

EXHIBIT B

ANNUAL REPORT

\$26,870,000

CITY OF REDWOOD CITY PUBLIC FINANCING AUTHORITY,
WATER REVENUE BONDS,
SERIES 2013

Date of this Annual Report: March 18, 2016

For Fiscal Year: 2014-2015

This Annual Report is hereby submitted under Section 4 of the Continuing Disclosure Certificate (the "Disclosure Certificate") dated June 5, 2013, executed by the undersigned (the "City") for and on behalf of itself and the City of Redwood City Public Financing Authority (the "Authority") in connection with the issuance of the above-captioned bonds by the Authority.

Capitalized terms used in this Annual Report but not otherwise defined have the meanings given to them in the Disclosure Certificate.

Any or all of the items listed below may be included by specific reference to other documents, including official statements of debt issues of the City or related public entities, which have been submitted to each of the Repositories or the Securities and Exchange Commission. If the document included by reference is a final official statement, it must be available from the Municipal Securities Rulemaking Board. The City shall clearly identify each such other document so included by reference.

I. Audited Financial Statements

Attached is a link to audited financial statements of the City, which include financial statements of the City's municipal water system enterprise (the Enterprise"), prepared in accordance with Generally Accepted Accounting Principles as promulgated to apply to governmental entities from time to time by the Governmental Accounting Standards Board.

II. Existing Water Supply and Demand

The table below sets forth the average daily demand and maximum daily demand on the Enterprise for the prior Fiscal Year.

	Average Daily Demand (million gallons per day)	Maximum Daily Demand (million gallons per day)
Current Demand	8.4	8.8
Current Supply Hetch Hetchy	10.9	10.9
Current Supply Recycled Water	2.9	2.9
Current Capacity Surplus	5.4	5.0

III. Enterprise Revenues

The table below sets forth Enterprise revenues by customer type for the prior Fiscal Year.

Enterprise Revenues by Customer Type Fiscal Year 2014-2015.

	No. of Accounts	Consumption (CCF)	% of Total Consumption	"Billed Water" Total \$ Revenues	% of Total Revenue
<u>Residential</u>					
Single-Family	19,146	1,916,358	44%	14,479,022	42%
Multi-Family Residential	1,669	750,209	17%	6,183,831	18%
Irrigation Residential	196	201,231	5%	1,251,438	4%
Subtotal	21,011	2,867,798	66%	21,914,291	64%
<u>Non-Residential</u>					
Municipal/Commercial	1,563	1,009,148	23%	8,255,220	24%
Irrigation Commercial	383	378,119	9%	2,616,024	8%
Subtotal	1,946	1,387,267	32%	10,871,245	32%
<u>Other</u>					
Fire/Other	776	71,786	2%	1,330,726	4%
Total	23,733	4,326,851	100%	34,116,261	100%

IV. Debt Service Coverage

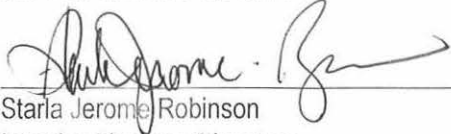
The table below sets forth Enterprise revenues and expenses, debt service on the Bonds, and the resulting debt service coverage ratio for the prior Fiscal Year.

Revenues, Expenses and Debt Service Coverage

Gross Revenue:	
Charges for Services	\$33,989,730
Investment Income/Interest	286,936
Connection Fees	1,045,740
Total Gross Revenue	\$35,322,406
Operating Expenses [1]	
Operating Expenses [1]	\$26,090,515
Transfers In/Out	(653,744)
Total Operating Expenses	\$25,436,771
Net Revenue	\$9,885,635
Debt Service on the Bond	
Debt Service on the Bond	\$4,576,351
Debt Service Coverage Ratio	<u>2.16</u>

[1] Net of depreciation and amortization.

CITY OF REDWOOD CITY

A handwritten signature in black ink, appearing to read "Starla Jerome Robinson", written over a horizontal line.

Starla Jerome Robinson
Interim Finance Director

EXHIBIT B

ANNUAL REPORT

\$20,235,000

CITY OF REDWOOD CITY PUBLIC FINANCING AUTHORITY,
WATER REVENUE BONDS,
SERIES 2015

Date of this Annual Report: March 18, 2016

For Fiscal Year: 2014-2015

This Annual Report is hereby submitted under Section 4 of the Continuing Disclosure Certificate (the "Disclosure Certificate") dated May 1, 2015, executed by the undersigned (the "City") for and on behalf of itself and the City of Redwood City Public Financing Authority (the "Authority") in connection with the issuance of the above-captioned bonds by the Authority.

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Total	23,733	4,326,851	100%	34,116,261	100%

IV. Debt Service Coverage

The table below sets forth Enterprise revenues and expenses, debt service on the Bonds, and the resulting debt service coverage ratio for the prior Fiscal Year.

Revenues, Expenses and Debt Service Coverage	
Gross Revenue:	
Charges for Services	\$35,035,470
Non-operating Income	286,936
Total Gross Revenue	\$35,322,406
Maintenance and Operating Cost [1]	\$25,436,771
Net Revenue Available for Debt Service	\$9,885,635
2006 Installment Payments	\$1,569,014
2007 Installment Payments	948,575
2013 Installment Payments	2,058,762
Total Debit Service	\$4,576,351
Debt Service Coverage Ratio	2.16

[1] Net of depreciation and amortization.

CITY OF REDWOOD CITY


Starla Jerome Robinson
Interim Finance Director