

EXHIBIT B

ANNUAL REPORT

\$26,870,000

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

Date of this Annual Report: **March 10, 2020**

For Fiscal Year: **2018-2019**

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 through its Electronic Municipal Market Access ("EMMA") the centralized on-line repository. 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.

	<u>Average Daily Demand (million gallons per day)</u>	<u>Maximum Daily Demand (million gallons per day)</u>
Current Demand	8.8	11.8
Current Supply Hetch Hetchy	10.9	10.9
Current Supply Recycled Water	2.9	2.9
Current Capacity Surplus	5.0	2.0

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 2018-19

	No. of Accounts	Consumption (CCF)	% of Total Consumption	"Billed Water" Total \$ Revenues	% of Total Revenue
<u>Residential</u>					
Single-Family	19,193	1,792,922	45%	20,207,951	46%
Multi-Family Residential	1,677	779,533	20%	9,338,417	21%
Irrigation Residential	206	220,000	6%	1,718,365	4%
Subtotal	21,076	2,792,455	71%	31,264,733	72%
<u>Non-Residential</u>					
Municipal/Commercial	1,524	717,323	18%	7,626,120	17%
Irrigation Commercial	400	374,772	9%	3,352,692	8%
Subtotal	1,924	1,092,095	28%	10,978,811	25%
Fire	732	2,174	0%	752,479	2%
Other	77	62,597	2%	636,819	1%
Total	23,809	3,949,321	100%	43,632,842	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 Fiscal Year 2018-19

Gross Revenue:	
Charges for Services	\$ 44,998,831
Investment Income/Interest	\$ 1,707,352
Connection Fees	\$ 175,637
Total Gross Revenue	\$ 46,881,820
Operating Expenses [1]	\$ 32,725,719
Transfers In/Out	\$ (749,637)
Total Operating Expenses	\$ 31,976,082
Net Revenue	\$ 14,905,738
Debt Service on Bonds	\$ 4,109,778
Debt Service Coverage Ratio	\$ 3.63

[1] Net of depreciation and amortization.

EXHIBIT B

ANNUAL REPORT

\$20,235,000

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

Date of this Annual Report: **March 10, 2020**

For Fiscal Year: **2018-2019**

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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[1] Net of depreciation and amortization.

V. No Default Certificate

A certified statement of the City to the effect that no Event of Default (as defined in that certain Installment Purchase Contract, dated as of May 1, 2015 by and between the Authority and the City (the "Installment Purchase Contract") has occurred, or if an Event of the Default has occurred, specifying the nature thereof and, if the City has a right to cure pursuant to Section 7.01 of the Installment Purchase Contract, stating in reasonable detail the measures, if any being undertaken by the City to cure such Event of Default.

VI. Insurance Compliance

A certified statement of the City to the effect that all insurance required by the Installment Purchase Contract to be carried by the City with respect to the Enterprise is in full force and effect and complies with the terms of the Installment Purchase Contract.

VII. Application of Gross Revenues

A summary statement showing the amount of the Gross Revenues and the disbursements from the Gross Revenues, and the Maintenance and Operation Costs, in reasonable detail, for the preceding Fiscal Year, and a general statement of the Financial and physical condition of the Enterprise.

EXHIBIT B

ANNUAL REPORT

\$6,300,000

**CITY OF REDWOOD CITY PUBLIC FINANCING AUTHORITY,
WATER REVENUE REFUNDING BONDS,
SERIES 2017**

Date of this Annual Report: **March 10, 2020**

For Fiscal Year: **2018-2019**

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