

# West Sacramento Area Flood Control Agency West Sacramento, California

## COMPREHENSIVE ANNUAL FINANCIAL REPORT



FOR THE FISCAL YEAR ENDED JUNE 30, 2013

  
**WEST SAC**  
flood protect  
It's up to us

**WEST SACRAMENTO AREA FLOOD  
CONTROL AGENCY  
JOINT POWERS AUTHORITY  
COMPREHENSIVE ANNUAL FINANCIAL REPORT  
FOR THE YEAR ENDED JUNE 30, 2013**

Prepared by the Department of Administrative Services  
1110 West Capitol Avenue  
West Sacramento, California 95691, (916) 617-4575

## **INTRODUCTORY SECTION**

**WEST SACRAMENTO AREA FLOOD CONTROL AGENCY  
 JOINT POWERS AUTHORITY  
 COMPREHENSIVE ANNUAL FINANCIAL REPORT  
 For the Year Ended June 30, 2013**

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**WEST SACRAMENTO AREA FLOOD CONTROL AGENCY  
 JOINT POWERS AUTHORITY  
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## Letter of Transmittal

### West Sacramento Area Flood Control Agency

December 16, 2013

To the West Sacramento Area Flood Control Area (WSAFCA) Board and Citizens served by the Agency:

#### **Formal Transmittal of the Comprehensive Annual Financial Report (CAFR)**

State law requires that every general government publish within six months of the end of each fiscal year a complete set of audited financial statements. The WSAFCA (the Agency or WSAFCA) is a component unit of the City of West Sacramento, California. The report is published to fulfill that requirement for the fiscal year ended June 30, 2013.

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.

Richardson and Company, Certified Public Accountants, have issued an unqualified ("clean") opinion on the Agency's financial statements for the year ended June 30, 2013. 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 the letter of transmittal and should be read in conjunction with it.

#### **Internal Controls**

WSAFCA's management is responsible for establishing and maintaining internal controls designed to ensure that the Agency's assets are protected from loss, theft or misuse and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with accounting principles generally accepted in the United States of America. The internal controls are designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management. Management relies on and is confident that the internal controls in place are adequate to ensure the accuracy of the financial data provided herein.

As a recipient of federal, state, and local financial assistance, the Agency is also responsible for ensuring that adequate internal controls are in place to ensure document compliance with applicable laws and regulations related to these programs. These internal controls are subject to periodic evaluation by management and staff of the City of West Sacramento Finance Division.

In addition, the Agency maintains extensive budgetary controls. The objective of these controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the Agency Board. Activities for all funds are included in the annual appropriated budget.

As demonstrated by the statements and schedules included in the financial section of this report, the Agency continues to meet its responsibility for sound financial management.

### **Governmental Structure, Local Economic Condition Outlook**

WSAFCA is a joint powers authority created by agreement between the City of West Sacramento (the "City"), Reclamation District No. 900 and Reclamation District No. 537. The Agency was created for the purpose of comprehensively managing the levee systems which provide protection to West Sacramento's citizens, businesses, and assets.

The three member WSAFCA Board formulates and enacts policy for the Agency. The elected boards of RD 900, RD 537, and the West Sacramento City Council, each appoint a director and alternate director to serve as the WSAFCA Board.

The Agency provides services related to the construction, maintenance, and regulation of West Sacramento's levee system. Services include the capital expansion and improvement of levee facilities, regulatory services to fulfill legal requirements associated with federal and state programs that relate to the Agency's activities, surveying and mapping services, and planning services that relate to and provide for the public's health and safety in regard to flood prevention, control, and emergency response.

The Agency is required to adopt by resolution a final biennial budget by June 30th. The current budget was adopted on June 13, 2013. The biennial budget serves as the foundation for the Agency's financial planning and control. The Agency's budget is prepared by fund and activity or appropriation level within each category present in the financial statements. The Agency may transfer appropriations and establish new appropriation levels as resources allow.

At this point in time, the Agency is focused on an ambitious capital improvement of the levee system as outlined in the West Sacramento Levee Improvement Program (WSLIP). Typically, staff develops budget proposals for Board consideration based on project hierarchy and phase as identified by the WSLIP with allocation requests reflecting the design, environmental, and construction activity of the selected projects.

#### Local/Regional Economy

The rate of annual job gains or losses in the six-county Sacramento region, of which the City of West Sacramento is an integral part, is an essential component of the local/regional economic analysis. Annual job growth slowed to 0.9 percent in June 2013 in the six-county Sacramento region. This rate of growth, based on preliminary data, equates to a gain of 8,000 jobs over the past 12 months across the regional economy. The recent flat job growth in the region is a result of mixed performances across the five largest sectors, which tend to dictate overall regional trends. The largest sector, government, continued to post job losses on an annual basis in June 2013 with declines across federal, state, and local government activities according to SACTO.

On the private sector side, the leisure and hospitality sector experienced a notable rebound at the end of the second quarter of 2013. For the last 26 months, the public sector is impeding overall regional job growth where the private sector has been posting relatively healthy growth over the past few quarters.

The Sacramento region's unemployment rate decreased from the prior year by 1.7 percentage points. According to preliminary data, over 110,000 Sacramento region residents were officially considered unemployed in June 2013, leading to a seasonally adjusted average unemployment rate of 9.9 percent (SACTO). The unemployment rate of the City of West Sacramento posted by the California Employment Development Department as of June 2013 is 12.9 percent.

The region's residential real estate market saw an increase between the first quarters of 2012 and 2013, and the median home sale price increased by almost 28%. The median home sale price came in at \$220,000 for the first quarter of 2013, which was between the statewide and national averages. Sacramento's growth was higher than statewide and national, indicating that the housing market is clearly on a rebound from the market pressures throughout the state and somewhat lagging housing recovery. The Sacramento region is again one of the most affordable housing regions in the state. With 75 percent of homes sold in the second quarter of 2013 affordable to a family earning a median income, Sacramento ranks well above the statewide averages of 57 percent and below just two of the major and neighboring regions in the state, Stockton and Fresno.

### Long-Term Financial Planning

The Agency's planning and project development are informed and greatly facilitated by state and federal funding. The current cash flow model is premised on near participation of the State of California through its Early Implementation Program and eventual federal participation with acceptance of the General Reevaluation Report by the United States Army Corps of Engineers.

### Relevant Financial Policies

The Agency's cash and investments, stated at fair value, are on account with and pooled with other governmental agencies by the City of West Sacramento's Finance Division for the purpose of capital preservation through conservative investment activity. Union Bank of California Trust Services serves as the Agency's fiscal agent for special assessment debt, i.e. bond proceeds that fund capital projects.

### **Major Initiatives**

During the fiscal year the Agency completed its second and third major projects under the State's Early Implementation Program (EIP).

#### Rivers Phase 1

The levee segment selected for improvement is approximately 3,000 feet long and is located along the right bank of the Sacramento River, starting at the downstream end of the State of California Department of Water Resource Maintenance Yard located in the neighborhood of Bryte and terminates in the widened levee section just before the waterside homes on River Crest Drive.

The area surrounding the project site is primarily residential urban development. The project site consists of an earthen levee with a crown width of approximately 20 feet and a waterside berm that varies in width from 100 to 400 feet. The elevation of the existing levee throughout the project extends from approximately 39.8 feet to 44.1 feet (NAVD88). In all cases, this elevation is more than 3 feet higher than the 200-year design water surface elevation of 36.5 feet for this location in the Sacramento River. Numerous utility penetrations through the levee were identified within the project limits; and several waterside residences exist within the downstream portion of the site.



The levee improvement plan included a combination of levee reconstruction measures necessary to correct seepage, stability, levee geometry, vegetation, and encroachment issues. The primary levee reconstruction measures included installation of a seepage cutoff barrier along the entire extent of the project, as well as levee grading, including slope flattening, to correct slope stability issues identified. Encroachments and vegetation within the project site were removed or reconfigured, as necessary, to comply with current Army Corps and Central Valley Flood Protection Board policy.

#### SacBypass-CHP Academy Project

The levee segment selected for improvement is approximately 6,000 feet. It extends from the Sacramento weir 6,000 feet west along the south levee of the Sacramento Bypass. The area south of the project site is occupied by the California Highway Patrol (CHP) Academy. The project site consists of an earthen levee with a crown width of approximately 20 feet. The levee segment along the Sacramento Bypass has a landside berm constructed as part of the USACE West Sacramento Project Levee Reconstruction Project Contract B, 1999. Other Contract B levee improvements that fall within the extents of the CHP Academy EIP site include a waterside toe soil bentonite cutoff wall and an interior drain. The elevation of the existing levee along the Sacramento Bypass ranges from approximately 38.1 feet to 40.3 feet (NAVD88). In all cases, this elevation is more than 3 feet higher than the 200-year design water surface elevation for the Sacramento Bypass. The 200 year design elevation for the TOL is below the previously authorized and accepted TOL for the West Sacramento Project.

The levee improvement plan included levee reconstruction measures necessary to correct seepage and stability deficiencies. The project included slope flattening and installation of a cutoff wall to correct for stability and seepage deficiencies, respectively. Vegetation within the project extents was modified, as needed, to comply with current Army Corps policy.

#### Southport Sacramento River EIP

WSAFCA has identified the Sacramento River right levee between levee mile 2.2 and 7.8 as the next levee improvement project in its ongoing upgrade of the West Sacramento flood protection system. The reach under consideration is a federal project levee that extends from the termination of the U.S. Army Corps of Engineers Sacramento River Erosion Repair Site RM 57.2R levee project south 5.6 miles to the South Cross Levee. What distinguishes this project from others is that, unlike WSAFCA's recently completed levee upgrades and those planned for the near future, the Southport Sacramento River EIP presents potential opportunities for ecosystem restoration and recreation beyond the primary program objective of improving flood protection in the City. These factors combine with the potential for elimination of seismic deficiencies and a reduction in erosion related operation and maintenance costs. Project development attained 65% design point in January 2013. The Draft Environmental Impact Statement/Report entered the public commenting period on 11/08/2013. The public commenting period ends on January 6, 2014 and will be presented for WSAFCA Board consideration in spring 2014.

The preparation of this report would not have been possible without the efficient and dedicated work of the City's Public Works and Finance Division staffs. Credit must be given to the Board for their diligence and unfailing support for maintaining high standards of professionalism in the management of the Agency's finances and policies.


Respectfully submitted,



Nitish Sharma, Budget Manager



Phil Wright, WSAFCA Treasurer



Ken Ruzich, WSAFCA Manager

**West Sacramento Area Flood Control Agency**

**List of Principal Appointed Officials**

Title	Name	Represented Agency
William Denton	President, Chairperson	RD 900
William Kristoff	Director	City of West Sacramento
Tom Ramos	Director	RD 537
Edward Bryan	Alternate Director	RD 900
Christopher Ledesma	Alternate Director	City of West Sacramento
Kent Lang	Alternate Director	RD 537

Note: The Agency has no organizational chart because it has no employees.

**West Sacramento Area Flood Control Agency**  
**Administrative Staff**

<b>Name</b>	<b>Title</b>	<b>Agency</b>
Martin Tuttle	City Manager	City of West Sacramento
Ken Ruzich	Flood JPA Manager	Reclamation District 900
Denix Anbiah	Director of Public Works	City of West Sacramento
Nitish Sharma	Budget Manager	City of West Sacramento
Greg Fabun	Flood Protection Manager	City of West Sacramento
Paul Dirksen	Flood Protection Planner	City of West Sacramento
Toby Wong	Construction Engineer	City of West Sacramento
Mark Zollo	Senior Analyst	City of West Sacramento
Chelsea Grow	Admin Aide	City of West Sacramento

## **FINANCIAL SECTION**

**INDEPENDENT AUDITOR’S REPORT**

Members of the Board of the  
West Sacramento Area Flood Control Agency Joint Powers Authority  
West Sacramento, California

**Report on the Financial Statements**

We have audited the accompanying financial statements of the governmental activities and each major fund of the West Sacramento Area Flood Control Agency Joint Powers Authority (the Authority), as of and for the year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise the Agency’s basic financial statements as listed in the table of contents.

**Management’s Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

**Auditor’s Responsibility**

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the State Controller’s Minimum Audit Requirements for California Special Districts. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity’s preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity’s internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.



## **Opinions**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the West Sacramento Area Flood Control Agency Joint Powers Authority as of June 30, 2013, and the respective changes in financial position and the respective budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America as well as accounting systems prescribed by the State Controller's Office and state regulations governing special districts.

## **Other Matters**

The financial statements of the Authority as of June 30, 2013, were audited by other auditors whose report dated November 9, 2013, expressed an unmodified opinion on those statements.

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, as listed in the accompanying table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### *Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Authority's basic financial statements. The introductory section, supplemental information and statistical section listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The supplemental information is the responsibility of management and was derived from and relates 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 supplemental information is 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.

*Richardson & Company*

MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2013

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As management of the West Sacramento Area Flood Control Agency (WSAFCA), a Joint Powers Authority, we offer readers of the WSAFCA's financial statements this narrative overview and analysis of the financial activities of the WSAFCA for the fiscal year ended June 30, 2013. 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 iii to vii of this report.

**OVERVIEW OF THE COMPREHENSIVE ANNUAL FINANCIAL REPORT**

This Comprehensive Annual Financial Report is in three major parts:

- 1) **Introductory section**, which includes the Transmittal Letter and general information,
- 2) **Financial section**, the Management's Discussion and Analysis (this section), the Basic Financial Statements, which include the Government-wide and Fund Financial Statements, along with the notes to these Financial Statements, and
- 3) **Statistical section.**

**The Basic Financial Statements**

The Basic Financial Statements consist of the Government-wide Financial Statements and the Fund Financial Statements; these two sets of financial statements provide two different views of the Agency's financial activities and financial position.

**The Government-wide Financial Statements**

The Government-wide Financial Statements provide a broad overview of the Agency's activities as a whole, and consist of the Statement of Net Position and the Statement of Activities. The Statement of Net Position provides information about the financial position of the Agency as a whole, including all its capital assets and long-term liabilities on the full-accrual basis, similar to that used by corporations. The Statement of Activities provides information about all the Agency's revenues and all its expenses, also on the full-accrual basis, with the emphasis on measuring net revenues or expenses of each of the Agency's programs. The Statement of Activities explains in detail the change in Net Position for the year.

The Statement of Net Position summarizes the financial position of all the Authority's Governmental Activities in a single column and includes the activities of the Authority's General Fund.

The format of the Statement of Activities presents the Authority's expenses first, listed by program. Program revenues are then deducted from program expenses to arrive at the change in net position.

MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2013

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### **Fund Financial Statements**

A *fund* is a group of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The WSAFCA, like other state and local agencies, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. WSAFCA utilizes three fund categories, each with a distinct purpose.

**General Fund** is used for all financial resources other than those that require accounting in another fund. The General Fund is used to pay all administrative, operating, and other expenditures incurred by the Authority, and to account for special benefit assessment and contribution revenues.

**Debt Service Fund** accounts for the accumulation of resources and payments of bond principal and interest of the Assessment Revenue Bonds (2008 and 2011) to finance construction of certain public capital improvements related to flood protection.

**DWR/Flood Protection Grant/WSAFCA Special Revenue Fund** accounts for revenues and expenditures associated with the grant funds received from the State of California Department of Water Resources.

Because the focus of the Governmental Funds Financial Statements is narrower than that of the Government-wide Financial Statements, it is useful to compare the information presented for governmental funds as similarly presented for governmental activities in the Government-wide Financial Statement. By doing so, readers may better understand the long-term impact of the government's near-term financial decision. Both the governmental funds balance sheet and the governmental funds statements of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The Governmental Funds Financial Statements provide detailed information about the Agency's most significant fund, called the *major funds*. The concept of *major funds*, and the determination of which are *major funds*, was established by GASB Statement 34 and replaces the concept of combining like funds and presenting them as one total. Instead, each *major fund* is presented individually, with all *non-major funds* summarized and presented only in a single column. Subordinate schedules present the detail of these *non-major funds*. *Major funds* present the major activities of the Agency for the year, and may change from year to year as a result of changes in the pattern of the Agency's activities. For the fiscal year ending June 30, 2013, the WSAFCA's *major Governmental funds* are as follows:

- General Fund- Fund 870
- Debt Service Funds- Fund 881 and Fund 882
- Special Revenue Fund- Fund 257

The Board, on a multi-year basis, has initially covenanted debt service and projects with bond proceeds. Other projects in the capital projects funds are budgeted by the Board on a multi-year basis.

MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2013

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**Notes to the 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 18 to 27 of this report.

**Combining and Individual Fund Financial Statements and Schedules**

The combining statements referred to earlier in connection with non-major governmental funds are presented immediately following the Notes to the Financial Statements. Combining and individual fund statements can be found on pages 29 to 30 of this report.

**GOVERNMENT-WIDE FINANCIAL ANALYSIS**

This is the second year the Authority has presented its financial statements under the reporting model required by the Governmental Accounting Standards Board Statement No. 34 (GASB 34), Basic Financial Statements – and Management's Discussion and Analysis (MD&A) – for State and Local Governments. For comparison purposes, three years of financial information is provided in the GASB 34 format.

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. In the case of the WSAFCA, assets exceeded liabilities by \$44.3 million in Fiscal Year 2013, \$33.9 million in Fiscal Year 2012, and \$16.3 million as of June 30, 2011. The increase of \$10.4 million in Fiscal Year 2013 is primarily due to the increase in the design of the Southport Early Implementation Project of \$7.0 million. The other increases are due to an increase in all other capital projects. The increase of \$17.6 million in Fiscal Year 2012 is due to a combination of factors including a grant from the State of California for the flood program of \$22.0 million, an increase in the reimbursement from the trustee for flood project expenditures not covered by the grant receipts of \$7.0 million, and an increase in flood program capital expenditures of \$12.0 million. The increase in Fiscal Year 2011 is primarily due to the proceeds from the issuance of the 2011 WSAFCA bonds of \$13.3 million.

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2013**

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WEST SACRAMENTO AREA FLOOD CONTROL AGENCY  
SUMMARY OF NET POSITION  
AS OF JUNE 30, 2013, 2012 and 2011

	<b>Governmental Activities</b>		
	<b>2013</b>	<b>2012</b>	<b>2011</b>
Current and other assets	\$12,587,812	\$18,208,153	\$18,413,973
Capital assets	55,525,978	45,341,979	21,704,379
<b>Total Assets</b>	<b>68,113,790</b>	<b>63,550,132</b>	<b>40,118,352</b>
Current and other liabilities	1,730,624	7,104,037	893,215
Non-current liabilities	22,130,000	22,570,000	22,855,000
<b>Total Liabilities</b>	<b>23,860,624</b>	<b>29,674,037</b>	<b>23,748,215</b>
Net investment in capital assets	32,955,978	27,079,075	10,811,196
Restricted	1,185,822		
Unrestricted	10,111,366	6,797,020	5,558,971
<b>Total Net Position</b>	<b>\$44,253,166</b>	<b>\$33,876,095</b>	<b>\$16,370,137</b>

**Governmental Activities**

Special flood assessments increased by 2% each year since Fiscal Year 2008. The special assessment levied on each parcel is a direct tax that is not subject to any changes in the property value. Total governmental activities revenues decreased by \$36.8 million in Fiscal Year 2013. The decrease is due to a combination of factors including a significant decrease in State of California funding. In Fiscal Year 2012, the State cost shared two major construction projects, CHP Academy Bypass Levee and the River EIP. The contribution from developers and homeowners are reimbursements received from the bond fiscal agent trustee for the flood program expenditures. The increase in Fiscal Year 2011 is primarily due to the issuance of the West Sacramento Area Flood Control Agency Bonds in the amount of \$13.3 million.

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2013**

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Total governmental activities expenses have decreased by \$29.6 million in Fiscal Year 2013. The decrease is due to the completion of the Rivers EIP Levee project and the CHP Bypass Levee improvement project. This combined for a net total cost of \$26.2 million change in current year. The total governmental activities expenses have increased by \$13.4 million in Fiscal Year 2012. This is due to a combination of factors including the construction of the River EIP project million and the construction of CHP Bypass Levee EIP. Total governmental expenditures increased by \$14.0 million in Fiscal Year 2011. The increase can be attributable to the design expenditures related to the Rivers EIP and CHP Bypass Levee EIP projects.

West Sacramento Area Flood Control Agency Changes in Net Position Governmental Activities			
	2013	2012	2011
<b>REVENUES</b>			
Program revenues:			
Special benefit assessment for operations	\$4,270,716	\$4,242,967	\$4,194,636
Contributions from developers and homeowners		1,650,340	13,166,726
Reimbursements		20,884,414	1,617,011
Intergovernmental	7,807,516	22,092,638	2,342,240
General revenues:			
Investment Earnings	10,946	1,899	55,980
<b>TOTAL REVENUES</b>	<b>\$12,089,178</b>	<b>\$48,872,258</b>	<b>\$21,376,593</b>
<b>EXPENSES</b>			
Program expenses:			
Flood Control:			
Operations and maintenance	\$216,731	\$4,204,326	\$1,507,171
Interest and fiscal charges	1,495,376	969,456	1,274,196
Contributions to other agencies		1,157,128	13,018,269
Pass-thru		25,035,390	2,107,073
<b>TOTAL EXPENSES</b>	<b>1,712,107</b>	<b>31,366,300</b>	<b>17,906,729</b>
<b>INCREASE IN NET POSITION</b>	<b>\$10,377,071</b>	<b>\$17,505,958</b>	<b>\$3,469,864</b>
Net position at July 1	33,876,095	16,370,137	12,900,273
<b>NET POSITION AT JUNE 30</b>	<b>\$44,253,166</b>	<b>\$33,876,095</b>	<b>\$16,370,137</b>

**Financial Analysis of the Agency Funds**

The WSAFCA uses fund accounting to assure and demonstrate compliance with finance-related legal requirements. The fund financial statements focus on individual parts of the Agency government, reporting the Agency's operations in more detail than the Government-wide financial statements.



MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2013

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**Governmental funds**

The governmental fund reported a combined fund balance of \$6.3 million at the fiscal year-end June 30, 2013, a decrease of \$4.7 million. The decrease is due to a combination of factors including the amount of funds being expended on the design of the Southport EIP project and the delay in State share of the project expenditures. Currently the State share of the project is divided equally. At the fiscal year-end June 30, 2012, the Agency's governmental fund reported a combined fund balances of \$11.4 million, a decrease of \$6.3 million. The General Fund reported a decrease in Fund Balance of \$3.3 million, or 20.1%. The decrease in General Fund is primarily due offsetting factors including the construction expenditures related to the Rivers EIP project and CHP Bypass Levee EIP (\$23.7 million) and an increase in revenues from the State of California (\$20.8 million). At the fiscal year-end June 30, 2011, the Agency's governmental funds reported a net increase of \$10.1 million. The increase reported in General Fund was \$9.7 million. The increase can be attributable to the issuance of the 2011 WSAFCA bonds with net proceeds of \$13.3 million and an increase in expenditures related to the design of the Rivers EIP, Southport EIP and CHP Bypass Levee EIP of \$4.2 million.

**General Fund Budgetary Highlights**

The Agency has historically adopted two budgets. The first is an operational biennial budget that includes operational costs, staffing, vehicles, and minor departmental capital expenditures. The second is a capital improvement program approved by Agency Board separately from the original operating budget on a project by project basis. The capital program prioritizes projects by their ability to minimize risk to the community and leverage available grant funding opportunities at the State and Federal levels.

Actual capital expenditures were \$55.8 million less than final budget amounts, mainly due to the Agency expending only \$10.2 million out of \$66.0 million in capital improvement projects in the Fiscal Year 2013. Total capital improvement budget includes the construction costs related to the Southport EIP project. The project is currently under design and is planned to begin construction in Fiscal Year 2016 depending on available resources.

Actual assessment revenues were \$0.1 million lower than the final budget amounts. The actual assessment revenues were adjusted for the write-off associated with accounts with delinquent balances over 90 days.

**Capital assets**

The WSAFCA's investment in capital assets for its governmental activities as of June 30, 2013, June 30, 2012, and June 30, 2011, were \$55.6 million, \$45.3 million, and \$21.7 million, respectively. The Agency's capital assets were reported as construction in progress in each of the last three years.

Major capital asset projects during the year included governmental infrastructure improvements that were the River EIP, Southport EIP, CHP Bypass Levee and the General Levee Re-evaluation. More information about the Agency's capital assets may be found in Note 3 of the Financial Statements.

MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2013

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**Long-term debt**

The Agency's debt financing of capital assets for its governmental activities as of June 30, 2013, June 30, 2012 and June 30, 2011, were \$22.5 million, \$22.8 million, and \$23.0 million, respectively.

More detail of the long-term liabilities and current transactions can be found in Note 4 of the Financial Statements.

**Economic Outlook**

We believe the economy is slowly recovering from the downturn we experienced for the past ten years. West Sacramento has recently experienced significant growth in commercial establishments. We anticipate that the Agency will experience an increase in the flood in-lieu fee revenue from the growth. The special assessment will continue to increase on an average of 2% each year due to the anticipated increase in flood program.

**Requests for Information**

This Comprehensive Annual Financial Report is intended to provide citizens, taxpayers, investors, and creditors with a general overview of the Agency's finances. If you have any questions about this report, need additional financial information, or would like to obtain component unit financial statements, contact the WSAFCA Administrative Services Department, 1110 West Capitol Avenue, West Sacramento, CA 95691, or visit the Agency's web page at <http://www.cityofwestsacramento.org/city/flood/default.asp>.

**WEST SACRAMENTO AREA FLOOD CONTROL AGENCY  
JOINT POWERS AUTHORITY**

**STATEMENT OF NET POSITION  
AND  
STATEMENT OF ACTIVITIES**

The statement of net position and the statement of activities summarize the Authority's entire financial activities and financial position. They are prepared on the same basis as is used by most businesses, which means they include all of the Authority's assets, deferred outflows of resources, liabilities and deferred inflows of resources, as well as all its revenues and expenses. This is known as the full accrual basis—the effect of all of the Authority's transactions is taken into account, regardless of whether or when cash changes hands.

The statement of net position reports the difference between the Authority's total assets and deferred outflows of resources total liabilities and deferred inflows of resources, including all the Authority's capital assets and all its long-term debt. The statement of net position focuses the reader on the composition of the Authority's net position by subtracting total liabilities and deferred inflows of resources from total assets and deferred outflows of resources.

The statement of net position summarizes the financial position of all the Authority's governmental activities in a single column. The Authority's governmental activities include the activities of its General Fund.

The statement of activities reports increases and decreases in the Authority's net position. It is also prepared on the full accrual basis, which means it includes all the Authority's revenues and all its expenses, regardless of when cash changes hands. This differs from the "modified accrual" basis used in the fund financial statements, which reflect only current assets, deferred outflows of resources, liabilities and deferred inflows of resources, available revenues and measurable expenditures.

The format of the statement of activities presents the Authority's expenses first, listed by program. Program revenues—that is, revenues which are generated directly by these programs—are then deducted from program expenses to arrive at the net expense of each governmental program. The Authority's general revenues are then listed in the governmental activities column, as appropriate, and the change in net position is computed and reconciled with the statement of net position.

WEST SACRAMENTO AREA FLOOD CONTROL AGENCY  
 JOINT POWERS AUTHORITY  
 STATEMENT OF NET POSITION  
 June 30, 2013

<b>ASSETS</b>	
Cash and investments in City Treasury	\$ 5,856,600
Cash and investments with fiscal agents	1,558,517
Accounts receivable	8,278
Grants receivable	4,975,329
Due from other governments	189,088
Capital assets, non-depreciable	55,525,978
Total Assets	68,113,790
 <b>LIABILITIES</b>	
Accounts payable	917,929
Interest payable	372,695
Long-term liabilities:	
Due within one year	440,000
Due in more than one year	22,130,000
Total Liabilities	23,860,624
 <b>NET POSITION</b>	
Net investment in capital assets	32,955,978
Restricted for debt service	1,185,822
Unrestricted	10,111,366
Total Net Position	\$ 44,253,166

See accompanying notes to financial statements

WEST SACRAMENTO AREA FLOOD CONTROL AGENCY  
 JOINT POWERS AUTHORITY  
 STATEMENT OF ACTIVITIES  
 For the Year Ended June 30, 2013

Program Expenses:	
Flood Control	\$ 216,731
Interest	<u>1,495,376</u>
Total Program Expenses	<u>1,712,107</u>
Program revenues:	
Operating grants and contributions	4,270,716
Capital grants and contributions	<u>7,807,516</u>
Total Program Revenues	<u>12,078,232</u>
Net Program Revenue	<u>10,366,125</u>
General Revenues	
Investment earnings	<u>10,946</u>
Change in Net Position	10,377,071
Net Position-Beginning	<u>33,876,095</u>
Net Position-Ending	<u>\$ 44,253,166</u>

See accompanying notes to financial statements

**WEST SACRAMENTO AREA FLOOD CONTROL AGENCY  
JOINT POWERS AUTHORITY**

***FUND FINANCIAL STATEMENTS***

Major funds are defined generally as having significant activities or balances in the current year.

***MAJOR GOVERNMENTAL FUNDS***

**General Fund** – to account for all financial resources except those required to be accounted for in another fund. This fund is used to pay all administrative, operating and other expenditures incurred by the Authority, and to account for special benefit assessment and contribution revenues.

**DWR/Flood Protection Grant Special Revenue Fund** - to account for revenues and expenditures associated with the grant funds received from the State of California Department of Water Resources.

**2008 Flood Bond Debt Service Fund** - to account for the accumulation of resources and payments of bond principal and interest of the Assessment Revenue Bonds, Series 2008, issued to finance the construction of certain public capital improvements related to flood protection.

**2011 Flood Bond Debt Service Fund** - to account for the accumulation of resources and payments of bond principal and interest of the Assessment Revenue Bonds, Series 2011, issued to finance the construction of certain public capital improvements related to flood protection.



WEST SACRAMENTO AREA FLOOD CONTROL AGENCY  
 JOINT POWERS AUTHORITY  
 BALANCE SHEETS - GOVERNMENTAL FUNDS  
 June 30, 2013

	General Fund	DWR/Flood Protection Grant Special Revenue Fund	2008 Flood Bond Debt Service Fund	2011 Flood Bond Debt Service Fund	Total
<b>ASSETS</b>					
Cash and investments in City Treasury	\$ 5,856,600				\$ 5,856,600
Cash and investments with fiscal agents	11		\$ 673,514	\$ 884,992	1,558,517
Accounts receivable	8,278				8,278
Grants receivable		\$ 4,975,329			4,975,329
Due from other funds	237,363				237,363
Due from other governments	189,088				189,088
Total Assets	\$ 6,291,340	\$ 4,975,329	\$ 673,514	\$ 884,992	\$12,825,175
 <b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>					
<b>LIABILITIES</b>					
Accounts payable	\$ 917,929				\$ 917,929
Due to other funds		\$ 237,363			237,363
Total Liabilities	917,929	237,363			1,155,292
 <b>DEFERRED INFLOWS OF RESOURCES</b>					
Unavailable revenues		4,975,329			4,975,329
 <b>FUND BALANCES</b>					
Restricted for debt service	11		\$ 673,514	\$ 884,992	1,558,517
Unassigned	5,373,400	(237,363)			5,136,037
Total Fund Balances (Deficits)	5,373,411	(237,363)	673,514	884,992	6,694,554
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 6,291,340	\$ 4,975,329	\$ 673,514	\$ 884,992	\$12,825,175
 <b>TOTAL FUND BALANCES OF GOVERNMENTAL FUNDS</b>					 <b>\$ 6,694,554</b>
 Amounts reported for governmental activities in the statement of net position are different from those reported in the governmental funds because:					
 <b>LONG-TERM RECEIVABLES</b>					
Long-term receivables are not available to pay current period expenditures and, therefore, are deferred in governmental funds. These receivables are recognized in the government-wide statements.					4,975,329
 <b>CAPITAL ASSETS</b>					
Capital assets used in governmental activities are not current assets or financial resources and, therefore, are not reported in governmental funds.					55,525,978
 <b>LONG-TERM LIABILITIES</b>					
Long-term liabilities are not due and payable in the current portion period and, therefore, are not reported in governmental funds. Those liabilities consist of:					
Bonds payable					(22,570,000)
Interest payable					(372,695)
 <b>TOTAL NET POSITION - GOVERNMENTAL ACTIVITIES</b>					 <b>\$44,253,166</b>

See accompanying notes to financial statements

WEST SACRAMENTO AREA FLOOD CONTROL AGENCY  
 JOINT POWERS AUTHORITY  
 STATEMENT OF REVENUES, EXPENDITURES  
 AND CHANGES IN FUND BALANCES  
 For the Year Ended June 30, 2013

	General Fund	DWR/Flood Protection Grant Special Revenue Fund	2008 Flood Bond Debt Service Fund	2011 Flood Bond Debt Service Fund	Total
<b>REVENUES</b>					
Special benefit assessment for operations	\$ 4,270,716				\$ 4,270,716
Intergovernmental	262,246	\$ 2,569,941			2,832,187
Use of money and property	11,735	(531)	\$ (68)	\$ (190)	10,946
Total Revenues	<u>4,544,697</u>	<u>2,569,410</u>	<u>(68)</u>	<u>(190)</u>	<u>7,113,849</u>
<b>EXPENDITURES</b>					
Current:					
Flood control:					
Operations and maintenance	210,721		3,589	2,421	216,731
Capital outlay	10,183,999				10,183,999
Debt service:					
Principal payments			185,000	100,000	285,000
Interest and fiscal charges			485,018	637,663	1,122,681
Total Expenditures	<u>10,394,720</u>	<u>2,569,410</u>	<u>673,607</u>	<u>740,084</u>	<u>11,808,411</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(5,850,023)	2,569,410	(673,675)	(740,274)	(4,694,562)
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers in			637,981	1,625,266	2,263,247
Transfers out	(1,378,262)		(884,985)		(2,263,247)
Total Other Financing Sources (uses)	<u>(1,378,262)</u>		<u>(247,004)</u>	<u>1,625,266</u>	
Net Change In Fund Balances	(7,228,285)	2,569,410	(920,679)	884,992	(4,694,562)
Fund Balances - Beginning	<u>12,601,696</u>	<u>(2,806,773)</u>	<u>1,594,193</u>		<u>11,389,116</u>
Fund Balances (Deficits) - Ending	<u>\$ 5,373,411</u>	<u>\$ (237,363)</u>	<u>\$ 673,514</u>	<u>\$ 884,992</u>	<u>\$ 6,694,554</u>

See accompanying notes to financial statements

WEST SACRAMENTO AREA FLOOD CONTROL AGENCY  
 JOINT POWERS AUTHORITY  
 Reconciliation of the  
 NET CHANGE IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS  
 with the  
 STATEMENT OF ACTIVITIES  
 For the Year Ended June 30, 2013

NET CHANGE IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS \$ (4,694,562)

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

LONG-TERM RECEIVABLES

Long-term receivables are not available to pay current period expenditures and therefore are deferred in governmental funds. These receivables are recognized in the government-wide statements. 4,975,329

CAPITAL ASSETS TRANSACTIONS

Governmental funds report capital outlays as expenditures. However, in the statement of activities the costs of those assets are capitalized and allocated over their useful lives and reported as depreciation expense, if any. 10,183,999

LONG-TERM DEBT TRANSACTIONS

Debt proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the government-wide statements. Repayment of principal is an expenditure in governmental funds, but reduces the long-term debt in the government-wide statements. 285,000

Some expenses reported in the government-wide statements do not require the use of current financial resources and, therefore, are not expenditures in the governmental Change in interest payable (372,695)

CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES \$ 10,377,071

See accompanying notes to financial statements

WEST SACRAMENTO AREA FLOOD CONTROL AGENCY  
 JOINT POWERS AUTHORITY  
 GENERAL FUND  
 STATEMENT OF REVENUES, EXPENDITURES  
 AND CHANGES IN FUND BALANCES  
 BUDGET AND ACTUAL  
 For the Year Ended June 30, 2013

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Special benefit assessment for operations	\$ 4,383,919	\$ 4,383,919	\$ 4,270,716	\$ (113,203)
Contributions from developers and homeowners	25,000	25,000		(25,000)
Intergovernmental			262,246	262,246
Use of money and property	10,000	10,000	11,735	1,735
Total Revenues	<u>4,418,919</u>	<u>4,418,919</u>	<u>4,544,697</u>	<u>125,778</u>
<b>EXPENDITURES</b>				
Current:				
Flood control:				
Operations and maintenance			210,721	(210,721)
Capital outlay		65,950,931	10,183,999	55,766,932
Total Expenditures		<u>65,950,931</u>	<u>10,394,720</u>	<u>55,556,211</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>				
	4,418,919	(61,532,012)	(5,850,023)	55,681,989
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers out		(529,625)	(1,378,262)	(848,637)
Total Other Financing Sources (uses)		<u>(529,625)</u>	<u>(1,378,262)</u>	<u>(848,637)</u>
Net Change in Fund Balance	<u>\$ 4,418,919</u>	<u>\$ (62,061,637)</u>	(7,228,285)	<u>\$ 54,833,352</u>
Fund Balance - Beginning			12,601,696	
Fund Balance - Ending			<u>\$ 5,373,411</u>	

See accompanying notes to financial statement:

**WEST SACRAMENTO AREA FLOOD CONTROL AGENCY JOINT POWERS AUTHORITY**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2013**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNT POLICIES**

**A. *Organization and Purpose***

The West Sacramento Area Flood Control Agency Joint Powers Authority (the “Authority”) was created in July, 1994, under the provisions of Chapter 5 of Division 7 of the Title 1 of the California Government Code (commencing with section 6500) for the purpose of controlling and conserving waters for the protection of life and property that would or could be damaged by being inundated by still or flowing water. The Authority’s Governing Board is comprised of one representative from each charter member agency. The charter member agencies are the City of West Sacramento, Reclamation District No. 900, and Reclamation District No. 537. Each representative of the governing board has one vote. The members are appointed by the respective City Council or Board of Directors.

The Authority is partnering with the California State Department of Water Resources, the Central Valley Flood Protection Board and the Army Corps of Engineers to improve levees around the City of West Sacramento to meet 200 year state and federal flood protection standards by 2025. The Authority uses a special assessment on property owners, State Proposition 1E grant revenue and funding from other local agencies to complete its flood protection projects.

The Authority is also lead agency in developing the Regional Flood Management Plan (RFMP), which is a state grant funded flood risk reduction planning effort for the Lower Sacramento-Delta North Region of the larger Central Valley Flood Protection Plan. The Agency is funding grant application costs and each participating agency, including the County of Yolo and Sacramento Area Flood Control Agency, reimburses the Agency for their share of the costs, which are reported as intergovernmental revenues in the General Fund.

The accounting records of the Authority are maintained by the City of West Sacramento. The Authority has no employees and substantially all staff services are performed by City of West Sacramento personnel. Cost incurred by the City of West Sacramento to provide such services are reimbursed by the Authority.

The Authority is considered to be a separate legal entity and is not a component unit of the above members because its Governing Board is not controlled by any member and it has no financial benefit or burden relationship with any member. However, it is reported as an agency fund in the City of West Sacramento’s basic financial statements.

**B. *Basis of Presentation***

The Authority’s basic financial statements are prepared in conformity with accounting principles generally accepted in the United States of America. The Government Accounting Standards Board is the acknowledged standard setting body for establishing accounting and financial reporting standards followed by governmental entities in the United States of America. These Standards require that the financial statements described below be presented.

***Government-wide Financial Statements:*** The statement of net position and the statement of activities include the financial activities of the overall Authority’s governmental activities.

**WEST SACRAMENTO AREA FLOOD CONTROL AGENCY JOINT POWERS AUTHORITY**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2013**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNT POLICIES (Continued)**

Governmental activities generally are financed through intergovernmental revenues. The Authority is the only entity included in these financial statements.

The statement of activities presents a comparison between direct expenses and program revenues for each function of the Authority's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenues include (a) special benefit assessments for operations of the programs, (b) contributions that are restricted to meeting the operational needs of a particular program and (c) fees, grants and contributions that are restricted to financing the acquisition or construction of capital assets. Revenues that are not classified as program revenues are presented as general revenues.

**Fund Financial Statements:** The fund financial statements provide information about the Authority. The emphasis of fund financial statements is on major individual governmental funds. The Authority has the following major funds:

**General Fund** - The General Fund is the general operating fund of the Authority. It is used to account for all financial resources except those required to be accounted for in another fund. This fund is used to pay all administrative, operating and other expenditures incurred by the Authority, and to account for special benefit assessment and contribution revenues.

**DWR/Flood Protection Grant Special Revenue Fund** –Special Revenue Funds are used to account for specific revenues that are restricted by law or administrative action to expenditures for particular purposes. The DWR/Flood Protection Grant Special Revenue Fund is used to account for revenues and expenditures associated with the grant funds received from the State of California Department of Water Resources.

**1998 Flood Bond Debt Service Fund** – The 1998 Flood Bond Debt Service Fund is used to account for the accumulation of resources and payments of bond principal and interest of the Assessment Revenue Bonds, Series 1998, issued to finance the construction of certain public capital improvements related to flood protection.

**2011 Flood Bond Debt Service Fund** – The 2011 Flood Bond Debt Service Fund is used to account for the accumulation of resources and payments of bond principal and interest of the Assessment Revenue Bonds, Series 2011, issued to finance the construction of certain public capital improvements related to flood protection

**C. Basis of Accounting**

The government-wide financial statements are reported using the economic resources measurement focus and the full 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. Interfund transactions are eliminated.

Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. The Authority considers all revenues reported in the governmental



**WEST SACRAMENTO AREA FLOOD CONTROL AGENCY JOINT POWERS AUTHORITY**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2013**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNT POLICIES (Continued)**

funds to be available if the revenues are collected within sixty days after year-end. Expenditures are recorded when the related fund liability is incurred. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of long-term debt and acquisitions under capital leases are reported as other financing sources.

Non-exchange transactions, in which the Authority gives or receives value without directly receiving or giving equal value in exchange, may include property taxes, grants, entitlements, and donations. Revenue from property taxes, special benefit assessments, is recognized in the fiscal year for which the taxes are levied if received in the availability period. Revenue from cost reimbursement grants is recognized in the fiscal year in which eligible costs have been incurred, if available.

When both restricted and unrestricted resources are available for use, the Authority's policy is to use restricted resources first, then unrestricted resources as they are needed.

**D. *Receivables***

Grants receivable represents Proposition 1E revenue earned as of year-end and due from the State of California Department of Water Resources. The amount of the qualifying expenses have been estimated and the actual amount realized may differ from the amount paid by the Department of Water Resources. Due from other governments represents reimbursements due from other governments for the RFMP as described in Note 1 A.

**E. *Deferred Inflows of Resources***

Deferred inflows of resources, a separate financial statement element, represents an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until the earnings process is complete. Governmental fund revenues that are not received within the City's availability period under modified accrual accounting are reported as deferred inflows of resources until available. Such amounts are recognized as revenue in the government-wide statements. Deferred amounts on refunding may also be reported as deferred inflows or outflows of resources, if applicable.

**F. *Interfund Transactions***

Activity between funds that is representative of lending/borrowing arrangements outstanding at the end of the fiscal year is referred to as "due to/from other funds" (i.e., the current portion of interfund loans). The General Fund covered a cash deficit of the Special Revenue Fund.

Transfers are used to move revenues from the fund that statute or budget requires to collect them to the funds that statute or budgets require to expend them or to move receipts restricted to debt service from the funds collecting them to the debt service funds as payments are due. Transfers were made from the General Fund to the debt service funds to fund debt service payments. A transfer was also made from the 2008 Flood Bond Debt Service Fund to the 2011 Flood Bond Debt Service Fund to establish a separate fund for each debt agreement.

**WEST SACRAMENTO AREA FLOOD CONTROL AGENCY JOINT POWERS AUTHORITY**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2013**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNT POLICIES (Continued)**

**G. *Budgets and Budgetary Accounting***

Budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP) except for the unbudgeted DWR/Flood Protection Grant Special Revenue fund, which is unbudgeted. Budget amounts in the financial statements are as originally adopted, or as amended by the Board. Individual amendments were not material in relation to the original appropriations. Expenditures may not legally exceed appropriations at the fund level, which is the legal level of control. Formal budgetary integration is employed as a management control device. Encumbrance accounting is employed as an extension of formal budgetary integration in all funds. Under encumbrance accounting, purchase orders, contracts and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation. Encumbrances outstanding at year end are reported as commitments or assignments of fund balances since they do not constitute expenditures or liabilities and are reappropriated in the following year.

**H. *Excess Expenditures over Appropriations***

The following funds had expenditures and transfers in excess of the final appropriation for the fiscal year ended June 30, 2013:

Fund	Excess Expenditures
2008 Flood Bond Debt Service Fund	\$ 1,558,592
2011 Flood Bond Debt Service Fund	1,625,069

The deficit fund balance in the DWR/Flood Protection Grant Special Revenue Fund will be eliminated with transfers from the General Fund or other revenues.

**NOTE 2 - CASH AND INVESTMENTS**

The Authority pools cash from all sources with the City of West Sacramento so that it can be invested at the maximum yield, consistent with safety and liquidity, while individual funds can make expenditures at any time. The City's investment policy and the California Government Code permit investments in Securities of the U.S. Government or its agencies, certificates of deposit, negotiable certificates of deposit, medium-term notes, commercial paper, banker's acceptances, commercial paper, the State of California Local Authority Investment Fund (LAIF Pool), repurchase agreements, and passbook savings account demand deposits. The City's full investment policy may be found in its Comprehensive Annual Financial report.

The Authority follows the practice of pooling cash and investment of all funds. Cash and investments as of June 30, 2013 are classified in the accompanying financial statements as follows:

Cash and Investments in City Treasury	\$ 5,856,600
Cash and Investments with Fiscal Agents	
Money Market Mutual Funds	1,558,517
	Total \$ 7,415,117

**WEST SACRAMENTO AREA FLOOD CONTROL AGENCY JOINT POWERS AUTHORITY**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2013**

**NOTE 2 – CASH AND INVESTMENTS (Continued)**

**A. *Investments Authorized by the California Government Code and the City’s Investment Policy***

The Authority has adopted the City’ of West Sacramento’s investment policy for all investments with the exception of investments held by bond trustees that are governed by the provisions of the debt agreements of the Authority’s, rather than the Authority’s investment policy.

Authorized Investment Type	Maximum Maturity	Minimum Credit Quality	Maximum % of Portfolio *	Maximum Investment in One Issuer
California Local Agency Investment Fund (LAIF)	N/A	N/A	None	None
U.S. Treasury Obligations	5 years	N/A	None	None
U.S. Agency Securities	5 years	N/A	None	None
Banker's Acceptances	180 days	N/A	40%	30%
Collateralized Certificates of Deposit	5 years	N/A	30%	30%
Negotiable Certificates of Deposit	5 years	N/A	30%	30%
Commercial Paper	270 days	A1	25%	10%
Repurchase Agreements	1 year	N/A	None	None
Reverse Repurchase Agreements	92 days	N/A	20% of base value	None
California Local Agency Debt	5 years	N/A	None	None
Local Agency Bonds	5 years	N/A	None	None
Medium Term Notes	5 years	A	30%	30%
Mutual Funds	5 years	AAA	20%	10%
Mortgage Pass-through Securities	5 years	AA	20%	20%
Money Market Mutual Funds	N/A	N/A	20%	None
County Pooled Investment Funds	N/A	N/A	None	None
JPA Pools, including CAMP	N/A	N/A	None	None

**B. *Investments Authorized by Debt Agreements***

The Authority must maintain required amounts of cash and investments with trustees or fiscal agents under the terms of certain debt issues. These funds are unexpended bond proceeds or are pledged reserves to be used if the Authority fails to meet its obligations under these debt issues. The California Government Code requires these funds to be invested in accordance with Authority resolutions, bond indentures or State statutes. The investments authorized by debt agreements include all of the investments listed the previous table authorized by the City’s investment policy. The debt agreements also authorize debt proceeds to be invested in guaranteed investment contracts that are guaranteed by a financial institution that has an unsecured rating or the agreement itself is rated in one of the two highest rating categories by two or more rating agencies. The agreements must be secured at all times by security consisting of United States Obligations with a market value of 105% of the principal amount of the obligation. The debt agreements do not specify a maximum percentage of the portfolio or maximum amount in one issuer for guaranteed investment contracts.

**WEST SACRAMENTO AREA FLOOD CONTROL AGENCY JOINT POWERS AUTHORITY**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2013**

**NOTE 2 – CASH AND INVESTMENTS (Continued)**

**C. Interest Rate and Credit Risk**

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. One of the ways the Authority manages its exposure to interest rate risk is by purchasing a combination of shorter term and longer term investments and by timing cash flows from maturities so that a portion of the portfolio is maturing or coming close to maturity evenly over time as necessary to provide the cash flow and liquidity needed for operations. As of year-end, the weighted average maturity of the investments contained in the LAIF investment pool was approximately 278 days.

Information about the sensitivity of the fair values of the Authority’s investments (including investments held by bond trustee) to market interest rate fluctuations is provided by the following table that shows the distribution of the Authority’s investments by maturity:

Investment Type	Total 12 Months or Less
Cash and Investments in City Treasury	\$ 5,856,600
Cash and Investments with Fiscal Agents	
Money Market Mutual Funds	1,558,517
Total	\$ 7,415,117

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. Presented below is the minimum rating required by (where applicable) the California Government Code, the Authority’s investment policy, or debt agreements, and the actual rating as of year-end for each investment type.

Investment Type	AAA	Total
Rated:		
Cash and Investments with Fiscal Agents		
Money Market Mutual Funds	\$ 1,558,517	\$ 1,558,517
Not Rated:		
Cash and Investments in City Treasury		5,856,600
Total	\$ 1,558,517	\$ 7,415,117

**NOTE 3 – CAPITAL ASSETS**

Capital assets used in governmental fund type operations are accounted for in the statement of net position, rather than in governmental funds. All capital assets are valued at historical cost or estimated historical cost if actual historical cost is not available.

**WEST SACRAMENTO AREA FLOOD CONTROL AGENCY JOINT POWERS AUTHORITY**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2013**

**NOTE 3 – CAPITAL ASSETS (Continued)**

All capital assets with limited useful lives are depreciated over their estimated useful lives using straight-line method. The purpose of depreciation is to spread the cost of capital assets equitably among all users over the life of these assets. The amount charged to depreciation expense each year represents that year's pro rata share of the cost of capital assets. Depreciation of all capital assets is charged as an expense against operations each year and the total amount of depreciation taken over the years, called accumulated depreciation, is reported on the statement of net position as a reduction in the book value of capital assets.

Capital assets activity was as follows for the year ended June 30:

	Balance at July 1, 2012	Additions	Retirement	Transfers	Balance at June 30, 2013
Capital assets, not being depreciated:					
Construction in progress	\$45,341,979	\$10,183,999			\$55,525,978
Capital Assets, Net	<u>\$45,341,979</u>	<u>\$10,183,999</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$55,525,978</u>

**NOTE 4 – LONG-TERM LIABILITIES**

The following is a summary of changes in long-term liabilities for the year ended June 30:

	Balance at July 1, 2012	Retired	Balance at June 30, 2013	Current Portion
<b>Assessment Revenue Bonds:</b>				
2008 Assessment Revenue Bonds 3.75%-5.50%, due 09/1/38	\$ 9,495,000	\$ 185,000	\$ 9,310,000	\$ 190,000
2011 Assessment Revenue Bonds 2.25%-5.25%, due 09/1/41	13,360,000	100,000	13,260,000	250,000
	<u>22,855,000</u>	<u>\$ 285,000</u>	<u>22,570,000</u>	<u>\$ 440,000</u>
Less: Due within one year	<u>(285,000)</u>		<u>(440,000)</u>	
Due in more than one year	<u>\$22,570,000</u>		<u>\$22,130,000</u>	

- A. **West Sacramento Area Flood Control Agency Assessment Revenue Bonds**, Series 2008 – On August 13, 2008 the West Sacramento Area Flood Control Agency JPA (Agency) issued \$10,000,000 to finance the construction of certain public capital improvements related to flood protection. The bonds are payable solely from annual assessment installments for capital facilities to be levied by the Agency on all parcels in the City of West Sacramento. Principal payments of \$160,000 to \$635,000 are due annually on September 1 through September 1, 2038. Interest payments of \$17,463 to \$259,350 are due semi-annually on March 1 and September 1 through September 1, 2038. Interest rates range from 3.75% to 5.5%.

**WEST SACRAMENTO AREA FLOOD CONTROL AGENCY JOINT POWERS AUTHORITY**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2013**

**NOTE 4 – LONG-TERM LIABILITIES (Continued)**

**B. West Sacramento Area Flood Control Agency Assessment Revenue Bonds, Series 2011** – In 2011, the Authority issued revenue bonds to fund construction of WSLIP repair projects, and fund planning, environmental, and engineering program costs related to the Southport Sacramento River Levee EIP Project. The bonds are payable solely from manual assessment installments for capital facilities to be levied by the Agency on all parcels in the City of West Sacramento. Principal payments of \$100,000 to \$840,000 are due annually on September 1 through September 1, 2041. Interest payments of \$22,055 to \$464,895 are due semi-annually on March 1 and September 1 through September 1, 2041. Interest rates range from 2.2% to 5.25%.

**C. Debt Service Requirements**

The annual debt service requirements at June 30, 2013 are as follows:

<u>Year Ending June 30:</u>	<u>Principal</u>	<u>Interest</u>
2014	\$ 440,000	\$ 1,115,274
2015	450,000	1,102,468
2016	465,000	1,089,361
2017	475,000	1,075,768
2018	490,000	1,061,349
2019 - 2023	2,730,000	5,011,870
2024 - 2028	3,470,000	4,258,625
2029 - 2033	4,480,000	3,235,938
2034-2038	5,815,000	1,881,238
2039-2042	<u>3,755,000</u>	<u>373,025</u>
	<u>\$22,570,000</u>	<u>\$20,204,916</u>

**NOTE 5 – NET POSITION AND FUND BALANCES**

**A. Net Position**

Net position is the excess of all the Authority's assets and deferred outflows over all its liabilities and deferred inflows, regardless of fund.

**Net Investment in Capital Assets** – This category groups all capital assets into one component of net position. Accumulated depreciation and the outstanding balances of debt that are attributable to the acquisition, construction or improvement of those assets reduce the balance in this category.

**Unrestricted** describes the portion of net position which is not restricted as to use.

**WEST SACRAMENTO AREA FLOOD CONTROL AGENCY JOINT POWERS AUTHORITY**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2013**

**NOTE 5 – NET POSITION AND FUND BALANCES (Continued)**

**B. Fund Balances**

Governmental fund balances represent the net current assets of each fund. Net current assets generally represent a fund's cash and receivables, less its liabilities. The fund balances are classified in accordance with Governmental Accounting Standards Board Statement Number 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, which requires the Agency to classify its fund balances based on spending constraints imposed on the use of resources. For programs with multiple funding sources, the Authority prioritizes and expends funds in the following order: restricted, committed, assigned and unassigned. Each category in the following hierarchy is ranked according to the degree of spending constraint:

**Restricted** fund balances have external restrictions imposed by creditors, grantors, contributors, laws, regulations, or enabling legislation which requires the resources to be used only for a specific purpose. Encumbrances and nonspendable amounts subject to restrictions are included along with spendable resources.

**Committed** fund balances have constraints imposed by formal action (i.e. Board resolution or budget adoption) of the Authority's Board which may be altered only by formal action of the Authority's Board. Encumbrances subject to Board commitments are included along with spendable resources.

**Assigned** fund balances are amounts constrained by the intent to be used for a specific purpose, but are neither restricted nor committed. Intent is expressed by the Governing Board or its designee and may be changed at the discretion of the Governing Board or its designee. This category includes encumbrances when it is the intent to use proceeds or collections for a specific purpose and residual fund balances, if any, of Special Revenue, Capital Projects and Debt Service Funds which have not been restricted or committed.

**Unassigned** fund balance represents residual amounts that have not been restricted, committed or assigned. This includes the residual General Fund balance and residual fund deficits, if any, of other governmental funds.

**NOTE 6 – COMMITMENTS AND CONTINGENCIES**

***Long-Term Commitments***

The Authority had the following significant contract commitments as of June 30, 2013:

	<u>Appropriation</u>	<u>Expended June 30, 2013</u>	<u>Commitment</u>
Flood Projects	\$114,779,809	\$58,314,604	\$56,465,205

**WEST SACRAMENTO AREA FLOOD CONTROL AGENCY JOINT POWERS AUTHORITY**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2013**

**NOTE 6 – COMMITMENTS AND CONTINGENCIES (Continued)**

The Agency is a party to a number of lawsuits over the fair value of properties being acquired under eminent domain as part of flood control projects. The lawsuits may affect the acquisition price of the condemned properties, but will not affect the Agency's right to take possession of the properties.

The Agency received grants from other governmental agencies that are subject to compliance audits by the granting agency. No audits have been conducted by the granting agencies during the year. The amount, if any, of expenditures that may be disallowed by the granting agencies cannot be determined at this time although the Agency expects the amounts, if any, to be immaterial.



## **SUPPLEMENTAL SECTION**

WEST SACRAMENTO AREA FLOOD CONTROL AGENCY  
 JOINT POWERS AUTHORITY  
 2008 FLOOD BOND DEBT SERVICE FUND  
 STATEMENT OF REVENUES, EXPENDITURES  
 AND CHANGES IN FUND BALANCES  
 BUDGET AND ACTUAL  
 For the Year Ended June 30, 2013

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Use of money and property			\$ (68)	\$ (68)
Total Revenues			(68)	(68)
<b>EXPENDITURES</b>				
Current:				
Flood control:				
Operations and maintenance			3,589	(3,589)
Debt service:				
Principal payments			185,000	(185,000)
Interest and fiscal charges			485,018	(485,018)
Total Expenditures			673,607	(673,607)
EXCESS (DEFICIENCY) OF				
REVENUES OVER EXPENDITURES				
			(673,675)	(673,675)
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in		\$ 208,738	637,981	429,243
Transfers out			(884,985)	(884,985)
Total Other Financing Sources (Uses)		208,738	(247,004)	(455,742)
Net Change in Fund Balance	\$ -	\$ 208,738	(920,679)	\$(1,129,417)
Fund balance - beginning			1,594,193	
Fund Balance - Ending			\$ 673,514	

See accompanying notes to financial statements

WEST SACRAMENTO AREA FLOOD CONTROL AGENCY  
 JOINT POWERS AUTHORITY  
 2011 FLOOD BOND DEBT SERVICE FUND  
 STATEMENT OF REVENUES, EXPENDITURES  
 AND CHANGES IN FUND BALANCES  
 BUDGET AND ACTUAL  
 For the Year Ended June 30, 2013

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Use of money and property			\$ (190)	\$ (190)
Total Revenues			(190)	(190)
<b>EXPENDITURES</b>				
Current:				
Flood control:				
Operations and maintenance			2,421	(2,421)
Debt Service:				
Principal payments			100,000	(100,000)
Interest and fiscal charges			637,663	(637,663)
Total Expenditures			740,084	(740,084)
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES			(740,274)	(740,274)
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in		\$ 320,887	1,625,266	1,304,379
Total Other Financing Sources (Uses)		320,887	1,625,266	1,304,379
Net Change in Fund Balance	\$ -	\$ 320,887	884,992	\$ 564,105
Fund balance at beginning of year			-	
Fund balance at end of year			\$ 884,992	

See accompanying notes to financial statements

## **STATISTICAL SECTION**

## STATISTICAL SECTION

This part of the West Sacramento Area Flood Control Agency Joint Powers Authority's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the Agency's overall financial health.

### ***Financial Trends***

These schedules contain financial trend information for assessing the Agency's financial performance and well-being over time.

1. Net Position by Component
2. Changes in Net Position
3. Fund Balances of Governmental Funds
4. Changes in Fund Balance of Governmental Funds

### ***Revenue Capacity***

These schedules present revenue capacity information to assess the Agency's ability to generate revenues. Special assessments, intergovernmental revenues and reimbursements from other agencies are the Agency's most significant revenue sources.

1. Assessed Value and Estimated Actual Value of Taxable Property
2. Direct and Overlapping Property Tax Rates
3. Flood Assessment Special Tax Rates
4. Principal Property Taxpayers
5. Special Tax Levies and Collections

### ***Debt Capacity***

These schedules present information to assess the affordability of the Agency's current levels of outstanding debt and the Agency's ability to issue additional debt.

1. Ratios of Outstanding Debt by Type
2. Direct and Overlapping Governmental Activities Debt
3. Pledged-Revenue Coverage City

### ***Demographic and Economic Information***

These schedules provide information on the demographic and economic environment in which the Agency conducts business.

1. Demographic and Economic Statistics
2. Principal Employers

## STATISTICAL SECTION

### *Operating Information*

These schedules provide information on the City's service infrastructure to assist the reader in understanding how the information in the City's financial report relates to the services the City provides and the activities it performs

1. Full Time Equivalents City Government Employees by Function/Program
2. Operating Indicators by Function/Program
3. Capital Assets Statistics by Function/Program

### *Sources*

Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports of the relevant years. The Agency prepared a CAFR for the first time during the year ended June 30, 2010. Information is not available prior to that date.

WEST SACRAMENTO AREA FLOOD CONTROL AGENCY

NET POSITION BY COMPONENTS  
 LAST FOUR FISCAL YEARS  
 (accrual basis of accounting)

	Fiscal Year 2013	Fiscal Year 2012	Fiscal Year 2011	Fiscal Year 2010
<b>GOVERNMENTAL ACTIVITIES</b>				
Net investment in capital assets	\$ 32,955,978	\$ 27,079,075	\$ 10,811,196	\$ 7,021,107
Restricted	1,185,822			
Unrestricted	10,111,366	6,797,020	5,558,941	5,879,166
Total governmental activities net position	<u>\$ 44,253,166</u>	<u>\$ 33,876,095</u>	<u>\$ 16,370,137</u>	<u>\$ 12,900,273</u>

NOTE: Agency has not tracked this information from FY 2008 to FY 2009, but will present prospectively.

Source: City Finance Department

WEST SACRAMENTO AREA FLOOD CONTROL AGENCY

CHANGES IN NET POSITION  
LAST FOUR FISCAL YEARS  
(accrual basis of accounting)

	Fiscal Year 2013	Fiscal Year 2012	Fiscal Year 2011	Fiscal Year 2010
<b>PROGRAM EXPENSES</b>				
Flood Control	\$ 216,731	\$ 30,396,844	\$ 16,632,533	\$ 2,675,186
Interest and fiscal charges	1,495,376	969,456	1,274,196	1,204,424
<b>Total Program Expenses</b>	<b>1,712,107</b>	<b>31,366,300</b>	<b>17,906,729</b>	<b>3,879,610</b>
<b>PROGRAM REVENUES</b>				
Operating grants and contributions	4,270,716	4,242,967	4,194,636	3,982,367
Capital grants and contributions	7,807,516	44,627,392	17,125,977	5,931,442
<b>Total Program Revenues</b>	<b>12,078,232</b>	<b>48,870,359</b>	<b>21,320,613</b>	<b>9,913,809</b>
<b>NET (EXPENSES) REVENUES</b>	<b>10,366,125</b>	<b>17,504,059</b>	<b>3,413,884</b>	<b>6,034,199</b>
<b>GENERAL REVENUES AND OTHER CHANGES IN NET POSITION</b>				
Miscellaneous		1,899	55,980	37,593
Investment earnings	10,946			
<b>Total governmental activities</b>	<b>10,946</b>	<b>1,899</b>	<b>55,980</b>	<b>37,593</b>
<b>Changes in Net Position</b>	<b>\$ 10,377,071</b>	<b>\$ 17,505,958</b>	<b>\$ 3,469,864</b>	<b>\$ 6,071,792</b>

NOTE: Agency has not tracked this information from FY 2008 to FY 2009, but will present prospectively.

Source: City Finance Department



WEST SACRAMENTO AREA FLOOD CONTROL AGENCY

FUND BALANCES OF GOVERNMENTAL FUNDS  
LAST FOUR FISCAL YEARS

(modified accrual basis of accounting)  
(amounts expressed in thousands)

	Fiscal Year 2013	Fiscal Year 2012	Fiscal Year 2011	Fiscal Year 2010
<b>GENERAL FUND</b>				
Restricted	\$ 5,373	\$ 12,602	\$ 15,888	\$ 967
Unassigned				5,222
<b>TOTAL GENERAL FUND</b>	<b>\$ 5,373</b>	<b>\$ 12,602</b>	<b>\$ 15,888</b>	<b>\$ 6,189</b>
<b>ALL OTHER GOVERNMENTAL FUNDS</b>				
Restricted	\$ 1,559	\$ (1,213)	\$ 1,808	
Unassigned				
Special revenue funds	(237)			\$ 698
Debt service funds				711
<b>TOTAL ALL OTHER GOVERNMENTAL FUNDS</b>	<b>\$ 1,322</b>	<b>\$ (1,213)</b>	<b>\$ 1,808</b>	<b>\$ 1,409</b>
<b>TOTAL GOVERNMENTAL FUNDS</b>	<b>\$ 6,695</b>	<b>\$ 11,389</b>	<b>\$ 17,696</b>	<b>\$ 7,598</b>

NOTE: Agency has not tracked this information from FY 2008 to FY 2009, but will present prospectively.

Source: City Finance Department

WEST SACRAMENTO AREA FLOOD CONTROL AGENCY

CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS

LAST FOUR FISCAL YEARS

(modified accrual basis of accounting)

(amounts expressed in thousands)

	Fiscal Year 2013	Fiscal Year 2012	Fiscal Year 2011	Fiscal Year 2010
<b>REVENUES</b>				
Special benefit assessment for operations	\$ 4,271	\$ 4,243	\$ 4,194	\$ 3,982
Contributions from developers and homeowners		1,650	13,167	1,743
Reimbursements		22,094	2,342	1,745
Intergovernmental revenues	2,832	20,883	1,617	2,443
Other revenues		2	56	38
Use of money and property	11			
<b>Total Revenues</b>	<b>7,114</b>	<b>48,872</b>	<b>21,376</b>	<b>9,951</b>
<b>EXPENDITURES</b>				
Flood Control:				
Operations and maintenance	217	151	1,507	296
Capital Outlay	10,184	27,691	6,562	4,563
Contributions to other agencies		1,157	13,018	635
Pass-thru to other agencies		25,035	2,107	1,745
Interest and fiscal charges	1,123	1,144	1,444	1,364
Principal payments	285			
<b>Total Expenditures</b>	<b>11,809</b>	<b>55,178</b>	<b>24,638</b>	<b>8,603</b>
Excess (Deficiency) of Revenues Over Expenditures	(4,695)	(6,306)	(3,262)	1,348
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	2,263			
Transfers out	(2,263)			
Proceeds from issuance of debt			13,360	
<b>Total Other Financing Sources (Uses)</b>			<b>13,360</b>	
<b>Net Change in Fund Balances</b>	<b>\$ (4,695)</b>	<b>\$ (6,306)</b>	<b>\$ 10,098</b>	<b>\$ 1,348</b>

NOTE: Agency has not tracked this information from FY 2008 to FY 2009, but will present prospectively.

WEST SACRAMENTO AREA FLOOD CONTROL AGENCY

ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY  
 LAST FOUR FISCAL YEARS  
 (tax rate per \$100 of assessed value)

Fiscal Year Ended June 30	Residential Property	Commercial Property	Industrial Property	Rural Property	Total Taxable Assessed Value <sup>(1)</sup>	Total Direct Tax Rate
2010	\$ 2,713,391,487	\$ 736,892,179	\$ 1,190,684,052	\$ 428,494,305	\$ 5,069,462,023	1.0000
2011	\$ 2,611,728,813	\$ 770,362,958	\$ 1,090,248,638	\$ 466,530,830	\$ 4,938,871,239	1.0000
2012	\$ 2,521,019,014	\$ 762,460,367	\$ 1,084,902,102	\$ 460,443,882	\$ 4,828,825,365	1.0000
2013	\$ 2,390,456,495	\$ 826,461,975	\$ 1,081,749,090	\$ 387,557,652	\$ 4,686,225,212	1.0000

<sup>(1)</sup> Includes the assessed value of the Redevelopment Agency of \$1,968,816,167 (2006); \$2,309,269,173 (2007); \$2,584,149,932(2008) ; \$2,816,329,249 (2009) \$2,893,961,153 (2010) and \$2,077,868,964 (2013).

NOTE 1: In 1978 the voters of the State of California passed Proposition 13 which limited property taxes to a total maximum rate of 1% based upon the assessed value of property being taxed. Each year, the assessed value of property may be increased by an "inflation factor" (limited to a maximum increase of 2%). With few exceptions, property is only reassessed at the time that it is sold to a new owner. At that point, the new assessed value is reassessed at the purchase price of the property sold. The assessed valuation data shown above represents the only data currently available with respect to the actual market value of taxable property and is subject to the limitations described above.

NOTE: Agency has not tracked this information from FY 2008 to FY 2009, but will present prospectively.

Sources: Assessed value data provided by the California Municipal Statistics, Inc.

WEST SACRAMENTO AREA FLOOD CONTROL AGENCY

DIRECT AND OVERLAPPING PROPERTY TAX RATES  
 LAST FOUR FISCAL YEARS  
 (rate per \$100 of assessed value)

Fiscal Year Ended June 30	Overlapping Rates					Total Direct Rate
	City of West Sacramento	Washington Unified School District	Los Rios Community College District	Yolo County		
2010	1.0000	0.0475	0.0124	1.0599	1.1198	
2011	1.0000	0.0595	0.0090	1.0685	1.1370	
2012	1.0000	0.0595	0.0192	1.0787	1.1574	
2013	1.0000	0.0595	0.0193	1.0788	1.1576	

NOTE 1: In 1978, California voters passed Proposition 13 which sets the property tax rate at a 1.00% fixed amount. This 1.00% is shared by all taxing agencies for which the subject property resides within. In addition to the 1.00% fixed amount, property owners are charged taxes as a percentage of assessed property values for the payment of Washington Unified School District and Los Rios Community College District bonds.

NOTE: Agency has not tracked this information from FY 2008 to FY 2009, but will present prospectively.

Sources: Assessed value data provided by the California Municipal Statistics, Inc.

WEST SACRAMENTO AREA FLOOD CONTROL AGENCY  
FLOOD ASSESSMENT SPECIAL TAX RATES  
LAST FOUR FISCAL YEARS

Fiscal Year 2013		RATE BY FLOOD ZONE				
		0' to 1'	1' to 5'	5' to 10'	GT 10'	
Land Use	Factors	0	1	2	3	
Single-Family Residential	Parcel (per Acre) (1)	52.770	52.770	52.770	52.770	
	Building Factor Constant: First Floor SqFt Less than 1050 Sq Ft (2)	17.02	37.46	79.48	89.68	
	Building Factor Constant: First Floor SqFt Greater than 1050 Sq Ft	26.01	57.24	121.41	137.02	
Residential-Condo	Parcel (per Acre)	52.770	52.770	52.770	52.770	
	Building Factor Constant	15.14	33.30	70.65	79.71	
Residential-Mobile Home Park	Parcel (per Acre)	52.770	52.770	52.770	52.770	
	Building (per FF Sq Ft)	0.009461	0.020814	0.044151	0.049827	
Multi-Family Residential	Parcel (per Acre)	58.448	58.448	58.448	58.448	
	Building (per FF Sq Ft)	0.018923	0.041627	0.088300	0.099653	
Commercial	Parcel (per Acre)	116.472	116.472	116.472	116.472	
	Building (per FF Sq Ft)	0.029434	0.105960	0.183958	0.214863	
Industrial	Parcel (per Acre)	48.986	48.986	48.986	48.986	
	Building (per FF Sq Ft)	0.062020	0.077787	0.110374	0.142962	
Vacant	Parcel (per Acre)	25.439	25.439	25.439	25.439	
	Building (per FF Sq Ft)	0.000000	0.000000	0.000000	0.000000	
Agricultural	Parcel (per Acre)	5.255	5.255	5.255	5.255	
	Building (per FF Sq Ft)	0.000000	0.000000	0.000000	0.000000	

(1) For large lot Single Family Residential parcels (parcel area greater than 0.5 acres) multiply area greater than 0.5 acre by Agricultural Parcel rate.  
(2) First Floor (FF) Sq Ft not including garage area  
NOTE: Increase of 2% approved by WSAFCA Board 7/14/11  
Rate update prepared by the City of West Sacramento Flood Protection Division (8/10/2011)

Source: City Finance Department

WEST SACRAMENTO AREA FLOOD CONTROL AGENCY  
 FLOOD ASSESSMENT SPECIAL TAX RATES  
 LAST FOUR FISCAL YEARS

Fiscal Year 2012		RATE BY FLOOD ZONE				
		0' to 1'	1' to 5'	5' to 10'	GT 10'	
Land Use	Factors	0	1	2	3	
Single-Family Residential	Parcel (per Acre) (1)	51.735	51.735	51.735	51.735	
	Building Factor Constant: First Floor SqFt Less than 1050 Sq Ft (2)	16.69	36.73	77.92	87.92	
	Building Factor Constant: First Floor SqFt Greater than 1050 Sq Ft	25.50	56.12	119.03	134.33	
Residential-Condo	Parcel (per Acre)	51.735	51.735	51.735	51.735	
	Building Factor Constant	14.84	32.65	69.26	78.15	
Residential-Mobile Home Park	Parcel (per Acre)	51.735	51.735	51.735	51.735	
	Building (per FF Sq Ft)	0.009275	0.020406	0.043285	0.048850	
Multi-Family Residential	Parcel (per Acre)	57.302	57.302	57.302	57.302	
	Building (per FF Sq Ft)	0.018552	0.040811	0.086569	0.097699	
Commercial	Parcel (per Acre)	114.188	114.188	114.188	114.188	
	Building (per FF Sq Ft)	0.028857	0.103882	0.180351	0.210650	
Industrial	Parcel (per Acre)	48.025	48.025	48.025	48.025	
	Building (per FF Sq Ft)	0.060804	0.076262	0.108210	0.140159	
Vacant	Parcel (per Acre)	29.940	29.940	29.940	29.940	
	Building (per FF Sq Ft)	0.000000	0.000000	0.000000	0.000000	
Agricultural	Parcel (per Acre)	5.152	5.152	5.152	5.152	
	Building (per FF Sq Ft)	0.000000	0.000000	0.000000	0.000000	

(1) For large lot Single Family Residential parcels (parcel area greater than 0.5 acres) multiply area greater than 0.5 acre by Agricultural Parcel rate.  
 (2) First Floor (FF) Sq Ft not including garage area  
 NOTE: Increase of 2% approved by WSAFCA Board 7/14/11  
 Rate update prepared by the City of West Sacramento Flood Protection Division (8/10/2011)

Source: City Finance Department

WEST SACRAMENTO AREA FLOOD CONTROL AGENCY  
 FLOOD ASSESSMENT SPECIAL TAX RATES  
 LAST FOUR FISCAL YEARS

Land Use		Fiscal Year 2011 Factors	RATE BY FLOOD ZONE			
			0' to 1'	1' to 5'	5' to 10'	GT 10'
			0	1	2	3
Single-Family Residential	Parcel (per Acre) (1)		50.721	50.721	50.721	50.721
	Building Factor Constant: First Floor SqFt Less than 1050 Sq Ft (2)		16.36	36.01	76.39	86.20
	Building Factor Constant: First Floor SqFt Greater than 1050 Sq Ft		25.00	55.02	116.70	131.70
Residential-Condo	Parcel (per Acre)		50.721	50.721	50.721	50.721
	Building Factor Constant		14.55	32.01	67.90	76.62
Residential-Mobile Home Park	Parcel (per Acre)		50.721	50.721	50.721	50.721
	Building (per FF Sq Ft)		0.009093	0.020006	0.042436	0.047892
Multi-Family Residential	Parcel (per Acre)		56.178	56.178	56.178	56.178
	Building (per FF Sq Ft)		0.018188	0.040011	0.084872	0.095783
Commercial	Parcel (per Acre)		111.949	111.949	111.949	111.949
	Building (per FF Sq Ft)		0.028291	0.101845	0.176815	0.206520
Industrial	Parcel (per Acre)		47.083	47.083	47.083	47.083
	Building (per FF Sq Ft)		0.059612	0.074767	0.106088	0.137411
Vacant	Parcel (per Acre)		24.451	24.451	24.451	24.451
	Building (per FF Sq Ft)		0.000000	0.000000	0.000000	0.000000
Agricultural	Parcel (per Acre)		5.051	5.051	5.051	5.051
	Building (per FF Sq Ft)		0.000000	0.000000	0.000000	0.000000

(1) For large lot Single Family Residential parcels (parcel area greater than 0.5 acres) multiply area greater than 0.5 acre by Agricultural Parcel rate.  
 (2) First Floor (FF) Sq Ft not including garage area  
 NOTE: Increase of 2% approved by WSAFCA Board 7/08/10  
 Rate update prepared by the City of West Sacramento Flood Protection Division (7/26/2010)

Source: City Finance Department

WEST SACRAMENTO AREA FLOOD CONTROL AGENCY  
 FLOOD ASSESSMENT SPECIAL TAX RATES  
 LAST FOUR FISCAL YEARS

Fiscal Year : 2010		RATE BY FLOOD ZONE				
		0' to 1'	1' to 5'	5' to 10'	GT 10'	
Land Use	Factors	0	1	2	3	
Single-Family Residential	Parcel (per Acre) (1)	49.726	49.726	49.726	49.726	49.726
	Building Factor Constant: First Floor SqFt Less than 1050 Sq Ft (2)	16.04	35.30	74.89	84.51	
	Building Factor Constant: First Floor SqFt Greater than 1050 Sq Ft	24.51	53.94	114.41	129.12	
Residential-Condo	Parcel (per Acre)	49.726	49.726	49.726	49.726	49.726
	Building Factor Constant	14.26	31.38	66.57	75.12	
Residential-Mobile Home Park	Parcel (per Acre)	49.726	49.726	49.726	49.726	49.726
	Building (per FF Sq Ft)	0.008915	0.019614	0.041604	0.046953	
Multi-Family Residential	Parcel (per Acre)	55.076	55.076	55.076	55.076	55.076
	Building (per FF Sq Ft)	0.017831	0.039226	0.083208	0.093905	
Commercial	Parcel (per Acre)	109.754	109.754	109.754	109.754	109.754
	Building (per FF Sq Ft)	0.027736	0.099848	0.173348	0.202471	
Industrial	Parcel (per Acre)	46.160	46.160	46.160	46.160	46.160
	Building (per FF Sq Ft)	0.058443	0.073301	0.104008	0.134717	
Vacant	Parcel (per Acre)	23.972	23.972	23.972	23.972	23.972
	Building (per FF Sq Ft)	0.000000	0.000000	0.000000	0.000000	0.000000
Agricultural	Parcel (per Acre)	4.952	4.952	4.952	4.952	4.952
	Building (per FF Sq Ft)	0.000000	0.000000	0.000000	0.000000	0.000000

(1) For large lot Single Family Residential parcels (parcel area greater than 0.5 acres) multiply area greater than 0.5 acre by Agricultural Parcel rate.

(2) First Floor (FF) Sq Ft not including garage area

NOTE: Increase of 2% approved by WSAFCA Board 7/09/09

Rate update prepared by the City of West Sacramento Flood Protection Division (7/10/2009)

Source: City Finance Department



WEST SACRAMENTO AREA FLOOD CONTROL AGENCY

PRINCIPAL PROPERTY TAXPAYERS  
CURRENT YEAR AND ONE YEAR AGO  
Calendar Year

2013		2012	
Taxpayer*	Annual Assessment	Annual Assessment	Percentage of Total Special Assessments Value
SACTO & YOLO PORT	\$ 84,794	\$ 48,157	1.29%
U S POSTAL SERVICE	63,041	45,872	1.23%
CALIFORNIA STATE OF	57,286	37,000	0.99%
PROLOGIS-A4 CA I LP	52,126	31,931	0.85%
SACRAMENTO FOODCO INV LLC	49,653	30,914	0.83%
WAL-MART REAL ESTATE BUSINESS	46,606	30,730	0.82%
BUZZ OATES LLC ETAL	40,050	25,826	0.69%
WASHINGTON UNIFIED SCHOOL DIS	38,159	23,016	0.62%
PANCAL 300 SOUTHPORT 20 LLC	34,563	21,191	0.57%
STONERIDGE WESTBRIDGE SHOPPI	33,581	20,335	0.54%
<b>Total</b>	<b>\$ 499,859</b>	<b>\$ 314,972</b>	<b>8.42%</b>

\*Secured role properties

NOTE: Agency has not tracked this information from FY 2008 to FY 2011, but will present prospectively.

Sources: WSAFCA Flood Division

WEST SACRAMENTO AREA FLOOD CONTROL AGENCY

SPECIAL TAX LEVIES AND COLLECTIONS  
LAST FOUR FISCAL YEARS

Fiscal Year Ended June 30	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount <sup>(1)</sup>	Percentage of Levy		Amount	Percentage of Levy
2010	\$ 4,034,957	\$ 3,979,302	98.6%	N/A	\$ 3,979,302	98.6%
2011	\$ 4,263,400	\$ 4,194,636	98.4%	N/A	\$ 4,194,636	98.4%
2012	\$ 4,314,952	\$ 4,242,967	98.3%	N/A	\$ 4,242,967	98.3%
2013	\$ 4,412,518	\$ 4,270,716	96.8%	N/A	\$ 4,270,716	96.8%

NOTE: Agency has not tracked this information from FY 2008 to FY 2011, but will present prospectively.  
(1) Secured role revenue

Sources: City Finance Department

WEST SACRAMENTO AREA FLOOD CONTROL AGENCY

RATIOS OF OUTSTANDING DEBT BY TYPE  
 LAST FOUR FISCAL YEARS  
 (dollars in thousands, except per capita)

Fiscal Year Ended June 30	Flood Special Assessment Bonds	Percentage of Personal Income	Per Capita
2010	\$ 9,840	1.01%	\$ 206
2011	\$ 23,030	2.42%	\$ 472
2012 <sup>[1]</sup>	\$ 22,855	2.44%	\$ 466
2013	\$ 22,570	2.30%	\$ 456

NOTE: Agency has not tracked this information from FY 2008 to FY 2011, but will present prospectively.

Source: City Finance Department

WEST SACRAMENTO AREA FLOOD CONTROL AGENCY

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT

As of June 30, 2013  
(dollars in thousands)

2012/2013 Assessed Valuation \$ 5,133,860,499

OVERLAPPING TAX AND ASSESSMENT DEBT	% Applicable <sup>(1)</sup>	Debt as of June 30, 2013	Estimated share of overlapping debt
Los Rios Community College District	3.628%	\$ 377,395,000	\$ 13,691,892
Washington Unified School District	99.912%	60,263,895	60,210,863
City of West Sacramento Community Facilities District No. 8	100.000	35,340,000	35,340,000
City of West Sacramento Community Facilities District No. 9	100.000	170,000	170,000
City of West Sacramento Community Facilities District No. 10	100.000	19,912,661	19,912,661
City of West Sacramento Community Facilities District No. 11	100.000	3,609,829	3,609,829
City of West Sacramento Community Facilities District No. 12	100.000	6,095,000	6,095,000
City of West Sacramento Community Facilities District No. 14	100.000	4,105,000	4,105,000
City of West Sacramento Community Facilities District No. 15	100.000	1,651,968	1,651,968
City of West Sacramento Community Facilities District No. 16	100.000	12,173,173	12,173,173
City of West Sacramento Community Facilities District No. 17	100.000	5,165,000	5,165,000
City of West Sacramento Community Facilities District No. 18	100.000	711,620	711,620
City of West Sacramento Community Facilities District No. 19	100.000	2,390,044	2,390,044
City of West Sacramento Community Facilities District No. 20	100.000	10,360,000	10,360,000
City of West Sacramento Community Facilities District No. 21	100.000	3,125,000	3,125,000
City of West Sacramento Community Facilities District No. 23	100.000	6,430,000	6,430,000
City of West Sacramento Community Facilities District No. 24	100.000	1,245,000	1,245,000
City of West Sacramento Community Facilities District No. 26	100.000	4,000,000	4,000,000
City of West Sacramento Community Facilities District No. 27	100.000	12,645,000	12,645,000
City of West Sacramento 1915 Act Bonds	100.000	6,585,000	6,585,000
California Statewide Communities Dev Authority 1915 Act Bonds	100.000	1,490,000	1,490,000
<b>TOTAL OVERLAPPING TAX AND ASSESSMENT DEBT</b>		<b>\$574,863,190</b>	<b>\$ 211,107,049</b>
<b>OVERLAPPING GENERAL FUND DEBT</b>			
Yolo County Certificates of Participation	25.848%	26,060,000	6,735,989
Yolo County Board of Education Certificates of Participation	25.848	7,067,506	1,826,809

WEST SACRAMENTO AREA FLOOD CONTROL AGENCY

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT (Continued)

As of June 30, 2013  
(dollars in thousands)

	% Applicable <sup>(1)</sup>	Debt as of June 30, 2013	Estimated share of overlapping debt
Los Rios Community College District Certificates of Participation	3.628%	\$ 5,890,000	\$ 213,689
Washington Unified School District	99.912%	66,690,000	66,631,313
City of West Sacramento General Fund Obligation	100.000	25,260,231	25,260,231
City of West Sacramento Pension Obligations	100.000	9,798,700	9,798,700
<b>TOTAL OVERLAPPING GENERAL FUND DEBT</b>		<u>140,766,437</u>	<u>110,466,731</u>
<b>OVERLAPPING TAX INCREMENT DEBT</b>			
City of West Sacramento Redevelopment Agency	100.000	104,595,000	104,595,000
<b>TOTAL OVERLAPPING DEBT</b>		<u>\$ 820,224,627 <sup>(2)</sup></u>	<u>426,168,780</u>
<b>CITY DIRECT DEBT</b>			
<b>TOTAL DIRECT AND OVERLAPPING DEBT</b>			<u>\$ 426,168,780</u>

<sup>(1)</sup> Based on 2009-10 ratios.

<sup>(2)</sup> Excludes tax and revenue anticipation notes, enterprise revenue, mortgage revenue and tax allocation bonds and non-bonded capital lease obligations.

NOTE 1: For debt repaid with property taxes, the percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of another government unit's taxable assessed value that is within the City's boundaries and dividing it by each unit's total taxable assessed value.

Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the City. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the City. This process recognizes that, when considering the City's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for

NOTE 2: On February 1, 2012, the State of California eliminated the Redevelopment Agencies in California pursuant to Assembly

NOTE 3: City has not tracked this information from FY 1999 to FY 2005, but will present prospectively.

Sources: Assessed value data used to estimate applicable percentages provided by the California Municipal Statistics, Inc. Debt outstanding data provided by City Finance Department.

WEST SACRAMENTO AREA FLOOD CONTROL AGENCY

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT

As of June 30, 2012  
(dollars in thousands)

2011/2012 Assessed Valuation	\$ 3,276,523,799
Redevelopment Incremental Valuation <sup>[2]</sup>	-
Adjusted Assessed Valuation	<u>\$ 3,276,523,799</u>

OVERLAPPING TAX AND ASSESSMENT DEBT

	% Applicable <sup>(1)</sup>	Debt as of June 30, 2011	Estimated share of overlapping debt
Los Rios Community College District	3.268%	\$ 330,155,775	\$ 10,789,491
Washington Unified School District	99.916%	60,263,895	60,213,273
City of West Sacramento Community Facilities District No. 8	100.000	35,895,000	35,895,000
City of West Sacramento Community Facilities District No. 9	100.000	170,000	170,000
City of West Sacramento Community Facilities District No. 10	100.000	19,912,661	19,912,661
City of West Sacramento Community Facilities District No. 11	100.000	3,609,829	3,609,829
City of West Sacramento Community Facilities District No. 12	100.000	6,095,000	6,095,000
City of West Sacramento Community Facilities District No. 14	100.000	7,960,000	7,960,000
City of West Sacramento Community Facilities District No. 15	100.000	1,651,968	1,651,968
City of West Sacramento Community Facilities District No. 16	100.000	12,173,173	12,173,173
City of West Sacramento Community Facilities District No. 17	100.000	5,165,000	5,165,000
City of West Sacramento Community Facilities District No. 18	100.000	711,620	711,620
City of West Sacramento Community Facilities District No. 19	100.000	2,390,044	2,390,044
City of West Sacramento Community Facilities District No. 20	100.000	9,650,000	9,650,000
City of West Sacramento Community Facilities District No. 21	100.000	3,125,000	3,125,000
City of West Sacramento Community Facilities District No. 23	100.000	6,430,000	6,430,000
City of West Sacramento Community Facilities District No. 24	100.000	1,245,000	1,245,000
City of West Sacramento Community Facilities District No. 26	100.000	4,000,000	4,000,000
City of West Sacramento Community Facilities District No. 27	100.000	12,645,000	12,645,000
City of West Sacramento 1915 Act Bonds	100.000	1,490,000	1,490,000
California Statewide Communities Dev. Authority 1915 Act Bonds	100.000	464,959	464,959
<b>TOTAL OVERLAPPING TAX AND ASSESSMENT DEBT</b>		<u>525,203,924</u>	<u>205,787,018</u>

OVERLAPPING GENERAL FUND DEBT

Yolo County Certificates of Participation	25.848%	3,204,998	828,428
Yolo County Board of Education Certificates of Participation	25.848	7,067,506	1,826,809

WEST SACRAMENTO AREA FLOOD CONTROL AGENCY

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT (Continued)

As of June 30, 2012  
(dollars in thousands)

	<u>% Applicable <sup>(1)</sup></u>	<u>Debt as of June 30, 2010</u>	<u>Estimated share of overlapping debt</u>
Los Rios Community College District Certificates of Participation	3.628	\$ 6,104,989	\$ 221,489
Washington Unified School District	99.916%	66,690,000	66,633,980
City of West Sacramento General Fund Obligation	100.000	24,735,505	24,735,505
City of West Sacramento Pension Obligations	100.000	10,684,100	10,684,100
West Sacramento Redevelopment Agency	100.000	104,595,000	104,595,000
<b>TOTAL OVERLAPPING GENERAL FUND DEBT</b>		<u>118,487,098</u>	<u>209,525,311</u>
<b>TOTAL OVERLAPPING DEBT</b>		<u>\$ 643,691,022 <sup>(2)</sup></u>	<u>415,312,329</u>
<b>CITY DIRECT DEBT</b>			<u>23,030,000</u>
<b>TOTAL DIRECT AND OVERLAPPING DEBT</b>			<u>\$ 438,342,329</u>

<sup>(1)</sup> Based on 2009-10 ratios.

<sup>(2)</sup> Excludes tax and revenue anticipation notes, enterprise revenue, mortgage revenue and tax allocation bonds and non-bonded capital lease obligations.

NOTE 1: For debt repaid with property taxes, the percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of another government unit's taxable assessed value that is within the City's boundaries and dividing it by each unit's total taxable assessed value.

Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the City. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the City. This process recognizes that, when considering the City's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping government.

NOTE 2: On February 1, 2012, the State of California eliminated the Redevelopment Agencies in California pursuant to Assembly Bill 1x26. The liabilities of the Redevelopment Agencies are reported as Redevelopment Obligation Retirement Fund, a private purpose trust fund.

NOTE 3: Agency has not tracked this information from FY 2008 to FY 2009, but will present prospectively.

Sources: Assessed value data used to estimate applicable percentages provided by the California Municipal Statistics, Inc. Debt outstanding data provided by City Finance Department.

WEST SACRAMENTO AREA FLOOD CONTROL AGENCY

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT

As of June 30, 2011  
(dollars in thousands)

2010/2011 Assessed Valuation	\$ 3,276,523,799
Redevelopment Incremental Valuation	<u>2,151,197,639</u>
Adjusted Assessed Valuation	<u><u>\$ 5,427,721,438</u></u>

OVERLAPPING TAX AND ASSESSMENT DEBT

	% Applicable <sup>(1)</sup>	Debt as of June 30, 2011	Estimated share of overlapping debt
Los Rios Community College District	2.366%	\$ 322,910,000	\$ 7,640,051
Washington Unified School District	99.871%	65,058,895	64,974,969
City of West Sacramento Community Facilities District No. 8	100.000	38,865,000	38,865,000
City of West Sacramento Community Facilities District No. 9	100.000	180,000	180,000
City of West Sacramento Community Facilities District No. 10	100.000	21,227,641	21,227,641
City of West Sacramento Community Facilities District No. 11	100.000	3,853,561	3,853,561
City of West Sacramento Community Facilities District No. 12	100.000	6,505,000	6,505,000
City of West Sacramento Community Facilities District No. 14	100.000	7,710,000	7,710,000
City of West Sacramento Community Facilities District No. 15	100.000	1,740,556	1,740,556
City of West Sacramento Community Facilities District No. 16	100.000	12,793,078	12,793,078
City of West Sacramento Community Facilities District No. 17	100.000	5,075,000	5,075,000
City of West Sacramento Community Facilities District No. 18	100.000	744,689	744,689
City of West Sacramento Community Facilities District No. 19	100.000	2,502,280	2,502,280
City of West Sacramento Community Facilities District No. 20	100.000	10,095,000	10,095,000
City of West Sacramento Community Facilities District No. 21	100.000	3,260,000	3,260,000
City of West Sacramento Community Facilities District No. 23	100.000	6,685,000	6,685,000
City of West Sacramento Community Facilities District No. 24	100.000	1,285,000	1,285,000
City of West Sacramento Community Facilities District No. 26	100.000	4,000,000	4,000,000
City of West Sacramento Community Facilities District No. 27	100.000	12,645,000	12,645,000
City of West Sacramento 1915 Act Bonds	100.000	3,855,000	3,855,000
California Statewide Communities Dev. Authority 1915 Act Bonds	100.000	477,714	477,714
<b>TOTAL OVERLAPPING TAX AND ASSESSMENT DEBT</b>		<u>531,468,414</u>	<u>216,114,539</u>

OVERLAPPING GENERAL FUND DEBT

Yolo County Certificates of Participation	19.769%	3,465,000	684,996
Yolo County Board of Education Certificates of Participation	19.769	7,356,489	1,454,304



WEST SACRAMENTO AREA FLOOD CONTROL AGENCY

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT (Continued)

As of June 30, 2011  
(dollars in thousands)

	<u>% Applicable <sup>(1)</sup></u>	<u>Debt as of June 30, 2010</u>	<u>Estimated share of overlapping debt</u>
Los Rios Community College District Certificates of Participation	2.366	\$ 6,310,000	\$ 149,295
Washington Unified School District	99.871%	69,380,000	69,290,500
City of West Sacramento General Fund Obligation	100.000	26,510,521	26,510,521
TOTAL OVERLAPPING GENERAL FUND DEBT		113,022,010	98,089,616
TOTAL OVERLAPPING DEBT		<u>\$ 644,490,424 <sup>(2)</sup></u>	<u>314,204,154</u>
CITY DIRECT DEBT			<u>23,030,000</u>
TOTAL DIRECT AND OVERLAPPING DEBT			<u>\$ 337,234,154</u>

<sup>(1)</sup> Based on 2009-10 ratios.

<sup>(2)</sup> Excludes tax and revenue anticipation notes, enterprise revenue, mortgage revenue and tax allocation bonds and non-bonded capital lease obligations.

NOTE 1: For debt repaid with property taxes, the percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of another government unit's taxable assessed value that is within the City's boundaries and dividing it by each unit's total taxable assessed value.

Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the City. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the City. This process recognizes that, when considering the City's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore

NOTE 2: Agency has not tracked this information from FY 2008 to FY 2009, but will present prospectively.

Sources: Assessed value data used to estimate applicable percentages provided by the California Municipal Statistics, Inc. Debt outstanding data provided by City Finance Department.

WEST SACRAMENTO AREA FLOOD CONTROL AGENCY

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT

As of June 30, 2010  
(dollars in thousands)

2009/2010 Assessed Valuation	\$ 3,424,123,251
Redevelopment Incremental Valuation	<u>2,147,246,063</u>
Adjusted Assessed Valuation	<u><u>\$ 5,571,369,314</u></u>

OVERLAPPING TAX AND ASSESSMENT DEBT

	% Applicable <sup>(1)</sup>	Debt as of June 30, 2010	Estimated share of overlapping debt
Los Rios Community College District	2.415%	\$ 199,815,000	\$ 4,825,532
Washington Unified School District	99.891%	65,478,895	65,407,523
City of West Sacramento Community Facilities District No. 8	100.000	39,895,000	39,895,000
City of West Sacramento Community Facilities District No. 9	100.000	185,000	185,000
City of West Sacramento Community Facilities District No. 10	100.000	21,841,768	21,841,768
City of West Sacramento Community Facilities District No. 11	100.000	3,965,899	3,965,899
City of West Sacramento Community Facilities District No. 12	100.000	6,700,000	6,700,000
City of West Sacramento Community Facilities District No. 14	100.000	7,890,000	7,890,000
City of West Sacramento Community Facilities District No. 15	100.000	1,784,800	1,784,800
City of West Sacramento Community Facilities District No. 16	100.000	13,081,099	13,081,099
City of West Sacramento Community Facilities District No. 17	100.000	5,180,000	5,180,000
City of West Sacramento Community Facilities District No. 18	100.000	761,317	761,317
City of West Sacramento Community Facilities District No. 19	100.000	2,555,249	2,555,249
City of West Sacramento Community Facilities District No. 20	100.000	10,305,000	10,305,000
City of West Sacramento Community Facilities District No. 21	100.000	3,325,000	3,325,000
City of West Sacramento Community Facilities District No. 23	100.000	6,805,000	6,805,000
City of West Sacramento Community Facilities District No. 24	100.000	1,305,000	1,305,000
City of West Sacramento Community Facilities District No. 26	100.000	4,000,000	4,000,000
City of West Sacramento 1915 Act Bonds	100.000	4,835,000	4,835,000
West Sacramento Area Flood Control Agency 1915 Act Bonds	100.000	9,840,000	9,840,000
<b>TOTAL OVERLAPPING TAX AND ASSESSMENT DEBT</b>		<u>409,549,027</u>	<u>214,488,187</u>

OVERLAPPING GENERAL FUND DEBT

Yolo County Certificates of Participation	20.222%	3,585,000	724,959
Yolo County Board of Education Certificates of Participation	20.222	7,483,694	1,513,353
Los Rios Community College District Certificates of Participation	2.415	6,505,000	157,096

WEST SACRAMENTO AREA FLOOD CONTROL AGENCY

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT (Continued)

As of June 30, 2010  
(dollars in thousands)

	<u>% Applicable <sup>(1)</sup></u>	<u>Debt as of June 30, 2010</u>	<u>Estimated share of overlapping debt</u>
Washington Unified School District	99.891%	\$ 70,645,000	\$ 70,567,997
City of West Sacramento General Fund Obligation	100.000	27,247,162	27,247,162
TOTAL OVERLAPPING GENERAL FUND DEBT		115,465,856	100,210,566
TOTAL OVERLAPPING DEBT		<u>\$ 525,014,883 <sup>(2)</sup></u>	<u>314,698,753</u>
CITY DIRECT DEBT			<u>9,840,000</u>
TOTAL DIRECT AND OVERLAPPING DEBT			<u>\$ 324,538,753</u>

<sup>(1)</sup> Based on 2009-10 ratios.

<sup>(2)</sup> Excludes tax and revenue anticipation notes, enterprise revenue, mortgage revenue and tax allocation bonds and non-bonded capital lease obligations.

NOTE 1: For debt repaid with property taxes, the percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of another government unit's taxable assessed value that is within the City's boundaries and dividing it by each unit's total taxable assessed value.

Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the City. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the City. This process recognizes that, when considering the City's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore

NOTE 2: Agency has not tracked this information from FY 2008 to FY 2009, but will present prospectively.

Sources: Assessed value data used to estimate applicable percentages provided by the California Municipal Statistics, Inc. Debt outstanding data provided by City Finance Department.

WEST SACRAMENTO AREA FLOOD CONTROL AGENCY

PLEDGED-REVENUE COVERAGE - CITY  
 LAST FOUR FISCAL YEARS  
 (dollars in thousands)

Fiscal Year	Flood Special Assessment Bonds					
	Special Tax Assessment Revenues <sup>(1)</sup>	Less Operating Expenses <sup>(2)</sup>	Net Available Revenue	Principal	Interest	Coverage
2010	\$ 3,979	\$ 2,676	\$ 1,303	\$ 160	\$ 504	1.96
2011	\$ 4,195	\$ 2,254	\$ 1,941	\$ 170	\$ 498	2.91
2012	\$ 4,243	\$ 2,451	\$ 1,792	\$ 175	\$ 957	1.58
2013	\$ 4,271	\$ 217	\$ 4,054	\$ 285	\$ 1,123	2.88

<sup>(1)</sup> Total special assessments and other revenues

<sup>(2)</sup> Total operating expenses, excluding depreciation and amortization.

NOTE : Agency has not tracked this information from FY 2008 to FY 2009, but will present prospectively.

Source: City Finance Department

WEST SACRAMENTO AREA FLOOD CONTROL AGENCY

DEMOGRAPHIC AND ECONOMIC STATISTICS  
LAST FOUR FISCAL YEARS

Calendar Year	Population	Personal Income (thousands of dollars)	Per Capita Personal Income	Unemployment Rate
2010	47,782	\$ 974,759	\$ 20,400	11.6%
2011	48,744	\$ 951,471	\$ 19,519	12.2%
2012	49,045	\$ 937,725	\$ 19,120	9.7%
2013	49,523	\$ 982,077	\$ 19,830	12.9%

NOTE : Agency has not tracked this information from FY 2008 to FY 2009, but will present prospectively.

Sources: State Department of Finance and City Finance Department

WEST SACRAMENTO AREA FLOOD CONTROL AGENCY

PRINCIPAL EMPLOYERS  
LAST FOUR CALENDAR YEARS

		2013		2012	
		Number of	Percentage	Number of	Percentage
		Employees	of Total City	Employees	of Total City
			Employment		Employment
United State Postal Service	United State Postal Service	1,605	11.94%	1,620	12.74%
State of California, General Services	State of California, General Services	1,960	14.58%	1,200	9.44%
California State Teachers' Retirement System	California State Teachers' Retirement System	1,215	9.04%	1,200	9.44%
United Parcel Service (UPS)	United Parcel Service (UPS)	1,182	8.79%	1,182	9.30%
Affiliated Computer Services	Affiliated Computer Services	900	6.69%	900	7.08%
Washington Unified School District	Washington Unified School District	750	5.58%	775	6.10%
Raley's/Bel Air	Raley's/Bel Air	634	4.72%	634	4.99%
Tony's Fine Food	Xyratex International	500	3.72%	546	4.30%
Nor-Cal Beverage	Walmart	500	3.72%	500	3.93%
Clark Pacific	Tony's Fine Food	439	3.27%	470	3.70%
Conventry Healthcare	Coventry Healthcare	400	2.98%	400	3.15%
ABM Janitorial	ABM Janitorial	400	2.98%	400	3.15%
Hunter Douglas/Bytheways Inc.	City of West Sacramento	400	2.98%	335	2.64%
Walmart	Hunter Douglas/Bytheways Inc.	391	2.91%	302	2.38%
City of West Sacramento	Siemens Healthcare Diagnostics	339	2.52%	286	2.25%
Siemens Healthcare Diagnostics	All Phase Security, Inc.	286	2.13%	280	2.20%
Xyratex International	Nor-Cal Beverage	282	2.10%	250	1.97%
West Sacramento IKEA Home Furnishings	West Sacramento IKEA Home Furnishings	256	1.90%	247	1.94%
Farmers' Rice Cooperative	KOVR TV 13	250	1.86%	242	1.90%
KOVR TV 13	Farmers' Rice Cooperative	231	1.72%	230	1.81%
Idexx Veterinary Services	Clark Pacific	171	1.27%	195	1.53%
Target Corporation	Idexx Veterinary Services	150	1.12%	168	1.32%
Home Depot	Target Corporation	103	0.77%	143	1.12%
Lowe's Home Improvement	Home Depot	100	0.74%	110	0.87%
	Lowe's Home Improvement			97	0.76%
		<u>13,444</u>		<u>12,712</u>	

Source: City Finance Department

WEST SACRAMENTO AREA FLOOD CONTROL AGENCY  
 PRINCIPAL EMPLOYERS  
 LAST FOUR CALENDAR YEARS

	2011		2010	
	Number of Employees	Percentage of Total City Employment	Number of Employees	Percentage of Total City Employment
United State Postal Service	1,620	12.7 %	1,620	12.7 %
State of California, General Services	1,200	9.4	1,251	9.8
California State Teachers' Retirement System	1,200	9.4	1,200	9.4
United Parcel Service (UPS)	1,182	9.3	1,200	9.4
Affiliated Computer Services	900	7.1	900	7.0
Washington Unified School District	775	6.1	775	6.1
Raley's/Bel Air	634	5.0	636	5.0
Xyratex International	546	4.3	550	4.3
Walmart	500	3.9	500	3.9
Tony's Fine Food	470	3.7	450	3.5
Coventry Healthcare	400	3.1	400	3.1
ABM Janitorial	400	3.1	400	3.1
City of West Sacramento	335	2.6	390	3.1
Hunter Douglas/Bytheways Inc.	302	2.4	330	2.6
Siemens Healthcare Diagnostics	286	2.2	286	2.2
All Phase Security, Inc.	280	2.2	250	2.0
Nor-Cal Beverage	250	2.0	242	1.9
West Sacramento IKEA Home Furnishings	247	1.9	225	1.8
KOVR TV 13	242	1.9	219	1.7
Farmers' Rice Cooperative	230	1.8	213	1.7
Clark Pacific	195	1.5	200	1.6
Idexx Veterinary Services	168	1.3	160	1.3
Target Corporation	143	1.1	143	1.1
Home Depot	110	0.9	120	0.9
Lowe's Home Improvement	97	0.8	111	0.9
	<u>12,712</u>		<u>12,771</u>	

Source: City Finance Department

WEST SACRAMENTO AREA FLOOD CONTROL AGENCY  
 FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION/PROGRAM  
 CURRENT YEAR

As of June 30, 2013

Function/Program	Fiscal Year 2013
Flood Division	7

NOTE: City has not tracked this information, but will present prospectively. The Agency will track operating indicators and capital assets statistics starting in 2014.

Source: City Finance Department