NORTH DELTA WATER AGENCY

Report on Audits

Years Ended June 30, 2021 and 2020

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Independent Auditor's Report

To the Board of Directors
North Delta Water Agency
Sacramento, California

We have audited the accompanying statements of net position and governmental fund balance sheets of North Delta Water Agency as of June 30, 2021 and 2020, and the related statements of activities and governmental fund revenues, expenditures and changes in fund balance for the years then ended, and the related notes to the financial statements.

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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to error or fraud. 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.

To the Board of Directors
North Delta Water Agency
Sacramento, California

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of North Delta Water Agency as of June 30, 2021 and 2020, and the respective changes in financial position thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Management has omitted the management's discussion and analysis and budgetary comparison information that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing 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. Our opinion on the basic financial statements is not affected by this missing information.

Perry, Bunch & Johnston, Inc.

Woodland, California
January 22, 2022

NORTH DELTA WATER AGENCY

STATEMENT OF NET POSITION AND GOVERNMENTAL FUND BALANCE SHEET

June 30, 2021

	General Fund	Adjustments	Statement of Net Position
ASSETS:			
Cash in bank	$ 740,549	$ -	$ 740,549
Cash in local agency investment fund	1,511,716	-	1,511,716
Assessments receivable - Net	10,224	22,338	32,562
Other receivable	-	14,362	14,362
Interest receivable	-	1,234	1,234
Prepaid expenses	-	1,515	1,515
Total Assets	$ 2,262,489	$ 39,449	$ 2,301,938
DEFERRED OUTFLOWS OF RESOURCES:			
Deferred pension outflows - Actuarial	-	23,836	23,836
Total Assets and Deferred Outflows of Resources		$ 63,285	$ 2,325,774
CURRENT LIABILITIES:			
Accounts payable	$ 12,648	$ -	$ 12,648
Accrued payroll	5,000	-	5,000
Accrued vacation payable	8,936	-	8,936
Total Current Liabilities	26,584	-	26,584
LONG-TERM LIABILITIES:			
Net pension liability	-	50,666	50,666
Total Long-Term Liabilities	-	50,666	50,666
Total Liabilities	26,584	50,666	77,250
DEFERRED INFLOWS OF RESOURCES:			
Deferred pension inflows - Actuarial	-	958	958
FUND BALANCE/NET POSITION:			
Fund balance:			
Unassigned	2,235,905	(2,235,905)	-
Total Fund Balance	2,235,905	(2,235,905)	-
Total Liabilities, Deferred Inflows of Resources and Fund Balance	$ 2,262,489		
Net Position:			
Unrestricted		2,247,566	2,247,566
Total Net Position		2,247,566	2,247,566
Total Liabilities, Deferred Inflows of Resources and Net Position		$ 63,285	$ 2,325,774

See accompanying notes.

NORTH DELTA WATER AGENCY

STATEMENT OF NET POSITION AND GOVERNMENTAL FUND BALANCE SHEET

June 30, 2020

	General Fund	Adjustments	Statement of Net Position
ASSETS:			
Cash in bank	$ 832,235	$ -	$ 832,235
Cash in local agency investment fund	1,002,880	-	1,002,880
Assessments receivable - Net	-	72,053	72,053
Interest receivable	-	3,659	3,659
Prepaid expenses	-	1,515	1,515
Total Assets	$ 1,835,115	$ 77,227	$ 1,912,342
DEFERRED OUTFLOWS OF RESOURCES:			
Deferred pension outflows - Actuarial	-	27,114	27,114
Total Assets and Deferred Outflows of Resources		$ 104,341	$ 1,939,456
CURRENT LIABILITIES:			
Accounts payable	$ 27,805	$ -	$ 27,805
Accrued vacation payable	9,438	-	9,438
Total Current Liabilities	37,243	-	37,243
LONG-TERM LIABILITIES:			
Net pension liability	-	48,469	48,469
Total Long-Term Liabilities	-	48,469	48,469
Total Liabilities	37,243	48,469	85,712
DEFERRED INFLOWS OF RESOURCES:			
Deferred pension inflows - Actuarial	-	2,678	2,678
FUND BALANCE/NET POSITION:			
Fund balance:			
Unassigned	1,797,872	(1,797,872)	-
Total Fund Balance	1,797,872	(1,797,872)	-
Total Liabilities, Deferred Inflows of Resources and Fund Balance	$ 1,835,115		
Net Position:			
Unrestricted		1,851,066	1,851,066
Total Net Position		1,851,066	1,851,066
Total Liabilities, Deferred Inflows of Resources and Net Position		$ 104,341	$ 1,939,456

STATEMENT OF ACTIVITIES AND GOVERNMENTAL FUND REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

Year Ended June 30, 2021

	General Fund	Adjustments	Statement of Activities
REVENUES:			
Assessments - Net	$ 1,530,893	$ (35,350)	$ 1,495,543
Interest income	8,898	(2,425)	6,473
Total Revenues	1,539,791	(37,775)	1,502,016
EXPENDITURES/EXPENSES:			
CA WaterFix	73,644	-	73,644
Direct billing costs	19,129	-	19,129
Director fees and expenses	7,900	-	7,900
Dues and contributions	7,264	-	7,264
Engineering	112,515	-	112,515
Insurance	4,369	-	4,369
Legal	92,050	-	92,050
Meeting expenses	1,474	-	1,474
Salaries and benefits	151,157	3,758	154,915
Service agreement	11,297	-	11,297
Water quality contract expense	615,718	-	615,718
Office	3,978	-	3,978
Other	1,263	-	1,263
Total Expenditures/Expenses	1,101,758	3,758	1,105,516
Change in Fund Balance/Net Position	438,033	$ (41,533)	396,500
Fund Balance/Net Position, Beginning of Year	1,797,872		1,851,066
Fund Balance/Net Position, End of Year	$ 2,235,905		$ 2,247,566

See accompanying notes.

STATEMENT OF ACTIVITIES AND GOVERNMENTAL FUND REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

Year Ended June 30, 2020

	General Fund	Adjustments	Statement of Activities
REVENUES:			
Assessments - Net	$ 1,375,823	$ 72,053	$ 1,447,876
Interest income	20,515	(720)	19,795
Total Revenues	1,396,338	71,333	1,467,671
EXPENDITURES/EXPENSES:			
Accounting and auditing	6,504	-	6,504
CA WaterFix	207,627	-	207,627
Direct billing costs	16,147	-	16,147
Director fees and expenses	4,145	-	4,145
Dues and contributions	7,328	-	7,328
Engineering	28,847	-	28,847
Insurance	6,625	192	6,817
Legal	128,320	-	128,320
Meeting expenses	466	-	466
Salaries and benefits	134,732	8,852	143,584
Service agreement	12,805	-	12,805
Water quality contract expense	615,729	-	615,729
Office	7,571	-	7,571
Donation	50,250	-	50,250
Other	1,809	-	1,809
Total Expenditures/Expenses	1,228,905	9,044	1,237,949
Change in Fund Balance/Net Position	167,433	$ 62,289	229,722
Fund Balance/Net Position, Beginning of Year	1,630,439		1,621,344
Fund Balance/Net Position, End of Year	$ 1,797,872		$ 1,851,066

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

FINANCIAL REPORTING ENTITY AND NATURE OF ACTIVITIES:

North Delta Water Agency (the Agency) was formed in 1973 with the passage of the North Delta Water Agency Act. The Agency has a contract with the State of California for the purpose of protecting the water supply of the lands within the Agency's boundaries against the intrusion of salt water and assuring a dependable supply of water suitable to meet present and future needs.

The accompanying statements of the Agency have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applicable to governmental units. The financial statements include all activities and functions that comprise the Agency. The Agency has no component units. Component units are legally separate entities for which the Agency (primary government) is financially accountable, or for which the exclusion of the component unit would render the financial statements of the primary government misleading. The criteria used to determine if the primary government is financially accountable for component unit includes whether the primary government appoints the voting majority of the potential component unit's governing body, is able to impose its will on the potential component unit, is in a relationship of financial benefit or burden with the potential component unit, or is fiscally depended upon by the component unit. There are no organizations that fit these criteria. The Agency is therefore financially accountable solely for its own activities.

MEASUREMENT FOCUS, BASIS OF ACCOUNTING AND FINANCIAL STATEMENT PRESENTATION:

Fund Financial Statements:

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Agency considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting.

The Agency uses a single general fund to maintain its financial records during the year. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. The single general fund utilized by the Agency is a governmental fund. Governmental funds reporting focuses on the sources, uses and balances of current financial resources. The difference between governmental fund assets and liabilities is reported as fund balance.

Government-Wide Financial Statements:

The government-wide financial statements (i.e., the statements of net position and the statements of activities) report information on all activities of the Agency. The Agency is a special purpose entity engaged in a single governmental program. The Agency has no fiduciary funds or component units that are fiduciary in nature.

Property tax assessments levied upon landowners located within Agency boundaries are the primary revenue source of the Agency. All revenue of the Agency, including assessment revenue, is considered to be general revenues. The Agency has no program revenue. Direct expenses are those that are clearly identifiable with a specific function. As a single purpose entity, all expenses of the Agency are considered to be direct expenses.

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Assessments are recognized as revenues in the year for which they are levied.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (Continued)

Equity is classified as net position and displayed in three components:

- Net investment in capital assets - Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction or improvement of those assets.

- Restricted net position - Consists of net position with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.

- Unrestricted net position - All other net position that does not meet the definition of "restricted" or "invested in capital assets, net of related debt."

When both restricted and unrestricted resources are available for use, it is the Agency's policy to use restricted resources first, then unrestricted resources as they are needed. The Agency had no restricted resources at year-end for all fiscal years presented.

ASSESSMENTS RECEIVABLE:
The Agency uses the allowance method to estimate doubtful accounts. Assessments receivable are reported at the amount management expects to collect from outstanding balances. Differences between the amount due and the amount management expects to collect are reported in the results of operations of the year in which those differences are determined, with an offsetting entry to a valuation allowance for assessments receivable. The valuation allowance at June 30, 2021 and 2020 was $0.

USE OF ESTIMATES:
The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

CAPITAL ASSETS:
Capital assets are defined by the Agency as assets with an initial, individual cost of more than $500. Such capital assets are recorded at historical cost or estimated historical cost if purchased or constructed. Depreciation is calculated using the straight-line method over the estimated useful lives of the respective assets as follows:

Description	Estimated Useful Life
Equipment	5 to 7 years

DEFERRED OUTFLOW/DEFERRED INFLOW OF RESOURCES:
In the year ending June 30, 2018, the Agency implemented GASB Statement No. 63 - Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position. The objective of this statement is to provide guidance for reporting deferred outflows of resources, deferred inflows of resources, and net position in a statement of financial position and related disclosures.

In addition to assets, the financial statements report separate section for deferred outflows of resources and deferred inflows of resources. Deferred outflows represent a consumption of net assets that is applicable to a future reporting period and will not be recognized as an outflow of resources (expense) until then. Conversely, deferred inflows of resources represent an acquisition of net assets that is applicable to a future reporting period and will not be recognized as an inflow of resources (revenue) until that time.

NOTE 2 - CASH:

CUSTODIAL CREDIT RISK:

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party.

The Agency maintains cash balances with financial institutions in accordance with California Government Code. The Agency has not formally adopted its own deposit and investment policies that limit the Agency's allowable investments or deposits and that address custodial credit risk. The California Government Code does not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits or investments, other than the following provision for deposits: The California Government Code requires that a financial institution secure deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless so waived by the governmental unit). The market value of the pledged securities in the collateral pool must equal at least 110 percent of the total amount deposited by the public agencies. California law also allows financial institutions to secure deposits by pledging first trust deed mortgage notes having a value of 150 percent of the secured public deposits.

The Agency is a voluntary participant in the Local Agency Investment Fund (LAIF) that is regulated by the California Government Code under the oversight of the Treasurer of the State of California. The Agency's investment in this pool is reported in the accompanying financial statements at cost verses amounts based upon the Agency's pro-rata share of the fair value provided by LAIF for the entire LAIF portfolio (in relation to the amortized cost of that portfolio). The balance available for withdrawal is based on the accounting records maintained by LAIF, which are recorded on an amortized cost basis. The difference between cost and fair value is minimal.

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NOTE 3 - CAPITAL ASSETS:

	Balance at July 1, 2020	Additions	Deletions	Balance at June 30, 2021
Office equipment	$ 1,016	$ -	$ -	$ 1,016
Total Capital Assets	1,016	-	-	1,016
Less accumulated depreciation for:				
Office equipment	1,016	-	-	1,016
Total Accumulated Depreciation	1,016	-	-	1,016
Total Capital Assets - Net of Depreciation	$ -			$ -

Total depreciation expense for the fiscal year ended June 30, 2021 was $0, respectively.

	Balance at July 1, 2019	Additions	Deletions	Balance at June 30, 2020
Office equipment	$ 1,016	$ -	$ -	$ 1,016
Total Capital Assets	1,016	-	-	1,016
Less accumulated depreciation for:				
Office equipment	1,016	-	-	1,016
Total Accumulated Depreciation	1,016	-	-	1,016
Total Capital Assets - Net of Depreciation	$ -			$ -

Total depreciation expense for the fiscal year ended June 30, 2020 was $0, respectively.

NOTE 4 - RELATED PARTY TRANSACTIONS:

The Agency shares offices with the California Central Valley Flood Control Association (CCVFCA) through an agreement under which CCVFCA charges the Agency for its share of the cost of using CCVFCA's office space, equipment, supplies, and utilities. Total amount paid was $9,166 and $10,000 for fiscal years ended June 30, 2021 and 2020, respectively. At June 30, 2021 and 2020, amounts due to related parties totaled $2,131 and $2,805, respectively.

NOTE 5 - RISK MANAGEMENT:

The Agency is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters. These risks are provided for through the purchase of commercial insurance including coverage for property and general liability.

The Agency has had no significant reduction in insurance coverage from prior years. The Agency has had no settlements that exceeded insurance coverage for the past five years.

NOTE 6 - INCOME TAX:

The Agency is exempt from federal and state income taxes.

NOTE 7 - RECONCILIATION TO GOVERNMENT-WIDE STATEMENTS:

Amounts reported for governmental activities in the statement of net position and statement of activities as of June 30, 2021, are different because:

Total Fund Balance - General Fund	$ 2,235,905
Interest receivable - Amounts of interest received after year end that relates to current year earnings.	1,234
Receivables - Receivables were not received within 60 days of year end and reduces revenue until collected for governmental funds. However, in the government-wide statements, receivables are recorded as an asset and revenue.	36,700
Prepaid expenses - Payments for insurance and dues are expensed entirely in the period paid for governmental funds. In the government-wide statements, payments for insurance are recorded as an asset and expensed in the period of coverage.	1,515
Amounts reported as deferred outflows/inflows of resources related to the Agency's pension plan will be allocated to future years.	
Deferred outflows of resources related to pensions	23,836
Deferred inflows of resources related to pensions	(958)
Long-term liabilities - Certain liabilities are not due and payable in the current period and therefore, are not reported in the governmental funds.	
Net pension liability	(50,666)
Net Position of Governmental Activities	$ 2,247,566
Net Change in Fund Balance - General Fund	$ 438,033
Assessments - Assessments were not received within 60 days of fiscal year end and reduces revenue until collected for governmental funds. However, in the statement of net position, receivables are recorded as an asset and revenue.	(35,350)
Interest income - Income reported in period received for governmental funds. In the statement of activities, income is recorded in period of coverage.	(2,425)
Governmental funds report pension contributions as expenditures. However, in the statement of activities, the cost of pension benefits earned net of employee contributions is reported as pension expense.	(3,758)
Change in Net Position of Governmental Activities	$ 396,500

NOTE 7 - RECONCILIATION TO GOVERNMENT-WIDE STATEMENTS: (Continued)

Amounts reported for governmental activities in the statement of net position and statement of activities as of June 30, 2020, are different because:

Total Fund Balance - General Fund	$ 1,797,872
Interest receivable - Amounts of interest received after year end that relates to current year earnings.	3,659
Receivables - Receivables were not received within 60 days of year end and reduces revenue until collected for governmental funds. However, in the government-wide statements, receivables are recorded as an asset and revenue.	72,053
Prepaid expenses - Payments for insurance and dues are expensed entirely in the period paid for governmental funds. In the government-wide statements, payments for insurance are recorded as an asset and expensed in the period of coverage.	1,515
Amounts reported as deferred outflows/inflows of resources related to the Agency's pension plan will be allocated to future years.	
Deferred outflows of resources related to pensions	27,114
Deferred inflows of resources related to pensions	(2,678)
Long-term liabilities - Certain liabilities are not due and payable in the current period and therefore, are not reported in the governmental funds.	
Net pension liability	(48,469)
Net Position of Governmental Activities	$ 1,851,066

Net Change in Fund Balance - General Fund	$ 167,433
Assessments - Assessments were not received within 60 days of fiscal year end and reduces revenue until collected for governmental funds. However, in the statement of net position, receivables are recorded as an asset and revenue.	72,053
Interest income - Income reported in period received for governmental funds. In the statement of activities, income is recorded in period of coverage.	(720)
Insurance - Payments for insurance are expensed entirely in the period paid for governmental funds. In the statement of activities, payments for insurance are expensed in the period of coverage.	(192)
Salaries and benefits - Payments for payroll taxes are expensed entirely in the period paid for governmental funds. In the statement of activities, payments for taxes are expensed in the period of coverage.	(2,055)
Governmental funds report pension contributions as expenditures. However, in the statement of activities, the cost of pension benefits earned net of employee contributions is reported as pension expense.	(6,797)
Change in Net Position of Governmental Activities	$ 229,722

NOTE 8 - PENSION PLAN - CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM (CalPERS):

PLAN DESCRIPTION:
All qualified permanent and probationary employees are eligible to participate in the Agency's Miscellaneous Employee Pension Plans, cost-sharing multiple employer defined benefit pension plans administered by the California Public Employees' Retirement System (CalPERS). Benefit provisions under the Plans are established by State statue and North Delta Water Agency resolution. CalPERS issues publicly available reports that include a full description of the pension plans regarding benefit provisions, assumptions, and membership information that can be found on the CalPERS website.

BENEFITS PROVIDED:
Qualified employees are eligible to participate in the Public District Cost-Sharing Multiple-Employer Plan under CalPERS, a cost-sharing multiple-employer public employee retirement system defined benefit pension plan administered by CalPERS. The Public District Cost-Sharing Multiple-Employer Plan is comprised of a Miscellaneous Risk Pool and a Safety Risk Pool. The Plan provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Benefit provisions are established by State statues, as legislatively amended, within the Public Employees' Retirement Law.

On September 12, 2012, the California Governor signed the California Public Employees' Pension Reform Act of 2013 (PEPRA) into law. PEPRA took effect January 1, 2013. The new legislation closed the District's CalPERS 2% at 60 Risk Pool Retirement Plan to new employee entrants effective December 31, 2012. Employees of the District hired after January 1, 2013, are eligible for the District's CalPERS 2% at 62 Retirement Plan under PEPRA. Applicable new hires to the District defined as classic employees as determined by CalPERS will be subject to the non-PEPRA provisions. Classic employees are generally defined as employees who have been a member of any public retirement system who have had less than a six month break in service.

The Plans' provisions and benefits in effect at June 30, 2021, are summarized as follows:

	Miscellaneous Plan	
Hire date	Prior to January 1, 2013	On or After January 1, 2013
Benefit formula	2.0% @ 60	2.0% @ 62
Benefit vesting schedule	5 years of service	5 years of service
Benefit payments	monthly for life	monthly for life
Retirement age	50-55	52-67
Monthly benefits, as a % of eligible compensation	2.000%	2.000%
Required employee contribution rates	7.000%	6.750%
Required employer contribution rates	7.634%	6.842%

CONTRIBUTIONS:
Section 20814(c) of the California Public Employees' Retirement Law requires that the employer contribution rates for all public employers are determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. Total Plan contributions are determined annually through the CalPERS annual actuarial valuation process. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The Agency is required to contribute the difference between the actuarially determined rate and the contribution rate of employees.

NOTE 8 - PENSION PLAN - CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM (CalPERS): (Continued)

For the fiscal years ended June 30, 2021 and 2020, the contributions from the Plan were as follows:

	Miscellaneous Plan	
	2021	2020
Contribution - Employer	$ 14,689	$ 12,922

PENSION LIABILITIES, PENSION EXPENSE, DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS OF RESOURCES RELATED TO PENSIONS:
As of June 30, 2021 and 2020, the Agency reported net pension liabilities for its proportionate shares of the net pension liability of the Plans as follows:

	Proportionate Share of Net Pension Liability	
	2021	2020
Miscellaneous Plan	$ 50,666	$ 48,469

The Agency's net pension liability for the Plan is measured as the proportionate share of the net pension liability for the pool. The net pension liability of the Plan is measured as of June 30, 2020, and the total pension liability for the Plan used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2019. The Agency's proportion of the net pension liability was based on a projection of the Agency's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined.

The Agency's proportionate share of the net pension liability for each Plan as of June 30, 2020 and 2021 was as follows:

	Miscellaneous Plan
Proportion - June 30, 2020	0.00047%
Proportion - June 30, 2021	0.00047%
Change - Increase (Decrease)	0.00000%

The Agency's proportionate share of the net pension liability for each Plan as of June 30, 2019 and 2020 was as follows:

	Miscellaneous Plan
Proportion - June 30, 2019	0.00047%
Proportion - June 30, 2020	0.00047%
Change - Increase (Decrease)	0.00000%

For the years ended June 30, 2021 and 2020, the Agency recognized pension expense of $18,444 and $18,665, respectively.

NOTE 8 - PENSION PLAN - CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM (CalPERS): (Continued)

At June 30, 2021, the Agency reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes of assumptions	$ -	$ 361
Differences between expected and actual experience	2,611	-
Differences between projected and actual investment earnings	1,505	-
Differences between employer's contributions and proportionate share of contributions	5,019	-
Change in employer's proportion	12	597
Pension contributions made subsequent to measurement date	14,689	-
	$ 23,836	$ 958

At June 30, 2020, the Agency reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes of assumptions	$ 2,311	$ 819
Differences between expected and actual experience	3,366	261
Differences between projected and actual investment earnings	-	847
Differences between employer's contributions and proportionate share of contributions	6,642	-
Change in employer's proportion	1,873	751
Pension contributions made subsequent to measurement date	12,922	-
	$ 27,114	$ 2,678

For the year ended June 30, 2021, the Agency's deferred outflows of resources related to contributions subsequent to the measurement date totaled $14,689. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized as pension expense as follows:

Years June 30,	Amount
2022	$ 3,052
2023	2,839
2024	1,575
2025	723
	$ 8,189

NOTE 8 - PENSION PLAN - CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM (CalPERS): (Continued)

For the year ended June 30, 2020, the Agency's deferred outflows of resources related to contributions subsequent to the measurement date totaled $12,922. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized as pension expense as follows:

Year June 30,	Amount
2021	$ 8,603
2022	1,473
2023	1,266
2024	171
	$ 11,513

ACTUARIAL METHODS AND ASSUMPTIONS:
A summary of principal assumptions and methods used to determine the contractually required contributions is shown below for the cost-sharing multiple-employer defined benefit plan.

Valuation date	June 30, 2018
Measurement date	June 30, 2019
Actuarial cost method	Entry age normal cost method
Actuarial assumptions:	
Discount rate	7.15%
Inflation	2.50%
Salary increases	Varies by entry age and service
Mortality rate table (1)	Derived using CalPERS' membership data for all funds
Post-retirement benefit increase	Contact COLA up to 2.0% until purchasing power protection allowance floor on purchasing power applies, 2.50% thereafter

(1) The mortality table used was developed based on CalPERS-specific data. The table includes 15 years of mortality improvements using Society of Actuaries Scale 90% of scale MP 2016. For more details on this table, please refer to the December 2017 experience study report (based on CalPERS demographic data from 1997 to 2015) that can be found on the CalPERS website.

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

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

NOTE 8 - PENSION PLAN - CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM (CalPERS): (Continued)

The expected real rates of return by asset class are as followed:

Asset Class	Assumed Asset Allocation	Real Return Years 1-10(a)	Real Return Years 11+(b)
Global equity	50%	4.80%	5.98%
Fixed income	28%	1.00%	2.62%
Inflation assets	0%	0.77%	1.81%
Private equity	8%	6.30%	7.23%
Real assets	13%	3.75%	4.93%
Liquidity	1%	0.00%	-0.92%

(a) An expected inflation of 2.0 % used for this period
(b) An expected inflation of 2.92 % used for this period

DISCOUNT RATE:

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

SENSITIVITY OF THE PROPORTIONATE SHARE OF THE NET PENSION LIABILITY TO CHANGES IN THE DISCOUNT RATE:

The tables on the following page presents the Agency's proportionate share of the net position liability for the Plan, calculated using the discount rate, as well as what the Agency's proportional share of the net pension liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate:

At June 30, 2021, the discount rate comparison was the following:

	Discount Rate (6.15%)	Current Discount Rate (7.15%)	Discount Rate (8.15%)
Agency's net pension liability	$ 87,930	$ 50,666	$ 19,875

At June 30, 2020, the discount rate comparison was the following:

	Discount Rate (6.15%)	Current Discount Rate (7.15%)	Discount Rate (8.15%)
Agency's net pension liability	$ 81,124	$ 48,469	$ 21,514

NOTE 8 - PENSION PLAN - CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM (CalPERS): (Continued)

PLAN FIDUCIARY NET POSITION:

Detailed information about CalPERS Miscellaneous Risk Plan fiduciary net position is available in a separate comprehensive annual financial report. Copies of the CalPERS annual financial report may be obtained from the CalPERS Executive Office, 400 P Street, Sacramento, CA 95814.

PAYABLE TO THE PENSION PLAN:

At June 30, 2021 and 2020, there is no outstanding amount of contributions to the pension plan required for the years ended June 30, 2021 and 2020.

NOTE 9 - SUBSEQUENT EVENTS:

Management has considered all subsequent events for disclosure in the financial statements through January 22, 2022, which represents the date the financial statements were available to be issued.

NORTH DELTA WATER AGENCY

Required Supplementary Information

Years Ended June 30, 2021 and 2020

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET PENSION LIABILITY - CALPERS*

Years Ended June 30, 2021 and 2020

Years Ended June 30,	Agency's Proportion of the NPL	Agency's Proportionate Proportion of the NPL	Agency's Covered Payroll	Agency's Proportionate Share of the NPL as a % of Covered Payroll	Plan Fiduciary Net Position As a % of total Pension Liability
2021	0.00047%	$ 50,666	$ 106,423	47.61%	75.10%
2020	0.00047%	48,469	103,323	46.91%	75.27%
2019	0.00047%	45,601	100,313	45.46%	75.26%
2018	0.00049%	48,587	97,292	49.94%	73.31%
2017	0.00049%	42,386	94,554	44.83%	74.06%
2016	0.00053%	36,948	92,382	39.99%	78.40%
2015	0.00053%	41,050	88,999	46.12%	79.82%

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CONTRIBUTIONS - CALPERS*

Years Ended June 30, 2021 and 2020

Years Ended June 30,	Actuarially Determined Contributions	Contributions In Relation to Contractually Required Contributions	Contribution Deficiency/ (Excess)	Agency's Covered Payroll	Contributions As a % of Covered Payroll
2021	$ 14,689	$ (16,666)	(1,977)	$ 106,423	13.80%
2020	12,922	(13,039)	(117)	103,323	12.51%
2019	12,133	(13,021)	(888)	100,313	12.10%
2018	11,344	(11,567)	(223)	97,292	11.66%
2017	10,239	(10,241)	(2)	94,554	10.83%
2016	9,480	(9,480)	-	92,382	10.26%
2015	10,066	(10,007)	59	88,999	11.31%

NOTE 1 - PURPOSE OF STATEMENTS:

SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET PENSION LIABILITY:

The Schedule of the Agency's Proportionate Share of the Net Pension Liability is presented to illustrate the elements of the Agency's Net Pension Liability. There is a requirement to show information for 10 years. However, until a full 10-year trend is compiled, governments should present information for those years for which information is available.

SCHEDULE OF CONTRIBUTIONS:

The Schedule of Agency's Contributions is presented to illustrate the Agency's required contributions relating to the pensions. There is a requirement to show information for 10 years. However, until a full 10-year trend is compiled, governments should present information for those years for which information is available.

NOTE 2 - SUMMARY OF CHANGES:

BENEFIT TERMS:

There were no changes to benefit terms since the previous valuation for either the California Public Employer's Retirement Fund (CalPERS).