



Annual Comprehensive Financial Report

Fiscal Year Ended June 30, 2021



*Riverside County Flood Control
and Water Conservation District
(A Component Unit of the County of Riverside)*



Annual Comprehensive Financial Report Fiscal Year Ended June 30, 2021



Submitted by:
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General Manager-Chief Engineer

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Finance Director

*Riverside County Flood Control
and Water Conservation District
(A Component Unit of the County of Riverside)
Riverside, California*

Riverside County Flood Control and Water Conservation District
Annual Comprehensive Financial Report
Year Ended June 30, 2021

TABLE OF CONTENTS

	<u>PAGE</u>
INTRODUCTORY SECTION	
Letter of Transmittal	i - v
District Officials	vi
Organizational Chart	vii
Certificate of Achievement for Excellence in Financial Reporting	viii
FINANCIAL SECTION	
Independent Auditors' Report	1 – 3
Management's Discussion and Analysis	4– 14
Basic Financial Statements:	
Government-wide Financial Statements:	
Statement of Net Position	15
Statement of Activities	16 - 17
Fund Financial Statements:	
Balance Sheet - Governmental Funds	18 - 20
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position	21
Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds	22 - 24
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Government-Wide Statement of Activities	25
Statement of Net Position - Proprietary Funds	26
Statement of Revenues, Expenses and Changes in Net Position - Proprietary Funds	27
Statement of Cash Flows - Proprietary Funds	28
Notes to Financial Statements	29-52
Required Supplementary Information:	
Schedule of Changes in the Net Pension Liability and Related Ratios for Retirement Program,	
Schedule of Plan Contributions for Retirement Program, Schedule of Funding Progress for OPEB	53 - 58
Notes to Required Supplementary Information	59
General Fund	60
Budgetary Comparison Schedules:	
General Fund	61
Special Revenue Funds	62
Zone 1 Special Revenue Fund	63
Zone 2 Special Revenue Fund	64
Zone 3 Special Revenue Fund	65
Zone 4 Special Revenue Fund	66
Zone 5 Special Revenue Fund	67
Zone 6 Special Revenue Fund	68
Zone 7 Special Revenue Fund	69
NPDES Whitewater Special Revenue Fund	70
NPDES Santa Ana Special Revenue Fund	71
NPDES Santa Margarita Special Revenue Fund	72

Riverside County Flood Control and Water Conservation District
Annual Comprehensive Financial Report
Year Ended June 30, 2021

TABLE OF CONTENTS - Continued

	<u>PAGE</u>
Supplementary Information:	
Other Governmental Funds	
Combining Balance Sheet - Other Governmental Funds	73
Combining Statement of Revenues, Expenditures and Changes in Fund Balances	74
Capital Project Fund	75-76
Zone 4 Debt Service Fund	77-78
Non-Major Enterprise Funds	79
Combining Statement of Net Position	80
Combining Statement of Revenues, Expenses and Changes in Fund Net Position	81
Combining Statement of Cash Flows	82
Internal Service Funds	83
Combining Statement of Net Position	84 - 85
Combining Statement of Revenues, Expenses and Changes in Fund Net Position	86 - 87
Combining Statement of Cash Flows	88 - 89

STATISTICAL SECTION

Net Position by Component	90 - 91
Changes in Net Position	92 - 93
Governmental Activities Tax Revenues by Source	94
Fund Balances of Governmental Funds	95 - 96
Changes in Fund Balances of Governmental Funds	97 - 98
General Governmental Tax Revenues by Source	99
Assessed Value and Estimated Actual Value of Taxable Property	100 - 101
Property Tax Rates Direct and Overlapping Governments	102
Principal Property Taxpayers	103
Property Tax Levies and Collections	104
Ratios of Outstanding Debt by Type	105
Ratios of General Bonded Debt Outstanding	106
Direct and Overlapping Governmental Activities Debt	107
Legal Debt Margin Information	108
Pledged-Revenue Coverage	109
Demographic and Economic Statistics	110
Principal Employers	111
Full-Time Equivalent Government Employees by Function	112
Operating Indicators by Function	113
Capital Asset Statistics by Function	114

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INTRODUCTORY SECTION



Palm Canyon Wash Stage 94

CONTENTS

- ♦ *Letter of Transmittal*
- ♦ *GFOA Certificate of Achievement for Excellence in Financial Reporting for 2020*
- ♦ *List of Elected and Appointed Officials*
- ♦ *Organizational Chart*



RIVERSIDE COUNTY FLOOD CONTROL AND WATER CONSERVATION DISTRICT

November 3, 2021

To the Members of the Board of Supervisors and Citizens served by the Riverside County Flood Control and Water Conservation District:

State law requires that every general-purpose local government publish, within six months of the close of each fiscal year, a complete set of audited financial statements. The Riverside County Flood Control and Water Conservation District (District) is a component unit of the County of Riverside, California. This report is published to fulfill that requirement for the fiscal year ended June 30, 2021.

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

Van Lant & Fankhanel, LLP., Certified Public Accountants, have issued an unmodified ("clean") opinion on the District's financial statements for the year ended June 30, 2021. The independent auditor's report is located at the front of the financial section of this report.

Management's discussion and analysis immediately follows the independent auditor's report and provides a narrative introduction, overview, and analysis of the basic financial statements. Management's discussion and analysis complement this letter of transmittal and should be read in conjunction with it.

Profile of the Government

The District, formed in 1945 by an Act of the State Legislature, is located in the southern part of the state within the County of Riverside, which boasts the 7th largest cumulative numeric increase in population in the country.¹ The District currently occupies 2,676 square miles and serves a population of approximately 2.08 million. The District is divided into seven geographic zones and is empowered to levy property or special assessment tax on both real and personal property located within the boundaries of each zone. Taxes collected within each zone must be spent for flood control projects within, or proportionally beneficial to, that zone.

The County of Riverside, Board of Supervisors, ex officio, has been the District's governing body since 1945. Policy making and legislative authority are vested in the Board, consisting of five members elected on a non-partisan basis. Board members serve staggered four-year terms with member seats opening for election on an alternating basis. The Board of Supervisors appoints the District's General Manager-Chief Engineer, who in turn appoints the heads of the various divisions within the District.

¹ Source: U.S. Census Bureau, Estimates of the Components of Resident Population Change: April 1, 2010 to July 1, 2019

Additionally, the Board of Supervisors appoints three Zone Commissioners to each zone. The Zone Commissioners act as an advisory body to the Board of Supervisors by prioritizing the need for new flood control facilities within a zone based on requests from citizens, cities and other agencies within the zone boundaries, and making budget recommendations for new or pending projects in the upcoming fiscal year.

The District provides a full range of services, including the design and construction of flood control facilities; regulatory services which fulfill legal requirements associated with federal and state programs that relate to District activities; surveying and mapping services; watershed protection services; planning services that relate to land development, and provide for the public's health and safety by contributing to orderly development and growth within the County; the operation and maintenance of the District's fleet and facilities, land interests, and encroachment issues; information technology services providing technical support to the District staff; and administrative services providing clerical, financial and personnel support to the District staff.

The Board of Supervisors is required to adopt by resolution a final budget for the County of Riverside, including all districts, agencies and authorities governed by the Board of Supervisors, no later than October 2nd of each year pursuant to Sections 29080 through 29092 of the Government Code. The Board of Supervisors adopted the District's 2021 fiscal year budget on June 30, 2020. The annual budget serves as the foundation for the District's financial planning and control. The District's legal level of budgetary control is by class or appropriation level (e.g., salaries and benefits, services and supplies) within each category present on the financial statements. The District may transfer resources between appropriation levels within the same fund at their discretion and with approval by the County of Riverside Executive Office. Increase of resources or establishment of a new appropriation level requires approval by the Board of Supervisors.

Local Economy

The District oversees the western portion of the Riverside County which includes twenty-one cities and unincorporated county communities west of the San Jacinto and Santa Rosa Mountains. Riverside County is California's fourth largest populated county according to the State Department of Finance. It represents 6.22% of California's total population.² Riverside County is part of a larger area known as Southern California's Inland Empire, comprised of Riverside and San Bernardino counties. It is approximately 60 miles from north to south and some 50 miles wide. Major industries located within the Riverside County include government, retail trade, educational and health services, leisure and hospitality, and construction.

From August 2020 to August 2021, the unemployment rate in the inland empire dropped from 11.2% to 7.6%. While nonfarm employment did increase by 4.5% agricultural employment decreased by 1,400 down 11.5% within the year. The increase can be attributed to the addition of 65,700 jobs. The trade, transportation and utilities industries made a sizeable recovery by adding 25,400 jobs. The leisure and hospitality industry accounted for another 20,100 jobs, while educational and health services accounted for an additional 13,900 jobs. Meanwhile, government, manufacturing, and financial activities lost a total of 9,100 jobs within the year.³

² Source: State of California, Department of Finance, E-1 Population Estimates for Cities, Counties and the State with Annual Percentage Change – January 1, 2020 and 2021. Sacramento, CA, May 2021

³ Source: State of California, Employment Development Department, Labor Force Data – Riverside and San Bernardino Counties.

Over the past ten years, the District's expenses related to the construction and maintenance of flood control facilities have continually increased in amount and as a percentage of total expenses. However this year while the expenses have increased the percentage of total expenses decreased (a ten-year decrease of 3.8%). Maintenance costs for the current fiscal year ended have increased by 0.7% from the prior year. The increase is attributed to flood prevention in response to the Holy and Cranston fires

With the fluctuation of the economy, the District continues to follow a moderate construction schedule. The District's practice has been to accumulate monies for large projects, while maintaining a prudent reserve for operations and maintenance.

During this same ten-year period, charges for services decreased, both in amount and as a percentage of total revenues (reflecting a ten-year decrease of 93.35%).

Long-term Financial Planning

Timely project development is facilitated by the District's five-year Capital Improvement Plan (CIP) which provides a long-range plan for funding of designated flood control and drainage infrastructure projects. The CIP details revenues and expenditures anticipated for each project for a five-year period. The CIP is an internal document and is provided as information in the District's annual budget. The CIP does not contain all projects that need to be completed, but rather those projects that will be initiated during the prescribed five-year period.

Relevant Financial Policies

The District's cash and investments, stated at fair value, are on account with and pooled with other governmental agencies by the County of Riverside Treasurer for the purpose of increasing income through investment activities. U.S. Bank Corporate Trust Services serves as the District's fiscal agent for special assessment debt and cash reserves. See *Note 2* in the *Notes to Financial Statements* section of this report for more detailed information.

Major Initiatives

During the fiscal year ended June 30, 2021, the District issued notices of completion for Five projects totaling over \$9 million dollars in construction costs. At the close of the fiscal year, the District had four construction contracts in progress totaling an additional \$19 million dollars. The majority of these projects are estimated for completion by the end of calendar 2021.

The following District-administered flood control project contracts were completed during, or were under construction during the fiscal year 2020-2021:

Facilities	Status	Construction Cost
Leach Canyon Dam, Stage 90 Spillway Restoration	Completed – 7/7/20	\$728,819.21
Jurupa-Pyrite MDP Line A-2, Stage 1	Completed – 8/25/20	\$339,284.20
Desert Hot Springs MDP Line E-5, Stage 1	Completed – 3/2/21	\$3,767,460.81
Palm Canyon Wash, Stage 93 Emergency Levee Restoration	Completed – 3/9/21	\$1,849,676.19
Ortega Channel Retrofit, Stage 91	Completed – 5/25/21	\$2,322,307.02
S. Norco Ch. Stg 6, Norco MDP Line S-1, Stg 1 and Norco MDP Line S-5, Stg 1	In- progress	\$7,744,444.00
Banning MDP Line H, Stage 1	In-Progress	\$3,255,550.00
Norco Crestview Drive Debris Basin, Stage 91	In-Progress	\$1,333,333.00
Bautista Creek Channel Recharge Basin Expansion, Stage 50	In-Progress	\$1,756,236.75
Romoland MDP Line A-3, Stages 2 & 3	In-Progress	\$4,280,283.00
Woodcrest Dam Outlet Modification, Stage 90	In-Progress	\$983,233.94

Leach Canyon Dam, Stage 90 spillway restoration – This is a District-led project that will repair and reinforce the spillway that sustained significant damage after the major storm events in February 2019. The project includes the replacement of lost rock riprap, construction of two cut-off walls and restoration of the earthwork grading. The District will be reimbursed a portion of the construction costs of this project, pursuant to the federal emergency declaration #4431.

Jurupa Pyrite MDP Line A-2 – This District-led project consists of constructing an interim portion of Line A-2 to alleviate flooding hazards to the properties located at the end of Bellmore Street and surrounding the proposed project site. This interim project follows the master drainage plan alignment and collects flows at the southern end of Bellmore Street and conveys the flows in a small concrete swale westerly across Agate Street. Once constructed, a majority of the project will be maintained by the District, with Agate Street crossing maintained by the City of Jurupa Valley.

Desert Hot Springs MDP Line E-5 – This District-led project will reduce flooding along 8th Street between Mesquite Avenue and West Drive. Approximately 3,700 lineal feet of underground storm drain will be constructed along 8th Street beginning at District's existing Line E channel near West Drive with upstream end near Mesquite Avenue.

Palm Canyon Wash, Stage 93 (Emergency Levee Restoration) – This is a District-led emergency restoration project of approximately 3,200 lineal feet of levee in the city of Palm Springs. The primary objective of this project is to repair damaged levee sections and extend toe down depth along Palm Canyon Wash from the corner of Murray Canyon Drive and Toledo Avenue downstream to the wash crossing at Palm Canyon Drive (Highway 111).

Ortega Channel Retrofit, Stage 91 - The District-led retrofit project will facilitate the maintenance of and the removal of sediment from the existing Ortega Channel Storm Drain located in the city of Lake Elsinore. This project replaces roughly 600 lineal feet of sediment-prone underground storm drain-pipe (84"-96") and replaces it with roughly 600 lineal feet of 10'Hx12'W RCB and three access structures which will allow for more timely maintenance.

South Norco Channel, Stage 6 and Norco MDP lines S-1 & S-5 – This is a District-led project that will reduce flooding and remove properties from the floodplain between Second and Fourth Streets east of Corona Circle. It is expected to benefit both local residences, traffic, as well as benefit Norco Intermediate School and Norco High School.

Banning MDP Line H – This is a District-led project that will reduce flooding along Hathaway Street between Barbour Street and Wesley Street. It will collect flows in Hathaway Street beginning at Barbour Street and convey them south in an underground storm drain within Hathaway Street, then east along Wesley Street until it discharges into Smith Creek.

Norco-Crestview Debris Basin, Stage 91 – This District-led project requested by the City of Norco proposes to reduce mud/debris issues along Crestview Drive by constructing a debris basin (1.8-acre site) at the foot of the La Sierra Hills. The debris basin will collect mud/debris at three locations along the La Sierra Hills. After settling larger sediment and debris in the basin, 10-year flows will drain from the basin southwesterly into the recently constructed underground storm drain in Crestview Drive (Norco MDP Line NA-1, Stage 2). This project is funded by the District.

Bautista Creek Channel Recharge Basin Expansion, Stage 50 - This District-led project, in partnership with Lake Hemet Municipal Water District, will expand groundwater recharge by constructing six infiltration basins on the existing 17.5 acres of open space adjacent to Bautista Creek Channel. This project is funded by a combination of District funds, and external funding from a Proposition 84 state grant administered by the California State Department of Water Resources, and a contribution from the Lake Hemet Municipal Water District.

Romoland MDP Line A-3 – This is a District-led project that will ultimately protect existing neighborhoods along Varela Lane and properties south of Varela Lane and east of Palomar Street. Stage 1 of Line A-3 was already constructed near Case Road in Palomar Street. Stages 2 and 3 will extend this storm drain system north in Palomar Road to Varela Lane. The total length of these two stages is approximately 3,200 feet of underground box storm drain (12'Wx6.5'H). This project also enables the future construction of Stages 4 and 5 which extend east along Varela Lane. The full benefit of this project will not be realized until Stages 4 and 5 are also constructed. This project is funded by the District.

Woodcrest Dam Outlet Modification – This is a District-led project to upgrade the safety and operation of Woodcrest Dam. The improvements include replacing the existing gate assembly and control system, replacing the existing outlet structure with a new debris rack outlet structure to reduce clogging potential, and installation of erosion control measures on the embankment slope. This project is funded by the District.

Additionally, the District continued to collaborate with the Cities of Corona, Norco, Moreno Valley, San Jacinto and Riverside to deliver priority infrastructure. Utilizing District funding (provided through Board-approved cooperation agreements), these Cities are managing design and construction of significant flood control projects.

Awards and Acknowledgements

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the District for its annual comprehensive financial report (ACFR) for the fiscal year ended June 30, 2020. This was the thirtieth consecutive year that the District published an easily readable and efficiently organized ACFR that satisfied both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current ACFR continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

The preparation of this report would not have been possible without the efficient and dedicated service of the entire staff of the finance and administration divisions. We wish to express our appreciation to all members of the District who assisted and contributed to the preparation of this report. A special thanks to Jeanine Rey, Finance Director, Darrylenn Prudholme-Brockington, Assistant Finance Director, Sunita Jain, Administrative Services Supervisor, Amber Hartoog, Accountant II, and Charlene Villalvazo, Accountant I, for their efforts in the preparation of this report. Credit must also be given to the Board of Supervisors, for their unfailing support in maintaining the highest standards of professionalism in the management of the District's finances.

Respectfully submitted,



JASON UHLEY

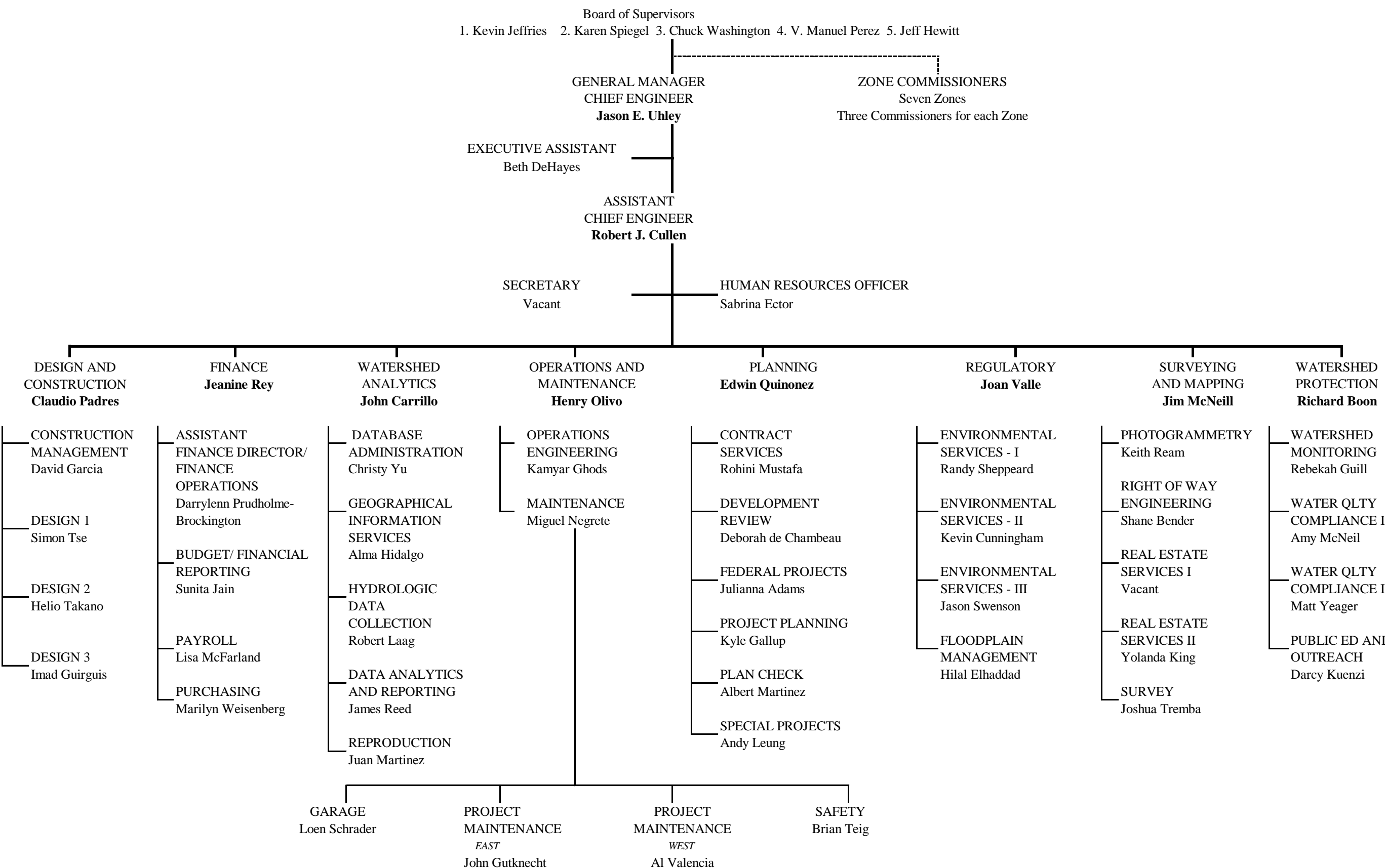


JEANINE J. REY

**RIVERSIDE COUNTY FLOOD CONTROL
AND WATER CONSERVATION DISTRICT**
List of Principal Officials

TITLE	NAME
Board of Supervisors	Kevin Jeffries, 1 st District
Board of Supervisors	Karen Spiegel, District Chair, 2 nd District
Board of Supervisors	Chuck Washington, 3 rd District
Board of Supervisors	V. Manuel Perez, 4 th District
Board of Supervisors	Jeff Hewitt, District Vice-Chair, 5 th District
General Manager-Chief Engineer	Jason E. Uhley
Assistant Chief Engineer	Robert J. Cullen
Chief of Design & Construction	Claudio Padres
Chief of Operations & Maintenance	Henry Olivo
Chief of Planning	Edwin Quinonez
Chief of Regulatory	Joan Valle
Chief of Surveying & Mapping	Jim McNeill
Chief of Watershed Protection	Richard Boon
Finance Director	Jeanine J. Rey
Watershed Analytics Manager	John Carrillo

RIVERSIDE COUNTY FLOOD CONTROL & WATER CONSERVATION DISTRICT





Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Riverside County Flood Control and Water
Conservation District, California**

For its Comprehensive Annual
Financial Report
For the Fiscal Year Ended

June 30, 2020

Christopher P. Morill

Executive Director/CEO

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FINANCIAL SECTION



CONTENTS

- ◆ *Independent Auditor's Report*
- ◆ *Management's Discussion and Analysis*
- ◆ *Basic Financial Statements*
- ◆ *Required Supplementary Information*
- ◆ *Supplementary Information*



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Independent Auditor's Report

The Honorable Chairman and Board of Supervisors
Riverside County Flood Control and Water Conservation District

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of the Riverside County Flood Control and Water Conservation District (District), as of and for the year ended June 30, 2021, 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 error or fraud.

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.

Van Lant & Fankhanel, LLP

29970 Technology Drive, Suite 105 A
Murrieta, CA 92563
909.856.6879

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of the Riverside County Flood Control and Water Conservation District, as of June 30, 2021, and the respective changes in financial position, and, where applicable, cash flows thereof for the year 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 and required supplementary information, 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 an opinion on the financial statements that collectively comprise the District's basic financial statements. The introductory section, the schedules listed in the supplementary Information section of the table of contents, and statistical section, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued a report dated November 3, 2021, on our consideration of the 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 to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the 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 the District's internal control over financial reporting and compliance.

A handwritten signature in black ink that reads "Van Lant & Fankhauser, LLP". The signature is written in a cursive, flowing style.

Murrieta, California
November 3, 2021

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Management's Discussion and Analysis

As management of the Riverside County Flood Control and Water Conservation District (the District), we offer readers of the District's financial statements this narrative overview and analysis of the financial activities of the District for the fiscal year ended June 30, 2021. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on pages i - v of this report. All monetary amounts, unless otherwise indicated, are expressed in the nearest dollar.

Financial Highlights

- ◆ The assets and deferred outflows of resources of the District exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$1,285,021,781 (*net position*).
- ◆ The District's total net position increased by \$36,758,218. Approximately 73 percent of this increase is attributable to the addition of donated capital assets, i.e., infrastructure and land, net of investment related expenses.
- ◆ The (\$40,167,002) deficit reported in unrestricted net position is the result of the District's unfunded net pension and net OPEB liabilities.
- ◆ As of the close of the current fiscal year, the District's governmental funds reported combined ending fund balances of \$274,622,703, an increase of \$1,052,276 in comparison with the prior year. Approximately 1 percent of this amount (\$3,600,164) is *available for spending* at the District's discretion (*unassigned fund balance*).
- ◆ At the end of the fiscal year, unrestricted fund balance (the total of the committed, assigned, and unassigned components of fund balance) for the general fund was \$5,190,390, or 69 percent of total general fund expenditures.

Overview of the Financial Statements

This discussion and analysis are intended to serve as an introduction to the District's basic financial statements. The District's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide financial statements. The *government-wide financial statements* are designed to provide readers with a broad overview of the District's finances, in a manner similar to a private-sector business.

The *statement of net position* presents information on all the District's assets, liabilities, and deferred inflows/outflows, with the difference reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

The *statement of activities* presents information showing how the District's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation).

Both of the government-wide financial statements distinguish functions of the District that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the District include general government and public ways and facilities. The business-type activities of the District include Subdivision Operations, Photogrammetry Operations and Encroachment Permits. The government-wide financial statements can be found on pages 15-17 of this report.

Fund financial statements. A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All the funds of the District can be divided into two categories: governmental funds and proprietary funds.

Governmental funds. *Governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources*, available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

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

The District maintains 13 individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund and the special revenue funds, both of which are considered major funds. The capital project fund and the debt service fund, nonmajor funds, are presented as *Other Governmental Funds* in the basic governmental fund financial statements.

The District adopts an annual appropriated budget for its governmental funds. Budgetary comparison statements have been provided for the governmental funds to demonstrate compliance with this budget.

The governmental fund financial statements can be found on pages 18-25 of this report.

Proprietary funds. The District maintains two different types of proprietary funds. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The District uses *enterprise funds* to account for its subdivision, photogrammetry and encroachment permit operations. *Internal service funds* are an accounting device used to accumulate and allocate costs internally among the District's various functions. The District uses internal service funds to account for its hydrology, garage, project maintenance, mapping services and data processing. Because these services predominantly benefit governmental rather than business-type functions, they have been included within *governmental activities* in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the subdivision operation, which is considered a major fund of the District. Data from the other two enterprise funds is combined into a single, aggregated presentation. Individual fund data for each of these non-major enterprise funds is provided in the form of *combining statements* elsewhere in this report. Conversely, the five internal service funds are combined into a single, aggregated presentation in the proprietary fund financial statements. Individual fund data for the internal service funds is provided in the form of *combining statements* elsewhere in this report.

The District adopts an annual appropriated budget for its proprietary funds.

The proprietary fund financial statements can be found on pages 26-28 of this report.

Notes to the basic financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 29-52 of this report.

Other information. In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information* concerning the District's schedule of changes in the net pension liability during the measurement period reported, schedule of plan contributions, progress in funding its obligation to provide other post-employment benefits to its employees. Required supplementary information can be found on pages 53-72 of this report.

The combining statements referred to earlier in connection with non-major governmental funds, enterprise funds and internal service funds are presented immediately following the required supplementary information on pensions. Combining and individual fund statements and schedules can be found on pages 73-89 of this report.

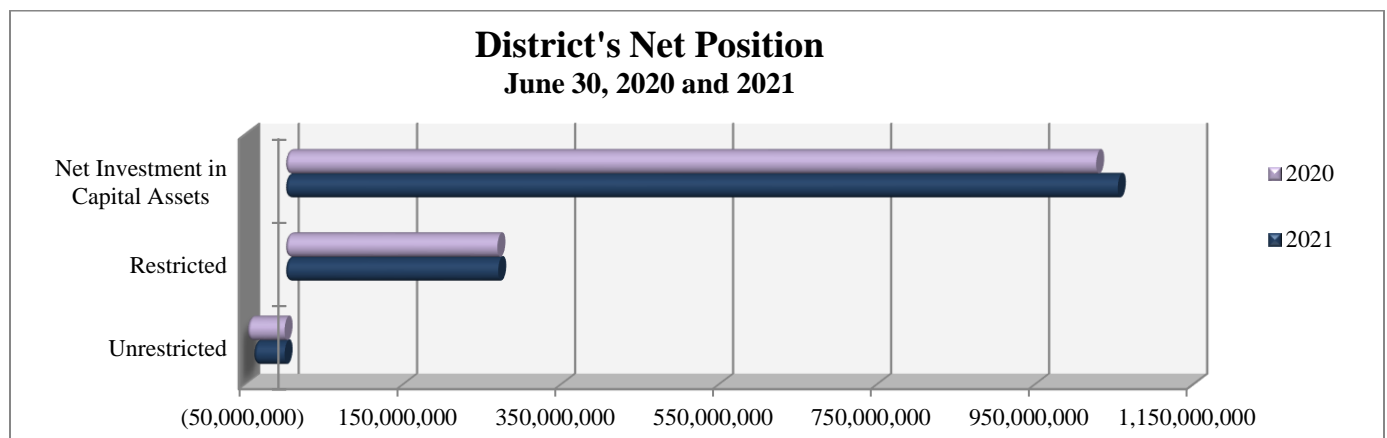
Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the District, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$1,285,021,781 at the close of the most recent fiscal year.

By far the largest portion of the District's net position (82 percent) reflects its net investment in capital assets (e.g., land and easements, buildings and improvements, infrastructure, and equipment), less any related outstanding debt that was used to acquire those assets. The District uses these capital assets to provide services to prevent and to protect citizens from flooding within the District's zone boundaries; consequently, these assets are *not* available for future spending. Although the District's investment in capital assets is reported net of related debt, it should be noted that the resources used to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

	Governmental Activities		Business-type Activities		Total	
	2021	2020	2021	2020	2021	2020
Current and Other Assets	\$298,259,318	\$288,917,269	7,323,520	\$7,016,797	\$305,582,838	\$295,934,066
Capital Assets, Net	1,065,849,712	1,040,941,695	110,768	138,022	1,065,960,480	1,041,079,717
Total Assets	1,364,109,030	1,329,858,964	7,434,288	7,154,819	1,371,543,318	1,337,013,783
Deferred Outflows of Resources	26,282,162	17,992,645	314,065	491,242	26,596,227	18,483,887
Current and Other Liabilities	17,585,816	7,525,241	6,940,762	6,585,029	24,526,578	14,110,270
Long-term Liabilities	85,804,870	89,057,292	2,370,532	2,411,478	88,175,402	91,468,770
Total Liabilities	103,390,686	96,582,533	9,311,294	8,996,507	112,701,978	105,579,040
Deferred Inflows of Resources	385,167	1,610,310	30,617	44,757	415,784	1,655,067
Net Position:						
Net Investment in Capital Assets	1,054,620,396	1,027,200,051	110,768	138,022	1,054,731,164	1,027,338,073
Restricted	270,457,619	269,383,288	-	-	270,457,619	269,383,288
Unrestricted	(38,462,676)	(46,924,573)	(1,704,326)	(1,533,225)	(40,167,002)	(48,457,798)
Total Net Position	\$1,286,615,339	\$1,249,658,766	(\$1,593,558)	(\$1,395,203)	\$1,285,021,781	\$1,248,263,563

An additional portion of the District's net position (21 percent) represents resources that are subject to external restrictions on how they may be used. As noted earlier, the deficit balance of (\$40,167,002) reported in unrestricted net position (-3 percent) is primarily the result of the District's unfunded net pension and net OPEB liabilities.



The District's overall net position increased \$36,758,218 from the prior fiscal year. The District experienced a net increase primarily due to increases in charges for services and tax revenues.

Governmental activities. During the current fiscal year, net position for the governmental activities increased the District's net position by \$36,956,573 from the prior fiscal year, thereby accounting for 101 percent of the total increase in net position for the District. Key elements of the increase are as follows:

District's Changes in Net Position

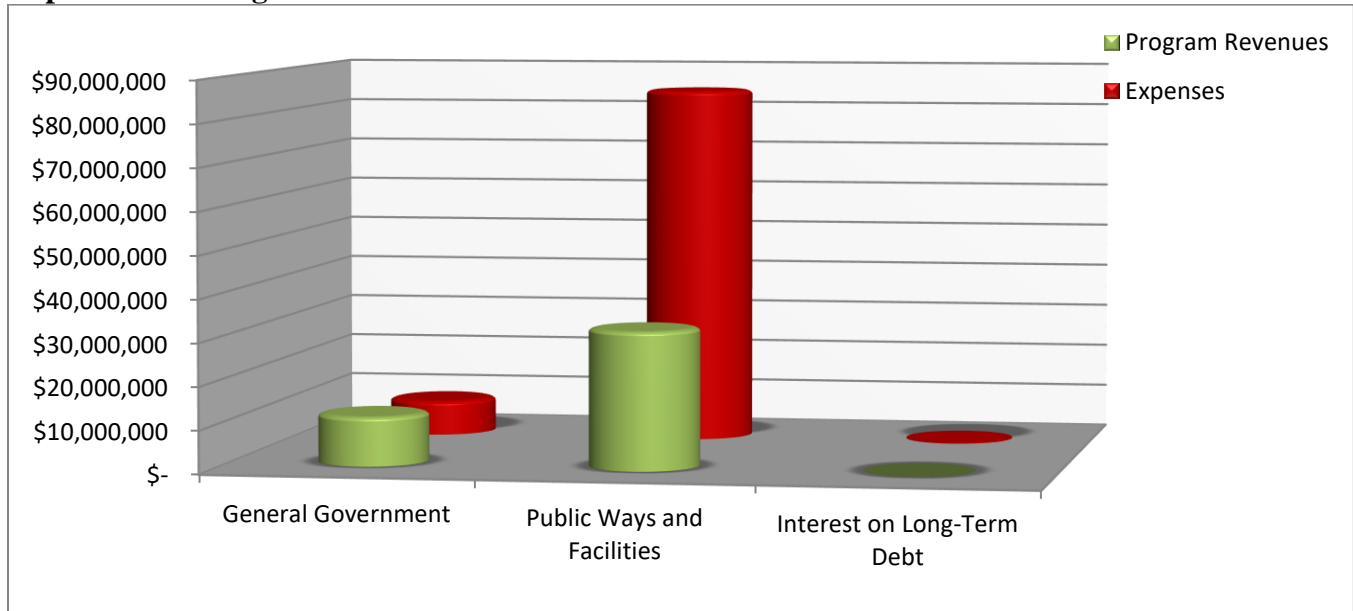
	Governmental Activities		Business-type Activities		Total	
	2021	2020	2021	2020	2021	2020
Revenues:						
Program Revenues:						
Charges for Services	\$17,068,874	\$10,176,693	\$2,172,294	\$1,608,201	\$19,241,168	\$11,784,894
Capital Grants and Contributions	26,765,531	29,276,672	-	-	26,765,531	29,276,672
General Revenues:						
Property Taxes	66,289,140	62,033,687	-	-	66,289,140	62,033,687
Redevelopment Pass-thru	19,585,489	13,981,809	-	-	19,585,489	13,981,809
Unrestricted Interest and Investment Earnings	85,488	4,434,950	3,048	116,621	88,536	4,551,571
Gain on Sale of Capital Assets	138,736	71,690	-	-	138,736	71,690
Total Revenues	129,933,258	119,975,501	2,175,342	1,724,822	132,108,600	121,700,323
Expenses:						
General Government	8,185,253	7,754,897	-	-	8,185,253	7,754,897
Public Ways and Facilities	84,511,843	72,378,253	-	-	84,511,843	72,378,253
Interest on Long-Term Debt	279,589	392,172	-	-	279,589	392,172
Subdivision Operations	-	-	1,789,037	1,594,555	1,789,037	1,594,555
Photogrammetry Operations	-	-	200,549	167,536	200,549	167,536
Encroachment Permits	-	-	384,111	473,374	384,111	473,374
Total Expenses	92,976,685	80,525,322	2,373,697	2,235,465	95,350,382	82,760,787
Increase (Decrease) in Net Position	36,956,573	39,450,179	(198,355)	(510,643)	36,758,218	38,939,536
Net Position – Beginning, Restated	1,249,658,766	1,210,208,587	(1,395,203)	(884,560)	1,248,263,563	1,209,324,027
Net Position - Ending	\$1,286,615,339	\$1,249,658,766	(\$1,593,558)	(\$1,395,203)	\$1,285,021,781	\$1,248,263,563

- ◆ Historically, ongoing revenues for governmental activities have exceeded expenses as a percentage of net position by approximately less than 1 to 2 percent in a given fiscal year. During the year, ongoing revenues continued to exceed expenses by \$10,191,042 (approximately 1 percent of net position). Overall revenues increased by 8 percent due primarily to an increase in charges for services revenue of 68 percent.

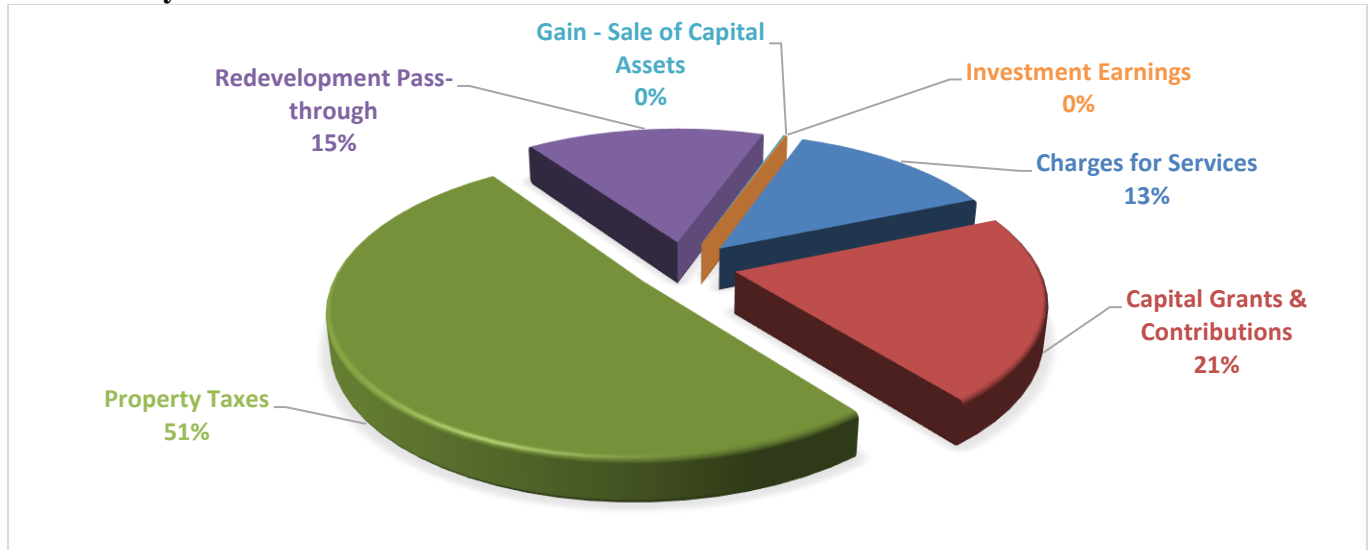
For the most part, increases and decreases in expenses paralleled inflation and growth in the demand for services. Noteworthy exceptions include the following:

- ◆ A decrease in Capital Grants and Contributions revenue of \$2,511,141 (9 percent) associated with a decrease in donated capital assets (infrastructure and land in various zones) being placed in service.
- ◆ An increase in Charges for Services revenue of \$6,892,181 (68 percent) due primarily to the recording of pension income resulting from excess deferred outflows made to decrease overall net pension and net OPEB liabilities.

Expenses and Program Revenues - Governmental Activities



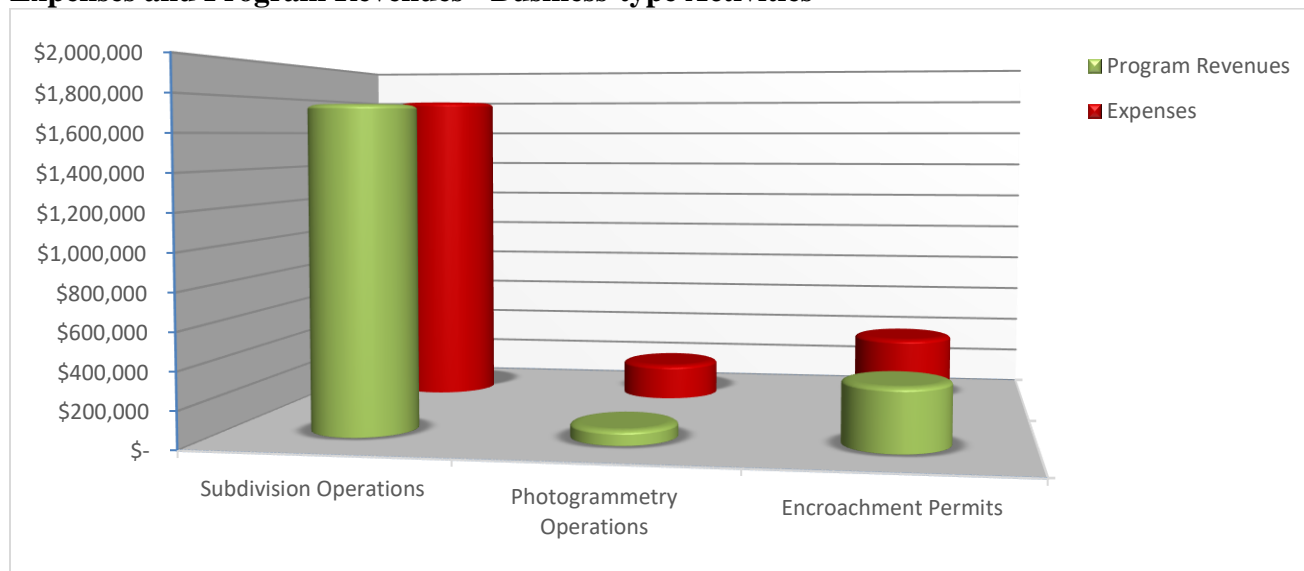
Revenues by Source - Governmental Activities



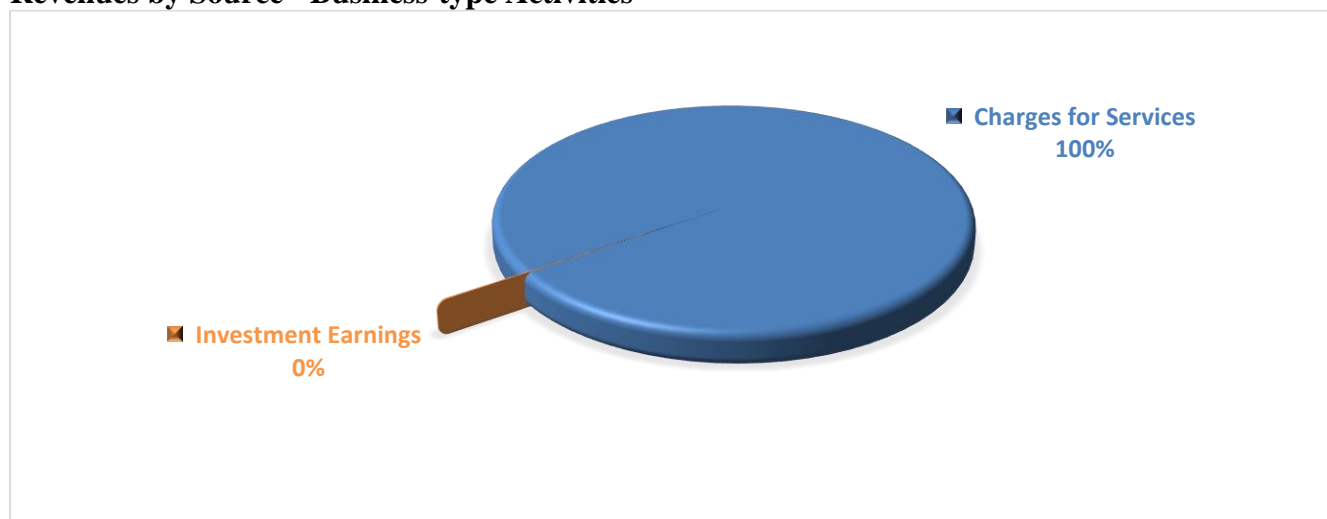
Business-type activities. Business-type activities decreased the District's net position by \$198,355. Key elements of the decrease are as follows.

- ◆ Overall charges for services for business-type activities increased by 35 percent while expenses increased by 6 percent from the previous fiscal year. Historically, increases and decreases in charges for services and expenses are development related and will vary based on the level of private development activity within the County of Riverside. Development activity within the Subdivision Operations fund has increased by 44 percent over the past year due to fluctuation in the economy. Normal operating expenses increased by 11 percent due to increased professional service costs associated with the increased development activity that occurred during the fiscal year.

Expenses and Program Revenues - Business-type Activities



Revenues by Source - Business-type Activities



Financial Analysis of the District's Funds

As noted earlier, the District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental funds. The focus of the District's *governmental funds* is to provide information on near-term inflows, outflows, and balances of *spendable* resources. Such information is useful in assessing the District's financing requirements. Restricted, assigned, and unassigned fund balances may serve as a useful measure of a government's net resources available for spending at the end of a fiscal year.

As of the end of the current fiscal year, the District's governmental funds reported combined ending fund balances of \$274,622,703 an increase of \$1,052,276 in comparison with the prior year. The majority of this total amount (\$269,431,713) constitutes *restricted fund balances*, which reflect resources that are subject to externally enforceable legal restrictions that arise when the authorization to raise revenues is conditioned upon the revenue being used for a particular purpose, e.g., maintenance and construction of flood control facilities within designated zone boundaries. *Unassigned fund balance* (\$3,600,164) reflects surplus resources in the District's general fund that are available for spending at the District's discretion. The remainder of fund balance is *assigned fund balance* (\$1,590,226), which reflects resources that the District intends to use to fund accrued compensated absence liabilities as required, and *nonspendable fund balance* (\$600) for imprest cash.

The general fund is the chief operating fund of the District. At the end of the current fiscal year, unassigned fund balance of the general fund was \$3,600,164, while total fund balance reached \$5,190,990. As a measure of the general fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 48 percent of total general fund expenditures, while total fund balance represents 69 percent of that same amount.

During the current fiscal year, the fund balance in the District's general fund decreased by \$363,041. The decrease in fund balance is primarily a result of increases in expenditures during the current fiscal year. General government expenditures increased by \$2,205,687 primarily due to a reduction in the overhead allocation from the special revenue and enterprise funds through the overhead allocation process.

The special revenue funds account for the following:

- ◆ Revenues and expenditures related to providing flood control facilities maintenance and the design and construction of flood control facilities within defined geographical areas Zone 1 through Zone 7 (zone funds).
- ◆ Revenues and expenditures related to the administration of and compliance with the National Pollutant Discharge Elimination System (NPDES) regulations for the Whitewater, Santa Ana and Santa Margarita benefit assessment areas (NPDES funds).

The zone funds had an aggregate fund balance of \$259,582,348 at the end of the current fiscal year. The aggregate net increase in fund balance during the current year was \$1,144,552. Key factors in the aggregate net increase are as follows:

- ◆ *Zone 1* reported a fund balance of \$41,954,063 at the end of the current fiscal year. The net decrease in fund balance during the current fiscal year was \$3,798,956. Property tax and redevelopment revenues account for approximately 98 percent of total revenues in this fund and can fluctuate from year to year based on property values and foreclosures within the zone boundary as well as economic activity within the County of Riverside. Fluctuation in property tax revenues can positively or negatively impact growth in fund balance.

In comparison to the prior year, the negative change in fund balance reflects a decrease of approximately 152 percent (\$11,164,335). Overall revenues increased (\$1,607,472) as a result of increases in property tax revenue (\$633,790), redevelopment revenue (\$1,722,724), charges for services (\$53,147), and area drainage fees (\$7,354). These increases offset the decreases in intergovernmental revenue (\$6,983), investment earnings (\$661,572), and use of assets from the lease of land (\$140,988). Additionally, expenditures increased (\$12,785,925) due primarily to expenditures associated with a cooperative agreement with the City of Riverside for the design and construction of the Southwest Monroe Master Drainage Plan Line E, Stage 2 and 3, Line E-2 and Line E-5.

- ◆ *Zone 2* reported a fund balance of \$83,008,974 at the end of the current fiscal year. The net increase in fund balance during the current fiscal year was \$258,844. Property tax and redevelopment revenues account for approximately 98 percent of total revenues in this fund and can fluctuate from year to year based on property values and foreclosures within the zone boundary as well as economic activity within the County of Riverside. Fluctuation in property tax revenues can positively or negatively impact growth in fund balance.

In comparison to the prior year, the positive change in fund balance reflects an increase of approximately 105 percent (\$5,028,510). Overall revenues increased (\$38,340) as a result of increases in property tax revenue (\$1,222,941), redevelopment revenue (\$872,731) and the use of assets from the lease of land (\$159,068). These increases offset the decreases in intergovernmental revenue (\$458,004), charges for services (\$17,596), area drainage fees (\$371,815), and investment earnings (\$1,368,985). Additionally, expenditures decreased (\$4,947,380) due to decreased construction activity within the zone in addition to fewer contributions to other governmental agencies.

- ◆ *Zone 3* reported a fund balance of \$7,940,936 at the end of the current fiscal year. The net decrease in fund balance during the current fiscal year was \$382,705. Property tax and redevelopment revenues account for approximately 99 percent of total revenues in this fund and can fluctuate from year to year based on property values and foreclosures within the zone boundary as well as economic activity within the County of Riverside. Fluctuation in property tax revenues can positively or negatively impact growth in fund balance.

In comparison to the prior year, the negative change in fund balance reflects a decrease of approximately 119 percent (\$2,345,621). Overall revenues increased (\$1,703,329) as a result of increases in property tax revenue (\$126,676), redevelopment revenue (\$138,897), and charges for services revenue (\$13,045). These increases offset the decreases in special assessments (\$896), intergovernmental revenue (\$1,876,354), and investment earnings (\$104,697). Additionally, expenditures increased (\$667,249) due to construction costs incurred during the current fiscal year for the Ortega Channel Retrofit infrastructure project.

- ◆ *Zone 4* reported a fund balance of \$63,087,096 at the end of the current fiscal year. The net increase in fund balance during the current fiscal year was \$5,998,971. Property tax and redevelopment revenues account for approximately 92 percent of total revenues in this fund and can fluctuate from year to year based on property values and foreclosures within the zone boundary as well as economic activity within the County of Riverside. Fluctuation in property tax revenues can positively or negatively impact growth in fund balance.

In comparison to the prior year, the positive change in fund balance reflects a decrease of approximately 44 percent (\$4,807,101). Overall revenues decreased (\$436,338) as a result of decreases in intergovernmental revenue (\$2,916,559), charges for services (\$2,751), investment earnings (\$795,564), and use of assets from the lease of land (\$2,100). These decreases were offset by increases in property tax revenue (\$1,472,194), redevelopment revenue (\$1,371,841), and area drainage fees (\$436,601). Additionally, expenditures increased (\$4,404,551) due primarily to additional discretionary payments made to CalPERS in efforts to reduce the overall net pension and net OPEB liabilities allocated to the zone.

- ◆ *Zone 5* reported a fund balance of \$17,646,189 at the end of the current fiscal year. The net decrease in fund balance during the current fiscal year was \$3,479,503. Property tax and redevelopment revenues account for approximately 98 percent of total revenues in this fund and can fluctuate from year to year based on property values and foreclosures within the zone boundary as well as economic activity within the County of Riverside. Fluctuation in property tax revenues can positively or negatively impact growth in fund balance.

In comparison to the prior year, the negative change in fund balance reflects a decrease of approximately 220 percent (\$6,381,920). Overall revenues increased (\$574,870) as a result of increases in property tax revenue (\$459,424), redevelopment revenue (\$409,326), and intergovernmental revenue (\$61,419). These increases offset the decreases in charges for services (\$34,515) and investment earnings (\$320,784). Additionally, expenditures increased (\$6,947,357) due primarily to increased construction activity associated with the Banning MDP Line H and Noble Creek Channel projects.

- ◆ *Zone 6* reported a fund balance of \$14,816,914 at the end of the current fiscal year. The net increase in fund balance during the current fiscal year was \$579,655. Property tax and redevelopment revenues account for approximately 94 percent of total revenues in this fund and can fluctuate from year to year based on property values and foreclosures within the zone boundary as well as economic activity within the County of Riverside. Fluctuation in property tax revenues can positively or negatively impact growth in fund balance.

In comparison to the prior year, the positive change in fund balance reflects an increase of approximately 111 percent (\$5,993,669). Overall revenues increased (\$1,067,790) due primarily to increases in property tax revenue (\$315,455), redevelopment revenue (\$702,376), intergovernmental revenue (\$202,459), charges for services (\$13,733), and the use of assets from the lease of land (\$112,001). These increases were offset by the decrease in investment earnings (\$278,234). Additionally, expenditures decreased (\$4,884,104) due primarily to emergency infrastructure repair costs for Palm Canyon Wash that were incurred in the prior fiscal year but not incurred in the current fiscal year.

- ◆ *Zone 7* reported a fund balance of \$31,128,176 at the end of the current fiscal year. The net increase in fund balance during the current fiscal year was \$1,968,246. Property tax and redevelopment revenues account for approximately 94 percent of total revenues in this fund and can fluctuate from year to year based on property values and foreclosures within the zone boundary as well as economic activity within the County of Riverside. Fluctuation in property tax revenues can positively or negatively impact growth in fund balance.

In comparison to the prior year, the positive change in fund balance reflects a decrease of approximately 16 percent (\$379,284). Overall revenues increased (\$61,925) as a result of decreases in property tax revenue (\$395,195), redevelopment revenue (\$32,458), area drainage fees (\$83,570), and the use of assets from the lease of land (\$43,200). These increases were offset by decreases in intergovernmental revenue (\$3,405), charges for services (\$37,550), and investment earnings (\$451,543). Additionally, expenditures increased (\$463,800) due primarily to costs incurred for the purchase of land required for the Murrieta Creek Phase II construction project.

The NPDES funds had an aggregate fund balance of \$9,827,627 at the end of the current fiscal year. The aggregate net increase in fund balance during the current year was \$270,303. Key factors in the net increase are as follows:

- ◆ *NPDES Whitewater* reported a fund balance of \$2,612,932 at the end of the current fiscal year. The net increase in fund balance during the current fiscal year was \$245,892. Special assessment revenues account for approximately 42 percent of total revenues in this fund and can fluctuate from year to year based on economic activity in the County of Riverside and property foreclosures within the watershed boundary. Fluctuation in special assessment revenues could positively or negatively impact growth in fund balance.

In comparison to the prior year, the positive change in fund balance reflects an increase of approximately 12 percent (\$26,461). Overall revenues decreased (\$4,742) due primarily to a decrease in investment earnings (\$35,673). This decrease was offset by increases in special assessments revenue (\$10,953) and contributions from other governmental agencies (\$19,978). Additionally, expenditures decreased (\$28,784) due largely in part to decreases in professional and operational expenses for the storm water/clean water educational programs.

- ◆ *NPDES Santa Ana* reported a fund balance of \$5,461,417 at the end of the current fiscal year. The net decrease in fund balance during the current fiscal year was \$10,195. Special assessment revenues account for approximately 100 percent of total revenues in this fund and can fluctuate from year to year based on economic activity in the County of Riverside and property foreclosures within the watershed boundary. Fluctuation in special assessment revenues could positively or negatively impact growth in fund balance.

In comparison to the prior year, the negative change in fund balance reflects a decrease of approximately 111 percent (\$105,224). Overall revenues decreased (\$70,985) as a result of the decrease in investment earnings (\$86,787). This decrease was offset by an increase in special assessment revenues (\$15,802). Additionally, expenditures increased (\$38,579) due largely in part to additional discretionary payments made to CalPERS in efforts to reduce the overall net pension and net OPEB liabilities.

- ◆ *NPDES Santa Margarita* reported a fund balance of \$1,753,278 at the end of the current fiscal year. The net increase in fund balance during the current fiscal year was \$34,606. Special assessment revenues account for approximately 28 percent of total revenues in this fund and can fluctuate from year to year based on economic activity in the County of Riverside and property foreclosures within the watershed boundary. Fluctuation in special assessment revenues could positively or negatively impact growth in fund balance.

In comparison to the prior year, the positive change in fund balance reflects an increase of approximately 109 percent (\$419,351). Overall revenues increased (\$771,099) as a result of increases in special assessments (\$13,812) and contributions from other agencies (\$787,132). These increases were offset by a decrease in investment earnings (\$29,845). Additionally, expenditures increased (\$357,075) due to increases in professional and operational expenses for the storm water/clean water educational programs. The increases are also attributed to increased additional discretionary payments made to CalPERS in efforts to reduce the overall net pension and net OPEB liabilities.

The nonmajor funds, Flood Control Capital Project Fund and Zone 4 Debt Service Fund, reported an aggregate total fund balance of \$21,738 at the end of the current fiscal year. The aggregate net increase in fund balance during the current year in was \$462. Transfers in are used to offset budgeted capital outlay and debt service costs incurred in any given fiscal year.

Proprietary funds. The District's proprietary funds provide the same type of information found in the government-wide statements, but in more detail.

Unrestricted net position at the end of the year for Subdivision Operations amounted to a deficit of (\$2,183,500) while Photogrammetry Operations reported an unrestricted net position of \$407,529 and the Encroachment Permit Operations reported \$89,739. The total decrease in net position for Subdivision operations was \$28,760. The total decrease in net position for Photogrammetry Operations was \$118,236 and the total decrease for Encroachment Permit Operations was \$44,095. Other factors concerning the finances of these three funds have already been addressed in the discussion of the District's business-type activities.

General Fund Budgetary Highlights

During the year there were no adjustments made between the original and final amended budget increasing general fund appropriations.

Significant budgetary variances between the final amended budget and the actual amounts are a result of the following components:

- ◆ Budgetary estimates for expenditures exceeded total actual expenditures by \$7,985,143. This variance was due primarily to costs budgeted for building improvements to District grounds that were not expended during the fiscal year. There was a 42 percent increase in actual expenditures from the prior year.
- ◆ Estimated revenues exceeded total actual revenues, including transfers in, by \$349,504. This variance was due primarily to a lower than anticipated charges for services revenue received on construction inspection accounts. Budgeted charges for services revenues decreased by 2 percent from the prior year due to decreased design costs incurred by the General Fund.

Capital Assets and Debt Administration

Capital assets. The District's net investment in capital assets for its governmental and business-type activities as of June 30, 2021, amounts to \$1,54,620,396 (net of accumulated depreciation). This investment of capital assets includes land and easements, construction in progress, infrastructure, land improvements, building and improvements and equipment. The total increase in the District's investment in capital assets for the current fiscal year was 3 percent.

Major capital asset events during the current fiscal year included the following:

- ◆ Capital assets (infrastructure and land) were donated to the District as a result of prior year development within the County; donated infrastructure and land at the end of the current fiscal year was \$26,303,061.
- ◆ A variety of flood control construction projects which began in the prior fiscal year were completed and new construction began; construction in progress at the end of the current fiscal year was \$41,145,217.
- ◆ A prior period adjustment resulting from the determination that previously capitalized costs for nondepreciable capital assets should have been expensed in a prior year due to the discontinuance of construction on infrastructure related assets.

District's Capital Assets

	Governmental activities		Business-type activities		Total	
	2021	2020	2021	2020	2021	2020
Land and easements	\$ 290,807,217	\$ 282,833,493	\$ -	\$ -	\$ 290,807,217	\$ 282,833,493
Construction in progress	41,145,217	33,263,460	-	-	41,145,217	33,263,460
Infrastructure	720,460,555	713,158,544	-	-	720,460,555	713,158,544
Land improvements	77,744	78,860	-	-	77,744	78,860
Buildings and improvements	8,171,407	8,453,474	-	-	8,171,407	8,453,474
Equipment	5,187,571	3,153,864	110,768	138,022	5,298,339	3,291,886
Total	\$ 1,065,849,711	\$ 1,040,941,695	\$ 110,768	\$ 138,022	\$ 1,065,960,479	\$ 1,041,079,717

Additional information on the District's capital assets can be found in Note 4 on pages 40-41 of this report.

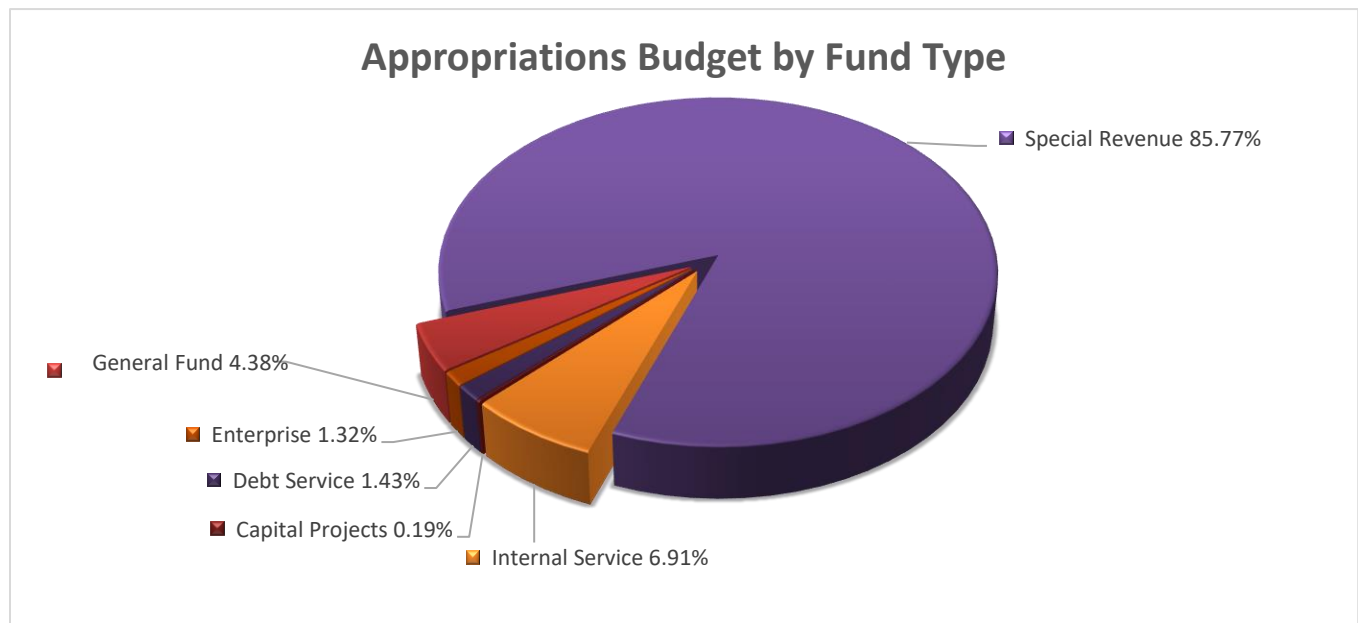
Long-term debt. The District Act limits the amount of general obligation debt the District may issue to the lesser of 3.75 percent of assessed valuation or \$21 million. The District had \$10,260,000 in negotiable promissory notes outstanding at the end of the current fiscal year to finance the construction certain flood control facilities located in Zone 4 of the District, including but not limited to the construction of the Romoland MDP Line A, Stage 4 project. The principal of, premium, and interest on the Notes are payable from the revenues and taxes of Zone 4. Additional information on the District's promissory notes can be found in Note 5 on page 42 of this report.

Economic Factors and Next Year's Budgets and Rates

The District's principal source of general-purpose revenue is ad valorem property taxes. The estimated property tax revenue for fiscal year 2021-22 is \$78.6 million, an increase of \$4.0 million from the District's fiscal year 2020-21 legally adopted budget. The County Assessor is projecting a 5.0 percent growth in the County assessment valuation for fiscal year 2021-22. The District is taking a conservative approach and is estimating an increase of 3.0 percent in tax revenues for fiscal year 2021-22 based on the County Assessor projections and on actual tax revenue received over the last three years.

The District estimates total revenue of \$117.5 million for fiscal year 2021-22, a decrease of \$8.5 million from fiscal year 2020-21. The Special Revenue Funds revenue is projected to decrease by \$5.4 million due to decreases in Other Agency contributions and FEMA reimbursements in Zone 3 and Contributions from other funds in Zone 4. Fee revenue for the Enterprise Funds is projected to decrease by \$935,000 as a result of anticipated decrease in revenue for plan check fees in the Subdivision Operations fund.

The District's appropriation budget for all funds totals \$197.7 million for fiscal year 2021-22, an increase of \$2.8 million from the District's fiscal year 2020-21 adopted budget. The Zone funds as a group have appropriations of \$163.4 million for fiscal year 2021-22, or 85 percent of the District's total appropriations. This represents a net increase of \$10.4 million from the prior year's budgeted appropriations primarily due to an increase in budgeted salaries, benefits, and infrastructure for District Led Projects in Zone 4.



Requests for Information

This financial report is designed to provide a general overview of the District's finances for all those with an interest in 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 Office of the Finance Director, Riverside County Flood Control and Water Conservation District, 1995 Market Street, Riverside, CA 92501.

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BASIC FINANCIAL STATEMENTS



Little San Geronimo Creek (spreading grounds)

CONTENTS

- ♦ *Government-wide Financial Statements*
- ♦ *Fund Financial Statements:*
 - ⇒ *Governmental Funds*
 - ⇒ *Proprietary Funds*
- ♦ *Notes to the Financial Statements*

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Riverside County Flood Control and Water Conservation District
Statement of Net Position
June 30, 2021

	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash and Investments	\$ 293,908,708	\$ 499,033	\$ 294,407,741
Restricted Cash	2,579,176	6,497,519	9,076,695
Receivables (net of allowance for uncollectibles)	1,563,369	234,294	1,797,663
Inventories	300,739	-	300,739
Internal Balances	(92,674)	92,674	-
Capital Assets:	-		
Nondepreciable	331,952,434	-	331,952,434
Depreciable, Net	733,897,278	110,768	734,008,046
Total Assets	<u>1,364,109,030</u>	<u>7,434,288</u>	<u>1,371,543,318</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred Outflows of Resources Related to OPEB	4,504,723	-	4,504,723
Deferred Outflows of Resources Related to Pensions	21,777,439	314,065	22,091,504
Total Deferred Outflows of Resources	<u>26,282,162</u>	<u>314,065</u>	<u>26,596,227</u>
LIABILITIES			
Accounts Payable and Accrued Liabilities	1,704,864	419,625	2,124,489
Salaries and Benefits Payable	1,111,954	29,252	1,141,206
Developer and Other Agency Deposits	2,570,733	6,491,885	9,062,618
Due to Other Governments	11,530,598	-	11,530,598
Accrued Interest Payable	167,667		167,667
Unearned Revenue	500,000	-	500,000
Long-term Liabilities:			
Portion Due Within One Year:			
Compensated Absences	692,598	10,785	703,383
Promissory Notes	2,380,000	-	2,380,000
Portion Due in More Than One Year:			
Compensated Absences	3,098,703	48,254	3,146,957
Promissory Notes	8,849,316	-	8,849,316
Net OPEB Liability	2,129,519	-	2,129,519
Net Pension Liability	68,654,734	2,311,493	70,966,227
Total Liabilities	<u>103,390,686</u>	<u>9,311,294</u>	<u>112,701,980</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred Inflows of Resources Related to OPEB	18,211	-	18,211
Deferred Inflows of Resources Related to Pensions	366,956	30,617	397,573
Total Deferred Inflows of Resources	<u>385,167</u>	<u>30,617</u>	<u>415,784</u>
NET POSITION			
Net Investment in Capital Assets	1,054,620,396	110,768	1,054,731,164
Restricted by Enabling Legislation for:			
Capital Projects	19,428	-	19,428
Debt Service	2,310	-	2,310
Public Ways and Facilities	270,435,881	-	270,435,881
Unrestricted (Deficit)	(38,462,676)	(1,704,326)	(40,167,002)
Total Net Position	<u>\$ 1,286,615,339</u>	<u>\$ (1,593,558)</u>	<u>\$ 1,285,021,781</u>

The accompanying notes are an integral part of this statement.

Riverside County Flood Control and Water Conservation District

Statement of Activities

For the Year Ended June 30, 2021

	Expenses	Program Revenues	
		Charges for Services	Capital Grants and Contributions
FUNCTIONS/PROGRAMS:			
Governmental Activities			
General Government	\$ 8,185,253	\$ 11,572,980	\$ -
Public Ways and Facilities	84,511,843	5,495,894	26,765,531
Interest on Long-Term Debt	279,589	-	-
Total Governmental Activities	92,976,685	17,068,874	26,765,531
Business-type Activities			
Subdivision Operations	1,789,037	1,751,917	-
Photogrammetry Operations	200,549	82,253	-
Encroachment Permits	384,111	338,124	-
Total Business-type Activities	2,373,697	2,172,294	-
Total	\$ 95,350,382	\$ 19,241,168	\$ 26,765,531

General Revenues and Transfers:

Property Taxes
Redevelopment Pass-thru
Unrestricted Interest and Investment Earnings
Gain - Sale of Capital Assets

Total General Revenues and Transfers

Change in Net Position

Net Position, Beginning of Year

Net Position, End of Year

The accompanying notes are an integral part of this statement.

Net (Expenses) Revenues and Changes in Net Position		
Governmental Activities	Business- type Activities	Total
3,387,727	\$ -	\$ 3,387,727
(52,250,418)	-	(52,250,418)
(279,589)	-	(279,589)
(49,142,280)	-	(49,142,280)
-	(37,120)	(37,120)
-	(118,296)	(118,296)
-	(45,987)	(45,987)
-	(201,403)	(201,403)
(49,142,280)	(201,403)	(49,343,683)
66,289,140	-	66,289,140
19,585,489	-	19,585,489
85,488	3,048	88,536
138,736	-	138,736
86,098,853	3,048	86,101,901
36,956,573	(198,355)	36,758,218
1,249,658,766	(1,395,203)	1,248,263,563
-	-	-
\$ 1,286,615,339	\$ (1,593,558)	\$ 1,285,021,781

The accompanying notes are an integral part of this statement.

Riverside County Flood Control and Water Conservation District
Balance Sheet
Governmental Funds
June 30, 2021

	General Fund	Zone 1	Zone 2	Zone 3
ASSETS				
Cash and Investments	\$ 5,634,493	\$ 52,860,509	\$ 83,696,395	\$ 8,091,111
Restricted Cash	2,417,885	27,619	15,000	996
Receivables (net of allowance for uncollectibles)				
Taxes Receivable	67,202	138,820	249,301	32,412
Accounts Receivable	68,357	2,107	5,000	-
Interest Receivable	5,128	31,485	51,094	4,959
Due From Other Funds	-	31,663	69,998	7,501
Due From Other Governments	249	16,455	28,014	3,831
Total Assets	<u>\$ 8,193,314</u>	<u>\$ 53,108,658</u>	<u>\$ 84,114,802</u>	<u>\$ 8,140,810</u>
LIABILITIES				
Accounts Payable	\$ 99,055	\$ 13,895	\$ 711,505	\$ 135,151
Salaries and Benefits Payable	196,983	158,377	125,490	24,581
Due to Other Funds	202,188	-	-	-
Developer and Other Agency Deposits	2,416,325	27,619	15,000	996
Due to Other Governments	20,571	10,815,883	4,531	6,734
Unearned Revenue	-	-	-	-
Total Liabilities	<u>2,935,122</u>	<u>11,015,774</u>	<u>856,526</u>	<u>167,462</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable Revenue - Property Taxes	67,202	138,821	249,302	32,412
Unavailable Revenue - Special Assessments	-	-	-	-
Total Deferred Inflows of Resources	<u>67,202</u>	<u>138,821</u>	<u>249,302</u>	<u>32,412</u>
FUND BALANCES				
Nonspendable:				
Imprest Cash	600	-	-	-
Restricted for:				
Capital Projects	-	-	-	-
Public Ways and Facilities	-	41,954,063	83,008,974	7,940,936
Debt Service	-	-	-	-
Assigned to:				
Compensated Absences	1,590,226	-	-	-
Unassigned	<u>3,600,164</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Fund Balances	<u>5,190,990</u>	<u>41,954,063</u>	<u>83,008,974</u>	<u>7,940,936</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 8,193,314</u>	<u>\$ 53,108,658</u>	<u>\$ 84,114,802</u>	<u>\$ 8,140,810</u>

The accompanying notes are an integral part of this statement.

Zone 4	Zone 5	Zone 6	Zone 7	NPDES Whitewater	NPDES Santa Ana
\$ 63,872,028	\$ 17,850,867	\$ 14,802,501	\$ 31,766,169	\$ 2,627,070	\$ 5,588,622
33,656	36,923	38,515	8,582	-	-
268,521	62,112	72,060	84,919	7,817	36,507
13,753	-	6,000	-	-	-
37,397	10,929	8,494	19,805	1,441	3,309
37,465	16,054	17,327	22,180	-	-
38,215	36,506	125,665	14,439	-	-
<u>\$ 64,301,035</u>	<u>\$ 18,013,391</u>	<u>\$ 15,070,562</u>	<u>\$ 31,916,094</u>	<u>\$ 2,636,328</u>	<u>\$ 5,628,438</u>
\$ 120,525	\$ 235,710	\$ 87,702	\$ 1,897	\$ 6,216	\$ 90,055
238,802	39,039	55,371	117,231	9,364	40,459
-	-	-	-	-	-
33,656	30,041	38,515	8,581	-	-
552,436	300	-	75,290	-	-
-	-	-	500,000	-	-
<u>945,419</u>	<u>305,090</u>	<u>181,588</u>	<u>702,999</u>	<u>15,580</u>	<u>130,514</u>
268,520	62,112	72,060	84,919	-	-
-	-	-	-	7,816	36,507
<u>268,520</u>	<u>62,112</u>	<u>72,060</u>	<u>84,919</u>	<u>7,816</u>	<u>36,507</u>
-	-	-	-	-	-
-	-	-	-	-	-
63,087,096	17,646,189	14,816,914	31,128,176	2,612,932	5,461,417
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>63,087,096</u>	<u>17,646,189</u>	<u>14,816,914</u>	<u>31,128,176</u>	<u>2,612,932</u>	<u>5,461,417</u>
<u>\$ 64,301,035</u>	<u>\$ 18,013,391</u>	<u>\$ 15,070,562</u>	<u>\$ 31,916,094</u>	<u>\$ 2,636,328</u>	<u>\$ 5,628,438</u>

Continued

Riverside County Flood Control and Water Conservation District
Balance Sheet
Governmental Funds - Continued
June 30, 2021

	NPDES Santa Margarita	Other Governmental Funds	Total
ASSETS			
Cash and Investments	\$ 1,937,243	\$ 21,725	\$ 288,748,733
Restricted Cash	-	-	2,579,176
Receivables (net of allowance for uncollectibles)			
Taxes Receivable	6,235	-	1,025,906
Accounts Receivable	-	-	95,217
Interest Receivable	589	13	174,643
Due From Other Funds	-	202,188	404,376
Due From Other Governments	-	-	263,374
Total Assets	<u>\$ 1,944,067</u>	<u>\$ 223,926</u>	<u>\$ 293,291,425</u>
LIABILITIES			
Accounts Payable	\$ 147,193	\$ -	\$ 1,648,904
Salaries and Benefits Payable	37,361	-	1,043,058
Due to Other Funds	-	202,188	404,376
Developer and Other Agency Deposits	-	-	2,570,733
Due to Other Governments	-	-	11,475,745
Unearned Revenue	-	-	500,000
Total Liabilities	<u>184,554</u>	<u>202,188</u>	<u>17,642,816</u>
DEFERRED INFLOWS OF RESOURCES			
Unavailable Revenue - Property Taxes	-	-	975,348
Unavailable Revenue - Special Assessments	6,235	-	50,558
Total Deferred Inflows of Resources	<u>6,235</u>	<u>-</u>	<u>1,025,906</u>
FUND BALANCES			
Nonspendable for:			
Imprest Cash	-	-	600
Restricted for:			
Capital Projects	-	19,428	19,428
Public Ways and Facilities	1,753,278	-	269,409,975
Debt Service	-	2,310	2,310
Assigned to:			
Compensated Absences	-	-	1,590,226
Unassigned	-	-	3,600,164
Total Fund Balances	<u>1,753,278</u>	<u>21,738</u>	<u>274,622,703</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 1,944,067</u>	<u>\$ 223,926</u>	<u>\$ 293,291,425</u>

The accompanying notes are an integral part of this statement.

Riverside County Flood Control and Water Conservation District
Reconciliation of the Governmental Funds Balance Sheet to the
Government-wide Statement of Net Position - Governmental Activities
June 30, 2021

Fund Balances - Total Governmental Funds (Page 20) \$ 274,622,703

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

Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds, net of \$5,044,839 reported in Internal Service Funds.

1,060,804,873

Internal service funds are used by management to charge the costs of hydrology services, garage, project maintenance, and data processing to individual funds. The assets and liabilities of these funds are included in governmental activities in the statement of Net Position, net of \$92,674 allocated to business-type activities.

10,100,304

Other long-term assets are not available to pay for current period expenditures and, therefore, are reported as unavailable revenue in the governmental funds balance sheet and should be recognized in the government-wide statement of activities as revenue thereby increasing unrestricted net position in the government-wide statement of Net Position.

1,025,906

Deferred inflows and outflows of resources related to pension and OPEB activity are not reported in the governmental funds but are included in the statement of Net Position.

Deferred outflows of resources

\$ 26,282,162

Deferred inflows of resources

(385,167)

25,896,995

Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds.

Net pension liability

(68,654,734)

Net OPEB liability

(2,129,519)

Promissory notes, including unamortized premiums

(11,229,316)

Compensated absences, net of \$137,095 reported in internal service funds

(3,654,206)

Accrued interest payable

(167,667)

(85,835,442)

Net Position of Governmental Activities (Page 15)

\$ 1,286,615,339

Riverside County Flood Control and Water Conservation District
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended June 30, 2021

	General Fund	Zone 1	Zone 2	Zone 3
REVENUES				
Property Taxes	\$ 4,594,054	\$ 9,546,745	\$ 16,967,730	\$ 2,233,550
Redevelopment Pass-through	1,273,586	5,491,803	3,417,631	1,148,679
Special Assessments	-	-	-	1,197
Intergovernmental	119,530	82,885	148,581	19,415
Charges for Services	855,616	91,623	5,000	16,135
Area Drainage Fees	-	7,354	3,815	-
Investment Earnings (Loss)	1,402	21,068	25,947	4,831
Use of Assets	-	126,109	159,568	-
Total Revenues	6,844,188	15,367,587	20,728,272	3,423,807
EXPENDITURES				
Current:				
General Government	7,468,806	-	-	-
Public Ways and Facilities	-	19,109,200	16,409,439	1,473,241
Capital Outlay	88,919	-	3,992,892	2,322,307
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Total Expenditures	7,557,725	19,109,200	20,402,331	3,795,548
Excess (Deficiency) of Revenues Over (Under) Expenditures	(713,537)	(3,741,613)	325,941	(371,741)
OTHER FINANCING SOURCES (USES)				
Transfers In	350,496	-	-	-
Transfers Out	-	(57,343)	(67,097)	(10,964)
Total Other Financing Sources (Uses)	350,496	(57,343)	(67,097)	(10,964)
Net Change in Fund Balances	(363,041)	(3,798,956)	258,844	(382,705)
Fund Balances, Beginning of Year	5,554,031	45,753,019	82,750,130	8,323,641
Fund Balances, End of Year	\$ 5,190,990	\$ 41,954,063	\$ 83,008,974	\$ 7,940,936

The accompanying notes are an integral part of this statement.

Zone 4		Zone 5		Zone 6		Zone 7		NPDES Whitewater	NPDES Santa Ana
\$	18,359,778	\$	4,193,497	\$	5,009,446	\$	5,781,068	\$ -	\$ -
	4,638,821		1,050,417		2,078,546		486,006	-	-
	-		-		-		-	324,417	2,543,353
	578,462		98,726		353,145		50,676	445,970	-
	21,649		10		15,525		59,774	-	-
	1,390,331		-		-		199,706	-	-
	16,172		1,268		425		14,802	721	555
	12,900		-		118,001		43,200	-	-
	<u>25,018,113</u>		<u>5,343,918</u>		<u>7,575,088</u>		<u>6,635,232</u>	<u>771,108</u>	<u>2,543,908</u>
	-		-		-		-	-	-
	16,109,078		4,197,383		3,233,141		4,289,755	520,464	2,531,613
	-		4,593,315		3,732,483		343,944	-	-
	-		-		-		-	-	-
	<u>-</u>		<u>-</u>		<u>-</u>		<u>-</u>	<u>-</u>	<u>-</u>
	<u>16,109,078</u>		<u>8,790,698</u>		<u>6,965,624</u>		<u>4,633,699</u>	<u>520,464</u>	<u>2,531,613</u>
	8,909,035		(3,446,780)		609,464		2,001,533	250,644	12,295
	-		-		-		-	-	-
	<u>(2,910,064)</u>		<u>(32,723)</u>		<u>(29,809)</u>		<u>(33,287)</u>	<u>(4,752)</u>	<u>(22,490)</u>
	<u>(2,910,064)</u>		<u>(32,723)</u>		<u>(29,809)</u>		<u>(33,287)</u>	<u>(4,752)</u>	<u>(22,490)</u>
	5,998,971		(3,479,503)		579,655		1,968,246	245,892	(10,195)
	<u>57,088,125</u>		<u>21,125,692</u>		<u>14,237,259</u>		<u>29,159,930</u>	<u>2,367,040</u>	<u>5,471,612</u>
\$	<u>63,087,096</u>	\$	<u>17,646,189</u>	\$	<u>14,816,914</u>	\$	<u>31,128,176</u>	\$ <u>2,612,932</u>	\$ <u>5,461,417</u>

Continued

Riverside County Flood Control and Water Conservation District
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds - Continued
For the Year Ended June 30, 2021

	NPDES Santa Margarita	Other Governmental Funds	Total
REVENUES			
Property Taxes	\$ -	\$ -	\$ 66,685,868
Redevelopment Pass-through	-	-	19,585,489
Special Assessments	551,824	-	3,420,791
Intergovernmental	1,447,334	-	3,344,724
Charges for Services	-	-	1,065,332
Area Drainage Fees	-	-	1,601,206
Investment Earnings	(938)	462	86,715
Use of Assets	-	-	459,778
Total Revenues	1,998,220	462	96,249,903
EXPENDITURES			
Current:			
General Government	-	-	7,468,806
Public Ways and Facilities	1,951,897	-	69,825,211
Capital Outlay	-	-	15,073,860
Debt service:			
Principal	-	2,270,000	2,270,000
Interest	-	559,750	559,750
Total Expenditures	1,951,897	2,829,750	95,197,627
Excess (Deficiency) of Revenues Over (Under) Expenditures	46,323	(2,829,288)	1,052,276
OTHER FINANCING SOURCES (USES)			
Transfers In	-	2,829,750	3,180,246
Transfers Out	(11,717)	-	(3,180,246)
Total Other Financing Sources (Uses)	(11,717)	2,829,750	-
Net Change in Fund Balances	34,606	462	1,052,276
Fund Balances, Beginning of Year	1,718,672	21,276	273,570,427
Fund Balances, End of Year	\$ 1,753,278	\$ 21,738	\$ 274,622,703

The accompanying notes are an integral part of this statement.

Riverside County Flood Control and Water Conservation District
Reconciliation of the Statement of Revenues, Expenditures, and
Changes in Fund Balances of Governmental Funds to the
Government-wide Statement of Activities - Governmental Activities
For the Year Ended June 30, 2021

Net Change in Fund Balances - Total Governmental Funds (Page 24) \$ 1,052,276

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

Governmental funds report capital outlay as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and are charged to depreciation expense.

Expenditures for capital assets, net of \$3,195,941 reported in Internal Service Funds	\$ 16,092,919	
Donation of Capital Assets	23,383,750	
Less current year depreciation, net of \$1,216,614 reported in Internal Service Fund	(13,143,624)	
Loss on Disposal	<u>(3,421,840)</u>	22,911,205

Earned but unavailable revenues reported in the governmental funds balance sheet as deferred inflows of resources should be recognized in the government-wide statement of activities as revenue regardless of availability.

Change in unavailable revenue	<u>(435,738)</u>	(435,738)
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Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental fund.

OPEB expense	1,767,963	
Pension expense	8,813,901	
Change in compensated absences, net of (\$10,913) reported in internal service fund	(316,197)	
Amortization of bond premium	242,328	
Interest Expense	<u>37,833</u>	10,545,828

Internal service funds are used by management to charge the costs of certain activities to individual funds. The change in Net Position of certain internal service funds is reported with governmental activities, net of (\$7,264) allocated to business-type activities.	613,002
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The repayment of principal reduces long-term liabilities in the governmental activities statement of net position.	<u>2,270,000</u>
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Change in Net Position of Governmental Activities (Page 17)	<u><u>\$ 36,956,573</u></u>
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Riverside County Flood Control and Water Conservation District
Statement of Net Position
Proprietary Funds
June 30, 2021

	Business-type Activities - Enterprise Funds			Governmental Activities - Internal Service Funds
	Subdivision Operations	Other Enterprise Funds	Total	
ASSETS				
Current Assets:				
Cash and Cash Equivalents	\$ 108,249	\$ 390,784	\$ 499,033	\$ 5,159,975
Receivables:				
Accounts Receivable (net of allowance for uncollectibles)	165,547	46,548	212,095	1,317
Interest Receivable	3,884	533	4,417	2,912
Due From Other Governments	266	17,516	17,782	-
Inventories	-	-	-	300,739
Total Current Assets	<u>277,946</u>	<u>455,381</u>	<u>733,327</u>	<u>5,464,943</u>
Noncurrent Assets:				
Restricted Cash	6,094,077	403,442	6,497,519	-
Capital Assets:				
Depreciable, Net	-	110,768	110,768	5,044,839
Total Noncurrent Assets	<u>6,094,077</u>	<u>514,210</u>	<u>6,608,287</u>	<u>5,044,839</u>
Total Assets	<u>6,372,023</u>	<u>969,591</u>	<u>7,341,614</u>	<u>10,509,782</u>
DEFERRED OUTFLOWS OF RESOURCES				
Deferred Outflows of Resources Related to Pensions	314,065	-	314,065	-
Total Deferred Outflows of Resources	<u>314,065</u>	<u>-</u>	<u>314,065</u>	<u>-</u>
LIABILITIES				
Current Liabilities:				
Accounts Payable	388,895	30,730	419,625	55,960
Salaries and Benefits Payable	14,146	15,106	29,252	68,896
Due to Other Governments	-	-	-	54,853
Compensated Absences - Current Portion	5,546	5,239	10,785	25,045
Developer and Other Agency Deposits	6,094,077	397,808	6,491,885	-
Total Current Liabilities	<u>6,502,664</u>	<u>448,883</u>	<u>6,951,547</u>	<u>204,754</u>
Noncurrent Liabilities:				
Compensated Absences	24,814	23,440	48,254	112,050
Net Pension Liability	2,311,493	-	2,311,493	-
Total Noncurrent Liabilities	<u>2,336,307</u>	<u>23,440</u>	<u>2,359,747</u>	<u>112,050</u>
Total Liabilities	<u>8,838,971</u>	<u>472,323</u>	<u>9,311,294</u>	<u>316,804</u>
DEFERRED INFLOWS OF RESOURCES				
Deferred Inflows of Resources Related to Pensions	30,617	-	30,617	-
Total Deferred Inflows of Resources	<u>30,617</u>	<u>-</u>	<u>30,617</u>	<u>-</u>
NET POSITION				
Investment in Capital Assets	-	110,768	110,768	5,044,839
Unrestricted (Deficit)	(2,183,500)	386,500	(1,797,000)	5,148,139
Total Net Position	<u>\$ (2,183,500)</u>	<u>\$ 497,268</u>	<u>\$ (1,686,232)</u>	<u>\$ 10,192,978</u>
Total Liabilities and Net Position	\$ 6,686,088	\$ 969,591		\$ 10,509,782
Adjustment to Reflect the Consolidation of Internal Service Fund Activities Related to Enterprise Funds				
			92,674	
Net Position of Business-type Activities			<u>\$ (1,593,558)</u>	

The accompanying notes are an integral part of this statement.

Riverside County Flood Control and Water Conservation District
Statement of Revenues, Expenses and Changes in Net Position
Proprietary Funds

For the Year Ended June 30, 2021

	Business-type Activities - Enterprise Funds			Governmental Activities - Internal Service Funds
	Subdivision Operations	Other Enterprise Funds	Total	
OPERATING REVENUES				
Charges for Services	\$ 1,751,917	\$ 420,377	\$ 2,172,294	\$ 7,792,415
OPERATING EXPENSES				
Personnel Services	478,487	415,737	894,224	1,573,672
Administrative Services	628	3,760	4,388	3,289
Services and Supplies	1,303,812	136,096	1,439,908	4,530,611
Bad Debt	659	-	659	-
Depreciation	-	27,254	27,254	1,216,614
Total Operating Expenses	1,783,586	582,847	2,366,433	7,324,186
Operating Income (Loss)	(31,669)	(162,470)	(194,139)	468,229
NONOPERATING REVENUES				
Investment Earnings (Loss)	2,909	139	3,048	(1,227)
Gain on Sale of Capital Assets	-	-	-	138,736
Total Nonoperating Revenues	2,909	139	3,048	137,509
Income (Loss)	(28,760)	(162,331)	(191,091)	605,738
Change in Net Position	(28,760)	(162,331)	(191,091)	605,738
Net Position, Beginning of Year	(2,154,740)	659,599	(1,495,141)	9,587,240
Net Position, End of Year	\$ (2,183,500)	\$ 497,268		\$ 10,192,978
Adjustments to Reflect the Consolidation of Internal Service Fund Activities Related to Enterprise Funds			(7,264)	
Change in Net Position of Business-type Activities			<u>\$ (198,355)</u>	

The accompanying notes are an integral part of this statement.

Riverside County Flood Control and Water Conservation District
Statement of Cash Flows
Proprietary Funds
For the Year Ended June 30, 2021

	Business-type Activities - Enterprise Funds			Governmental Activities - Internal Service Funds
	Subdivision Operations	Other Enterprise Funds	Total	
CASH FLOWS FROM OPERATING ACTIVITIES				
Cash Received from Customers/Other Funds	\$ 1,694,568	431,280	\$ 2,125,848	\$ 7,791,792
Cash Paid to Suppliers for Goods and Services	(1,233,886)	(153,877)	(1,387,763)	(4,640,246)
Cash Paid to Employees for Services	(368,115)	(435,996)	(804,111)	(1,637,842)
Net Cash Provided by (Used In) Operating Activities	92,567	(158,593)	(66,026)	1,513,704
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Proceeds from Sale of Capital Assets	-	-	-	138,736
Acquisition and Construction of Capital Assets	-	-	-	(3,213,426)
Net Cash Used in Capital and Related Financing Activities	-	-	-	(3,074,690)
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest on Investments	9,994	1,431	11,425	9,713
Net Cash Provided by Investing Activities	9,994	1,431	11,425	9,713
Net Change in Cash and Cash Equivalents	102,561	(157,162)	(54,601)	(1,551,273)
Cash and Cash Equivalents, Beginning of Year	6,099,765	951,388	7,051,153	6,711,248
Cash and Cash Equivalents, End of Year	\$ 6,202,326	\$ 794,226	\$ 6,996,552	\$ 5,159,975
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used In) Operating Activities				
Operating Income (Loss)	\$ (31,669)	\$ (162,470)	\$ (194,139)	\$ 468,229
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (Used In) Operating Activities:				
Depreciation	-	27,254	27,254	1,216,614
Changes in Operating Assets and Liabilities:				
Decrease (Increase) in:				
Accounts Receivable	71,706	19,933	91,639	(623)
Due from Other Funds	-	-	-	-
Due from Other Governments	(266)	(10,221)	(10,487)	-
Inventories	-	-	-	(19,209)
Deferred Outflows of Resources Related to Pensions	177,177	-	177,177	-
Increase (Decrease) in:				
Accounts Payable	315,713	29,059	344,772	(141,746)
Salaries and Benefits Payable	(11,473)	(20,505)	(31,978)	(75,083)
Due to Other Funds	(244,500)	(43,080)	(287,580)	-
Compensated Absences	(4,133)	246	(3,887)	10,913
Net Pension Liability	(37,059)	-	(37,059)	-
Special Item - Pension Expense	-	-	-	54,609
Deferred Inflows of Resources Related to Pensions	(14,140)	-	(14,140)	-
Developer and Other Agency Deposits	(128,789)	1,191	(127,598)	-
Net Cash Provided by (Used In) Operating Activities	\$ 92,567	\$ (158,593)	\$ (66,026)	\$ 1,513,704

The accompanying notes are an integral part of this statement.

Riverside County Flood Control and Water Conservation District
Notes to the Financial Statements
For the Year Ended June 30, 2021

1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A) Reporting Entity

The Riverside County Flood Control and Water Conservation District (the District) was created by an act of the State Legislature on July 7, 1945 to provide financing for the construction and maintenance of flood control facilities. The governing board of the District consists of the same five members of the Board of Supervisors as Riverside County, California, and the Board has the authority to impose its will on the District. Therefore, the District is considered to be a component unit of the County for financial reporting purposes. As required by accounting principles generally accepted in the United States of America, these financial statements present all the fund types of the District.

Riverside County Infrastructure Financing Authority (IFA). The Board is the governing body of the IFA and the County is responsible for all its financial debt. The IFA is a joint exercise of powers authority, duly organized and existing under and pursuant to that certain Joint Exercise of Powers Agreement dated September 15, 2015 by and between the County of Riverside and the District. The IFA is authorized and empowered to issue bonds for the purpose of financing and refinancing public capital improvements of the County.

B) Basis of Presentation

Government-wide Financial Statements

The statement of net position and statement of activities display information about the District's activities. These statements include the financial activities of the District. It is the District's policy to make eliminations to minimize the double counting of internal activities. These statements distinguish between the *governmental* and *business-type activities* of the District. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely, to a significant extent, on fees charged to external parties.

The *statement of activities* presents a comparison between program expenses and program revenues for each segment of the *business-type activities* of the District and for each function of the District's *governmental activities*. *Program expenses* include such direct expenses that are specifically associated with a program or function and therefore, are clearly identifiable to a particular function. *Program revenues* include 1) charges paid by the recipients of goods or services offered by the programs and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented instead as *general revenues*.

When an expense is incurred for a purpose for which both restricted and unrestricted net position are available, management has discretion as to which resources apply. It is the District's policy to use restricted resources before unrestricted resources.

C) Fund Financial Statements

The fund financial statements provide information about the District's funds. Separate statements for each fund category – *governmental* and *proprietary* - are presented. The emphasis of the fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental and enterprise funds are separately aggregated and reported as nonmajor funds.

Proprietary fund *operating revenues*, such as charges for services, result from exchange transactions associated with the principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal values. *Nonoperating revenues*, such as subsidies and investment earnings, result from nonexchange transactions or ancillary activities.

Riverside County Flood Control and Water Conservation District
Notes to the Financial Statements
For the Year Ended June 30, 2021

1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

C) Fund Financial Statements - Continued

The District reports the following as major governmental funds:

- ◆ The *General Fund* is used to account for all revenues and expenditures necessary to carry out basic governmental activities of the District that are not accounted for through other funds. For the District, the General Fund includes such activities as general government and capital outlay.
- ◆ *Zones 1 through 7* are special revenue funds established to account for revenues and expenditures related to providing flood control in each geographical zone. These funds are financed primarily by ad valorem property taxes, developer fees, local cooperative agreements, federal monies, and monies from other local governments.
- ◆ *NPDES Whitewater* is a special revenue fund used to account for revenues and expenditures related to the National Pollutant Discharge Elimination System (NPDES) in the Whitewater assessment area. Primarily the benefit assessment area finances this fund.
- ◆ *NPDES Santa Ana* is a special revenue fund used to account for revenues and expenditures related to the National Pollutant Discharge Elimination System (NPDES) in the Santa Ana assessment area. Primarily the benefit assessment area finances this fund.
- ◆ *NPDES Santa Margarita* is a special revenue fund used to account for revenues and expenditures related to the National Pollutant Discharge Elimination System (NPDES) in the Santa Margarita assessment area. Primarily the benefit assessment area finances this fund.
- ◆ Data from the District's remaining two governmental funds are combined into a single aggregated presentation as *Other Governmental Funds*. Individual fund data for both of these nonmajor governmental funds is provided in the form of combining statements in the supplementary information section.

The District reports the following major enterprise fund:

- ◆ The *Subdivision Operations Fund* accounts for various services needed by developers in the construction of projects within the County. Revenues are primarily for charges for services.

The District reports the following additional fund types:

- ◆ *Internal Service Funds* account for the District's Hydrology Services, Garage, Project Maintenance, and Data Processing, on a cost-reimbursement basis.

D) Basis of Accounting and Measurement Focus

The government-wide and proprietary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Nonexchange transactions, in which the District gives (or receives) value without directly receiving (or giving) equal value in exchange, include property taxes, special assessments, grants, entitlements and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied.

Revenues from grants, entitlements and donations are recognized in the fiscal year in which all eligibility requirements have been satisfied

Riverside County Flood Control and Water Conservation District
Notes to the Financial Statements
For the Year Ended June 30, 2021

1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

D) Basis of Accounting - Continued

Revenues from grants, entitlements and donations are recognized in the fiscal year in which all eligibility requirements have been satisfied.

Governmental fund type financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues and other governmental fund type financial resources are recognized when they become susceptible to accrual - that is, when they become both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. Property taxes, contracts and other nonexchange transactions are considered available and are accrued when received within sixty days after fiscal year-end. Revenue received from expenditure driven (cost-reimbursement) grants, as defined by GASB Statement No. 33, *Accounting and Financial Reporting for Nonexchange Transactions*, are considered available and accrued if expected to be received within twelve months after fiscal year-end.

E) Cash and Investments and Cash and Investments with Fiscal Agents

The District's cash from operations is deposited in the County Treasury. The County pools its funds with other government agencies in the County and invests them as prescribed by the California Government Code and the County of Riverside's Investment Policy. The District's deposits in the County pool may be accessed at any time. The District is allocated interest income on monies deposited with the County based on its proportional share of the pooled investments. All pooled investments and investments with fiscal agent are carried at fair value. The fair value of participants' positions in the pool is not the same as the value of the pooled shares. Restricted cash of \$2,579,176 and \$6,497,519, for governmental and business-type activities respectively, consists mostly of developer and other agency deposits for specific purposes.

In December 1994, the Board of Supervisors created an Investment Oversight Committee to work with the County Treasurer to oversee County investment policies, to include the District. The Committee reviews the County's investment strategy and the status of the County's investments and reports its finding to the Board. The Investment Oversight Committee has reviewed and approved investment policies for funds held outside the County Treasury.

For purposes of the statement of cash flows, the District considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents.

F) Deferred Outflows/Inflows of Resources

The statement of financial position reports 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/ expenditure) until then. The District recognizes deferred outflows of resources on the government-wide financial statements in relation to pensions and other postemployment benefits (OPEB).

The statement of financial position reports 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. The District reports an item under this category on the governmental funds balance sheet, under the modified accrual basis of accounting, labeled *unavailable revenue* from two sources: property taxes and special assessments expected to fund the current year but received in a future period. The District also recognizes deferred inflows of resources on the government-wide financial statements in relation to pensions and other postemployment benefits (OPEB).

Riverside County Flood Control and Water Conservation District
Notes to the Financial Statements
For the Year Ended June 30, 2021

1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

G) Property Taxes

Under California law, property taxes are assessed and collected by counties for up to 1 percent of assessed value, plus other increases as approved by affected voters. Property tax revenues are pooled and then allocated based on assessed valuation. Property taxes on the secured rolls are payable in two installments, November 1 and February 1. Property tax payments become delinquent after December 10 and April 10, respectively.

Remittance of property taxes to the District is accounted for within each appropriate fund. Under the Teeter Plan, the District receives its current-year tax from the County without regard for the delinquency factors.

Property taxes are assessed and collected each fiscal year according to the following property tax calendar:

Lien Date	January 1		
Levy Date	July 1 to June 30		
Due Date	November 1	-	1 st Installment
	February 1	-	2 nd Installment
Delinquent Date	December 10	-	1 st Installment
	April 10	-	2 nd Installment

H) Inventories

Inventories, which consist of materials and supplies held for consumption, are valued at the lower of cost (on a first-in, first-out basis) or market in the proprietary funds. Inventories for all governmental funds are valued at average cost. The consumption method is used to account for inventories. Under the consumption method, inventories are recorded as expenditures when consumed rather than when purchased. Material amounts of inventory are reported as assets of the respective fund.

I) Capital Assets

Capital assets, which include property (e.g. land and easements), plant (e.g. buildings, improvements), equipment (e.g. vehicles, computers, office equipment) and infrastructure (e.g. drainage systems, flood control, and similar structures), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements and in the proprietary funds statement of net position. Capital assets are recorded at historical cost or estimated cost if purchased or constructed. Donated capital assets are recorded at estimated fair value at the date of donation. Donated capital assets, donated works of art and similar items, and capital assets received in a service concession arrangement are reported at acquisition value rather than fair value.

The costs of normal maintenance and repairs that do not add to the value of the assets or materially extend asset lives are not capitalized. The capitalization thresholds are as follows: \$5,000 for equipment, \$1 dollar for buildings (structures), land and land improvements, and \$150,000 for infrastructure.

Capital assets are depreciated using the straight-line method over the following estimated useful lives:

Infrastructure:	Flood Channels and Levees	99 years
	Dams/Basins	99 years
	Storm Drains	65 years
Structure and	Buildings	50 years
Improvements:	Building improvements	50 years
Equipment:	Autos, personal computers and equipment valued at less than \$25,000	3 years
	Computer items, small trucks and equipment valued between \$25,000 and \$75,000	5 years
	Large trucks and equipment valued at greater than \$75,000	7 years

Riverside County Flood Control and Water Conservation District
Notes to the Financial Statements
For the Year Ended June 30, 2021

1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

J) Compensated Absences

Permanent District employees earn from 10 to 20 vacation days annually, depending upon their length of employment, and 12 sick days a year. Employees can carry forward up to a maximum of three times their annual vacation accrual and an unlimited number of sick days for use in subsequent years.

Upon termination or retirement, District employees are entitled to receive compensation at their current salary for all unused vacation time. If an employee retires from the District with at least five years of service, the employee is entitled to receive from 10 percent to 50 percent of the value of any unused sick leave up to 120 days.

K) Long-term Debt

The District reports long-term debt of governmental funds at face value in the government-wide statement of net position. Certain other governmental fund obligations not expected to be financed with current available financial resources are also reported in the government-wide statement of net position. Long-term debt and other obligations financed by the proprietary fund types are reported as liabilities in the appropriate proprietary fund types and in the government-wide statement of net position. Governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued. The premiums, discounts, and deferred gains and losses are reported in the government-wide statement of net position and are amortized over the life of the debt.

L) Operating/Nonoperating Revenues and Expenses

The District defines its operating revenues as revenues derived from charges for services. All other revenue that is not derived directly from charges for services, including interest income and gain/loss on sale of assets, is classified as nonoperating in the accompanying statement of revenues, expenses, and changes in fund net position.

Consistent with the treatment in the accompanying statement of cash flows, all expenses, with the exception of interest expense, are treated as operating expenses on the accompanying statement of revenues, expenses and changes in fund net position.

M) Estimates

The preparation of basic financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

N) Interfund Transactions

Interfund transactions are reflected as loans, provided services, reimbursements or transfers. Loans are reported as receivables and payables as appropriate, are subject to elimination upon consolidation and are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the noncurrent portion of interfund loans). Any residual balances outstanding between the governmental activities and the business-type activities are reported in the government-wide financial statements as "internal balances".

Advances between funds, as reported in the fund financial statements, are offset by a nonspendable fund balance in applicable governmental funds to indicate that they are not available for appropriation and are not available financial resources.

Provided services, deemed to be at market or near market rates, are treated as revenues and expenditures/expenses. Reimbursements are when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers. Transfers between governmental or proprietary funds are netted as part of the reconciliation to the government-wide presentation.

Riverside County Flood Control and Water Conservation District
Notes to the Financial Statements
For the Year Ended June 30, 2021

1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

O) Net Position/Fund Balances

The government-wide and business-type activities fund financial statements utilize a net position presentation. Net position is categorized as net investment in capital assets, restricted and unrestricted.

- ◆ Net Investment in Capital Assets - This category reports all capital assets, including infrastructure, into one component of net position. Accumulated depreciation reduces the balance in this category. The amount is further reduced by the associated debts, net of unspent debt proceeds.
- ◆ Restricted Net Position - This category presents external restrictions imposed by creditors, grantors, contributors or laws or regulations of other governments and restrictions imposed by law through constitutional provisions or enabling legislation.
- ◆ Unrestricted Net Position - This category represents the net position of the District, not restricted for any project or other purpose.

When expenses are incurred for purposes of which both restricted and unrestricted net positions are available, the District's policy is to apply restricted net position first, then unrestricted net position as needed.

In accordance with Government Accounting Standards Board Statement No. 54 - *Fund Balance Reporting and Governmental Fund Type Definitions* and the District's Fiscal Policy F2, Fund Balance Policy, the District classifies governmental fund balances as follows:

- ◆ Nonspendable - includes amounts either not in spendable form, or legally or contractually required to be maintained intact.
- ◆ Restricted - constraints placed on the use of amounts are either externally imposed by creditors, grantors, contributors, or laws and regulations of other governments; or imposed by law through constitutional provisions or enabling legislation.
- ◆ Committed - includes amount committed for specific purposes by the Board of Supervisors, the District's highest level of decision making authority, by adopting an ordinance prior to the end of the fiscal year to commit fund balance. Amounts classified as "Committed" are not subject to legal enforceability like restricted fund balance; however, those amounts cannot be used for any other purpose unless the Board of Supervisors removes or changes the limitation by taking the same form of action it employed to previously impose the limitation.

Action to constrain resources must occur prior to year-end; however, the amount can be determined in the subsequent year.

- ◆ Assigned - includes amounts, intended by the District, to be used for specific purposes. Amounts are neither restricted nor limited. The Board of Supervisors has, by resolution, delegated the authority to assign amounts to be used for specific purposes to the Finance Director and District management for the purpose of reporting these amounts in the financial statements.
- ◆ Unassigned - includes any remaining amounts after classifying fund balances according to the fund balance categories of nonspendable, restricted, committed and assigned. The general fund is the only governmental fund that reports a positive amount of unassigned fund balance. However, if a governmental fund other than the general fund were to have nonspendable, restricted, and committed fund balance in excess of total fund balance, the difference would be reported as negative unassigned fund balance.

Riverside County Flood Control and Water Conservation District
Notes to the Financial Statements
For the Year Ended June 30, 2021

1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

O) Net Position/Fund Balances - Continued

Fund Balance Spending Order

Unless legal requirements disallow it, the District will spend the most restricted dollars before less restricted in the following order: (1) Nonspendable (if the funds become spendable), (2) Restricted, (3) Committed, (4) Assigned, (5) Unassigned.

Minimum Fund Balance Policy for Governmental Funds

The following minimum fund balance guidelines for governmental funds have been established by the District's Fiscal Policy F2, Fund Balance Policy, to ensure a sufficient level of fund balance is maintained for unanticipated expenditures, delays in revenue receipt, or revenue shortfalls:

◆ Unrestricted Fund Balance - General Fund

The District shall achieve an unrestricted fund balance in its General Fund equal to a minimum of 66 percent of General Fund expenditures. The District will annually evaluate the minimum fund balance provisions and make adjustments according to an assessment of current events and circumstances as well as changing forecasts, projections and other related risks.

The District has established a contingency account and budgets the minimum assigned fund balance in the General Fund with the recommended budget submitted to the Board of Supervisors for approval each fiscal year. Should the minimum fund balance drop below the prescribed level, the District will develop a plan to replenish the minimum fund balance within two years and include the plan with the recommended budget submitted to the Board of Supervisors for approval in the following budget year.

P) Developer and Other Agency Deposits

Developer and other agency deposits are deposits made by developers and other governmental agencies to support services or work performed by the District on behalf of said developers and governmental agencies. Revenue is recognized when it is earned and the liability is decreased accordingly.

Q) Pensions

The pension expense is for the measurement period of 2019-20 and the net pension liability is measured as of June 30, 2020. Liabilities are based on the results of the actuarial calculations performed as of June 30, 2019 and were rolled forward to June 30, 2020.

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

Investments are reported at fair value. Projected earnings on pension investments are recognized as a component of pension expense. Differences between projected and actual investment earnings are reported as deferred inflows of resources or deferred outflows of resources and amortized as a component of pension expense on a closed basis over a five-year period.

Riverside County Flood Control and Water Conservation District
Notes to the Financial Statements
For the Year Ended June 30, 2021

1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

Q) Pensions - Continued

Other gains and losses related to changes in total pension liability and fiduciary net position are recognized as pension expenses over time. They are amortized straight-line over the average expected remaining service lives of all members that are provided with benefits as of the beginning of the measurement period.

R) Other Postemployment Benefits (OPEB)

For the purposes of measuring the net OPEB liability, deferred outflows or resources and deferred 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	July 1, 2020
Measurement Date	June 30, 2020
Measurement Period	July 1, 2019 to June 30, 2020

S) Implementation of Governmental Accounting Standards Board (GASB) Pronouncements

Governmental Accounting Standards Board Statement No. 87

In June of 2017, GASB issued Statement No. 87, *Leases*. This statement 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 based on the payment provisions of the contract. Statement No. 87 are effective for reporting periods beginning after June 15, 2021. The District has elected not to early implement GASB No. 87 and has not determined its effect on the District's financial statements.

Governmental Accounting Standards Board Statement No. 91

In December of 2020, GASB issued Statement No. 91, *Conduit Debt Obligations*. This statement provides a single method of reporting conduit debt obligations by issuers and eliminates diversity in practice associated with commitments extended by the issuers. Statement No. 91 are effective for reporting periods beginning after December 15, 2021. The District has not determined its effect on the District's financial statements.

2) CASH AND INVESTMENTS

Cash and investments totaled \$303,484,436 as of June 30, 2021. Each fund's portion of this total is reflected in the financial statement accounts entitled "Cash and Investments", "Cash and Cash Equivalents", and "Restricted Cash".

All District cash and investments are on deposit with the County Treasurer with the exception of imprest cash on hand.

The County Treasurer maintains the County's Pooled Investment Fund pursuant to the California Government Code and the County Treasurer's Statement of Investment Policy. Portfolio income, including gains and losses, are distributed quarterly. All investment income is distributed prorata based upon each participant's average daily cash balance for the

Riverside County Flood Control and Water Conservation District
Notes to the Financial Statements
For the Year Ended June 30, 2021

2) CASH AND INVESTMENTS - Continued

calendar year except for specific investments in which the interest income is to be credited directly to the fund from which the investment was made.

Investments related to the County's Pooled Investment Fund are restricted to those authorized in the California Government Code and the County Treasurer's Statement of Investment Policy. Investments and related credit, custodial credit, concentration of credit, interest rate and foreign currency risks associated with the County's Pooled Investment Funds are disclosed in Riverside County's basic financial statements.

The primary objectives of the Treasurer's investment of public funds are noted in order of priority as follows: to safeguard investment principal, to maintain sufficient liquidity within the portfolio to meet daily cash flow requirements, and to achieve a reasonable rate of return or yield on the portfolio.

Total District cash and investments at fair value are reported as follows:

Cash and Investments:	
Cash With and Pooled by the County Treasury	\$ 303,483,836
Imprest Cash Held at the District	600
Total Cash and Investments	<u>\$ 303,484,436</u>

Total District cash and investments at fair value are reported by the following activities:

Cash and Investments Summary:	
Total Governmental Activities	\$ 296,487,884
Total Business-type Activities	6,996,552
Total Cash and Investments	<u>\$ 303,484,436</u>

A) Investments

Investments are governed by the District's Investment Policy Statement, the California Government Code, the particular bond indenture, Board of Supervisors' Resolution, and the Fiscal Agent agreement.

State statutes and the District's Investment Policy Statement authorize the District to invest in the following investment categories:

- ◆ Obligations of the U.S. Treasury Notes
- ◆ Federal agencies
- ◆ A U.S. Government-sponsored enterprise
- ◆ The State of California
- ◆ Local government agencies
- ◆ Commercial paper rated A-1 by Standard & Poor's Corporation or P-1 by Moody's Commercial Paper Record
- ◆ Bankers' acceptances
- ◆ Repurchase agreements
- ◆ Reverse repurchase agreements
- ◆ Guaranteed investment contracts
- ◆ Bond anticipation notes
- ◆ Corporate bonds
- ◆ Negotiable certificates of deposits issued by national and State licensed banks, chartered banks, or Federal/State savings and loan associations.

Riverside County Flood Control and Water Conservation District
Notes to the Financial Statements
For the Year Ended June 30, 2021

2) CASH AND INVESTMENTS – Continued

Investments Authorized by Debt Agreements. Investments of debt proceeds held by bond trustee (Fiscal Agent) are governed by provisions of the debt agreements, rather than the general provisions of the California Government Code or the District's investment policy.

B) Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates that 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.

The County Treasurer manages exposure to declines in the market value of the Pooled Investment fund portfolio by maintaining a weighted average days to maturity (WAM) of less than 541 days or 1.5 years in accordance with the County Treasurer's Statement of Investment Policy. As of June 30, 2021, the WAM for the Pooled Investment fund portfolio was 1.15 years. Additionally, the County Treasurer maintains at least 40 percent of the portfolio's total value in securities having maturities of 1 year or less to provide sufficient liquidity to meet daily expenditure requirements. Investments held by Fiscal Agents have a maturity of 1 year or less.

As noted in the County Treasurer's Investment Fund Monthly Report for June 2021, the Pooled Investment fund was rated: Aaa-bf by Moody's Investor Service and AAAs/S1 by Fitch Ratings.

C) Custodial Credit Risk

For an investment, custodial credit risk is the risk that, in the event of failure of the counterparty, the District will not be able to recover the value of its investments or collateral securities that are in possession of an outside party. The California Government Code and the District's Investment Policy Statement do not contain legal or policy requirements that would limit the exposure to custodial credit risk for investments, other than the following provisions for 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. The fair value of the pledged securities in the collateral pool must equal at least 110

C) Custodial Credit Risk – Continued

percent of the total amount deposited by the public agencies. California law also allows financial institutions to secure deposits by pledging first trust deed mortgage notes having a value of 150 percent of the secured public deposits.

D) Credit Risk

The District's Investment Policy Statement sets forth the minimum acceptable credit ratings for investments from the following nationally recognized statistical rating organizations. For an issuer of short-term debt, the rating must be no less than A-1 (Standard & Poor's) and P-1 (Moody's). For an issuer of long-term debt, the rating must be no less than an "A". At June 30, 2021, the credit rating of the District's investments pursuant to the District's Investment Policy Statement was AA for Standard & Poor's.

E) Concentration of Credit Risk

As previously stated, the District's Investment Policy Statement is limited solely to the proceeds of bonds issued by the District and therefore does not address limitations with regards to pool funds. At June 30, 2021, there were no investments that constitute a concentration of credit risk.

Riverside County Flood Control and Water Conservation District
Notes to the Financial Statements
For the Year Ended June 30, 2021

3) INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

The amounts due to/from other funds as of June 30, 2021 are as follows:

Receivable Fund	Payable Fund	Amount
Zone 1	FC Capital Project Fund	\$ 31,663
Zone 2	FC Capital Project Fund	69,998
Zone 3	FC Capital Project Fund	7,501
Zone 4	FC Capital Project Fund	37,465
Zone 5	FC Capital Project Fund	16,054
Zone 6	FC Capital Project Fund	17,327
Zone 7	FC Capital Project Fund	22,180
FC Capital Project Fund	General Fund	202,188
Total Due To/From Other Funds		<u>\$ 404,376</u>

These interfund balances resulted from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made.

Transfers

Transfers are indicative of funding for capital projects, lease payments or debt service, subsidies of various District operations and re-allocations of special revenues. The following schedule briefly summarizes the District's transfer activity (in thousands):

Transfer From	Transfer To	Amount	Purpose
Operating or Debt Subsidy:			
Zone 1	General Fund	\$ 57,343	Funded Leave Balance
Zone 2	General Fund	67,097	Funded Leave Balance
Zone 3	General Fund	10,964	Funded Leave Balance
Zone 4	General Fund	80,314	Funded Leave Balance
Zone 5	General Fund	32,723	Funded Leave Balance
Zone 6	General Fund	29,809	Funded Leave Balance
Zone 7	General Fund	33,287	Funded Leave Balance
NPDES Whitewater	General Fund	4,752	Funded Leave Balance
NPDES Santa Ana	General Fund	16,972	Funded Leave Balance
NPDES Santa Margarita	General Fund	11,717	Funded Leave Balance
			Transfer of Cash to Purchase
NPDES Santa Ana	General Fund	\$ 5,518	Asset
			Transfer of Cash to Process
Zone 4	Other Governmental Funds	2,829,750	Debt Service Payment
Total Transfers		<u>\$ 3,180,246</u>	

The internal balances on the government-wide statement of net position are created by the allocation of internal service fund activity to business-type activities.

Riverside County Flood Control and Water Conservation District
Notes to the Financial Statements
For the Year Ended June 30, 2021

4) CAPITAL ASSETS

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

	Beginning Balance	Additions	Retirements	Transfers	Ending Balance
Governmental Activities:					
<i>Capital Assets, Nondepreciable:</i>					
Land and Easements	\$282,833,493	\$ 7,973,724	\$ -	\$ -	\$290,807,217
Construction in Progress	33,263,460	13,479,283	(2,402,675)	(3,194,851)	41,145,217
Total Capital Assets, Nondepreciable	<u>316,096,953</u>	<u>21,453,007</u>	<u>(2,402,675)</u>	<u>(3,194,851)</u>	<u>331,952,434</u>
<i>Capital Assets, Depreciable</i>					
Infrastructure	906,926,215	16,915,683	-	3,194,851	927,036,749
Land Improvements	110,479	-	-	-	110,479
Buildings and Improvements	14,361,609	1,036,544	-	-	15,398,153
Equipment	<u>17,877,505</u>	<u>3,284,860</u>	<u>(2,631,196)</u>	<u>-</u>	<u>18,531,169</u>
Total Capital Assets, Depreciable	<u>939,275,808</u>	<u>21,237,087</u>	<u>(2,631,196)</u>	<u>3,194,851</u>	<u>961,076,550</u>
Less Accumulated Depreciation for:					
Infrastructure	(193,767,671)	(12,808,522)	-	-	(206,576,193)
Land Improvements	(31,619)	(1,116)	-	-	(32,735)
Buildings and Improvements	(5,908,135)	(1,318,611)	-	-	(7,226,746)
Equipment	<u>(14,723,641)</u>	<u>(231,988)</u>	<u>1,612,031</u>	<u>-</u>	<u>(13,343,598)</u>
Total Accumulated Depreciation	<u>(214,431,066)</u>	<u>(14,360,237)</u>	<u>1,612,031</u>	<u>-</u>	<u>(227,179,272)</u>
Total Capital Assets, Depreciable, Net	<u>724,844,742</u>	<u>6,876,850</u>	<u>(1,019,165)</u>	<u>3,194,851</u>	<u>733,897,278</u>
Governmental Activities Capital Assets, Net	<u>\$1,040,941,695</u>	<u>\$28,329,857</u>	<u>\$ (3,421,840)</u>	<u>\$ -</u>	<u>\$1,065,849,712</u>
Business-type Activities:					
<i>Capital Assets, Depreciable</i>					
Equipment	\$ 618,463	\$ -	\$ (6,182)	\$ -	\$ 612,281
Total Capital Assets, Depreciable	<u>618,463</u>	<u>-</u>	<u>(6,182)</u>	<u>-</u>	<u>612,281</u>
Less Accumulated Depreciation for:					
Equipment	<u>(480,441)</u>	<u>(27,254)</u>	<u>6,182</u>	<u>-</u>	<u>(501,513)</u>
Total Accumulated Depreciation	<u>(480,441)</u>	<u>(27,254)</u>	<u>6,182</u>	<u>-</u>	<u>(501,513)</u>
Total Capital Assets, Depreciable, Net	<u>138,022</u>	<u>(27,254)</u>	<u>-</u>	<u>-</u>	<u>110,768</u>
Business-type Activities Capital Assets, Net	<u>\$ 138,022</u>	<u>\$ (27,254)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 110,768</u>

Riverside County Flood Control and Water Conservation District
Notes to the Financial Statements
For the Year Ended June 30, 2021

4) CAPITAL ASSETS - Continued

Internal Service Funds predominantly serve the governmental funds. Accordingly, their capital assets are included within governmental activities. Capital asset activity for Internal Service Funds for the year ended June 30, 2021 was as follows:

	Beginning Balance	Additions	Retirements	Ending Balance
<u>Internal Service Funds:</u>				
<i>Capital Assets, Depreciable</i>				
Buildings and Improvements	\$ 12,181	\$ -	\$ -	\$ 12,181
Equipment	15,629,530	3,213,425	(1,612,031)	17,230,924
Total Capital Assets, Depreciable	<u>15,641,711</u>	<u>3,213,425</u>	<u>(1,612,031)</u>	<u>17,243,105</u>
Less Accumulated Depreciation for:				
Buildings and Improvements	(7,187)	(244)	-	(7,431)
Equipment	(12,586,496)	(1,216,370)	1,612,031	(12,190,834)
Total Accumulated Depreciation	<u>(12,593,683)</u>	<u>(1,216,614)</u>	<u>1,612,031</u>	<u>(12,198,265)</u>
Internal Service Funds Capital Assets, Net	<u>\$ 3,048,028</u>	<u>\$ 1,996,811</u>	<u>\$ -</u>	<u>\$ 5,044,839</u>

Depreciation expense was charged to governmental functions as follows:

General Government	\$ 333,985
Public Ways and Facilities	12,809,638
Depreciation on capital assets held by the District's internal service funds is charged to the various functions based on their usage of the assets.	<u>1,216,614</u>
Total Depreciation Expense - Governmental Functions	<u>\$ 14,360,237</u>

Depreciation expense was charged to the business-type functions as follows:

Other Enterprise Funds	\$ 27,254
Total Depreciation Expense - Business-type Functions	<u>\$ 27,254</u>

Replacement of Capital Assets

In accordance with District rate methodology, a balance of resources has been accumulated in the proprietary fund financial statements for the replacement of District capital assets. As of June 30, 2021, the balance of resources amounted to \$2,000,000 and is reflected in Unrestricted Net Position.

Riverside County Flood Control and Water Conservation District
Notes to the Financial Statements
For the Year Ended June 30, 2021

5) LONG-TERM OBLIGATIONS

The following is a summary of long-term liability transactions for the year ended June 30, 2021:

	Beginning Balance	Additions	Retirements	Ending Balance	Amounts Due Within One Year
<u>Governmental activities:</u>					
Compensated Absences	\$ 3,464,191	\$ 899,519	\$ (572,409)	\$ 3,791,301	\$ 692,598
Promissory Note	12,530,000	-	(2,270,000)	10,260,000	2,380,000
Promissory Note Premium	1,211,644	-	(242,328)	969,316	-
Net OPEB Liability	678,319	2,132,366	(681,166)	2,129,519	-
Net Pension Liabilities	71,173,138	18,024,107	(20,542,511)	68,654,734	-
Total Governmental Activities - Long-term Liabilities	<u>\$ 89,057,292</u>	<u>\$ 21,055,982</u>	<u>\$ (24,308,414)</u>	<u>\$ 85,804,870</u>	<u>\$ 3,072,598</u>
<u>Business-type activities:</u>					
Compensated Absences	\$ 62,926	4,024	(7,911)	\$ 59,039	\$ 10,785
Net Pension Liabilities	2,348,552	265,227	(302,286)	2,311,493	-
Total Business-type Activities - Long-term Liabilities	<u>\$ 2,411,478</u>	<u>\$ 269,251</u>	<u>\$ (310,197)</u>	<u>\$ 2,370,532</u>	<u>\$ 10,785</u>

For the governmental activities, compensated absences, OPEB liability and net pension liabilities are generally liquidated by the general fund.

Promissory Notes

On June 25, 2015, the District issued the Zone 4 2015 Negotiable Promissory Notes to fund certain flood control facilities located in Zone 4 of the District, including but not limited to construction of the Romoland MDP Lina A, Stage 4 for Zone 4 and certain expenses incidental thereto. The principal and interest on the Notes are payable from the revenues and taxes of Zone 4 ("Zone 4 Revenues"). The Notes are further secured by a first lien and specific pledge of the Zone 4 Revenues as the Zone 4 Revenues are received, except that any Zone 4 Revenues not needed for debt services on the Notes in any fiscal year will be available to the District for any lawful purpose. The Notes are not subject to optional redemption prior to maturity.

The Promissory Notes were issued in aggregate principal amount of \$21,000,000 plus an original issue premium \$2,423,284. The Notes are to be repaid at an interest rate between 2.0% and 5.0%. As of June 30, 2021, the outstanding notes payable totaled \$10,260,000 and the unamortized premium amounted to \$969,316.

The annual debt service repayment schedule for the Zone 4 2015 Negotiable Promissory Notes as of June 30, 2021 is as follows:

Fiscal Year (June 30)	Principal	Interest	Total
2022	2,380,000	443,500	2,823,500
2023	2,500,000	321,500	2,821,500
2024	2,625,000	193,375	2,818,375
2025	2,755,000	63,875	2,818,875
Total	<u>\$ 10,260,000</u>	<u>\$ 1,022,250</u>	<u>\$ 11,282,250</u>

Riverside County Flood Control and Water Conservation District
Notes to the Financial Statements
For the Year Ended June 30, 2021

6) SELF-INSURANCE PROGRAM

The District participates in the County's self-insurance program. The County is self-insured for public liability, property damage, long-term and short-term disability, medical malpractice, unemployment and workers' compensation. The County records estimated liabilities for such claims filed or estimated to be filed for incidents that have occurred. The County supplements its self-insurance for long-term disability and workers' compensation with insurance policies. The insurance carrier pays all long-term disability payments exceeding the first two years of coverage.

The maximum coverage under the workers' compensation policy is \$500,000 per claim, and there is no deductible. The County allocates an annual premium to the District based on current payroll costs and an experience modification. The annual premium to the District in fiscal year 2021 was \$532,223.

In the past three fiscal years, the District has not experienced settlements or judgements that exceeded the self-insured coverage.

7) RETIREMENT PLAN

A) Plan Description

The District contributes to the California Public Employees Retirement System (CalPERS), an agent multiple-employer public employee defined benefit pension plan. CalPERS acts as a common investment and administrative agent for participating public entities within the State of California. State statutes within the Public Employees' Retirement Law establish a menu of benefit provisions as well as other requirements. The District selects optional benefit provisions from the benefit menu by contract with CalPERS and adopts those benefits through local ordinance. CalPERS issues a separate comprehensive annual financial report. However, a report for the District's plan within CalPERS is not available.

Copies of the CalPERS' annual financial report may be obtained from the CalPERS Executive Office - 400P Street, Sacramento, CA 95814 or an electronic version may be obtained at CalPERS' website under Forms and Publications.

B) Benefits Provided

CalPERS provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. At service retirement, a monthly allowance equal to the product of the benefit factor, years of service, and final compensation is paid to the retiree in the form of an annuity. A classic CalPERS member, an employee hired prior to January 1, 2013 becomes eligible for service retirement upon attainment of age 50 with at least 5 years of credited service with a benefit formula of 3% at 60. A classic CalPERS member, hired on or after August 23, 2012 has a modified retirement formula of 2% at 60. A PEPRA member, an employee hired after January 1, 2013, will be eligible for service retirement at age 55 with at least 5 years of service with a benefit formula of 2% at 62.

C) Contribution Description

Section 20814(c) of the California Public Employees' Retirement Law (PERL) 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. The total plan contributions are determined through CalPERS' annual actuarial valuation process. 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

Riverside County Flood Control and Water Conservation District
Notes to the Financial Statements
For the Year Ended June 30, 2021

7) RETIREMENT PLAN – Continued

C) Contribution Description – Continued

unfunded accrued liability. The District is required to contribute the difference between the actuarially determined rate and the contribution rate of employees.

For the fiscal year ended June 30, 2021 the average active employee contribution rate is 7.441 percent of annual covered salary and the District's contribution rate is 11.207 percent of annual payroll. The District made contributions to CalPERS of \$19,468,310 for the fiscal year ended June 30, 2021. Included in this contribution was the District's required contribution of \$6,890,672 and an additional contribution towards the District's unfunded liability of \$12,577,638.

D) Net Pension Liability

The District's net pension liability was measured as of June 30, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2019 with a roll-forward adjustment to June 30, 2020.

E) Actuarial Assumptions

For the measurement period ended June 30, 2020 (the measurement date), the total pension liability was determined by rolling forward the June 30, 2019 total pension liability. The June 30, 2020 total pension liabilities were based on the following actuarial methods and assumptions:

Actuarial Cost Method	Entry age normal
Actuarial Assumptions	
Discount Rate	7.15%
Inflation	2.50%
Salary Increases	Varies by Entry Age and Service
Investment Rate of Return	7.15% Net of Pension Plan Investment and Administrative Expenses; includes Inflation
Payroll Growth	2.875%
Mortality Rates	The probabilities of mortality are based on the 2017 CalPERS Experience Study for the period from 1997 to 2015. Pre-retirement and Post-retirement mortality rates include 15 years of projected mortality improvement using 90% of Scale MP-2016 published by the Society of Actuaries.
Post Retirement Benefit Increase	The lesser of contract COLA or 2.50% until Purchasing Power Protection Allowance Floor on Purchasing Power applies, 2.50% thereafter

F) Change of Assumptions

Demographic assumptions and inflation rate were changed in accordance to the CalPERS Experience Study and Review of Actuarial Assumptions December 2017. There were no changes in the discount rate.

G) Discount Rate

The discount rate used to measure the total pension liability was 7.15% percent. To determine whether the municipal bond rate should be used in the calculation of a discount rate for each plan, CalPERS stress tested plans that would most likely result in a discount rate that would be different from the actuarially assumed discount rate. Based on the testing, none of the tested plans run out of assets. Therefore, the current 7.15% percent discount rate is appropriate, and the use of the municipal bond rate calculation is not necessary. The

Riverside County Flood Control and Water Conservation District
Notes to the Financial Statements
For the Year Ended June 30, 2021

7) RETIREMENT PLAN – Continued

G) Discount Rate – Continued

long-term expected discount rate of 7.15% percent is applied to all plans in the Public Employees Retirement Fund.

The stress test results are presented in a detailed report called “GASB Crossover Testing Report” that can be obtained at CalPERS’ website under the GASB 68 section.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of 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 cash flows. Such cash flows were developed assuming that both members and employers will make their required contributions on time and as scheduled in all future years. Using historical returns of all the funds’ asset classes, expected compound (geometric) returns were calculated over the short-term (first 10 years) and the long-term (11-60 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 fund. The expected rate of return was set by calculating the 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 equivalent to the single equivalent rate calculated above and rounded down to the nearest one quarter of one percent.

The table below reflects long-term expected real rate 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.

Asset Class	New Strategic Allocation	Real Return Years 1-10	Real Return Years 11+
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%)

Riverside County Flood Control and Water Conservation District
Notes to the Financial Statements
For the Year Ended June 30, 2021

7) RETIREMENT PLAN - Continued

H) Net Pension Liability

The changes in the Net Pension Liability are as follows:

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability/(Asset)
<u>Balance at Valuation Date of 7/1/2019:</u>	\$ 209,823,972	\$ 136,302,282	\$ 73,521,690
<i>Changes During the Measurement Period:</i>			
Service Cost	3,019,876	-	3,019,876
Interest on the Total Pension Liability	14,738,030	-	14,738,030
Changes of Assumptions	-	-	-
Differences between Expected and Actual Experience	339,275	-	339,275
Net Plan to Plan Resource Movement	-	-	-
Contributions from the Employer	-	12,731,388	(12,731,388)
Contributions from the Employee	-	1,306,590	(1,306,590)
Net Investment Income	-	6,806,819	(6,806,819)
Benefit Payments	(11,093,800)	(11,093,800)	-
Administrative Expense	-	(192,153)	192,153
Other Miscellaneous Income/(Expense)	-	-	-
Net Changes	7,003,381	9,558,844	(2,555,463)
<u>Balance at Measurement Date of 6/30/2020:</u>	<u>\$ 216,827,353</u>	<u>\$ 145,861,126</u>	<u>\$ 70,966,227</u>

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

The following presents the net pension liability of the Plan as of the measurement date, calculated using the discount rate of 7.15 percent, as well as what the net pension liability would be if it were calculated using a discount rate that is 1 percentage-point lower (6.15 percent) or 1 percent-point higher (8.15 percent) than the current rate:

	Discount Rate – 1% (6.15 %)	Discount Rate (7.15 %)	Discount Rate + 1% (8.15 %)
Plan's Net Pension Liability/ (Asset)	\$ 99,450,399	\$ 70,966,227	\$ 47,431,651

I) Pension Plan Fiduciary Net Position

Detailed information about the CalPERS pension plan Fiduciary Net Position is available in a separately issued financial report. That report may be obtained at CalPERS' website under Forms and Publications.

Riverside County Flood Control and Water Conservation District
Notes to the Financial Statements
For the Year Ended June 30, 2021

7) RETIREMENT PLAN - Continued

J) Pension Expense and Deferred Outflows and Deferred Inflows of Resources Related to Pensions

For the year ended June 30, 2021, the District recognized pension expense of \$10,780,388. At June 30, 2021, the District reported deferred inflows of resources of related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension Contributions Subsequent to Measurement Date	\$19,468,310	\$ -
Changes of Assumptions		(211,583)
Differences between Expected and Actual Experience	1,454,656	(185,990)
Net Difference between Projected and Actual Earnings on Pension Plan Investments	1,168,538	-
Total	\$ 22,091,504	\$ (397,573)

\$19,468,310 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction to the net pension liability in the fiscal year ending June 30, 2022. Other amounts reported as deferred outflows and inflows of resources related to pension will be recognized in future pension expense as follows:

Measurement Period Ended June 30:	Deferred Outflows/(Inflows) of Resources
2021	(143,508)
2022	972,195
2023	791,313
2024	605,621
2025	-
Thereafter	-
	<u>\$ 2,225,621</u>

K) Recognition of Gains and Losses

Under GASB 68, gains and losses related to changes in total pension liability and fiduciary net position are recognized in pension expense systematically over time.

The first amortized amounts are recognized in pension expense for the year the gain or loss occurs. The remaining amounts are categorized as deferred outflows and deferred inflows of resources related to pensions and are to be recognized in future pension expense.

The amortization period differs depending on the source of the gain or loss:

Difference between projected and actual earnings	5 year straight-line amortization
All other amounts	Straight-line amortization over the average expected remaining service lives of all members that are provided with benefits (active, inactive and retired) as of the beginning of the measurement period

Riverside County Flood Control and Water Conservation District
Notes to the Financial Statements
For the Year Ended June 30, 2021

7) RETIREMENT PLAN – Continued

K) Recognition of Gains and Losses – Continued

The expected average remaining service lifetime (EARS�) is calculated by dividing the total future service years by the total number of plan participants (active, inactive, and retired).

The EARS� for the Plan for the June 30, 2020 measurement period is 3.6 years, which was obtained by dividing the total service years of 2,256 (the sum of remaining service lifetimes of the active employees) by 634 (the total number of participants: active, inactive, and retired).

L) Employees Covered

At June 30, 2019, the following employees were covered by the CalPERS Plan:

Active employees	211
Inactive employees or beneficiaries currently receiving benefits	276
Inactive employees entitled to, but not yet receiving benefits	147
Total	<u>634</u>

8) POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS

A) Plan Description

The District participates in the County’s program that provides retiree medical benefits for eligible retirees enrolled in County-sponsored and administered retiree medical plans. The postemployment benefit plan is an agent multiple employer defined benefit post-employment healthcare plan (OPEB Plan). Benefit provisions are established and amended through negotiations between the County and the respective unions. All employees who retire from active employment after age 50 with 5 years of District service (and are immediately eligible for CalPERS pension benefits) are eligible to participate. Former employees eligible for CalPERS pension benefits but who are not eligible for retirement at termination of employment are not eligible for retiree health benefits. As of June 30, 2021, 71 District employees meet the age eligibility requirements, 60 of which will be covered upon retirement while the remaining 11 will qualify upon reaching 5 years of service. Another 91 employees have sufficient time in service to qualify for these benefits upon retirement after age 50.

The District provides retirees access to the same medical coverage as active participants. Prior to age 65, the retiree premiums are the same as active premiums and are developed by blending active and retiree costs. This benefit ceased on January 1, 2011. Currently, all retirees are required to pay “retiree only” (i.e. unblended) premium rates. Participants who retired prior to January 1, 2009 were eligible for this benefit. After age 65, retiree premiums are based exclusively on retiree costs.

The District has established a qualified Internal Revenue Code Section 115 trust with the California Employers’ Retiree Trust (CERBT) to administer the assets of retiree medical plan benefits for District employees. The CERBT issues a publicly available financial report that includes financial statements and required supplementary information related to the established trust. The report may be obtained from CalPERS Employer Services Division, P.O. Box 942709, Sacramento, CA 94229-2709.

Riverside County Flood Control and Water Conservation District
Notes to the Financial Statements
For the Year Ended June 30, 2021

8) POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS – Continued

B) Employees Covered

As of the June 30, 2020 actuarial valuation, the following current and former employees were covered by the benefit terms under the OPEB Plan:

Active employees	225
Inactive employees or beneficiaries currently receiving benefits	50
Inactive employees entitled to, but not yet receiving benefits	-
Total	<u>275</u>

C) Contributions

The District contributes a portion of an eligible retiree's medical plan premium under a County sponsored health plan (either at retirement or during a subsequent annual enrollment) for the retiree's lifetime. The current monthly amount paid by the District ranges from \$25 - \$256, depending on the retiree's bargaining unit at retirement. These amounts do not increase in future years to account for inflation.

This year the District provided the SEIU bargaining group access to CalPERS health plans, which have higher costs and participation rates that result in an increase in liability. There is a liability of \$2,129,519 to the District for providing these benefits.

The District made a pre-funding contribution of \$2,000,000 to the Plan prior to June 30, 2021 in recognition of the increase in the Actuarial Accrued Liability.

D) Net OPEB Liability

The District's net OPEB liability was measured as of June 30, 2020 and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation dated June 30, 2020 based on the following actuarial methods and assumptions:

Actuarial Valuation Date	July 1, 2020
Actuarial Cost Method	Entry Age Normal with Amortization of 7/1/2017 unfunded liability over a period ending 6/30/2037 and amortization of subsequent unanticipated changes in unfunded liability over 15-year periods and any asset gain/loss over 5-year periods.
Asset Valuation Method	Market Value
Discount Rate	6.45%
Investment Rate of Return	6.45%, net of OPEB plan investment expense, including inflation
Projected Salary Increases	2.75%
Retirement Age	Retirement rates developed in the 2017 CalPERS Experience Study
Healthcare Cost Trend Rate	The Healthcare Cost Trend Rate is not applicable because the total cost of health benefits is not valued. Only the monthly benefit provided is valued using the assumption that no future increase will be granted to the amount.
Mortality	Pub-2010 Headcount-Weighted Public Retirement Plans Mortality Tables using scale MP-2020
Inflation Rate	2.50%

Riverside County Flood Control and Water Conservation District
Notes to the Financial Statements
For the Year Ended June 30, 2021

8) POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS - Continued

D) Net OPEB Liability - Continued

The long-term expected rate of return on OPEB plan investments was determined using a building block method in which expected future real rates of return (expected returns, net of OPEB plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Target Range
Global Equity	59%	± 5%
Global Fixed Income	25%	± 5%
Treasury Inflation-Protected Securities (TIPS)	5%	± 3%
Real Estate Investment Trusts (REITs)	8%	± 5%
Commodities	3%	± 3%

E) Discount Rate

The discount rate used to measure the total OPEB liability was 6.45%. The projection of cash flows used to determine the discount rate assumed that the District's contributions will be made at rates equal to the actuarially determined contribution rates. Based on those assumptions, the OPEB plan's fiduciary net position was projected to be available to make all projected OPEB payments for current active and inactive employees and beneficiaries. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

F) Changes in the OPEB Liability

The changes in the net OPEB liability are as follows:

	Increase (Decrease)		
	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability/(Asset)
<u>Balance at 06/30/2019:</u>	\$ 1,251,235	\$ 572,916	\$ 678,319
<i>Changes During the Measurement Period:</i>			
Service Cost	20,416	-	20,416
Interest on the Total OPEB Liability	77,005	-	77,005
Changes of Benefit Terms	-	-	-
Difference Between Expected and Actual Experience	123,548	-	123,548
Changes of Assumptions	1,911,061	-	1,911,061
Benefits Payments	(68,284)	(68,284)	-
Contributions From the Employer	-	618,284	(618,284)
Net Investment Income	-	62,882	(62,882)
Administrative Expense	-	(336)	336
Net Changes	\$2,063,746	\$612,546	\$1,451,200
<u>Balance at Measurement Date of 6/30/2020:</u>	<u>\$3,314,981</u>	<u>\$1,185,462</u>	<u>\$2,129,519</u>

Riverside County Flood Control and Water Conservation District
Notes to the Financial Statements
For the Year Ended June 30, 2021

8) POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS - Continued

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

The following table illustrates the impact of interest rate sensitivity on the Net OPEB Liability for the measurement period ended June 30, 2021:

	Discount Rate – 1% (5.45%)	Discount Rate (6.45 %)	Discount Rate + 1% (7.45 %)
Net OPEB Liability/ (Asset)	\$2,644,565	\$2,129,519	\$1,714,760

The following table illustrates the impact of healthcare cost trend sensitivity on the Net OPEB Liability for the measurement period ended June 30, 2021:

	Trend Rate – 1%	Trend Rate	Trend Rate + 1%
Net OPEB Liability/ (Asset)	\$1,670,897	\$2,129,519	\$2,712,451

Annual Medical Inflation (“Trend”) – All District contributions are assumed to remain at the current level.

H) OPEB Plan Fiduciary Net Position

CalPERS issues a publicly available financial report that may be obtained from the from the CalPERS Executive Office - 400P Street, Sacramento, CA 95814 or an electronic version may be obtained at CalPERS’ website under Forms and Publications.

I) Recognition of Deferred Outflows and Deferred Inflows of Resources

For the year ended June 30, 2021, the District recognized OPEB expense of \$ 345,117. At June 30, 2021, the District reported deferred inflows of resources of related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Actual and Expected Experience	\$ 158,034	\$ -
Net Difference Between Expected and Actual Earnings on OPEB Plan Investments	-	16,953
Assumption Changes	2,259,038	1,258
Contributions Made Subsequent to Measurement Date	2,087,651	-
Total	\$4,504,723	\$ 18,211

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

Measurement Period Ended June 30:	Deferred Outflows/(Inflows) of Resources
2022	288,532
2023	286,592
2024	285,146
2025	286,621
2026	289,498
Thereafter	962,472
	<u>\$ 2,398,861</u>

Riverside County Flood Control and Water Conservation District
Notes to the Financial Statements
For the Year Ended June 30, 2021

9) CONTINGENCIES AND COMMITMENTS

Lawsuits and Other Claims

The District is named in various legal actions. Management believes that the ultimate resolution of these actions will not have a significant effect on the District's financial position, results or operations. The estimated amount of remaining construction contract obligations at year-end is \$520,450.

10) UNRESTRICTED NET POSITION DEFICIT

GASB 68, *Accounting and Financial Reporting for Pensions – An Amendment of GASB Statement No. 27*, requires the reporting of the District's unfunded pension liability resulting in the government-wide financial statements reporting a deficit unrestricted net position of \$40,167,002 for the year ended June 30, 2021.

REQUIRED SUPPLEMENTARY INFORMATION



Romoland Line A-3 (Hwy 74 Crossing)

CONTENTS

- ♦ *Schedule of Changes in the Net Pension Liability and Related Ratios, Schedule of Plan Contributions of Retirement Program, and Schedule of Funding Progress of OPEB*
- ♦ *Notes to the Required Supplementary Information*
- ♦ *Budgetary Comparison Schedules:*
 - ⇒ *General Fund*
 - ⇒ *Special Revenue Funds*

Riverside County Flood Control and Water Conservation District
Schedule of Required Supplementary Information
For the Year Ended June 30, 2021

*Schedule of Changes in Net Pension Liability and Related Ratios
During the Measurement Period – Retirement Program*

Measurement Period¹	2020	2019
TOTAL PENSION LIABILITY		
Service Cost	\$ 3,019,876	\$ 3,114,469
Interest on Total Pension Liability	14,738,030	14,237,382
Changes of Assumptions ²	-	-
Difference Between Expected and Actual Experience	339,275	2,632,712
Benefit Payments, Including Refunds of Employee Contributions	(11,093,800)	(10,189,735)
Net Change in Total Pension Liability	\$ 7,003,381	\$ 9,794,828
Total Pension Liability – Beginning	209,823,972	200,029,144
Total Pension Liability – Ending (a)	\$ 216,827,353	\$ 209,823,972
PLAN FIDUCIARY NET POSITION		
Contributions – Employer	\$ 12,731,388	\$ 5,019,882
Contributions – Employee	1,306,590	1,240,294
Net Investment Income	6,806,819	8,617,060
Benefit Payments, Including Refunds of Employee Contributions	(11,093,800)	(10,189,735)
Net Plan to Plan Resource Movement	-	-
Administrative Expense	(192,153)	(93,990)
Other Miscellaneous Income/(Expense)	-	307
Net Change in Fiduciary Net Position	\$ 9,558,844	\$ 4,593,818
Plan Fiduciary Net Position – Beginning	\$ 136,302,282	\$ 131,708,464
Plan Fiduciary Net Position – Ending (b)	145,861,126	136,302,282
Plan Net Pension Liability – Ending (a) - (b)	\$ 70,966,227	\$ 73,521,690
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	67.27%	64.96%
Covered Payroll	\$ 16,889,688	\$ 17,304,528
Plan Net Pension Liability - as a Percentage of Covered Payroll	420.17%	424.87%

Schedule of Plan Contributions – Retirement Program

Fiscal Year End¹	2021	2020	2019
Actuarially Determined Contribution	\$ 4,797,527	\$ 6,014,981	\$ 5,019,882
Contributions in Relation to the Actuarially Determined Contribution	(14,670,783)	(12,731,388)	(5,019,882)
Contribution Deficiency / (Excess)	\$ (9,873,256)	\$ (6,716,407)	\$ -
Covered Payroll ³	\$ 17,354,154	\$ 16,889,688	\$ 17,304,528
Contributions as a Percentage of Covered Payroll	27.64%	35.61%	29.01%

¹ Historical information is presented only for measurement periods for which GASB Statement No. 68 is available. This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, the information will be presented for those years for which GASB 68 is applicable.

² In 2020, the accounting discount rate remained at 7.15 percent. In 2017, the accounting discount rate reduced from 7.65 percent to 7.15 percent. In 2016, there were no changes. In 2015, the amounts reported reflect an adjustment of the discount rate from 7.5 percent (net of administrative expense) to 7.65 percent. In 2014, amounts reported were based on the 7.5 percent discount rate.

³ Includes one year's payroll growth using 2.75 percent payroll growth assumption for fiscal years ended June 30, 2018-20; 3.00 percent payroll assumption for fiscal years ended June 30, 2014-17.

2018	2017	2016	2015	2014
\$ 3,238,686	\$ 3,195,682	\$ 2,736,183	\$ 2,605,929	\$ 2,658,904
13,567,811	13,181,756	12,355,012	11,562,462	10,888,518
(1,005,026)	11,057,277	-	1,641,380	-
(883,457)	4,317,304	3,136,481	(2,831,312)	-
(9,835,189)	(8,387,021)	(7,290,390)	(6,729,370)	(6,006,531)
\$ 5,082,825	\$ 23,364,998	\$ 10,937,286	\$ 6,249,089	\$ 7,540,891
194,946,319	171,581,321	160,644,035	154,394,946	146,854,055
\$ 200,029,144	\$ 194,946,319	\$ 171,581,321	\$ 160,644,035	\$ 154,394,946

\$ 4,252,929	\$ 3,898,709	\$ 3,444,770	\$ 2,917,761	\$ 2,792,524
1,269,147	1,343,302	1,355,866	1,276,885	1,393,782
10,585,972	12,841,732	665,782	2,659,895	17,670,115
(9,835,189)	(8,387,021)	(7,290,390)	(6,729,370)	(6,006,531)
(307)	828	-	-	-
(196,351)	(171,974)	(72,144)	(133,244)	-
(372,873)	-	-	-	-
\$ 5,703,328	\$ 9,525,576	\$ (1,896,116)	\$ (8,073)	\$ 15,849,890
\$ 126,005,136	\$ 116,479,560	\$ 118,375,676	\$ 118,383,749	\$ 102,533,859
131,708,464	126,005,136	116,479,560	118,375,676	118,383,749
\$ 68,320,680	\$ 68,941,183	\$ 55,101,761	\$ 42,268,359	\$ 36,011,197

65.84%	64.64%	67.89%	73.69%	76.68%
\$ 17,580,534	\$ 17,427,507	\$ 16,643,449	\$ 15,837,660	\$ 15,385,395
388.62%	395.59%	331.07%	266.89%	234.06%

2018	2017	2016	2015
\$ 4,252,929	\$ 3,898,709	\$ 3,444,770	\$ 2,917,761
(4,252,929)	(3,898,709)	(3,444,770)	(2,917,761)
\$ -	\$ -	\$ -	\$ -
\$ 17,580,534	\$ 17,427,507	\$ 16,643,449	\$ 15,837,660
24.19%	22.37%	20.70%	18.42%

Riverside County Flood Control and Water Conservation District
Schedule of Required Supplementary Information
For the Year Ended June 30, 2021

Schedule of Changes in Net OPEB Liability and Related Ratios

Measurement Period	2021	2020
TOTAL OPEB LIABILITY		
Service Cost	\$ 20,416	\$ 3,463
Interest on Total OPEB Liability	77,005	31,789
Difference Between Expected and Actual Experience	123,548	36,986
Changes of Assumptions	1,911,061	682,857
Benefit Payments, Including Refunds of Employee Contributions	(68,284)	(39,081)
Net Change in Total OPEB Liability	\$ 2,063,746	\$ 716,014
Total OPEB Liability – Beginning	1,251,235	535,221
Total OPEB Liability – Ending (a)	\$ 3,314,981	\$ 1,251,235
PLAN FIDUCIARY NET POSITION		
Contributions – Employer	\$ 618,284	\$ -
Contributions – Employee	-	-
Net Investment Income	62,882	41,133
Benefit Payments, Including Refunds of Employee Contributions	(68,284)	(39,081)
Administrative Expense	(336)	(283)
Net Change in Fiduciary Net Position	\$ 612,546	\$ 1,769
Plan Fiduciary Net Position – Beginning	\$ 572,916	\$ 571,147
Plan Fiduciary Net Position – Ending (b)	1,185,462	572,916
Plan Net OPEB Liability/(Asset) – Ending (a) - (b)	\$ 2,129,519	\$ 678,319
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	35.76%	45.79%
Covered Employee Payroll	\$ 18,075,824	\$ 16,955,926
Net OPEB Liability/(Asset) as a Percentage of Covered Employee Payroll	11.78%	4.00%

Notes to Schedule:

Historical information is presented only for measurement periods for which GASB Statement No. 75 is available. This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, the information will be presented for those years for which GASB 75 is applicable.

Changes in assumptions: Mortality assumptions were revised to reflect newly released Society of Actuaries future improvement scale, MP-2020.

2019	2018
\$ 3,739	\$ 4,411
30,744	29,781
12,732	19,020
7,824	(2,438)
(36,327)	(32,456)
\$ 18,712	\$ 18,318
516,509	498,191
\$ 535,221	\$ 516,509
\$ 36,327	\$ -
-	-
26,130	23,248
(36,327)	(32,456)
(278)	(277)
\$ 25,852	\$ (9,485)
\$ 545,295	\$ 554,780
571,147	545,295
\$ (35,926)	\$ (28,786)
106.71%	105.57%
\$ 17,353,758	\$ 17,544,635
(0.21%)	(0.16%)

Riverside County Flood Control and Water Conservation District
Schedule of Required Supplementary Information
For the Year Ended June 30, 2021

Schedule of OPEB Plan Contributions

Fiscal Year End	2021	2020	2019
Actuarially Determined Contribution	\$ 87,651	\$ -	\$ -
Contributions in Relation to the Actuarially Determined Contribution	(2,000,000)	618,284	-
Contribution Deficiency / (Excess)	<u>\$ (1,912,349)</u>	<u>\$ 618,284</u>	<u>\$ -</u>
Covered Employee Payroll	\$ 18,572,909	\$ 18,075,824	\$ 16,955,926
Contributions as a Percentage of Covered Employee Payroll	10.77%	(3.42%)	0.00%

Notes to Schedule:

Historical information is presented only for measurement periods for which GASB Statement No. 75 is available. This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, the information will be presented for those years for which GASB 75 is applicable.

Valuation Date: Actuarially determined contribution rates are calculated as of June 30, one year prior to the end of the fiscal year in which contributions are reported.

Covered Employee Payroll: The Covered Employee Payroll for 2021 is calculated on the 2020 Covered Employee Payroll multiplied by the Salary Increases factor of 2.75% stated below in the methods and assumptions used to determine contributions note.

Methods and assumptions used to determine contributions:

Actuarial Cost Method	Entry Age Normal with period amortization of 7/1/2017 unfunded liability over a period ending 6/30/2037 and amortization of subsequent unanticipated changes in unfunded liability over a 15-year periods and any asset gain/loss over 5-year periods.
Asset Valuation Method	Fair Value
Salary Increases	2.75%
Investment Rate of Return	6.45%, net of OPEB plan investment expense, including inflation.
Retirement Age	Retirement rates developed in the 2017 CalPERS Experience Study
Mortality	Pub-2010 Headcount-Weighted Public Retirement Plans Mortality Tables using Scale MP-2020

2018	2017
\$ -	\$ -
(36,327)	-
\$ (36,327)	\$ -
\$ 17,353,758	\$ 17,544,635
0.21%	0.00%

Riverside County Flood Control and Water Conservation District

Notes to Required Supplemental Information

BUDGETARY COMPARISON SCHEDULES

In accordance with the provisions of the State of California, County Budget Act, Government Code Sections 29000-29144 and Section 30200, the District prepares and adopts a budget under the supervision and control of the Riverside County, Board of Supervisors (the Board) on or before August 30 for each fiscal year. Budgets are adopted for the General fund and Special Revenue funds and are prepared on the modified accrual basis of accounting in conformity with generally accepted accounting principles.

As adopted by the Board, the District controls expenditures at the class or appropriation level within each category presented on the financial statements as follows:

- General Government
- Public Ways and Facilities
- Capital outlay
- Debt service payments for principal and interest
- Transfers

Encumbrances are commitments related to contracts executed for goods or services. Encumbrances are recorded for budgetary control and accountability purposes in the General and Special Revenue funds. Any outstanding encumbrances at year-end represent the estimated amount of expenditures that may result if the contracts in progress at year-end are completed. If the District has recorded these outstanding contracts in the next fiscal year's budget then encumbrances are not recorded. The unencumbered balances (appropriations less expenditures and encumbrances) lapse at year-end.

Any deficiency of budgeted revenues and other financing sources compared to expenditures and other financing uses is financed by beginning available fund balances as provided for in the State of California, County Budget Act.

Riverside County Flood Control and Water Conservation District
Notes to Required Supplemental Information

The *General Fund* is available for any authorized purpose and is used to account for all financial resources except for those accounted for in other funds.

Riverside County Flood Control and Water Conservation District
Budgetary Comparison Schedule - General Fund
For the Year Ended June 30, 2021

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget Positive (Negative)
REVENUES				
Property Taxes	\$ 4,334,344	\$ 4,334,344	\$ 4,594,054	\$ 259,710
Redevelopment Pass-through	778,332	778,332	1,273,586	495,254
Intergovernmental	38,549	38,549	119,530	80,981
Charges for Services	1,209,463	1,209,463	855,616	(353,847)
Charges for Administrative Services	9,000	9,000	-	(9,000)
Investment Earnings	142,512	142,512	1,402	(141,110)
Total Revenues	6,512,200	6,512,200	6,844,188	331,988
EXPENDITURES				
General Government	15,458,755	15,452,755	7,468,806	7,983,949
Capital Outlay	84,113	90,113	88,919	1,194
Total Expenditures	15,542,868	15,542,868	7,557,725	7,985,143
Excess (Deficiency) of Revenues Over (Under) Expenditures	(9,030,668)	(9,030,668)	(713,537)	8,317,131
OTHER FINANCING SOURCES (USES)				
Transfers In	700,000	700,000	350,496	(349,504)
Transfers Out	(2,000)	(2,000)	-	2,000
Total Other Financing Sources (Uses)	698,000	698,000	350,496	(347,504)
Net Change in Fund Balance	(8,332,668)	(8,332,668)	(363,041)	7,969,627
Fund Balance, Beginning of Year	5,554,031	5,554,031	5,554,031	-
Fund Balance, End of Year	\$ (2,778,637)	\$ (2,778,637)	\$ 5,190,990	\$ 7,969,627

Riverside County Flood Control and Water Conservation District Special Revenue Funds

Zone 1: This special revenue fund represents District Zone 1. This fund was established to account for revenues and expenditures related to providing flood control in this geographical zone. Ad valorem property taxes, developer fees, local cooperative agreements and Federal monies primarily finance this fund.

Zone 2: This special revenue fund represents District Zone 2. This fund was established to account for revenues and expenditures related to providing flood control in this geographical zone. Ad valorem property taxes, developer fees, local cooperative agreements and Federal monies primarily finance this fund.

Zone 3: This special revenue fund represents District Zone 3. This fund was established to account for revenues and expenditures related to providing flood control in this geographical zone. Ad valorem property taxes, developer fees, local cooperative agreements and Federal monies primarily finance this fund.

Zone 4: This special revenue fund represents District Zone 4. This fund was established to account for revenues and expenditures related to providing flood control in this geographical zone. Ad valorem property taxes, developer fees, local cooperative agreements and Federal monies primarily finance this fund.

Zone 5: This special revenue fund represents District Zone 5. This fund was established to account for revenues and expenditures related to providing flood control in this geographical zone. Ad valorem property taxes, developer fees, local cooperative agreements and Federal monies primarily finance this fund.

Zone 6: This special revenue fund represents District Zone 6. This fund was established to account for revenues and expenditures related to providing flood control in this geographical zone. Ad valorem property taxes, developer fees, local cooperative agreements and Federal monies primarily finance this fund.

Zone 7: This special revenue fund represents District Zone 7. This fund was established to account for revenues and expenditures related to providing flood control in this geographical zone. Ad valorem property taxes, developer fees, local cooperative agreements and Federal monies primarily finance this fund.

NPDES – Whitewater: This special revenue fund was established to account for revenue and expenditures related to the National Pollutant Discharge Elimination System (NPDES) in the Whitewater assessment area. A benefit assessment area primarily finances this fund.

NPDES – Santa Ana: This special revenue fund was established to account for revenue and expenditures related to the National Pollutant Discharge Elimination System (NPDES) in the Santa Ana assessment area. A benefit assessment area primarily finances this fund.

NPDES – Santa Margarita: This special revenue fund was established to account for revenue and expenditures related to the National Pollutant Discharge Elimination System (NPDES) in the Santa Margarita assessment area. A benefit assessment area primarily finances this fund.

Riverside County Flood Control and Water Conservation District
Budgetary Comparison Schedule
Special Revenue Fund - Zone 1
For the Year Ended June 30, 2021

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
REVENUES				
Property Taxes	\$ 9,267,284	\$ 9,267,284	\$ 9,546,745	\$ 279,461
Redevelopment Pass-through	3,221,618	3,221,618	5,491,803	2,270,185
Intergovernmental	81,932	81,932	82,885	953
Charges for Services	-	-	91,623	91,623
Area Drainage Fees	5,000	5,000	7,354	2,354
Investment Earnings	382,615	382,615	21,068	(361,547)
Use of Assets	155,000	155,000	126,109	(28,891)
Total Revenues	13,113,449	13,113,449	15,367,587	2,254,138
EXPENDITURES				
Public Ways and Facilities	22,373,902	22,493,902	19,109,200	3,384,702
Capital Outlay	2,217,038	2,097,038	-	2,097,038
Total Expenditures	24,590,940	24,590,940	19,109,200	5,481,740
Excess (Deficiency) of Revenues Over (Under) Expenditures	(11,477,491)	(11,477,491)	(3,741,613)	7,735,878
OTHER FINANCING (USES)				
Transfers Out	(1,491,834)	(1,491,834)	(57,343)	1,434,491
Total Other Financing (Uses)	(1,491,834)	(1,491,834)	(57,343)	1,434,491
Net Change in Fund Balance	(12,969,325)	(12,969,325)	(3,798,956)	9,170,369
Fund Balance, Beginning of Year	45,753,019	45,753,019	45,753,019	-
Fund Balance, End of Year	\$ 32,783,694	\$ 32,783,694	\$ 41,954,063	\$ 9,170,369

Riverside County Flood Control and Water Conservation District
Budgetary Comparison Schedule
Special Revenue Fund - Zone 2
For the Year Ended June 30, 2021

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
REVENUES				
Property Taxes	\$ 15,812,556	\$ 15,812,556	\$ 16,967,730	\$ 1,155,174
Redevelopment Pass-through	2,164,120	2,164,120	3,417,631	1,253,511
Intergovernmental	284,389	284,389	148,581	(135,808)
Charges for Services	500	500	5,000	4,500
Area Drainage Fees	1,000	1,000	3,815	2,815
Investment Earnings	956,500	956,500	25,947	(930,553)
Use of Assets	300	300	159,568	159,268
Total Revenues	19,219,365	19,219,365	20,728,272	1,508,907
EXPENDITURES				
Public Ways and Facilities	28,075,266	30,363,578	16,409,439	13,954,139
Capital Outlay	15,150,409	12,862,097	3,992,892	8,869,205
Total Expenditures	43,225,675	43,225,675	20,402,331	22,823,344
Excess (Deficiency) of Revenues				
Over (Under) Expenditures	(24,006,310)	(24,006,310)	325,941	24,332,251
OTHER FINANCING (USES)				
Transfers Out	(2,069,711)	(2,069,711)	(67,097)	2,002,614
Total Other Financing (Uses)	(2,069,711)	(2,069,711)	(67,097)	2,002,614
Net Change in Fund Balance	(26,076,021)	(26,076,021)	258,844	26,334,865
Fund Balance, Beginning of Year	82,750,130	82,750,130	82,750,130	-
Fund Balance, End of Year	\$ 56,674,109	\$ 56,674,109	\$ 83,008,974	\$ 26,334,865

Riverside County Flood Control and Water Conservation District
Budgetary Comparison Schedule
Special Revenue Fund - Zone 3
For the Year Ended June 30, 2021

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
REVENUES				
Property Taxes	\$ 2,191,242	\$ 2,191,242	\$ 2,233,550	\$ 42,308
Redevelopment Pass-through	859,183	859,183	1,148,679	289,496
Special Assessments	-	-	1,197	1,197
Intergovernmental	4,710,007	4,710,007	19,415	(4,690,592)
Charges for Services	-	-	16,135	16,135
Investment Earnings	90,000	90,000	4,831	(85,169)
Total Revenues	7,850,432	7,850,432	3,423,807	(4,426,625)
EXPENDITURES				
Public Ways and Facilities	3,353,656	3,353,656	1,473,241	1,880,415
Capital Outlay	7,753,137	7,753,137	2,322,307	5,430,830
Total Expenditures	11,106,793	11,106,793	3,795,548	7,311,245
Excess (Deficiency) of Revenues Over (Under) Expenditures	(3,256,361)	(3,256,361)	(371,741)	2,884,620
OTHER FINANCING (USES)				
Transfers Out	(695,955)	(695,955)	(10,964)	684,991
Total Other Financing (Uses)	(695,955)	(695,955)	(10,964)	684,991
Net Change in Fund Balance	(3,952,316)	(3,952,316)	(382,705)	3,569,611
Fund Balance, Beginning of Year	8,323,641	8,323,641	8,323,641	-
Fund Balance, End of Year	\$ 4,371,325	\$ 4,371,325	\$ 7,940,936	\$ 3,569,611

Riverside County Flood Control and Water Conservation District
Budgetary Comparison Schedule
Special Revenue Fund - Zone 4
For the Year Ended June 30, 2021

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
REVENUES				
Property Taxes	\$ 16,657,077	\$ 16,657,077	\$ 18,359,778	\$ 1,702,701
Redevelopment Pass-through	2,764,067	2,764,067	4,638,821	1,874,754
Special Assessments	-	-	-	-
Intergovernmental	1,029,868	1,029,868	578,462	(451,406)
Charges for Services	-	-	21,649	21,649
Area Drainage Fees	1,000	1,000	1,390,331	1,389,331
Investment Earnings	549,759	549,759	16,172	(533,587)
Use of Assets	7,800	7,800	12,900	5,100
Total Revenues	21,009,571	21,009,571	25,018,113	4,008,542
EXPENDITURES				
Public Ways and Facilities	22,718,085	24,813,720	16,109,078	8,704,642
Capital Outlay	2,821,635	726,000	-	726,000
Total Expenditures	25,539,720	25,539,720	16,109,078	9,430,642
Excess (Deficiency) of Revenues				
Over (Under) Expenditures	(4,530,149)	(4,530,149)	8,909,035	13,439,184
OTHER FINANCING (USES)				
Transfers In	5,898,309	5,898,309	-	(5,898,309)
Transfers Out	(4,245,940)	(4,245,940)	(2,910,064)	1,335,876
Total Other Financing (Uses)	1,652,369	1,652,369	(2,910,064)	(4,562,433)
Net Change in Fund Balance	(2,877,780)	(2,877,780)	5,998,971	8,876,751
Fund Balance, Beginning of Year	57,088,125	57,088,125	57,088,125	-
Fund Balance, End of Year	\$ 54,210,345	\$ 54,210,345	\$ 63,087,096	\$ 8,876,751

Riverside County Flood Control and Water Conservation District
Budgetary Comparison Schedule
Special Revenue Fund - Zone 5
For the Year Ended June 30, 2021

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
REVENUES				
Property Taxes	\$ 3,799,006	\$ 3,799,006	\$ 4,193,497	\$ 394,491
Redevelopment Pass-through	563,980	563,980	1,050,417	486,437
Intergovernmental	2,873,523	2,873,523	98,726	(2,774,797)
Charges for Services	-	-	10	10
Investment Earnings	192,274	192,274	1,268	(191,006)
Total Revenues	7,428,783	7,428,783	5,343,918	(2,084,865)
EXPENDITURES				
Public Ways and Facilities	7,673,284	9,153,284	4,197,383	4,955,901
Capital Outlay	5,327,360	5,327,360	4,593,315	734,045
Total Expenditures	13,000,644	14,480,644	8,790,698	5,689,946
Excess (Deficiency) of Revenues Over (Under) Expenditures	(5,571,861)	(7,051,861)	(3,446,780)	3,605,081
OTHER FINANCING (USES)				
Transfers Out	(452,526)	(452,526)	(32,723)	419,803
Total Other Financing (Uses)	(452,526)	(452,526)	(32,723)	419,803
Net Change in Fund Balance	(6,024,387)	(7,504,387)	(3,479,503)	4,024,884
Fund Balance, Beginning of Year	21,125,692	21,125,692	21,125,692	-
Fund Balance, End of Year	\$ 15,101,305	\$ 13,621,305	\$ 17,646,189	\$ 4,024,884

Riverside County Flood Control and Water Conservation District
Budgetary Comparison Schedule
Special Revenue Fund - Zone 6
For the Year Ended June 30, 2021

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
REVENUES				
Property Taxes	\$ 4,896,773	\$ 4,896,773	\$ 5,009,446	\$ 112,673
Redevelopment Pass-through	1,304,957	1,304,957	2,078,546	773,589
Intergovernmental	4,474,677	4,474,677	353,145	(4,121,532)
Charges for Services	345	345	15,525	15,180
Investment Earnings	208,096	208,096	425	(207,671)
Use of Assets	6,000	6,000	118,001	112,001
Total Revenues	10,890,848	10,890,848	7,575,088	(3,315,760)
EXPENDITURES				
Public Ways and Facilities	6,047,110	6,047,110	3,233,141	2,813,969
Capital Outlay	7,139,308	7,139,308	3,732,483	3,406,825
Total Expenditures	13,186,418	13,186,418	6,965,624	6,220,794
Excess (Deficiency) of Revenues Over (Under) Expenditures	(2,295,570)	(2,295,570)	609,464	2,905,034
OTHER FINANCING (USES)				
Transfers Out	(846,146)	(846,146)	(29,809)	816,337
Total Other Financing (Uses)	(846,146)	(846,146)	(29,809)	816,337
Net Change in Fund Balance	(3,141,716)	(3,141,716)	579,655	3,721,371
Fund Balance, Beginning of Year	14,237,259	14,237,259	14,237,259	-
Fund Balance, End of Year	\$ 11,095,543	\$ 11,095,543	\$ 14,816,914	\$ 3,721,371

Riverside County Flood Control and Water Conservation District
Budgetary Comparison Schedule
Special Revenue Fund - Zone 7
For the Year Ended June 30, 2021

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget Positive (Negative)
REVENUES				
Property Taxes	\$ 5,596,793	\$ 5,596,793	\$ 5,781,068	\$ 184,275
Redevelopment Pass-through	385,779	385,779	486,006	100,227
Intergovernmental	53,892	53,892	50,676	(3,216)
Charges for Services	50,000	50,000	59,774	9,774
Area Drainage Fees	100,000	100,000	199,706	99,706
Investment Earnings	294,738	294,738	14,802	(279,936)
Use of Assets	-	-	43,200	43,200
Total Revenues	6,481,202	6,481,202	6,635,232	154,030
EXPENDITURES				
Public Ways and Facilities	7,315,387	7,315,387	4,289,755	3,025,632
Capital Outlay	4,428,110	4,428,110	343,944	4,084,166
Total Expenditures	11,743,497	11,743,497	4,633,699	7,109,798
Excess (Deficiency) of Revenues Over (Under) Expenditures	(5,262,295)	(5,262,295)	2,001,533	7,263,828
OTHER FINANCING (USES)				
Transfers Out	(740,037)	(740,037)	(33,287)	706,750
Total Other Financing (Uses)	(740,037)	(740,037)	(33,287)	706,750
Net Change in Fund Balance	(6,002,332)	(6,002,332)	1,968,246	7,970,578
Fund Balance, Beginning of Year	29,159,930	29,159,930	29,159,930	-
Fund Balance, End of Year	\$ 23,157,598	\$ 23,157,598	\$ 31,128,176	\$ 7,970,578

Riverside County Flood Control and Water Conservation District
Budgetary Comparison Schedule
Special Revenue Fund - NPDES - Whitewater
For the Year Ended June 30, 2021

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
REVENUES				
Special Assessments	\$ 310,000	\$ 310,000	\$ 324,417	\$ 14,417
Intergovernmental	292,906	292,906	445,970	153,064
Investment Earnings	17,000	17,000	721	(16,279)
Total Revenues	619,906	619,906	771,108	151,202
EXPENDITURES				
Public Ways and Facilities	665,395	679,395	520,464	(158,931)
Total Expenditures	665,395	679,395	520,464	(158,931)
Excess (Deficiency) of Revenues Over (Under) Expenditures	(45,489)	(59,489)	250,644	310,133
OTHER FINANCING (USES)				
Transfers Out	(50,000)	(36,000)	(4,752)	31,248
Total Other Financing (Uses)	(50,000)	(36,000)	(4,752)	31,248
Net Change in Fund Balance	(95,489)	(95,489)	245,892	341,381
Fund Balance, Beginning of Year	2,367,040	2,367,040	2,367,040	-
Fund Balance, End of Year	\$ 2,271,551	\$ 2,271,551	\$ 2,612,932	\$ 341,381

Riverside County Flood Control and Water Conservation District
Budgetary Comparison Schedule
Special Revenue Fund - NPDES - Santa Ana
For the Year Ended June 30, 2021

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
REVENUES				
Special Assessments	\$ 2,450,000	\$ 2,450,000	\$ 2,543,353	\$ 93,353
Investment Earnings	100,000	100,000	555	(99,445)
Total Revenues	2,550,000	2,550,000	2,543,908	(6,092)
EXPENDITURES				
Public Ways and Facilities	2,959,178	2,959,178	2,531,613	427,565
Total Expenditures	2,959,178	2,959,178	2,531,613	427,565
Excess (Deficiency) of Revenues Over (Under) Expenditures	(409,178)	(409,178)	12,295	421,473
OTHER FINANCING (USES)				
Transfers Out	(163,170)	(163,170)	(22,490)	140,680
Total Other Financing (Uses)	(163,170)	(163,170)	(22,490)	140,680
Net Change in Fund Balance	(572,348)	(572,348)	(10,195)	562,153
Fund Balance, Beginning of Year	5,471,612	5,471,612	5,471,612	-
Fund Balance, End of Year	\$ 4,899,264	\$ 4,899,264	\$ 5,461,417	\$ 562,153

Riverside County Flood Control and Water Conservation District
Budgetary Comparison Schedule
Special Revenue Fund - NPDES - Santa Margarita
For the Year Ended June 30, 2021

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
REVENUES				
Special Assessments	\$ 530,000	\$ 530,000	\$ 551,824	\$ 21,824
Intergovernmental	1,832,045	1,832,045	1,447,334	(384,711)
Investment Earnings	16,000	16,000	(938)	(16,938)
Total Revenues	2,378,045	2,378,045	1,998,220	(379,825)
EXPENDITURES				
Public Ways and Facilities	2,137,140	2,137,140	1,951,897	185,243
Total Expenditures	2,137,140	2,137,140	1,951,897	185,243
Excess (Deficiency) of Revenues Over (Under) Expenditures	240,905	240,905	46,323	(194,582)
OTHER FINANCING (USES)				
Transfers Out	(66,000)	(66,000)	(11,717)	54,283
Total Other Financing (Uses)	(66,000)	(66,000)	(11,717)	54,283
Net Change in Fund Balance	174,905	174,905	34,606	(140,299)
Fund Balance, Beginning of Year	1,718,672	1,718,672	1,718,672	-
Fund Balance, End of Year	\$ 1,893,577	\$ 1,893,577	\$ 1,753,278	\$ (140,299)

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CONTENTS

- ◆ *Other Governmental Funds*
 - ⇒ *Capital Project Fund*
 - ⇒ *Debt Service Fund*
- ◆ *Budgetary Comparison Schedule*
 - ⇒ *Capital Project Fund*
 - ⇒ *Debt Service Fund*
- ◆ *Combining Statements:*
 - ⇒ *Non-Major Enterprise Funds*
 - ⇒ *Internal Service Funds*

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Riverside County Flood Control and Water Conservation District
Combining Balance Sheet
Other Governmental Funds
June 30, 2021

	Flood Control Capital Project Fund	Zone 4 Debt Service Fund	Total
ASSETS			
Cash and Cash Equivalents	\$ 19,416	\$ 2,309	\$ 21,725
Receivables:			
Interest Receivable	12	1	13
Due from Other Funds	202,188	-	202,188
Total Assets	<u>\$ 221,616</u>	<u>\$ 2,310</u>	<u>\$ 223,926</u>
LIABILITIES			
Due to Other Funds	202,188	-	202,188
Total Liabilities	<u>202,188</u>	<u>-</u>	<u>202,188</u>
FUND BALANCES			
Restricted for:			
Capital Projects	\$ 19,428	\$ -	\$ 19,428
Debt Service	<u>-</u>	<u>2,310</u>	<u>2,310</u>
Total Fund Balances	<u>19,428</u>	<u>2,310</u>	<u>21,738</u>
Total Liabilities and Fund Balances	<u>\$ 221,616</u>	<u>\$ 2,310</u>	<u>\$ 223,926</u>

The accompanying notes are an integral part of this statement.

Riverside County Flood Control and Water Conservation District
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Other Governmental Funds
For the Year Ended June 30, 2021

	Flood Control Capital Projects Fund	Zone 4 Debt Service Fund	Total
REVENUES			
Investment Earnings	12	450	462
Total Revenues	12	450	462
EXPENDITURES			
Debt Service:			
Principal	-	2,270,000	2,270,000
Interest	-	559,750	559,750
Total Expenditures	-	2,829,750	2,829,750
Excess (Deficiency) of Revenues Over (Under) Expenditures	12	(2,829,300)	(2,829,288)
OTHER FINANCING SOURCES (USES)			
Transfers In	-	2,829,750	2,829,750
Total Other Financing Sources	-	2,829,750	2,829,750
Net Change in Fund Balances	12	450	462
Fund Balances, Beginning of Year	19,416	1,860	21,276
Fund Balances, End of Year	\$ 19,428	\$ 2,310	\$ 21,738

The accompanying notes are an integral part of this statement.

**Riverside County Flood Control and Water Conservation District
Capital Project Fund**

The *Flood Control Capital Project Fund* was established to account for financial resources to be used for the acquisition or construction of major capital facilities other than those financed by proprietary funds types.

Riverside County Flood Control and Water Conservation District
Budgetary Comparison Schedule
Other Governmental Funds - Capital Project Fund
For the Year Ended June 30, 2021

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget Positive (Negative)
REVENUES				
Investment Earnings	566	566	12	(554)
Total Revenues	566	566	12	(554)
EXPENDITURES				
Capital Outlay	871,000	871,000	-	871,000
Total Expenditures	871,000	871,000	-	871,000
Excess (Deficiency) of Revenues Over (Under) Expenditures	(870,434)	(870,434)	12	870,446
OTHER FINANCING (USES)				
Transfers In	871,000	871,000	-	(871,000)
Total Other Financing (Uses)	871,000	871,000	-	(871,000)
Net Change in Fund Balance	566	566	12	(554)
Fund Balance, Beginning of Year	19,416	19,416	19,416	-
Fund Balance, End of Year	<u>\$ 19,982</u>	<u>\$ 19,982</u>	<u>\$ 19,428</u>	<u>\$ (554)</u>

Riverside County Flood Control and Water Conservation District
Zone 4 Debt Service Fund

The *Zone 4 Debt Service fund* was established to service the debt incurred by Zone 4 for the construction of Zone 4 flood control facilities. The fund receives transfers from Zone 4 revenues to pay principal and interest on promissory notes.

Riverside County Flood Control and Water Conservation District
Budgetary Comparison Schedule
Other Governmental Funds - Zone 4 Debt Service
For the Year Ended June 30, 2021

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
REVENUES				
Investment Earnings	900	900	450	(450)
Total Revenues	900	900	450	(450)
EXPENDITURES				
Debt Service Principal	2,270,000	2,270,000	2,270,000	-
Debt Service Interest	559,750	559,750	559,750	-
Total Expenditures	2,829,750	2,829,750	2,829,750	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	(2,828,850)	(2,828,850)	(2,829,300)	(450)
OTHER FINANCING (USES)				
Transfers In	2,829,750	2,829,750	2,829,750	-
Total Other Financing (Uses)	2,829,750	2,829,750	2,829,750	-
Net Change in Fund Balance	900	900	450	(450)
Fund Balance, Beginning of Year	1,860	1,860	1,860	-
Fund Balance, End of Year	\$ 2,760	\$ 2,760	\$ 2,310	\$ (450)

Riverside County Flood Control and Water Conservation District
Non-Major Enterprise Funds

Photogrammetry Operations Fund: This fund was established to account for revenues and expenses related to surveying and mapping services performed within the County of Riverside by the Photogrammetry section. Surveying and mapping services are provided to other governmental agencies, private enterprises and individuals.

Encroachment Permits Fund: This fund was established to account for revenue and expenses related to encroachment permit services performed by the Encroachment Permit section. These services are provided to other governmental agencies, developers and individuals. Governmental agencies, developers and individuals must obtain an encroachment permit from the District to gain temporary access to flood control facilities for purposes of completing other construction projects not sponsored by the District.

Riverside County Flood Control and Water Conservation District
Combining Statement of Net Position
Nonmajor Enterprise Funds
June 30, 2021

	Photogrammetry Operations	Encroachment Permits	Total
ASSETS			
Current Assets:			
Cash and Cash Equivalents	\$ 322,222	\$ 68,562	\$ 390,784
Receivables:			
Accounts Receivable	-	46,548	46,548
Interest Receivable	224	309	533
Due from Other Governments	-	17,516	17,516
	<u>322,446</u>	<u>132,935</u>	<u>455,381</u>
Total Current Assets			
	<u>322,446</u>	<u>132,935</u>	<u>455,381</u>
Noncurrent Assets:			
Restricted Cash	5,634	397,808	403,442
Capital Assets:			
Depreciable, Net	110,768	-	110,768
	<u>116,402</u>	<u>397,808</u>	<u>514,210</u>
Total Noncurrent Assets			
	<u>116,402</u>	<u>397,808</u>	<u>514,210</u>
Total Assets	<u>438,848</u>	<u>530,743</u>	<u>969,591</u>
LIABILITIES			
Liabilities:			
Current liabilities:			
Accounts Payable	19,830	10,900	30,730
Salaries and Benefits Payable	3,566	11,540	15,106
Compensated Absences - Current Portion	1,447	3,792	5,239
Developer and Other Agency Deposits	-	397,808	397,808
	<u>24,843</u>	<u>424,040</u>	<u>448,883</u>
Total Current Liabilities			
	<u>24,843</u>	<u>424,040</u>	<u>448,883</u>
Noncurrent Liabilities:			
Compensated Absences	6,476	16,964	23,440
	<u>6,476</u>	<u>16,964</u>	<u>23,440</u>
Total Noncurrent Liabilities			
	<u>6,476</u>	<u>16,964</u>	<u>23,440</u>
Total Liabilities	<u>31,319</u>	<u>441,004</u>	<u>472,323</u>
NET POSITION			
Investment in Capital Assets	110,768	-	110,768
Unrestricted	296,761	89,739	386,500
	<u>407,529</u>	<u>89,739</u>	<u>497,268</u>
Total Net Position			
	<u>\$ 407,529</u>	<u>\$ 89,739</u>	<u>\$ 497,268</u>

The accompanying notes are an integral part of this statement.

Riverside County Flood Control and Water Conservation District
Combining Statement of Revenues, Expenses and Changes in Net Position
Nonmajor Enterprise Funds
For the Year Ended June 30, 2021

	Photogrammetry Operations	Encroachment Permits	Total
OPERATING REVENUES			
Charges for Services	\$ 82,253	\$ 338,124	\$ 420,377
OPERATING EXPENSES			
Personnel Services	117,483	298,254	415,737
Administrative Services	2,470	1,290	3,760
Services and Supplies	53,339	82,757	136,096
Depreciation	27,254	-	27,254
Total Operating Expenses	200,546	382,301	582,847
Operating (Loss)	(118,293)	(44,177)	(162,470)
NONOPERATING REVENUES			
Investment Earnings	57	82	139
Income (Loss)	(118,236)	(44,095)	(162,331)
Change in Net Position	(118,236)	(44,095)	(162,331)
Net Position, Beginning of Year	525,765	133,834	659,599
Net Position, End of Year	\$ 407,529	\$ 89,739	\$ 497,268

The accompanying notes are an integral part of this statement.

Riverside County Flood Control and Water Conservation District
Combining Statement of Cash Flows
Nonmajor Enterprise Funds
For the Year Ended June 30, 2021

	Photogrammetry Operations	Encroachment Permits	Total
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash Received from Customers/Other Funds	\$ 82,253	\$ 349,027	\$ 431,280
Cash Paid to Suppliers for Goods and Services	(54,870)	(99,007)	(153,877)
Cash Paid to Employees for Services	(121,493)	(314,503)	(435,996)
Net Cash Used In Operating Activities	(94,110)	(64,483)	(158,593)
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest on Investments	613	818	1,431
Net Cash Provided by Investing Activities	613	818	1,431
Net Change in Cash and Cash Equivalents	(93,497)	(63,665)	(157,162)
Cash and Cash Equivalents, Beginning of Year	421,353	530,035	951,388
Cash and Cash Equivalents, End of Year	<u>\$ 327,856</u>	<u>\$ 466,370</u>	<u>\$ 794,226</u>
Reconciliation of Operating (Loss) to			
Net Cash Used In Operating Activities			
Operating (Loss)	\$ (118,293)	\$ (44,177)	\$ (162,470)
Adjustments to Reconcile Operating (Loss) to Net Cash (Used In) Operating Activities:			
Depreciation	27,254	-	27,254
Changes in Operating Assets and Liabilities:			
Decrease (Increase) in:			
Accounts Receivable	-	19,933	19,933
Due from Other Governments	-	(10,221)	(10,221)
Increase (Decrease) in:			
Accounts Payable	18,159	10,900	29,059
Salaries and Benefits Payable	(8,034)	(12,471)	(20,505)
Due to Other Funds	(17,220)	(25,860)	(43,080)
Compensated Absences	4,024	(3,778)	246
Developer and Other Agency Deposits	-	1,191	1,191
Net Cash Used In Operating Activities	<u>\$ (94,110)</u>	<u>\$ (64,483)</u>	<u>\$ (158,593)</u>

The accompanying notes are an integral part of this statement.

Riverside County Flood Control and Water Conservation District

Internal Service Funds

Hydrology Services Fund: This fund was established to account for revenues and expenses related to hydrological information services performed by the Hydrology section. These services are provided to support zone projects and are charged to the special revenue funds on a cost reimbursement basis.

Garage Fund: This fund was established to account for revenue and expenses related to the operation and maintenance of the District's vehicles. Garage services are provided to support the fleet of vehicles and heavy equipment needed to maintain flood control facilities. These services are charged to all District funds on a cost reimbursement basis.

Project Maintenance Fund: This fund was established to account for revenues and expenses related to the maintenance of the District's flood control facilities. Project maintenance services include weed abatement, repair and preventative maintenance of flood control facilities. These services are charged to the special revenue funds on a cost reimbursement basis.

Mapping Services Fund: This fund was established to account for revenues and expenses related to mapping services performed by the Mapping section. These services are provided to support zone projects and are charged to the special revenue funds of the District.

Data Processing Fund: This fund was established to account for revenues and expenses related to data processing services performed by the Information Technology section. Data processing services include software system support for the computer network, data structure design and organization of the District computer systems. These services are charged to all District funds on a cost reimbursement basis.

Riverside County Flood Control and Water Conservation District
Combining Statement of Net Position
Internal Service Funds
June 30, 2021

	Hydrology Services	Garage	Project Maintenance
ASSETS			
Current Assets:			
Cash and Cash Equivalents	\$ 97,580	\$ 4,048,795	\$ 29,568
Receivables:			
Accounts Receivable	-	-	-
Interest Receivable	63	2,295	12
Inventories	-	71,492	229,247
	<hr/>	<hr/>	<hr/>
Total Current Assets	97,643	4,122,582	258,827
	<hr/>	<hr/>	<hr/>
Noncurrent Assets:			
Capital Assets:			
Depreciable, Net	202,500	4,778,357	-
	<hr/>	<hr/>	<hr/>
Total Noncurrent Assets	202,500	4,778,357	-
	<hr/>	<hr/>	<hr/>
Total Assets	300,143	8,900,939	258,827
	<hr/>	<hr/>	<hr/>
LIABILITIES			
Liabilities:			
Current Liabilities:			
Accounts Payable	11,761	38,135	2,956
Salaries and Benefits Payable	10,979	27,864	-
Due to Other Governments	54,833	20	-
Compensated Absences - Current Portion	5,824	9,054	465
	<hr/>	<hr/>	<hr/>
Total Current Liabilities	83,397	75,073	3,421
	<hr/>	<hr/>	<hr/>
Noncurrent Liabilities:			
Compensated Absences	26,058	40,508	2,079
	<hr/>	<hr/>	<hr/>
Total Noncurrent Liabilities	26,058	40,508	2,079
	<hr/>	<hr/>	<hr/>
Total Liabilities	109,455	115,581	5,500
	<hr/>	<hr/>	<hr/>
NET POSITION			
Investment in Capital Assets	202,500	4,778,357	-
Unrestricted (Deficit)	(11,812)	4,007,001	253,327
	<hr/>	<hr/>	<hr/>
Total Net Position	\$ 190,688	\$ 8,785,358	\$ 253,327
	<hr/>	<hr/>	<hr/>

The accompanying notes are an integral part of this statement.

<u>Data Processing</u>	<u>Total</u>
\$ 984,032	\$ 5,159,975
1,317	1,317
542	2,912
	<u>300,739</u>
<u>985,891</u>	<u>5,464,943</u>
 63,982	 5,044,839
<u>63,982</u>	<u>5,044,839</u>
 1,049,873	 10,509,782
<u>1,049,873</u>	<u>10,509,782</u>
 3,108	 55,960
30,053	68,896
-	54,853
<u>9,702</u>	<u>25,045</u>
 42,863	 204,754
<u>42,863</u>	<u>204,754</u>
 43,405	 112,050
<u>43,405</u>	<u>112,050</u>
 86,268	 316,804
<u>86,268</u>	<u>316,804</u>
 63,982	 5,044,839
<u>899,623</u>	<u>5,148,139</u>
 \$ 963,605	 \$ 10,192,978
<u>\$ 963,605</u>	<u>\$ 10,192,978</u>

The accompanying notes are an integral part of this statement.

Riverside County Flood Control and Water Conservation District
Combining Statement of Revenues, Expenses and Changes in Net Position
Internal Service Funds
For the Year Ended June 30, 2021

	Hydrology Services	Garage	Project Maintenance
OPERATING REVENUES			
Charges for Services	\$ 1,182,901	\$ 3,316,327	\$ 242,601
OPERATING EXPENSES			
Personnel Services	377,131	569,829	4,039
Administrative Services	940	999	350
Services and Supplies	666,172	1,006,239	258,845
Depreciation	108,487	1,082,546	-
Total Operating Expenses	1,152,730	2,659,613	263,234
Operating Income (Loss)	30,171	656,714	(20,633)
NONOPERATING REVENUES			
Investment Loss	(319)	(367)	(140)
Gain on Sale of Capital Assets	-	138,236	-
Total Nonoperating Revenues	(319)	137,869	(140)
Changes in Net Position	29,852	794,583	(20,773)
Net Position, Beginning of Year	160,836	7,990,775	274,100
Net Position, End of Year	\$ 190,688	\$ 8,785,358	\$ 253,327

The accompanying notes are an integral part of this statement.

<u>Data Processing</u>	<u>Total</u>
<u>\$ 3,050,586</u>	<u>\$ 7,792,415</u>
622,673	1,573,672
1,000	3,289
2,599,355	4,530,611
<u>25,581</u>	<u>1,216,614</u>
<u>3,248,609</u>	<u>7,324,186</u>
<u>(198,023)</u>	<u>468,229</u>
(401)	(1,227)
<u>500</u>	<u>138,736</u>
<u>99</u>	<u>137,509</u>
(197,924)	605,738
<u>1,161,529</u>	<u>9,587,240</u>
<u><u>\$ 963,605</u></u>	<u><u>\$ 10,192,978</u></u>

The accompanying notes are an integral part of this statement.

Riverside County Flood Control and Water Conservation District
Combining Statement of Cash Flows
Internal Service Funds
For the Year Ended June 30, 2021

	Hydrology Services	Garage	Project Maintenance
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash Receipts from Interfund Services Provided	\$ 1,182,901	\$ 3,316,327	\$ 242,601
Cash Paid to Suppliers for Goods and Services	(750,720)	(1,013,537)	(262,746)
Cash Paid to Employees for Services	(393,488)	(598,040)	(3,358)
Net Cash Provided by (Used In) Operating Activities	<u>38,693</u>	<u>1,704,750</u>	<u>(23,503)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Proceeds from Sale of Capital Assets	-	138,236	-
Acquisition and Construction of Capital Assets	(139,666)	(3,011,689)	-
Net Cash Used in Capital and Related Financing Activities	<u>(139,666)</u>	<u>(2,873,453)</u>	<u>-</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest on Investments	(243)	8,335	(119)
Net Cash Provided by Investing Activities	<u>(243)</u>	<u>8,335</u>	<u>(119)</u>
Net Change in Cash and Cash Equivalents	(101,216)	(1,160,368)	(23,622)
Cash and Cash Equivalents, Beginning of Year	198,796	5,209,163	53,190
Cash and Cash Equivalents, End of Year	<u><u>\$ 97,580</u></u>	<u><u>\$ 4,048,795</u></u>	<u><u>\$ 29,568</u></u>
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities			
Operating Income (Loss)	\$ 30,171	\$ 656,714	\$ (20,633)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by Operating Activities:			
Depreciation	108,487	1,082,546	-
Changes in Operating Assets and Liabilities:			
Decrease (Increase) in:			
Accounts Receivable	-	-	-
Inventories	-	(15,463)	(3,746)
Increase (Decrease) in:			
Accounts Payable	(138,197)	9,144	195
Salaries and Benefits Payable	(22,504)	(25,375)	-
Compensated Absences	6,147	(2,836)	681
Special Item - Pension Expense	54,589	20	-
Net Cash Provided by (Used In) Operating Activities	<u><u>\$ 38,693</u></u>	<u><u>\$ 1,704,750</u></u>	<u><u>\$ (23,503)</u></u>

The accompanying notes are an integral part of this statement.

Data Processing		Total	
\$	3,049,963	\$	7,791,792
	(2,613,243)		(4,640,246)
	(642,956)		(1,637,842)
	(206,236)		1,513,704
	500		138,736
	(62,071)		(3,213,426)
	(61,571)		(3,074,690)
	1,740		9,713
	1,740		9,713
	(266,067)		(1,551,273)
	1,250,099		6,711,248
\$	984,032	\$	5,159,975
\$	(198,023)	\$	468,229
	25,581		1,216,614
	(623)		(623)
	-		(19,209)
	(12,888)		(141,746)
	(27,204)		(75,083)
	6,921		10,913
	-		54,609
\$	(206,236)	\$	1,513,704

The accompanying notes are an integral part of this statement.

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STATISTICAL SECTION

CONTENTS

Financial Trends 90

These schedules contain trend information to help the reader understand how the government's financial performance and well-being have changed over time.

Revenue Capacity 99

These schedules contain information to help the reader assess the government's most significant local revenue source, the property tax.

Debt Capacity 105

These schedules present information to help the reader assess the affordability of the government's current levels of outstanding debt and the government's ability to issue additional debt in the future.

Demographic and Economic Information 110

These schedules offer demographic and economic indicators to help the reader understand the environment within which the government's financial activities take place.

Operating Information 113

These schedules contain service and infrastructure data to help the reader understand how the information in the government's financial report relates to the services the government provides and the activities it performs.



Riverside County Flood Control and Water Conservation District
Net Position by Component
Last Ten Fiscal Years

(Amounts Expressed in Thousands - Accrual Basis of Accounting)

Page 1

						Fiscal Year
	2012	2013	2014¹	2015	2016	2017²
Governmental Activities						
Net Investment in Capital Assets	\$ 804,107	\$ 827,905	\$ 851,201	\$ 923,240	\$ 946,551	\$ 958,273
Restricted	256,317	252,220	255,222	215,008	203,985	223,412
Unrestricted	7,773	10,534	(33,751)	(35,251)	(33,778)	(36,026)
Total Governmental Activities Net Position	<u>\$1,068,197</u>	<u>\$1,090,659</u>	<u>#####</u>	<u>#####</u>	<u>#####</u>	<u>#####</u>
Business-type Activities						
Net Investment in Capital Assets	\$ 16	\$ 7	\$ 8	\$ 5	\$ 2	\$ 1
Unrestricted	2,613	2,601	1,269	942	740	395
Total Business-type Activities Net Position	<u>\$ 2,629</u>	<u>\$ 2,608</u>	<u>\$ 1,277</u>	<u>\$ 947</u>	<u>\$ 742</u>	<u>\$ 396</u>
Primary Government						
Net Investment in Capital Assets	\$ 804,123	\$ 827,912	\$ 851,209	\$ 923,245	\$ 946,553	\$ 958,274
Restricted	256,317	252,220	255,222	215,008	203,985	223,412
Unrestricted	10,386	13,135	(32,482)	(34,309)	(33,038)	(35,631)
Total Primary Government Net Position	<u>\$1,070,826</u>	<u>\$1,093,267</u>	<u>#####</u>	<u>#####</u>	<u>#####</u>	<u>#####</u>

Source: CAFR - Statement of Net Position for the Government-wide Financial Statements

¹ Unrestricted net positions for fiscal year 2014 were restated to reflect the implementation of GASB Statement No. 68 and 71

² Unrestricted net position within the Governmental Activities for fiscal year 2017 was restated to reflect the implementation of GASB Statement No. 75

³ Unrestricted net positions for fiscal year 2020 were restated to reflect the prior period adjustment to the beginning balance

Riverside County Flood Control and Water Conservation District
Net Position by Component
Last Ten Fiscal Years

(Amounts Expressed in Thousands - Accrual Basis of Accounting)

Page 2

ir				
2018	2019	2020 ³	2021	
\$ 982,108	\$ 1,006,962	\$ 1,027,200	\$ 1,054,620	Governmental Activities
233,481	253,945	269,383	270,458	Net Investment in Capital Assets
(41,337)	(45,548)	(46,925)	(38,463)	Restricted
\$ 1,174,252	\$ 1,215,359	\$ 1,249,658	\$ 1,286,615	Unrestricted
				Total Governmental Activities Net Position
				Business-type Activities
\$ 71	\$ 76	\$ 138	\$ 111	Net Investment in Capital Assets
(675)	(961)	(1,533)	(1,704)	Unrestricted
\$ (604)	\$ (885)	\$ (1,395)	\$ (1,593)	Total Business-type Activities Net Position
				Primary Government
\$ 982,179	\$ 1,007,038	\$ 1,027,338	\$ 1,054,731	Net Investment in Capital Assets
233,481	253,945	269,383	270,458	Restricted
(42,012)	(46,509)	(48,458)	(40,167)	Unrestricted
\$ 1,173,648	\$ 1,214,474	\$ 1,248,263	\$ 1,285,022	Total Primary Government Net Position

Riverside County Flood Control and Water Conservation District
Changes in Net Position
Last Ten Fiscal Years

(Amounts Expressed in Thousands - Accrual Basis of Accounting)

Page 1

	2012	2013	2014	2015
Expenses				
Governmental Activities:				
General government	\$ 4,244	\$ 4,017	\$ 5,222	\$ 6,001
Public ways and facilities	42,219	45,046	43,526	48,921
Interest on long-term debt	-	-	-	-
Total governmental activities expenses	46,463	49,063	48,748	54,922
Business-type Activities:				
Subdivision operations	1,329	1,428	1,453	1,547
Photogrammetry operations	112	234	171	91
Enroachment permits	154	100	146	178
Total business-type activities expenses	1,595	1,762	1,770	1,816
Total primary government expenses	\$ 48,058	\$ 50,825	\$ 50,518	\$ 56,738
Program Revenues				
Governmental Activities:				
Charges for services:				
General government	\$ 1,179	\$ 600	\$ 517	\$ 835
Public ways and facilities	3,838	8,128	4,488	6,610
Capital grants and contributions	44,895	13,057	15,770	21,991
Total governmental activities program revenues	49,912	21,785	20,775	29,436
Business-type Activities:				
Charges for services:				
Subdivision operations	1,506	1,375	1,399	1,131
Photogrammetry operations	228	247	216	124
Enroachment permits	171	114	126	192
Total business-type activities program revenues	1,905	1,736	1,741	1,447
Total primary government program revenues	\$ 51,817	\$ 23,521	\$ 22,516	\$ 30,883
Net (expense)/revenue				
Governmental Activities	\$ 3,449	\$ (27,278)	\$ (27,973)	\$ (25,486)
Business-type Activities	310	(26)	(29)	(369)
Total primary government net (expense)/revenue	\$ 3,759	\$ (27,304)	\$ (28,002)	\$ (25,855)
General Revenues and Other Changes in Net Position				
Governmental Activities:				
Property Taxes	\$ 39,258	\$ 40,042	\$ 42,593	\$ 47,047
Redevelopment pass-thru	6,040	9,811	7,733	7,698
Unrestricted interest and investment earnings	1,173	(224)	1,444	1,022
Gain on sale of capital assets	22	111	74	45
Transfers	-	-	(26)	(1)
Total Governmental Activities	46,493	49,740	51,818	55,811
Business-type Activities:				
Unrestricted interest and investment earnings	33	5	40	38
Transfers			26	1
Total business-type activities	33	5	66	39
Total primary government	\$ 46,526	\$ 49,745	\$ 51,884	\$ 55,850
Change in Net Position				
Governmental Activities	\$ 49,942	\$ 22,462	\$ 23,845	\$ 30,325
Business-type Activities	343	(21)	37	(330)
Total primary government	\$ 50,285	\$ 22,441	\$ 23,882	\$ 29,995

Source: CAFR - Statement of Activities for the Government-wide Financial Statements

Riverside County Flood Control and Water Conservation District
Changes in Net Position
Last Ten Fiscal Years

(Amounts Expressed in Thousands - Accrual Basis of Accounting)

Page 2

Fiscal Year						
2016	2017	2018	2019	2020	2021	
						Expenses
						Governmental Activities:
\$ 4,873	\$ 9,603	\$ 12,832	\$ 15,458	\$ 7,755	\$ 8,185	General government
50,921	48,541	58,610	55,247	72,378	84,512	Public ways and facilities
739	674	598	499	392	280	Interest on long-term debt
56,533	58,818	72,040	71,204	80,525	92,977	Total governmental activities expenses
						Business-type Activities:
1,844	1,914	2,457	1,927	1,594	1,789	Subdivision operations
163	194	170	150	168	200	Photogrammetry operations
171	117	196	362	473	384	Enroachment permits
2,178	2,225	2,823	2,439	2,235	2,373	Total business-type activities expenses
\$ 58,711	\$ 61,043	\$ 74,863	\$ 73,643	\$ 82,760	\$ 95,350	Total primary government expenses
						Program Revenues
						Governmental Activities
						Charges for services:
\$ 681	\$ 758	\$ 1,055	\$ 923	\$ 805	\$ 11,573	General government
4,209	11,999	5,692	3,667	9,372	5,496	Public ways and facilities
4,524	11,527	24,176	27,711	29,276	26,765	Capital grants and contributions
9,414	24,284	30,923	32,301	39,453	43,834	Total governmental activities program revenues
						Business-type Activities
						Charges for services:
1,502	1,557	1,551	1,855	1,217	1,752	Subdivision operations
251	150	39	92	48	82	Photogrammetry operations
192	126	159	264	343	338	Enroachment permits
1,945	1,833	1,749	2,211	1,608	2,172	Total business-type activities program revenues
\$ 11,359	\$ 26,117	\$ 32,672	\$ 34,512	\$ 41,061	\$ 46,006	Total primary government program revenues
						Net (expense)/revenue
\$ (47,119)	\$ (34,534)	\$ (41,117)	\$ (38,903)	\$ (41,072)	\$ (49,143)	Governmental Activities
(234)	(392)	(1,074)	(228)	(627)	(201)	Business-type Activities
\$ (47,352)	\$ (34,926)	\$ (42,191)	\$ (39,131)	\$ (41,699)	\$ (49,344)	Total primary government net (expense)/revenue
						General Revenues and Other Changes in Net Position
						Governmental Activities:
\$ 49,854	\$ 53,020	\$ 56,030	\$ 59,251	\$ 62,033	\$ 66,289	Property Taxes
9,514	9,526	11,140	12,798	13,982	19,586	Redevelopment pass-thru
1,352	805	2,322	7,524	4,435	85	Unrestricted interest and investment earnings
140	84	218	165	72	139	Gain on sale of capital assets
21	-	-	272	-	-	Transfers
60,881	63,435	69,710	80,010	80,522	86,099	Total Governmental Activities
						Business-type Activities:
51	46	74	219	116	3	Unrestricted interest and investment earnings
(21)	-	-	(272)	-	-	Transfers
30	46	74	(53)	116	3	Total business-type activities
\$ 60,911	\$ 63,481	\$ 69,784	\$ 79,957	\$ 80,638	\$ 86,102	Total primary government
						Change in Net Position
\$ 13,762	\$ 28,901	\$ 28,593	\$ 41,107	\$ 34,300	\$ 36,956	Governmental Activities
(204)	(346)	(1,000)	(281)	(511)	(198)	Business-type Activities
\$ 13,558	\$ 28,555	\$ 27,593	\$ 40,826	\$ 33,789	\$ 36,758	Total primary government

Riverside County Flood Control and Water Conservation District
Governmental Activities Tax Revenues by Source
Last Ten Fiscal Years

(Amounts Expressed in Thousands - Accrual Basis of Accounting)

Fiscal Year	Property Taxes	Total
2011-12	39,258	39,258
2012-13	40,042	40,042
2013-14	42,593	42,593
2014-15	47,047	47,047
2015-16	49,854	49,854
2016-17	53,020	53,020
2017-18	56,030	56,030
2018-19	59,251	59,251
2019-20	62,033	62,033
2020-21	66,289	66,289

Source: CAFR - Statement of Activities for the Government-wide Financial Statements

Riverside County Flood Control and Water Conservation District
Fund Balances of Governmental Funds
Last Ten Fiscal Years

(Amounts Expressed in Thousands - Modified Accrual Basis of Accounting)

Page 1

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
General Fund					
Nonspendable for:					
Imprest Cash	\$ -	\$ 1	\$ 1	\$ 1	\$ 1
Assigned to:					
Compensated absences	1,600	1,807	2,024	2,255	1,365
Restricted for:					
Encumbrances	-	-	-	-	-
Unassigned	2,530	2,708	2,357	919	1,968
Total general fund	<u>\$ 4,130</u>	<u>\$ 4,516</u>	<u>\$ 4,382</u>	<u>\$ 3,175</u>	<u>\$ 3,334</u>
All other governmental funds					
Nonspendable for:					
Prepaid Items	\$ -	\$ 1,460	\$ 1,095	\$ 730	\$ 365
Restricted for:					
Capital project fund	44	151	45	18	18
Public ways and facilities	252,128	248,950	253,105	236,749	202,624
Debt service	-	-	-	-	-
Total all other governmental funds	<u>\$ 252,172</u>	<u>\$ 250,561</u>	<u>\$ 254,245</u>	<u>\$ 237,497</u>	<u>\$ 203,007</u>

Source: CAFR - Balance Sheet for the Governmental Funds

Riverside County Flood Control and Water Conservation District
Fund Balances of Governmental Funds
Last Ten Fiscal Years

(Amounts Expressed in Thousands - Modified Accrual Basis of Accounting)

Page 2

Fiscal Year					
2017	2018	2019	2020	2021	
					General Fund
\$ 1	\$ 1	\$ 1	\$ 1	\$ 1	Nonspendable for:
					Imprest Cash
1,251	1,846	1,733	2,266	1,590	Assigned to:
					Compensated absences
-	-	-	-		Restricted for:
1,672	1,681	2,669	3,288	3,600	Encumbrances
\$ 2,924	\$ 3,528	\$ 4,403	\$ 5,555	\$ 5,191	Unassigned
					Total general fund
					All other governmental funds
\$ 67	\$ -	\$ -	\$ -	\$ -	Nonspendable for:
					Prepaid Items
18	19	19	19	19	Restricted for:
222,404	232,552	252,865	267,995	269,410	Capital project fund
-	-	1	2	2	Public ways and facilities
\$ 222,489	\$ 232,571	\$ 252,885	\$ 268,016	\$ 269,431	Debt service
					Total all other governmental funds

Riverside County Flood Control and Water Conservation District
Changes in Fund Balances of Governmental Funds
Last Ten Fiscal Years
(Amounts Expressed in Thousands - Modified Accrual Basis of Accounting)

Page 1

	2012	2013	2014	2015	2016
Revenues					
Property taxes	\$ 39,726	\$ 40,225	\$ 42,729	\$ 47,095	\$ 49,792
Redevelopment pass-thru	7,885	9,811	7,733	7,698	9,514
Special assessments	3,022	3,048	3,073	3,117	3,168
Intergovernmental	627	619	2,330	3,412	2,815
Charges for services	3,716	7,586	1,303	923	1,169
Area drainage fees	299	408	1,266	2,965	587
Investment Earnings (Loss)	1,143	(216)	1,405	1,004	1,317
Contributions	-	-	-	-	-
Use of assets	264	211	114	102	283
Total revenues	<u>56,682</u>	<u>61,692</u>	<u>59,953</u>	<u>66,316</u>	<u>68,645</u>
Expenditures					
Current:					
General government	3,734	3,527	4,450	5,873	4,890
Public ways and facilities	43,061	56,415	48,122	97,120	91,280
Capital outlay	4,952	2,975	6,473	4,971	5,509
Debt service:					-
Principal	-	-	-	-	350
Interest	-	-	-	-	660
Total expenditures	<u>51,747</u>	<u>62,917</u>	<u>59,045</u>	<u>107,964</u>	<u>102,689</u>
Excess of revenues over (under) expenditures	<u>4,935</u>	<u>(1,225)</u>	<u>908</u>	<u>(41,648)</u>	<u>(34,044)</u>
Other financing sources (uses)					
Issuance of debt	-	-	-	21,000	-
Original issue premium				2,423	-
Transfers in	1,303	7,262	4,048	661	1,538
Transfers out	(1,309)	(7,262)	(1,262)	(391)	(1,826)
Sale of Capital Assets	-	-	-	-	-
Total other financing sources (uses)	<u>(6)</u>	<u>-</u>	<u>2,786</u>	<u>23,693</u>	<u>(288)</u>
 Net change in fund balances	 <u>\$ 4,929</u>	 <u>\$ (1,225)</u>	 <u>\$ 3,694</u>	 <u>\$ (17,955)</u>	 <u>\$ (34,332)</u>
 Debt service as a percentage of noncapital expenditures	 0.00%	 0.00%	 0.00%	 0.00%	 1.04%

Source: CAFR - Statement of Revenues, Expenditures and Changes in Fund Balance - Government Funds

Riverside County Flood Control and Water Conservation District
Changes in Fund Balances of Governmental Funds
Last Ten Fiscal Years

(Amounts Expressed in Thousands - Modified Accrual Basis of Accounting)

Page 2

Fiscal Year					
2017	2018	2019	2020	2021	
					Revenues
\$ 53,078	\$ 56,043	\$ 59,111	\$ 61,726	\$ 66,686	Property taxes
9,526	11,140	12,798	13,961	19,585	Redevelopment pass-thru
3,162	3,232	3,294	3,381	3,421	Special assessments
10,151	2,171	2,134	7,456	3,345	Intergovernmental
718	1,085	927	871	1,065	Charges for services
1,654	2,610	1,315	1,445	1,601	Area drainage fees
785	2,260	7,301	4,313	87	Investment Earnings (Loss)
-	-	-	-	-	Contributions
177	918	166	288	459	Use of assets
<u>79,251</u>	<u>79,459</u>	<u>87,046</u>	<u>93,441</u>	<u>96,249</u>	Total revenues
					Expenditures
					Current:
6,715	5,587	10,208	5,263	7,469	General government
38,148	47,594	43,077	60,404	69,825	Public ways and facilities
12,460	12,745	10,008	8,662	15,074	Capital outlay
					Debt service:
1,920	1,980	2,060	2,160	2,270	Principal
936	867	776	670	559	Interest
<u>60,179</u>	<u>68,773</u>	<u>66,129</u>	<u>77,159</u>	<u>95,197</u>	Total expenditures
					Excess of revenues over (under) expenditures
<u>19,072</u>	<u>10,686</u>	<u>20,917</u>	<u>16,282</u>	<u>1,052</u>	
					Other financing sources (uses)
-	-	-	-	-	Issuance of debt
-	-	-	-	-	Original issue premium
4,219	3,454	10,057	3,363	3,301	Transfers in
(4,219)	(3,454)	(9,785)	(3,363)	(3,301)	Transfers out
-	-	-	-	-	Sale of Capital Assets
<u>-</u>	<u>-</u>	<u>272</u>	<u>-</u>	<u>-</u>	Total other financing sources (uses)
<u>\$ 19,072</u>	<u>\$ 10,686</u>	<u>\$ 21,189</u>	<u>\$ 16,282</u>	<u>\$ 1,052</u>	Net change in fund balances
					Debt service as a percentage of noncapital expenditures
5.99%	5.08%	5.05%	4.13%	3.53%	

Riverside County Flood Control and Water Conservation District
General Governmental Tax Revenues by Source
Last Ten Fiscal Years

(Amounts Expressed in Thousands - Modified Accrual Basis of Accounting)

Fiscal Year	Property Taxes	Total
2011-12	39,726	39,726
2012-13	40,225	40,225
2013-14	42,729	42,729
2014-15	47,095	47,095
2015-16	49,792	49,792
2016-17	53,078	53,078
2017-18	56,043	56,043
2018-19	59,111	59,111
2019-20	61,726	61,726
2020-21	66,686	66,686

Source: CAFR - Combined Statement of Revenues, Expenditures and
Changes in Fund Balances All Governmental Fund Types

Riverside County Flood Control and Water Conservation District
Assessed Value and Estimated Actual Value of Taxable Property
Last Ten Fiscal Years

(Amounts Expressed in Thousands)

Page 1

	Real Property			Personal Property
Fiscal Year Ended June 30	Residential Property	Commercial Property	Other	Other
2011-12	118,450,628	41,196,648	40,365,897	4,875,338
2012-13	125,539,662	41,735,886	40,917,312	4,782,681
2013-14	138,386,778	43,110,284	43,075,267	4,888,497
2014-15	147,264,519	45,223,550	45,338,854	4,889,808
2015-16	155,090,500	47,339,392	47,457,075	5,166,191
2016-17	163,900,000	50,213,646	49,790,363	5,243,330
2017-18	174,114,892	54,116,680	52,227,058	5,542,766
2018-19	185,370,885	61,186,708	50,284,592	5,933,187
2019-20	197,900,697	58,551,327	57,869,862	6,090,188
2020-21	209,348,185	61,321,232	67,611,642	6,351,201

Source: Assessor Annual Report - County of Riverside. Assessed Valuations are reported for all of Riverside County.

Notes: Property in the county is reassessed annually. The county assesses property at 100 percent of actual value, subject to the limitations of Prop 13, for all types of real and personal property.

Estimated actual value is calculated by dividing assessed value by those percentages. Tax rates are per \$1,000 of assessed value.

¹ Includes tax exempt property

Riverside County Flood Control and Water Conservation District
Assessed Value and Estimated Actual Value of Taxable Property
Last Ten Fiscal Years
(Amounts Expressed in Thousands)

Page 2

Less: Tax Exempt Real Property	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value	Assessed Value as a Percentage Actual Value ¹
7,098,792	197,789,720	1.00000	204,888,511	97%
7,285,965	205,689,576	1.00000	212,975,541	97%
7,473,953	221,986,873	1.00000	229,460,826	97%
7,743,168	234,973,563	1.00000	242,716,731	97%
8,006,110	247,047,048	1.00000	255,053,158	97%
8,526,218	260,621,121	1.00000	269,147,339	97%
9,066,704	276,934,692	1.00000	286,001,396	97%
9,354,330	293,421,042	1.00000	302,775,372	97%
9,765,217	310,646,857	1.00000	320,412,074	97%
10,006,504	334,625,756	1.00000	338,287,410	99%

f

Riverside County Flood Control and Water Conservation District
Property Tax Rates
Direct and Overlapping Governments
Last Ten Fiscal Years

Overlapping Rates							
Fiscal Year	Flood Control Zone 1	County		School District	City of Riverside	Metro Water West	Total Direct & Overlapping Rates
		Riverside County General	County Wide				
2011-12	0.00000	-	1.00000	0.43068	0.14552	0.00000	1.57620
2012-13	0.00000	-	1.00000	0.04273	0.01331	0.00000	1.05604
2013-14	0.00000	-	1.00000	0.04226	0.01313	0.00000	1.05539
2014-15	0.00000	-	1.00000	0.04153	0.01279	0.00000	1.05432
2015-16	0.00422	-	1.00000	0.04113	0.01257	0.00000	1.05370
2016-17	0.00422	-	1.00000	0.04113	0.01242	0.00000	1.05355
2017-18	0.00420	-	1.00000	0.04093	0.01225	0.00000	1.05318
2018-19	0.00418	-	1.00000	0.04081	0.01209	0.00000	1.05291
2019-20	0.00417	-	1.00000	0.04087	0.01195	0.00000	1.05282
2020-21	0.00415	-	1.00000	0.04104	0.01181	0.00000	1.05285

Source: Auditor-Controller - County of Riverside, Auditor-Controller's Office

Notes:

- (1) The tax rate for Tax Rate Area 009-000, which applies to most property within the City of Riverside, is used to illustrate the breakdown of the tax rate within the County.
- (2) Flood Control would receive approximately 3.168% of the county-wide rate in Tax Rate Area 009-000.

Riverside County Flood Control and Water Conservation District
Principal Property Taxpayers
June 30, 2021 and June 30, 2012
(Amounts Expressed in Thousands)

Taxpayer	2021			2012		
	Taxable Assessed Value	Rank	Percent of Total Taxable Assessed Value	Taxable Assessed Value	Rank	Percent of Total Taxable Assessed Value
SOUTHERN CALIFORNIA EDISON	68,219	1	1.63%	23,447	1	0.83%
SOUTHERN CALIFORNIA GAS COMPANY	22,152	2	0.53%	6,554	5	0.23%
FRONTIER CALIFORNIA INC	6,836	3	0.16%			
SENTINEL ENERGY CENTER, LLC	5,920	4	0.14%			
DUKE REALTY LTD PARTNERSHIP	5,285	5	0.13%			
COSTCO WHOLESALE CORP	4,968	6	0.12%			
TEMECULA HOTEL PARTNERS OLD TOWN	4,952	7	0.12%			
AMAZON COM SERVICES INC	4,948	8	0.12%			
USEF CROSSROADS II	4,387	9	0.10%			
CHELSEA GCA REALTY PARTNERSHIP	3,965	10	0.09%	2,454	14	0.09%
TYLER MALL LTD PARTNERSHIP	3,537	11	0.08%	2,881	9	0.10%
TARPON PROP OWNERSHIP 2	3,407	12	0.08%			
WALGREEN CO	3,336	13	0.08%			
GARDEN OF CHAMPIONS	3,329	14	0.08%			
SPECTRUM PACIFIC WEST LLC	3,328	15	0.08%			
VERIZON				10,214	2	0.36%
INLAND EMPIRE ENERGY CENTER LLC				8,422	3	0.30%
FEDERAL NATL MORTGGE ASSN				6,612	4	0.23%
WELLS FARGO BANK				3,105	6	0.11%
ABBOT VASCULAR INC				3,096	7	0.11%
WALGREEN CO				3,015	8	0.11%
STANDARD PACIFIC CORP				2,873	10	0.10%
LOWES HIW INC				2,616	11	0.09%
ASHBY USA				2,490	12	0.09%
BLYTHE ENERGY LLC				2,463	13	0.09%
FEDERAL HOME LOAN MORTGAGE CORP						
				2,425	15	0.09%
	<u>\$ 148,569</u>		<u>3.54%</u>	<u>\$ 82,667</u>		<u>2.93%</u>

Source: County Treasurer-Tax Collector

Riverside County Flood Control and Water Conservation District
Property Tax Levies and Collections
Last Ten Fiscal Years
(Amounts Expressed in Thousands)

Fiscal Year Ended June 30	Total Tax Levy for Fiscal Year¹	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percent of Levy²		Amount	Percent of Levy
2011-12	38,352	37,387	97.5%	254	37,641	98.1%
2012-13	38,336	37,878	98.8%	231	38,109	99.4%
2013-14	39,993	39,759	99.4%	-	39,759	99.4%
2014-15	43,862	44,015	100.0%	-	44,015	100.0%
2015-16	46,562	46,694	100.0%	-	46,694	100.0%
2016-17	49,009	49,563	100.0%	-	49,563	100.0%
2017-18	51,826	52,298	100.0%	-	52,298	100.0%
2018-19	54,956	55,569	100.0%	-	55,569	100.0%
2019-20	59,208	58,430	98.7%	-	58,430	98.7%
2020-21	62,715	66,289	100.0%	-	66,289	100.0%

Notes: Delinquent taxes reported by year of collection; data by levy year unavailable.

¹ Source: Auditor-Controller - County of Riverside, Auditor-Controller's Office

² Adjusted to exclude Prior Year collections in excess of 100%

Riverside County Flood Control and Water Conservation District
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years
(Amounts Expressed in Thousands)

Fiscal Year	Government Activities		Total Primary Government	Percentage of Personal Income³	Debt Per Capita⁴
	General Obligation Bonds¹	Special Assessment Bonds²			
2012	-	2,380	2,380	3.70%	108
2013	-	2,055	2,055	3.07%	69
2014	-	1,705	1,705	2.54%	53
2015	23,423	1,325	24,748	32.44%	750
2016	22,831	915	23,746	30.35%	950
2017	20,669	475	21,144	25.16%	881
2018	18,446	-	18,446	21.00%	683
2019	16,144	-	16,144	16.21%	505
2020	13,742	-	13,742	13.80%	458
2021	13,609	-	13,609	12.99%	469

Sources: CAFR - Long-term Debt Schedule

Assessor, County of Riverside - Assessed valuations are reported for the District only.

Notes: Special Assessment Data is reflected in the Agency Fund Financial Statements.

¹ Zone 4 Promissory Notes, net of original issuance premium

² Zone 3 Elsinore Valley Benefit Assessment

³ Personal income is disclosed in the Schedule of Demographic and Economic Statistics.

⁴ Population data can be found in the Schedule of Demographic and Economic Statistics.

⁵ Data not available for 2021. Data referenced is from 2019.

Riverside County Flood Control and Water Conservation District
Ratios of General Bonded Debt Outstanding
Last Ten Fiscal Years
(Amounts Expressed in Thousands)

Fiscal Year	Population (1)	Assessed Value (2)	General Obligation Bonds¹	Less: Amounts Available in Debt Service Fund	Total	Percentage of Estimated Actual Taxable Value of Property²	Per Capita³
2011-12	2,237	64,876,307	-	-	-	0.00%	-
2012-13	2,268	64,876,307	-	-	-	0.00%	-
2013-14	2,296	64,876,307	-	-	-	0.00%	-
2014-15	2,328	234,973,563	23,423	-	23,423	0.01%	10
2015-16	2,361	247,047,048	22,831	-	22,831	0.01%	10
2016-17	2,388	260,621,121	20,669	-	20,669	0.01%	9
2017-18	2,423	276,934,692	18,446	-	18,446	0.01%	8
2018-19	2,451	293,421,042	16,144	-	16,144	0.01%	7
2019-20	2,471	310,646,857	13,742	-	13,742	0.00%	6
2020-21	2,471	334,625,756	13,609	-	13,609	0.00%	6

Sources:

State of California, Department of Finance

Notes:

¹ Zone 4 Promissory Notes, net of original issuance premium

² Calculation based on assessed valuations reported for the District only.

³ Population data can be found in the Schedule of Demographic and Economic Statistics.

Riverside County Flood Control and Water Conservation District
Direct and Overlapping Governmental Activities Debt
As of June 30, 2021
(Amounts Expressed in Thousands)

<u>Government Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable</u>	<u>Estimated Share of Overlapping Debt</u>
Overlapping debt	\$ -	0.00%	\$ -
Flood Control direct debt			13,609
Total direct and overlapping debt			<u>\$ 13,609</u>

Source: CAFR - Notes to Basic Financial Statements, Note 6 Long-term Obligations

Riverside County Flood Control and Water Conservation District
Legal Debt Margin Information
Last Ten Fiscal Years
(Amounts Expressed in Thousands)

	<u>Fiscal Year</u> <u>2012</u>	<u>Fiscal Year</u> <u>2013</u>	<u>Fiscal Year</u> <u>2014</u>	<u>Fiscal Year</u> <u>2015</u>	<u>Fiscal Year</u> <u>2016</u>	<u>Fiscal Year</u> <u>2017</u>	<u>Fiscal Year</u> <u>2018</u>	<u>Fiscal Year</u> <u>2019</u>	<u>Fiscal Year</u> <u>2020</u>	<u>Fiscal Year</u> <u>2021</u>
Debt Limit	\$ 5,615,081	\$ 5,600,219	\$ 5,824,400	\$ 1,088,169	\$ 1,573,071	\$ 1,675,282	\$ 1,785,007	\$ 1,922,312	\$ 1,984,069	\$ 2,143,801
Total net debt applicable to limit	-	-	-	(23,423)	(22,831)	(20,669)	(18,446)	(16,144)	(13,742)	(13,609)
Legal debt margin	<u>\$ 5,615,081</u>	<u>\$ 5,600,219</u>	<u>\$ 5,824,400</u>	<u>\$ 1,064,746</u>	<u>\$ 1,550,240</u>	<u>\$ 1,654,613</u>	<u>\$ 1,766,561</u>	<u>\$ 1,906,168</u>	<u>\$ 1,970,327</u>	<u>\$ 2,130,192</u>
Total net debt applicable to the limit as a percentage of debt limit	0.00%	0.00%	0.00%	2.15%	1.45%	1.23%	1.03%	0.84%	0.69%	0.63%

Legal Debt Margin Calculation for Fiscal Year 2021

Assessed Value	\$ 57,649,581
Less: Homeowners exemptions	<u>\$ (481,566)</u>
Total assessed value	<u>\$ 57,168,015</u>
 Debt limit (lesser of 3.75% of assessed valuation or \$21,000)	 \$ 21,000
Debt applicable to limit:	
General obligation debt	13,609
Less: Amount set aside for repayment of general obligation debt	<u>-</u>
Total net debt applicable to limit	<u>13,609</u>
Legal debt margin	<u>\$ 7,391</u>

Source:

- ¹ Assessor, County of Riverside - District only assesses valuation note.
- ² California State Treasurer - Statutory Debt Limits

Notes: Excludes voter approved, land based and special assessments debt and up to \$475 debt for administrative facilities.
Debt limit is the maximum amount of outstanding gross or net debt legally permitted (lesser of 3.75% of assessed valuation or \$21,000).
Legal debt margin is the excess of the amount of debt legally authorized over the amount of debt outstanding.

2020-2021 Auditor Controller District Valuation Assessor Net was not available, instead we used the Equalized FY19-20 Tentative Valuation in this report

Riverside County Flood Control and Water Conservation District
Pledged-Revenue Coverage
Last Ten Fiscal Years
(Dollars Expressed in Thousands)

Special Assessment Bonds				
Fiscal Year	Special Assessment Collections	Debt Service		Coverage
		Principal	Interest	
2012	330	305	106	0.80
2013	166	325	175	0.33
2014	435	350	148	0.87
2015	259	380	119	0.52
2016	151	410	88	0.30
2017	28	440	55	0.06
2018	7	48	19	0.10
2019	-	-	-	-
2020	-	-	-	-
2021	-	-	-	-

Source: U.S. Bank Statements & Debt Service Schedule for Zone 3 Elsinore Valley Benefit Assessment.

Note: Zone 3 ElsinoreValley Benefit Assessment was fully paid in FY 2018

Riverside County Flood Control and Water Conservation District
Demographic and Economics Statistics
Last Ten Fiscal Years

Fiscal Year ⁴	Population¹	Median Age¹	School Enrollment¹	Personal Income²	Per Capita Personal Income¹	Unemployment Rate Percent³
2011-12	2,239,620	34	651,554	64,376,498	22,359	13.0%
2012-13	2,268,783	34	664,724	67,024,780	29,927	11.1%
2013-14	2,292,507	34	658,651	72,015,057	31,742	9.5%
2014-15	2,329,271	35	666,715	76,289,477	33,278	6.6%
2015-16	2,361,026	35	660,914	78,239,388	24,739	6.7%
2016-17	2,387,741	35	660,858	84,025,987	23,783	5.7%
2017-18	2,423,266	35	665,533	87,827,068	27,186	4.8%
2018-19	2,450,758	35	668,113	99,591,680	32,397	3.9%
2019-20	2,470,546	36	671,906	99,591,680	30,383	10.5%
2020-21	2,470,546	36	431,521	104,794,676	28,596	7.6%

Sources:

¹ U.S. Census Reporter

² U.S. Department of Commerce - Bureau of Economic Analysis

³ State of California, Labor Market Information

⁴ Personal Income data referenced is from 2020

Riverside County Flood Control and Water Conservation District
Principal Employers
June 30, 2021 and June 30, 2012

Employer	2021			2012		
	Employees	Rank	Percentage of Total County Employment	Employees	Rank	Percentage of Total County Employment
County of Riverside	22,952	1	2.23%	17,702	1	2.15%
Amazon	10,500	2	1.02%			
March Air Reserve Base	9,600	3	0.93%	9,000	2	1.09%
University of California, Riverside	8,909	4	0.87%	5,790	4	0.70%
Stater Bros Markets	8,304	5	0.81%	6,900	3	0.84%
Moreno Valley Unified School District	6,250	6	0.61%	3,500	10	0.43%
Kaiser Permanente Riverside Medical Center	5,780	7	0.56%	4,000	7	0.49%
Corona-Norco Unified School District	5,478	8	0.53%	4,686	6	0.57%
Hemet Unified School District	4,460	9	0.43%	3,238	11	0.39%
Ross Dress For Less	4,313	10	0.42%			
Riverside Unified School District	4,313	11	0.42%	3,796	9	0.46%
Wal-Mart	4,195	12	0.41%	5,360	5	0.65%
Temecula Valley Unified School District	4,025	13	0.39%	2,730	13	0.33%
Pechanga Resort & Casino	4,000	14	0.39%	4,000	8	0.49%
Eisenhower Medical Center	3,965	15	0.39%	2,517	14	0.31%
Abbot Vascular				2,938	12	0.36%
City of Riverside				2,500	15	0.30%
	<u>107,044</u>		<u>10.41%</u>	<u>78,657</u>		<u>9.56%</u>

Source: Riverside County Economic Development Agency

Note: Statistical table is a requirement of GASB 44, Economic Condition Reporting: The Statistical Section.

Riverside County Flood Control and Water Conservation District
Full-Time Equivalent Government Employees by Function
Last Ten Fiscal Years

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Function										
General government										
Inspection	10	2	2	4	5	7	7	4	7	6
Administration	61	13	17	60	63	69	62	39	23	8
Public ways & facilities										
Engineering	113	158	140	119	99	96	93	103	117	105
Maintenance	69	90	83	69	82	81	84	92	114	83
NPDES	20	19	21	20	20	19	20	30	17	12
Photogrammetry operations	1	1	1	-	1	2	1	1	1	1
Subdivision operations	10	6	6	10	9	10	14	10	6	2
Encroachment permits	2	-	1	1	1	1	2	2	3	1
Hydrology services	5	4	4	4	2	2	3	4	3	2
Garage-Fleet operations	10	15	26	11	9	8	9	10	7	3
Mapping services	2	1	3	2	2	2	2	-	-	-
Data processing	14	9	10	8	4	4	4	7	7	3
Total	317	318	314	308	297	301	301	302	305	226

Source: The District

Riverside County Flood Control and Water Conservation District
Operating Indicators by Function
Last Ten Fiscal Years

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Function										
General government										
Inspection services	150	49	75	38	52	173	91	78	85	96
Hydrology	5	4	5	5	5	4	5	5	4	-
Public ways and facilities										
Maintenance projects	1,198	1,141	1,151	1,142	1,162	1,310	1,374	464	437	2,179
Construction projects	371	373	343	304	323	296	296	91	98	420
NPDES - Santa Ana										
Public Education Outreach events	27	35	4	4	16	16	10	9	3	1
NPDES - Santa Margarita										
Public Education Outreach events	2	3	1	3	9	11	3	4	1	1
NPDES - Whitewater										
Public Education Outreach events	5	4	1	2	3	3	3	3	1	-
Photogrammetry operations	7	11	11	6	13	16	5	6	6	15
Subdivision operations										
Plan check cases processed	518	233	167	159	176	194	208	189	314	139
Flood plain cases processed	115	50	36	56	96	43	105	74	94	113
Enroachment permits										
Permits - Issuance and Inspection	142	165	230	103	262	143	240	120	266	383

Source: The District

Riverside County Flood Control and Water Conservation District
Capital Asset Statistics by Function
Last Ten Fiscal Years

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Function										
General Government										
Buildings and improvements	-	-	-	-	-	-	-	-	-	-
Equipment	24	24	17	25	27	21	8	31	27	39
Public ways and facilities										
Infrastructure										
Basins	-	-	1	-	1	-	-	-	1	1
Channels	6	6	-	3	1	2	2	2	-	3
Levees	-	-	-	-	-	-	-	-	-	1
Storm Drains	35	35	16	17	9	11	11	13	7	26

Source: The District