the Board



District Manager
Melissa Morton

December 14, 2021

BOARD COMMUNICATION

Consent Item No. 4C

TO: THE HONORABLE PRESIDENT AND BOARD OF TRUSTEES

FROM: MELISSA MORTON, DISTRICT MANAGER 
JEFF TUCKER, FINANCE DIRECTOR/TREASURER

SUBJECT: RECEIVE MONTHLY INVESTMENT REPORT FOR OCTOBER 2021

BACKGROUND AND DISCUSSION

The California Government Code, Section 53607, requires monthly reporting of investments to the Board of Trustees. The composition of investments must conform to the District's investment policy adopted annually, and must be sufficiently liquid to meet cash flow needs for the next six months. The District adjusts its cash and investment book balances to reflect market value. The condensed investment report attached meets applicable reporting requirements.

The portfolio is designed to provide *safety* through balance, diversification, credit worthiness, and volatility reduction; *liquidity* through short-term pools, negotiable deposits, and investment laddering; and *yield (rate of return)* through longer duration, callable governments and higher yielding corporate notes where safe.

The portfolio incorporates the principles of the prudent investor standard and follows policy prepared in accordance with the requirements of the California Government Code. These requirements include public investing objectives, authorized investments, maturities, prohibited investments, reporting requirements, and Board oversight.

The District staff works closely with the Investment Advisor, Chandler Asset Management, to implement an investment strategy that considers the District's historical and anticipated liquidity needs and the current market conditions to maintain safety and maximize yield. Investments are and will continue to be purchased based upon conformance with District policy. All investments within the portfolio meet/met the California Government Code requirements for credit quality, maturity dates, and bond class percentages at the time of purchase.

The District has the financial ability to meet its cash flow requirements for the next six months.

RECOMMENDATION

Receive the Monthly Investment Report for October 2021 as submitted.

ALTERNATIVES CONSIDERED

None

ENVIRONMENTAL REVIEW

This is not a project under CEQA and no environmental review is required.

FISCAL IMPACT

None

PROPOSED ACTION

Receive the Monthly Investment Report for October 2021 as submitted.

DOCUMENTS ATTACHED

- A. Monthly Investment Report

CONTACT PERSON

Jeff Tucker, Finance Director/Treasurer, (707) 652-7802



Vallejo Flood & Wastewater District Consolidated - Account #10761

MONTHLY ACCOUNT STATEMENT

OCTOBER 1, 2021 THROUGH OCTOBER 31, 2021

Chandler Team:

For questions about your account, please call (800) 317-4747,
or contact operations@chandlerasset.com

CHANDLER ASSET MANAGEMENT
chandlerasset.com

Information contained herein is confidential. We urge you to compare this statement to the one you receive from your qualified custodian. Please see Important Disclosures.



PORTFOLIO CHARACTERISTICS

Average Modified Duration	0.66
Average Coupon	0.51%
Average Purchase YTM	0.38%
Average Market YTM	0.31%
Average S&P/Moody Rating	AA/Aa1
Average Final Maturity	0.72 yrs
Average Life	0.66 yrs

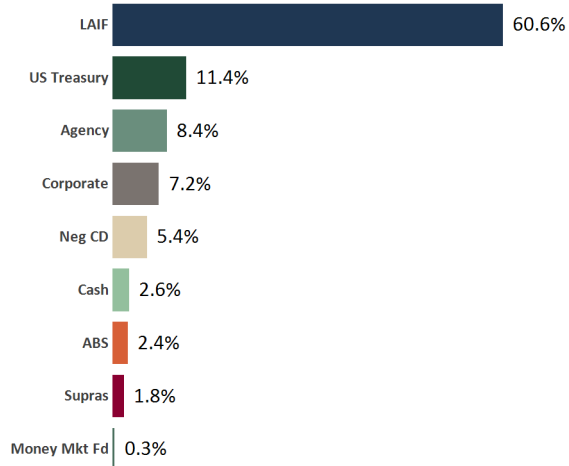
ACCOUNT SUMMARY

	Beg. Values as of 9/30/21	End Values as of 10/31/21
Market Value	31,730,851	28,356,609
Accrued Interest	32,477	27,343
Total Market Value	31,763,328	28,383,952
Income Earned	9,688	10,887
Cont/WD		
Par	31,651,509	28,321,305
Book Value	31,721,692	28,388,258
Cost Value	31,759,173	28,428,955

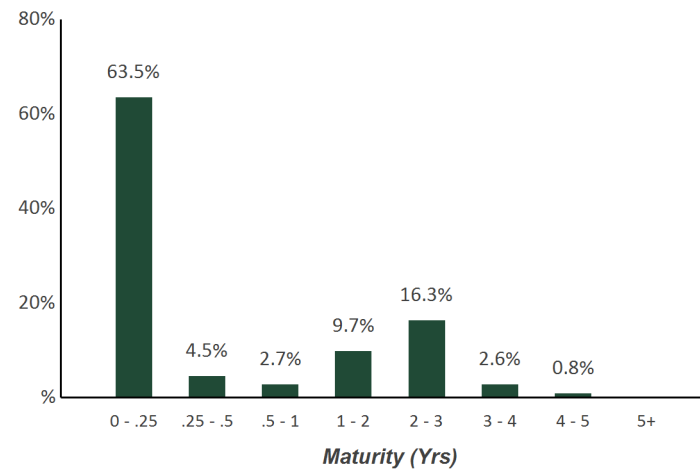
TOP ISSUERS

Local Agency Investment Fund	60.6%
Government of United States	11.4%
Federal Home Loan Mortgage Corp	3.0%
Custodial Checking Account	2.6%
Federal Farm Credit Bank	2.3%
Federal National Mortgage Assoc	2.2%
Apple Inc	0.9%
Federal Home Loan Bank	0.9%
Total	83.9%

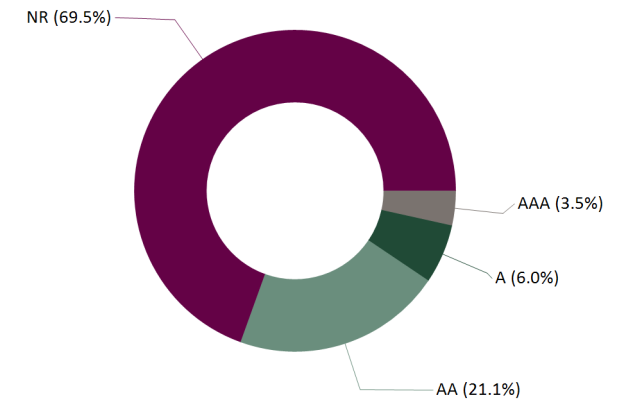
SECTOR ALLOCATION



MATURITY DISTRIBUTION



CREDIT QUALITY (S&P)



Statement of Compliance

As of October 31, 2021



Vallejo Flood & Wastewater District Consolidated

This portfolio is a consolidation of assets managed by Chandler Asset Management and assets managed internally by Client. Chandler relies on Client to provide accurate information for reporting assets and producing this compliance statement.

Category	Standard	Comment
U.S. Treasuries	No limitations; Full faith and credit of the U.S. are pledged for the payment of principal and interest	<i>Complies</i>
Federal Agencies/ U.S. Government Sponsored Enterprises	25% max per Agency/GSE issuer; 20% max federal agency callable securities; Federal agencies or U.S. government-sponsored enterprise obligations, participations, or other instruments, including those issued or fully guaranteed as to principal and interest by federal agencies or U.S. government sponsored enterprises.	<i>Complies</i>
Municipal Securities	"A" rating category or better by a Nationally Recognized Statistical Rating Organization ("NRSRO"); 30% maximum; 5% max per issuer; Include obligations of the District, State of California, and any local agency within the State of California; Bonds of any of the other 49 states in addition to California; Including bonds payable solely out of the revenues from a revenue-producing property owned, controlled, or operated by a state, or by a department, board, agency, or authority of any of the other 49 states, in addition to California.	<i>Complies</i>
Supranational Obligations	"AA" rating category or higher by a NRSRO; 30% maximum; 10% max per issuer; USD denominated senior unsecured unsubordinated obligations; Issued or unconditionally guaranteed by International Bank for Reconstruction (IBRD), International Finance Corporation (IFC), or Inter-American Development Bank (IADB)	<i>Complies</i>
Corporate Medium Term Notes	"A" rating category or better by a NRSRO; 30% maximum; 5% max per issuer; Issuing corporations must be organized and operating within the U.S. or be depository institutions licensed by the U.S. or any state and operating within the U.S.	<i>Complies</i>
Negotiable Certificates of Deposit (NCD)	No rating required if amount of the NCD is covered by FDIC insured limit; If amount is above FDIC insured limit, requires "A-1" short-term rated or better by a NRSRO; or "A" long-term issuer rating category or better by a NRSRO; 30% maximum; 5% max per issuer; Issued by a nationally or state-chartered bank, or a federal or state association, a state or federal credit union, or by a federally-licensed or state-licensed branch of a foreign bank.	<i>Complies</i>
Time Certificates of Deposit	FDIC insured/Collateralized; or Non-negotiable, fixed-term Certificates of Deposit collateralized in accordance with California Government Code; In order to secure such deposits, an institution shall maintain in the collateral pool securities having a market value of at least 10% in excess of the total amount deposited (50% in excess of the total amount of deposits secured by promissory notes secured by first mortgages and first trust deeds). The District is permitted to waive the first \$250,000 of collateral security for such deposits of the institution is insured pursuant to federal law.	<i>Complies</i>
Commercial Paper	"A-1" rated or higher by a NRSRO; "A" issuer rated or higher by a NRSRO, if any debt; 25% maximum; 5% max per issuer; 10% max of the outstanding commercial paper of any one issuer; 270 days max maturity; Issuing corporation shall be 1) organized and operating within the U.S. as a general corporation, with assets > \$500 million, and has debt, if any, that is rated "A" or higher by a NRSRO; or 2) organized within the U.S. as a special purpose corporation, trust, or LLC; has program-wide credit enhancements, including, but not limited to, over-collateralization, LOC, and rated "A-1" or higher by a NRSRO.	<i>Complies</i>
Banker's Acceptances	"A-1" short-term debt rated or better by a NRSRO; or "A" long-term debt rating category or better by a NRSRO; 40% maximum; 5% max in bankers acceptance of any one commercial bank; 180 days max maturity	<i>Complies</i>
Asset-Backed, Mortgage-Backed, Mortgage Pass-Through Securities, Collateralized Mortgage Obligations	"AA" rating category or better by a NRSRO; 20% maximum; 5% max per Asset-Backed or Commercial Mortgage issuer; From Issuers not issued by the U.S. Government and its Federal Agencies.	<i>Complies</i>
Mutual Funds and Money Market Mutual Funds	Highest rating or "AAA" rated by two NRSROs; or SEC registered investment adviser with AUM >\$500 million and experience > 5 years; 20% maximum in Money Market Mutual Funds; 10% maximum in Mutual Funds; 20% maximum combined Mutual Funds and Money Market Mutual Funds	<i>Complies</i>
Local Agency Investment Fund (LAIF)	As authorized by government code section 16429.1: Pooled investment money market fund established by the State of California and managed by the California State Treasurer's Office; Not used by investment adviser	<i>Complies</i>

Repurchase Agreements	1 year max maturity; Maintain at a level of at least 102% of the market value of the Repurchase Agreement; Securities used as collateral will be delivered to an acceptable third party custodian; Subject to Master Repurchase Agreement between the District and the provider of repurchase agreement; Not used by investment adviser	<i>Complies</i>
Prohibited	Inverse floaters; Ranges notes, Mortgage-derived or Interest-only strips from pool of mortgages; Zero interest accrual securities if held to maturity; Trading securities for the sole purpose of speculating on the future direction of interest rates; Purchasing or selling securities on margin; Reverse repurchase agreements; Securities lending or any other form of borrowing or leverage; Foreign currency denominated securities	<i>Complies</i>
Social Responsibility	Invest in companies that have a positive impact on the environment and fair workplace practices; Investments are encouraged in entities that support equality of rights, regardless of sex, race, religion, age, disability or sexual orientation; No investment is to be made in a company that receives more than 51% of its gross revenues from the production or manufacture of fossil fuels, weapons manufacturing, cigarettes, alcohol, or gaming products.	<i>Complies</i>
Max Per Issuer	5% max per issuer, with the exception of U.S. Treasuries, Federal Agencies, LAIF, Mutual Funds, Money Market Funds, or Supranational securities, or unless otherwise specified in the policy.	<i>Complies</i>
Maximum Maturity	5 years maximum maturity	<i>Complies</i>



CUSIP	Security Description	Par Value/Units	Purchase Date Book Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody/S&P Fitch	Maturity Duration
ABS									
36262XAC8	GM Financial Auto Lease Trust 2021-3 A2 0.39% Due 10/21/2024	70,000.00	08/10/2021 0.39%	69,999.05 69,999.13	99.50 0.67%	69,652.80 8.34	0.25% (346.33)	NR / AAA AAA	2.98 1.79
47787NAC3	John Deere Owner Trust 2020-B A3 0.51% Due 11/15/2024	30,000.00	07/14/2020 0.52%	29,995.43 29,997.11	100.06 0.45%	30,017.91 6.80	0.11% 20.80	Aaa / NR AAA	3.04 0.91
58769KAD6	Mercedes-Benz Auto Lease Trust 2021- B A3 0.4% Due 11/15/2024	50,000.00	06/22/2021 0.40%	49,996.23 49,996.74	99.45 0.72%	49,726.75 8.89	0.18% (269.99)	NR / AAA AAA	3.04 1.71
09690AAC7	BMW Vehicle Lease Trust 2021-2 A3 0.33% Due 12/26/2024	30,000.00	09/08/2021 0.34%	29,996.90 29,997.08	99.53 0.61%	29,859.21 1.65	0.11% (137.87)	Aaa / NR AAA	3.16 1.66
89236XAC0	Toyota Auto Receivables 2020-D A3 0.35% Due 1/15/2025	45,000.00	10/06/2020 0.36%	44,991.62 44,993.69	99.86 0.50%	44,938.53 7.00	0.16% (55.16)	NR / AAA AAA	3.21 0.93
43813GAC5	Honda Auto Receivables Trust 2021-1 A3 0.27% Due 4/21/2025	50,000.00	02/17/2021 0.27%	49,999.09 49,999.29	99.54 0.63%	49,771.60 3.75	0.18% (227.69)	Aaa / NR AAA	3.47 1.29
89240BAC2	Toyota Auto Receivables Owners 2021- A A3 0.26% Due 5/15/2025	95,000.00	02/02/2021 0.27%	94,982.37 94,986.52	99.65 0.52%	94,670.45 10.98	0.33% (316.07)	Aaa / NR AAA	3.54 1.35
47788UAC6	John Deere Owner Trust 2021-A A3 0.36% Due 9/15/2025	35,000.00	03/02/2021 0.37%	34,993.27 34,994.48	99.46 0.66%	34,812.09 5.60	0.12% (182.39)	Aaa / NR AAA	3.88 1.80
44933LAC7	Hyundai Auto Receivables Trust 2021-A A3 0.38% Due 9/15/2025	45,000.00	04/20/2021 0.38%	44,995.27 44,996.06	99.55 0.65%	44,795.70 7.60	0.16% (200.36)	NR / AAA AAA	3.88 1.72
43815EAC8	Honda Auto Receivables 2021-3 A3 0.41% Due 11/18/2025	65,000.00	08/17/2021 0.41%	64,999.05 64,999.10	99.20 0.81%	64,482.60 9.62	0.23% (516.50)	NR / AAA AAA	4.05 2.01
44934KAC8	Hyundai Auto Receivables Trust 2021-B A3 0.38% Due 1/15/2026	90,000.00	07/20/2021 0.39%	89,980.14 89,981.81	99.14 0.81%	89,226.45 15.20	0.31% (755.36)	NR / AAA AAA	4.21 2.03
47789QAC4	John Deere Owner Trust 2021-B A3 0.52% Due 3/16/2026	45,000.00	07/13/2021 0.52%	44,995.99 44,996.30	99.29 0.80%	44,680.01 10.40	0.16% (316.29)	Aaa / NR AAA	4.38 2.53



CUSIP	Security Description	Par Value/Units	Purchase Date Book Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody/S&P Fitch	Maturity Duration
ABS									
362554AC1	GM Financial Securitized Term 2021-4 A3 0.68% Due 9/16/2026	25,000.00	10/13/2021 0.68%	24,999.36 24,999.37	99.54 0.87%	24,884.98 4.72	0.09% (114.39)	Aaa / AAA NR	4.88 2.44
Total ABS		675,000.00	0.39%	674,923.77 674,936.68	0.67%	671,519.08 100.55	2.37% (3,417.60)	Aaa / AAA AAA	3.66 1.71
AGENCY									
313381BR5	FHLB Note 1.875% Due 12/9/2022	250,000.00	06/29/2020 0.25%	259,875.00 254,461.46	101.82 0.23%	254,541.75 1,848.96	0.90% 80.29	Aaa / AA+ AAA	1.11 1.09
3135G04Q3	FNMA Note 0.25% Due 5/22/2023	240,000.00	05/20/2020 0.35%	239,277.60 239,625.94	99.78 0.39%	239,471.76 265.00	0.84% (154.18)	Aaa / AA+ AAA	1.56 1.55
3135G05G4	FNMA Note 0.25% Due 7/10/2023	205,000.00	07/08/2020 0.32%	204,559.25 204,752.05	99.68 0.44%	204,340.11 158.02	0.72% (411.94)	Aaa / AA+ AAA	1.69 1.68
3133EL3V4	FFCB Note 0.2% Due 8/14/2023	250,000.00	08/12/2020 0.27%	249,477.50 249,689.36	99.51 0.48%	248,777.50 106.94	0.88% (911.86)	Aaa / AA+ AAA	1.79 1.78
3137EAEV7	FHLMC Note 0.25% Due 8/24/2023	190,000.00	08/19/2020 0.28%	189,806.20 189,883.33	99.60 0.47%	189,238.67 88.40	0.67% (644.66)	Aaa / AA+ AAA	1.81 1.81
3137EAEW5	FHLMC Note 0.25% Due 9/8/2023	130,000.00	09/02/2020 0.26%	129,957.10 129,973.61	99.59 0.47%	129,463.62 47.85	0.46% (509.99)	Aaa / AA+ AAA	1.85 1.84
3133EMBS0	FFCB Note 0.2% Due 10/2/2023	250,000.00	10/05/2020 0.26%	249,565.00 249,720.90	99.37 0.53%	248,437.25 40.28	0.88% (1,283.65)	Aaa / AA+ AAA	1.92 1.91
3137EAEY1	FHLMC Note 0.125% Due 10/16/2023	165,000.00	10/14/2020 0.25%	164,384.55 164,598.69	99.35 0.46%	163,923.71 8.59	0.58% (674.98)	Aaa / AA+ AAA	1.96 1.95
3137EAEZ8	FHLMC Note 0.25% Due 11/6/2023	210,000.00	11/03/2020 0.28%	209,811.00 209,873.25	99.46 0.52%	208,873.98 255.21	0.74% (999.27)	Aaa / AA+ AAA	2.02 2.00
3135G06H1	FNMA Note 0.25% Due 11/27/2023	185,000.00	11/23/2020 0.29%	184,789.10 184,854.66	99.47 0.51%	184,017.28 197.85	0.65% (837.38)	Aaa / AA+ AAA	2.07 2.06
3137EAF2	FHLMC Note 0.25% Due 12/4/2023	150,000.00	12/02/2020 0.28%	149,851.50 149,896.52	99.48 0.50%	149,214.30 153.13	0.53% (682.22)	Aaa / AA+ AAA	2.09 2.08



CUSIP	Security Description	Par Value/Units	Purchase Date Book Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody/S&P Fitch	Maturity Duration
AGENCY									
3133EMRZ7	FFCB Note 0.25% Due 2/26/2024	170,000.00	02/22/2021 0.26%	169,938.80 169,952.66	99.26 0.57%	168,744.89 76.74	0.59% (1,207.77)	Aaa / AA+ AAA	2.32 2.31
Total Agency		2,395,000.00	0.28%	2,401,292.60 2,397,282.43	0.46%	2,389,044.82 3,246.97	8.43% (8,237.61)	Aaa / AA+ AAA	1.81 1.80
CASH									
90CHECK\$1	Checking Deposit Bank Account	728,032.28	Various 0.00%	728,032.28 728,032.28	1.00 0.00%	728,032.28 0.00	2.56% 0.00	NR / NR NR	0.00 0.00
Total Cash		728,032.28	N/A	728,032.28 728,032.28	0.00%	728,032.28 0.00	2.56% 0.00	NR / NR NR	0.00 0.00
CORPORATE									
46625HJH4	JP Morgan Chase Note 3.2% Due 1/25/2023	200,000.00	06/26/2020 0.74%	212,482.00 205,981.79	103.33 0.49%	206,661.80 1,706.67	0.73% 680.01	A2 / A- AA-	1.24 1.21
037833BU3	Apple Inc Callable Note Cont 12/23/2022 2.85% Due 2/23/2023	250,000.00	06/02/2020 0.46%	265,165.00 256,785.20	102.76 0.43%	256,888.25 1,345.83	0.91% 103.05	Aa1 / AA+ NR	1.32 1.13
89236TJD8	Toyota Motor Credit Corp Note 0.4% Due 4/6/2023	60,000.00	04/06/2021 0.44%	59,951.40 59,965.17	99.87 0.49%	59,919.36 16.67	0.21% (45.81)	A1 / A+ A+	1.43 1.42
69371RQ82	Paccar Financial Corp Note 0.8% Due 6/8/2023	150,000.00	06/01/2020 0.85%	149,791.50 149,888.80	100.26 0.64%	150,387.45 476.67	0.53% 498.65	A1 / A+ NR	1.60 1.59
06406FAD5	Bank of NY Mellon Corp Callable Note Cont 6/16/2023 2.2% Due 8/16/2023	150,000.00	06/26/2020 0.62%	156,934.50 153,797.62	102.69 0.53%	154,037.85 687.50	0.55% 240.23	A1 / A AA-	1.79 1.60
24422EVN6	John Deere Capital Corp Note 0.45% Due 1/17/2024	145,000.00	03/01/2021 0.47%	144,897.05 144,920.80	99.45 0.70%	144,208.74 188.50	0.51% (712.06)	A2 / A A	2.21 2.19
808513BN4	Charles Schwab Corp Callable Note Cont 2/18/2024 0.75% Due 3/18/2024	150,000.00	Various 0.69%	150,272.40 150,215.14	99.84 0.82%	149,766.30 134.38	0.53% (448.84)	A2 / A A	2.38 2.27



CUSIP	Security Description	Par Value/Units	Purchase Date Book Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody/S&P Fitch	Maturity Duration
CORPORATE									
023135BW5	Amazon.com Inc Note 0.45% Due 5/12/2024	85,000.00	05/10/2021 0.50%	84,875.90 84,895.49	99.26 0.74%	84,375.17 179.56	0.30% (520.32)	A1 / AA AA-	2.53 2.50
14913R2L0	Caterpillar Financial Service Note 0.45% Due 5/17/2024	130,000.00	05/10/2021 0.50%	129,825.80 129,852.50	99.12 0.80%	128,856.26 266.50	0.45% (996.24)	A2 / A A	2.55 2.52
89114QCA4	Toronto Dominion Bank Note 2.65% Due 6/12/2024	125,000.00	08/25/2021 0.61%	132,032.50 131,577.46	104.40 0.94%	130,505.13 1,278.99	0.46% (1,072.33)	A1 / A AA-	2.62 2.51
06051GJY6	Bank of America Corp Callable Note Cont 6/14/2023 0.523% Due 6/14/2024	100,000.00	06/07/2021 0.50%	100,006.40 100,005.58	99.52 0.82%	99,521.60 199.03	0.35% (483.98)	A2 / A- AA-	2.62 1.61
89236TJH9	Toyota Motor Credit Corp Note 0.5% Due 6/18/2024	80,000.00	06/15/2021 0.54%	79,904.80 79,916.61	98.90 0.92%	79,122.32 147.78	0.28% (794.29)	A1 / A+ A+	2.63 2.60
79466LAG9	Salesforce.com Inc Callable Note Cont 7/15/2022 0.625% Due 7/15/2024	20,000.00	06/29/2021 0.64%	19,989.80 19,990.84	99.80 0.90%	19,960.84 37.85	0.07% (30.00)	A2 / A+ NR	2.71 0.70
91159HHX1	US Bancorp Callable Note Cont 6/28/2024 2.4% Due 7/30/2024	200,000.00	02/05/2021 0.47%	212,966.00 210,183.82	103.92 0.91%	207,842.00 1,213.33	0.74% (2,341.82)	A2 / A+ A+	2.75 2.57
78015K7C2	Royal Bank of Canada Note 2.25% Due 11/1/2024	150,000.00	02/05/2021 0.53%	159,499.50 157,649.85	103.66 1.01%	155,494.35 1,687.50	0.55% (2,155.50)	A2 / A AA-	3.01 2.87
Total Corporate		1,995,000.00	0.57%	2,058,594.55 2,035,626.67	0.71%	2,027,547.42 9,566.76	7.18% (8,079.25)	A1 / A+ A+	2.13 1.97
LAIF									
90LAIF\$00	Local Agency Investment Fund State Pool	17,189,341.35	Various 0.21%	17,189,341.35 17,189,341.35	1.00 0.21%	17,189,341.35 3,570.46	60.57% 0.00	NR / NR NR	0.00 0.00
Total LAIF		17,189,341.35	0.21%	17,189,341.35 17,189,341.35	0.21%	17,189,341.35 3,570.46	60.57% 0.00	NR / NR NR	0.00 0.00



CUSIP	Security Description	Par Value/Units	Purchase Date Book Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody/S&P Fitch	Maturity Duration
MONEY MARKET FUND									
31846V203	First American Govt Obligation Fund Class Y	93,931.60	Various 0.01%	93,931.60 93,931.60	1.00 0.01%	93,931.60 0.00	0.33% 0.00	Aaa / AAA AAA	0.00 0.00
Total Money Market Fund		93,931.60	0.01%	93,931.60 93,931.60	0.01%	93,931.60 0.00	0.33% 0.00	Aaa / AAA AAA	0.00 0.00
NEGOTIABLE CD									
949763EM4	Wells Fargo Bank NA Negotiable CD 2.25% Due 2/1/2022	250,000.00	01/23/2017 2.25%	250,000.00 250,000.00	100.56 0.05%	251,400.50 477.74	0.89% 1,400.50	NR / NR NR	0.25 0.25
2546722U1	Discover Bank Negotiable CD 2.25% Due 2/1/2022	250,000.00	01/30/2017 2.25%	250,000.00 250,000.00	100.57 0.00%	251,430.25 1,417.81	0.89% 1,430.25	NR / NR NR	0.25 0.25
02007GJD6	Ally Bank Negotiable CD 2.7% Due 3/21/2022	250,000.00	03/12/2019 2.70%	250,000.00 250,000.00	101.04 0.02%	252,589.00 758.22	0.89% 2,589.00	NR / NR NR	0.39 0.39
17312Q3P2	Citibank NA Negotiable CD 2.7% Due 3/21/2022	250,000.00	03/12/2019 2.68%	250,000.00 250,000.00	101.04 0.02%	252,589.00 776.71	0.89% 2,589.00	NR / NR NR	0.39 0.39
7954502A2	Sallie Mae Bank Note 2.75% Due 3/21/2022	250,000.00	03/14/2019 2.73%	250,000.00 250,000.00	101.06 0.02%	252,638.50 791.10	0.89% 2,638.50	NR / NR NR	0.39 0.39
1404202W9	Capital One Bank USA NA Negotiable CD 2.4% Due 5/17/2022	250,000.00	05/09/2017 2.40%	250,000.00 250,000.00	101.27 0.06%	253,176.75 2,761.64	0.90% 3,176.75	NR / NR NR	0.54 0.54
Total Negotiable CD		1,500,000.00	2.50%	1,500,000.00 1,500,000.00	0.03%	1,513,824.00 6,983.22	5.36% 13,824.00	NR / NR NR	0.37 0.37
SUPRANATIONAL									
459058JM6	Intl. Bank Recon & Development Note 0.25% Due 11/24/2023	105,000.00	11/17/2020 0.32%	104,774.25 104,844.76	99.30 0.59%	104,263.95 114.48	0.37% (580.81)	Aaa / AAA AAA	2.07 2.05
459058GQ0	Intl. Bank Recon & Development Note 2.5% Due 3/19/2024	125,000.00	01/26/2021 0.26%	133,742.50 131,629.35	104.30 0.68%	130,378.75 364.58	0.46% (1,250.60)	Aaa / AAA AAA	2.38 2.32
4581X0DZ8	Inter-American Dev Bank Note 0.5% Due 9/23/2024	165,000.00	09/15/2021 0.52%	164,877.90 164,882.24	99.05 0.83%	163,434.32 87.08	0.58% (1,447.92)	Aaa / AAA NR	2.90 2.86



CUSIP	Security Description	Par Value/Units	Purchase Date Book Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody/S&P Fitch	Maturity Duration
SUPRANATIONAL									
45950KCR9	International Finance Corp Note 1.375% Due 10/16/2024	100,000.00	07/12/2021 0.54%	102,690.00 102,441.34	101.66 0.80%	101,664.30 57.29	0.36% (777.04)	Aaa / AAA NR	2.96 2.90
Total Supranational		495,000.00	0.42%	506,084.65 503,797.69	0.74%	499,741.32 623.43	1.76% (4,056.37)	Aaa / AAA AAA	2.60 2.56
US TREASURY									
912828L24	US Treasury Note 1.875% Due 8/31/2022	250,000.00	06/05/2020 0.24%	259,101.56 253,387.93	101.45 0.13%	253,632.75 802.83	0.90% 244.82	Aaa / AA+ AAA	0.83 0.83
912828YK0	US Treasury Note 1.375% Due 10/15/2022	250,000.00	06/03/2020 0.22%	256,777.34 252,732.93	101.17 0.15%	252,929.75 160.54	0.89% 196.82	Aaa / AA+ AAA	0.96 0.95
91282CAP6	US Treasury Note 0.125% Due 10/15/2023	250,000.00	11/12/2020 0.23%	249,238.28 249,490.52	99.28 0.49%	248,203.00 14.59	0.87% (1,287.52)	Aaa / AA+ AAA	1.96 1.95
91282CBA8	US Treasury Note 0.125% Due 12/15/2023	250,000.00	01/06/2021 0.20%	249,472.66 249,619.25	99.10 0.55%	247,744.25 118.68	0.87% (1,875.00)	Aaa / AA+ AAA	2.12 2.11
91282CBE0	US Treasury Note 0.125% Due 1/15/2024	250,000.00	01/12/2021 0.24%	249,111.33 249,346.69	99.00 0.58%	247,509.75 92.56	0.87% (1,836.94)	Aaa / AA+ AAA	2.21 2.20
91282CBM2	US Treasury Note 0.125% Due 2/15/2024	200,000.00	02/23/2021 0.22%	199,429.69 199,560.98	98.95 0.59%	197,898.40 52.99	0.70% (1,662.58)	Aaa / AA+ AAA	2.29 2.28
91282CBR1	US Treasury Note 0.25% Due 3/15/2024	200,000.00	03/30/2021 0.33%	199,554.69 199,643.34	99.11 0.63%	198,226.60 64.92	0.70% (1,416.74)	Aaa / AA+ AAA	2.37 2.36
91282CBV2	US Treasury Note 0.375% Due 4/15/2024	250,000.00	04/29/2021 0.34%	250,224.61 250,186.17	99.32 0.66%	248,291.00 43.78	0.87% (1,895.17)	Aaa / AA+ AAA	2.46 2.44
91282CCG4	US Treasury Note 0.25% Due 6/15/2024	250,000.00	06/09/2021 0.31%	249,550.78 249,607.75	98.85 0.69%	247,119.25 237.36	0.87% (2,488.50)	Aaa / AA+ AAA	2.62 2.60
91282CCL3	US Treasury Note 0.375% Due 7/15/2024	250,000.00	07/13/2021 0.42%	249,667.97 249,700.99	99.11 0.71%	247,773.50 277.68	0.87% (1,927.49)	Aaa / AA+ AAA	2.71 2.68
912828YE4	US Treasury Note 1.25% Due 8/31/2024	250,000.00	01/08/2021 0.30%	258,554.69 256,660.81	101.46 0.73%	253,642.50 535.22	0.90% (3,018.31)	Aaa / AA+ AAA	2.84 2.78
91282CCX7	US Treasury Note 0.375% Due 9/15/2024	200,000.00	09/10/2021 0.44%	199,585.94 199,603.70	98.98 0.73%	197,968.80 97.38	0.70% (1,634.90)	Aaa / AA+ AAA	2.88 2.85



CUSIP	Security Description	Par Value/Units	Purchase Date Book Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody/S&P Fitch	Maturity Duration
US TREASURY									
91282CDB4	US Treasury Note 0.625% Due 10/15/2024	200,000.00	10/14/2021 0.63%	199,984.38 199,984.62	99.61 0.76%	199,218.80 58.38	0.70% (765.82)	Aaa / AA+ AAA	2.96 2.92
912828Z52	US Treasury Note 1.375% Due 1/31/2025	200,000.00	06/07/2021 0.48%	206,500.00 205,783.73	101.73 0.83%	203,468.80 694.97	0.72% (2,314.93)	Aaa / AA+ AAA	3.25 3.17
Total US Treasury		3,250,000.00	0.32%	3,276,753.92 3,265,309.41	0.58%	3,243,627.15 3,251.88	11.44% (21,682.26)	Aaa / AA+ AAA	2.28 2.26
				28,428,954.72		28,356,609.02	100.00%	Aa1 / AA	0.72
TOTAL PORTFOLIO		28,321,305.23	0.38%	28,388,258.11	0.31%	27,343.27	(31,649.09)	AAA	0.66
TOTAL MARKET VALUE PLUS ACCRUED						28,383,952.29			



Transaction Type	Settlement Date	CUSIP	Quantity	Security Description	Price	Acq/Disp Yield	Amount	Interest Pur/Sold	Total Amount	Gain/Loss
ACQUISITIONS										
Purchase	10/01/2021	31846V203	462.33	First American Govt Obligation Fund Class Y	1.000	0.01%	462.33	0.00	462.33	0.00
Purchase	10/01/2021	31846V203	0.96	First American Govt Obligation Fund Class Y	1.000	0.01%	0.96	0.00	0.96	0.00
Purchase	10/02/2021	31846V203	250.00	First American Govt Obligation Fund Class Y	1.000	0.01%	250.00	0.00	250.00	0.00
Purchase	10/06/2021	31846V203	118.00	First American Govt Obligation Fund Class Y	1.000	0.01%	118.00	0.00	118.00	0.00
Purchase	10/15/2021	31846V203	50,521.52	First American Govt Obligation Fund Class Y	1.000	0.01%	50,521.52	0.00	50,521.52	0.00
Purchase	10/15/2021	31846V203	2,343.75	First American Govt Obligation Fund Class Y	1.000	0.01%	2,343.75	0.00	2,343.75	0.00
Purchase	10/15/2021	31846V203	28.50	First American Govt Obligation Fund Class Y	1.000	0.01%	28.50	0.00	28.50	0.00
Purchase	10/15/2021	31846V203	12.75	First American Govt Obligation Fund Class Y	1.000	0.01%	12.75	0.00	12.75	0.00
Purchase	10/15/2021	31846V203	10.50	First American Govt Obligation Fund Class Y	1.000	0.01%	10.50	0.00	10.50	0.00
Purchase	10/15/2021	31846V203	19.50	First American Govt Obligation Fund Class Y	1.000	0.01%	19.50	0.00	19.50	0.00
Purchase	10/15/2021	31846V203	16.67	First American Govt Obligation Fund Class Y	1.000	0.01%	16.67	0.00	16.67	0.00
Purchase	10/15/2021	31846V203	13.13	First American Govt Obligation Fund Class Y	1.000	0.01%	13.13	0.00	13.13	0.00
Purchase	10/15/2021	31846V203	20.58	First American Govt Obligation Fund Class Y	1.000	0.01%	20.58	0.00	20.58	0.00
Purchase	10/15/2021	31846V203	14.25	First American Govt Obligation Fund Class Y	1.000	0.01%	14.25	0.00	14.25	0.00
Purchase	10/15/2021	90LAIF\$00	14,834.60	Local Agency Investment Fund State Pool	1.000	0.21%	14,834.60	0.00	14,834.60	0.00
Purchase	10/15/2021	91282CDB4	200,000.00	US Treasury Note 0.625% Due 10/15/2024	99.992	0.63%	199,984.38	0.00	199,984.38	0.00



Transaction Type	Settlement Date	CUSIP	Quantity	Security Description	Price	Acq/Disp Yield	Amount	Interest Pur/Sold	Total Amount	Gain/Loss
ACQUISITIONS										
Purchase	10/16/2021	31846V203	791.13	First American Govt Obligation Fund Class Y	1.000	0.01%	791.13	0.00	791.13	0.00
Purchase	10/18/2021	31846V203	22.21	First American Govt Obligation Fund Class Y	1.000	0.01%	22.21	0.00	22.21	0.00
Purchase	10/20/2021	31846V203	22.75	First American Govt Obligation Fund Class Y	1.000	0.01%	22.75	0.00	22.75	0.00
Purchase	10/21/2021	31846V203	11.25	First American Govt Obligation Fund Class Y	1.000	0.01%	11.25	0.00	11.25	0.00
Purchase	10/21/2021	362554AC1	25,000.00	GM Financial Securitized Term 2021-4 A3 0.68% Due 9/16/2026	99.997	0.68%	24,999.36	0.00	24,999.36	0.00
Purchase	10/25/2021	31846V203	11.00	First American Govt Obligation Fund Class Y	1.000	0.01%	11.00	0.00	11.00	0.00
Subtotal			294,525.38				294,509.12	0.00	294,509.12	0.00
Security Contribution	10/31/2021	90CHECK\$1	240,686.61	Checking Deposit Bank Account	1.000		240,686.61	0.00	240,686.61	0.00
Subtotal			240,686.61				240,686.61	0.00	240,686.61	0.00
TOTAL ACQUISITIONS			535,211.99				535,195.73	0.00	535,195.73	0.00
DISPOSITIONS										
Sale	10/15/2021	3133ELE75	250,000.00	FFCB Note 0.25% Due 6/2/2022	100.110	0.25%	250,275.00	230.90	250,505.90	275.79
Sale	10/21/2021	31846V203	24,999.36	First American Govt Obligation Fund Class Y	1.000	0.01%	24,999.36	0.00	24,999.36	0.00
Subtotal			274,999.36				275,274.36	230.90	275,505.26	275.79
Paydown	10/15/2021	44933LAC7	0.00	Hyundai Auto Receivables Trust 2021-A A3 0.38% Due 9/15/2025	100.000		0.00	14.25	14.25	0.00
Paydown	10/15/2021	44934KAC8	0.00	Hyundai Auto Receivables Trust 2021-B A3 0.38% Due 1/15/2026	100.000		0.00	28.50	28.50	0.00



Transaction Type	Settlement Date	CUSIP	Quantity	Security Description	Price	Acq/Disp Yield	Amount	Interest Pur/Sold	Total Amount	Gain/Loss
DISPOSITIONS										
Paydown	10/15/2021	47787NAC3	0.00	John Deere Owner Trust 2020-B A3 0.51% Due 11/15/2024	100.000		0.00	12.75	12.75	0.00
Paydown	10/15/2021	47788UAC6	0.00	John Deere Owner Trust 2021-A A3 0.36% Due 9/15/2025	100.000		0.00	10.50	10.50	0.00
Paydown	10/15/2021	47789QAC4	0.00	John Deere Owner Trust 2021-B A3 0.52% Due 3/16/2026	100.000		0.00	19.50	19.50	0.00
Paydown	10/15/2021	58769KAD6	0.00	Mercedes-Benz Auto Lease Trust 2021-B A3 0.4% Due 11/15/2024	100.000		0.00	16.67	16.67	0.00
Paydown	10/15/2021	89236XAC0	0.00	Toyota Auto Receivables 2020-D A3 0.35% Due 1/15/2025	100.000		0.00	13.13	13.13	0.00
Paydown	10/15/2021	89240BAC2	0.00	Toyota Auto Receivables Owners 2021-A A3 0.26% Due 5/15/2025	100.000		0.00	20.58	20.58	0.00
Paydown	10/18/2021	43815EAC8	0.00	Honda Auto Receivables 2021-3 A3 0.41% Due 11/18/2025	100.000		0.00	22.21	22.21	0.00
Paydown	10/20/2021	36262XAC8	0.00	GM Financial Auto Lease Trust 2021-3 A2 0.39% Due 10/21/2024	100.000		0.00	22.75	22.75	0.00
Paydown	10/21/2021	43813GAC5	0.00	Honda Auto Receivables Trust 2021-1 A3 0.27% Due 4/21/2025	100.000		0.00	11.25	11.25	0.00
Paydown	10/25/2021	09690AAC7	0.00	BMW Vehicle Lease Trust 2021-2 A3 0.33% Due 12/26/2024	100.000		0.00	11.00	11.00	0.00
Subtotal			0.00				0.00	203.09	203.09	0.00
Security Withdrawal	10/26/2021	31846V203	416.67	First American Govt Obligation Fund Class Y	1.000		416.67	0.00	416.67	0.00
Security Withdrawal	10/31/2021	90LAIF\$00	3,590,000.00	Local Agency Investment Fund State Pool	1.000		3,590,000.00	0.00	3,590,000.00	0.00
Subtotal			3,590,416.67				3,590,416.67	0.00	3,590,416.67	0.00
TOTAL DISPOSITIONS			3,865,416.03				3,865,691.03	433.99	3,866,125.02	275.79



Transaction Type	Settlement Date	CUSIP	Quantity	Security Description	Price	Acq/Disp Yield	Amount	Interest Pur/Sold	Total Amount	Gain/Loss
OTHER TRANSACTIONS										
Interest	10/01/2021	949763EM4	250,000.00	Wells Fargo Bank NA Negotiable CD 2.25% Due 2/1/2022	0.000		462.33	0.00	462.33	0.00
Interest	10/02/2021	3133EMBS0	250,000.00	FFCB Note 0.2% Due 10/2/2023	0.000		250.00	0.00	250.00	0.00
Interest	10/06/2021	89236TJD8	60,000.00	Toyota Motor Credit Corp Note 0.4% Due 4/6/2023	0.000		118.00	0.00	118.00	0.00
Interest	10/15/2021	912828YK0	250,000.00	US Treasury Note 1.375% Due 10/15/2022	0.000		1,718.75	0.00	1,718.75	0.00
Interest	10/15/2021	91282CAP6	250,000.00	US Treasury Note 0.125% Due 10/15/2023	0.000		156.25	0.00	156.25	0.00
Interest	10/15/2021	91282CBV2	250,000.00	US Treasury Note 0.375% Due 4/15/2024	0.000		468.75	0.00	468.75	0.00
Interest	10/16/2021	3137EAEY1	165,000.00	FHLMC Note 0.125% Due 10/16/2023	0.000		103.13	0.00	103.13	0.00
Interest	10/16/2021	45950KCR9	100,000.00	International Finance Corp Note 1.375% Due 10/16/2024	0.000		688.00	0.00	688.00	0.00
Subtotal			1,575,000.00				3,965.21	0.00	3,965.21	0.00
Dividend	10/01/2021	31846V203	2,427,414.88	First American Govt Obligation Fund Class Y	0.000		0.96	0.00	0.96	0.00
Dividend	10/15/2021	90LAIF\$00	2,269,490,645.70	Local Agency Investment Fund State Pool	0.000		14,834.60	0.00	14,834.60	0.00
Subtotal			2,271,918,060.58				14,835.56	0.00	14,835.56	0.00
TOTAL OTHER TRANSACTIONS			2,273,493,060.58				18,800.77	0.00	18,800.77	0.00

Income Earned

As of October 31, 2021



CUSIP	Security Description	Trade Date Settle Date Units	Book Value: Begin Book Value: Acq Book Value: Disp Book Value: End	Prior Accrued Inc. Received Ending Accrued Total Interest	Accr. Of Discount Amort. Of Premium Net Accret/Amort Income Earned	Total Income
FIXED INCOME						
023135BW5	Amazon.com Inc Note 0.45% Due 05/12/2024	05/10/2021 05/12/2021 85,000.00	84,891.98 0.00 0.00 84,895.49	147.69 0.00 179.56 31.87	3.51 0.00 3.51 35.38	35.38
037833BU3	Apple Inc Callable Note Cont 12/23/2022 2.85% Due 02/23/2023	06/02/2020 06/04/2020 250,000.00	257,289.61 0.00 0.00 256,785.20	752.08 0.00 1,345.83 593.75	0.00 504.41 (504.41) 89.34	89.34
06051GJY6	Bank of America Corp Callable Note Cont 6/14/2023 0.523% Due 06/14/2024	06/07/2021 06/14/2021 100,000.00	100,005.76 0.00 0.00 100,005.58	155.45 0.00 199.03 43.58	0.00 0.18 (0.18) 43.40	43.40
06406FAD5	Bank of NY Mellon Corp Callable Note Cont 6/16/2023 2.2% Due 08/16/2023	06/26/2020 06/30/2020 150,000.00	153,996.48 0.00 0.00 153,797.62	412.50 0.00 687.50 275.00	0.00 198.86 (198.86) 76.14	76.14
09690AAC7	BMW Vehicle Lease Trust 2021-2 A3 0.33% Due 12/26/2024	09/08/2021 09/15/2021 30,000.00	29,996.96 0.00 0.00 29,997.08	4.40 11.00 1.65 8.25	0.12 0.00 0.12 8.37	8.37
14913R2L0	Caterpillar Financial Service Note 0.45% Due 05/17/2024	05/10/2021 05/17/2021 130,000.00	129,847.58 0.00 0.00 129,852.50	217.75 0.00 266.50 48.75	4.92 0.00 4.92 53.67	53.67
24422EVN6	John Deere Capital Corp Note 0.45% Due 01/17/2024	03/01/2021 03/04/2021 145,000.00	144,917.76 0.00 0.00 144,920.80	134.13 0.00 188.50 54.37	3.04 0.00 3.04 57.41	57.41
313381BR5	FHLB Note 1.875% Due 12/09/2022	06/29/2020 06/30/2020 250,000.00	254,804.65 0.00 0.00 254,461.46	1,458.33 0.00 1,848.96 390.63	0.00 343.19 (343.19) 47.44	47.44
3133EL3V4	FFCB Note 0.2% Due 08/14/2023	08/12/2020 08/14/2020 250,000.00	249,674.57 0.00 0.00 249,689.36	65.28 0.00 106.94 41.66	14.79 0.00 14.79 56.45	56.45

Income Earned

As of October 31, 2021



CUSIP	Security Description	Trade Date Settle Date Units	Book Value: Begin Book Value: Acq Book Value: Disp Book Value: End	Prior Accrued Inc. Received Ending Accrued Total Interest	Accr. Of Discount Amort. Of Premium Net Accret/Amort Income Earned	Total Income
3133ELE75	FFCB Note Due 06/02/2022	06/02/2020 06/03/2020 0.00	249,999.16 0.00 249,999.21 0.00	206.60 230.90 0.00 24.30	0.05 0.00 0.05 24.35	24.35
3133EMBS0	FFCB Note 0.2% Due 10/02/2023	10/05/2020 10/06/2020 250,000.00	249,708.54 0.00 0.00 249,720.90	248.61 250.00 40.28 41.67	12.36 0.00 12.36 54.03	54.03
3133EMRZ7	FFCB Note 0.25% Due 02/26/2024	02/22/2021 02/26/2021 170,000.00	169,950.93 0.00 0.00 169,952.66	41.32 0.00 76.74 35.42	1.73 0.00 1.73 37.15	37.15
3135G04Q3	FNMA Note 0.25% Due 05/22/2023	05/20/2020 05/22/2020 240,000.00	239,605.48 0.00 0.00 239,625.94	215.00 0.00 265.00 50.00	20.46 0.00 20.46 70.46	70.46
3135G05G4	FNMA Note 0.25% Due 07/10/2023	07/08/2020 07/10/2020 205,000.00	204,739.58 0.00 0.00 204,752.05	115.31 0.00 158.02 42.71	12.47 0.00 12.47 55.18	55.18
3135G06H1	FNMA Note 0.25% Due 11/27/2023	11/23/2020 11/25/2020 185,000.00	184,848.70 0.00 0.00 184,854.66	159.31 0.00 197.85 38.54	5.96 0.00 5.96 44.50	44.50
3137EAEV7	FHLMC Note 0.25% Due 08/24/2023	08/19/2020 08/21/2020 190,000.00	189,877.86 0.00 0.00 189,883.33	48.82 0.00 88.40 39.58	5.47 0.00 5.47 45.05	45.05
3137EAEW5	FHLMC Note 0.25% Due 09/08/2023	09/02/2020 09/04/2020 130,000.00	129,972.40 0.00 0.00 129,973.61	20.76 0.00 47.85 27.09	1.21 0.00 1.21 28.30	28.30
3137EAEY1	FHLMC Note 0.125% Due 10/16/2023	10/14/2020 10/16/2020 165,000.00	164,581.27 0.00 0.00 164,598.69	94.53 103.13 8.59 17.19	17.42 0.00 17.42 34.61	34.61



CUSIP	Security Description	Trade Date Settle Date Units	Book Value: Begin Book Value: Acq Book Value: Disp Book Value: End	Prior Accrued Inc. Received Ending Accrued Total Interest	Accr. Of Discount Amort. Of Premium Net Accret/Amort Income Earned	Total Income
3137EAEZ8	FHLMC Note 0.25% Due 11/06/2023	11/03/2020 11/05/2020 210,000.00	209,867.91 0.00 0.00 209,873.25	211.46 0.00 255.21 43.75	5.34 0.00 5.34 49.09	49.09
3137EAF2	FHLMC Note 0.25% Due 12/04/2023	12/02/2020 12/04/2020 150,000.00	149,892.32 0.00 0.00 149,896.52	121.88 0.00 153.13 31.25	4.20 0.00 4.20 35.45	35.45
362554AC1	GM Financial Securitized Term 2021-4 A3 0.68% Due 09/16/2026	10/13/2021 10/21/2021 25,000.00	0.00 24,999.36 0.00 24,999.37	0.00 0.00 4.72 4.72	0.01 0.00 0.01 4.73	4.73
36262XAC8	GM Financial Auto Lease Trust 2021-3 A2 0.39% Due 10/21/2024	08/10/2021 08/18/2021 70,000.00	69,999.10 0.00 0.00 69,999.13	8.34 22.75 8.34 22.75	0.03 0.00 0.03 22.78	22.78
43813GAC5	Honda Auto Receivables Trust 2021-1 A3 0.27% Due 04/21/2025	02/17/2021 02/24/2021 50,000.00	49,999.27 0.00 0.00 49,999.29	3.75 11.25 3.75 11.25	0.02 0.00 0.02 11.27	11.27
43815EAC8	Honda Auto Receivables 2021-3 A3 0.41% Due 11/18/2025	08/17/2021 08/25/2021 65,000.00	64,999.08 0.00 0.00 64,999.10	9.62 22.21 9.62 22.21	0.02 0.00 0.02 22.23	22.23
44933LAC7	Hyundai Auto Receivables Trust 2021-A A3 0.38% Due 09/15/2025	04/20/2021 04/28/2021 45,000.00	44,995.93 0.00 0.00 44,996.06	7.60 14.25 7.60 14.25	0.13 0.00 0.13 14.38	14.38
44934KAC8	Hyundai Auto Receivables Trust 2021-B A3 0.38% Due 01/15/2026	07/20/2021 07/28/2021 90,000.00	89,981.27 0.00 0.00 89,981.81	15.20 28.50 15.20 28.50	0.54 0.00 0.54 29.04	29.04
4581X0DZ8	Inter-American Dev Bank Note 0.5% Due 09/23/2024	09/15/2021 09/23/2021 165,000.00	164,878.79 0.00 0.00 164,882.24	18.33 0.00 87.08 68.75	3.45 0.00 3.45 72.20	72.20

Vallejo Flood & Wastewater District Consolidated

Account #10761

Income Earned

As of October 31, 2021



CUSIP	Security Description	Trade Date Settle Date Units	Book Value: Begin Book Value: Acq Book Value: Disp Book Value: End	Prior Accrued Inc. Received Ending Accrued Total Interest	Accr. Of Discount Amort. Of Premium Net Accret/Amort Income Earned	Total Income
459058GQ0	Intl. Bank Recon & Development Note 2.5% Due 03/19/2024	01/26/2021 01/28/2021 125,000.00	131,865.84 0.00 0.00 131,629.35	104.17 0.00 364.58 260.41	0.00 236.49 (236.49) 23.92	23.92
459058JM6	Intl. Bank Recon & Development Note 0.25% Due 11/24/2023	11/17/2020 11/24/2020 105,000.00	104,838.37 0.00 0.00 104,844.76	92.60 0.00 114.48 21.88	6.39 0.00 6.39 28.27	28.27
45950KCR9	International Finance Corp Note 1.375% Due 10/16/2024	07/12/2021 07/14/2021 100,000.00	102,511.42 0.00 0.00 102,441.34	630.21 688.00 57.29 115.08	0.00 70.08 (70.08) 45.00	45.00
46625HJH4	JP Morgan Chase Note 3.2% Due 01/25/2023	06/26/2020 06/30/2020 200,000.00	206,393.87 0.00 0.00 205,981.79	1,173.33 0.00 1,706.67 533.34	0.00 412.08 (412.08) 121.26	121.26
47787NAC3	John Deere Owner Trust 2020-B A3 0.51% Due 11/15/2024	07/14/2020 07/22/2020 30,000.00	29,997.00 0.00 0.00 29,997.11	6.80 12.75 6.80 12.75	0.11 0.00 0.11 12.86	12.86
47788UAC6	John Deere Owner Trust 2021-A A3 0.36% Due 09/15/2025	03/02/2021 03/10/2021 35,000.00	34,994.32 0.00 0.00 34,994.48	5.60 10.50 5.60 10.50	0.16 0.00 0.16 10.66	10.66
47789QAC4	John Deere Owner Trust 2021-B A3 0.52% Due 03/16/2026	07/13/2021 07/21/2021 45,000.00	44,996.21 0.00 0.00 44,996.30	10.40 19.50 10.40 19.50	0.09 0.00 0.09 19.59	19.59
58769KAD6	Mercedes-Benz Auto Lease Trust 2021-B A3 0.4% Due 11/15/2024	06/22/2021 06/29/2021 50,000.00	49,996.61 0.00 0.00 49,996.74	8.89 16.67 8.89 16.67	0.13 0.00 0.13 16.80	16.80
69371RQ82	Paccar Financial Corp Note 0.8% Due 06/08/2023	06/01/2020 06/08/2020 150,000.00	149,882.90 0.00 0.00 149,888.80	376.67 0.00 476.67 100.00	5.90 0.00 5.90 105.90	105.90



CUSIP	Security Description	Trade Date Settle Date Units	Book Value: Begin Book Value: Acq Book Value: Disp Book Value: End	Prior Accrued Inc. Received Ending Accrued Total Interest	Accr. Of Discount Amort. Of Premium Net Accret/Amort Income Earned	Total Income
78015K7C2	Royal Bank of Canada Note 2.25% Due 11/01/2024	02/05/2021 02/09/2021 150,000.00	157,866.23 0.00 0.00 157,649.85	1,406.25 0.00 1,687.50 281.25	0.00 216.38 (216.38) 64.87	64.87
79466LAG9	Salesforce.com Inc Callable Note Cont 7/15/2022 0.625% Due 07/15/2024	06/29/2021 07/12/2021 20,000.00	19,990.55 0.00 0.00 19,990.84	27.43 0.00 37.85 10.42	0.29 0.00 0.29 10.71	10.71
808513BN4	Charles Schwab Corp Callable Note Cont 2/18/2024 0.75% Due 03/18/2024	Various Various 150,000.00	150,223.12 0.00 0.00 150,215.14	40.63 0.00 134.38 93.75	0.85 8.83 (7.98) 85.77	85.77
89114QCA4	Toronto Dominion Bank Note 2.65% Due 06/12/2024	08/25/2021 08/27/2021 125,000.00	131,791.19 0.00 0.00 131,577.46	1,002.95 0.00 1,278.99 276.04	0.00 213.73 (213.73) 62.31	62.31
89236TJD8	Toyota Motor Credit Corp Note 0.4% Due 04/06/2023	04/06/2021 04/09/2021 60,000.00	59,963.10 0.00 0.00 59,965.17	114.67 118.00 16.67 20.00	2.07 0.00 2.07 22.07	22.07
89236TJH9	Toyota Motor Credit Corp Note 0.5% Due 06/18/2024	06/15/2021 06/18/2021 80,000.00	79,913.92 0.00 0.00 79,916.61	114.44 0.00 147.78 33.34	2.69 0.00 2.69 36.03	36.03
89236XAC0	Toyota Auto Receivables 2020-D A3 0.35% Due 01/15/2025	10/06/2020 10/13/2020 45,000.00	44,993.52 0.00 0.00 44,993.69	7.00 13.13 7.00 13.13	0.17 0.00 0.17 13.30	13.30
89240BAC2	Toyota Auto Receivables Owners 2021-A A3 0.26% Due 05/15/2025	02/02/2021 02/08/2021 95,000.00	94,986.03 0.00 0.00 94,986.52	10.98 20.58 10.98 20.58	0.49 0.00 0.49 21.07	21.07
91159HHX1	US Bancorp Callable Note Cont 6/28/2024 2.4% Due 07/30/2024	02/05/2021 02/09/2021 200,000.00	210,509.28 0.00 0.00 210,183.82	813.33 0.00 1,213.33 400.00	0.00 325.46 (325.46) 74.54	74.54

Income Earned

As of October 31, 2021



CUSIP	Security Description	Trade Date Settle Date Units	Book Value: Begin Book Value: Acq Book Value: Disp Book Value: End	Prior Accrued Inc. Received Ending Accrued Total Interest	Accr. Of Discount Amort. Of Premium Net Accret/Amort Income Earned	Total Income
912828L24	US Treasury Note 1.875% Due 08/31/2022	06/05/2020 06/08/2020 250,000.00	253,734.55 0.00 0.00 253,387.93	401.42 0.00 802.83 401.41	0.00 346.62 (346.62) 54.79	54.79
912828YE4	US Treasury Note 1.25% Due 08/31/2024	01/08/2021 01/11/2021 250,000.00	256,860.50 0.00 0.00 256,660.81	267.61 0.00 535.22 267.61	0.00 199.69 (199.69) 67.92	67.92
912828YK0	US Treasury Note 1.375% Due 10/15/2022	06/03/2020 06/04/2020 250,000.00	252,976.38 0.00 0.00 252,732.93	1,587.26 1,718.75 160.54 292.03	0.00 243.45 (243.45) 48.58	48.58
912828Z52	US Treasury Note 1.375% Due 01/31/2025	06/07/2021 06/07/2021 200,000.00	205,934.78 0.00 0.00 205,783.73	463.32 0.00 694.97 231.65	0.00 151.05 (151.05) 80.60	80.60
91282CAP6	US Treasury Note 0.125% Due 10/15/2023	11/12/2020 11/13/2020 250,000.00	249,468.37 0.00 0.00 249,490.52	144.30 156.25 14.59 26.54	22.15 0.00 22.15 48.69	48.69
91282CBA8	US Treasury Note 0.125% Due 12/15/2023	01/06/2021 01/07/2021 250,000.00	249,604.00 0.00 0.00 249,619.25	92.21 0.00 118.68 26.47	15.25 0.00 15.25 41.72	41.72
91282CBE0	US Treasury Note 0.125% Due 01/15/2024	01/12/2021 01/15/2021 250,000.00	249,321.53 0.00 0.00 249,346.69	66.24 0.00 92.56 26.32	25.16 0.00 25.16 51.48	51.48
91282CBM2	US Treasury Note 0.125% Due 02/15/2024	02/23/2021 02/24/2021 200,000.00	199,544.70 0.00 0.00 199,560.98	31.93 0.00 52.99 21.06	16.28 0.00 16.28 37.34	37.34
91282CBR1	US Treasury Note 0.25% Due 03/15/2024	03/30/2021 03/31/2021 200,000.00	199,630.56 0.00 0.00 199,643.34	22.10 0.00 64.92 42.82	12.78 0.00 12.78 55.60	55.60



CUSIP	Security Description	Trade Date Settle Date Units	Book Value: Begin Book Value: Acq Book Value: Disp Book Value: End	Prior Accrued Inc. Received Ending Accrued Total Interest	Accr. Of Discount Amort. Of Premium Net Accret/Amort Income Earned	Total Income
91282CBV2	US Treasury Note 0.375% Due 04/15/2024	04/29/2021 04/30/2021 250,000.00	250,192.61 0.00 0.00 250,186.17	432.89 468.75 43.78 79.64	0.00 6.44 (6.44) 73.20	73.20
91282CCG4	US Treasury Note 0.25% Due 06/15/2024	06/09/2021 06/15/2021 250,000.00	249,595.05 0.00 0.00 249,607.75	184.43 0.00 237.36 52.93	12.70 0.00 12.70 65.63	65.63
91282CCL3	US Treasury Note 0.375% Due 07/15/2024	07/13/2021 07/15/2021 250,000.00	249,691.60 0.00 0.00 249,700.99	198.71 0.00 277.68 78.97	9.39 0.00 9.39 88.36	88.36
91282CCX7	US Treasury Note 0.375% Due 09/15/2024	09/10/2021 09/15/2021 200,000.00	199,591.98 0.00 0.00 199,603.70	33.15 0.00 97.38 64.23	11.72 0.00 11.72 75.95	75.95
91282CDB4	US Treasury Note 0.625% Due 10/15/2024	10/14/2021 10/15/2021 200,000.00	0.00 199,984.38 0.00 199,984.62	0.00 0.00 58.38 58.38	0.24 0.00 0.24 58.62	58.62
			8,905,183.03	14,765.97	262.26	
			224,983.74	3,936.87	3,476.94	
			249,999.21	16,789.59	(3,214.68)	
Total Fixed Income		8,810,000.00	8,876,952.88	5,960.49	2,745.81	2,745.81

CASH & EQUIVALENT

02007GJD6	Ally Bank Negotiable CD 2.7% Due 03/21/2022	03/12/2019 03/12/2019 250,000.00	250,000.00 0.00 0.00 250,000.00	184.93 0.00 758.22 573.29	0.00 0.00 0.00 573.29	573.29
1404202W9	Capital One Bank USA NA Negotiable CD 2.4% Due 05/17/2022	05/09/2017 05/09/2017 250,000.00	250,000.00 0.00 0.00 250,000.00	2,252.05 0.00 2,761.64 509.59	0.00 0.00 0.00 509.59	509.59

Vallejo Flood & Wastewater District Consolidated

Account #10761

Income Earned

As of October 31, 2021



CUSIP	Security Description	Trade Date Settle Date Units	Book Value: Begin Book Value: Acq Book Value: Disp Book Value: End	Prior Accrued Inc. Received Ending Accrued Total Interest	Accr. Of Discount Amort. Of Premium Net Accret/Amort Income Earned	Total Income
17312Q3P2	Citibank NA Negotiable CD 2.7% Due 03/21/2022	03/12/2019 03/12/2019 250,000.00	250,000.00 0.00 0.00 250,000.00	203.42 0.00 776.71 573.29	0.00 0.00 0.00 573.29	573.29
2546722U1	Discover Bank Negotiable CD 2.25% Due 02/01/2022	01/30/2017 01/30/2017 250,000.00	250,000.00 0.00 0.00 250,000.00	940.07 0.00 1,417.81 477.74	0.00 0.00 0.00 477.74	477.74
31846V203	First American Govt Obligation Fund Class Y	Various Various 93,931.60	64,656.85 54,690.78 25,416.03 93,931.60	0.00 0.96 0.00 0.96	0.00 0.00 0.00 0.96	0.96
7954502A2	Sallie Mae Bank Note 2.75% Due 03/21/2022	03/14/2019 03/14/2019 250,000.00	250,000.00 0.00 0.00 250,000.00	207.19 0.00 791.10 583.91	0.00 0.00 0.00 583.91	583.91
90CHECK\$1	Checking Deposit Bank Account	Various Various 728,032.28	487,345.67 240,686.61 0.00 728,032.28	0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00	0.00
949763EM4	Wells Fargo Bank NA Negotiable CD 2.25% Due 02/01/2022	01/23/2017 01/23/2017 250,000.00	250,000.00 0.00 0.00 250,000.00	462.33 462.33 477.74 477.74	0.00 0.00 0.00 477.74	477.74
			2,052,002.52	4,249.99	0.00	
			295,377.39	463.29	0.00	
			25,416.03	6,983.22	0.00	
Total Cash & Equivalent			2,321,963.88	3,196.52	3,196.52	3,196.52

Income Earned

As of October 31, 2021



CUSIP	Security Description	Trade Date Settle Date Units	Book Value: Begin Book Value: Acq Book Value: Disp Book Value: End	Prior Accrued Inc. Received Ending Accrued Total Interest	Accr. Of Discount Amort. Of Premium Net Accret/Amort Income Earned	Total Income
LOCAL AGENCY INVESTMENT FUND						
90LAIF\$00	Local Agency Investment Fund	01/15/2020	20,764,506.75	13,460.87	0.00	4,944.19
	State Pool	01/15/2020	14,834.60	14,834.60	0.00	
		17,189,341.35	3,590,000.00	3,570.46	0.00	
			17,189,341.35	4,944.19	4,944.19	
			20,764,506.75	13,460.87	0.00	
			14,834.60	14,834.60	0.00	
			3,590,000.00	3,570.46	0.00	
Total Local Agency Investment Fund		17,189,341.35	17,189,341.35	4,944.19	4,944.19	4,944.19
			31,721,692.30	32,476.83	262.26	
			535,195.73	19,234.76	3,476.94	
			3,865,415.24	27,343.27	(3,214.68)	
TOTAL PORTFOLIO		28,321,305.23	28,388,258.11	14,101.20	10,886.52	10,886.52

Cash Flow Report

As of October 31, 2021



Payment Date	Transaction Type	CUSIP	Quantity	Security Description	Principal Amount	Income	Total Amount
11/01/2021	Interest	78015K7C2	150,000.00	Royal Bank of Canada Note 2.25% Due 11/1/2024	0.00	1,687.50	1,687.50
11/01/2021	Interest	949763EM4	250,000.00	Wells Fargo Bank NA Negotiable CD 2.25% Due 2/1/2022	0.00	477.74	477.74
11/06/2021	Interest	3137EAEZ8	210,000.00	FHLMC Note 0.25% Due 11/6/2023	0.00	262.50	262.50
11/12/2021	Interest	023135BW5	85,000.00	Amazon.com Inc Note 0.45% Due 5/12/2024	0.00	191.25	191.25
11/15/2021	Paydown	44934KAC8	90,000.00	Hyundai Auto Receivables Trust 2021-B A3 0.38% Due 1/15/2026	0.00	28.50	28.50
11/15/2021	Paydown	47787NAC3	30,000.00	John Deere Owner Trust 2020-B A3 0.51% Due 11/15/2024	0.00	12.75	12.75
11/15/2021	Paydown	89240BAC2	95,000.00	Toyota Auto Receivables Owners 2021-A A3 0.26% Due 5/15/2025	0.00	20.58	20.58
11/15/2021	Paydown	58769KAD6	50,000.00	Mercedes-Benz Auto Lease Trust 2021-B A3 0.4% Due 11/15/2024	0.00	16.67	16.67
11/15/2021	Paydown	47789QAC4	45,000.00	John Deere Owner Trust 2021-B A3 0.52% Due 3/16/2026	0.00	19.50	19.50
11/15/2021	Paydown	89236XAC0	45,000.00	Toyota Auto Receivables 2020-D A3 0.35% Due 1/15/2025	1,225.19	13.13	1,238.32
11/15/2021	Paydown	44933LAC7	45,000.00	Hyundai Auto Receivables Trust 2021-A A3 0.38% Due 9/15/2025	0.00	14.25	14.25
11/15/2021	Paydown	47788UAC6	35,000.00	John Deere Owner Trust 2021-A A3 0.36% Due 9/15/2025	0.00	10.50	10.50
11/16/2021	Paydown	362554AC1	25,000.00	GM Financial Securitized Term 2021-4 A3 0.68% Due 9/16/2026	0.00	11.81	11.81
11/17/2021	Interest	1404202W9	250,000.00	Capital One Bank USA NA Negotiable CD 2.4% Due 5/17/2022	0.00	3,024.66	3,024.66
11/17/2021	Interest	14913R2L0	130,000.00	Caterpillar Financial Service Note 0.45% Due 5/17/2024	0.00	292.50	292.50
11/18/2021	Paydown	43815EAC8	65,000.00	Honda Auto Receivables 2021-3 A3 0.41% Due 11/18/2025	0.00	22.21	22.21
11/20/2021	Paydown	36262XAC8	70,000.00	GM Financial Auto Lease Trust 2021-3 A2 0.39% Due 10/21/2024	0.00	22.75	22.75

Cash Flow Report

As of October 31, 2021



Payment Date	Transaction Type	CUSIP	Quantity	Security Description	Principal Amount	Income	Total Amount
11/21/2021	Paydown	43813GAC5	50,000.00	Honda Auto Receivables Trust 2021-1 A3 0.27% Due 4/21/2025	0.00	11.25	11.25
11/22/2021	Interest	3135G04Q3	240,000.00	FNMA Note 0.25% Due 5/22/2023	0.00	300.00	300.00
11/24/2021	Interest	459058JM6	105,000.00	Intl. Bank Recon & Development Note 0.25% Due 11/24/2023	0.00	131.25	131.25
11/25/2021	Paydown	09690AAC7	30,000.00	BMW Vehicle Lease Trust 2021-2 A3 0.33% Due 12/26/2024	0.00	8.25	8.25
11/27/2021	Interest	3135G06H1	185,000.00	FNMA Note 0.25% Due 11/27/2023	0.00	231.25	231.25
NOV 2021					1,225.19	6,810.80	8,035.99
12/01/2021	Interest	949763EM4	250,000.00	Wells Fargo Bank NA Negotiable CD 2.25% Due 2/1/2022	0.00	462.33	462.33
12/04/2021	Interest	3137EAFA2	150,000.00	FHLMC Note 0.25% Due 12/4/2023	0.00	187.50	187.50
12/08/2021	Interest	69371RQ82	150,000.00	Paccar Financial Corp Note 0.8% Due 6/8/2023	0.00	600.00	600.00
12/09/2021	Interest	313381BR5	250,000.00	FHLB Note 1.875% Due 12/9/2022	0.00	2,343.75	2,343.75
12/12/2021	Interest	89114QCA4	125,000.00	Toronto Dominion Bank Note 2.65% Due 6/12/2024	0.00	1,656.25	1,656.25
12/14/2021	Interest	06051GJY6	100,000.00	Bank of America Corp Callable Note Cont 6/14/2023 0.523% Due 6/14/2024	0.00	261.50	261.50
12/15/2021	Interest	91282CCG4	250,000.00	US Treasury Note 0.25% Due 6/15/2024	0.00	312.50	312.50
12/15/2021	Interest	91282CBA8	250,000.00	US Treasury Note 0.125% Due 12/15/2023	0.00	156.25	156.25
12/15/2021	Paydown	44933LAC7	45,000.00	Hyundai Auto Receivables Trust 2021-A A3 0.38% Due 9/15/2025	0.00	14.25	14.25
12/15/2021	Paydown	47789QAC4	45,000.00	John Deere Owner Trust 2021-B A3 0.52% Due 3/16/2026	0.00	19.50	19.50
12/15/2021	Paydown	89236XAC0	45,000.00	Toyota Auto Receivables 2020-D A3 0.35% Due 1/15/2025	1,221.91	12.77	1,234.68

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Payment Date	Transaction Type	CUSIP	Quantity	Security Description	Principal Amount	Income	Total Amount
12/15/2021	Paydown	44934KAC8	90,000.00	Hyundai Auto Receivables Trust 2021-B A3 0.38% Due 1/15/2026	0.00	28.50	28.50
12/15/2021	Paydown	47787NAC3	30,000.00	John Deere Owner Trust 2020-B A3 0.51% Due 11/15/2024	0.00	12.75	12.75
12/15/2021	Paydown	47788UAC6	35,000.00	John Deere Owner Trust 2021-A A3 0.36% Due 9/15/2025	0.00	10.50	10.50
12/15/2021	Paydown	58769KAD6	50,000.00	Mercedes-Benz Auto Lease Trust 2021-B A3 0.4% Due 11/15/2024	0.00	16.67	16.67
12/15/2021	Paydown	89240BAC2	95,000.00	Toyota Auto Receivables Owners 2021-A A3 0.26% Due 5/15/2025	0.00	20.58	20.58
12/16/2021	Paydown	362554AC1	25,000.00	GM Financial Securitized Term 2021-4 A3 0.68% Due 9/16/2026	0.00	14.17	14.17
12/18/2021	Interest	89236TJH9	80,000.00	Toyota Motor Credit Corp Note 0.5% Due 6/18/2024	0.00	200.00	200.00
12/18/2021	Paydown	43815EAC8	65,000.00	Honda Auto Receivables 2021-3 A3 0.41% Due 11/18/2025	0.00	22.21	22.21
12/20/2021	Paydown	36262XAC8	70,000.00	GM Financial Auto Lease Trust 2021-3 A2 0.39% Due 10/21/2024	0.00	22.75	22.75
12/21/2021	Paydown	43813GAC5	50,000.00	Honda Auto Receivables Trust 2021-1 A3 0.27% Due 4/21/2025	0.00	11.25	11.25
12/25/2021	Paydown	09690AAC7	30,000.00	BMW Vehicle Lease Trust 2021-2 A3 0.33% Due 12/26/2024	0.00	8.25	8.25
DEC 2021					1,221.91	6,394.23	7,616.14
01/01/2022	Interest	949763EM4	250,000.00	Wells Fargo Bank NA Negotiable CD 2.25% Due 2/1/2022	0.00	477.74	477.74
01/10/2022	Interest	3135G05G4	205,000.00	FNMA Note 0.25% Due 7/10/2023	0.00	256.25	256.25
01/15/2022	Interest	79466LAG9	20,000.00	Salesforce.com Inc Callable Note Cont 7/15/2022 0.625% Due 7/15/2024	0.00	63.54	63.54
01/15/2022	Interest	91282CBE0	250,000.00	US Treasury Note 0.125% Due 1/15/2024	0.00	156.25	156.25
01/15/2022	Interest	91282CCL3	250,000.00	US Treasury Note 0.375% Due 7/15/2024	0.00	468.75	468.75

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01/15/2022	Paydown	47788UAC6	35,000.00	John Deere Owner Trust 2021-A A3 0.36% Due 9/15/2025	0.00	10.50	10.50
01/15/2022	Paydown	58769KAD6	50,000.00	Mercedes-Benz Auto Lease Trust 2021-B A3 0.4% Due 11/15/2024	0.00	16.67	16.67
01/15/2022	Paydown	44933LAC7	45,000.00	Hyundai Auto Receivables Trust 2021-A A3 0.38% Due 9/15/2025	0.00	14.25	14.25
01/15/2022	Paydown	44934KAC8	90,000.00	Hyundai Auto Receivables Trust 2021-B A3 0.38% Due 1/15/2026	0.00	28.50	28.50
01/15/2022	Paydown	47787NAC3	30,000.00	John Deere Owner Trust 2020-B A3 0.51% Due 11/15/2024	0.00	12.75	12.75
01/15/2022	Paydown	47789QAC4	45,000.00	John Deere Owner Trust 2021-B A3 0.52% Due 3/16/2026	0.00	19.50	19.50
01/15/2022	Paydown	89240BAC2	95,000.00	Toyota Auto Receivables Owners 2021-A A3 0.26% Due 5/15/2025	0.00	20.58	20.58
01/15/2022	Paydown	89236XAC0	45,000.00	Toyota Auto Receivables 2020-D A3 0.35% Due 1/15/2025	1,218.60	12.41	1,231.01
01/16/2022	Paydown	362554AC1	25,000.00	GM Financial Securitized Term 2021-4 A3 0.68% Due 9/16/2026	0.00	14.17	14.17
01/17/2022	Dividend	90LAIF\$00	643,937,062.85	Local Agency Investment Fund State Pool	0.00	3,590.85	3,590.85
01/17/2022	Interest	24422EVN6	145,000.00	John Deere Capital Corp Note 0.45% Due 1/17/2024	0.00	326.25	326.25
01/18/2022	Paydown	43815EAC8	65,000.00	Honda Auto Receivables 2021-3 A3 0.41% Due 11/18/2025	0.00	22.21	22.21
01/20/2022	Paydown	36262XAC8	70,000.00	GM Financial Auto Lease Trust 2021-3 A2 0.39% Due 10/21/2024	0.00	22.75	22.75
01/21/2022	Paydown	43813GAC5	50,000.00	Honda Auto Receivables Trust 2021-1 A3 0.27% Due 4/21/2025	0.00	11.25	11.25
01/25/2022	Interest	46625HJH4	200,000.00	JP Morgan Chase Note 3.2% Due 1/25/2023	0.00	3,200.00	3,200.00
01/25/2022	Paydown	09690AAC7	30,000.00	BMW Vehicle Lease Trust 2021-2 A3 0.33% Due 12/26/2024	0.00	8.25	8.25
01/30/2022	Interest	91159HHX1	200,000.00	US Bancorp Callable Note Cont 6/28/2024 2.4% Due 7/30/2024	0.00	2,400.00	2,400.00

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01/31/2022	Interest	912828Z52	200,000.00	US Treasury Note 1.375% Due 1/31/2025	0.00	1,375.00	1,375.00
JAN 2022					1,218.60	12,528.42	13,747.02
02/01/2022	Maturity	949763EM4	250,000.00	Wells Fargo Bank NA Negotiable CD 2.25% Due 2/1/2022	250,000.00	477.74	250,477.74
02/01/2022	Maturity	2546722U1	250,000.00	Discover Bank Negotiable CD 2.25% Due 2/1/2022	250,000.00	2,835.62	252,835.62
02/14/2022	Interest	3133EL3V4	250,000.00	FFCB Note 0.2% Due 8/14/2023	0.00	250.00	250.00
02/15/2022	Interest	91282CBM2	200,000.00	US Treasury Note 0.125% Due 2/15/2024	0.00	125.00	125.00
02/15/2022	Paydown	89236XAC0	45,000.00	Toyota Auto Receivables 2020-D A3 0.35% Due 1/15/2025	1,215.25	12.06	1,227.31
02/15/2022	Paydown	44933LAC7	45,000.00	Hyundai Auto Receivables Trust 2021-A A3 0.38% Due 9/15/2025	0.00	14.25	14.25
02/15/2022	Paydown	44934KAC8	90,000.00	Hyundai Auto Receivables Trust 2021-B A3 0.38% Due 1/15/2026	0.00	28.50	28.50
02/15/2022	Paydown	47787NAC3	30,000.00	John Deere Owner Trust 2020-B A3 0.51% Due 11/15/2024	0.00	12.75	12.75
02/15/2022	Paydown	47788UAC6	35,000.00	John Deere Owner Trust 2021-A A3 0.36% Due 9/15/2025	0.00	10.50	10.50
02/15/2022	Paydown	47789QAC4	45,000.00	John Deere Owner Trust 2021-B A3 0.52% Due 3/16/2026	0.00	19.50	19.50
02/15/2022	Paydown	58769KAD6	50,000.00	Mercedes-Benz Auto Lease Trust 2021-B A3 0.4% Due 11/15/2024	0.00	16.67	16.67
02/15/2022	Paydown	89240BAC2	95,000.00	Toyota Auto Receivables Owners 2021-A A3 0.26% Due 5/15/2025	0.00	20.58	20.58
02/16/2022	Interest	06406FAD5	150,000.00	Bank of NY Mellon Corp Callable Note Cont 6/16/2023 2.2% Due 8/16/2023	0.00	1,650.00	1,650.00
02/16/2022	Paydown	362554AC1	25,000.00	GM Financial Securitized Term 2021-4 A3 0.68% Due 9/16/2026	0.00	14.17	14.17
02/18/2022	Paydown	43815EAC8	65,000.00	Honda Auto Receivables 2021-3 A3 0.41% Due 11/18/2025	0.00	22.21	22.21

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02/20/2022	Paydown	36262XAC8	70,000.00	GM Financial Auto Lease Trust 2021-3 A2 0.39% Due 10/21/2024	0.00	22.75	22.75
02/21/2022	Paydown	43813GAC5	50,000.00	Honda Auto Receivables Trust 2021-1 A3 0.27% Due 4/21/2025	0.00	11.25	11.25
02/23/2022	Interest	037833BU3	250,000.00	Apple Inc Callable Note Cont 12/23/2022 2.85% Due 2/23/2023	0.00	3,562.50	3,562.50
02/24/2022	Interest	3137EAEV7	190,000.00	FHLMC Note 0.25% Due 8/24/2023	0.00	237.50	237.50
02/25/2022	Paydown	09690AAC7	30,000.00	BMW Vehicle Lease Trust 2021-2 A3 0.33% Due 12/26/2024	0.00	8.25	8.25
02/26/2022	Interest	3133EMRZ7	170,000.00	FFCB Note 0.25% Due 2/26/2024	0.00	212.50	212.50
02/28/2022	Interest	912828YE4	250,000.00	US Treasury Note 1.25% Due 8/31/2024	0.00	1,562.50	1,562.50
02/28/2022	Interest	912828L24	250,000.00	US Treasury Note 1.875% Due 8/31/2022	0.00	2,343.75	2,343.75
FEB 2022					501,215.25	13,470.55	514,685.80
03/08/2022	Interest	3137EAEW5	130,000.00	FHLMC Note 0.25% Due 9/8/2023	0.00	162.50	162.50
03/15/2022	Interest	91282CCX7	200,000.00	US Treasury Note 0.375% Due 9/15/2024	0.00	375.00	375.00
03/15/2022	Interest	91282CBR1	200,000.00	US Treasury Note 0.25% Due 3/15/2024	0.00	250.00	250.00
03/15/2022	Paydown	47787NAC3	30,000.00	John Deere Owner Trust 2020-B A3 0.51% Due 11/15/2024	1,298.74	12.75	1,311.49
03/15/2022	Paydown	47789QAC4	45,000.00	John Deere Owner Trust 2021-B A3 0.52% Due 3/16/2026	0.00	19.50	19.50
03/15/2022	Paydown	58769KAD6	50,000.00	Mercedes-Benz Auto Lease Trust 2021-B A3 0.4% Due 11/15/2024	0.00	16.67	16.67
03/15/2022	Paydown	89240BAC2	95,000.00	Toyota Auto Receivables Owners 2021-A A3 0.26% Due 5/15/2025	0.00	20.58	20.58
03/15/2022	Paydown	44933LAC7	45,000.00	Hyundai Auto Receivables Trust 2021-A A3 0.38% Due 9/15/2025	0.00	14.25	14.25

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03/15/2022	Paydown	44934KAC8	90,000.00	Hyundai Auto Receivables Trust 2021-B A3 0.38% Due 1/15/2026	0.00	28.50	28.50
03/15/2022	Paydown	89236XAC0	45,000.00	Toyota Auto Receivables 2020-D A3 0.35% Due 1/15/2025	1,211.86	11.70	1,223.56
03/15/2022	Paydown	47788UAC6	35,000.00	John Deere Owner Trust 2021-A A3 0.36% Due 9/15/2025	0.00	10.50	10.50
03/16/2022	Paydown	362554AC1	25,000.00	GM Financial Securitized Term 2021-4 A3 0.68% Due 9/16/2026	0.00	14.17	14.17
03/18/2022	Interest	808513BN4	150,000.00	Charles Schwab Corp Callable Note Cont 2/18/2024 0.75% Due 3/18/2024	0.00	562.50	562.50
03/18/2022	Paydown	43815EAC8	65,000.00	Honda Auto Receivables 2021-3 A3 0.41% Due 11/18/2025	0.00	22.21	22.21
03/19/2022	Interest	459058GQ0	125,000.00	Intl. Bank Recon & Development Note 2.5% Due 3/19/2024	0.00	1,562.50	1,562.50
03/20/2022	Interest	7954502A2	250,000.00	Sallie Mae Bank Note 2.75% Due 3/21/2022	0.00	3,409.25	3,409.25
03/20/2022	Interest	17312Q3P2	250,000.00	Citibank NA Negotiable CD 2.7% Due 3/21/2022	0.00	3,347.26	3,347.26
03/20/2022	Paydown	36262XAC8	70,000.00	GM Financial Auto Lease Trust 2021-3 A2 0.39% Due 10/21/2024	0.00	22.75	22.75
03/21/2022	Maturity	02007GJD6	250,000.00	Ally Bank Negotiable CD 2.7% Due 3/21/2022	250,000.00	3,347.26	253,347.26
03/21/2022	Maturity	7954502A2	250,000.00	Sallie Mae Bank Note 2.75% Due 3/21/2022	250,000.00	18.84	250,018.84
03/21/2022	Maturity	17312Q3P2	250,000.00	Citibank NA Negotiable CD 2.7% Due 3/21/2022	250,000.00	18.49	250,018.49
03/21/2022	Paydown	43813GAC5	50,000.00	Honda Auto Receivables Trust 2021-1 A3 0.27% Due 4/21/2025	0.00	11.25	11.25
03/23/2022	Interest	4581X0DZ8	165,000.00	Inter-American Dev Bank Note 0.5% Due 9/23/2024	0.00	412.50	412.50
03/25/2022	Paydown	09690AAC7	30,000.00	BMW Vehicle Lease Trust 2021-2 A3 0.33% Due 12/26/2024	0.00	8.25	8.25
MAR 2022					752,510.60	13,679.18	766,189.78

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04/02/2022	Interest	3133EMBS0	250,000.00	FFCB Note 0.2% Due 10/2/2023	0.00	250.00	250.00
04/06/2022	Interest	89236TJD8	60,000.00	Toyota Motor Credit Corp Note 0.4% Due 4/6/2023	0.00	120.00	120.00
04/15/2022	Interest	912828YK0	250,000.00	US Treasury Note 1.375% Due 10/15/2022	0.00	1,718.75	1,718.75
04/15/2022	Interest	91282CDB4	200,000.00	US Treasury Note 0.625% Due 10/15/2024	0.00	625.00	625.00
04/15/2022	Interest	91282CAP6	250,000.00	US Treasury Note 0.125% Due 10/15/2023	0.00	156.25	156.25
04/15/2022	Interest	91282CBV2	250,000.00	US Treasury Note 0.375% Due 4/15/2024	0.00	468.75	468.75
04/15/2022	Paydown	89236XAC0	45,000.00	Toyota Auto Receivables 2020-D A3 0.35% Due 1/15/2025	1,208.44	11.35	1,219.79
04/15/2022	Paydown	58769KAD6	50,000.00	Mercedes-Benz Auto Lease Trust 2021-B A3 0.4% Due 11/15/2024	0.00	16.67	16.67
04/15/2022	Paydown	44933LAC7	45,000.00	Hyundai Auto Receivables Trust 2021-A A3 0.38% Due 9/15/2025	0.00	14.25	14.25
04/15/2022	Paydown	44934KAC8	90,000.00	Hyundai Auto Receivables Trust 2021-B A3 0.38% Due 1/15/2026	0.00	28.50	28.50
04/15/2022	Paydown	47787NAC3	30,000.00	John Deere Owner Trust 2020-B A3 0.51% Due 11/15/2024	1,299.24	12.20	1,311.44
04/15/2022	Paydown	47788UAC6	35,000.00	John Deere Owner Trust 2021-A A3 0.36% Due 9/15/2025	0.00	10.50	10.50
04/15/2022	Paydown	47789QAC4	45,000.00	John Deere Owner Trust 2021-B A3 0.52% Due 3/16/2026	0.00	19.50	19.50
04/15/2022	Paydown	89240BAC2	95,000.00	Toyota Auto Receivables Owners 2021-A A3 0.26% Due 5/15/2025	0.00	20.58	20.58
04/16/2022	Interest	45950KCR9	100,000.00	International Finance Corp Note 1.375% Due 10/16/2024	0.00	687.50	687.50
04/16/2022	Interest	3137EAEY1	165,000.00	FHLMC Note 0.125% Due 10/16/2023	0.00	103.13	103.13
04/16/2022	Paydown	362554AC1	25,000.00	GM Financial Securitized Term 2021-4 A3 0.68% Due 9/16/2026	0.00	14.17	14.17

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Payment Date	Transaction Type	CUSIP	Quantity	Security Description	Principal Amount	Income	Total Amount
04/18/2022	Paydown	43815EAC8	65,000.00	Honda Auto Receivables 2021-3 A3 0.41% Due 11/18/2025	0.00	22.21	22.21
04/20/2022	Paydown	36262XAC8	70,000.00	GM Financial Auto Lease Trust 2021-3 A2 0.39% Due 10/21/2024	0.00	22.75	22.75
04/21/2022	Paydown	43813GAC5	50,000.00	Honda Auto Receivables Trust 2021-1 A3 0.27% Due 4/21/2025	0.00	11.25	11.25
04/25/2022	Paydown	09690AAC7	30,000.00	BMW Vehicle Lease Trust 2021-2 A3 0.33% Due 12/26/2024	0.00	8.25	8.25
APR 2022					2,507.68	4,341.56	6,849.24
05/01/2022	Interest	78015K7C2	150,000.00	Royal Bank of Canada Note 2.25% Due 11/1/2024	0.00	1,687.50	1,687.50
05/06/2022	Interest	3137EAEZ8	210,000.00	FHLMC Note 0.25% Due 11/6/2023	0.00	262.50	262.50
05/12/2022	Interest	023135BW5	85,000.00	Amazon.com Inc Note 0.45% Due 5/12/2024	0.00	191.25	191.25
05/15/2022	Paydown	89236XAC0	45,000.00	Toyota Auto Receivables 2020-D A3 0.35% Due 1/15/2025	1,204.97	11.00	1,215.97
05/15/2022	Paydown	44933LAC7	45,000.00	Hyundai Auto Receivables Trust 2021-A A3 0.38% Due 9/15/2025	0.00	14.25	14.25
05/15/2022	Paydown	44934KAC8	90,000.00	Hyundai Auto Receivables Trust 2021-B A3 0.38% Due 1/15/2026	0.00	28.50	28.50
05/15/2022	Paydown	47787NAC3	30,000.00	John Deere Owner Trust 2020-B A3 0.51% Due 11/15/2024	1,299.75	11.65	1,311.40
05/15/2022	Paydown	47789QAC4	45,000.00	John Deere Owner Trust 2021-B A3 0.52% Due 3/16/2026	0.00	19.50	19.50
05/15/2022	Paydown	89240BAC2	95,000.00	Toyota Auto Receivables Owners 2021-A A3 0.26% Due 5/15/2025	0.00	20.58	20.58
05/15/2022	Paydown	47788UAC6	35,000.00	John Deere Owner Trust 2021-A A3 0.36% Due 9/15/2025	0.00	10.50	10.50
05/15/2022	Paydown	58769KAD6	50,000.00	Mercedes-Benz Auto Lease Trust 2021-B A3 0.4% Due 11/15/2024	0.00	16.67	16.67
05/16/2022	Paydown	362554AC1	25,000.00	GM Financial Securitized Term 2021-4 A3 0.68% Due 9/16/2026	0.00	14.17	14.17

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05/17/2022	Interest	14913R2L0	130,000.00	Caterpillar Financial Service Note 0.45% Due 5/17/2024	0.00	292.50	292.50
05/17/2022	Maturity	1404202W9	250,000.00	Capital One Bank USA NA Negotiable CD 2.4% Due 5/17/2022	250,000.00	2,975.34	252,975.34
05/18/2022	Paydown	43815EAC8	65,000.00	Honda Auto Receivables 2021-3 A3 0.41% Due 11/18/2025	0.00	22.21	22.21
05/20/2022	Paydown	36262XAC8	70,000.00	GM Financial Auto Lease Trust 2021-3 A2 0.39% Due 10/21/2024	0.00	22.75	22.75
05/21/2022	Paydown	43813GAC5	50,000.00	Honda Auto Receivables Trust 2021-1 A3 0.27% Due 4/21/2025	0.00	11.25	11.25
05/22/2022	Interest	3135G04Q3	240,000.00	FNMA Note 0.25% Due 5/22/2023	0.00	300.00	300.00
05/24/2022	Interest	459058JM6	105,000.00	Intl. Bank Recon & Development Note 0.25% Due 11/24/2023	0.00	131.25	131.25
05/25/2022	Paydown	09690AAC7	30,000.00	BMW Vehicle Lease Trust 2021-2 A3 0.33% Due 12/26/2024	0.00	8.25	8.25
05/27/2022	Interest	3135G06H1	185,000.00	FNMA Note 0.25% Due 11/27/2023	0.00	231.25	231.25
MAY 2022					252,504.72	6,282.87	258,787.59
06/04/2022	Interest	3137EAFA2	150,000.00	FHLMC Note 0.25% Due 12/4/2023	0.00	187.50	187.50
06/08/2022	Interest	69371RQ82	150,000.00	Paccar Financial Corp Note 0.8% Due 6/8/2023	0.00	600.00	600.00
06/09/2022	Interest	313381BR5	250,000.00	FHLB Note 1.875% Due 12/9/2022	0.00	2,343.75	2,343.75
06/12/2022	Interest	89114QCA4	125,000.00	Toronto Dominion Bank Note 2.65% Due 6/12/2024	0.00	1,656.25	1,656.25
06/14/2022	Interest	06051GJY6	100,000.00	Bank of America Corp Callable Note Cont 6/14/2023 0.523% Due 6/14/2024	0.00	261.50	261.50
06/15/2022	Interest	91282CCG4	250,000.00	US Treasury Note 0.25% Due 6/15/2024	0.00	312.50	312.50
06/15/2022	Interest	91282CBA8	250,000.00	US Treasury Note 0.125% Due 12/15/2023	0.00	156.25	156.25

Cash Flow Report

As of October 31, 2021



Payment Date	Transaction Type	CUSIP	Quantity	Security Description	Principal Amount	Income	Total Amount
06/15/2022	Paydown	89236XAC0	45,000.00	Toyota Auto Receivables 2020-D A3 0.35% Due 1/15/2025	1,201.48	10.64	1,212.12
06/15/2022	Paydown	47787NAC3	30,000.00	John Deere Owner Trust 2020-B A3 0.51% Due 11/15/2024	1,300.27	11.09	1,311.36
06/15/2022	Paydown	47788UAC6	35,000.00	John Deere Owner Trust 2021-A A3 0.36% Due 9/15/2025	0.00	10.50	10.50
06/15/2022	Paydown	47789QAC4	45,000.00	John Deere Owner Trust 2021-B A3 0.52% Due 3/16/2026	0.00	19.50	19.50
06/15/2022	Paydown	58769KAD6	50,000.00	Mercedes-Benz Auto Lease Trust 2021-B A3 0.4% Due 11/15/2024	0.00	16.67	16.67
06/15/2022	Paydown	89240BAC2	95,000.00	Toyota Auto Receivables Owners 2021-A A3 0.26% Due 5/15/2025	4,303.47	20.58	4,324.05
06/15/2022	Paydown	44933LAC7	45,000.00	Hyundai Auto Receivables Trust 2021-A A3 0.38% Due 9/15/2025	0.00	14.25	14.25
06/15/2022	Paydown	44934KAC8	90,000.00	Hyundai Auto Receivables Trust 2021-B A3 0.38% Due 1/15/2026	0.00	28.50	28.50
06/16/2022	Paydown	362554AC1	25,000.00	GM Financial Securitized Term 2021-4 A3 0.68% Due 9/16/2026	0.00	14.17	14.17
06/18/2022	Interest	89236TJH9	80,000.00	Toyota Motor Credit Corp Note 0.5% Due 6/18/2024	0.00	200.00	200.00
06/18/2022	Paydown	43815EAC8	65,000.00	Honda Auto Receivables 2021-3 A3 0.41% Due 11/18/2025	0.00	22.21	22.21
06/20/2022	Paydown	36262XAC8	70,000.00	GM Financial Auto Lease Trust 2021-3 A2 0.39% Due 10/21/2024	0.00	22.75	22.75
06/21/2022	Paydown	43813GAC5	50,000.00	Honda Auto Receivables Trust 2021-1 A3 0.27% Due 4/21/2025	0.00	11.25	11.25
06/25/2022	Paydown	09690AAC7	30,000.00	BMW Vehicle Lease Trust 2021-2 A3 0.33% Due 12/26/2024	0.00	8.25	8.25
JUN 2022					6,805.22	5,928.11	12,733.33
07/10/2022	Interest	3135G05G4	205,000.00	FNMA Note 0.25% Due 7/10/2023	0.00	256.25	256.25
07/15/2022	Interest	91282CBE0	250,000.00	US Treasury Note 0.125% Due 1/15/2024	0.00	156.25	156.25

Cash Flow Report

As of October 31, 2021



Payment Date	Transaction Type	CUSIP	Quantity	Security Description	Principal Amount	Income	Total Amount
07/15/2022	Interest	91282CCL3	250,000.00	US Treasury Note 0.375% Due 7/15/2024	0.00	468.75	468.75
07/15/2022	Interest	79466LAG9	20,000.00	Salesforce.com Inc Callable Note Cont 7/15/2022 0.625% Due 7/15/2024	0.00	62.50	62.50
07/15/2022	Paydown	44933LAC7	45,000.00	Hyundai Auto Receivables Trust 2021-A A3 0.38% Due 9/15/2025	0.00	14.25	14.25
07/15/2022	Paydown	44934KAC8	90,000.00	Hyundai Auto Receivables Trust 2021-B A3 0.38% Due 1/15/2026	0.00	28.50	28.50
07/15/2022	Paydown	47788UAC6	35,000.00	John Deere Owner Trust 2021-A A3 0.36% Due 9/15/2025	0.00	10.50	10.50
07/15/2022	Paydown	47787NAC3	30,000.00	John Deere Owner Trust 2020-B A3 0.51% Due 11/15/2024	1,300.77	10.54	1,311.31
07/15/2022	Paydown	47789QAC4	45,000.00	John Deere Owner Trust 2021-B A3 0.52% Due 3/16/2026	0.00	19.50	19.50
07/15/2022	Paydown	58769KAD6	50,000.00	Mercedes-Benz Auto Lease Trust 2021-B A3 0.4% Due 11/15/2024	0.00	16.67	16.67
07/15/2022	Paydown	89240BAC2	95,000.00	Toyota Auto Receivables Owners 2021-A A3 0.26% Due 5/15/2025	4,304.86	19.65	4,324.51
07/15/2022	Paydown	89236XAC0	45,000.00	Toyota Auto Receivables 2020-D A3 0.35% Due 1/15/2025	1,197.94	10.29	1,208.23
07/16/2022	Paydown	362554AC1	25,000.00	GM Financial Securitized Term 2021-4 A3 0.68% Due 9/16/2026	0.00	14.17	14.17
07/17/2022	Interest	24422EVN6	145,000.00	John Deere Capital Corp Note 0.45% Due 1/17/2024	0.00	326.25	326.25
07/18/2022	Paydown	43815EAC8	65,000.00	Honda Auto Receivables 2021-3 A3 0.41% Due 11/18/2025	0.00	22.21	22.21
07/20/2022	Paydown	36262XAC8	70,000.00	GM Financial Auto Lease Trust 2021-3 A2 0.39% Due 10/21/2024	0.00	22.75	22.75
07/21/2022	Paydown	43813GAC5	50,000.00	Honda Auto Receivables Trust 2021-1 A3 0.27% Due 4/21/2025	0.00	11.25	11.25
07/25/2022	Interest	46625HJH4	200,000.00	JP Morgan Chase Note 3.2% Due 1/25/2023	0.00	3,200.00	3,200.00
07/25/2022	Paydown	09690AAC7	30,000.00	BMW Vehicle Lease Trust 2021-2 A3 0.33% Due 12/26/2024	0.00	8.25	8.25

Vallejo Flood & Wastewater District Consolidated

Account #10761

Cash Flow Report

As of October 31, 2021



Payment Date	Transaction Type	CUSIP	Quantity	Security Description	Principal Amount	Income	Total Amount
07/30/2022	Interest	91159HHX1	200,000.00	US Bancorp Callable Note Cont 6/28/2024 2.4% Due 7/30/2024	0.00	2,400.00	2,400.00
07/31/2022	Interest	912828Z52	200,000.00	US Treasury Note 1.375% Due 1/31/2025	0.00	1,375.00	1,375.00
JUL 2022					6,803.57	8,453.53	15,257.10
08/14/2022	Interest	3133EL3V4	250,000.00	FFCB Note 0.2% Due 8/14/2023	0.00	250.00	250.00
08/15/2022	Interest	91282CBM2	200,000.00	US Treasury Note 0.125% Due 2/15/2024	0.00	125.00	125.00
08/15/2022	Paydown	89236XAC0	45,000.00	Toyota Auto Receivables 2020-D A3 0.35% Due 1/15/2025	1,194.37	9.94	1,204.31
08/15/2022	Paydown	44933LAC7	45,000.00	Hyundai Auto Receivables Trust 2021-A A3 0.38% Due 9/15/2025	0.00	14.25	14.25
08/15/2022	Paydown	44934KAC8	90,000.00	Hyundai Auto Receivables Trust 2021-B A3 0.38% Due 1/15/2026	0.00	28.50	28.50
08/15/2022	Paydown	47787NAC3	30,000.00	John Deere Owner Trust 2020-B A3 0.51% Due 11/15/2024	1,301.28	9.99	1,311.27
08/15/2022	Paydown	47788UAC6	35,000.00	John Deere Owner Trust 2021-A A3 0.36% Due 9/15/2025	0.00	10.50	10.50
08/15/2022	Paydown	47789QAC4	45,000.00	John Deere Owner Trust 2021-B A3 0.52% Due 3/16/2026	0.00	19.50	19.50
08/15/2022	Paydown	89240BAC2	95,000.00	Toyota Auto Receivables Owners 2021-A A3 0.26% Due 5/15/2025	4,306.26	18.72	4,324.98
08/15/2022	Paydown	58769KAD6	50,000.00	Mercedes-Benz Auto Lease Trust 2021-B A3 0.4% Due 11/15/2024	0.00	16.67	16.67
08/16/2022	Interest	06406FAD5	150,000.00	Bank of NY Mellon Corp Callable Note Cont 6/16/2023 2.2% Due 8/16/2023	0.00	1,650.00	1,650.00
08/16/2022	Paydown	362554AC1	25,000.00	GM Financial Securitized Term 2021-4 A3 0.68% Due 9/16/2026	0.00	14.17	14.17
08/18/2022	Paydown	43815EAC8	65,000.00	Honda Auto Receivables 2021-3 A3 0.41% Due 11/18/2025	0.00	22.21	22.21
08/20/2022	Paydown	36262XAC8	70,000.00	GM Financial Auto Lease Trust 2021-3 A2 0.39% Due 10/21/2024	0.00	22.75	22.75

Cash Flow Report

As of October 31, 2021



Payment Date	Transaction Type	CUSIP	Quantity	Security Description	Principal Amount	Income	Total Amount
08/21/2022	Paydown	43813GAC5	50,000.00	Honda Auto Receivables Trust 2021-1 A3 0.27% Due 4/21/2025	2,494.27	11.25	2,505.52
08/23/2022	Interest	037833BU3	250,000.00	Apple Inc Callable Note Cont 12/23/2022 2.85% Due 2/23/2023	0.00	3,562.50	3,562.50
08/24/2022	Interest	3137EAEV7	190,000.00	FHLMC Note 0.25% Due 8/24/2023	0.00	237.50	237.50
08/25/2022	Paydown	09690AAC7	30,000.00	BMW Vehicle Lease Trust 2021-2 A3 0.33% Due 12/26/2024	0.00	8.25	8.25
08/26/2022	Interest	3133EMRZ7	170,000.00	FFCB Note 0.25% Due 2/26/2024	0.00	212.50	212.50
08/31/2022	Interest	912828YE4	250,000.00	US Treasury Note 1.25% Due 8/31/2024	0.00	1,562.50	1,562.50
08/31/2022	Maturity	912828L24	250,000.00	US Treasury Note 1.875% Due 8/31/2022	250,000.00	2,343.75	252,343.75
AUG 2022					259,296.18	10,150.45	269,446.63
09/08/2022	Interest	3137EAEW5	130,000.00	FHLMC Note 0.25% Due 9/8/2023	0.00	162.50	162.50
09/15/2022	Interest	91282CCX7	200,000.00	US Treasury Note 0.375% Due 9/15/2024	0.00	375.00	375.00
09/15/2022	Interest	91282CBR1	200,000.00	US Treasury Note 0.25% Due 3/15/2024	0.00	250.00	250.00
09/15/2022	Paydown	44933LAC7	45,000.00	Hyundai Auto Receivables Trust 2021-A A3 0.38% Due 9/15/2025	0.00	14.25	14.25
09/15/2022	Paydown	44934KAC8	90,000.00	Hyundai Auto Receivables Trust 2021-B A3 0.38% Due 1/15/2026	0.00	28.50	28.50
09/15/2022	Paydown	47787NAC3	30,000.00	John Deere Owner Trust 2020-B A3 0.51% Due 11/15/2024	1,301.80	9.43	1,311.23
09/15/2022	Paydown	47789QAC4	45,000.00	John Deere Owner Trust 2021-B A3 0.52% Due 3/16/2026	0.00	19.50	19.50
09/15/2022	Paydown	89240BAC2	95,000.00	Toyota Auto Receivables Owners 2021-A A3 0.26% Due 5/15/2025	4,307.66	17.79	4,325.45
09/15/2022	Paydown	89236XAC0	45,000.00	Toyota Auto Receivables 2020-D A3 0.35% Due 1/15/2025	1,190.75	9.60	1,200.35

Cash Flow Report

As of October 31, 2021



Payment Date	Transaction Type	CUSIP	Quantity	Security Description	Principal Amount	Income	Total Amount
09/15/2022	Paydown	58769KAD6	50,000.00	Mercedes-Benz Auto Lease Trust 2021-B A3 0.4% Due 11/15/2024	0.00	16.67	16.67
09/15/2022	Paydown	47788UAC6	35,000.00	John Deere Owner Trust 2021-A A3 0.36% Due 9/15/2025	0.00	10.50	10.50
09/16/2022	Paydown	362554AC1	25,000.00	GM Financial Securitized Term 2021-4 A3 0.68% Due 9/16/2026	0.00	14.17	14.17
09/18/2022	Interest	808513BN4	150,000.00	Charles Schwab Corp Callable Note Cont 2/18/2024 0.75% Due 3/18/2024	0.00	562.50	562.50
09/18/2022	Paydown	43815EAC8	65,000.00	Honda Auto Receivables 2021-3 A3 0.41% Due 11/18/2025	0.00	22.21	22.21
09/19/2022	Interest	459058GQ0	125,000.00	Intl. Bank Recon & Development Note 2.5% Due 3/19/2024	0.00	1,562.50	1,562.50
09/20/2022	Paydown	36262XAC8	70,000.00	GM Financial Auto Lease Trust 2021-3 A2 0.39% Due 10/21/2024	0.00	22.75	22.75
09/21/2022	Paydown	43813GAC5	50,000.00	Honda Auto Receivables Trust 2021-1 A3 0.27% Due 4/21/2025	2,494.87	10.69	2,505.56
09/23/2022	Interest	4581X0DZ8	165,000.00	Inter-American Dev Bank Note 0.5% Due 9/23/2024	0.00	412.50	412.50
09/25/2022	Paydown	09690AAC7	30,000.00	BMW Vehicle Lease Trust 2021-2 A3 0.33% Due 12/26/2024	0.00	8.25	8.25
SEP 2022					9,295.08	3,529.31	12,824.39
10/02/2022	Interest	3133EMBS0	250,000.00	FFCB Note 0.2% Due 10/2/2023	0.00	250.00	250.00
10/06/2022	Interest	89236TJD8	60,000.00	Toyota Motor Credit Corp Note 0.4% Due 4/6/2023	0.00	120.00	120.00
10/15/2022	Interest	91282CAP6	250,000.00	US Treasury Note 0.125% Due 10/15/2023	0.00	156.25	156.25
10/15/2022	Interest	91282CBV2	250,000.00	US Treasury Note 0.375% Due 4/15/2024	0.00	468.75	468.75
10/15/2022	Interest	91282CDB4	200,000.00	US Treasury Note 0.625% Due 10/15/2024	0.00	625.00	625.00
10/15/2022	Maturity	912828YK0	250,000.00	US Treasury Note 1.375% Due 10/15/2022	250,000.00	1,718.75	251,718.75

Cash Flow Report

As of October 31, 2021



Payment Date	Transaction Type	CUSIP	Quantity	Security Description	Principal Amount	Income	Total Amount
10/15/2022	Paydown	47787NAC3	30,000.00	John Deere Owner Trust 2020-B A3 0.51% Due 11/15/2024	1,302.30	8.88	1,311.18
10/15/2022	Paydown	47788UAC6	35,000.00	John Deere Owner Trust 2021-A A3 0.36% Due 9/15/2025	0.00	10.50	10.50
10/15/2022	Paydown	47789QAC4	45,000.00	John Deere Owner Trust 2021-B A3 0.52% Due 3/16/2026	0.00	19.50	19.50
10/15/2022	Paydown	58769KAD6	50,000.00	Mercedes-Benz Auto Lease Trust 2021-B A3 0.4% Due 11/15/2024	0.00	16.67	16.67
10/15/2022	Paydown	89240BAC2	95,000.00	Toyota Auto Receivables Owners 2021-A A3 0.26% Due 5/15/2025	4,309.06	16.85	4,325.91
10/15/2022	Paydown	44934KAC8	90,000.00	Hyundai Auto Receivables Trust 2021-B A3 0.38% Due 1/15/2026	0.00	28.50	28.50
10/15/2022	Paydown	89236XAC0	45,000.00	Toyota Auto Receivables 2020-D A3 0.35% Due 1/15/2025	1,187.10	9.25	1,196.35
10/15/2022	Paydown	44933LAC7	45,000.00	Hyundai Auto Receivables Trust 2021-A A3 0.38% Due 9/15/2025	0.00	14.25	14.25
10/16/2022	Interest	3137EAEY1	165,000.00	FHLMC Note 0.125% Due 10/16/2023	0.00	103.13	103.13
10/16/2022	Interest	45950KCR9	100,000.00	International Finance Corp Note 1.375% Due 10/16/2024	0.00	687.50	687.50
10/16/2022	Paydown	362554AC1	25,000.00	GM Financial Securitized Term 2021-4 A3 0.68% Due 9/16/2026	0.00	14.17	14.17
10/18/2022	Paydown	43815EAC8	65,000.00	Honda Auto Receivables 2021-3 A3 0.41% Due 11/18/2025	0.00	22.21	22.21
10/20/2022	Paydown	36262XAC8	70,000.00	GM Financial Auto Lease Trust 2021-3 A2 0.39% Due 10/21/2024	0.00	22.75	22.75
10/21/2022	Paydown	43813GAC5	50,000.00	Honda Auto Receivables Trust 2021-1 A3 0.27% Due 4/21/2025	2,495.47	10.13	2,505.60
10/25/2022	Paydown	09690AAC7	30,000.00	BMW Vehicle Lease Trust 2021-2 A3 0.33% Due 12/26/2024	0.00	8.25	8.25
OCT 2022					259,293.93	4,331.29	263,625.22
TOTAL					2,053,897.93	95,900.30	2,149,798.23



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Custody: Your qualified custodian bank maintains control of all assets reflected in this statement and we urge you to compare this statement to the one you receive from your qualified custodian. Chandler does not have any authority to withdraw or deposit funds from/to the custodian account.

Valuation: Prices are provided by IDC, an independent pricing source. In the event IDC does not provide a price or if the price provided is not reflective of fair market value, Chandler will obtain pricing from an alternative approved third party pricing source in accordance with our written valuation policy and procedures. Our valuation procedures are also disclosed in Item 5 of our Form ADV Part 2A.

Performance: Performance results are presented gross-of-advisory fees and represent the client's Total Return. The deduction of advisory fees lowers performance results. These results include the reinvestment of dividends and other earnings. Past performance may not be indicative of future results. Therefore, clients should not assume that future performance of any specific investment or investment strategy will be profitable or equal to past performance levels. All investment strategies have the potential for profit or loss. Economic factors, market conditions or changes in investment strategies, contributions or withdrawals may materially alter the performance and results of your portfolio.

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Ratings: Ratings information have been provided by Moody's, S&P and Fitch through data feeds we believe to be reliable as of the date of this statement, however we cannot guarantee its accuracy.

Security level ratings for U.S. Agency issued mortgage-backed securities ("MBS") reflect the issuer rating because the securities themselves are not rated. The issuing U.S. Agency guarantees the full and timely payment of both principal and interest and carries a AA+/Aaa/AAA by S&P, Moody's and Fitch respectively.



District Manager
Melissa Morton

December 14, 2021

BOARD COMMUNICATION

Consent Item No. 4D

TO: THE HONORABLE PRESIDENT AND BOARD OF TRUSTEES

FROM: MELISSA MORTON, DISTRICT MANAGER *Melissa Morton*
MJ BROWN, CLERK OF THE BOARD

SUBJECT: ADOPT RESOLUTION APPROVING THE 2022 REGULAR MEETING SCHEDULE FOR THE BOARD OF TRUSTEES AND THE FINANCING CORPORATION

BACKGROUND AND DISCUSSION

The Board of Trustees' regular meetings are typically held on the second Tuesday of the month. In addition to the regular meeting schedule as shown in the attached, special meetings may be scheduled on an as-needed basis.

The annual schedule also includes the annual meeting of the Financing Corporation. Section 3.06 (Regular Meetings) of the bylaws allow the Board of Directors to delegate adoption of its regular meeting schedule to the Board of Trustees of the District, to be adopted at the time the regular meeting schedule is adopted for the Board of Trustees. As a result, the annual adoption of the Board of Trustees regular meeting schedule will include adoption of the regular meeting schedule for the Financing Corporation.

RECOMMENDATION

District staff recommends that the Board approve the proposed meeting schedule for 2022.

ALTERNATIVES CONSIDERED

None

ENVIRONMENTAL REVIEW

This is not a project under CEQA and no environmental review is required.

FISCAL IMPACT

None

PROPOSED ACTION

Adopt a resolution approving the 2022 regular meeting schedule for the Board of Trustees and the Financing Corporation.

DOCUMENTS ATTACHED

- A. Resolution
- B. 2022 Meeting Schedule

CONTACT PERSON

MJ Brown, Clerk of the Board, (707) 644-8949 ext. 1102

RESOLUTION NUMBER 2021 -

**ADOPTION OF THE BOARD OF TRUSTEES AND THE FINANCING CORPORATION
MEETING SCHEDULE FOR 2022**

BE IT RESOLVED, by the Board of Trustees of the Vallejo Flood and Wastewater District of Solano County, California as follows:

WHEREAS, the Board of Trustees has designated the second Tuesday of each month as the date for the regular Board of Trustees meeting;

WHEREAS, the bylaws for the Financing Corporation allow the Corporation to delegate the adoption for a regular meeting schedule to the Board of Trustees of the District, to be adopted at the time the regular meeting schedule for the Board of Trustees is adopted.

IT IS, THEREFORE, RESOLVED by the Board of Trustees of the Vallejo Flood and Wastewater District that the Board adopt the regular meeting schedule for 2022 for the Board of Trustees and the Financing Corporation.

ADOPTED by the Board of Trustees of the Vallejo Flood and Wastewater District on the 14th day of December, 2021 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

WITNESS my hand and the Seal of said District this 14th day of December, 2021.

MJ BROWN
Clerk of the Board



2022

	BOARD MEETINGS
	DISTRICT HOLIDAYS
	BOARD MEETING & FINANCE COF

VALLEJO FLOOD & WASTEWATER DISTRICT MEETING SCHEDULE

JANUARY 2022							FEBRUARY 2022							MARCH 2022						
Sun	Mon	Tue	Wed	Thur	Fri	Sat	Sun	Mon	Tue	Wed	Thur	Fri	Sat	Sun	Mon	Tue	Wed	Thur	Fri	Sat
						1			1	2	3	4	5			1	2	3	4	5
2	3	4	5	6	7	8	6	7	8	9	10	11	12	6	7	8	9	10	11	12
9	10	11	12	13	14	15	13	14	15	16	17	18	19	13	14	15	16	17	18	19
16	17	18	19	20	21	22	20	21	22	23	24	25	26	20	21	22	23	24	25	26
23	24	25	26	27	28	29	27	28						27	28	29	30	31		
30	31																			
APRIL 2022							MAY 2022							JUNE 2022						
Sun	Mon	Tue	Wed	Thur	Fri	Sat	Sun	Mon	Tue	Wed	Thur	Fri	Sat	Sun	Mon	Tue	Wed	Thur	Fri	Sat
					1	2	1	2	3	4	5	6	7				1	2	3	4
3	4	5	6	7	8	9	8	9	10	11	12	13	14	5	6	7	8	9	10	11
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24	25	26	27	28	29	30	29	30	31					26	27	28	29	30		
JULY 2022							AUGUST 2022							SEPTEMBER 2022						
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31																				
OCTOBER 2022							NOVEMBER 2022							DECEMBER 2022						
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23	24	25	26	27	28	29	27	28	29	30				25	26	27	28	29	30	31
30	31																			

December 14, 2021

BOARD COMMUNICATION

Consent Item No. 4E

TO: THE HONORABLE PRESIDENT AND BOARD OF TRUSTEES

FROM: MELISSA MORTON, DISTRICT MANAGER 
ALEXANDRIA BELL, DIRECTOR OF HR & RISK MANAGEMENT

SUBJECT: ADOPT RESOLUTION TO AUTHORIZE A SUPPLEMENTAL AGREEMENT TO REVISE SECTION 7.00 – “WORK SCHEDULES/WORK HOURS” OF THE TEAMSTERS LOCAL 315 MEMORANDUM OF UNDERSTANDING

BACKGROUND AND DISCUSSION

Due to recent impacts of the COVID-19 pandemic, VFWD evaluated the priorities of work schedules and work hours in each department. This was an effort to accommodate the growing operational needs of several departments, and maintain support to the community and rate payers. The ongoing mandates of COVID-19 caused VFWD to apply more flexibility in employees' schedules to support operations. In March 2020, emergency telecommuting agreements were put in place in an effort to provide a safe workplace for our staff. Since then, several other schedules were created including the 12-hour schedule and more 9/80 schedules were authorized.

The 4/10 schedule was used in the Environmental Services Department in 2020 as a pilot, but the current provisions in the Teamsters Local 315 MOU placed a ceiling of a six-month maximum, which is no longer sustainable. The current six-month provision was adopted in 2013 and since then, operations have grown and significantly changed, which makes it no longer a sustainable provision. Therefore, VFWD seeks to remove the six-month provision and leave the timeframe open to management discretion.

On November 8, 2021, representatives and members of the Teamsters, Local 315 and VFWD management met and conferred in good faith concerning the terms and conditions of this Side Letter Agreement and there were no challenges to this change.

Section 7.00 – Work Schedule/Hours of Work

The attached side letter will modify the existing language in the MOU in the below-mentioned sections. The MOU will now reflect the language as stated below and will replace all former agreements prior to the implementation of this change.

4/10 Schedule:

A 4/10 schedule consisting of four (4) consecutive work days of a maximum of ten (10) hours each day may be authorized by mutual agreement between the department manager and employee.

RECOMMENDATION

Adopt a resolution to authorize the District Manager to enter into agreements and adopt the new language as part of the Teamsters Memorandum of Understanding, Local 315. Legal review has been conducted by the District and Teamsters legal counsel.

ALTERNATIVES CONSIDERED

These Side Letters of Agreement were made for the purpose of management discretion and rights to permit for flexibility in operations.

ENVIRONMENTAL REVIEW

This is not a project under CEQA and no environmental review is required.

FISCAL IMPACT

The implementation of the new side letter will not have a negative fiscal impact to the District and no mandatory overtime will apply.

PROPOSED ACTION

Adopt a resolution to authorize a supplemental agreement to revise Section 7.0 in the Teamsters Local 315 Memorandum of Understanding.

DOCUMENTS ATTACHED

- A. Resolution
- B. Signed Side Letter

CONTACT PERSON

Alexandria Bell, Director of HR and Risk (707) 652-7805

RESOLUTION NUMBER 2021 -

**A RESOLUTION TO AUTHORIZE A SUPPLEMENTAL AGREEMENT TO REVISE
SECTION 7.00 – “WORK SCHEDULES/WORK HOURS” OF THE TEAMSTERS
LOCAL 315 MEMORANDUM OF UNDERSTANDING**

BE IT RESOLVED, by the Board of Trustees of the Vallejo Flood and Wastewater District of Solano County, California as follows:

WHEREAS, the Board of Trustees of the Vallejo Flood and Wastewater District finds that the current District Memorandum of Understanding does not meet the operational and staffing needs of the District in Section 7.0

WHEREAS, the 4-10 Schedule amendments to cancel the six-month cap will not result in a fiscal impact to the District; and

WHEREAS, amending the Memorandum of Understanding will result in full compliance with Fair Labor Standards Act (FLSA)

WHEREAS, the District’s Memorandum of Understanding and Side Letter Agreement to amend Section 7.0 require Board of Trustees approval.

IT IS, THEREFORE, RESOLVED by the Board of Trustees of the Vallejo Flood and Wastewater District that the District Manager is hereby authorized to enter into agreements and adopt new contractual language as part of the Teamsters Memorandum of Understanding

ADOPTED by the Board of Trustees of the Vallejo Flood and Wastewater District on the 14th day of December, 2021 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

WITNESS my hand and the Seal of said District this 14th day of December 2021.

MJ BROWN
Clerk of the Board

**SIDE LETTER OF AGREEMENT
BETWEEN
VALLEJO FLOOD & WASTEWATER DISTRICT
AND
TEAMSTERS, CHAUFFERS, WAREHOUSEMEN AND HELPERS, LOCAL 315
HOURS OF WORK - 4/10 SCHEDULE**

Pursuant to the provisions of the Meyers-Milias-Brown Act ("MMBA") and Section 22.00, this Side Letter of Agreement ("Side Letter Agreement") is entered between the Vallejo Flood & Wastewater District (the "District") and Teamsters, Chauffeurs, Warehouseman and Helpers, Local 315 ("Teamsters") (collectively, the "Parties"). Both Parties agree to the terms for the purpose of addressing changes to the work schedules in 7.00 Section C – 4/10 Schedule below through the expiration of the current collective bargaining agreement on June 30, 2023.

The Parties have met and conferred in good faith concerning the terms and conditions of this Side Letter Agreement. Except as provided herein, all wages, hours and other terms and conditions of employment presently enjoyed by Teamsters in the existing Memorandum of Understanding ("MOU") shall remain in full force and effect.

This agreement will modify the following MOU Sections:

- Section 7.00 - Work Schedules/Hours of Work

Except as provided herein, all wages, hours and other terms and conditions of employment presently enjoyed by Teamsters in the existing Memorandum of Understanding ("MOU") shall remain in full force and effect.

7.00 WORK SCHEDULES/HOURS OF WORK

1. Regular Work Schedules

A regular work schedule consists of one of the following with approval of the District Manager.

A. 5/40 Schedule:

Five (5) consecutive work days of a maximum of eight (8) hours each within a seven (7) calendar day period followed by two (2) consecutive days off consisting of 48 consecutive hours.

– OR –

B. 9/80 Schedule:

Any combination of eight (8) working days of a maximum of nine (9) hours per day and one (1) working day of a maximum of eight (8) hours, that results in no more than 40 hours being worked within seven (7) consecutive 24-hour periods.

– OR –

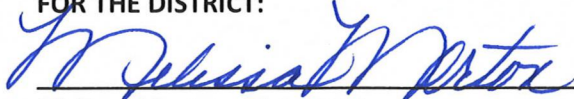
C. 4/10 Schedule:

A 4/10 schedule consisting of four (4) consecutive work days of a maximum of ten (10) hours each day may be authorized by mutual agreement between the department manager and employee.

Approved and Accepted:

Date: 11/8/2021

FOR THE DISTRICT:



Melissa Morton, District Manager



Alexandria Bell, Human Resources Director

Date: 11/8/21

FOR THE TEAMSTERS:



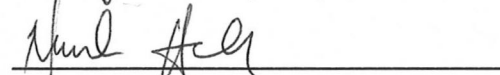
Don E. Garcia, Local 315 Secretary/Treasurer



Michael Botello, Union Steward



Michael James Lamphear, Union Steward



Mark Hall, Union Steward



Michael Burkett, Union Steward



Gustavo Silva, Union Steward



District Manager
Melissa Morton

December 14, 2021

BOARD COMMUNICATION

Consent Item No. 4F

TO: THE HONORABLE PRESIDENT AND BOARD OF TRUSTEES
FROM: MELISSA MORTON, DISTRICT MANAGER 
SUBJECT: RECEIVE UPDATE ON DISTRICT GOALS

BACKGROUND AND DISCUSSION

On October 25, 2018, District staff and the Board of Trustees participated in a goal setting session covering the next four years. The Action Plan compiled from the goal setting session is focused on the District's objectives. It is anticipated that this information will continue to evolve and grow as the District works further into the completion of the goals set. In order to keep the Board apprised of its progress, the District has committed to providing an update on status on a quarterly basis. This report is being made to the Board related to the goals established, and provides a status as of December 2021.

RECOMMENDATION

This report is for information only. No Board action is requested at this time.

ALTERNATIVES CONSIDERED

None

ENVIRONMENTAL REVIEW

This is not a project under CEQA and no environmental review is required.

FISCAL IMPACT

None

PROPOSED ACTION

This report is for information only. No Board action is requested at this time.

DOCUMENTS ATTACHED

A. VFWD Goals 2020-2023

CONTACT PERSON

Melissa Morton, District Manager, (707) 644-8949 ext. 1101

VFWD GOALS 2020-2023

MISSION STATEMENT: The Vallejo Flood and Wastewater District's Purpose is to make Vallejo a healthy place to live and work. We do this by keeping the city's wastewater and stormwater free from pollution.

ACTION PLAN						CURRENT STATUS	
Goal (What)		Action Steps (How)	Responsible Person (Who)	Due Date (When)	Related Expense (Outside of Staff Time)	Percent Complete	Comments
Finance	YEAR ONE	Develop performance indicators that measure progress toward achieving objectives to include in budget and quarterly reporting.	Jeff Tucker	5/31/2019		100%	Complete.
		Develop and distribute a Popular Annual Financial Report to all District ratepayers for enhanced transparency.	Jeff Tucker	3/31/2019		100%	Complete.
		Develop an RFP for the selection and purchase of new enterprise management software that provides greater financial transparency through regular reporting and District-wide usability.	Jeff Tucker	3/31/2019		100%	Complete.
	YEAR TWO	Complete a stormwater rate study/long-term financial plan which includes the ongoing maintenance and construction costs that meet stormwater regulations promulgated by the RWQCB.	Jeff Tucker/ Mark Tomko	3/31/2020	\$65,000 Consultant	100%	Complete. Public hearing was held on November 9, 2021.
		Evaluate the stormwater and runoff capacity fees against master plan estimates for improvement and maintenance to ensure sustainability.	Jeff Tucker/ Mark Tomko	6/30/2020		100%	Complete.
	YEAR THREE	Complete a wastewater rate study/long-term financial plan for adoption in year four.	Jeff Tucker	6/30/2021	Consultant TBD	0%	Pending. New rates need to be adopted by Board prior to June 2023. Study should begin in early spring 2022.
		Pursue project financing for the CIP.	Jeff Tucker	9/30/2021		75%	SRF loan for the MIPS project is under review by the State. A comprehensive 10-year cash flow and financial plan is currently being develop, integrating the multiple Master Plan capital projects. Worked with state legislature on capital project funding proposal.
	YEAR FOUR	Adopt new wastewater rate study, implement resulting rates.	Jeff Tucker	7/1/2022		0%	Pending. Anticipated start in early spring 2022.
		Develop a project financing and grant administration program for infrastructure stability.	Jeff Tucker	9/30/2022		50%	District received \$300,000 CalOES grant for energy resiliency. The current Biennial Budget includes a preliminary financing plan for the 10-year Capital Improvement Plan projects, with a more comprehensive plan currently being developed. Based on that plan, stafff will identify and solicit additional grant opportunities.

Goal (What)		Action Steps (How)	Responsible Person (Who)	Due Date (When)	Related Expense (Outside of Staff Time)	Percent Complete	Comments
Engineering	YEAR ONE	Update standard plans and specifications.	Tomko	June 2020	Consultant	100%	Completed, Adopted by the Board on October 13, 2020.
		Align the Capital Improvement Program with the Asset Management Program, and prioritize projects appropriately.	Tomko/Ho	May 2020	Consultant	Ongoing	The plant master plan and collection system master plans will further refine and align projects. Asset Management data is being reviewed and dollar amounts updated. The benefit cost evaluations have been reviewed/updated and lift stations are being added to the asset management prioritization and cost analysis.
		Seek third party insight to develop appropriate mitigation and negotiate a new maintenance contract with regulatory agencies.	Tomko/Keating	June 2020	Consultant	100%	The streambed maintenance agreement has been extended until December 2024. The Austin Creek maintenance projects utilized consultants for design and two of four reaches have been completed.
	YEAR TWO	Develop a funding strategy for capital infrastructure projects that includes grant financing and loans.	Tomko/Tucker	December 2020	None	Ongoing	Loan money being pursued for 3W/MIPS project. WIFIA funds approved. Application was completed and submitted for SRF funding. CEQA is being reviewed prior to finalizing the loan documents. CIP developed shows funding shortfall in future years. Rate structure and project prioritization/risk assessment is being developed as well as investigation of other grant opportunities.
		Develop environmental compliance reporting matrix for all capital infrastructure projects & major maintenance projects.	Rideout/Harrington	June 2021		100%	Excel spreadsheet has been developed that lists expected CEQA required for each project.
	YEAR THREE	Develop a Collection System Master Plan	Tomko	June 2022	Consultant	90%	Flow monitoring was conducted and captured storm flow data in 2020/2021. Additional flow data will be completed in 2022 to further refine model. Draft master plan is expected by the end of the year.
		Amend CIP to reflect changes in priority and funding availability.	Tomko/Rideout	May 2022		50%	10-year CIP has been drafted starting fiscal year 2022. After first two years there is a budget shortfall. Hazen has been utilized to assist with prioritization and develop ongoing process.
	YEAR FOUR	Develop a Treatment Plant Master Plan	Mark Tomko	May 2022	Consultant	90%	Hazen & Sawyer defined three phases to complete the Plant Master Plan: Comprehend, Explore, and Converge. The Explore Phase is completed and Hazen and Sawyer is finishing the Converge Phase.

Goal (What)		Action Steps (How)	Responsible Person (Who)	Due Date (When)	Related Expense (Outside of Staff Time)	Percent Complete	Comments
Field Operations	YEAR ONE	Develop performance standards for staff in the television, periodic maintenance, construction and customer service divisions.	Keating Medina/Au/Burket/Tucker	Ongoing		25%	Research of prior production started as a discussion starting point. EUM
		Integrate Infor (CMMS) with the geographical information system (GIS)	Keating/Medina	Ongoing	Consultant	100%	California Cad Solutions – First step of Data cleanup completed.
		Extend the Fish and Wildlife Permit for creek and waterbody maintenance	Keating/Burket/Tomko	11/15/2019		100%	Research for extension requirements and forms completed.
	YEAR TWO	Audit the Sewer System Management Plan (SSMP) for effectiveness	Keating/Medina	9/1/2020	Consultant	100%	2 year SSMP Audit will be complete by 12/2020. West Yost
		Train supervisory staff on data entry and certification for SWRCB permit compliance in CIWQS	Keating	12/15/2020	Outside Training Classes	100%	CWEA, CSRMA, DKF Solution, internal development.
		Upgrade Infor (CMMS) to latest version	Keating/Medina	12/1/2020	Consultant	100%	Baker Crew Consulting
		Continue Integration of Infor (CMMS) with the geographical information system (GIS)	Keating/Medina	Ongoing	Consultant	Ongoing	California Cad Solutions, Baker Crew Consulting
	YEAR THREE	Develop Standardized training program with Department Standard Operating Procedures.	Keating/Medina	Ongoing	Consultant	10%	DKF Solutions
	YEAR FOUR	Audit SSMP for effectiveness	Keating/Medina	9/1/2022		10%	
		Update SSMP and Recertify the SSMP With Governing Body.	Keating/Medina	11/2022	Consultant	0%	RFP needed to bring outside expertise for SSMP Gap Analysis and Update to current regulatory expectations or changes.

Goal (What)		Action Steps (How)	Responsible Person (Who)	Due Date (When)	Related Expense (Outside of Staff Time)	Percent Complete	Comments
Operations and Maintenance	YEAR ONE	Convert the Asset Management Plan (AMP) to a Maintenance Master Plan (MMP) with short/long term maintenance plan and replacement schedules for all major parts.	Johnson Ho/ Frank Silveira	June 2020	\$75 K	80%	Validating Asset registry, Creating Preventive Maintenance & schedule, developing asset condition monitoring module, developing scheduling module
		Develop electrical training program to develop high/medium voltage competency in all electrical staff.	Johnson Ho/ Frank Silveira	June 2020	\$25K	on going	Review/update job description classification & initial assessment and roadmap shall be available 2/2022
		Enter into a consulting contract to develop an IT Master Plan.	Johnson Ho/ Frank Silveira	June 2020	\$75K	10%	Research Vendors and develop work scope.
		Complete Computer Maintenance Management System (CMMS) asset registry with asset classification, life cycle ranking and supply chain	JHo/ F Silveira/ Carroll	June 2020		70%	Validating Asset registry with appropriate preventive maintenance information.
		Develop Nutrient Treatment technology roadmap	JHo/MT/JH	June 2020	\$50K	90%	Vetting technology options, treatment configuration, high level cost estimates. This effort will be combined with treatment plant master
	YEAR TWO	Align AMP with MMP and assign dollar figures and replacement schedules for major parts identified in the CMMS	Johnson Ho/ Frank Silveira	June 2021		80%	Updating asset registry. Creating preventive/ predictive maintenance schedule.
		Develop maintenance mechanic/Electrical competency standards	Johnson Ho/ Frank Silveira	June 2021		on-going	Review/update job description classification & initial assessment and roadmap shall be available 2/2022
		Use the IT Master plan to optimize hardware and software applications to minimize costs.	Johnson Ho/ Frank Silveira	June 2021		70%	Continuing with review and streamlining IT infrastructure life cycle & expenditure & inventory. Validate district's network hardware &
		Convert the Asset Management Plan (AMP) to a Maintenance Master Plan (MMP) with short/long term maintenance plan and replacement schedules for all major parts.	Johnson Ho/ Frank Silveira	June 2021		60%	Review and update asset registry to assist with prioritizing CIP & WWTP Master Plan.
		Align AMP with MMP and assign dollar figures and replacement schedules for major parts identified in the CMMS	Johnson Ho	June 2021		80%	Review and reprioritize CIP. Validating asset registry and establishing overall maintenance program.
		Finalized Blending/Nutrient Treatment technology roadmap: Pilot technologies	J Ho/M Tomko/ J Harrington	June 2021	\$100K	50%	Incorporated in Treatment Plant Master Plan. Blending and nutrient solutions have been identified and are being vetted.
	YEAR THREE	Develop timelines, standard operating procedures and Job Plans, safety procedures	Johnson Ho/ Frank Silveira	June 2022		20%	
		Convert the Asset Management Plan (AMP) to a Maintenance Master Plan (MMP) with short/long term maintenance plan and replacement schedules for all major parts.	Johnson Ho/ Frank Silveira	June 2022		50%	Finalizing WWTP master plan and validating initial output and methodology

		Reassess and develop Maintenance Key Performance Indicators (KPI)	J Ho/F Silveira/ Carroll	June 2022		50%	Identify key area & develop KPI's
		Finalized Blending/Nutrient Treatment technology roadmap: Pilot technologies	Johnson Ho	June 2022		25%	Incorporate with Treatment Plant Master Plan
	YEAR FOUR	Reassess AMP assumptions and amend the CMMS and CIP appropriately	Johnson Ho	June 2023		45%	Continuous update of the AMP of updating and implementing KPI's
		Finalize pilot Blending/Nutrient Treatment technologies roadmap with cost	J Ho/M Tomko/ J Harrington	June 2023	\$100K	10%	Current Nutrient Treatment Technologies have been reviewed.

Goal (What)		Action Steps (How)	Responsible Person (Who)	Due Date (When)	Related Expense (Outside of Staff Time)	Percent Complete	Comments
Environmental Services	YEAR ONE	Develop and Implement new staff training for two new inspectors. Includes minimum performance standards and standard operating procedures.	Mark Hall	12/31/2019		100%	Two inspectors hired and fully trained. SOPs and minimum performance standards are continuously revised.
		Develop laboratory standards and procedures for TNI compliance.	Anita Setty	6/30/2023		40%	SOPs converted to TNI format, document control workflow established, LIMS implementation in process, CAR procedures and staff training completed. Compliance with TNI is required three years after the expected ELAP regulations effective date of January 1, 2021.
		Develop succession plan for retirement of lab supervisor	Anita Setty	11/30/2020		100%	Lab Supervisor retired and replacement has been hired.
		Hire levee maintenance consultant, and negotiate new contract with farmer.	Harrington/ Morton	8/31/2019	Estimate \$50,000 for consultant	100%	Levee consultant hired; new contract approved by farmer.
		Complete improvements to the access road from Highway 37 to the biosolids pad.	Harrington/ Tomko	Before wet season 2020	Move to year 2 for inclusion in CIP	20%	Funding will be moved for construction of new barn and office. Office site selected, consultant working on building design. Determined additional permits are required and project will continue in Spring 2021.
		Complete security improvements at Tubbs Island.	Harrington/ Sorsdal	Dec 2019	Cost estimate needed	30%	Initial site survey complete, security improvements to be incorporated into new building project.
	YEAR TWO	Develop sub Significant Industrial User (sub SIU) standards for small intensive uses i.e. breweries, distilleries and wineries.	Mark Hall	Dec 2020		80%	Template developed and businesses will be allocated into this category as needed. Pretreatment program documents and District ordinances need to be updated to reflect the new category.
		Recertify lab under ELAP.	Nicole Van Aken	lab re-cert due 12/31/19	\$6000 in ELAP fees	100%	Application accepted, lab certified until 12/31/21.
		Develop levee maintenance master plan and refine levee costs in the 10-year CIP.	Harrington/ Tomko	Jun 2021	Consultant	70%	Consultant completed geotechnical levee evaluation and provided final recommendations for improving the levees in two phases. Estimated construction costs are being developed.
		Finalize soil profile and policy paper for consideration of outside biosolid acceptance.	Harrington/ Morton	12/31/2020	Previously allocated consulting costs	80%	Successful pilot plot of outside agency biosolids; plans on hold pending outcome of recent regulatory interest in biosolids use in baylands.
	YEAR THREE	SIU Master Plan that serves as an overarching standard operating procedure for the program.	Mark Hall	12/31/2021		30%	Upon review, reprioritized updates to District ordinance and Enforcement Response Plan before updating Pretreatment Program Policies & Procedures (Master Plan).
		MRP 3.0 for stormwater discharge compliance	Mark Hall	TBD on MRP reissuance	Consultant needed, est. \$50,000	70%	TO of MRP 3.0 released, discussions with permittees and RWQCB continue. Solano stormwater program MOA pending adoption.
		Complete No Feasible Alternative Analysis (NFAA) in advance of permit negotiation with the Regional Water Quality Control Board (RWQCB)	Jennifer Harrington/ Johnson Ho	Due 270 days before permit expiration date of 10/31/2022	Consultant needed, est. \$150,000	50%	Consultant selected and draft of NFAA and ROWD to be completed in early December 2021.
		Levee capital project.					

	YEAR FOUR	Study of emerging pollutants of concern and potential impacts to local business. Revise to enhanced local limits study, including extensive collections system sampling.	Mark Hall	12/31/2022	Consultant (if needed) est. \$150,000	10%	Local limits study included in NPDES renewal consultant agreement.
		Recertify lab under ELAP.	Anita Setty	Due 90 days before certificate expiration date of 12/31/2021	\$2,800 in ELAP fees	90%	Application submitted, waiting on final approvals.
		Negotiate next discharge permit for plant wastewater discharge	Morton/Ho/Harrington	TBD	Consultant needed, est. \$150,000	20%	Consultant selected and draft ROWD in progress.

Goal (What)		Action Steps (How)	Responsible Person (Who)	Due Date (When)	Related Expense (Outside of Staff Time)	Percent Complete	Comments
Workforce Development and Succession Planning	YEAR ONE	Amend all District job descriptions with legally compliant language.	Bell	Dec-2020		100%	Revised 42 out of 55 District job descriptions.
		Revise Employer-Employee Relations Resolution	Bell	Jun-2020		100%	Adopted by Board in June 2020.
		Develop College Intern Job Description	Bell	Aug-2020		95%	Intern Job Description is complete, program postponed until in person opportunities are possible
		Complete development of a Leadership Development Program for supervisory level and professional staff to include HR training on policy. Will act as a supplement to LCW and MHN	Bell	Jan-2021		50%	Preliminary competencies defined. Evaluating pre-existing programs for applicability. - Designing
		Update Employee Handbook	Bell	Jun-2020		100%	Completed and distributed. Currently available on SharePoint and available for new employees as a training requirement.
		Reallocate#2 positions from Teamsters bargaining unit to Management Association	Bell	Jun-2020		100%	Reallocated 5 supervisor positions and designated them as #2.
		Develop and implement computer-based training for the District's contractor safety program that results in standardized training for outside contractors ensuring that regulatory compliance with multi-employer worksites is achieved.	Be//			85%	* On-line computer-based compliance program in the development stage * Addition of Wild Fire Smoke and COVID Exposure requirements are causal factors in the extension of proposed completion date. CAO 19 April 2021
		Complete security vulnerabilities study on Tubbs Island to evaluate potential security risks that results in the development and implementation of a site-specific security plan.	Bell				* Completed site survey * Completed security evaluation check list * Completion and implementation of security measures will be accomplished through the architectural design currently underway. New due date will coincide with the completion of the project. CAO 19 April 2021
		Complete side letters of agreements for Janus Decision, CalPERS Uniform Allowance and TU/Acting	Bell	Jul-2020		100%	Completed and Board-Approved
	YEAR TWO	Revise New Employee Orientation Program	Bell	1/1/2021		100%	Move from paper to virtual program complete.
		Pre-Negotiations with Teamsters to discuss MOU revisions	Bell	Jul 2021		50%	Starting Q1 Teamsters and Management will meet every quarter.
	YEAR TWO	Prepare for succession planning and replacement of HR Analyst	Bell	Jul 2021		100%	HR Analyst Started in September
	YEAR TWO	In coordination with Human Resources develop and implement a comprehensive employee professional development program that results in effective succession planning, knowledge sharing, and depth of capability within the District.	Bell	Jul 2021		100%	Power Accademy started in July and is scheduled to end in January 2022.
	YEAR THREE	Conduct salary surveys in advance of negotiations.	Bell	Jun 2022		0%	
	YEAR THREE	Hire a Safety Manager to manage the safety program and a HR Technician	Bell	Mar 2022		10%	Re-open recruitment in Jan 2022

	YEAR THREE	Finalize the Safety Handbook, revise safety policies and tailgates.	Bell	Mar 2022		70%	Managers reviewing policies.
	YEAR THREE	Establish and implement a comprehensive emergency management program to include operational and business continuity that results in effectively meeting the four phases of emergency management. -Mitigation -Preparedness -Response -Recovery	Bell	Sep 2022		65%	* ~85% of the District has been trained to the DHS standard on ICS/SEMS/NIMS * Developing BCP concept with consultant - on hold due to change over in Jeff Tuckers - will re-evaluate scope of BCP * Re-evaluating training process due to COVID limiting in-person training. Will move to a virtual process to qualify new employees. * Revised / relocated evacuation assembly areas. CAO 19 Apr 2021
	YEAR THREE	Revise salary schedule to move all District classification with 3 steps	Bell	Dec 2022		0%	The compensation salary structure needs to be the same for all positions. (Not some with 1 step and some with 3 steps) Need approval from Finance
	YEAR THREE	Implement new ATS in ERP Software - Neogov ATS and Tyler HRIS	Bell/Tucker	Jun 2022		50%	Solidified the contract and discussing implementation timeline.
	YEAR FOUR	Negotiate new Teamsters contract.	Bell	Jun 2023	Legal \$25,000	0%	
	YEAR FOUR	Perform comprehensive review of the Districts safety and wellness incentive program that results in ensuring the program is meeting desired objectives. -Reduction in injuries -Reduction in incidents -Changes in unsafe behavior	Bell	Jul 2023		10%	*Began discussions with previous HR Director on intent of program and current results experienced (ROI) * Change over in HR Director - will re-establish discussions
	YEAR FOUR	Submit revised LHMP through regulatory approval channels (CAL/OES, FEMA, etc.) that results in an updated published five year plan.	Bell	Sep 2023		15%	* Revising LHMP early to match City and County. The District will be an annex under the Counties - Utilizing Dynamic Planning CAO 19 Apr 2021



[Return to Agenda](#)

District Manager
Melissa Morton

December 14, 2021

BOARD COMMUNICATION

Administrative Item No. 5A

TO: THE HONORABLE PRESIDENT AND BOARD OF TRUSTEES

FROM: MELISSA MORTON, DISTRICT MANAGER *Melissa Morton*
JEFF TUCKER, DIRECTOR OF FINANCE/TREASURER
CHAS FADRIGO, FINANCE SUPERVISOR

**SUBJECT: CONSIDERATION OF ADOPTING RESOLUTION TO ACCEPT THE ANNUAL
COMPREHENSIVE FINANCIAL REPORT FOR FISCAL YEAR ENDING
JUNE 30, 2021**

BACKGROUND AND DISCUSSION

The District's June 30, 2021, Annual Comprehensive Financial Report (ACFR) including auditor communications is attached for your review and acceptance. The ACFR is a comprehensive document reflecting the financial position of the District. The Fiscal Year 2020-2021 ACFR has been prepared in conformance with Generally Accepted Accounting Principles (GAAP) and with the additional requirements of presentation as set by the Government Finance Officers Association (GFOA). The ACFR Transmittal Letter and Management's Discussion and Analysis provide an overview and analysis of the financial activities of the year ended June 30, 2021.

Each year, the District is required by the California Government Code and bond covenants to have an independent audit of its financial records. For Fiscal Year 2020-2021 the District engaged MUN CPAs LLC, an independent certified public accounting firm, to perform the annual audit of the Vallejo Flood and Wastewater District including all funds: wastewater, stormwater and upper lateral program. The audit has been completed with an unqualified opinion and is attached for your review.

There were no audit findings for the fiscal year audited.

RECOMMENDATION

Accept the Annual Comprehensive Financial Report for fiscal year ending June 30, 2021, as submitted.

ALTERNATIVES CONSIDERED

None

ENVIRONMENTAL REVIEW

This is not a project under CEQA and no environmental review is required.

FISCAL IMPACT

None

PROPOSED ACTION

Adopt resolution to accept the Annual Comprehensive Financial Report for fiscal year ending June 30, 2021, as submitted.

DOCUMENTS ATTACHED

- A. Resolution
- B. Annual Comprehensive Financial Report for fiscal year ending June 30, 2021 (online)
- C. Government Auditing Standards (GAS) Letter (online)
- D. Presentation

CONTACT PERSON

Chas Fadrigio, Finance Supervisor (707) 644-8949, ext. 1207

RESOLUTION NUMBER 2021 -

**A RESOLUTION TO ACCEPT THE
ANNUAL COMPREHENSIVE FINANCIAL REPORT FOR
FISCAL YEAR ENDING JUNE 30, 2021**

BE IT RESOLVED, by the Board of Trustees of the Vallejo Flood and Wastewater District of Solano County, California as follows:

WHEREAS, the California Government Code requires an annual financial audit of all California Special Districts, and that the audit be performed by independent certified public accountants;

WHEREAS, the Vallejo Flood & Wastewater District is a California Special District;

WHEREAS, an Annual Comprehensive Financial Report for the fiscal year ended June 30, 2021, has been prepared and presented to the Board of Trustees; and

WHEREAS, the Annual Comprehensive Financial Report includes the audited financial statements.

IT IS, THEREFORE, RESOLVED, by the Board of Trustees of the Vallejo Flood and Wastewater District that the Board accepts the Annual Comprehensive Financial Report for fiscal year ending June 30, 2021, as submitted.

ADOPTED by the Board of Trustees of the Vallejo Flood & Wastewater District on the 14th day of December, 2021 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

WITNESS my hand and the Seal of said District this 14th day of December, 2021.

MJ Brown
Clerk of the Board

Annual Comprehensive Financial Report

Fiscal Years Ended June 30, 2021 and 2020



Photo by Chris Riley



Vallejo Flood and Wastewater District
A Component Unit of the City of Vallejo
Vallejo, CA



**Annual Comprehensive Financial Report
For the Vallejo Flood and Wastewater District
A Component Unit of the City of Vallejo, California

Fiscal Years Ending June 30, 2021 and 2020**

Prepared by the Finance Department
Vallejo Flood and Wastewater District

Chas Ann Fadrigio, Finance Supervisor
Jeff Tucker, Director of Finance/Treasurer

**VALLEJO FLOOD AND WASTEWATER DISTRICT
A COMPONENT UNIT OF THE CITY OF VALLEJO
ANNUAL COMPREHENSIVE FINANCIAL REPORT
JUNE 30, 2021 AND 2020**

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**VALLEJO FLOOD AND WASTEWATER DISTRICT
A COMPONENT UNIT OF THE CITY OF VALLEJO
ANNUAL COMPREHENSIVE FINANCIAL REPORT
JUNE 30, 2021 AND 2020**

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Introductory Section



BOARD OF TRUSTEES

MANAGEMENT TEAM

Robert McConnell President
Rozzana Verder-Aliga Vice President
Tina Arriola Trustee
Hakeem Brown Trustee
Pippin Dew Trustee
Erin Hannigan Trustee
Mina Loera-Diaz Trustee
Katy Miessner Trustee

Alexandria Bell Director of Human Resources
MJ Brown Director of Administration/Clerk of the Board
Jennifer Harrington Director of Environmental Services
Johnson Ho Director of Operations and Maintenance
Justin Keating Director of Field Operations
Keith Sorsdal Director of Safety and Risk Management
Mark Tomko Director of Engineering
Jeff Tucker Director of Finance/Treasurer

DISTRICT MANAGER

Melissa Morton District Manager

ACFR production and oversight provided by
Chas Ann Fadrigio Finance Supervisor





(707) 644-8949 (Admin)
(707) 644-8976 (Billing)
www.VallejoWastewater.org
450 Ryder Street
Vallejo, CA 94590

Board of Trustees

Robert McConnell

Tina Arriola

Hakeem Brown

Pippin Dew

Mina Loera-Diaz

Erin Hannigan

Katy Miessner

Rozzana Verder-Aliga

District Manager

Melissa Morton

Letter of Transmittal

Board of Trustees

Vallejo Flood and Wastewater District

December 1, 2021

Management of the Vallejo Flood and Wastewater District (VFWD), a component unit of the City of Vallejo, has prepared this Annual Comprehensive Financial Report for the fiscal year ended June 30, 2021, with comparative information for June 30, 2020. This document, which contains a complete set of basic financial statements, is presented in accordance with accounting principles generally accepted in the United States of America (GAAP) and audited in accordance with auditing standards generally accepted in the United States of America by a firm of licensed certified public accountants.

This report contains management's representations concerning the finances of the District. Management assumes full responsibility for the completeness and reliability of the information contained in the report, including estimates and judgments made by management. To provide a reasonable basis for making these representations, VFWD management has established a comprehensive framework of internal controls. These controls are designed to protect the District's assets from loss, theft, or misuse, and to ensure sufficiently reliable information for the preparation of the District's basic financial statements in accordance with GAAP. The District's internal controls have been designed to provide appropriate assurance that the basic financial statements will be free from material misstatement. However, one inherent limitation of internal control is that a certain degree of risk will always be unavoidable because of cost/benefit considerations.

California statutes and District bond covenants require that VFWD annually report on its financial position and results of operations, and that this report be audited by independent certified public accountants. Mann, Urrutia & Nelson (MUN) CPAs performed the audit. The goal of the independent audit was to provide reasonable assurance that the financial statements for the fiscal year ended June 30, 2020, are free of material misstatements. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the basic financial statement, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. The auditor rendered an unmodified opinion that the District's basic financial statements are fairly presented in conformity with GAAP.

A profile of the District is presented in this Introductory Section. In the Financial Section, 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. MD&A complements this letter of transmittal and should be read in conjunction with it.

A handwritten signature in blue ink, appearing to read "Melissa Morton".

Melissa Morton
District Manager

A handwritten signature in blue ink, appearing to read "Jeff Tucker".

Jeff Tucker
Director of Finance/Treasurer

DISTRICT PROFILE

Mission

Our mission is to make Vallejo a healthy place to live and work. We do this by keeping the city's wastewater and stormwater free from pollution.

Vision

The Vallejo Flood and Wastewater District will continue to be a model of customer service, environmental sensitivity, innovation and regional cooperation.

Values

Honesty and Integrity ♦ Responsible Stewardship of Public Facilities and Funds ♦ Excellent Customer Service ♦ Protection of the Environment ♦ Innovation and Initiative ♦ A Good Work Environment

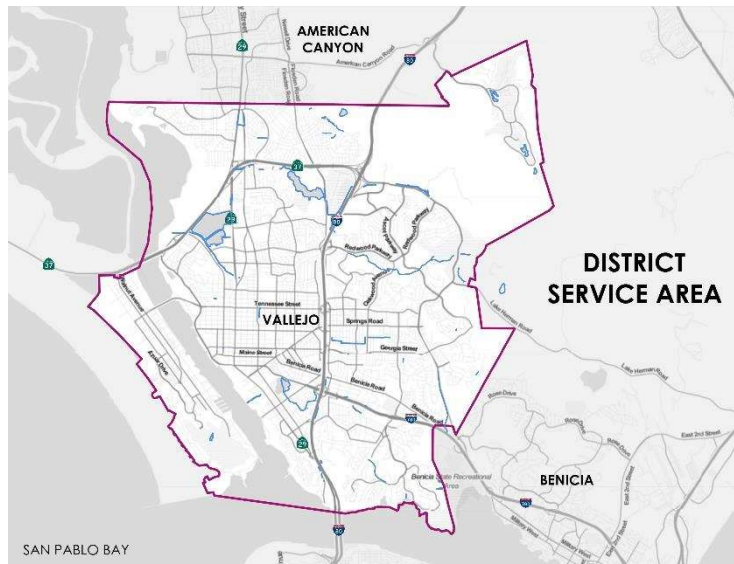
District Overview

Located in southern-most Solano County along the northeast interior of the San Pablo Bay, the Vallejo Flood and Wastewater District (VFWD or District) is a special district created by an Act of the California State Legislature in 1952. The District serves the City of Vallejo and adjacent unincorporated County areas. VFWD's net overall service area covers approximately thirty-six square miles.

VFWD provides uninterrupted wastewater collection, treatment and disposal as well as storm water pollution control and conveyance services, 24-hours a day, to all customers within its boundary. The District operates and maintains 395 miles of sewer main and 217 miles of storm water main and channel, 30 wastewater pump stations together with 9 storm water pump stations, a secondary treatment wastewater treatment plant, and manages biosolids disposal through District owned land on Tubbs Island in Sonoma County. The District makes beneficial use of its biosolids by providing farming fertilizer for crops used as silage. The District also protects land and inhabitants from flood damage through the operation and maintenance of its storm drainage systems. Several of the storm drainage basins drain into Lake Dalwigk, a District owned storage facility that appeals aesthetically with its park setting and provides marsh habitat for salamanders, frogs, grasses, birds and other ecologically compatible wildlife.

Public Services

The District services approximately 38,239 accounts that equate to approximately 49,147 dwelling units. Dwelling units exceed accounts due to multi-residential apartments and mobile home parks. VFWD's service area is predominantly residential with 1,586 commercial accounts attributed to low strength commercial establishments and professional offices. The District does not contain any large industrial users; however, there are several significant



dischargers such as Six Flags Discovery Kingdom, hospitals, and certain high density residential.

District Governance and Financial Structure

The District is governed by an eight-member Board of Trustees, composed of the seven members of the Vallejo City Council and one member from the Solano County Board of Supervisors. Accordingly, the District is a component unit of the City of Vallejo under accounting rules but is a separate legal entity. The Board sets policy for the District and appoints the District Manager and Treasurer who serve at the pleasure of the Board. The District Manager is the chief executive officer responsible for the District's day-to-day operations in accordance with Board policies, approved budget and legal and regulatory compliance. The Treasurer is charged with cash and investment management in accordance with California law, policy, and general direction.

The Board of Trustees approves the District's audit and budget, and certain financial information must also be submitted to the State Controller's Office as well as the County of Solano. In addition to financial accountability, the District is also subject to other forms of accountability such as open meeting laws established by California's Ralph M. Brown Act and the California Public Records Act. Citizens are welcome and encouraged to attend meetings, ask questions and voice opinions.

The District is organized into several departments: Administration, Human Resources, Safety and Risk Management, Finance, Engineering, Field Operations, Plant Operations and Environmental Services. Some department are broken down further into divisions. Each department is headed by a Department Director who reports directly to the District Manager, and each director is responsible for operating and capital expenses within her or his department. There are also three funds within the District (Wastewater, Stormwater, and Upper Lateral), with oversight and controls in place to ensure that the restricted fee-based revenues within each fund are spent only on appropriate and related expenses.

Biennially, the Board adopts a user-fee based budget to serve as the approved financial plan. The District utilizes wastewater, upper lateral, and storm drainage fee ordinances to authorize rates required to fund the District's operations and capital programs with resolutions approving the specific rates in effect. The budget is used as a key control device (1) to ensure Board approval for amounts set for operations and capital projects, (2) to monitor expenses and project progress and (3) as compliance that approved spending levels have not been exceeded. All operating and capital activities of the District are included within the approved budget, and project financial plans are adopted for all capital projects.

Financial policy supports the fiduciary responsibility of proper safekeeping and custody of assets. Financial management must follow various requirements set forth by law, accounting principles, ordinance, regulatory agencies, and covenants. The District utilizes six financial related programs for the administration of operating goals and objectives, as summarized below. Each of these programs plays an integral role in connection with the financial operations of the District.

Cash and Investments Management

The District revised its Investment Policy in June 2021 and partners with an Independent Investment Advisor to develop a more comprehensive strategy around the three foundational principles of safety, liquidity and yield. Billing annual service charges as assessments on the Solano County Tax Roll, and

administered under a Teeter plan (a program to ensure 100% collection of assessments), improves cash collections and cash liquidity projections.

Utility Billing and Customer Service

The District bills its customers for wastewater, upper lateral and storm drainage services directly to the property owner of record as an assessment on the Solano County Secured Property Tax Statement. The customer service program's objective is to help customers understand this billing system through efficient, timely, and consistent interactions. The District uses a written customer service and billing procedure manual to ensure consistent level of service and application of billing policy, including protection of confidential customer information.

Capital Assets and Debt Management

The management, operation and maintenance of wastewater collection, wastewater treatment and storm water conveyance system is a capital intensive endeavor. The District inventories capital assets and performs condition assessments which drive the development of the Capital Improvement Plan (CIP). The CIP is a ten-year rolling plan focused on capital projects and significant equipment, in compliance with Budget and Capital Outlay policies adopted in April 2021. Though the District's debt burden is not considered high for a public utility, the District's preferred method is to finance capital projects on a pay-as-you-go basis, and use debt financing only for new and very large projects. Debt policies were updated in April 2020 and provide debt-related guidance to staff and the Board.

Purchasing

The District has a purchasing program, managed under the framework of purchasing policies last updated in September 2020, that guides procurement activities in conformance with all applicable laws, rules, and regulations, and with the highest ethical standards of business conduct. The District will contract for the purchase, rent or lease of materials, supplies and equipment, and secure services for the District's use with the objective that such goods and services will be available at the proper time, in the proper place, and in quantity, quality, and price so as to receive maximum value; and, to maintain inventories of goods at minimum levels consistent with user department's needs to allow for maximum conservation of District funds.

Financial Reporting

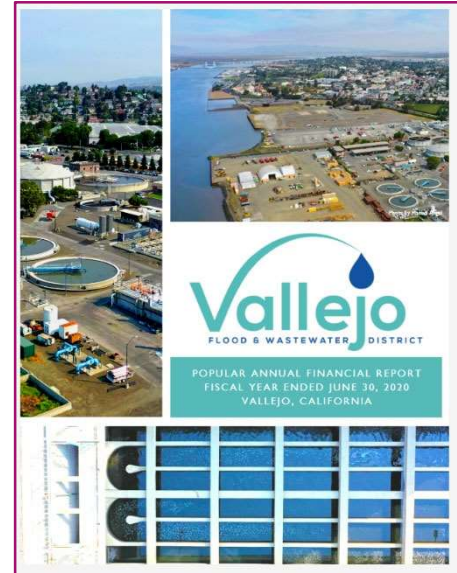
The District issues an Annual Comprehensive Financial Report (ACFR) prepared in accordance with Generally Accepted Accounting Principles and audited by an independent firm of certified public accountants in accordance with Generally Accepted Auditing Standards. The report is submitted to the Board of Trustees for review and approval. The ACFR is prepared in three sections: introductory, financial, and statistical. Responsibility for all disclosures rests with management of VFWD. The report is available no earlier than the date of the auditor's opinion and no later than December 31st of each year.



In addition to annual audited financial statements, the District has various other financial reporting requirements monthly, quarterly, and annually. The District also prepares a Popular Annual Financial Report based on the ACFR.

Cooperative Efforts

The District participates in significant cooperative efforts with the City of Vallejo, Solano County public agencies, and utilities when common needs arise. Examples include participation with City programs for street sweeping and odor control, and certain animal control in unincorporated areas. The District works in conjunction with the Solano County Disaster Council, a coalition of Solano County safety personnel, to adequately prepare and respond in the event of an emergency. The District also participates in joint training efforts with the greater area for emergency response and safety.



Financial Condition

The information presented in the Financial Section is perhaps best understood in the context of the economic environment in which VFWD operates and the strategic direction which VFWD has chosen to take, as discussed below.

Local Economy

Solano County is centrally located between San Francisco and Sacramento, on Interstate 80. The Sacramento River, San Pablo and Suisun Bays, and the Carquinez Strait are the vital water transportation arteries that surround and serve the County. The County encompasses approximately 910 square miles consisting of 830 square miles of land and 80 square miles of water. Approximately 128 square miles of the county, or 14 percent of the total land area, lies within seven incorporated cities of Benicia, Dixon, Fairfield, Rio Vista, Suisun City, Vacaville, and Vallejo. Ninety-five percent of the County's residents live within the seven cities. The County has a rich history as both the cities of Vallejo and Benicia have served as California's state capital during the 1850's.

The County supports diversification of the local economy so that many activities contribute to the County's prosperity and offer opportunities for residents to meet their needs.

The City of Vallejo is home to a popular ferry terminal providing transportation into downtown San Francisco. Predominantly a residential community, Vallejo's housing prices are extremely competitive with the surrounding larger metropolitan centers, although approximately 45% of the city of Vallejo residents are renters. The median household income is just over \$69,400, compared to the State of California at just over \$75,200. The city has a higher high



school degree attainment rate than the state as a whole (88.0% compared to 83.3%), but a lower 4-year college degree attainment rate (25.8% to 33.9%) (US Census, 2019 data).

Impacts of Coronavirus Pandemic

Prior to the Coronavirus pandemic, the City of Vallejo economy was showing signs of continued gains with a stabilized revenue base, modest growth, and employment rates, property tax and sales tax revenues increasing.

The pandemic and the accompanying response have impacted the community of Vallejo similarly to other cities in California and the nation as a whole. However, the specific long-term impacts to the District area still unknown at this time. The overall flow and loading to the wastewater treatment plant has seen neither a noticeable increase nor decrease. Because utility fees are collected as property assessments, there has not been any appreciable impact to collection rates. To date, the most significant impact to the District has been lower than projected returns on cash investments. It remains to be seen whether the economic downturn will significantly impact the long-term financial condition of the District.

Strategic Planning

The Board of Trustees and District staff worked together to develop a strategic vision and action plan for the District, for Fiscal Year 2019-20 (year 1) through Fiscal Year 2022-23 (Year 4). Each item in the Action Plan has been assigned to a department: Engineering, Environmental Services (Env. Services), Field Operations (Field Ops), Finance, Workforce Development and Succession Planning (HR), Operations and Maintenance (Ops & Maint.) and Safety and Risk Management (SRM).

Year 1

Engineering	Update standard plans and specifications.
Engineering	Align the CIP with the Asset Management Program, and prioritize projects appropriately.
Engineering	Seek third party insights to develop appropriate mitigation and negotiate a new maintenance contract with regulatory agencies.
Env. Services	Develop and implement new staff training for two new inspectors. Includes minimum performance standards and standard operating procedures.
Env. Services	Develop laboratory standards and procedures for TNI compliance.
Env. Services	Develop succession plan for retirement of lab supervisor.
Env. Services	Hire levee maintenance consultant, and negotiate new contract with farmer.
Env. Services	Complete improvements to the access road from Highway 37 to the biosolids pad.
Env. Services	Complete security improvements at Tubbs Island.
Field Ops.	Develop performance standards for staff in the television, periodic maintenance, construction and customer service divisions.
Field Ops.	Integrate Infor (CMMS) with the geographical information system (GIS).
Field Ops.	Develop Fish and Wildlife Permit compliance improvement program.
Field Ops.	Extend the Fish and Wildlife Permit for creek and waterbody maintenance.

Finance	Develop performance indicators that measure progress toward achieving objectives to include in budget and quarterly reporting.
Finance	Develop and distribute a Popular Annual Financial Report to all District ratepayers for enhanced transparency.
Finance	Develop an RFP for the selection and purchase of new enterprise management software that provides greater financial transparency through regular reporting and District-wide usability.
HR	Complete all job description amendments.
HR	Review and confirm all position connectivity as prescribed in the Memorandum of Understanding (MOU).
HR	Provide a mentor program.
HR	Complete development of a supervisor training program and implement same.
HR	Update Employee Handbook.
HR	Electronic Selection Panel Process
Ops & Maint.	Convert the Asset Management Plan (AMP) to a Maintenance Master Plan (MMP) with short/long term maintenance plan and replacement schedules for all major parts.
Ops & Maint.	Develop electrical training program to develop high/medium voltage competency in all electrical staff.
Ops & Maint.	Enter into a consulting contract to develop an IT Master Plan.
Ops & Maint.	Complete Computer Maintenance Management System (CMMS) asset registry with asset classification, life cycle ranking and supply chain.
Ops & Maint.	Develop Nutrient Treatment technology roadmap.
SRM	Complete security vulnerabilities study on Tubbs Island to evaluate potential security risks that results in the development and implementation of a site-specific security plan.
SRM	Revise employee on-boarding program so that it meets the intent of required regulatory compliance that results in new hires adjusting to the social and performance aspects of the District, and in doing so quickly becoming productive, contributing members of the organization. - Safety orientation - District immersion brief - Performance expectations
SRM	In coordination with affected departments, develop and grow the programmatic and tactical capabilities of the Districts Rescue Response Team that results in regulatory compliance and safe employment of this high risk competency. - Program administration - Robust training - Equipment maintenance

- | | |
|-----|---|
| SRM | In coordination with lead staff, complete LHMP audit to evaluate and update the Districts mitigation plan that results in assessing the Districts overall progress. |
| SRM | Develop and implement computer-based training for the District's contractor safety program that results in standardized training for outside contractors ensuring that regulatory compliance with multi-employer worksites is achieved. |

Year 2

- | | |
|---------------|--|
| Engineering | Develop a funding strategy for capital infrastructure projects that includes grant financing and loans. |
| Engineering | Develop an environmental compliance reporting matrix for all capital infrastructure projects and major maintenance projects. |
| Env. Services | Develop sub Significant Industrial User (sub SIU) standards for small intensive uses i.e., breweries, distilleries and wineries. |
| Env. Services | Finalize laboratory standards and procedures for TNI compliance. Recertify lab under ELAP. |
| Env. Services | Develop levee maintenance master plan and refine levee costs in the 10-year CIP. |
| Env. Services | Finalize soil profile and policy paper for consideration of outside biosolid acceptance. |
| Field Ops. | Audit the Sanitary Sewer Master Plan (SSMP) for effectiveness. |
| Field Ops. | Train supervisory staff on data entry and certification for SWRCB permit compliance in CIWCS. |
| Field Ops. | Continue Integration of Infor (CMMS) with the geographical information system (GIS). |
| Field Ops. | Audit the Sanitary Sewer Master Plan (SSMP) for effectiveness. |
| Finance | Complete a stormwater rate study/long-term financial plan which includes the ongoing maintenance and construction costs that meet stormwater regulations promulgated by the RWQCB. |
| Finance | Evaluate the stormwater and runoff capacity fees against master plan estimates for improvement and maintenance to ensure sustainability. |
| HR | Develop college level internships in the Environmental and Engineering Departments. |
| HR | Work with Solano Community College to develop a technology program for Maintenance Mechanics. |
| HR | Work with guild and technical schools to develop a technology training program for electricians. |
| Ops & Maint. | Align AMP with MMP and assign dollar figures and replacement schedules for major parts identified in the CMMS. |
| Ops & Maint. | Develop maintenance mechanic/Electrical competency standards. |
| Ops & Maint. | Use the IT Master plan to optimize hardware and software applications to minimize costs. |

- Ops & Maint. Convert the Asset Management Plan (AMP) to a Maintenance Master Plan (MMP) with short/long term maintenance plan and replacement schedules for all major parts.
- Ops & Maint. Align AMP with MMP and assign dollar figures and replacement schedules for major parts identified in the CMMS.
- Ops & Maint. Finalized Blending/Nutrient Treatment technology roadmap: Pilot technologies.
- SRM Develop and implement a competency-based training program specific to classifications and skill sets that results in standardized training and known capabilities to achieve desired performance metrics.
- Collection System Worker I, II, III, IV
 - Operator I, II, III, IV, V
 - Mechanical Technician I, II, III
 - Etc.
- SRM In coordination with Human Resources develop and implement a comprehensive employee professional development program that results in effective succession planning, knowledge sharing, and depth of capability within the District.
- SRM Coordinate with the required outside resources on the Districts LHMP mitigation strategy to begin the comprehensive process to create the 2022 plan update that results in a revision capturing the changes in development, progress, efforts, and priorities.
- SRM Leverage technology in the operations of the Districts enterprise safety, security and loss prevention programs resulting in a more efficient execution, and employment of resources in reaching the programs desired objectives.
- SOPS, Claims, Inspections, Record Keeping, etc.

Year 3

- Engineering Develop a Collection System Master Plan.
- Engineering Amend the CIP to reflect changes in priority and funding availability.
- Env. Services SIU Master Plan that serves as an overarching standard operating procedure for the program.
- Env. Services MRP 3.0 for stormwater discharge compliance.
- Env. Services Complete No Feasible Alternatives Analysis (NFAA) in advance of permit negotiation with the Regional Water Quality Control Board (RWQCB).
- Env. Services Levee capital project.
- Field Ops. Complete Integration of Infor (CMMS) with the geographical information system (GIS).
- Field Ops. Audit SSMP for effectiveness.
- Finance Complete a wastewater rate study/long-term financial plan for adoption in year four.
- Finance Pursue project financing for the CIP.
- HR Conduct a salary survey in advance of negotiations.

- HR Evaluate personnel structure and connectivity in advance of negotiations.
- Ops & Maint. Develop timelines, standard operating procedures and Job Plans, safety procedures.
- Ops & Maint. Convert the Asset Management Plan (AMP) to a Maintenance Master Plan (MMP) with short/long term maintenance plan and replacement schedules for all major parts.
- Ops & Maint. Reassess and develop Maintenance Key Performance Indicators (KPI).
- Ops & Maint. Finalized Blending/Nutrient Treatment technology roadmap: Pilot technologies.
- SRM Establish and implement a comprehensive emergency management program to include operational and business continuity that results in effectively meeting the four phases of emergency management.
- Mitigation
 - Preparedness
 - Response
 - Recovery
- SRM Conduct LHMP five-year review and revision requirement that results in a revised five year plan with established priorities.
- Consult with scientists, hazard experts
 - Solicit input from stakeholders
 - Incorporate lessons learned from disasters that have occurred since last plan
- SRM Continue to leverage technology in the operations of the Districts enterprise safety, security and loss prevention programs that results in an integrated compliance tool within the computerized maintenance management system.
- Inspections
 - Job hazard analysis
 - Standard operating procedures

Year 4

- Engineering Develop a Treatment Plant Master Plan.
- Env. Services Study of emerging pollutants of concern and potential impacts to local businesses.
- Env. Services Recertify lab under ELAP.
- Env. Services Negotiate next discharge permit for plant wastewater discharge.
- Field Ops. Audit SSMP for effectiveness.
- Field Ops. Update SSMP and Recertify the SSMP With Governing Body.
- Finance Adopt new wastewater rate study, implement resulting rates.
- Finance Develop a project financing and grant administration program for infrastructure stability.
- HR Negotiate new Teamsters contract.
- Ops & Maint. Reassess AMP assumptions and amend the CMMS and CIP appropriately.

- Ops & Maint. Finalize pilot Blending/Nutrient Treatment technologies roadmap with cost.
- SRM Perform comprehensive review of the Districts safety and wellness incentive program that results in ensuring the program is meeting the desired objectives.
- Reduction in injuries
 - Reduction in incidents
 - Changes in unsafe behavior
- SRM Submit revised LHMP through regulatory approval channels (CAL/OES, FEMA, etc.) that results in an updated published five-year plan.

Awards and Acknowledgements

Awards

The District is the recipient of many awards of excellence at the local, state and national levels for maintaining an efficient, well run operation. These awards have been received from the local chapter of the California Water Environment Association (CWEA), the state CWEA, the national Water Environment Federation, and the National Association of Clean Water Agencies (NACWA). Awards received typically are for plant of the year, collection system of the year, Burke award for safety, excellence in management recognition, and awards for individual achievements. The District last year received the NACWA Gold Award for no violations of its NPDES permit. The VFWD Investment Policies have also been awarded a certification from the California Municipal Treasurers Association.

For the fiscal year ended June 30, 2020, the District received the Certificate of Achievement for Excellence in Financial Reporting for its Comprehensive Annual Financial Report from the Government Finance Officers Association of the United States and Canada. Staff believes the current Report for fiscal year end June 30, 2021 conforms to Certificate of Achievement program requirements and has submitted it for award.

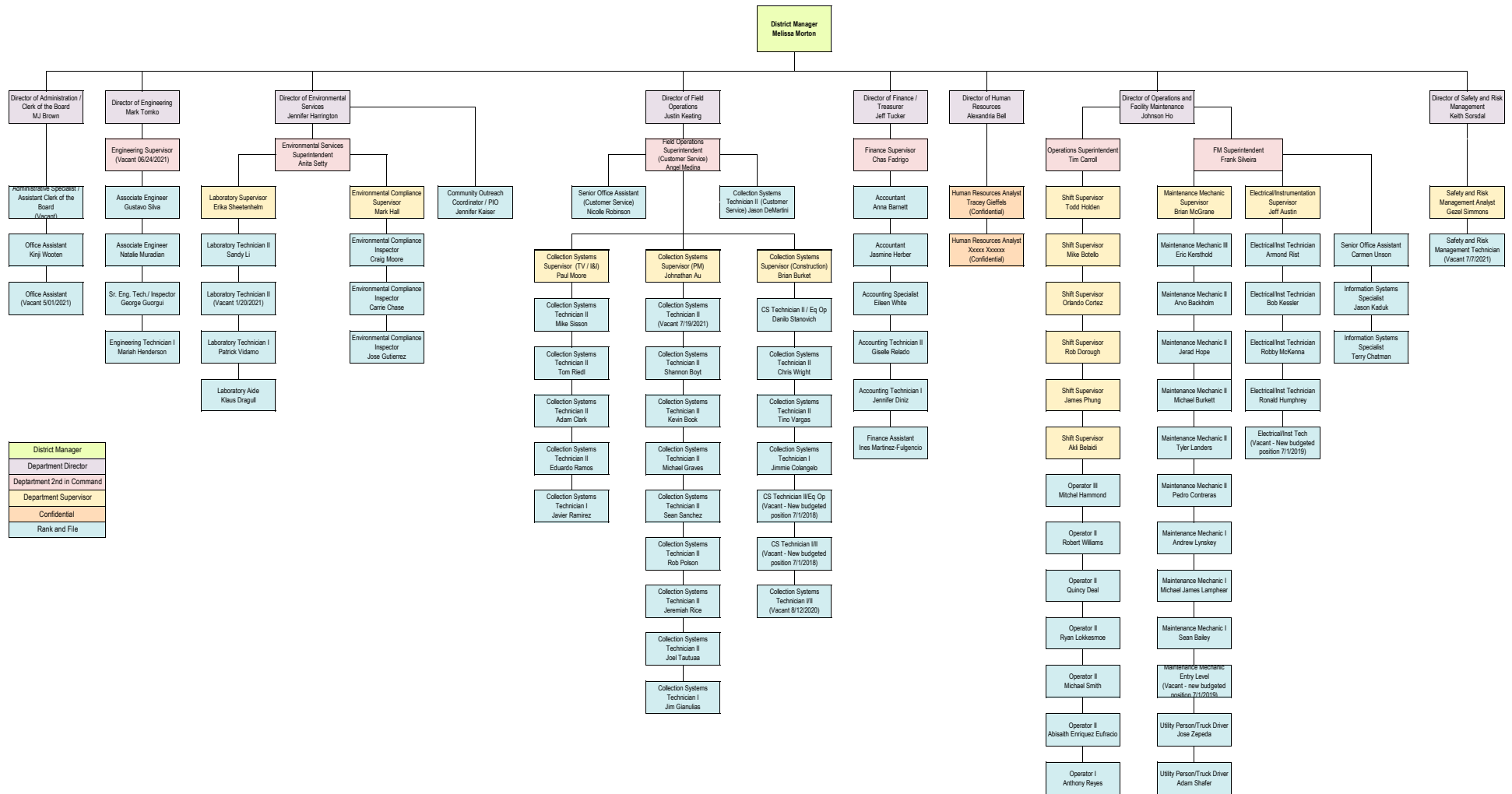
Acknowledgments

In submitting this Comprehensive Annual Financial Report, sincere appreciation is expressed to the Trustees of VFWD for their support and the members of all of the District departments that provided information for this report. The Finance Department would like to thank MUN CPAs for their professional guidance and audit services.

The District would like to express special thanks to the following for their commitment to financial accountability and transparency, and for all their contributions made during the preparation of this report. Without their tireless efforts, this AAFR would not be possible:

Jeff Tucker, Director of Finance/Treasurer ♦ Chas Fadrigio, Finance Supervisor
 Anna Barnett, Accountant ♦ Jasmine Herber, Accountant ♦ Eileen White, Accounting Specialist
 Giselle Relado, Accounting Technician ♦ Jennifer Diniz, Accounting Technician
 ♦ Ines Fulgencio, Finance Assistant

Vallejo Flood Wastewater District
Organization Chart with Employee Names
Effective May 1, 2021





Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Vallejo Flood and Wastewater District
California**

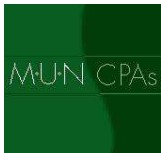
For its Comprehensive Annual
Financial Report
For the Fiscal Year Ended

June 30, 2020

Christopher P. Morill

Executive Director/CEO

Financial Section



INDEPENDENT AUDITOR'S REPORT

To the Board of Trustees
Vallejo Flood and Wastewater District
Vallejo, California

Report on the Financial Statements

We have audited the accompanying financial statements of the business-type activities of Vallejo Flood and Wastewater District as of and for the years ended June 30, 2021 and June 30, 2020, and the related notes to the financial statements, which collectively comprise the District'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. 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 business-type activities of Vallejo Flood and Wastewater District, as of June 30, 2021 and June 30, 2020, and the respective changes in financial position, and, where applicable, cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, pension related schedules, and OPEB related schedules as listed in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the 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.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Vallejo Flood and Wastewater District's basic financial statements. The introductory section and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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 December 1, 2021, on our consideration of Vallejo Flood and Wastewater District'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 solely 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 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 Vallejo Flood and Wastewater District's internal control over financial reporting and compliance.



Sacramento, California
December 1, 2021

Management's Discussion and Analysis

General

The following overview of the financial activities of the Vallejo Flood and Wastewater District summarizes changes in the District's basic financial statements. Basic financial statements consist of the Statements of Net Position, Statements of Revenues, Expenses and Changes in Net Position, Statements of Cash Flows and Notes to Basic Financial Statements. The main purpose of these statements is to provide the reader with sufficient information to assess whether or not the District's overall financial position has improved or deteriorated. Increases or decreases in net position over time are an indicator of the District's overall financial health and should be considered together with management's short and long-term plans for prospectively financing programs and services. The statistical section of this report contains a table of changes in net position presented on a ten-year basis.

The Statements of Net Position include all District assets and liabilities and deferred inflows-outflows of resources and provide information about the nature and amounts of investments in resources (assets) and obligations to creditors (liabilities). These Statements provide data for calculating analytical review measures such as rate of return, capital structure, and liquidity. Revenues and expenses are accounted for in the Statements of Revenues, Expenses and Changes in Net Position. These statements measure the success of District operations for the year and determine cost recovery through user fees and other charges, sustainability, and credit worthiness. Lastly, the Statements of Cash Flows provide information about District cash receipts and disbursements and net changes in cash that result from operating activities, non-capital financing activities, capital financing activities and investing activities.

The format of the District's financial statements is in accordance with business-type activities known as enterprise funds. Enterprise funds are self-supporting funds that charge fees to users to cover the costs of operation, maintenance and recurring capital replacement (OM&R) similar to the accounting used by private sector companies. Enterprise funds report on the accrual basis of accounting recognizing all assets, liabilities, deferred inflows-outflows of resources, and revenues and expenses applicable as of the financial statement date. Although the District separately issues its own financial report, the District is a component unit of the City of Vallejo by nature of the composition of the Board. Accordingly, the governing body of the District, the Board of Trustees, is substantively the same as the governing body of the primary government, the Vallejo City Council of the City of Vallejo.

Changes in Net Position

The following table of Consolidated Statements of Net Position provides a comparison of net position for fiscal year 2020-21 and fiscal year 2019-20. Net position for Fiscal Year 2020-21 increased in total \$4,697,459.

Vallejo Flood and Wastewater District
A Component Unit of the City of Vallejo
Fiscal Years Ended June 30, 2021 and 2020

Condensed Statement of Net Position	Fiscal Year	Fiscal Year	Amount	Percent
Description	Ended	Ended	Increase	Increase
	6/30/2021	6/30/2020	(Decrease)	(Decrease)
Current and other assets	\$ 48,884,117	\$ 44,874,558	\$ 4,009,559	8.9%
Capital assets - net	192,869,398	194,888,009	(2,018,611)	-1.0%
Total assets	241,753,515	239,762,567	1,990,948	0.8%
Deferred outflows of resources	10,741,181	8,458,024	2,283,157	27.0%
Long-term debt - net	30,491,189	33,102,127	(2,610,938)	-7.9%
Other liabilities	41,118,280	39,965,196	1,153,084	2.9%
Total liabilities	71,609,469	73,067,323	(1,457,854)	-2.0%
Deferred inflows of resources	2,980,426	1,945,926	1,034,500	53.2%
Investment in capital assets	163,260,911	162,730,906	530,005	0.3%
Restricted for capital improvements	20,790,891	20,544,113	246,778	1.2%
Restricted for debt service	1,492,101	1,555,574	(63,473)	-4.1%
Unrestricted	(7,639,102)	(11,623,251)	3,984,149	-34.3%
Total net position	\$ 177,904,801	\$ 173,207,342	\$ 4,697,459	2.7%

In FY 2020-21, current and other assets increased 4,009,559, or 8.9%, over prior year. Pooled cash and investments increased \$2,371,716. Current year also includes \$1,746,817 in grants receivable that was new in the current year. These increases were offset by smaller reductions in other current asset categories.). The net decrease in capital assets was \$2,018,611. Increases in capital assets were offset by retirements and depreciation expense for the fiscal year.

Reductions of \$2,610,938 in long-term debt is due to consistent timely payments of debt and not issuing any new debt. The other liabilities category increased total liabilities by \$1,153,084 due to various year-over-year changes, most notably a \$1,849,529 increase in net pension liability.

Deferred outflows of resources increased \$2,283,157 primarily due to increase in deferred outflows related to OPEB changes in assumptions. Deferred inflows of resources also increased \$1,034,500 primarily due to the difference in the OPEB plan's expected and actual experience as well as the net difference between projected and actual earnings on plan investments.

Increase in net position restricted for capital improvements (\$246,778) was due to fewer capital projects eligible for use of connection fee revenue.

Looking at a fund perspective, the increase in net position in the current fiscal year was most notable in the Unrestricted Net Position in the Wastewater Fund, where the position improved from (\$18,001,020) to (\$12,733,953). These negative Unrestricted Net Positions are due to the implementation of GASB Accounting and Financial Reporting requirements for pensions and OPEB which require full reporting of the pension and OPEB liabilities on the financial statements.

Vallejo Flood and Wastewater District
A Component Unit of the City of Vallejo
Fiscal Years Ended June 30, 2021 and 2020

The following table of Consolidated Statements of Net Position provides a comparison of net position for fiscal year 2019-20. Net position for Fiscal Year 2019-20 decreased in total by \$905,521.

Condensed Statements of Net Position	Fiscal	Fiscal	Amount	Percent
Description	Year Ended	Year Ended	Increase	Increase
	6/30/2020	6/30/2019	(Decrease)	(Decrease)
Current and other assets	\$ 44,874,558	\$ 47,930,473	\$ (3,055,915)	-6.4%
Capital assets - net	194,888,009	194,798,136	89,873	0.0%
Total assets	239,762,567	242,728,609	(2,966,042)	-1.2%
Deferred outflows of resources	8,458,024	7,229,711	1,228,313	17.0%
Long-term debt - net	33,102,127	38,265,913	(5,163,786)	-13.5%
Other liabilities	39,965,196	34,885,028	5,080,168	14.6%
Total liabilities	73,067,323	73,150,941	(83,618)	-0.1%
Deferred inflows of resources	1,945,926	2,694,516	(748,590)	-27.8%
Investment in capital assets	162,730,906	157,539,569	5,191,337	3.3%
Restricted for capital improvements	20,544,113	24,670,913	(4,126,800)	-16.7%
Restricted for debt service	1,555,574	7,064,556	(5,508,982)	-78.0%
Unrestricted	(11,623,251)	(15,162,175)	3,538,924	-23.3%
Total net position	\$ 173,207,342	\$ 174,112,863	\$ (905,521)	-0.5%

Current assets in FY 2019-20 decreased \$3,055,915. Pooled cash and investments increased \$4,057,465, while restricted investments decreased \$5,508,982 (due to the defeasance of debt and elimination of associated debt reserve requirement), with most of the remaining difference coming from a reduction in accounts receivable. There was a small increase in capital assets (\$89,873) in the prior year, with expenditures in capital assets similar to depreciation expenses. Net position was also negatively impacted by increased net pension and OPEB liabilities (\$3,261,642, combined). Changes in deferred outflows of resources were roughly balanced by changes in deferred inflows of resources.

Contributions toward the District's Net Pension Liability of \$24,254,485 was paid as part of the Employer Contributions to CalPERS and not immediately due. This liability is amortized over time, and can increase or decrease based on investment performance and the performance of other assumptions. The Net OPEB liability is an estimation of future contributions to retired employee health insurance premiums, and is offset by a restricted OPEB Trust held by the CERBT (CalPERS). More information on these two liabilities can be found in Note 10 and Note 11 of the financial statements. Excluding these two liabilities, Unrestricted Net Position would have been \$21,840,423 available for District operations, with an additional \$20,544,113 restricted for capital improvements and \$1,555,574 restricted for debt service.

Vallejo Flood and Wastewater District
A Component Unit of the City of Vallejo
Fiscal Years Ended June 30, 2021 and 2020

Results of Operations

Condensed Statement of Revenues, Expenses and Changes in Net Position

Description	Fiscal Year Ended 6/30/2021	Fiscal Year Ended 6/30/2020	Amount Increase (Decrease)	Percent Increase (Decrease)
Service charges	\$ 39,446,883	\$ 36,086,680	\$ 3,360,203	9.3%
Other operating revenues	40,794	34,507	6,287	18.2%
Property taxes	1,303,856	1,260,685	43,171	3.4%
Interest and investment income	81,822	645,835	(564,013)	-87.3%
Other non-operating revenues (expenses)	408,309	310,163	98,146	31.6%
Total revenues	<u>41,281,664</u>	<u>38,337,870</u>	<u>2,943,794</u>	7.7%
Salaries and benefits	19,045,797	18,651,967	393,830	2.1%
Operations materials, supplies and services	6,138,203	6,817,660	(679,457)	-10.0%
Depreciation and amortization	8,716,890	8,531,121	185,769	2.2%
Utilities and telephone	1,621,255	1,727,047	(105,792)	-6.1%
General and administrative	1,969,597	2,278,445	(308,848)	-13.6%
Interest expense	1,323,229	1,414,901	(91,672)	-6.5%
Total expenses	<u>38,814,971</u>	<u>39,421,141</u>	<u>(606,170)</u>	-1.5%
Income before capital contributions	2,466,693	(1,083,271)	3,549,964	-327.7%
Connection fee revenue	179,457	111,333	68,124	61.2%
Capital contributions received	2,051,309	66,417	1,984,892	0.0%
Increase (decrease) in net position	<u>4,697,459</u>	<u>(905,521)</u>	<u>5,602,980</u>	-618.8%
Net position - beg of year	173,207,342	174,112,863	(905,521)	-0.5%
Net position - end of year	<u>\$ 177,904,801</u>	<u>\$ 173,207,342</u>	<u>\$ 4,697,459</u>	2.7%

Service charges increased in the 2020-21 fiscal year as a result of the Board of Trustees approved fee increase of 9%. Interest and investment income decreased \$564,013 (87.3%) as the investment environment during the fiscal year result in lower average yields as investments matured and principal was reinvested at lower rates.

Salary and benefit expense in the current fiscal year experienced a 2.1% increase, in line with expectations after a 2% cost of living increase on July 1, 2020. Reductions in spending on operating materials, supplies, services, utilities, and general and administrative expenses offset the increase in salary and benefit expenses and depreciation, for a net decrease in total operating expenses of \$606,170, or a 1.5% reduction year-over-year.

The net position in FY 2020-21 was also positively impacted by \$2,051,309 in capital contributions received, primarily due to grant revenue received for a capital project partially funded by Caltrans.

Vallejo Flood and Wastewater District
A Component Unit of the City of Vallejo
Fiscal Years Ended June 30, 2021 and 2020

Condensed Statement of Revenues, Expenses and Changes in Net Position

Description	Fiscal Year Ended 6/30/2020	Fiscal Year Ended 6/30/2019	Amount Increase (Decrease)	Percent Increase (Decrease)
Service charges	\$ 36,086,680	\$ 31,229,741	\$ 4,856,939	15.6%
Other operating revenues	34,507	66,449	(31,942)	-48.1%
Property taxes	1,260,685	1,190,908	69,777	5.9%
Interest and investment income	645,835	1,487,352	(841,517)	-56.6%
Other non-operating revenues (expenses)	310,163	67,310	242,853	360.8%
Total revenues	38,337,870	34,041,760	4,296,110	12.6%
Salaries and benefits	18,651,967	14,897,875	3,754,092	25.2%
Operations materials, supplies and services	6,817,660	5,291,610	1,526,050	28.8%
Depreciation and amortization	8,531,121	8,399,593	131,528	1.6%
Utilities and telephone	1,727,047	1,681,079	45,968	2.7%
General and administrative	2,278,445	2,319,472	(41,027)	-1.8%
Interest expense	1,414,901	1,716,618	(301,717)	-17.6%
Total expenses	39,421,141	34,306,247	5,114,894	14.9%
Income before capital contributions	(1,083,271)	(264,487)	(818,784)	309.6%
Connection fee revenue	111,333	854,442	(743,109)	-87.0%
Capital contributions received	66,417	8,299,534	(8,233,117)	0.0%
Increase (decrease) in net position	(905,521)	8,889,489	(9,795,010)	-110.2%
Net position - beg of year	174,112,863	168,717,118	5,395,745	3.2%
Prior period adjustment	-	(3,493,744)	3,493,744	
Net position - end of year	\$ 173,207,342	\$ 174,112,863	\$ (905,521)	-0.5%

Service charges increased in the prior fiscal year as a result of a 12% wastewater rate increase for FY 2019-20. The restated FY 2018-19 statement also shows storm water service charge revenues significantly lower than FY 2019-20. This was a result of an Accounts Receivable adjustment and revenue restatement due to an overstatement of storm water service charge revenues in FY 2017-18.

Property taxes are an allocation to special districts that change with increases or decreases in property assessed values. Investment income decreased as a result of the average annual yield decrease on investments held in the Local Agency Investment Fund (LAIF) and other investments. Connection fee revenue decreased due to a decrease in construction activity.

Salaries and benefits were up in FY 2019-20 over the prior year due to a cost of living adjustment, general benefit cost increases, retirement payouts, an increased number of approved Full Time Equivalent (FTE) employees and filling of vacant positions. Operating supplies increased from the prior year due to an increase in plant and building maintenance activities. Utilities were up slightly as a result of PG&E rate adjustments. General and administrative expenses were down slightly and consistent with prior year. Interest expense declined with declining loan principal balances.

Capital Assets and Debt Administration (Notes 3 and 6, respectively)

The District maintains an ongoing capital improvement program which significantly impacts the District's budgets and rate-setting. The 10-year Capital Improvement Plan (CIP) is updated every two years, concurrent with the biennial budget adoption. The CIP sets forth a series of projects to upgrade and replace aging District sewer systems with emphasis on sewer main and treatment equipment rehabilitation, inflow and infiltration reduction, and the elimination of sewer overflows.

Vallejo Flood and Wastewater District
A Component Unit of the City of Vallejo
Fiscal Years Ended June 30, 2021 and 2020

The total program annual budgeted amounts are approximately \$16M (FY20) and \$12M (FY21), financed from rates and capital reserves using the “pay-as-you-go” method. During the years presented, the District completed and placed in service projects and various capital assets. While Total Capital Assets increased \$5,539,608, Total Capital Assets net of accumulated depreciation decreased \$2,018,611 in FY 2020-21. This follows an increase of \$89,873 in the prior fiscal year.

Description	Fiscal Year Ended		Increase/ (Decrease)
	June 30, 2021	June 30, 2020	
Land and land improvements	\$ 2,810,716	\$ 2,810,716	\$ -
Construction in progress	16,643,934	27,093,305	(10,449,371)
Treatment plant & facilities	140,314,142	140,373,418	(59,276)
Pump stations	44,894,655	44,962,540	(67,885)
Collection/trans systems	178,795,784	162,455,820	16,339,964
Buildings and improvements	3,868,149	3,895,863	(27,714)
Machinery and equipment	8,086,124	8,308,632	(222,508)
Vehicles	5,687,031	5,660,633	26,398
Total Capital Assets	401,100,535	395,560,927	5,539,608
Accumulated Depreciation	(208,231,137)	(200,672,918)	(7,558,219)
Total Capital Assets - Net	\$ 192,869,398	\$ 194,888,009	\$ (2,018,611)

Description	Fiscal Year Ended		Increase/ (Decrease)
	June 30, 2020	June 30, 2019	
Land and land improvements	\$ 2,810,716	\$ 2,810,716	\$ -
Construction in progress	27,093,305	27,509,774	(416,469)
Treatment plant & facilities	140,373,418	138,939,648	1,433,770
Pump stations	44,962,540	44,960,236	2,304
Collection/trans systems	162,455,820	156,221,654	6,234,166
Buildings and improvements	3,895,863	3,903,292	(7,429)
Vehicles	5,660,633		5,660,633
Machinery and equipment	8,308,632	14,402,415	(6,093,783)
Total Capital Assets	395,560,927	388,747,735	6,813,192
Accumulated Depreciation	(200,672,918)	(193,949,599)	(6,723,319)
Total Capital Assets - Net	\$ 194,888,009	\$ 194,798,136	\$ 89,873

Vallejo Flood and Wastewater District
A Component Unit of the City of Vallejo
Fiscal Years Ended June 30, 2021 and 2020

Some of the more significant capital assets placed in service and construction in progress in FY 2020-21 included:

Project	Cost
Stormwater Trash Capture Program	\$ 2,866,120
MIPS/3W PS/ Secondary Effluent Project	885,295
Annette to Irwin	466,664
Collection System Master plan	332,879
Upper Lateral Program	302,025
Total	<u>\$ 4,852,983</u>

Some of the more significant capital assets placed in service and construction in progress in the prior fiscal year included:

Project	Cost
Mare Island Way Sanitary Sewer Rehabilitation Project	\$ 1,701,025
Stormwater Trash Capture Program	1,022,095
Austin Creek Sediment Removal	1,013,917
Sereno/Mesa Verde Sewer Rehabilitation Project	732,655
Skibbereen Monteith Storm Drain Improvements	682,614
Total	<u>\$ 5,152,306</u>

There was no new debt issued by the District in FY 2020-21. Long-term debt net of premium (discount) is as follows:

Description	Fiscal Year Ended		Amount	Percent
	June 30, 2021	June 30, 2020	Increase (Decrease)	Increase (Decrease)
2014 Revenue bonds - net	\$ 26,380,300	\$ 27,604,253	\$ (1,223,953)	-4.4%
2011 Revenue bonds - net	1,165,456	1,428,183	(262,727)	-18.4%
2008 State Revolving Fund loan	1,197,121	1,479,073	(281,952)	-19.1%
2004 State Revolving Fund loan	1,748,312	2,590,618	(842,306)	-32.5%
Long term liabilities - net	<u>\$ 30,491,189</u>	<u>\$ 33,102,127</u>	<u>\$ (2,610,938)</u>	-7.9%

Description	Fiscal Year Ended		Amount	Percent
	June 30, 2020	June 30, 2019	Increase (Decrease)	Increase (Decrease)
2014 Revenue bonds - net	\$ 27,604,253	\$ 28,778,206	\$ (1,173,953)	-4.1%
2011 Revenue bonds - net	1,428,183	1,680,910	(252,727)	-15.0%
1993 Cert of participation - net	-	2,640,000	(2,640,000)	-100.0%
2008 State Revolving Fund loan	1,479,073	1,754,417	(275,344)	-15.7%
2004 State Revolving Fund loan	2,590,618	3,412,380	(821,762)	-24.1%
Long term liabilities - net	<u>\$ 33,102,127</u>	<u>\$ 38,265,913</u>	<u>\$ (5,163,786)</u>	-13.5%

Vallejo Flood and Wastewater District
A Component Unit of the City of Vallejo
Fiscal Years Ended June 30, 2021 and 2020

The District continues to expand, upgrade and improve the quality of its sewage collection and treatment systems to keep current with environmental regulations and the needs of its service area. The District occasionally uses debt to finance the significant costs of major upgrades to spread the costs to future as well as current residents as a way to promote intergenerational equity for improvements.

There are two issuances of bonded debt outstanding as of June 30, 2021, with one issuance (1993 COPs) defeased during FY 2019-2020. There are also two loans from the Clean Water State Revolving Fund.

The District issued Series 2011 Revenue Bonds to refund the Series 2001 Certificates of Participation (COPs), replacing variable-rate debt with fixed rate. The Series 2001 COPs were issued to finance the first phase of the Sanitary Sewer Overflow Elimination Program (SSOEP).

The District issued Series 2014 Revenue Bonds to refund the 2006 COPs. The Series 2006 COPs were issued to finance the construction of the Ryder Street Storage Basin and to correct a collection system bottleneck (the Calaveras / Mendocino / Mariposa sewer improvement project).

The District entered into a loan dated August 24, 2004, with the State of California's State Water Resources Control Board Clean Water State Revolving Fund program to finance an additional phase of the SSOEP project, and other improvements. The loan was in the principal amount of \$13.9M with interest at 2.5% to be repaid over 20 years.

The District entered into another State Revolving Fund loan on January 24, 2008 in the principal amount of \$4,406,072 with interest at 2.4% for repayment over 20 years, to finance the construction of the Vallejo South Interceptor Conveyance Improvement Project.

Total principal repayment for FY 2020-21 was \$2,610,638, while repayments in FY 2019-20 were \$5,163,786. The above capital asset and debt administration information is summary only. See the notes to the financial statements for additional details.

Rates and Other Economic Factors

The District is governed in part by provisions of the State Water Resources Control Board which state that rate-based revenues must at minimum cover the costs of operation, maintenance and recurring capital replacement (OM&R). Additionally, the District's debt includes bond covenants that require rates and other operating revenues to exceed the annual operating and maintenance costs for the District.

Due to the collection of most of the District's operating revenues as property tax assessments, the majority of the District's revenue is insulated from the immediate impacts of economic downturns, such as was experienced at the end of FY 2019-20 and through FY 2020-21 with the coronavirus pandemic. However, economic downturns can still result in increased customer bankruptcies and foreclosures that can reduce utility revenues in future years. Economic downturn can also result in reduced construction activity and the associated connection fees revenue received by the District. Nonoperating revenues can also be affected, such as by declines in assessed property values that reduce property taxes, or reduction in investment returns in a low yield environment. Accordingly, the District aims to set its rates to cover the costs of OM&R and debt financed capital improvements, taking into consideration any increments for known or anticipated programmatic or regulatory changes or impacts from the economy in general.

Vallejo Flood and Wastewater District
A Component Unit of the City of Vallejo
Fiscal Years Ended June 30, 2021 and 2020

For the wastewater fund, the Wastewater Rate Study and Long-Term Financial Plan was completed in early 2018 with rate adjustments approved by the Board of Trustees for each of the five-fiscal years beginning July 1, 2018 to fund operations/maintenance, implement a robust capital program and establish reserves in accordance with best practices and the District's Long Term Financial Plan. The rate adjustments were 12.5%, 12%, 9%, 4.5%, and 3%, respectively. The Board approved the most recent increase in June 2021 (4.5% increase) for FY 2021-22, according to the plan developed in 2018.

The stormwater fund's last increase to its base rate was in 1997, with an increase from \$1.77 per month to \$1.97 per month. After a rate study, workshops with the Citizens Advisory Committee and community outreach, the District proposed and the voters approved a restructuring of the fee, effective July 1, 2015, that retained the \$1.97 monthly rate for most residential properties but increased the rates for commercial properties in an effort to become more equitable between customer classes, particularly when factors regarding runoff and pollutant loading are considered. A rate study was conducted in FY 2020-21 to determine whether an increase to the \$1.97 monthly rate was necessary or justified to fund the ongoing operations, maintenance, capital replacement, reserve and cash flow requirements. In November 2021, the Board approved a plan to ask voters in April 2022 whether to increase the stormwater rates.

The upper lateral fund's rate was last adjusted in FY 2004-05, increasing from \$0.69 per month to \$1.38 per month. Spending in the upper lateral program is a function of customer demand.

District Funding: With each budget cycle, the District begins by reviewing financial requirements for salaries & benefits, operating materials, supplies & services, debt service, insurance, and capital improvements, and balances those needs against available operating revenue, nonoperating revenue and reserves.

For Fiscal Year 2020-21, there were 38,239 customer accounts generating rate-based service charges from which the District recognized approximately \$39.4 million in revenue. The District diligently pursues control of its service charges with its review of expenses, revenues, and cash reserves. The statistical section of this report contains a table of service charge rates that shows steady growth.

Property Taxes: The District receives an allocation of property taxes that amounted to approximately \$1.3 million in Fiscal Year 2020-21. Foreclosures have stabilized from the 2008-09 recession, and property tax revenues for the District will remain approximately the same for the next few years unless there is a significant decrease to property assessed values. Growth in property assessed values is subject to California Proposition 13 (1978) and other restrictions.

Requests for Information

This financial report is designed to provide a general overview of the District's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Director of Finance/Treasurer, Vallejo Flood and Wastewater District, 450 Ryder Street, Vallejo, CA 94590.

For questions regarding this report, contact the District at (707) 644-8949.

**VALLEJO FLOOD AND WASTEWATER DISTRICT
A COMPONENT UNIT OF THE CITY OF VALLEJO
STATEMENT OF NET POSITION
JUNE 30, 2021**

	Business-type Activities Enterprise Funds			
	<u>Wastewater</u>	<u>Storm Water</u>	<u>Upper Lateral</u>	<u>Total</u>
<u>ASSETS</u>				
Current assets				
Pooled cash and investments (Note 2)	\$ 16,219,651	\$ 21,971,264	\$ 1,369,399	\$ 39,560,314
Investments restricted for bonds (Note 2)	1,492,101	-	-	1,492,101
Receivables:				
Accounts, net of allowance	394,629	1,575,043	(2,565)	1,967,107
Grants	-	1,746,817	-	1,746,817
Interest	73,104	66,919	1,185	141,208
Deposits	517	-	-	517
Prepaid expenses	494,918	352,783	2,692	850,393
Inventory	<u>772,172</u>	<u>13,892</u>	<u>-</u>	<u>786,064</u>
Total current assets	<u>19,447,092</u>	<u>25,726,718</u>	<u>1,370,711</u>	<u>46,544,521</u>
Noncurrent assets				
Capital assets:				
Non-depreciable	6,716,532	12,737,914	204	19,454,650
Depreciable, net	<u>150,798,840</u>	<u>21,630,993</u>	<u>984,915</u>	<u>173,414,748</u>
Total capital assets (Note 3)	<u>157,515,372</u>	<u>34,368,907</u>	<u>985,119</u>	<u>192,869,398</u>
Related party prepaid lease (Note 5)	1,329,653	-	-	1,329,653
Notes receivable (Note 4)	177,956	94,919	-	272,875
Advance due from other funds (Note 9)	<u>-</u>	<u>737,068</u>	<u>-</u>	<u>737,068</u>
Total noncurrent assets	<u>159,022,981</u>	<u>35,200,894</u>	<u>985,119</u>	<u>195,208,994</u>
Total Assets	<u>178,470,073</u>	<u>60,927,612</u>	<u>2,355,830</u>	<u>241,753,515</u>
<u>DEFERRED OUTFLOWS OF RESOURCES</u>				
Deferred amounts on refunding - revenue bonds	882,702	-	-	882,702
Deferred outflows related to pension (Note 10)	5,431,879	53,885	209,118	5,694,882
Deferred outflows related to OPEB (Note 11)	<u>3,621,080</u>	<u>470,903</u>	<u>71,614</u>	<u>4,163,597</u>
Total Deferred Outflows of Resources	<u>9,935,661</u>	<u>524,788</u>	<u>280,732</u>	<u>10,741,181</u>

See accompanying notes to the basic financial statements.

VALLEJO FLOOD AND WASTEWATER DISTRICT
A COMPONENT UNIT OF THE CITY OF VALLEJO
STATEMENT OF NET POSITION (continued)
JUNE 30, 2021

	Business-type Activities Enterprise Funds			
	<u>Wastewater</u>	<u>Storm Water</u>	<u>Upper Lateral</u>	<u>Total</u>
<u>LIABILITIES</u>				
Current liabilities				
Accounts payable	533,885	930,568	20,951	1,485,404
Accrued salaries and employee benefits	768,875	74,242	10,389	853,506
Accrued interest on long-term debt	235,702	-	-	235,702
Refundable connection deposits	177,586	86,882	-	264,468
Current portion of revenue bonds payable (Note 6)	1,340,000	-	-	1,340,000
Current portion of loans (Note 6)	1,152,083	-	-	1,152,083
Current portion of compensated absences (Note 7)	703,956	56,118	17,520	777,594
Other current liabilities	<u>477,400</u>	<u>-</u>	<u>-</u>	<u>477,400</u>
Total current liabilities	<u>5,389,487</u>	<u>1,147,810</u>	<u>48,860</u>	<u>6,586,157</u>
Noncurrent liabilities				
Revenue bonds payable, net of premium (Note 6)	26,205,756	-	-	26,205,756
Loans (Note 6)	1,793,350	-	-	1,793,350
Advance due to other funds (Note 9)	737,068	-	-	737,068
Compensated absences payable (Note 7)	1,055,935	84,178	26,280	1,166,393
Net pension liability (Note 10)	24,422,802	1,184,605	496,607	26,104,014
Net OPEB liability (Note 11)	<u>7,841,851</u>	<u>1,019,792</u>	<u>155,088</u>	<u>9,016,731</u>
Total long-term liabilities	<u>62,056,762</u>	<u>2,288,575</u>	<u>677,975</u>	<u>65,023,312</u>
Total Liabilities	<u>67,446,249</u>	<u>3,436,385</u>	<u>726,835</u>	<u>71,609,469</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>				
Deferred inflows related to pension (Note 10)	872,464	(23,397)	(16,759)	832,308
Deferred inflows related to OPEB (Note 11)	<u>1,868,218</u>	<u>242,952</u>	<u>36,948</u>	<u>2,148,118</u>
Total Deferred Inflows of Resources	<u>2,740,682</u>	<u>219,555</u>	<u>20,189</u>	<u>2,980,426</u>
<u>NET POSITION</u>				
Net Investment in capital assets	127,906,885	34,368,907	985,119	163,260,911
Restricted for capital improvements	1,553,770	19,237,121	-	20,790,891
Restricted for debt service	1,492,101	-	-	1,492,101
Unrestricted	<u>(12,733,953)</u>	<u>4,190,432</u>	<u>904,419</u>	<u>(7,639,102)</u>
Total Net Position	<u>\$ 118,218,803</u>	<u>\$ 57,796,460</u>	<u>\$ 1,889,538</u>	<u>\$ 177,904,801</u>

See accompanying notes to the basic financial statements.

**VALLEJO FLOOD AND WASTEWATER DISTRICT
A COMPONENT UNIT OF THE CITY OF VALLEJO
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
FOR THE YEAR ENDED JUNE 30, 2021**

	Business-type Activities Enterprise Funds			
	<u>Wastewater</u>	<u>Storm Water</u>	<u>Upper Lateral</u>	<u>Total</u>
OPERATING REVENUES				
Service charges	\$ 36,616,703	\$ 2,197,297	\$ 632,883	\$ 39,446,883
Other operating revenue	<u>40,657</u>	<u>137</u>	<u>-</u>	<u>40,794</u>
Total operating revenues	<u>36,657,360</u>	<u>2,197,434</u>	<u>632,883</u>	<u>39,487,677</u>
OPERATING EXPENSES				
Salaries and benefits	16,560,511	1,961,830	523,456	19,045,797
Operations materials, supplies, and services	4,888,628	1,006,338	243,237	6,138,203
Depreciation and amortization	7,553,192	1,132,787	30,911	8,716,890
Utilities and telephone	1,556,955	64,300	-	1,621,255
General and administrative	<u>1,720,012</u>	<u>217,542</u>	<u>32,043</u>	<u>1,969,597</u>
Total operating expenses	<u>32,279,298</u>	<u>4,382,797</u>	<u>829,647</u>	<u>37,491,742</u>
Operating income (loss)	<u>4,378,062</u>	<u>(2,185,363)</u>	<u>(196,764)</u>	<u>1,995,935</u>
NONOPERATING REVENUE (EXPENSE)				
Property taxes	106,784	1,197,072	-	1,303,856
Interest and other investment income	29,791	51,389	642	81,822
Interest expense	(1,323,229)	-	-	(1,323,229)
Other nonoperating revenue (Note 8)	<u>391,708</u>	<u>15,707</u>	<u>894</u>	<u>408,309</u>
Total nonoperating revenue (expense)	<u>(794,946)</u>	<u>1,264,168</u>	<u>1,536</u>	<u>470,758</u>
Income (loss) before contributions	<u>3,583,116</u>	<u>(921,195)</u>	<u>(195,228)</u>	<u>2,466,693</u>
Connection fee revenue	92,690	86,767	-	179,457
Capital grants and contributions	<u>304,492</u>	<u>1,746,817</u>	<u>-</u>	<u>2,051,309</u>
Increase (decrease) in net position	3,980,298	912,389	(195,228)	4,697,459
NET POSITION, BEGINNING OF YEAR	<u>114,238,505</u>	<u>56,884,071</u>	<u>2,084,766</u>	<u>173,207,342</u>
NET POSITION, END OF YEAR	<u>\$ 118,218,803</u>	<u>\$ 57,796,460</u>	<u>\$ 1,889,538</u>	<u>\$ 177,904,801</u>

See accompanying notes to the basic financial statements.

**VALLEJO FLOOD AND WASTEWATER DISTRICT
A COMPONENT UNIT OF THE CITY OF VALLEJO
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2021**

	Business-type Activities Enterprise Funds			
	<u>Wastewater</u>	<u>Storm Water</u>	<u>Upper Lateral</u>	<u>Total</u>
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>				
Receipts from user charges	\$ 36,513,953	\$ 1,816,416	\$ 635,805	\$ 38,966,174
Paid for employee salaries and benefits	(15,705,639)	(2,108,757)	(395,227)	(18,209,623)
Payments to utilities	(1,556,955)	(64,300)	-	(1,621,255)
Payments to contractual/professional services	(1,720,012)	(217,542)	(32,043)	(1,969,597)
Payments to vendors and suppliers	<u>(5,867,264)</u>	<u>(574,178)</u>	<u>(261,371)</u>	<u>(6,702,813)</u>
NET CASH PROVIDED BY (USED FOR) OPERATING ACTIVITIES	<u>11,664,083</u>	<u>(1,148,361)</u>	<u>(52,836)</u>	<u>10,462,886</u>
<u>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</u>				
Interfund loan repayments made	(357,733)	-	-	(357,733)
Interfund loan repayments received	-	357,733	-	357,733
Property taxes received	106,784	1,197,072	-	1,303,856
Tubbs Island share crop	227,705	-	-	227,705
Radio station site lease	99,640	-	-	99,640
Miscellaneous revenues	<u>64,363</u>	<u>15,707</u>	<u>894</u>	<u>80,964</u>
NET CASH PROVIDED BY NONCAPITAL FINANCING ACTIVITIES	<u>140,759</u>	<u>1,570,512</u>	<u>894</u>	<u>1,712,165</u>
<u>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</u>				
Connection fees received	182,833	55,419	-	238,252
Capital contributions	304,492	-	-	304,492
Acquisition of capital assets	(3,637,813)	(3,028,558)	(76,739)	(6,743,110)
Disposal of capital assets	41,401	2,644	786	44,831
Principal payments on long-term debt	(2,548,616)	-	-	(2,548,616)
Interest paid on long-term debt	<u>(1,338,201)</u>	<u>-</u>	<u>-</u>	<u>(1,338,201)</u>
NET CASH USED FOR CAPITAL AND RELATED FINANCING ACTIVITIES	<u>(6,995,904)</u>	<u>(2,970,495)</u>	<u>(75,953)</u>	<u>(10,042,352)</u>
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>				
Receipts on note	2,623	-	-	2,623
Interest income received	<u>67,629</u>	<u>101,252</u>	<u>4,040</u>	<u>172,921</u>
NET CASH PROVIDED BY INVESTING ACTIVITIES	<u>70,252</u>	<u>101,252</u>	<u>4,040</u>	<u>175,544</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	<u>4,879,190</u>	<u>(2,447,092)</u>	<u>(123,855)</u>	<u>2,308,243</u>

See accompanying notes to the basic financial statements.

**VALLEJO FLOOD AND WASTEWATER DISTRICT
A COMPONENT UNIT OF THE CITY OF VALLEJO
STATEMENT OF CASH FLOWS (continued)
FOR THE YEAR ENDED JUNE 30, 2021**

	Business-type Activities Enterprise Funds			
	<u>Wastewater</u>	<u>Storm Water</u>	<u>Upper Lateral</u>	<u>Total</u>
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	<u>12,832,562</u>	<u>24,418,356</u>	<u>1,493,254</u>	<u>38,744,172</u>
CASH AND CASH EQUIVALENTS, END OF YEAR	<u>\$ 17,711,752</u>	<u>\$ 21,971,264</u>	<u>\$ 1,369,399</u>	<u>\$ 41,052,415</u>
<u>Cash and Cash Equivalents Reconciliation:</u>				
Pooled cash and investments	\$ 16,219,651	\$ 21,971,264	\$ 1,369,399	\$ 39,560,314
Investments restricted	<u>1,492,101</u>	<u>-</u>	<u>-</u>	<u>1,492,101</u>
TOTAL CASH AND CASH EQUIVALENTS	<u>\$ 17,711,752</u>	<u>\$ 21,971,264</u>	<u>\$ 1,369,399</u>	<u>\$ 41,052,415</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED FOR) BY OPERATING ACTIVITIES:				
Operating income (loss)	\$ 4,378,062	\$ (2,185,363)	\$ (196,764)	\$ 1,995,935
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities				
Depreciation and amortization	7,553,192	1,132,787	30,911	8,716,890
(Increase) decrease in:				
Accounts receivable	(143,407)	(381,018)	2,922	(521,503)
Deposits	(517)	-	-	(517)
Inventory and prepaid items	120,770	(3,919)	(785)	116,066
Increase (decrease) in:				
Accounts payable	(972,565)	436,079	(17,349)	(553,835)
Salaries and wages payable	178,616	2,196	(2,476)	178,336
Other current liabilities	(126,324)	-	-	(126,324)
Compensated absences	377,256	(58,565)	(6,945)	311,746
Net pension liability	749,413	94,754	17,228	861,395
Net OPEB liability	<u>(450,413)</u>	<u>(185,312)</u>	<u>120,422</u>	<u>(515,303)</u>
Net cash provided by (used for) operating activities	<u>\$ 11,664,083</u>	<u>\$ (1,148,361)</u>	<u>\$ (52,836)</u>	<u>\$ 10,462,886</u>

See accompanying notes to the basic financial statements.

**VALLEJO FLOOD AND WASTEWATER DISTRICT
A COMPONENT UNIT OF THE CITY OF VALLEJO
STATEMENT OF NET POSITION
JUNE 30, 2020**

	Business-type Activities Enterprise Funds			
	<u>Wastewater</u>	<u>Storm Water</u>	<u>Upper Lateral</u>	<u>Total</u>
<u>ASSETS</u>				
Current assets				
Pooled cash and investments (Note 2)	\$ 11,276,988	\$ 24,418,356	\$ 1,493,254	\$ 37,188,598
Investments restricted for bonds (Note 2)	1,555,574	-	-	1,555,574
Receivables:				
Accounts, net of allowance	251,222	1,194,025	357	1,445,604
Interest	110,942	116,782	4,583	232,307
Prepaid expenses	477,003	353,355	1,907	832,265
Inventory	<u>884,352</u>	<u>9,401</u>	<u>-</u>	<u>893,753</u>
Total current assets	<u>14,556,081</u>	<u>26,091,919</u>	<u>1,500,101</u>	<u>42,148,101</u>
Noncurrent assets				
Capital assets:				
Non-depreciable	19,991,151	9,912,019	851	29,904,021
Depreciable, net	<u>141,481,001</u>	<u>22,563,761</u>	<u>939,226</u>	<u>164,983,988</u>
Total capital assets (Note 3)	<u>161,472,152</u>	<u>32,475,780</u>	<u>940,077</u>	<u>194,888,009</u>
Related party prepaid lease (Note 5)	1,356,158	-	-	1,356,158
Notes receivable (Note 4)	180,579	94,919	-	275,498
Advance due from other funds (Note 9)	<u>-</u>	<u>1,094,801</u>	<u>-</u>	<u>1,094,801</u>
Total noncurrent assets	<u>163,008,889</u>	<u>33,665,500</u>	<u>940,077</u>	<u>197,614,466</u>
Total Assets	<u>177,564,970</u>	<u>59,757,419</u>	<u>2,440,178</u>	<u>239,762,567</u>
<u>DEFERRED OUTFLOWS OF RESOURCES</u>				
Deferred amounts on refunding - revenue bonds	945,024	-	-	945,024
Deferred outflows related to pension (Note 10)	5,538,339	67,346	211,565	5,817,250
Deferred outflows related to OPEB (Note 11)	<u>1,475,303</u>	<u>220,447</u>	<u>-</u>	<u>1,695,750</u>
Total Deferred Outflows of Resources	<u>7,958,666</u>	<u>287,793</u>	<u>211,565</u>	<u>8,458,024</u>

See accompanying notes to the basic financial statements.

VALLEJO FLOOD AND WASTEWATER DISTRICT
A COMPONENT UNIT OF THE CITY OF VALLEJO
STATEMENT OF NET POSITION (continued)
JUNE 30, 2020

	Business-type Activities Enterprise Funds			
	Wastewater	Storm Water	Upper Lateral	Total
<u>LIABILITIES</u>				
Current liabilities				
Accounts payable	1,506,450	494,489	38,300	2,039,239
Accrued salaries and employee benefits	590,259	72,046	12,865	675,170
Accrued interest on long-term debt	250,674	-	-	250,674
Refundable connection deposits	87,443	118,230	-	205,673
Current portion of revenue bonds payable (Note 6)	1,280,000	-	-	1,280,000
Current portion of loans (Note 6)	1,124,258	-	-	1,124,258
Current portion of compensated absences (Note 7)	483,922	69,601	17,761	571,284
Other current liabilities	<u>603,724</u>	<u>-</u>	<u>-</u>	<u>603,724</u>
Total current liabilities	<u>5,926,730</u>	<u>754,366</u>	<u>68,926</u>	<u>6,750,022</u>
Noncurrent liabilities				
Revenue bonds payable, net of premium (Note 6)	27,752,436	-	-	27,752,436
Loans (Note 6)	2,945,433	-	-	2,945,433
Advance due to other funds (Note 9)	1,094,801	-	-	1,094,801
Compensated absences payable (Note 7)	898,713	129,260	32,984	1,060,957
Net pension liability (Note 10)	22,813,712	981,157	459,616	24,254,485
Net OPEB liability (Note 11)	<u>8,011,994</u>	<u>1,197,195</u>	<u>-</u>	<u>9,209,189</u>
Total long-term liabilities	<u>63,517,089</u>	<u>2,307,612</u>	<u>492,600</u>	<u>66,317,301</u>
Total Liabilities	<u>69,443,819</u>	<u>3,061,978</u>	<u>561,526</u>	<u>73,067,323</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>				
Deferred inflow related to pension (Note 10)	1,838,601	98,758	5,451	1,942,810
Deferred inflow related to OPEB (Note 11)	<u>2,711</u>	<u>405</u>	<u>-</u>	<u>3,116</u>
Total Deferred Inflows of Resources	<u>1,841,312</u>	<u>99,163</u>	<u>5,451</u>	<u>1,945,926</u>
<u>NET POSITION</u>				
Net Investment in capital assets	129,315,049	32,475,780	940,077	162,730,906
Restricted for capital improvements	1,368,902	19,175,211	-	20,544,113
Restricted for debt service	1,555,574	-	-	1,555,574
Unrestricted	<u>(18,001,020)</u>	<u>5,233,080</u>	<u>1,144,689</u>	<u>(11,623,251)</u>
Total Net Position	<u>\$ 114,238,505</u>	<u>\$ 56,884,071</u>	<u>\$ 2,084,766</u>	<u>\$ 173,207,342</u>

See accompanying notes to the basic financial statements.

**VALLEJO FLOOD AND WASTEWATER DISTRICT
A COMPONENT UNIT OF THE CITY OF VALLEJO
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
FOR THE YEAR ENDED JUNE 30, 2020**

	Business-type Activities Enterprise Funds			
	<u>Wastewater</u>	<u>Storm Water</u>	<u>Upper Lateral</u>	<u>Total</u>
OPERATING REVENUES				
Service charges	\$ 33,045,459	\$ 2,348,878	\$ 692,343	\$ 36,086,680
Other operating revenue	<u>34,507</u>	<u>-</u>	<u>-</u>	<u>34,507</u>
Total operating revenues	<u>33,079,966</u>	<u>2,348,878</u>	<u>692,343</u>	<u>36,121,187</u>
OPERATING EXPENSES				
Salaries and benefits	15,984,689	2,253,488	413,790	18,651,967
Operations materials, supplies, and services	5,443,011	1,050,344	324,305	6,817,660
Depreciation and amortization	7,314,815	1,186,629	29,677	8,531,121
Utilities and telephone	1,659,331	67,079	637	1,727,047
General and administrative	<u>2,021,856</u>	<u>224,099</u>	<u>32,490</u>	<u>2,278,445</u>
Total operating expenses	<u>32,423,702</u>	<u>4,781,639</u>	<u>800,899</u>	<u>38,006,240</u>
Operating income (loss)	<u>656,264</u>	<u>(2,432,761)</u>	<u>(108,556)</u>	<u>(1,885,053)</u>
NONOPERATING REVENUE (EXPENSE)				
Property taxes	652,382	595,723	12,580	1,260,685
Interest and other investment income	213,958	400,591	31,286	645,835
Interest expense	(1,414,901)	-	-	(1,414,901)
Other nonoperating revenue (expense) (Note 8)	<u>303,017</u>	<u>7,479</u>	<u>(333)</u>	<u>310,163</u>
Total nonoperating revenue (expense)	<u>(245,544)</u>	<u>1,003,793</u>	<u>43,533</u>	<u>801,782</u>
Income (loss) before contributions	<u>410,720</u>	<u>(1,428,968)</u>	<u>(65,023)</u>	<u>(1,083,271)</u>
Connection fee revenue	91,741	19,592	-	111,333
Capital grants and contributions	<u>36,417</u>	<u>30,000</u>	<u>-</u>	<u>66,417</u>
Increase (decrease) in net position	538,878	(1,379,376)	(65,023)	(905,521)
NET POSITION, BEGINNING OF YEAR	<u>113,699,627</u>	<u>58,263,447</u>	<u>2,149,789</u>	<u>174,112,863</u>
NET POSITION, END OF YEAR	<u>\$ 114,238,505</u>	<u>\$ 56,884,071</u>	<u>\$ 2,084,766</u>	<u>\$ 173,207,342</u>

See accompanying notes to the basic financial statements.

**VALLEJO FLOOD AND WASTEWATER DISTRICT
A COMPONENT UNIT OF THE CITY OF VALLEJO
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2020**

	Business-type Activities Enterprise Funds			
	Wastewater	Storm Water	Upper Lateral	Total
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>				
Receipts from user charges	\$ 34,395,314	\$ 1,932,875	\$ 684,075	\$ 37,012,264
Paid for employee salaries and benefits	(14,311,632)	(1,937,279)	(388,833)	(16,637,744)
Payments to utilities	(1,659,331)	(67,079)	(637)	(1,727,047)
Payments to contractual/professional services	(2,021,856)	(224,099)	(32,490)	(2,278,445)
Payments to vendors and suppliers	<u>(4,442,956)</u>	<u>(722,955)</u>	<u>(292,086)</u>	<u>(5,457,997)</u>
NET CASH PROVIDED BY (USED FOR) OPERATING ACTIVITIES	<u>11,959,539</u>	<u>(1,018,537)</u>	<u>(29,971)</u>	<u>10,911,031</u>
<u>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</u>				
Interfund loan repayments made	(350,719)	-	-	(350,719)
Interfund loan repayments received	-	350,719	-	350,719
Property taxes received	652,382	595,723	12,580	1,260,685
Tubbs Island share crop	189,551	-	-	189,551
Radio station site lease	31,947	-	-	31,947
Miscellaneous revenues (expenses)	<u>28,003</u>	<u>(981)</u>	<u>(333)</u>	<u>26,689</u>
NET CASH PROVIDED BY NONCAPITAL FINANCING ACTIVITIES	<u>551,164</u>	<u>945,461</u>	<u>12,247</u>	<u>1,508,872</u>
<u>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</u>				
Connection fees received	99,612	81,617	-	181,229
Capital contributions	157,299	30,000	-	187,299
Acquisition of capital assets	(6,864,804)	(2,926,337)	(55,345)	(9,846,486)
Disposal of capital assets	947,052	340,416	218	1,287,686
Principal payments on long-term debt	(5,101,464)	-	-	(5,101,464)
Interest paid on long-term debt	<u>(1,496,867)</u>	<u>-</u>	<u>-</u>	<u>(1,496,867)</u>
NET CASH USED FOR CAPITAL AND RELATED FINANCING ACTIVITIES	<u>(12,259,172)</u>	<u>(2,474,304)</u>	<u>(55,127)</u>	<u>(14,788,603)</u>
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>				
Receipts on note	4,855	-	-	4,855
Interest income received	<u>210,108</u>	<u>664,703</u>	<u>37,517</u>	<u>912,328</u>
NET CASH PROVIDED BY INVESTING ACTIVITIES	<u>214,963</u>	<u>664,703</u>	<u>37,517</u>	<u>917,183</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	<u>466,494</u>	<u>(1,882,677)</u>	<u>(35,334)</u>	<u>(1,451,517)</u>

See accompanying notes to the basic financial statements.

VALLEJO FLOOD AND WASTEWATER DISTRICT
A COMPONENT UNIT OF THE CITY OF VALLEJO
STATEMENT OF CASH FLOWS (continued)
FOR THE YEAR ENDED JUNE 30, 2020

	Business-type Activities Enterprise Funds			
	<u>Wastewater</u>	<u>Storm Water</u>	<u>Upper Lateral</u>	<u>Total</u>
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	<u>12,366,068</u>	<u>26,301,033</u>	<u>1,528,588</u>	<u>40,195,689</u>
CASH AND CASH EQUIVALENTS, END OF YEAR	<u>\$ 12,832,562</u>	<u>\$ 24,418,356</u>	<u>\$ 1,493,254</u>	<u>\$ 38,744,172</u>
<u>Cash and Cash Equivalents Reconciliation:</u>				
Pooled cash and investments	\$ 11,276,988	\$ 24,418,356	\$ 1,493,254	\$ 37,188,598
Investments restricted	<u>1,555,574</u>	<u>-</u>	<u>-</u>	<u>1,555,574</u>
TOTAL CASH AND CASH EQUIVALENTS	<u>\$ 12,832,562</u>	<u>\$ 24,418,356</u>	<u>\$ 1,493,254</u>	<u>\$ 38,744,172</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED FOR) OPERATING ACTIVITIES:				
Operating income (loss)	\$ 656,264	\$ (2,432,761)	\$ (108,556)	\$ (1,885,053)
Adjustments to reconcile operating income (loss) to net cash provided by operating activities				
Depreciation and amortization	7,314,815	1,186,629	29,677	8,531,121
Construction in progress adjustment	65,511	(65,729)	-	(218)
(Increase) decrease in:				
Accounts receivable	1,315,348	(416,003)	(8,268)	891,077
Inventory and prepaid items	(18,916)	(10,845)	133	(29,628)
Increase (decrease) in:				
Accounts payable	929,884	403,963	32,086	1,365,933
Salaries and wages payable	376,901	43,980	7,124	428,005
Other current liabilities	23,576	-	-	23,576
Compensated absences	279,780	120,987	(36,966)	363,801
Net pension liability	1,332,307	198,448	54,799	1,585,554
Net OPEB liability	<u>(315,931)</u>	<u>(47,206)</u>	<u>-</u>	<u>(363,137)</u>
Net cash provided by (used for) operating activities	<u>\$ 11,959,539</u>	<u>\$ (1,018,537)</u>	<u>\$ (29,971)</u>	<u>\$ 10,911,031</u>

See accompanying notes to the basic financial statements.

**VALLEJO FLOOD AND WASTEWATER DISTRICT
A COMPONENT UNIT OF THE CITY OF VALLEJO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2021 AND 2020**

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. General

The Vallejo Flood and Wastewater District (the District) is a special district body corporate and politic of the County of Solano formed May 19, 1952 by Act 8934 of the California Legislature. The District is not coterminous with the City of Vallejo and serves additional unincorporated County area. The District provides wastewater collection and treatment and storm water transmission over its entire service area.

B. Financial Reporting Entity

The nucleus of the financial reporting entity usually is a primary government, but may be a component unit when the component unit provides separately issued financial statements. Component units are legally separate organizations for which the elected officials of the primary government are financially accountable. Financial accountability exists in situations where a voting majority of an organization's governing body is substantively the same as the governing body of the primary government. The District's Board of Trustees consists of the seven members of the Vallejo City Council (primary government) and one member appointed by the Solano County Board of Supervisors. There is no financial benefit or burden relationship with the primary government or operational responsibility. The District is a discrete component unit of the City of Vallejo.

C. Financing Corporation

The Vallejo Flood and Wastewater District's Financing Corporation (the Corporation) was organized July 1, 1993 under the Non-Profit Public Benefit Corporation Law of the State of California solely for the purpose of providing financial assistance to the District by acquiring, constructing, improving, and financing various facilities, land, and equipment, and by leasing or selling certain facilities, land, and equipment for the use, benefit, and enjoyment of the public served by the District. The Corporation has no members and its Board of Directors consists of the same persons who serve as the Board of Trustees of the District. There is no financial benefit or burden relationship with the primary government or operational responsibility. The Corporation is a blended component unit of the District. There are no separate financial statements prepared for the Corporation.

D. Measurement Focus, Basis of Accounting and Presentation

The financial statements have been prepared in conformity with generally accepted accounting principles (GAAP). The Governmental Accounting Standards Board (GASB) is the acknowledged standard setting body for establishing accounting and financial reporting standards followed by governmental entities in the United States.

Enterprise funds are accounted for on the flow of economic resources measurement focus utilizing the full accrual basis of accounting. Under this method, revenues from user fees and other sources are recorded when earned, and expenses for goods and services are recorded when the related obligations are incurred.

E. Cash and Cash Equivalents

The District considers cash and all highly liquid investments that are readily convertible to known amounts of cash with original maturities of three months or less to be cash equivalents. The District's cash and cash equivalents consist of cash, deposits in financial institutions, short-term investments with the State of California's Local Agency Investment Fund and the money portion of custody investment and debt service trustee accounts. The statement of cash flows measure and identify changes in these cash and cash equivalents.

F. Investments

Investments consist of custody securities with a fiscal agent, and construction and reserve funds with trustee banks. The District records its investments at fair value. Changes in fair value are reported as investment income in the statement of revenues, expenses and changes in net position.

**VALLEJO FLOOD AND WASTEWATER DISTRICT
A COMPONENT UNIT OF THE CITY OF VALLEJO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2021 AND 2020**

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

G. Accounts Receivable

Accounts receivable represents service charges and other revenues billed and uncollected at year-end, along with amounts accrued for items billed after year-end for service periods before year-end. Each year the District records liens for delinquent charges and collects through the property tax bill for active accounts, and pursues full-collection for closed accounts with unpaid balances. The District records an allowance for doubtful accounts for non-recoverable collections.

H. Inventory

Inventory is valued at cost, using the first in first out method (FIFO). This method approximates market because ending inventory consists of the most recent items purchased. Inventories are recorded as expenses when consumed rather than when purchased.

I. Restricted Assets

Certain proceeds of the District's long-term debt issuances are classified as restricted assets because bond covenants limit their use. Reserve balances are to be maintained as set forth in installment purchase contracts or trust agreements, as applicable.

J. Capital Assets

Capital assets including wastewater and storm drainage facilities purchased or constructed are stated at cost less accumulated depreciation. Assets contributed have been recorded at acquisition value at the date received. Interest is capitalized for assets constructed, when applicable. The cost of normal repairs and maintenance that do not add to the value of an asset or materially extend asset lives are not capitalized. Improvements are capitalized and depreciated over the remaining useful lives of the related capital assets as applicable. Donated capital assets and capital assets received in a service concession arrangement are reported at acquisition value. The District capitalizes assets with an original cost of \$5,000 or more. All depreciation is computed on the straight-line basis over the following useful lives:

	<u>Years</u>
Wastewater treatment plant and facilities	5-40
Wastewater and storm water pump stations	5-25
Wastewater collection and storm water transmission systems	5-50
Buildings and improvements	5-40
Machinery and equipment	5-25

K. Long-term Debt Issuance Costs

Costs of issuance are expensed as incurred in the year of the related debt issue. Discount, premium, and deferred amounts on refunding are components of interest expense.

L. Compensated Absences

Accumulated vacation and vested sick leave benefits are recorded as an expense and liability of the applicable enterprise funds as the benefits accrue to employees. No liability is recorded for the non-vesting portion of sick leave benefits.

**VALLEJO FLOOD AND WASTEWATER DISTRICT
A COMPONENT UNIT OF THE CITY OF VALLEJO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2021 AND 2020**

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

M. Refundable Connection Deposits

Connection fees represent a one-time contribution of resources imposed on contractors and developers for the purpose of financing capital improvements. Connection fees remain the property of the contractor for a period of one year and are recorded as a liability and are recognized as revenue when the development is complete and passed final engineering inspection. The unspent balance of connection fees available at year-end, if any, is classified as net position restricted for capital improvements.

N. Pensions

For purposes of measuring the net pension liability and deferred outflows/inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Plan, and additions to/deductions from the Plan's fiduciary net position have been determined on the same basis as they are reported by California Public Employees Retirement System (CalPERS). For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Plan investments are reported at fair value.

O. Other Post-employment Benefits (OPEB)

For purposes of measuring the net OPEB liability and deferred outflows/inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the District's plan (OPEB Plan), and additions to/deductions from the OPEB Plan's fiduciary net position have been determined on the same basis. For this purpose, benefit payments are recognized when currently due and payable in accordance with the benefit terms. Investments are reported at fair value.

Generally accepted accounting principles require that the reported results must pertain to liability and asset information within certain defined timeframes. For this report, the following timeframes are used:

Valuation Date	June 30, 2020
Measurement Date	June 30, 2021
Measurement Period	July 1, 2020 - June 30, 2021

P. Deferred Outflows and Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense) until then.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

Q. Net Position

Net position represents the excess of assets and deferred outflows over liabilities and deferred inflows. Net position is presented in three broad components: net investment in capital assets; restricted; and unrestricted. Net investment in capital assets includes capital assets, net of accumulated depreciation, and less the outstanding principal balances of debt and related deferred outflows and inflows attributable to the acquisition, construction or improvement of those assets. Net position is restricted when constraints are imposed by external parties or by law through constitutional provisions or enabling legislation. All other net position is unrestricted. The District first applies unrestricted net position to transactions and adjusts restricted net position as applicable.

**VALLEJO FLOOD AND WASTEWATER DISTRICT
A COMPONENT UNIT OF THE CITY OF VALLEJO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2021 AND 2020**

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

R. Service Charges

The District charges separate user fees established by Ordinance for each of its three business-type activities, wastewater, storm water, and upper lateral.

S. Operating and Non-operating Revenues and Expenses

Operating revenues and expenses generally result from providing services and the costs of operation and maintenance and recurring capital replacement (OM&R), respectively. Non-operating revenues and expenses are non-rate based and are received from or paid to other sources.

T. Capital Contributions

Certain capital projects financed or constructed by external parties and contributed to the District with or without restrictions are reported separately as income after operating and non-operating revenues. District constructed projects may receive financing assistance from intergovernmental or other sources, such as developers, and developers may construct and transfer ownership of sewage and storm drainage facilities to the District at acceptance of the project.

U. Property Taxes

State statutes authorize the allocation of property tax revenues to Special Districts. The County of Solano administers the program and remits applicable installments in December and April of each year. These revenues are considered subventions not restricted as to purpose.

Secured property taxes are attached as an enforceable lien and levied on property as of January 1st. Taxes are due in two installments, on or before December 10th and April 10th. The District recognizes property tax receivables on January 1st and defers revenue recognition until the period for which the property taxes are levied (July 1st through June 30th). Property tax revenue is derived from property tax assessments levied within the entire District. The District relies upon the competency of the County of Solano for assessing the property tax and establishing a lien date, and for billing, collecting and distributing its share of the property tax revenue.

V. Estimates

The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

W. Reclassification

Certain reclassifications may have been made to prior year amounts in order to be consistent with current year's presentation.

**VALLEJO FLOOD AND WASTEWATER DISTRICT
A COMPONENT UNIT OF THE CITY OF VALLEJO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2021 AND 2020**

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

X. Implementation of Governmental Accounting Standards Board Statements

Effective July 1, 2020, the District implemented the following accounting and financial reporting standards:

Governmental Accounting Standards Board Statement No. 84

In January 2017, GASB issued Statement No. 84, *Fiduciary Activities*. This Statement establishes criteria for identifying fiduciary activities of all state and local governments. Additionally, this Statement describes four fiduciary funds that should be reported, as well as provides for recognition of a liability to the beneficiaries in a fiduciary fund when an event has occurred that compels the government to disburse fiduciary resources. The District adopted this accounting guidance for its June 30, 2021 year-end.

Governmental Accounting Standards Board Statement No. 90

In August 2018, GASB issued Statement No. 90, *Majority Equity Interests*. The purpose of this statement is to improve the consistency and comparability of reporting a government's majority equity interest in a legally separate organization and to improve the relevance of financial statement information for certain component units. The new standard clarifies the differences between a majority equity interest reported as an investment and majority equity interest reported as a component unit of the governmental entity. The District adopted this accounting guidance for its June 30, 2021 year-end.

Y. Future Governmental Accounting Standards Board Statements

These statements are not effective until July 1, 2021 or later and may be applicable for the District. However, the District has not determined the effects, if any, on the financial statements.

Governmental Accounting Standards Board Statement No. 87

In June 2017, GASB issued Statement No. 87, *Leases*. This Statement (1) increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of contracts; and (2) establishes a single model for lease accounting based on the foundational principle that lease financings of the right to use an underlying asset. Additionally, under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities. The District has not determined what impact, if any, this pronouncement will have on the financial statements. Application of this statement is effective for the District's fiscal year ending June 30, 2022.

Governmental Accounting Standards Board Statement No. 89

In June 2018, GASB issued Statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period*. This statement requires interest costs incurred before the end of a construction period to be recorded as an expenditure in the applicable period. As a result, interest cost incurred before the end of a construction period will not be included in the historical cost of a capital asset reported in a business-type activity or enterprise fund. The District has not determined what impact, if any, this pronouncement will have on the financial statements. Application of this statement is effective for the District's fiscal year ending June 30, 2022.

**VALLEJO FLOOD AND WASTEWATER DISTRICT
A COMPONENT UNIT OF THE CITY OF VALLEJO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2021 AND 2020**

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Governmental Accounting Standards Board Statement No. 91

In May 2019, GASB issued Statement No. 91, *Conduit Debt Obligations*. The primary objectives of this Statement are to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. The Statement clarifies the existing definition of a conduit debt obligation; establishes that a conduit debt obligation is not a liability of the issuer; establishes standards for accounting and financial reporting of additional commitments and voluntary commitments extended by issuers and arrangements associated with conduit debt obligations; and improves required note disclosures. The District has not determined what impact, if any, this pronouncement will have on the financial statements. Application of this statement is effective for the District's fiscal year ending June 30, 2023.

Governmental Accounting Standards Board Statement No. 92

In January 2020, GASB issued Statement No. 92, *Omnibus 2020*. The primary objectives of this Statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing practice issues that have been identified during implementation and application of certain GASB Statements. The District has not determined what impact, if any, this pronouncement will have on the financial statements. Application of this statement is effective for the District's fiscal year ending June 30, 2022.

Governmental Accounting Standards Board Statement No. 93

In March 2020, GASB issued Statement No. 93, *Replacement of Interbank Offered Rates*. The primary objective of this Statement is to address accounting and financial reporting implications that result from the replacement of an interbank offered rate (IBOR). The District has not determined what impact, if any, this pronouncement will have on the financial statements. The removal of LIBOR as an appropriate benchmark interest rate is effective for the District's fiscal year ending June 30, 2022. All other requirements of this statement are effective for the District's fiscal year ending June 30, 2022.

Governmental Accounting Standards Board Statement No. 94

In March 2020, GASB issued Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*. The primary objective of this Statement is to improve financial reporting by addressing issues related to public-private and public-public partnership arrangements (PPPs). A PPP is an arrangement in which a government (the transferor) contracts with an operator (a governmental or nongovernmental entity) to provide public services by conveying control of the right to operate or use a nonfinancial assets, such as infrastructure or other capital asset (the underlying PPP asset), for a period of time in an exchange or exchange-like transaction. This Statement also provides guidance for accounting and financial reporting for availability payment arrangements (APAs). An APA is an arrangement in which a government compensates an operator for services that may include designing, constructing, financing, maintaining, or operating an underlying nonfinancial asset for a period of time in an exchange or exchange-like transaction. The District has not determined what impact, if any, this pronouncement will have on the financial statements. The requirements of this statement are effective for the District's fiscal year ending June 30, 2023.

**VALLEJO FLOOD AND WASTEWATER DISTRICT
A COMPONENT UNIT OF THE CITY OF VALLEJO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2021 AND 2020**

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Governmental Accounting Standards Board Statement No. 96

In May 2020, GASB issued Statement No. 96, *Subscription-Based Information Technology Arrangements*. This Statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for governments, defines a SBITA, establishes that a SBITA results in a right-to-use subscription asset-an intangible asset-and a corresponding liability, provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA, and requires note disclosures regarding a SBITA. The District has not determined what impact, if any, this pronouncement will have on the financial statements. The requirements of this statement are effective for the District's fiscal year ending June 30, 2023.

Governmental Accounting Standards Board Statement No. 97

In June 2020, GASB issued 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*. The primary objectives of this Statement are to (1) increase consistency and comparability related to the reporting of fiduciary component units in circumstances in which a partial component unit does not have a governing board and the primary government performs the duties that a governing board typically would perform; (2) mitigate costs associated with the reporting of certain defined contribution pension plans, defined contribution other post-employment benefit (OPEB) plans, and employee benefit plans other than pension plans or OPEB plans (other employee benefit plans) as fiduciary component units in fiduciary fund financial statements; and (3) enhance the relevance, consistency, and comparability of the accounting and financial reporting for Internal Revenue Code (IRC) Section 457 deferred compensation plans (Section 457 plans) that meet the definition of a pension plan and for benefits provided through those plans. The District has not determined what impact, if any, this pronouncement will have on the financial statements. The requirements of this statement related to the accounting and financial reporting for Section 457 plans are effective for the District's fiscal year ending June 30, 2022.

NOTE 2: CASH AND INVESTMENTS

Classification

Cash and investments are classified in the financial statements as shown below, based on whether or not their use is restricted.

	June 30,	
	2021	2020
Cash, available for District operations	\$ 1,171,244	\$ 1,619,911
Investments, available for District operations	38,389,070	35,568,687
Restricted cash and investments	<u>1,492,101</u>	<u>1,555,574</u>
Total cash and investments	<u>\$ 41,052,415</u>	<u>\$ 38,744,172</u>

Cash and investments as of June 30, 2021 and 2020 consisted of the following:

	June 30,	
	2021	2020
Cash on hand	\$ 12,728	\$ 9,155
Deposits in financial institutions	1,158,516	1,610,756
Investments	<u>39,881,171</u>	<u>37,124,261</u>
Total cash and investments	<u>\$ 41,052,415</u>	<u>\$ 38,744,172</u>

**VALLEJO FLOOD AND WASTEWATER DISTRICT
A COMPONENT UNIT OF THE CITY OF VALLEJO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2021 AND 2020**

NOTE 2: CASH AND INVESTMENTS (continued)

Investments Authorized by the California Government Code and the District's Investment Policy

The District's investment policy and the California Government Code allow the District to invest in the following, provided the credit ratings of the issuers are acceptable to the District and approved percentages and maturities are not exceeded. The table below identifies certain provisions of the California Government Code or the District's investment policy, where more restrictive, that address interest rate risk, credit risk, and concentration of credit risk.

<u>Authorized Investment Type</u>	<u>Maximum Percentage of Portfolio</u>
Government Agency Obligations (callable)	20%
Medium Term Corporate Notes, Rated A or better	30%
Certificates of Deposit - Non-negotiable	None
California Local Agency Investment Fund	None
Shares in Beneficial Interest Money Market Funds, Rated two of the highest ratings	20%
United States Treasury Securities	None
Certificates of Deposit - Negotiable	30%
Bankers' Acceptances	40%
Commercial Paper of "Prime" Quality	25%
Repurchase Agreements	None
Municipal Securities	30%
Asset-Backed Securities	20%
Supranationals	30%

Interest Rate 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 that the District's interest rate risk is mitigated is by purchasing a combination of longer term and shorter term investments and by timing cash flows from maturities so that a portion of the portfolio is maturing or coming close to maturity over time as necessary to provide the cash flow and liquidity needed for operations.

Information about the sensitivity of the fair values of the District's investments (including investments held by bond trustees) to market interest rate fluctuations is provided by the following tables that show the distribution of the District's investments by maturity or earliest call dates, at June 30, 2021 and 2020:

<u>Investment Maturities June 30, 2021</u>			
<u>Investment Type</u>	<u>12 Months or Less</u>	<u>13 to 60 Months</u>	<u>Fair Value</u>
Government Agency Obligations	\$ 250,372	\$ 2,573,266	\$ 2,823,638
US Treasury	-	2,612,588	2,612,588
Supranational	-	236,537	236,537
Medium Term Corporate Notes	1,000,240	2,242,347	3,242,587
Certificates of Deposit - Non-negotiable	1,526,198	-	1,526,198
California Local Agency Investment Fund	27,929,040	-	27,929,040
Money Market Funds	18,482	-	18,482
Held by Trustee:			
Money Market Mutual Funds	<u>1,492,101</u>	<u>-</u>	<u>1,492,101</u>
	<u>\$ 32,216,433</u>	<u>\$ 7,664,738</u>	<u>\$ 39,881,171</u>

**VALLEJO FLOOD AND WASTEWATER DISTRICT
A COMPONENT UNIT OF THE CITY OF VALLEJO
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NOTE 2: CASH AND INVESTMENTS (continued)

Investment Maturities June 30, 2020			
Investment Type	12 Months or Less	13 to 60 Months	Fair Value
Government Agency Obligations	\$ 2,002,638	\$ 2,703,792	\$ 4,706,430
US Treasury	749,411	769,649	1,519,060
Commercial Paper	249,870	-	249,870
Medium Term Corporate Notes	49,784	1,799,180	1,848,964
Certificates of Deposit - Non-negotiable	254,518	1,559,229	1,813,747
California Local Agency Investment Fund	23,640,037	-	23,640,037
Money Market Funds	1,790,579	-	1,790,579
Held by Trustee:			
Money Market Mutual Funds	<u>1,555,574</u>	<u>-</u>	<u>1,555,574</u>
	<u>\$ 30,292,411</u>	<u>\$ 6,831,850</u>	<u>\$ 37,124,261</u>

The Local Agency Investment Fund (LAIF) is an external investment pool administered by the California State Treasurer's Office authorized under Section 16429.1, 2 and 3 of the California Government Code. The fund is a voluntary program created by statute as an investment alternative for California municipalities and special districts. LAIF has oversight by the Local Agency Investment Advisory Board. The Board consists of five members designated by statute. The difference between the fair value of the District's equity in the pool and pool shares is not material, and accordingly, no adjustment has been recorded. Money market mutual funds are available for withdrawal on demand. At June 30, 2021 and 2020 these investments matured in an average of 43 days and 43 days, respectively.

Custodial Credit Risk

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, the depositor will not be able to recover deposits or collateral securities that are in possession of an outside party. The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty (e.g. broker-dealer) of a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The California Government Code and the District investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits or investments, other than the following provisions:

- Deposits - The California Government Code requires that a financial institution secure deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless so waived by the government unit). The market value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies.
- Investments - The District investment policy requires collateral for investments in certificates of deposit of at least 102% of market value of principal and accrued interest. The only securities acceptable as collateral shall be direct obligations which are fully guaranteed as to principal and interest by the United States Government or any agency or government sponsored enterprise of the United States. Collateral must be held in the District's name by an independent third party with whom the District has a current custodial agreement.

California law also allows financial institutions to secure District's deposits by pledging first trust deed mortgage notes having a value of 150% of the secured public deposits. As of June 30, 2021 and 2020, deposits, uninsured and collateralized with securities held by the pledging bank's trust department or agent not in the District's name, totaling \$993,256 and \$1,948,261, respectively, were exposed to custodial credit risk.

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NOTE 2: CASH AND INVESTMENTS (continued)

Credit Risk

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. The District's investment policy sets specific parameters by type of investment to be met at the time of purchase.

Presented below is the actual rating as of June 30, 2021 and 2020 for each investment type as provided by Standard and Poor's investment rating system:

June 30, 2021			
<u>Investment Type</u>	<u>AAA/AAAm</u>	<u>AA++/AA+AA-</u>	<u>Total</u>
Government Agency Obligations	\$ -	\$ 2,823,638	\$ 2,823,638
US Treasury	-	2,612,588	2,612,588
Supranational	236,537	-	236,537
Medium Term Corporate Notes	1,000,240	2,242,347	3,242,587
Money Market Funds	18,482	-	18,482
Money Market Mutual Funds	<u>1,492,101</u>	<u>-</u>	<u>1,492,101</u>
Totals	<u>\$ 2,747,360</u>	<u>\$ 7,678,573</u>	10,425,933
Not Rated:			
Certificates of Deposit - Negotiable			1,526,198
California Local Agency Investment Fund			<u>27,929,040</u>
Total Investments			<u>\$ 39,881,171</u>

June 30, 2020			
<u>Investment Type</u>	<u>AAA/AAAm</u>	<u>AA++/AA+AA-</u>	<u>Total</u>
Government Agency Obligations	\$ -	\$ 4,706,430	\$ 4,706,430
US Treasury	-	1,519,059	1,519,059
Commercial Paper	-	249,870	249,870
Medium Term Corporate Notes	1,013,690	785,491	1,799,181
Money Market Funds	1,790,579	-	1,790,579
Money Market Mutual Funds	<u>1,555,574</u>	<u>-</u>	<u>1,555,574</u>
Totals	<u>\$ 4,359,843</u>	<u>\$ 7,260,850</u>	11,620,693
Not Rated:			
Medium Term Corporate Notes*			49,784
Certificates of Deposit - Non-Negotiable			1,813,747
California Local Agency Investment Fund			<u>23,640,037</u>
Total Investments			<u>\$ 37,124,261</u>

* Includes Lehman Brothers investments which are not rated.

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FOR THE YEARS ENDED JUNE 30, 2021 AND 2020**

NOTE 2: CASH AND INVESTMENTS (continued)

Concentration Risk

Investments in the securities of any individual issuer, other than U.S. Treasury securities, mutual funds, and external investment pools, that represent 5% or more of total investments for the years ending June 30, 2021 and 2020 are as follows:

June 30, 2021		
<u>Issuer</u>	<u>Investment Type</u>	<u>Amount</u>
None		\$ -

June 30, 2020		
<u>Issuer</u>	<u>Investment Type</u>	<u>Amount</u>
Federal National Mortgage Association	Federal Agency Obligations	\$ 2,242,386

Pooled Investment Funds

Pooled investment funds consist of cash deposited in LAIF. The fair value of the pooled investments deposited in the California state pool is greater than the fair value of the pool shares. The District's deposits are maintained in recognized pooled investment funds under the care of oversight agencies. LAIF, in addition to being part of a Pooled Money Investment Account with oversight provided by the Pooled Money Investment Board and an in-house Investment Committee, also has oversight by the Local Agency Investment Advisory Board.

Because the District's deposits are maintained in recognized pooled investment funds under the care of a third party and the District's share of the pool does not consist of specific identifiable investment securities owned by the District, no disclosure of the individual deposits is required. The District's deposits in the funds are considered to be highly liquid. LAIF representatives have indicated there are no derivatives in the pools as of June 30, 2021 and 2020. LAIF does invest in structured notes and asset-based securities.

Investment Valuation

The District categorizes the fair value measurements of its investments based on the fair value hierarchy established by generally accepted accounting principles. The hierarchy, which has three levels, is based on the valuation inputs used to measure an asset's fair value: Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. The District does not have any investments that are measured using Level 1 and 3 inputs.

Following is a description of the valuation methodologies used:

Government Agency Obligations, U.S. Treasuries, Supranational, and Medium Term Corporate Notes: Fair values are based on quoted market prices for similar securities in markets that are not active, and model-based techniques for which all significant assumptions are observable in the market, resulting in a Level 2 valuation.

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NOTE 2: CASH AND INVESTMENTS (continued)

The following tables set forth by level, within the fair value hierarchy, the District's assets at fair value as of June 30, 2021 and 2020.

	<u>Level 1</u>	<u>Level 2</u>	<u>Total June 30, 2021</u>
Investments by Fair Value Level:			
Held by the District:			
Government Agency Obligations	\$ -	\$ 2,823,638	\$ 2,823,638
US Treasury	-	2,612,588	2,612,588
Supranational	-	236,537	236,537
Medium Term Corporate Notes	-	<u>3,242,587</u>	<u>3,242,587</u>
Subtotal	<u>\$ -</u>	<u>\$ 8,915,350</u>	8,915,350
Investments Measured at Amortized Cost:			
Held by the District:			
Money Market Funds			18,482
Held by the Trustee:			
Money Market Mutual Funds			1,492,101
Investments Measured at Cost:			
Certificates of Deposit - Negotiable			1,526,198
Investments Exempt from Fair Value Hierarchy:			
LAIF			<u>27,929,040</u>
Total Investments			<u>\$ 39,881,171</u>

	<u>Level 1</u>	<u>Level 2</u>	<u>Total June 30, 2020</u>
Investments by Fair Value Level:			
Held by the District:			
Government Agency Obligations	\$ -	\$ 4,706,430	\$ 4,706,430
US Treasury	-	1,519,060	1,519,060
Commercial Paper	-	249,870	249,870
Medium Term Corporate Notes	-	<u>1,848,964</u>	<u>1,848,964</u>
Subtotal	<u>\$ -</u>	<u>\$ 8,324,324</u>	8,324,324
Investments Measured at Amortized Cost:			
Held by the District:			
Money Market Funds			1,790,579
Held by the Trustee:			
Money Market Mutual Funds			1,555,574
Investments Measured at Cost:			
Certificates of Deposit - Non-negotiable			1,813,747
Investments Exempt from Fair Value Hierarchy:			
LAIF			<u>23,640,037</u>
Total Investments			<u>\$ 37,124,261</u>

**VALLEJO FLOOD AND WASTEWATER DISTRICT
A COMPONENT UNIT OF THE CITY OF VALLEJO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2021 AND 2020**

NOTE 3: CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2021 was as follows:

	<u>July 1, 2020</u>	<u>Additions</u>	<u>Retirements</u>	<u>Transfers</u>	<u>June 30, 2021</u>
Capital assets not being depreciated					
Land and improvements	\$ 2,810,716	\$ -	\$ -	\$ -	\$ 2,810,716
Construction in progress	<u>27,093,305</u>	<u>6,743,110</u>	<u>(30,886)</u>	<u>(17,161,595)</u>	<u>16,643,934</u>
Total capital assets not being depreciated	<u>29,904,021</u>	<u>6,743,110</u>	<u>(30,886)</u>	<u>(17,161,595)</u>	<u>19,454,650</u>
Capital assets being depreciated					
Buildings and improvements	3,895,863	-	(27,714)	-	3,868,149
Pump stations	44,962,540	-	(67,885)	-	44,894,655
Plant and facilities	138,208,063	-	(59,276)	-	138,148,787
Collection systems	116,206,205	-	-	16,445,310	132,651,515
Collection systems - con cap	46,249,615	-	(105,346)	-	46,144,269
Plant and facilities - con cap	2,165,355	-	-	-	2,165,355
Machinery, equipment, vehicles	<u>13,969,265</u>	<u>-</u>	<u>(912,395)</u>	<u>716,285</u>	<u>13,773,155</u>
Total capital assets being depreciated	<u>365,656,906</u>	<u>-</u>	<u>(1,172,616)</u>	<u>17,161,595</u>	<u>381,645,885</u>
Less accumulated depreciation					
Buildings and improvements	(2,595,121)	(100,126)	27,716	-	(2,667,531)
Pump stations	(29,388,268)	(1,089,579)	67,885	-	(30,409,962)
Plant and facilities	(84,765,419)	(3,161,527)	59,276	-	(87,867,670)
Collection systems	(42,252,987)	(2,595,674)	-	-	(44,848,661)
Collection systems - con cap	(30,847,018)	(896,355)	105,346	-	(31,638,027)
Plant and facilities - con cap	(1,245,081)	(54,134)	-	-	(1,299,215)
Machinery, equipment, vehicles	<u>(9,579,024)</u>	<u>(819,495)</u>	<u>898,448</u>	<u>-</u>	<u>(9,500,071)</u>
Total accumulated depreciation	<u>(200,672,918)</u>	<u>(8,716,890)</u>	<u>1,158,671</u>	<u>-</u>	<u>(208,231,137)</u>
Total capital assets being depreciated, net	<u>164,983,988</u>	<u>(8,716,890)</u>	<u>(13,945)</u>	<u>17,161,595</u>	<u>173,414,748</u>
Capital assets, net	<u>\$ 194,888,009</u>	<u>\$ (1,973,780)</u>	<u>\$ (44,831)</u>	<u>\$ -</u>	<u>\$ 192,869,398</u>

**VALLEJO FLOOD AND WASTEWATER DISTRICT
A COMPONENT UNIT OF THE CITY OF VALLEJO
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FOR THE YEARS ENDED JUNE 30, 2021 AND 2020**

NOTE 3: CAPITAL ASSETS (continued)

Capital asset activity for the year ended June 30, 2020 was as follows:

	<u>July 1, 2019</u>	<u>Additions</u>	<u>Retirements</u>	<u>Transfers</u>	<u>June 30, 2020</u>
Capital assets not being depreciated					
Land and improvements	\$ 2,810,716	\$ -	\$ -	\$ -	\$ 2,810,716
Construction in progress	<u>27,509,774</u>	<u>9,658,930</u>	<u>(1,136,173)</u>	<u>(8,939,226)</u>	<u>27,093,305</u>
Total capital assets not being depreciated	<u>30,320,490</u>	<u>9,658,930</u>	<u>(1,136,173)</u>	<u>(8,939,226)</u>	<u>29,904,021</u>
Capital assets being depreciated					
Buildings and improvements	3,903,292	-	(7,429)	-	3,895,863
Pump stations	44,960,236	15,086	(12,782)	-	44,962,540
Plant and facilities	136,774,293	11,376	(38,775)	1,461,169	138,208,063
Collection systems	109,972,039	20,678	(3,138)	6,216,626	116,206,205
Collection systems - con cap	46,249,615	-	-	-	46,249,615
Plant and facilities - con cap	2,165,355	-	-	-	2,165,355
Machinery, equipment, vehicles	<u>14,402,415</u>	<u>140,416</u>	<u>(1,834,997)</u>	<u>1,261,431</u>	<u>13,969,265</u>
Total capital assets being depreciated	<u>358,427,245</u>	<u>187,556</u>	<u>(1,897,121)</u>	<u>8,939,226</u>	<u>365,656,906</u>
Less accumulated depreciation					
Buildings and improvements	(2,499,064)	(103,485)	7,428	-	(2,595,121)
Pump stations	(28,304,905)	(1,096,145)	12,782	-	(29,388,268)
Plant and facilities	(81,645,874)	(3,158,320)	38,775	-	(84,765,419)
Collection systems	(39,870,057)	(2,386,068)	3,138	-	(42,252,987)
Collection systems - con cap	(29,928,436)	(918,582)	-	-	(30,847,018)
Plant and facilities - con cap	(1,190,947)	(54,134)	-	-	(1,245,081)
Machinery, equipment, vehicles	<u>(10,510,316)</u>	<u>(814,387)</u>	<u>1,745,679</u>	<u>-</u>	<u>(9,579,024)</u>
Total accumulated depreciation	<u>(193,949,599)</u>	<u>(8,531,121)</u>	<u>1,807,802</u>	<u>-</u>	<u>(200,672,918)</u>
Total capital assets being depreciated, net	<u>164,477,646</u>	<u>(8,343,565)</u>	<u>(89,319)</u>	<u>8,939,226</u>	<u>164,983,988</u>
Capital assets, net	<u>\$ 194,798,136</u>	<u>\$ 1,315,365</u>	<u>\$ (1,225,492)</u>	<u>\$ -</u>	<u>\$ 194,888,009</u>

Depreciation expense for the year ended June 30, 2021 and 2020 was charged to the different activities as follows:

	<u>2021</u>	<u>2020</u>
Wastewater	\$ 7,553,192	\$ 7,314,815
Storm Water	1,132,787	1,186,629
Upper Lateral	<u>30,911</u>	<u>29,677</u>
	<u>\$ 8,716,890</u>	<u>\$ 8,531,121</u>

**VALLEJO FLOOD AND WASTEWATER DISTRICT
A COMPONENT UNIT OF THE CITY OF VALLEJO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2021 AND 2020**

NOTE 4: NOTES RECEIVABLE

Notes receivable at June 30, 2021 and 2020 consisted of the following:

	<u>2021</u>	<u>2020</u>
Note receivable with Sereno Village Associates for connection fees dated November 19, 2002, in the principal amount of \$351,635, secured by deed of trust, bearing simple interest at 3% payable from net surplus cash with the entire unpaid interest and principal due in 15 years.	\$ 249,419	\$ 249,419
Note receivable between the District and District employees for the Computer Literacy program that allows employees to borrow, an amount approved by the District Manager, to purchase personal computers. The principal balance of \$23,456, with the rate of interest equal to the rate of interest being earned by the District that shall not exceed 9% is to be paid off within 36 months from the date of the loan.	<u>23,456</u>	<u>26,079</u>
Total	<u>\$ 272,875</u>	<u>\$ 275,498</u>

NOTE 5: RELATED PARTY PREPAID LEASE

In May 2005, the District entered into an operating lease agreement for land with the City of Vallejo as the site for the Ryder Street Storage Basin. The lease term is 66 years commencing September 1, 2005 and does not transfer ownership. The lease calls for seven annual payments in the amount of \$250,000 and 59 annual payments of \$100 for years thereafter. The District recognizes rent expense on a straight-line basis over the life of the lease. The accompanying Statements of Revenues, Expenses, and Changes in Net Position contain rent expense of \$26,605 for the fiscal years 2021 and 2020, respectively. Deferred lease amounts of \$1,329,653 at June 30, 2021, and \$1,356,158 at June 30, 2020, represent pro-rata future rent and is reflected in the accompanying Statements of Net Position. Future payments required under the lease as of June 30, 2021 and 2020 are as follows:

Years Ending June 30,	<u>2021</u>	<u>2020</u>
2021	\$ -	\$ 100
2022	100	100
2023	100	100
2024	100	100
2025	100	100
Thereafter	<u>4,600</u>	<u>4,600</u>
	<u>\$ 5,000</u>	<u>\$ 5,100</u>

**VALLEJO FLOOD AND WASTEWATER DISTRICT
A COMPONENT UNIT OF THE CITY OF VALLEJO
NOTES TO THE BASIC FINANCIAL STATEMENTS
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NOTE 6: LONG TERM LIABILITIES

During the years ended June 30, 2021 and 2020, the following changes occurred in long-term liabilities:

	Balance July 1, 2020	Reductions	Balance June 30, 2021	Due Within One Year	Due in More Than One Year
<i>Wastewater</i>					
2014 Revenue Bonds	\$ 27,604,253	\$ (1,223,953)	\$ 26,380,300	\$ 1,070,000	\$ 25,310,300
2011 Revenue Bonds	1,428,183	(262,727)	1,165,456	270,000	895,456
2008 State Revolving Fund Loan	1,479,073	(281,952)	1,197,121	288,719	908,402
2004 State Revolving Fund Loan	<u>2,590,618</u>	<u>(842,306)</u>	<u>1,748,312</u>	<u>863,364</u>	<u>884,948</u>
Total	<u>\$ 33,102,127</u>	<u>\$ (2,610,938)</u>	<u>\$ 30,491,189</u>	<u>\$ 2,492,083</u>	<u>\$ 27,999,106</u>
	Balance July 1, 2019	Reductions	Balance July 1, 2020	Due Within One Year	Due in More Than One Year
<i>Wastewater</i>					
2014 Revenue Bonds	\$ 28,778,206	\$ (1,173,953)	\$ 27,604,253	\$ 1,020,000	\$ 26,584,253
2011 Revenue Bonds	1,680,910	(252,727)	1,428,183	260,000	1,168,183
1993 Certificates of Participation	2,640,000	(2,640,000)	-	-	-
2008 State Revolving Fund Loan	1,754,417	(275,344)	1,479,073	281,952	1,197,121
2004 State Revolving Fund Loan	<u>3,412,380</u>	<u>(821,762)</u>	<u>2,590,618</u>	<u>842,306</u>	<u>1,748,312</u>
Total	<u>\$ 38,265,913</u>	<u>\$ (5,163,786)</u>	<u>\$ 33,102,127</u>	<u>\$ 2,404,258</u>	<u>\$ 30,697,869</u>

A description of the long-term liabilities follows:

2014 Revenue Bonds

The District and the WaterReuse Finance Authority issued 2014 Revenue Bonds in the principal amount of \$29,825,000 at a premium of \$4,469,967 in an advance refunding (1) to prepay the outstanding principal of 2006 Certificates of Participation, (2) to fund a reserve fund for the bonds, and (3) to pay certain costs of issuing the bonds. The bonds are fully registered with principal due annually on May 1, and interest payable semi-annually on May 1 and November 1. The bonds maturing on or after May 1, 2025 are subject to optional redemption on any date on or after May 1, 2024, together with accrued interest to the redemption date, without a premium.

The transaction resulted in a deferred amount on refunding of \$1,282,720, a decrease in total cash flows of \$2,024,106, and an economic gain of \$323,440. The deferred amount on refunding is carried as a deferred outflow of resources, and the premium is carried as a net reduction of the 2014 Revenue Bonds. The deferred amount on refunding and the premium are amortized on a straight-line basis over the life of the bonds as components of interest expense.

**VALLEJO FLOOD AND WASTEWATER DISTRICT
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NOTES TO THE BASIC FINANCIAL STATEMENTS
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NOTE 6: LONG TERM LIABILITIES (continued)

2011 Revenue Bonds

The District and the WaterReuse Finance Authority issued 2011 Revenue Bonds in the principal amount of \$3,345,000 at a premium of \$38,409 in a current refunding (1) to prepay the outstanding principal of 2001 Certificates of Participation, (2) to fund a reserve fund for the bonds, and (3) to pay certain costs of issuing the bonds. The bonds are fully registered with principal due annually on May 1, and interest payable semi-annually on May 1 and November 1. The bonds maturing on or after May 1, 2022 are subject to optional redemption on any date on or after May 1, 2021, together with accrued interest to the redemption date, without a premium.

The transaction paid the scheduled principal due on the 2001 Certificates of Participation in the amount of \$145,000 and redeemed the remaining principal of \$3,315,000, pursuant to notice and exercise of optional prepayment of the Certificates, for a total of \$3,460,000. The transaction resulted in a deferred amount on refunding of \$53,447 and a decrease in total cash flows of \$262,952. The deferred amount on refunding is carried as a deferred outflow of resources, and the premium is carried as a net reduction of the 2011 Revenue Bonds. The deferred amount on refunding and the premium are amortized on a straight-line basis over the life of the bonds as components of interest expense.

Annual debt service requirements for the bonds are as follows:

2014 Revenue Bonds			
	Principal	Interest	Total
Years ending June 30,			
2022	\$ 1,070,000	\$ 1,240,926	\$ 2,310,926
2023	1,120,000	1,187,426	2,307,426
2024	1,180,000	1,131,425	2,311,425
2025	1,240,000	1,072,425	2,312,425
2026	1,305,000	1,010,425	2,315,425
2027 - 2031	7,575,000	3,983,900	11,558,900
2032 - 2036	<u>9,865,000</u>	<u>1,685,475</u>	<u>11,550,475</u>
Subtotal	23,355,000	11,312,002	34,667,002
Premium	<u>3,025,300</u>	-	<u>3,025,300</u>
Total	<u>\$ 26,380,300</u>	<u>\$ 11,312,002</u>	<u>\$ 37,692,302</u>

2011 Revenue Bonds			
	Principal	Interest	Total
Years ending June 30,			
2022	\$ 270,000	\$ 57,750	\$ 327,750
2023	280,000	44,250	324,250
2024	295,000	30,250	325,250
2025	<u>310,000</u>	<u>15,500</u>	<u>325,500</u>
Subtotal	1,155,000	147,750	1,302,750
Premium	<u>10,456</u>	-	<u>10,456</u>
Total	<u>\$ 1,165,456</u>	<u>\$ 147,750</u>	<u>\$ 1,313,206</u>

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NOTE 6: LONG TERM LIABILITIES (continued)

	Revenue Bonds Premium	
	2014 Revenue Bonds Premium	2011 Revenue Bonds Premium
Years ending June 30,		
2022	\$ 203,953	\$ 2,727
2023	203,953	2,727
2024	203,953	2,727
2025	203,953	2,275
2026	203,953	-
2027 - 2031	1,019,765	-
2032 - 2036	<u>985,770</u>	<u>-</u>
Total	<u>\$ 3,025,300</u>	<u>\$ 10,456</u>

1993 Certificates of Participation

The District together with its Financing Corporation on July 1, 1993, issued \$38,905,000 of Certificates of Participation, the net proceeds of which were used to finance the construction of sewage collection and treatment and flood control facilities, to defease the District's then outstanding 1988 Certificates of Participation, and to fund a debt reserve fund. The defeased 1988 Certificates of Participation were retired during the fiscal year ended June 30, 1998. The Certificates were fully retired at June 30, 2020.

2008 State Revolving Fund Loan

During the fiscal year ended June 30, 2008, the District completed a second loan agreement with the State Water Resources Control Board's Division of Financial Assistance. The loan is dated January 24, 2008, and is in the principal amount of \$4,406,072. Payments in the amount of \$317,450 with interest at 2.4% commenced January 24, 2009, and are due annually thereafter until maturity in 2025.

2004 State Revolving Fund Loan

During the fiscal year ended June 30, 2005, the District entered into a loan agreement with the State Water Resources Control Board's Division of Financial Assistance under the Clean Water State Revolving Fund loan program. The loan is dated August 1, 2004, and is in the principal amount of \$13,798,201. Payments in the amount of \$907,072 with interest at 2.5% commenced May 1, 2005, and are due annually thereafter until maturity in 2023.

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NOTE 6: LONG TERM LIABILITIES (continued)

Annual debt service requirements for the loans are as follows:

2008 State Revolving Fund Loan			
	Principal	Interest	Total
Years ending June 30,			
2022	\$ 288,719	\$ 28,731	\$ 317,450
2023	295,648	21,802	317,450
2024	302,744	14,706	317,450
2025	<u>310,010</u>	<u>7,440</u>	<u>317,450</u>
Subtotal	<u>\$ 1,197,121</u>	<u>\$ 72,679</u>	<u>\$ 1,269,800</u>

2004 State Revolving Fund Loan			
	Principal	Interest	Total
Years ending June 30,			
2022	\$ 863,364	\$ 43,708	\$ 907,072
2023	<u>884,948</u>	<u>22,124</u>	<u>907,072</u>
Subtotal	<u>\$ 1,748,312</u>	<u>\$ 65,832</u>	<u>\$ 1,814,144</u>

NOTE 7: COMPENSATED ABSENCES

Compensated absences balance and activity for the years ended June 30, 2021 and 2020 were as follows:

Fund	July 1, 2020	Additions	Reductions	June 30, 2021	Current Portion	Long-term Portion
Wastewater	\$ 1,382,635	\$ 1,375,417	\$ (998,161)	\$ 1,759,891	\$ 703,956	\$ 1,055,935
Stormwater	198,861	21,006	(79,571)	140,296	56,118	84,178
Upper Lateral	<u>50,745</u>	<u>17,897</u>	<u>(24,842)</u>	<u>43,800</u>	<u>17,520</u>	<u>26,280</u>
Total	<u>\$ 1,632,241</u>	<u>\$ 1,414,320</u>	<u>\$ (1,102,574)</u>	<u>\$ 1,943,987</u>	<u>\$ 777,594</u>	<u>\$ 1,166,393</u>

Fund	July 1, 2019	Additions	Reductions	June 30, 2020	Current Portion	Long-term Portion
Wastewater	\$ 1,102,855	\$ 1,328,838	\$ (1,049,058)	\$ 1,382,635	\$ 483,922	\$ 898,713
Stormwater	77,874	213,988	(93,001)	198,861	69,601	129,260
Upper Lateral	<u>87,711</u>	<u>27,539</u>	<u>(64,505)</u>	<u>50,745</u>	<u>17,761</u>	<u>32,984</u>
Total	<u>\$ 1,268,440</u>	<u>\$ 1,570,365</u>	<u>\$ (1,206,564)</u>	<u>\$ 1,632,241</u>	<u>\$ 571,284</u>	<u>\$ 1,060,957</u>

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NOTE 8: OTHER NON-OPERATING REVENUES (EXPENSES)

	<u>For the Years Ended</u>	
	<u>June 30, 2021</u>	<u>June 30, 2020</u>
Tubbs Island share crop income	\$ 227,705	\$ 189,551
Radio station site lease income	99,640	31,947
Gain on capital assets	94,392	61,976
Other revenue (expense)	<u>(13,428)</u>	<u>26,689</u>
Total Other Non-Operating Revenues (Expenses)	<u>\$ 408,309</u>	<u>\$ 310,163</u>

NOTE 9: INTERFUND ADVANCES

On October 11, 2011, the Storm Water fund advanced the principal amount of \$4,014,704 to the Wastewater fund to payoff the CalPERS Side Fund. The advance is due in twelve annual payments of \$379,629 with interest at 2% beginning June 1, 2012. As of June 30, 2021 and 2020, the outstanding balance was \$737,068 and \$1,094,801, respectively.

NOTE 10: PENSION PLAN

A. General Information about the Pension Plan

Plan Description

All qualified permanent and probationary employees are eligible to participate in the District's Cost-Sharing Multiple-Employer Defined Benefit Pension Plan (Plan), administered by the California Public Employees' Retirement System (CalPERS). The Plan consists of individual rate plans (benefit tiers) within a miscellaneous risk pool. Plan assets may be used to pay benefits for any employer rate plan of the miscellaneous pool. Accordingly, rate plans within the miscellaneous pool are not separate plans under GASB Statement No. 68. Individual employers may sponsor more than one rate plan in the miscellaneous pool. Benefit provisions under the Plan are established by State statute and District resolution. CalPERS issues publicly available reports that include a full description of the pension plan regarding benefit provisions, assumptions and membership information that can be found on the CalPERS website.

Benefits Provided

CalPERS provides service retirement and disability benefits, annual cost of living adjustments and death benefits to plan members, who must be public employees and beneficiaries. Benefits are based on years of credited service, equal to one year of full time employment. Members with five years of total service are eligible to retire at age 50 with statutorily reduced benefits. All members are eligible for non-duty disability benefits after 10 years of service. The death benefit is one of the following: the Basic Death Benefit, the 1957 Survivor Benefit, or the Optional Settlement 2W Death Benefit. The cost of living adjustments for the Plan are applied as specified by the Public Employees' Retirement Law.

The District has one Miscellaneous Retirement Benefit Plan, with two tiers. Tier I benefits for members hired before January 1, 2013 are under the 2.7% at 55 retirement formula, and Tier II benefits for members hired on or after January 1, 2013 are under the 2% at 62 retirement formula.

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NOTE 10: PENSION PLAN (continued)

Tier I final compensation is calculated using the highest average pay rate and special compensation during a three year period. Tier I employee contributions are shared by the employer and employee. This tier and retirement formula is closed to employees hired on or after January 1, 2013 with the exception of employees considered to be Classic Members with a break in CalPERS qualified employment of less than 6 months and who did not receive a refund of their contributions on deposit with the retirement fund. Tier II final compensation is calculated using the highest average pay rate and special compensation during any consecutive three-year period. Tier II employee contributions are paid by the employee.

The rate plan's provisions and benefits in effect at June 30, 2021 and 2020, are summarized as follows:

	<u>Miscellaneous Plan</u>			
	<u>Hired prior to January 1, 2013</u>		<u>Hired on or after January 1, 2013</u>	
Benefit Formula	2.7% at 55		2.0% at 62	
Benefit Vesting Schedule	5 years service		5 years service	
Benefit Payments	monthly for life		monthly for life	
Retirement Age	50 - 55		52 - 67	
Monthly Benefits, as a % of Eligible Compensation	2.0% - 2.7%		1.0% - 2.5%	
Required Employee Contribution Rate	8.000%		6.250%	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Required Employer Contribution Rate*	36.571 %	33.505 %	8.150 %	7.088 %

*The required employer contribution rate includes the normal cost rate plus the employer unfunded accrued liability contribution amount.

Contributions

Section 20814(c) of the California Public Employees' Retirement Law requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. Funding contributions for the Plan are determined annually on an actuarial basis as of June 30 by CalPERS. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The District is required to contribute the difference between the actuarially determined rate and the contribution rate of employees. The District's contributions to the Plan for the years ended June 30, 2021 and 2020 were \$3,026,216 and \$2,668,281, respectively.

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NOTE 10: PENSION PLAN (continued)

B. Pension Liabilities, Pension Expenses, and Deferred Outflows/Inflows of Resources Related to Pensions

As of June 30, 2021 and 2020, the District reported a net pension liability of \$26,104,014 and \$24,254,485, respectively, for its proportionate share of the net pension liability of the Plan.

The District's net pension liability is measured as the proportionate share of the net pension liability. The net pension liability of the Plan is measured as of June 30, 2020, and the total pension liability of the Plan used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2019 rolled forward to June 30, 2020 using standard update procedures. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. The District's proportionate share of the net pension liability as of June 30, 2021 and 2020, was follows:

Proportion - June 30, 2020	0.60568 %
Proportion - June 30, 2021	<u>0.61886 %</u>
Change - increase	<u>0.01318 %</u>

For the year ended June 30, 2021, the District recognized pension expense of \$3,887,611. At June 30, 2021, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension contributions subsequent to the measurement date	\$ 3,026,216	\$ -
Change in employer's proportion	547,988	63,184
Difference between expected and actual experience	1,345,217	-
Changes in assumptions	-	186,184
Difference between employer contributions and the employer's proportionate share of the risk pool's contributions	-	582,940
Net difference between projected and actual earning on plan investments	<u>775,461</u>	<u>-</u>
Total	<u>\$ 5,694,882</u>	<u>\$ 832,308</u>

\$3,026,216 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

Fiscal Year Ended June 30,	Amount
2022	\$ 156,595
2023	720,837
2024	586,993
2025	371,933

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NOTE 10: PENSION PLAN (continued)

For the year ended June 30, 2020, the District recognized pension expense of \$4,253,834. At June 30, 2020, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension contributions subsequent to the measurement date	\$ 2,668,281	\$ -
Change in employer's proportion	307,827	142,162
Difference between expected and actual experience	1,684,576	130,521
Changes in assumptions	1,156,566	409,993
Difference between employer contributions and the employer's proportionate share of the risk pool's contributions	-	836,091
Net difference between projected and actual earning on plan investments	-	424,043
Total	<u>\$ 5,817,250</u>	<u>\$ 1,942,810</u>

Actuarial Assumptions

The total pension liabilities in the June 30, 2019 and 2018 actuarial valuations were determined using the following actuarial assumptions:

	Fiscal Year 2021	Fiscal Year 2020
Valuation Date	June 30, 2019	June 30, 2018
Measurement Date	June 30, 2020	June 30, 2019
Actuarial Cost Method	Entry-age Normal Cost Method	Entry-age Normal Cost Method
Actuarial Assumptions:		
Discount Rate	7.15%	7.15%
Inflation	2.50%	2.50%
Salary Increases	Varies by Entry Age and Service	Varies by Entry Age and Service
Investment Rate of Return	7.15% net of pension plan investment expenses, includes inflation	7.15% net of pension plan investment expenses, includes inflation
Mortality (1)	Derived using CalPERS membership data for all funds	Derived using CalPERS membership data for all funds
Post Retirement Benefit Increase	Contract COLA up to 2.50% until purchasing power protection allowance floor on purchasing power applies, 2.50% thereafter	Contract COLA up to 2.50% until purchasing power protection allowance floor on purchasing power applies, 2.50% thereafter

(1) The mortality table used was developed based on CalPERS' specific data. The table includes 15 years of mortality improvements using Society of Actuaries Scale 90% of scale MP 2016. For more on this table, please refer to the December 2017 Experience Study Report that can be found on the CalPERS website.

All other actuarial assumptions used in the June 30, 2019 valuation were based on the results of an actuarial experience study for the fiscal years 1997 to 2015, including updates to salary increase, mortality and retirement rates. The Experience Study report can be obtained at CalPERS' website under Forms and Publications.

**VALLEJO FLOOD AND WASTEWATER DISTRICT
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NOTE 10: PENSION PLAN (continued)

Changes in Assumptions

For the measurement periods June 30, 2020 and 2019, there were no changes of assumptions. For the measurement period June 30, 2018, demographic assumptions and inflation rate were changed in accordance with the CalPERS Experience Study and Review of Actuarial Assumptions December 2017.

Discount Rate

The discount rate used to measure the total pension liability was 7.15 percent. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made at statutorily required rates, actuarially determined. Based on those assumptions, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return of plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Long-term Expected Rate of Return

The long-term expected rate of return on pension plan investments was determined using a building-block method in which expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class.

In determining the long-term expected rate of return, CalPERS took into account both short-term and long-term market return expectations as well as the expected pension fund (PERF) cash flows. Using historical returns of all the Public Employees Retirement Funds' asset classes (which includes the agent plan and two cost-sharing plans or PERF A, B, and C funds), expected compound (geometric) returns were calculated over the short-term (first 10 years) and the long-term (11+ years) using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated for each PERF fund. The expected rate of return was set by calculating the rounded single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equal to the single equivalent rate calculated above and adjusted to account for the assumed administrative expenses.

The table below reflects long-term expected real rates of return by asset class. The rate of return was calculated using the capital market assumptions applied to determine the discount rate and asset allocation. The target allocation shown was adopted by the Board effective on December 19, 2017.

Asset class	Assumed asset allocation	Real return years 1-10 (1)	Real return years 11+ (2)
Global Equity	50.0%	4.80%	5.98%
Fixed Income	28.0%	1.00%	2.62%
Inflation Assets	0.0%	0.77%	1.81%
Private Equity	8.0%	6.30%	7.23%
Real Assets	13.0%	3.75%	4.93%
Liquidity	1.0%	0.00%	(0.92%)

(1) An expected inflation of 2.0% used for this period.

(2) An expected inflation of 2.92% used for this period.

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NOTE 10: PENSION PLAN (continued)

Sensitivity of the Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following presents the District's proportionate share of the net pension liability for the Plan, calculated using the discount rate for the Plan, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

	Discount Rate - 1% 6.15%	Current Discount Rate 7.15%	Discount Rate + 1% 8.15%
2021	\$38,620,491	\$26,104,014	\$15,762,042
	Discount Rate - 1% 6.15%	Current Discount Rate 7.15%	Discount Rate + 1% 8.15%
2020	\$36,332,435	\$24,254,485	\$14,284,990

Pension Plan Fiduciary Net Position

Detailed information about each pension plan's fiduciary net position is available in the separately issued CalPERS financial reports.

NOTE 11: OTHER POST EMPLOYMENT BENEFITS (OPEB) PLAN

A. General Information about the OPEB Plan

Plan Description

The District's defined benefit post-employment healthcare plan, Public Agency Post-Retirement Health Care Plan (the Plan), provides medical benefits to eligible retired employees and their beneficiaries. The California Employers' Retiree Benefit Trust (CERBT) Fund administers the Plan, an agent multiple-employer trust arrangement established to provide economies of scale and efficiency of administration to public agencies that hold assets used to fund OPEB obligations. Plan benefits were established in accordance with Board policy and Memorandums of Understanding for respective employee groups, and may be amended by the Board of Trustees. CERBT provides an annual financial report that can be found on the CalPERS website.

Funding Policy

The Plan is funded by employer contributions plus a requirement for employee matching in the amount of 2% of gross salary for all employees. As the plan's sponsor, the District establishes and may amend employee and employer contribution requirements.

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NOTE 11: OTHER POST EMPLOYMENT BENEFITS (OPEB) PLAN (continued)

Benefits Provided

Following is a summary of Plan benefits by employee group as of June 30, 2021 and 2020:

Eligibility	- Attained age 50 - Completed 5 years of District service (if hired after 11/01/13) - Retire concurrently from both Vallejo and CalPERS after leaving Vallejo employment
Benefit	
Hired prior to 11/01/2013	The District will pay the retired employee's entire monthly medical premium which may include his/her spouse and/or dependents, up to the highest cost local HMO.
Hired on or after 11/01/2013	Follows State of California Vesting Schedule, employer pays: - 10 years (PERS covered service) 50% - Each additional year, add 5% - 20+ years 100%

Employees Covered by Benefit Terms

Membership in the plan consisted of the following:

	<u>June 30, 2021</u>	<u>June 30, 2020</u>
Valuation date	June 30, 2020	January 1, 2020
Active plan members electing coverage	70	89
Active plan members waiving coverage	22	-
Retiree electing coverage	<u>84</u>	<u>83</u>
Total	<u><u>176</u></u>	<u><u>172</u></u>

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NOTE 11: OTHER POST EMPLOYMENT BENEFITS (OPEB) PLAN (continued)

B. Net OPEB Liability

Actuarial Methods and Assumptions

The District's total OPEB liabilities in the June 30, 2021 and January 1, 2020 actuarial valuations were determined using the following actuarial assumptions:

	<u>Fiscal Year 2021</u>	<u>Fiscal Year 2020</u>
Valuation Date	June 30, 2020	January 1, 2020
Measurement Date	June 30, 2021	June 30, 2020
Actuarial Cost Method	Entry Age Normal	Entry Age Method
Actuarial Assumptions:		
Discount Rate	5.75%	7.25%
Inflation	2.25%	2.75%
Investment Rate of Return	5.75%	7.25%
Mortality Rate	Based on assumptions for Public Agency Miscellaneous members published in the December 2017 CalPERS Experience Study. These tables include 15 years of static mortality improvement using 90% of scale MP-2016.	Based on the CalPERS mortality tables for Public Agencies (Miscellaneous Employees)
Healthcare Trend Rate	6.70% for FY 2021, gradually decreasing over several decades to an ultimate rate of 3.8% in FY 2076 and later years.	6.50% initially, grading down to 4.5% ultimate

The long-term expected rate of return on OPEB plan investments was determined using a building-block method in which best-estimates of expected future real rates of return (expected returns, net of OPEB plan investment expense and inflation) are developed for each major asset class. The weighted asset class estimates are combined with the inflation and investment expense assumptions to produce the portfolio long-term expected rate of return. The assumed asset weighting is based on target allocations published by CERBT.

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NOTE 11: OTHER POST EMPLOYMENT BENEFITS (OPEB) PLAN (continued)

Expected future asset class returns were published in the 2021 Survey of Capital Market Assumptions produced by Horizon Actuarial Services. These expected returns, along with expected asset class standard deviations and correlation coefficients, are based on Horizon's annual survey of investment advisory firms. The expected inflation assumption was developed based on an analysis of historical experience blended with forward-looking expectations available in market data.

Estimated geometric real and nominal rates of return for each major asset class included in the OPEB plan's asset allocation as of the measurement date are summarized in the following table:

Asset Class (CERBT Strategy 1)	Target Allocation at Measurement Date	Long-Term Expected Real Rate of Return	Long-Term Expected Nominal Rate of Return ¹
Equity	59.00 %	4.42 %	6.67 %
Fixed Income	25.00 %	1.00 %	3.25 %
TIPS	5.00 %	0.15 %	2.40 %
Commodities	3.00 %	1.73 %	3.98 %
REITs	8.00 %	3.98 %	6.23 %
Total ²	100.00 %		5.84 %
Reduction for assumed investment expense ³			(0.10)%
Net long-term expected investment return (rounded to 1/4%)			5.74 %

¹Nominal rates of return are equal to real rates of return plus the assumed inflation rate.

²Portfolio total expected return is weighted average of arithmetic asset class returns, with adjustment to reflect geometric averages. It is not equal to the weighted average of the asset class geometric returns shown above.

³Assumed investment expenses include investment management fees.

Discount Rate

The discount rate used to measure the total OPEB liability was 5.75% as of the June 30, 2020 valuation and 7.25% as of the January 1, 2020 valuation. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate (2% of base pay) until 2023, and that District contributions will be made equal to \$500,000 per year in addition to the benefits paid. Based on those assumptions, the OPEB plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on OPEB Trust investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

Money-Weighted Investment Returns

For the year ended June 30, 2021, the annual money-weighted rate of return on OPEB plan investments, net of OPEB plan investment expense, was 27.42%. The money weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested and other cash flows during the year.

For the year ended June 30, 2020, the annual money-weighted rate of return on OPEB plan investments, net of OPEB plan investment expense, was 3.4%. The money weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested and other cash flows during the year.

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NOTE 11: OTHER POST EMPLOYMENT BENEFITS (OPEB) PLAN (continued)

Changes in Net OPEB Liability

	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability/(Asset) (c) = (a) - (b)
Balance at June 30, 2019 (Measurement Date)	\$ 18,032,452	\$ 10,206,459	\$ 7,825,993
Changes Recognized for the Measurement Period:			
Service cost	362,299	-	362,299
Interest on the total OPEB liability	1,296,524	-	1,296,524
Differences between expected and actual experience	1,721,805	-	1,721,805
Contributions - employer	-	1,541,544	(1,541,544)
Contributions - employee	-	191,439	(191,439)
Net investment income	-	352,141	(352,141)
Administrative expenses	-	(2,780)	2,780
Other changes in net position	-	(84,912)	84,912
Benefit payments	(1,041,544)	(1,041,544)	-
Net changes	2,339,084	955,888	1,383,196
Balance at June 30, 2020 (Measurement Date)	20,371,536	11,162,347	9,209,189
Changes Recognized for the Measurement Period:			
Service cost	352,376	-	352,376
Interest on the total OPEB liability	1,456,214	-	1,456,214
Differences between expected and actual experience	(603,460)	-	(603,460)
Changes of assumptions	3,681,452	-	3,681,452
Contributions - employer	-	1,776,392	(1,776,392)
Contributions - employee	-	214,047	(214,047)
Net investment income	-	3,091,825	(3,091,825)
Administrative expenses	-	(2,635)	2,635
Other changes in net position	-	(589)	589
Benefit payments	(1,276,392)	(1,276,392)	-
Net changes	3,610,190	3,802,648	(192,458)
Balance at June 30, 2021 (Measurement Date)	\$ 23,981,726	\$ 14,964,995	\$ 9,016,731

**VALLEJO FLOOD AND WASTEWATER DISTRICT
A COMPONENT UNIT OF THE CITY OF VALLEJO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2021 AND 2020**

NOTE 11: OTHER POST EMPLOYMENT BENEFITS (OPEB) PLAN (continued)

Sensitivity of the Net OPEB Liability to Changes in the Discount Rate

The following presents the net OPEB liability of the District, calculated using the discount rate, as well as what the net OPEB liability would be if it were calculated using a discount rate that is one percentage-point lower or one percentage-point higher than the current rate:

	1% Decrease (4.75%)	Current Discount Rate (5.75%)	1% Increase (6.75%)
2021	\$ <u>11,919,912</u>	\$ <u>9,016,731</u>	\$ <u>6,598,990</u>
	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
2020	\$ <u>12,581,839</u>	\$ <u>9,209,189</u>	\$ <u>6,615,793</u>

Sensitivity of the Net OPEB Liability to Changes in the Health Care Cost Trend Rates

The following presents the net OPEB liability of the District, calculated using the healthcare trend rate, as well as what the net OPEB liability would be if it were calculated using a discount rate that is one percentage-point lower or one percentage-point higher than the current rate:

	1% Decrease	Current Healthcare Cost Trend Rate (6.70% to 3.80%)	1% Increase
2021	\$ <u>6,126,277</u>	\$ <u>9,016,731</u>	\$ <u>12,544,689</u>
	1% Decrease	Current Healthcare Cost Trend Rate (6.00% to 4.25%)	1% Increase
2020	\$ <u>6,439,610</u>	\$ <u>9,209,189</u>	\$ <u>12,811,716</u>

OPEB Expenses and Deferred Outflows/Inflows of Resources Related to OPEB

For the fiscal year ended June 30, 2021, the District recognized OPEB expense of \$1,261,089. As of June 30, 2021, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 1,147,869	\$ 496,413
Changes in assumptions	3,015,728	
Net difference between projected and actual earnings on plan investments	-	1,651,705
Total	\$ <u>4,163,597</u>	\$ <u>2,148,118</u>

**VALLEJO FLOOD AND WASTEWATER DISTRICT
A COMPONENT UNIT OF THE CITY OF VALLEJO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2021 AND 2020**

NOTE 11: OTHER POST EMPLOYMENT BENEFITS (OPEB) PLAN (continued)

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized as follows:

For the Fiscal Year Ending June 30,	Recognized Net Deferred Outflows (Inflows) of Resources
2022	\$ 480,930
2023	381,367
2024	469,466
2025	388,719
2026	294,997

For the fiscal year ended June 30, 2020, the District recognized OPEB expense of \$1,181,188. As of June 30, 2020, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 1,434,837	\$ 3,116
Net difference between projected and actual earnings on plan investments	<u>260,913</u>	<u>-</u>
Total	<u>\$ 1,695,750</u>	<u>\$ 3,116</u>

NOTE 12: RISK MANAGEMENT

The District is exposed to various risks of loss, such as torts; theft of, damage to, and destruction of assets; injuries to employees; errors and omissions; employment practices; pollution; auto physical damage; and natural disasters. The District participates in a joint powers agreement with other public entities that form the California Sanitation Risk Management Authority (CSRMA), a public entity risk pool operating as a common risk management and insurance program for 60 member entities. CSRMA spreads the adverse effects of losses among its member entities for its pooled programs, and purchases excess insurance, reinsurance, and commercial insurance, where applicable and as a group, for its group insurance programs to reduce costs.

CSRMA is governed by a Board of Directors composed of one representative from each member agency that meet three times per year in conjunction with meetings of the California Association of Sanitation Agencies. The Board controls CSRMA's operations including selection of management and approval of operating budgets, independent of any influence by member entities.

The District pays annual deposits to CSRMA for the programs listed below. Pooled liability and pooled workers' compensation programs charge the member funded SIR (self-insured reserve) for claims below limits, and utilize excess insurance and reinsurance for claims above the SIR. The primary, pollution, and property programs are entirely covered through commercial insurance.

Settled claims for CSRMA have not exceeded coverage in any of the past three fiscal years. The District also maintains employee fidelity bonds to protect against the risk of employee theft or defalcation. Public official bonds are used for the District Manager and Treasurer, a notary bond for the District Clerk, and a public employee dishonesty bond for all other employees.

**VALLEJO FLOOD AND WASTEWATER DISTRICT
A COMPONENT UNIT OF THE CITY OF VALLEJO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2021 AND 2020**

NOTE 12: RISK MANAGEMENT (continued)

The following summarizes active insurance policies as of June 30, 2021, together with coverage limits for each insured event:

Insurance Program	Limits	Coverage Description
Pooled Liability Program		
CSRMA - Self Insurance Retention	450,000	\$2,500 E&O DED, \$25,000 EPL DED
CSRMA - Munich American Reinsurance Company	15,500,000	\$250,000 Sewer Backup DED
Primary Insurance Program		
CSRMA - AGCS Marine Insurance Company	3,563,285	Automobile liability, \$1,000/2,000 DED
	Cash value	Physical damage of sched vehicles
Pollution Remediation Program		
CSRMA - Harbor Insurance Company	1,000,000	\$5,000,000 AGG, \$25,000 RET
Property Insurance Program		
CSRMA - Public Entity Program	187,777,466	\$10,000 DED
CSRMA - Public Entity Pollution	-	\$25,000,000 AGG
CSRMA - Cyber Coverage	-	\$2,000,000 AGG
Workers' Compensation Program		
CSRMA - Self Insurance Retention	750,000	Workers' compensation, employer's
CSRMA - Safety National Casualty Corporation	1,000,000	Liability: \$0 DED

NOTE 13: COMMITMENTS AND CONTINGENCIES

A. Contractual Obligations

The District has various ongoing capital projects that involve long-term construction contracts with progress payments billed and paid on a percentage-of-completion basis. Construction commitments related to those contracts amounted to approximately \$3,245,530 and \$5,536,467 as of June 30, 2021, and 2020, respectively.

B. Contingencies

The District has received federal and state grants for specific purposes that are subject to review and audit by the grant agencies. Although such audits could result in expenditure disallowance's under grant terms, any required reimbursements are not expected to be material.

The District is also subject to legal proceedings and claims that arise in the ordinary course of business. In the opinion of management, the amount of ultimate liability with respect to such actions will not materially affect the financial position or results of operations of the District. Accordingly, no provision has been made for a contingent liability that meets the criteria for accrual set forth in current government accounting standards.

**VALLEJO FLOOD AND WASTEWATER DISTRICT
A COMPONENT UNIT OF THE CITY OF VALLEJO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2021 AND 2020**

NOTE 13: COMMITMENTS AND CONTINGENCIES (continued)

C. Public Health Emergency

The World Health Organization declared the worldwide coronavirus (COVID-19) outbreak a public health emergency on January 30, 2020 and officially declared it as a pandemic as of March 11, 2020. Management has performed an evaluation of certain financial statement line items such as investments, accounts receivable, accounts payable, and accrued expenses to determine whether valuation or impairment adjustments should be made. Management has determined that the amounts reported on the financial statements are properly valued as of June 30, 2021. However, since the duration and full effects of the COVID-19 outbreak are yet unknown there could be future negative impacts to the financial condition of the District.

NOTE 14: SUBSEQUENT EVENT

Management has evaluated events subsequent to June 30, 2021 through December 1, 2021, the date on which the financial statements were available for issuance. Management has determined no subsequent events requiring disclosure have occurred.

REQUIRED SUPPLEMENTARY INFORMATION

**VALLEJO FLOOD AND WASTEWATER DISTRICT
A COMPONENT UNIT OF THE CITY OF VALLEJO
REQUIRED SUPPLEMENTARY INFORMATION**

**SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
AS OF JUNE 30, 2021
LAST 10 YEARS ***

	Measurement Period						
	2020	2019	2018	2017	2016	2015	2014
Plan's proportion of the net pension liability	0.61886 %	0.60568 %	0.59373 %	0.57650 %	0.56725 %	0.14712 %	0.18915 %
Plan's proportionate share of the net pension liability	\$ 26,104,014	\$ 24,254,485	\$ 22,376,039	\$ 22,725,984	\$ 19,705,443	\$ 15,432,136	\$ 11,769,980
Plan's covered payroll	\$ 8,773,461	\$ 8,334,859	\$ 8,022,314	\$ 7,682,568	\$ 7,753,967	\$ 7,653,802	\$ 7,400,225
Plan's proportionate share of the net pension liability as a percentage of covered payroll	297.53 %	291.00 %	278.92 %	295.81 %	254.13 %	201.63 %	159.05 %
Plan's fiduciary net position as a percentage of the plan's total pension liability	75.10 %	75.30 %	73.69 %	73.31 %	74.06 %	78.40 %	79.82 %

Notes to Schedule:

Benefit changes: In 2015, benefit terms were modified to base public safety employee pensions on a final three-year average salary instead of a final five-year average salary.

Changes in assumptions: In 2020 and 2019, there were no changes. In 2018, the demographic assumptions and inflation rate were changed in accordance with the CalPERS Experience Study and Review of Actuarial Assumptions December 2017. In 2017, the accounting discount rate was reduced from 7.65 percent to 7.15 percent. In 2016, there were no changes. In 2015, amounts reported reflect an adjustment of the discount rate from 7.5 percent (net of administrative expense) to 7.65 percent (without a reduction for pension plan administrative expense). In 2014, amounts reported were based on the 7.5 percent discount rate.

* Schedule is intended to show information for ten years. Fiscal year 2015 was the first year of implementation, therefore only seven years are shown. Additional years' information will be displayed as it becomes available.

**VALLEJO FLOOD AND WASTEWATER DISTRICT
A COMPONENT UNIT OF THE CITY OF VALLEJO
REQUIRED SUPPLEMENTARY INFORMATION**

**SCHEDULE OF CONTRIBUTIONS TO THE COST SHARING DEFINED BENEFIT PENSION PLAN
AS OF JUNE 30, 2021
LAST 10 YEARS ***

	Fiscal Year-End						
	2021	2020	2019	2018	2017	2016	2015
Contractually required contribution (actuarially determined)	\$ 3,026,216	\$ 2,668,281	\$ 2,253,819	\$ 1,944,314	\$ 899,758	\$ 1,064,678	\$ 1,274,837
Contributions in relation to the actuarially determined contributions	<u>3,026,216</u>	<u>2,668,281</u>	<u>2,253,819</u>	<u>1,944,314</u>	<u>899,758</u>	<u>1,064,678</u>	<u>1,274,837</u>
Contribution deficiency (excess)	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>
Covered payroll	\$ 10,393,617	\$ 9,670,727	\$ 8,773,461	\$ 8,334,859	\$ 8,022,314	\$ 7,682,568	\$ 7,753,967
Contributions as a percentage of covered payroll	29.12 %	27.59 %	25.69 %	23.33 %	11.22 %	13.86 %	16.44 %

Note: Contractually required contributions and contributions in relation to the actuarially determined contributions for fiscal year 2017 and prior do not include payments toward the District's unfunded accrued liability.

* Schedule is intended to show information for ten years. Fiscal year 2015 was the first year of implementation, therefore only seven years are shown. Additional years' information will be displayed as it becomes available.

**VALLEJO FLOOD AND WASTEWATER DISTRICT
A COMPONENT UNIT OF THE CITY OF VALLEJO
REQUIRED SUPPLEMENTARY INFORMATION**

**SCHEDULE OF CHANGES IN THE DISTRICT'S NET OPEB LIABILITY AND RELATED RATIOS
For the Measurement Periods Ended June 30
Last 10 Years***

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Total OPEB liability					
Service cost	\$ 352,376	\$ 362,299	\$ 351,747	\$ 341,502	\$ 323,479
Interest on the total OPEB liability	1,456,214	1,296,524	1,252,722	1,209,603	1,166,959
Differences between expected and actual experience	(603,460)	1,721,805	-	(6,230)	-
Changes in assumptions	3,681,452	-	-	-	-
Benefit payments, including refunds of employee contributions	<u>(1,276,392)</u>	<u>(1,041,544)</u>	<u>(981,223)</u>	<u>(940,234)</u>	<u>(836,221)</u>
Net change in total OPEB liability	3,610,190	2,339,084	623,246	604,641	654,217
Total OPEB liability, beginning	<u>20,371,536</u>	<u>18,032,452</u>	<u>17,409,206</u>	<u>16,804,565</u>	<u>16,150,348</u>
Total OPEB liability, ending (a)	<u>\$23,981,726</u>	<u>\$20,371,536</u>	<u>\$18,032,452</u>	<u>\$17,409,206</u>	<u>\$16,804,565</u>
Plan fiduciary net position					
Contributions - employer	\$ 1,776,392	\$ 1,541,544	\$ 1,481,223	\$ 1,440,234	\$ 1,336,221
Contributions - member	214,047	191,439	173,100	156,902	171,665
Net investment income	3,091,825	352,141	1,070,440	83,311	794,510
Benefit payments	(1,276,392)	(1,041,544)	(981,223)	(940,234)	(836,221)
Administrative expense	(2,635)	(2,780)	(2,348)	(3,094)	(36,633)
Other changes in net position	<u>(589)</u>	<u>(84,912)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in plan fiduciary net position	3,802,648	955,888	1,741,192	737,119	1,429,542
Plan fiduciary net position, beginning	<u>11,162,347</u>	<u>10,206,459</u>	<u>8,465,267</u>	<u>7,728,148</u>	<u>6,298,606</u>
Plan fiduciary net position, ending (b)	<u>\$14,964,995</u>	<u>\$11,162,347</u>	<u>\$10,206,459</u>	<u>\$ 8,465,267</u>	<u>\$ 7,728,148</u>
Net OPEB liability, ending (a) - (b)	<u>\$ 9,016,731</u>	<u>\$ 9,209,189</u>	<u>\$ 7,825,993</u>	<u>\$ 8,943,939</u>	<u>\$ 9,076,417</u>
Plan fiduciary net position as a percentage of the total OPEB liability	62.4 %	54.8 %	56.6 %	48.6 %	46.0 %
Covered employee payroll	\$10,393,617	\$ 9,670,727	\$10,102,073	\$ 8,334,837	\$ 8,022,329
Net OPEB liability as a percentage of covered employee payroll	86.8 %	95.2 %	77.5 %	107.3 %	113.1 %

Notes to Schedule:

Changes of assumptions: For the measurement period ended June 30, 2021, the discount rate was changed from 7.25 percent (net of administrative expense) to 5.75 percent and the inflation rate was changed from 2.75 percent to 2.25 percent. For the measurement period ended June 30, 2020, to maintain consistency with CalPERS demographic rates, rates of retirement, termination, disability, and mortality were updated. For the measurement period ended June 30, 2018, the discount rate was changed from 5.09 percent (net of administrative expense) to 5.52 percent.

* Schedule is intended to show information for ten years. Fiscal year 2017 was the first year of implementation, therefore only five year are shown. Additional years' information will be displayed as it becomes available.

**VALLEJO FLOOD AND WASTEWATER DISTRICT
A COMPONENT UNIT OF THE CITY OF VALLEJO
REQUIRED SUPPLEMENTARY INFORMATION**

**SCHEDULE OF OPEB CONTRIBUTIONS
For the Fiscal Year Ended June 30
Last 10 Years***

	2021	2020	2019	2018	2017
Actuarially Determined Contribution (ADC)	\$ 1,143,845	\$ 1,110,529	\$ 1,082,230	\$ 1,050,709	\$ 1,092,974
Contributions in relation to the ADC	<u>1,776,392</u>	<u>1,541,544</u>	<u>1,481,223</u>	<u>1,440,234</u>	<u>1,336,221</u>
Contribution deficiency (excess)	\$ <u>(632,547)</u>	\$ <u>(431,015)</u>	\$ <u>(398,993)</u>	\$ <u>(389,525)</u>	\$ <u>(243,247)</u>
Covered payroll	\$10,393,617	\$ 9,670,727	\$10,102,073	\$ 8,334,837	\$ 8,022,329
Contributions as a percentage of covered payroll	17.1%	15.9%	14.7%	17.3%	16.7%

* Schedule is intended to show information for ten years. Fiscal year 2017 was the first year of implementation, therefore only five years are shown. Additional years' information will be displayed as it becomes available.

Statistical Section

STATISTICAL SECTION

This part of the District'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 District's overall financial health.

<u>Contents</u>	<u>Page</u>
Financial Trends	59 - 60
These schedules contain trend information to help the reader understand how the District's financial performance and well-being have changed over time.	
Revenue Capacity	61 - 62
These schedules contain information to help the reader assess the District's most significant local revenue source, property taxes.	
Debt Capacity	63
These schedules present information to help the reader assess the affordability of the District's current levels of outstanding debt and the District's ability to issue additional debt in the future.	
Economic and Demographic Information	64 - 65
These schedules offer demographic and economic indicators to help the reader understand the environment within which the District's financial activities take place and to help make comparisons over time and with other governments.	
Operating Information	66 - 68
These schedules contain service and infrastructure data to help the reader understand how the District's financial information relates to the services the District provides and the activities it performs.	

Source: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.

VALLEJO FLOOD AND WASTEWATER DISTRICT
A COMPONENT UNIT OF THE CITY OF VALLEJO
STATISTICAL SECTION
FINANCIAL TRENDS INFORMATION
JUNE 30, 2021

Description: Financial trend information helps the reader to understand changes in financial performance and financial well-being over time.

Table 1 - Net Position by Component	2021	2020	2019	2018	2017
Net investment in capital assets	\$ 163,260,911	\$ 162,730,906	\$ 157,539,569	\$ 141,950,984	\$ 143,829,651
Restricted for capital improvements	20,790,891	20,544,113	24,670,913	24,670,913	23,648,793
Restricted for debt service	1,492,101	1,555,574	7,064,556	7,466,046	4,793,109
Unrestricted	(7,639,102)	(11,623,251)	(15,162,175)	(5,370,824)	5,466,334
Total net position	<u>\$ 177,904,801</u>	<u>\$ 173,207,342</u>	<u>\$ 174,112,863</u>	<u>\$ 168,717,119</u>	<u>\$ 177,737,887</u>
Table 2 - Changes in Net Position	2021	2020	2019	2018	2017
OPERATING REVENUES:					
Service charges	\$ 39,446,883	\$ 36,086,680	\$ 31,229,741	\$ 32,134,713	\$ 27,369,291
Other operating revenues	40,794	34,507	66,449	369,674	576,521
Total operating revenues	<u>39,487,677</u>	<u>36,121,187</u>	<u>31,296,190</u>	<u>32,504,387</u>	<u>27,945,812</u>
OPERATING EXPENSES:					
Salaries and benefits	19,045,797	18,651,967	14,897,875	15,150,831	12,775,045
Operations materials, supplies and services	6,138,203	6,817,660	5,291,610	3,645,242	5,329,280
Depreciation and amortization	8,716,890	8,531,121	8,399,593	8,352,480	8,541,123
Utilities and telephone	1,621,255	1,727,047	1,681,079	1,515,034	1,726,859
General and administrative	1,969,597	2,278,445	2,319,472	2,163,963	1,741,911
Total operating expenses	<u>37,491,742</u>	<u>38,006,240</u>	<u>32,589,629</u>	<u>30,827,550</u>	<u>30,114,218</u>
Operating income (loss)	<u>1,995,935</u>	<u>(1,885,053)</u>	<u>(1,293,439)</u>	<u>1,676,837</u>	<u>(2,168,406)</u>
NONOPERATING REVENUES (EXPENSES):					
Property taxes	1,303,856	1,260,685	1,190,908	1,114,502	1,040,270
Interest and other investment income	81,822	645,835	1,487,352	285,376	339,036
Interest expense	(1,323,229)	(1,414,901)	(1,716,618)	(1,921,753)	(2,105,121)
Other nonoperating revenue (expense)	408,309	310,163	67,310	(2,192,096)	772,062
Total nonoperating revenues (expenses)	<u>470,758</u>	<u>801,782</u>	<u>1,028,952</u>	<u>(2,713,971)</u>	<u>46,247</u>
Income (loss) before capital contributions	2,466,693	(1,083,271)	(264,487)	(1,037,134)	(2,122,159)
Add: connection fee revenue	179,457	111,333	854,442	303,665	519,549
Add: contributions from developers	2,051,309	66,417	8,299,534	91,972	23,476
Increase (decrease) in net position	<u>4,697,459</u>	<u>(905,521)</u>	<u>8,889,489</u>	<u>(641,497)</u>	<u>(1,579,134)</u>
Net position - beg of year	173,207,342	174,112,863	168,717,118	177,737,887	179,317,021
Add (less): prior period adjustments	-	-	(3,493,744)	(8,379,271)	-
Net position - end of year	<u>\$ 177,904,801</u>	<u>\$ 173,207,342</u>	<u>\$ 174,112,863</u>	<u>\$ 168,717,118</u>	<u>\$ 177,737,887</u>

Source: Audited District Financial Statements

VALLEJO FLOOD AND WASTEWATER DISTRICT
A COMPONENT UNIT OF THE CITY OF VALLEJO
STATISTICAL SECTION
FINANCIAL TRENDS INFORMATION
JUNE 30, 2021

Description: Financial trend information helps the reader to understand changes in financial performance and financial well-being over time.

Table 1 - Net Position by Component	2016	2015	2014	2013	2012
Net investment in capital assets	\$ 132,461,371	\$ 136,530,088	\$ 141,859,146	\$ 140,221,220	\$ 138,851,945
Restricted for capital improvements	25,657,307	26,231,838	24,637,821	24,664,739	27,038,852
Restricted for debt service	7,464,736	4,993,354	6,953,027	8,031,854	8,164,933
Unrestricted	13,733,607	7,846,075	16,549,479	17,879,551	17,516,096
Total net position	<u>\$ 179,317,021</u>	<u>\$ 175,601,355</u>	<u>\$ 189,999,473</u>	<u>\$ 190,797,364</u>	<u>\$ 191,571,826</u>
Table 2 - Changes in Net Position	2016	2015	2014	2013	2012
OPERATING REVENUES:					
Service charges	\$ 30,855,988	\$ 28,208,614	\$ 27,312,302	\$ 26,778,540	\$ 25,917,040
Other operating revenues	878,596	434,531	761,584	662,325	743,917
Total operating revenues	<u>31,734,584</u>	<u>28,643,145</u>	<u>28,073,886</u>	<u>27,440,865</u>	<u>26,660,957</u>
OPERATING EXPENSES:					
Salaries and benefits	13,174,775	13,144,752	12,893,571	11,933,622	15,326,564
Operations materials, supplies and services	4,119,126	2,338,680	2,953,539	2,513,384	2,607,931
Depreciation and amortization	8,492,399	8,328,691	8,336,273	8,317,451	8,279,443
Utilities and telephone	1,549,718	1,670,587	1,548,515	1,647,826	1,357,460
General and administrative	2,254,644	2,461,696	2,558,376	2,237,321	1,996,831
Total operating expenses	<u>29,590,662</u>	<u>27,944,406</u>	<u>28,290,274</u>	<u>26,649,604</u>	<u>29,568,229</u>
Operating income (loss)	<u>2,143,922</u>	<u>698,739</u>	<u>(216,388)</u>	<u>791,261</u>	<u>(2,907,272)</u>
NONOPERATING REVENUES (EXPENSES):					
Property taxes	949,071	876,878	778,473	811,231	729,637
Interest and other investment income	840,119	752,513	1,209,719	275,791	1,606,780
Interest expense	(2,312,283)	(2,529,416)	(2,676,177)	(3,034,667)	(3,195,587)
Other nonoperating revenue (expense)	427,071	518,096	453,552	323,932	329,894
Total nonoperating revenues (expenses)	<u>(96,022)</u>	<u>(381,929)</u>	<u>(234,433)</u>	<u>(1,623,713)</u>	<u>(529,276)</u>
Income (loss) before capital contributions	2,047,900	316,810	(450,821)	(832,452)	(3,436,548)
Add: connection fee revenue	1,645,935	100,179	216,982	57,990	306,174
Add: contributions from developers	21,831				4,507,084
Increase (decrease) in net position	<u>3,715,666</u>	<u>416,989</u>	<u>(233,839)</u>	<u>(774,462)</u>	<u>1,376,710</u>
Net position - beg of year	175,601,355	189,999,473	190,797,364	191,571,826	190,195,116
Add (less): prior period adjustments	-	(14,815,107)	(564,052)	-	-
Net position - end of year	<u>\$ 179,317,021</u>	<u>\$ 175,601,355</u>	<u>\$ 189,999,473</u>	<u>\$ 190,797,364</u>	<u>\$ 191,571,826</u>

Source: Audited District Financial Statements

VALLEJO FLOOD AND WASTEWATER DISTRICT
A COMPONENT UNIT OF THE CITY OF VALLEJO
STATISTICAL SECTION
REVENUE CAPACITY INFORMATION
JUNE 30, 2021

Table 1 - Service Charge Base Rates

FYE June 30	Base Monthly WW Rate	Increase/ (Decrease)	Base Monthly SW Rate	Increase/ (Decrease)	Base Monthly UL Rate	Increase/ (Decrease)	Combined Monthly Rate
2021	\$59.56	9.0%	\$1.97	0.0%	\$1.38	0.0%	\$62.91
2020	\$54.64	12.0%	\$1.97	0.0%	\$1.38	0.0%	\$57.99
2019	\$48.78	12.5%	\$1.97	0.0%	\$1.38	0.0%	\$52.13
2018	\$43.35	0.0%	\$1.97	0.0%	\$1.38	0.0%	\$46.70
2017	\$43.35	0.0%	\$1.97	0.0%	\$1.38	0.0%	\$46.70
2016	\$43.35	0.0%	\$1.97	0.0%	\$1.38	0.0%	\$46.70
2015	\$43.35	2.5%	\$1.97	0.0%	\$1.38	0.0%	\$46.70
2014	\$42.29	2.5%	\$1.97	0.0%	\$1.38	0.0%	\$45.64
2013	\$41.26	2.5%	\$1.97	0.0%	\$1.38	0.0%	\$44.61
2012	\$40.26	4.0%	\$1.97	0.0%	\$1.38	0.0%	\$43.61

Source: District Rate Ordinances

Table 2 - Sewer Service Accounts by Type

FYE June 30	Single Family	Multi Family	Commercial	Govt	Total Billable Accounts	Total Billable Units (1)
2021	34,396	2,080	1,586	177	38,239	49,147
2020	34,402	2,106	1,638	50	38,196	48,629
2019	34,402	2,119	2,024	50	38,595	48,629
2018	34,361	2,106	1,638	50	38,155	48,525
2017	34,361	2,106	1,638	50	38,155	48,525
2016	34,361	2,106	1,638	50	38,155	48,525
2015	34,270	2,106	1,630	50	37,995	48,360
2014	34,056	2,106	1,624	50	37,836	48,201
2013	34,021	2,100	1,630	50	37,801	48,163
2012	33,917	2,096	1,629	50	37,692	48,033

Source: District Finance staff and billing data

(1) Certain accounts contain multiple units. Residential rates are flat-rate per unit. Commercial rates are based upon a combination of wintertime water consumption and strength.

VALLEJO FLOOD AND WASTEWATER DISTRICT
A COMPONENT UNIT OF THE CITY OF VALLEJO
STATISTICAL SECTION
REVENUE CAPACITY INFORMATION
JUNE 30, 2021

Table 3 - Service Area Ten Largest Users and Percentage of Annual Service Charges

Ten Largest Users	Fiscal Year Ended									
	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Six Flags Discovery Kingdom	\$ 243,245	\$ 222,864	\$ 325,658	\$ 359,913	\$ 341,613	\$ 313,609	\$ -	\$ 195,449	\$ 286,112	\$ 221,284
Prime Ascot DBA Blue Rock Village	203,633	187,101	339,456	303,503	298,332	291,312	291,312	296,289	276,853	271,037
Fairgrounds Mobile Estates	202,659	185,918	164,439	147,290	146,774	146,774	-	142,789	150,452	119,702
WRPV XIII BV Vallejo LLC	189,089	173,738	-	-	-	-	-	-	-	-
Vallejo Mobile Estates	185,453	170,397	152,192	135,850	135,850	132,651	132,648	134,918	131,453	128,410
Vallejo Mobile Home Community	147,513	135,653	121,160	-	-	-	-	-	-	-
Solano Vista II Housing Inv LP	141,093	129,640	115,789	103,356	103,356	100,918	100,920	102,648	-	-
Carzuinez Highlands LTD	140,718	129,181	115,789	-	-	-	-	-	-	-
MG (Broadstone) Sterling Village Apts	135,276	124,294	-	99,095	99,095	96,757	96,756	-	95,888	102,228
Seabreeze Apartments	-	122,958	-	98,030	98,030	95,716	-	-	-	-
Glen Cove Landing	-	-	157,011	140,605	136,436	133,205	133,176	135,461	132,040	129,017
H&W Enterprises Bay Village	-	-	155,176	-	-	-	-	-	-	-
C S Marine Construction	-	-	120,285	-	-	-	-	-	-	-
Hillcrest Park HOA	-	-	-	175,762	171,870	171,906	164,388	162,971	162,971	159,187
Riley Bower Apartments II	-	-	-	98,030	98,030	-	95,712	-	-	-
Seafood City Supermarket	-	-	-	-	-	121,762	108,180	116,957	100,338	105,304
Larissa Lane Partners	-	-	-	-	-	-	95,712	-	-	-
Waterstone Owners Association	-	-	-	-	-	-	93,636	-	-	-
Sundance - Vallejo	-	-	-	-	-	-	-	154,493	150,525	147,039
KW/WDC Vallejo LLC	-	-	-	-	-	-	-	149,073	134,030	130,928
DO TKNN LLC	151,101	-	-	-	-	-	-	-	-	-
Totals	\$ 1,739,780	\$ 1,581,744	\$ 1,766,955	\$ 1,661,434	\$ 1,629,386	\$ 1,604,610	\$ 1,312,440	\$ 1,591,048	\$ 1,620,662	\$ 1,514,136
Annual Service Charges	\$ 39,446,883	\$ 36,086,680	\$ 31,229,741	\$ 32,134,713	\$ 27,369,291	\$ 30,855,988	\$ 26,436,670	\$ 25,599,090	\$ 25,917,040	\$ 25,192,643
Percentage of Annual Service Charges:	Fiscal Year Ended									
	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Six Flags Discovery Kingdom	0.62%	0.62%	1.04%	1.12%	1.25%	1.02%		0.76%	1.10%	0.88%
Prime Ascot DBA Blue Rock Village	0.52%	0.52%	1.09%	0.94%	1.09%	0.94%	1.10%	1.16%	1.07%	1.08%
Fairgrounds Mobile Estates	0.51%	0.52%	0.53%	0.46%	0.54%	0.48%		0.56%	0.58%	0.48%
WRPV XIII BV Vallejo LLC	0.48%	0.48%								
Vallejo Mobile Estates	0.47%	0.47%	0.49%	0.42%	0.50%	0.43%	0.50%	0.53%	0.51%	0.51%
Vallejo Mobile Home Community	0.37%	0.38%	0.39%							
Solano Vista II Housing Inv LP	0.36%	0.36%	0.37%	0.32%	0.38%	0.33%	0.38%	0.40%		
Carzuinez Highlands LTD	0.36%	0.36%	0.37%							
MG (Broadstone) Sterling Village Apts	0.34%	0.34%		0.31%	0.36%	0.31%	0.37%		0.37%	0.41%
Seabreeze Apartments		0.34%		0.31%	0.36%	0.31%				
Glen Cove Landing			0.50%	0.44%	0.50%	0.43%	0.50%	0.53%	0.51%	0.51%
H&W Enterprises Bay Village			0.50%							
C S Marine Construction			0.39%							
Hillcrest Park HOA				0.55%	0.63%	0.56%	0.62%	0.64%	0.63%	0.63%
Riley Bower Apartments II				0.31%	0.36%		0.36%			
Seafood City Supermarket						0.39%	0.41%	0.46%	0.39%	0.42%
Larissa Lane Partners							0.36%			
Waterstone Owners Association							0.35%			
Sundance - Vallejo								0.60%	0.58%	0.58%
KW/WDC Vallejo LLC								0.58%	0.52%	0.52%
Totals	4.03%	4.38%	5.66%	5.17%	5.95%	5.20%	4.95%	6.22%	6.25%	6.01%

Source: Audited District Financial Statements

VALLEJO FLOOD AND WASTEWATER DISTRICT
A COMPONENT UNIT OF THE CITY OF VALLEJO
STATISTICAL SECTION
DEBT CAPACITY INFORMATION
JUNE 30, 2021

Description: These tables present information that help the reader assess the affordability of the District's current levels of outstanding debt and the ability to pay debt.

Table 1 - Ratios of Outstanding Debt by Type

Fiscal Year Ended June 30	2014 Revenue Bonds	2011 Revenue Bonds	2008 State Revolving Fund Loan	2006 Certificates of Participation	2004 State Revolving Fund Loan	2001 Certificates of Participation	1993 Certificates of Participation	Total Outstanding Debt	Total Debt Per Capita (1)	Total Debt Per Billing Unit (1)	Wastewater Debt Service Coverage
2021	\$ 26,380,300	\$ 1,165,456	\$ 1,197,121	\$ -	\$ 1,748,312	\$ -	\$ -	\$ 30,491,189	\$ 256	\$ 620	308%
2020	27,604,253	1,428,183	1,479,073	-	2,590,618	-	-	33,102,127	278	681	205%
2019	28,778,206	1,680,910	1,754,417	-	3,412,380	-	2,640,000	38,265,913	320	787	137%
2018	29,907,159	1,923,637	2,023,307	-	4,214,099	-	5,084,656	43,152,858	362	889	124%
2017	29,942,159	1,933,637	2,029,461	-	4,233,176	-	5,199,656	43,338,089	369	893	139%
2016	32,060,065	2,379,091	2,542,329	-	5,759,352	-	9,618,968	52,359,805	446	1,079	158%
2015	33,089,018	2,591,818	2,792,753	-	6,503,828	-	11,718,624	56,696,041	465	1,176	157%
2014	33,000,128	2,758,432	3,037,308	-	7,230,146	-	13,718,280	59,744,294	504	1,239	161%
2013	-	2,957,364	3,276,131	35,065,855	7,938,749	-	15,617,934	64,856,033	554	1,347	157%
2012	-	3,151,297	3,509,356	35,925,211	8,630,069	-	17,422,590	68,638,523	592	1,430	97%

Table 2 - Pledged Revenue Coverage

Fiscal Year Ended June 30	Utility Service Charges	Less Operating Expenses	Net Revenues Available	2014 Revenue Bonds	2011 Revenue Bonds	2008 State Revolving Fund Loan	2006 Certificates of Participation	2004 State Revolving Fund Loan	2001 Certificates of Participation	1993 Certificates of Participation	Total Annual Debt Service
2021	\$ 36,616,703	\$ 24,726,106	\$ 11,890,597	\$ 2,311,925	\$ 328,475	\$ 317,450	\$ -	\$ 907,072	\$ -	\$ -	\$ 3,864,922
2020	33,045,459	25,108,887	7,936,572	2,310,425	328,475	317,450	-	907,072	-	-	3,863,422
2019	29,733,781	20,696,633	9,037,148	2,311,675	328,075	317,450	-	907,072	-	2,709,875	6,574,147
2018	27,482,287	19,402,604	8,079,683	2,312,275	327,275	317,449	-	907,072	-	2,652,750	6,516,221
2017	28,526,894	19,478,930	9,047,964	2,311,475	326,075	317,450	-	907,072	-	2,657,500	6,519,571
2016	29,530,993	19,213,676	10,317,317	2,314,475	324,475	317,450	-	907,072	-	2,661,500	6,524,971
2015	28,270,621	17,893,442	10,377,179	2,318,519	331,626	317,449	-	907,072	-	2,721,750	6,596,416
2014	28,628,926	18,005,941	10,622,985	82,728	327,693	315,062	2,231,956	904,119	-	2,743,844	6,605,402
2013	27,385,589	16,705,830	10,679,759	-	325,943	315,118	2,507,309	904,191	-	2,747,344	6,799,905
2012	26,639,300	20,058,701	6,580,599	-	313,742	315,172	2,490,967	904,261	664	2,767,704	6,792,510

(1) Denominators per population and billing unit tables

Source: Audited District Financial Statements

VALLEJO FLOOD AND WASTEWATER DISTRICT
A COMPONENT UNIT OF THE CITY OF VALLEJO
STATISTICAL SECTION
ECONOMIC AND DEMOGRAPHIC INFORMATION
JUNE 30, 2021

Demographic and Economic Statistics

Last Ten Calendar Years

<u>Calendar Year</u>	<u>Population (1)</u>	<u>Personal Income (in thousands) (2)</u>	<u>Per Capita Personal Income (2)</u>	<u>Unemployment Rate * (3)</u>
2012	115,928	4,414,306	38,078	12.5%
2013	117,112	3,094,450	26,423	10.2%
2014	118,470	3,130,333	26,423	8.9%
2015	119,683	3,111,279	25,996	8.3%
2016	117,322	3,043,919	25,945	5.6%
2017	118,280	3,421,840	28,930	5.1%
2018	119,252	3,199,293	26,828	4.4%
2019	119,544	3,391,224	28,368	4.4%
2020	119,063	3,558,198	29,885	11.3%
2021	117,846	3,680,331	31,230	8.9%

Note: * Starting in 2018, the unemployment rate reported is the average of the Vallejo City unemployment rate for the first 9 months of the calendar year. In previous years, the unemployment rate in this table was determined by averaging the Vallejo-Fairfield MSA monthly figures.

Sources : (1) State Department of Finance (revised)
(2) U.S. Bureau of Economic Analysis (2007 to 2012); U.S. Census Bureau (2013 and forward)
(3) State of California Employment Development Department (data shown is for the City)

VALLEJO FLOOD AND WASTEWATER DISTRICT
A COMPONENT UNIT OF THE CITY OF VALLEJO
STATISTICAL SECTION
ECONOMIC AND DEMOGRAPHIC INFORMATION
JUNE 30, 2021

**Top 10 Principal Employers
Current Year and Nine Years Ago**

Employer	2021		2012	
	Number of Employees	Percent of Total Employment	Number of Employees	Percent of Total Employment
Kaiser Permanente Medical Center **	4,023	7.24%	3,906	6.73%
Six Flags Discovery Kingdom	1,500	2.70%	1,600	2.76%
Vallejo Unified School District	1,124	2.02%	1,600	2.76%
Sutter Solano Medical Center*	634	1.14%	690	1.19%
City of Vallejo	541	0.97%	485	0.84%
Touro University California	530	0.95%	385	0.66%
California Maritime Academy	345	0.62%	N/A	N/A
Meyer Corp	340	0.61%	N/A	N/A
Safeway (3 Locations)	315	0.57%	N/A	N/A
Costco	266	0.48%	N/A	N/A
Kaiser Permanente Call Center	N/A	N/A	950	1.64%
California Highway Patrol, Regional Office	N/A	N/A	400	0.69%
U.S.D.A. Forest Service	N/A	N/A	300	0.52%
Petrochem Corporate Headquarters	N/A	N/A	225	0.39%

"Total Employment" as used above represents the total employment of all employers located within City limits.

Source: City of Vallejo Finance Department (MuniServices LLC/and Avenu Insights & Analytics Company)

* Includes full and part time employees

** Includes call center. Physicians data is unavailable and not included in our count.

VALLEJO FLOOD AND WASTEWATER DISTRICT
A COMPONENT UNIT OF THE CITY OF VALLEJO
STATISTICAL SECTION
OPERATING INFORMATION
JUNE 30, 2021

	Fiscal Year Ended									
Table 1 - Employees by Department	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Administration	5	5	6	6	6	6	5	5	5	5
Safety and Risk Management	3	3	3	3	3	3	2	2	2	2
Finance	7	7	9	9	9	9	8	8	8	8
Engineering	6	6	6	5	5	6	5	6	6	6
Field Operations	24	28	28	25	25	25	24	24	24	28
Plant Operations	17	17	18	17	15	14	14	14	14	14
Environmental Services	12	12	11	11	11	11	11	11	11	11
Facilities Maintenance	12	12	16	14	16	17	15	15	15	15
Electrical/Information Technology	7	7	0	0	0	0	0	0	0	0
Human Resources	2	2	0	0	0	0	0	0	0	0
Total district employees	95	99	97	90	90	91	84	85	85	89

Table 2 - Operating Indicators	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
New connections	56	53	109	51	52	43	23	6	0	33
Number of upper laterals replaced	124	131	162	153	174	170	169	165	142	136
Number of service calls - wastewater	789	717	800	808	1,083	1,187	1,066	1,066	1,094	1,176
Number of service calls - storm drain	31	46	63	50	160	63	55	55	192	69
Blockages in mains - wastewater	14	7	3	7	2	23	27	27	23	41
Blockages in laterals - wastewater	110	92	90	104	126	204	241	241	241	216
Blockages in mains - storm drain	7	3	1	3	1	3	3	3	14	1
Amounts of wastewater treated (MG)	2,860	3,055	3,652	3,372	4,549	3,541	3,657	3,413	3,632	3,717
Operating costs net of depreciation per MG	9,108	8,682	6,137	5,393	4,745	5,396	5,590	6,153	5,435	5,176
Dry tons of sludge produced	3,518	3,757	3,799	3,559	3,702	3,718	3,748	3,616	3,780	3,654
Number of effluent violations	0	0	0	0	2	0	0	1	0	0

Table 3 - Capital Assets Data	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Area served (square miles)	36	36	36	36	36	36	36	36	36	36
Number of treatment plants	1	1	1	1	1	1	1	1	1	1
Permitted treatment capacity - dry (mgd)	15.5	15.5	15.5	15.5	15.5	15.5	15.5	15.5	15.5	15.5
Permitted treatment capacity - wet (mgd)	60	60	60	60	60	60	60	60	60	60
Number of pump stations - wastewater	30	30	30	36	36	36	36	36	36	35
Number of pump stations - storm water	9	9	9	9	9	9	9	9	9	9
Miles of main - wastewater	407	395	395	436	436	436	436	436	436	436
Miles of main - storm water	211	211	211	220	220	220	220	220	220	220
Miles of channel - storm water	6	6	6	6	6	6	6	6	6	6
Main line rep/rplc - wastewater (feet)	4,595	5,776	2,035	4,061	7,757	4,332	410	115	474	2,000
Main line rep/rplc - storm water (feet)	69	0	100	50	120	369	0	586	232	0
Service line rep/rplc - wastewater (feet)	3,247	3,289	4,839	2,534	2,075	2,140	1,290	1,290	1,024	281
Open channel cleaned - storm water (feet)	12,784	17,581	15,255	17,175	15,778	10,560	16,640	16,640	12,608	13,968

VALLEJO FLOOD AND WASTEWATER DISTRICT
A COMPONENT UNIT OF THE CITY OF VALLEJO
STATISTICAL SECTION
OTHER INFORMATION
JUNE 30, 2021

Connection Fee Report
Per Government Code Section 66013(d) and (e)
Fiscal Year Ended June 30, 2021

	Wastewater	Stormwater	Total
Connection Fees, beginning balance as of July 1, 2020	\$ 438,096	\$ 19,175,211	\$ 19,613,307
Connection Fees Collected	201,893	74,054	275,946
Interest Earned	4,545	178,618	183,163
Fiscal Year Fees Available	\$ 206,437	\$ 252,672	\$ 459,109
Applied to:			
Capital Costs Funded (see details below)	-	112,126	112,126
Refunds	21,570	18,635	40,205
Total Funds Applied	21,570	\$ 130,761	\$ 152,331
Net Changes for Fiscal Year 2021	\$ 184,868	121,910	306,778
Connection Fees, ending balance as of June 30, 2021	\$ 622,964	\$ 19,297,121	\$ 19,920,085

Capital Costs Funded FY2021

CDD007 Fulton Storm Drain Inlet

Wastewater	Stormwater	Total
	112,126	
-	112,126	112,126

Capital Costs Budgeted FY2022

Wastewater	Stormwater	Total
	-	
-	-	-

California Government Code (CGC) Section 66013 (c) requires the District to place capital facilities connection fees received and any interest income earned from the investment of these monies in a separate capital facilities fund. These monies are to be used solely for the purposes for which they were collected and not commingled with other District funds.

CGC Section 66013(d) requires the District to make certain information available to the public within 180 days after the close of each fiscal year. CGC Section 66013(e) allows the required information to be included in the District's annual financial report. The Connection Fee Report meets this requirement.

Capacity fees are imposed for initiating sewer connection service by the District at the request of the customer. No fees are imposed upon real property or upon person as an incident of property ownership, but rather as a condition of service.

There are no projects identified in the FY 2021-22 Capital Improvement Plan that anticipate using either wastewater or stormwater connection fee revenue.

Source: Audited District Financial Statements and Engineering staff

VALLEJO FLOOD AND WASTEWATER DISTRICT
A COMPONENT UNIT OF THE CITY OF VALLEJO
STATISTICAL SECTION
OTHER INFORMATION
JUNE 30, 2021

General:

Authority	Established by Enabling Act 8934 of the State of California, as amended July 1995
Governing Body	Seven members of Vallejo City Council and one member appointed from Solano County Board of Supervisors
Reporting Entity	Component unit of the City of Vallejo
Chief Executive Officer	District Manager
Date of Formation	May 19, 1952
Type of Service	Sewage collection, treatment and disposal; storm water transmission and remediation; and upper lateral program
Service Area	City of Vallejo, Mare Island plus unincorporated County Areas
Square Mileage	Approximately 36 square miles

Employee Benefit Plans Contact Information:

Public Employee's Retirement System
Lincoln Plaza
400 P Street
Sacramento, CA 95814
(916) 326-3420

Public Employee's Retirement System
CERBT/OPEB
400 Q Street
Sacramento, CA 95811
(888) 225-7377

Primary Government Contact Information:

City of Vallejo
City Hall
555 Santa Clara Street
Vallejo, CA 94590

Finance Department
(707) 648-4592

**VALLEJO FLOOD AND WASTEWATER DISTRICT
GOVERNMENT AUDITING STANDARDS REPORT AND
SCHEDULE OF FINDINGS AND RESPONSES
FOR THE YEAR ENDED
JUNE 30, 2021**

**Mann, Urrutia, Nelson CPAs
1760 Creekside Oaks Drive, Suite 160
Sacramento, California 95833**

**VALLEJO FLOOD AND WASTEWATER DISTRICT
GOVERNMENT AUDITING STANDARDS REPORT
FOR THE YEAR ENDED JUNE 30, 2021**

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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

To the Board of Directors
Vallejo Flood and Wastewater District
Vallejo, California

We have audited, in accordance with the 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 each major fund of Vallejo Flood and Wastewater District, as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise Vallejo Flood and Wastewater District's basic financial statements and have issued our report thereon dated December 1, 2021.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered Vallejo Flood and Wastewater District'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 Vallejo Flood and Wastewater District's internal control. Accordingly, we do not express an opinion on the effectiveness of Vallejo Flood and Wastewater District'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. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Vallejo Flood and Wastewater District's financial statements are free from 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*.

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 entity's 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.

Mann, Unutia, Nelson CPA's

Sacramento, California
December 1, 2021

**VALLEJO FLOOD AND WASTEWATER DISTRICT
SCHEDULE OF CURRENT YEAR FINDINGS
JUNE 30, 2021**

No current year findings.

**VALLEJO FLOOD AND WASTEWATER DISTRICT
SCHEDULE OF PRIOR YEAR FINDINGS
JUNE 30, 2021**

Finding 2020-001 Prior Period Adjustments (Material Weakness)

Condition

The District identified errors in the prior year recorded amounts of accounts receivable, deferred outflows of resources related to the net pension liability and deferred inflows of resources related to the net pension liability, which resulted in a restatement of prior year amounts.

Recommendation

We recommend the District implement procedures for the reconciliation of accounts receivable. In addition, we recommend the District ensure the workbook tool used for the calculation of GASB 68 and related amounts is calculating correctly and the District include the payments made towards the unfunded actuarial liability as part of pension contributions.

Status

Implemented.

Finding 2020-002 Construction In Progress (Significant Deficiency)

Condition

The District determined approximately \$1.1 million in construction in progress had been incorrectly capitalized.

Recommendation

We recommend the District review all projects listed on the construction in progress schedule at least annually and determine if the projects will actually be capitalized.

Status

Implemented.



ANNUAL COMPREHENSIVE FINANCIAL REPORT (ACFR)

December 14, 2021

Presented by Jeff Tucker, Director of Finance/Treasurer

Report Presented to Board

Annual Comprehensive Financial Report

Annual Comprehensive Financial Report

Fiscal Years Ended June 30, 2021 and 2020



Vallejo Flood and Wastewater District
A Component Unit of the City of Vallejo
Vallejo, CA

Financial Reporting

Required by Government Code

- Annual audit (26909)
- Financial statements (53890-53897)
- State Controller's Financial Transactions Report (53891)
- State Controller's Local Government Compensation (53892)

Required by Bond Covenants

- 2011 Revenue Bonds
- 2014 Revenue Bonds

Best Practice

- Annual Comprehensive Financial Report (ACFR)

Sections- ACFR

Introductory – *Pages i - xiv*

- Profile, Governance, Mission/Vision/Values/Goals, Leadership

Financial – *Pages 1-52*

- Auditor's Report, Management Discussion & Analysis, Statements, Notes

Required Supplemental Information & Statistical - *Pages 53-69*

- Financial, Revenue, Debt, Demographic, Operating indicators over 10 years

Financial Highlights – Wastewater Fund

Goals

Maintain slow
growth in
operating costs
(inflation concerns)

Increase Renewal &
Replacement of
assets

Increase unrestricted
cash to maintain
liquidity
requirements

Financial Highlights – Wastewater Fund

Operations

- Service Charge revenues – increased \$3.6M (11%)
- Salaries & Benefits – increased \$0.6M (3.6%)
- Other Operating Expenses – decreased \$1.0M (10.5%)

Financial Highlights – Wastewater Fund

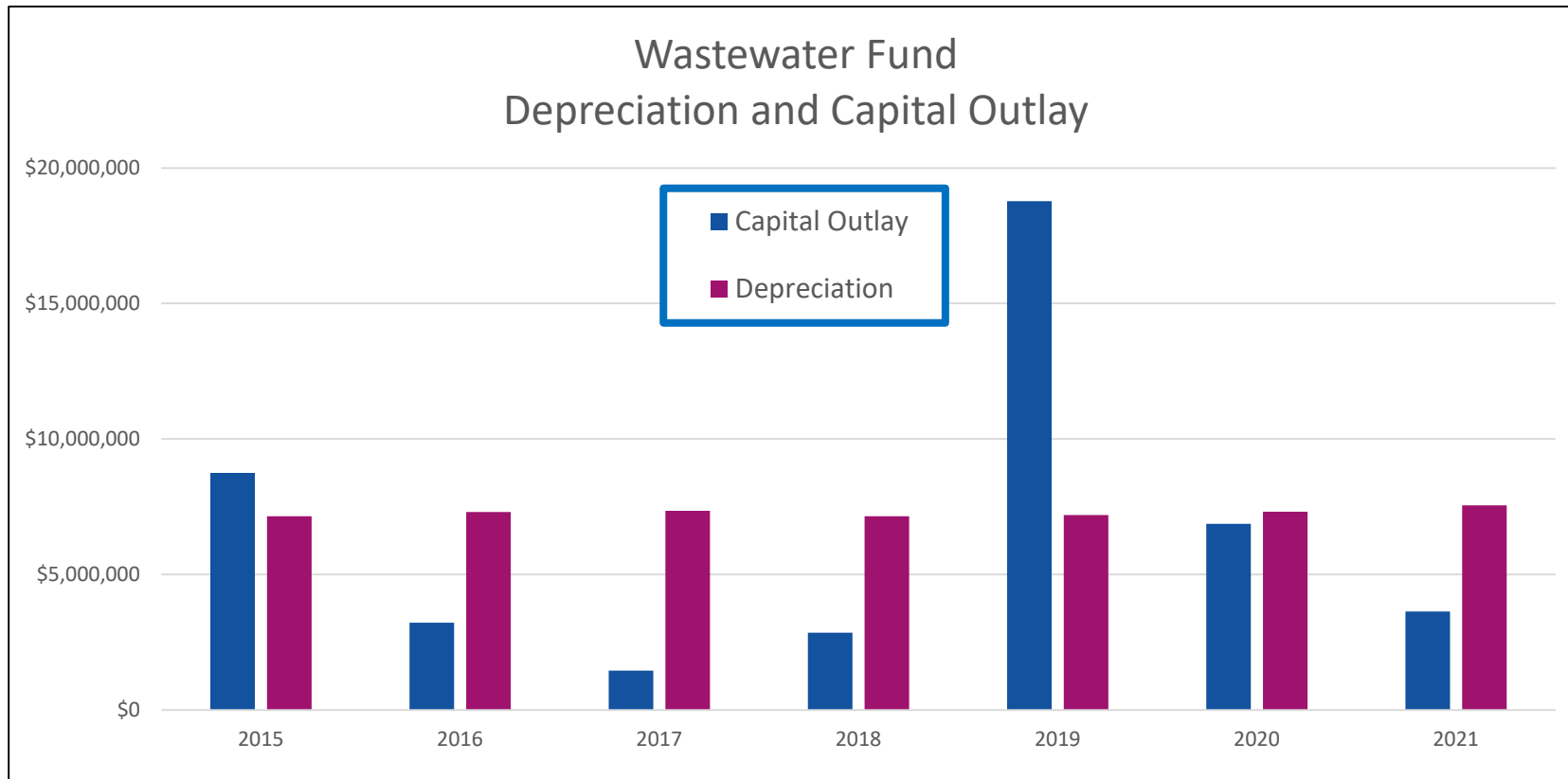
Operations

- Service Charge revenues – increased \$3.6M (11%)
- Salaries & Benefits – increased \$0.6M (3.6%)
- Other Operating Expenses – decreased \$1.0M (10.5%)

Capital

- \$7.6M depreciation vs. \$3.6M capital outlay

Financial Highlights – Wastewater Fund



Financial Highlights – Wastewater Fund

Operations

- Service Charge revenues – increased \$3.6M (11%)
- Salaries & Benefits – increased \$0.6M (3.6%)
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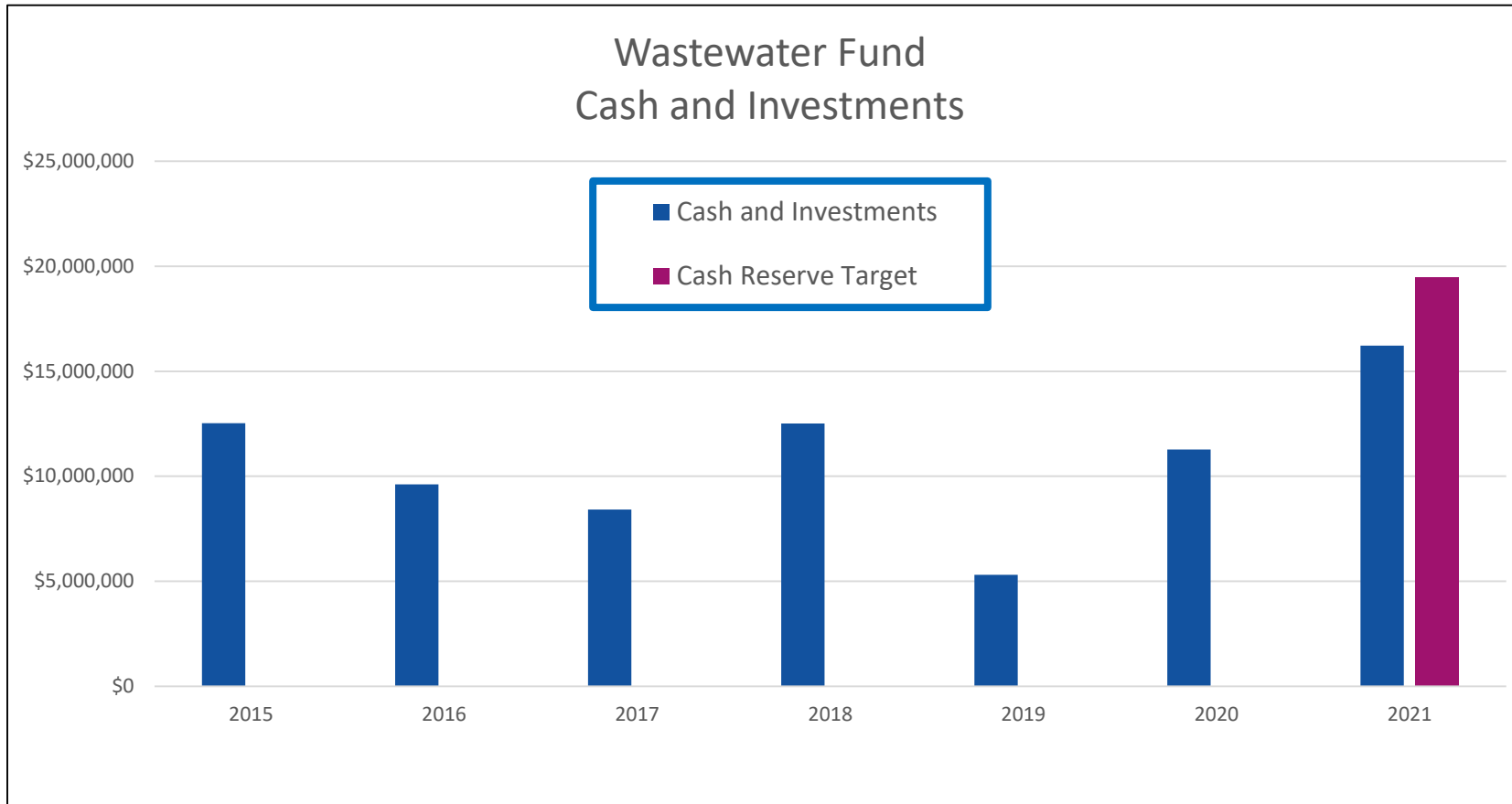
Capital

- \$7.6M depreciation vs. \$3.6M capital outlay

Cash

- \$4.9M improvement in cash and investments

Financial Highlights – Wastewater Fund



Financial Highlights – Wastewater Fund

Operations

- Service Charge revenues – increased \$3.6M (11%)
- Salaries & Benefits – increased \$0.6M (3.6%)
- Other Operating Expenses – decreased \$1.0M (10.5%)

Capital

- \$7.6M depreciation vs. \$3.6M capital outlay

Cash

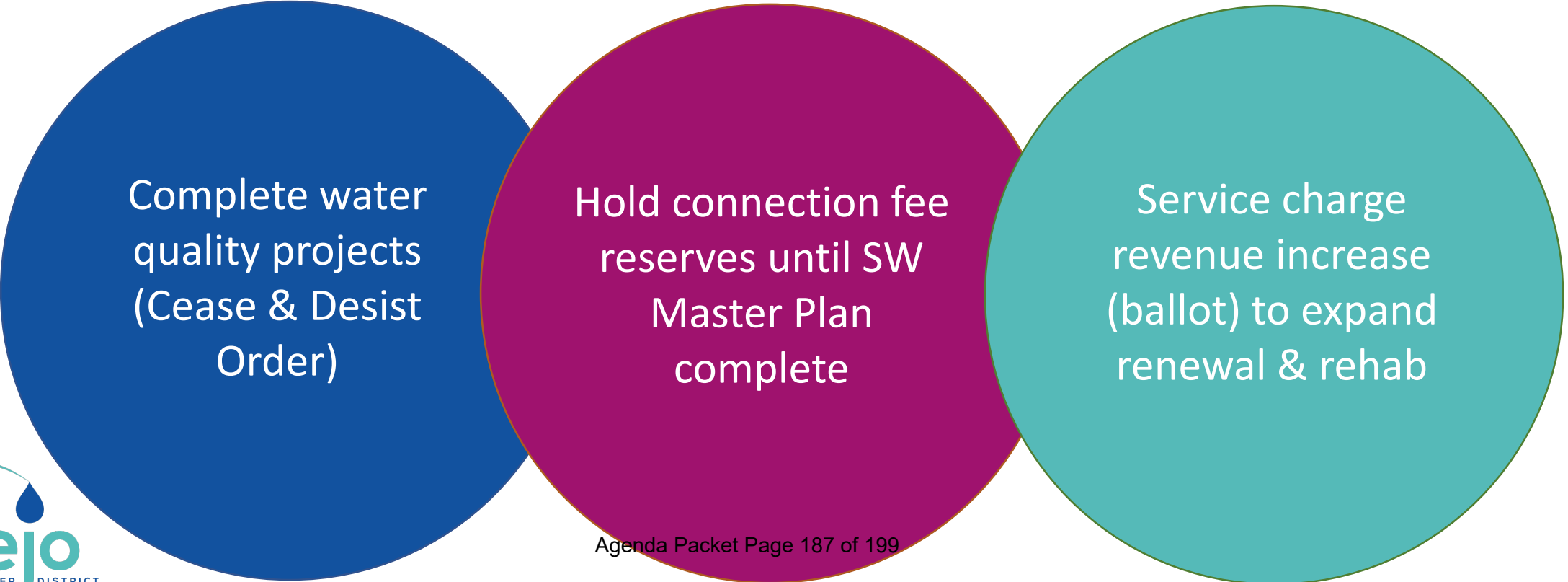
- \$4.9M improvement in cash and investments

Net Position

- No significant change in restricted NP (debt service reserve)
- \$5.2M improvement in unrestricted NP (still negative - pension & OPEB)

Financial Highlights – Stormwater Fund

Goals



Complete water
quality projects
(Cease & Desist
Order)

Hold connection fee
reserves until SW
Master Plan
complete

Service charge
revenue increase
(ballot) to expand
renewal & rehab

Financial Highlights – Stormwater Fund

Operations

- Service Charge revenues – consistent with expectations
- Operating Expenses – decreased \$0.3M (10%)

Financial Highlights – Stormwater Fund

Operations

- Service Charge revenues – consistent with expectations
- Operating Expenses – decreased \$0.3M (10%)

Capital

- 2nd Year of significant capital outlay (Trash Capture project)
- \$1.7M in grant revenue

Financial Highlights – Stormwater Fund

Operations

- Service Charge revenues – consistent with expectations
- Operating Expenses – decreased \$0.3M (10%)

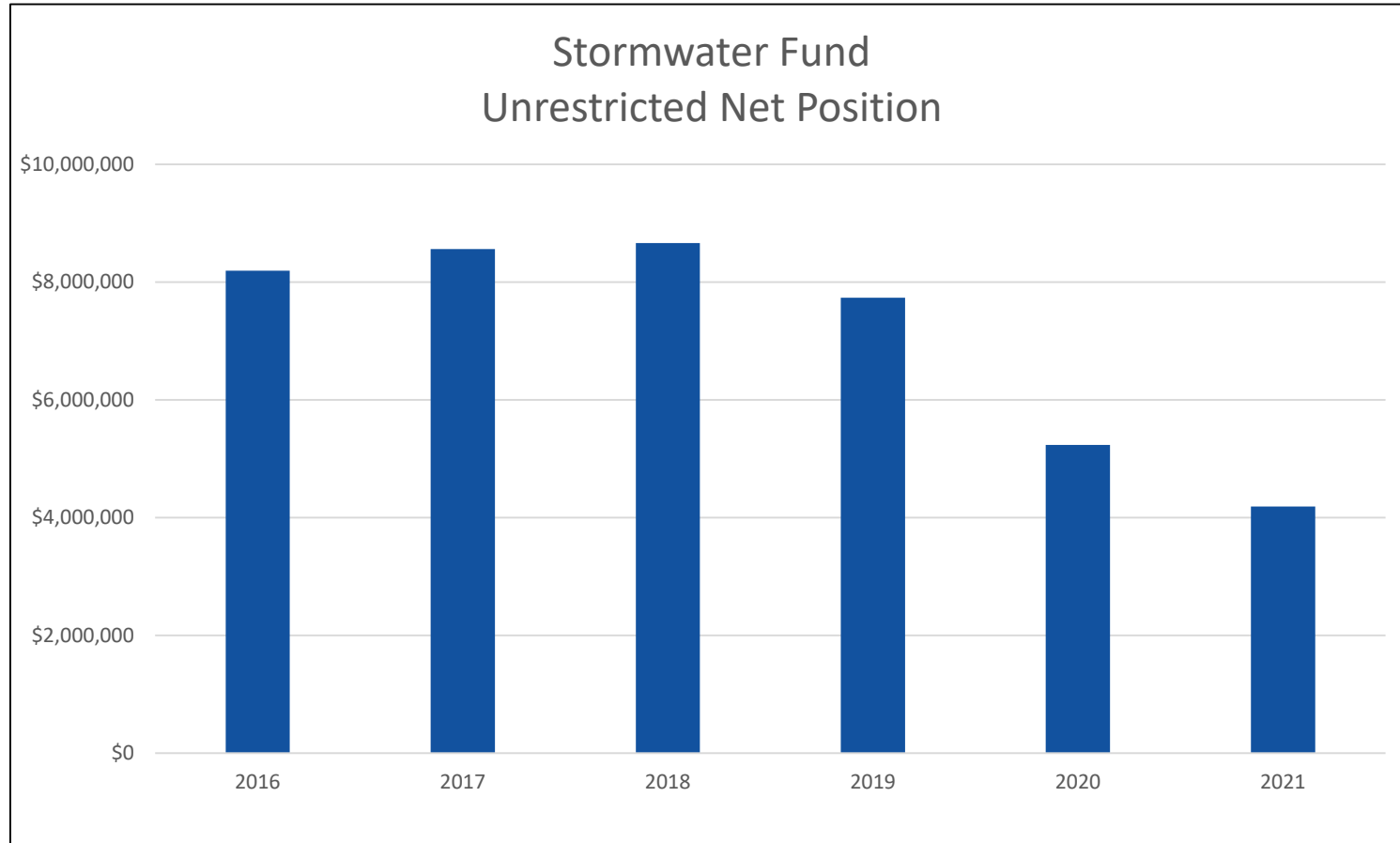
Capital

- 2nd Year of significant capital outlay (Trash Capture project)
- \$1.7M in grant revenue

Net Position

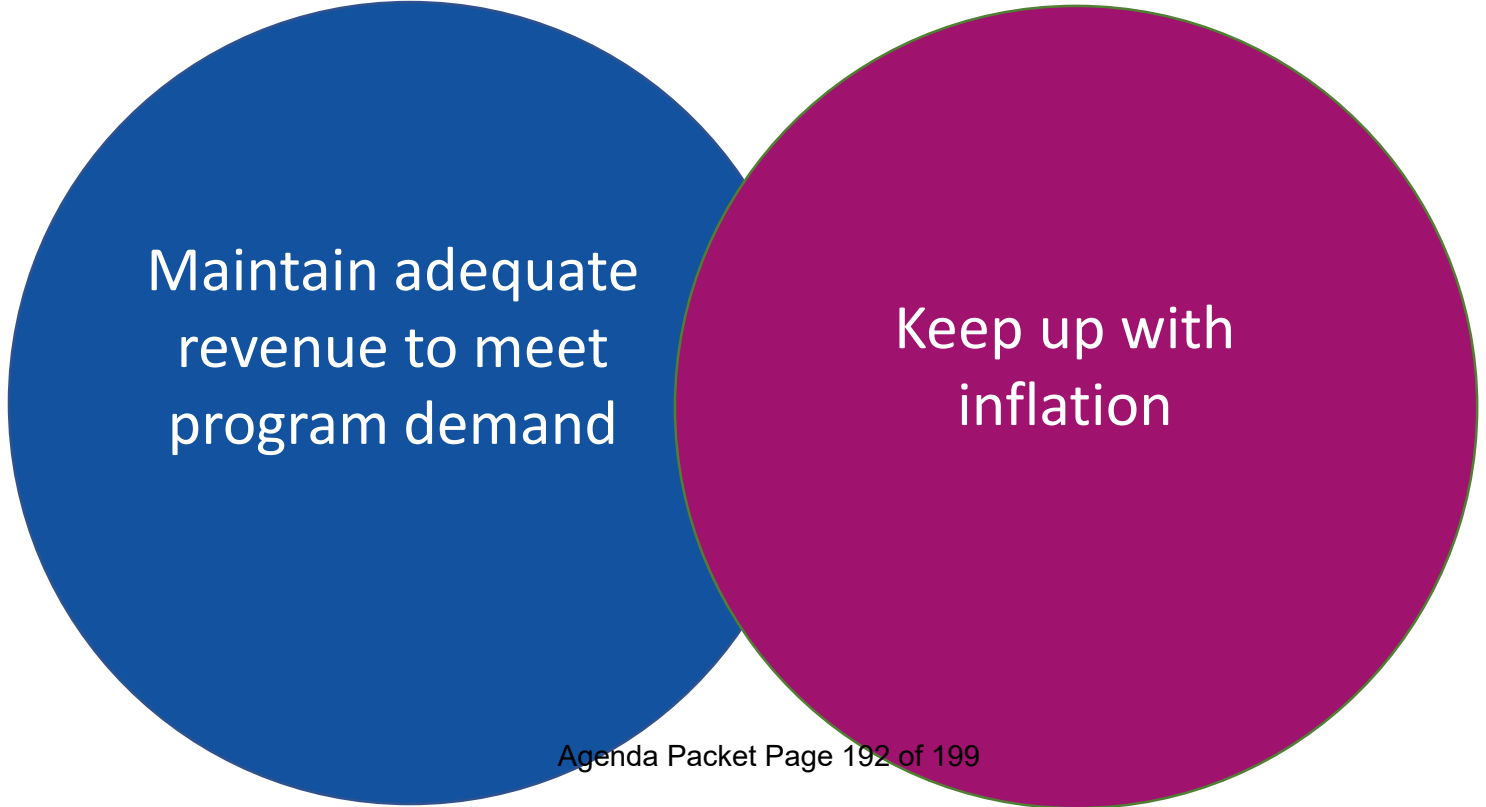
- \$19.2M in restricted Net Position (connection fees)
- \$1.0M decrease in unrestricted – used for capital outlay
- Continued trend in reduced unrestricted net position

Financial Highlights – Stormwater Fund



Financial Highlights – Upper Lateral Fund

Goals



Maintain adequate
revenue to meet
program demand

Keep up with
inflation

Financial Highlights – Upper Lateral Fund

Operations

- Service Charge revenues – consistent with expectations
- Operating Expenses – consistent with prior year (3.5% reduction)

Financial Highlights – Upper Lateral Fund

Operations

- Service Charge revenues – consistent with expectations
- Operating Expenses – consistent with prior year (3.5% reduction)

Capital

- Most projects do not reach capitalization threshold, so are recorded as maintenance

Financial Highlights – Upper Lateral Fund

Operations

- Service Charge revenues – consistent with expectations
- Operating Expenses – consistent with prior year (3.5% reduction)

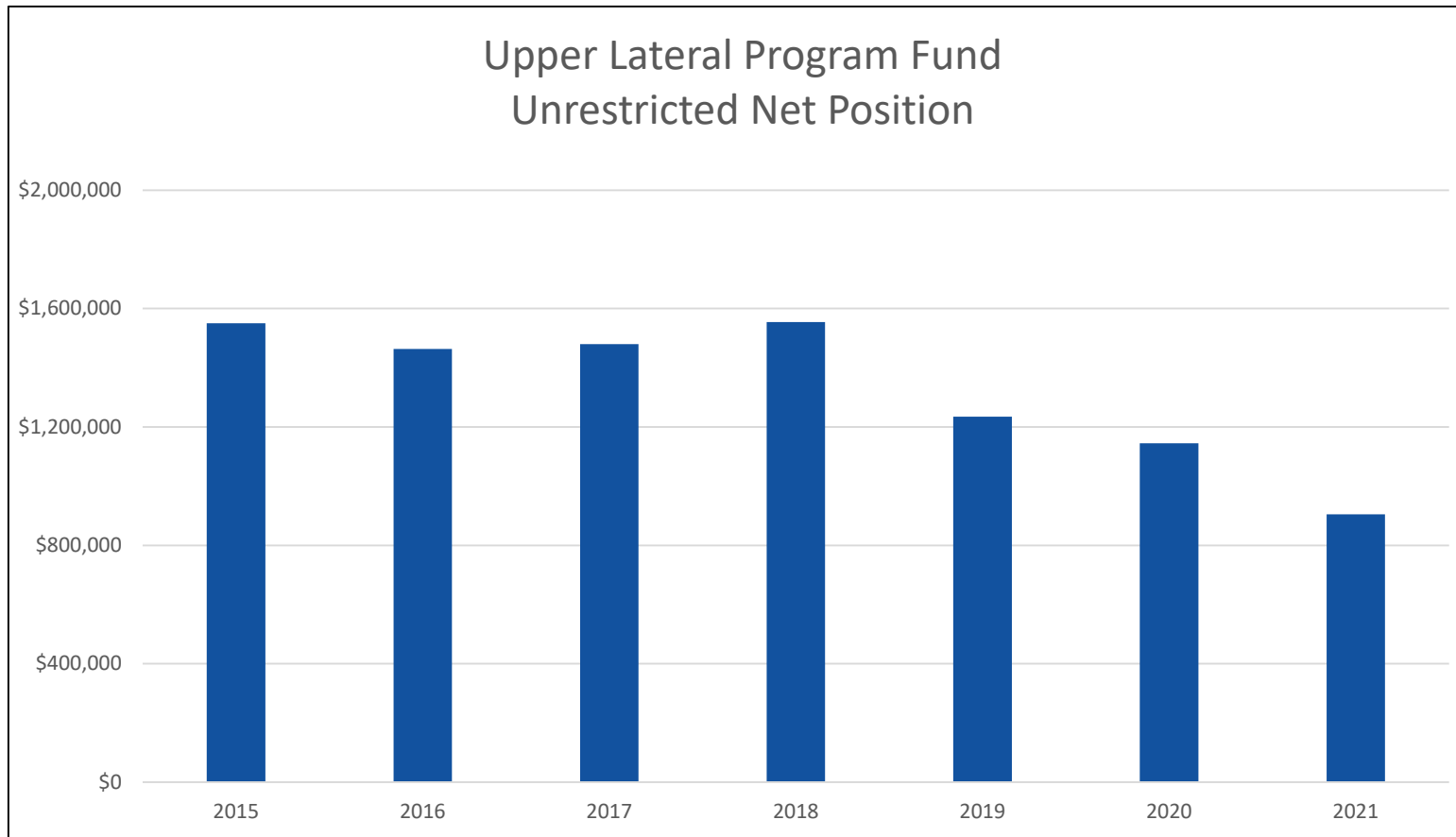
Capital

- Most projects do not reach capitalization threshold, so are recorded as maintenance

Net Position

- \$0.2M Operating Loss
- \$0.9M Unrestricted Net Position

Financial Highlights – Upper Lateral Fund



Audit Findings

No Audit Findings for FY 2020-21

Summary of ACFR

- ✓ *Finance completed yearend, audit and CAFR on time*
- ✓ *CAFR prepared in conformance with GAAP and GAS*
- ✓ *MUN CPAs issued an Unqualified Opinion*
- ✓ *Prior Year ACFR Received GFOA Award for Excellence in Financial Reporting*
- ✓ *ACFR will be submitted for GFOA award*

Staff recommends that the Board
accepts the FY 2020-2021 Annual Comprehensive
Financial Report as submitted.

Questions?